DIGITALBOX PLC

ANNUAL REPORT AND ACCOUNTS 2022

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Chairman's Statement

FOR THE YEAR ENDED 31 DECEMBER 2022

I am delighted to report that Digitalbox plc ('Digitalbox') successfully delivered an Adjusted EBITDA* for 2022 of £1.1m, an increase of 5.1% on the prior year and, importantly, the business increased profitability with the Adjusted EBITDA margin of 30.2% compared to 28.1% in the prior year.

The business maintained its strategic focus delivering a 'mobile first' media operation at scale through the use of leading technologies to optimise both audience engagement and commercial performance. As the mobile channel represents the key segment of the fast-growing digital advertising market, we continue to see this as an excellent area to operate within.

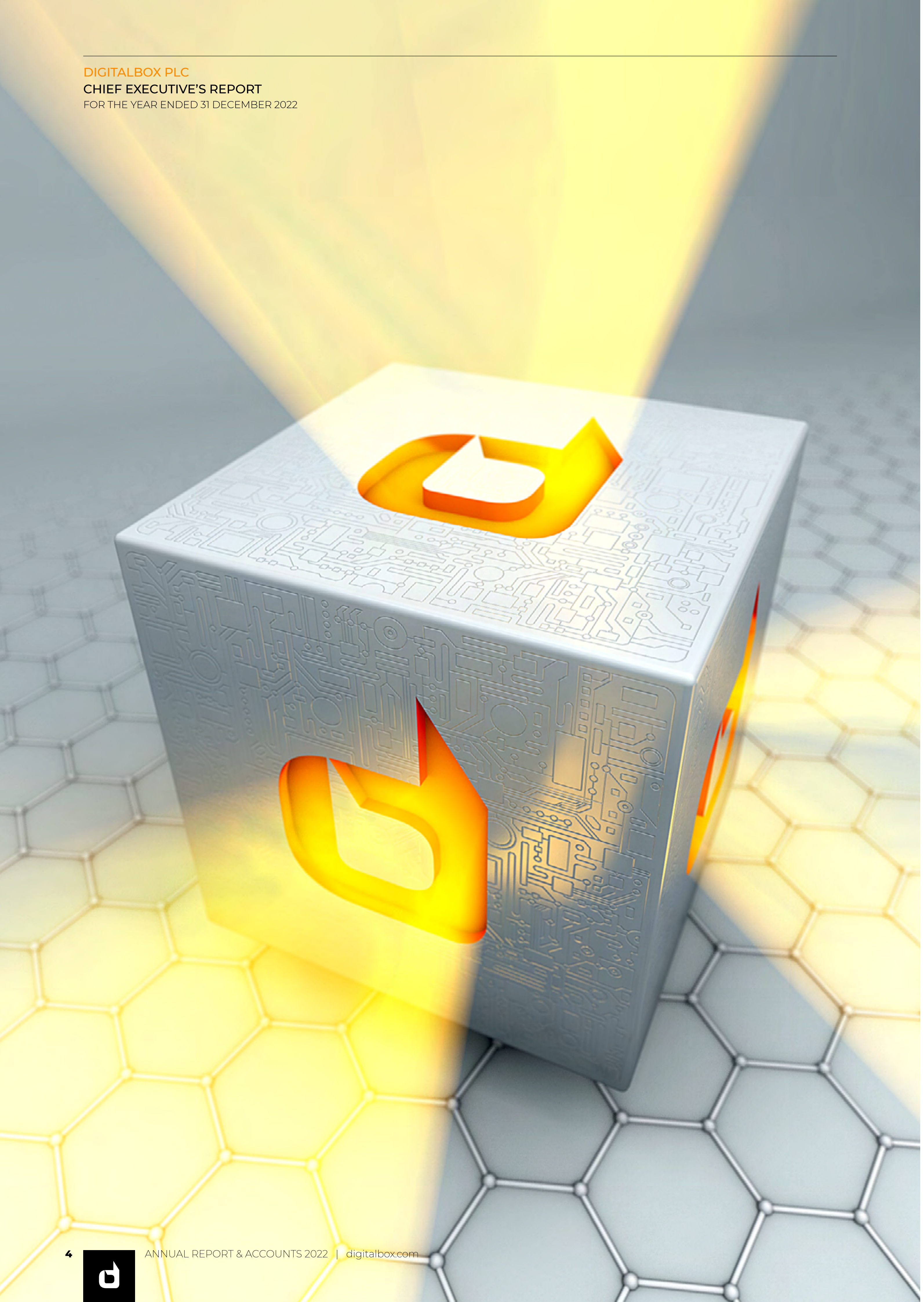
The aftershocks of the global pandemic together with the war in Ukraine had a profound impact on global food and energy prices which have negatively impacted consumer spending power and, in turn, advertising spend. The result was a highly volatile trading environment in 2022 which was well navigated by the management team. We reported seeing the headwinds arriving in the middle of the year and the team adapted to deliver full year revenues of £3.6m and Adjusted EBITDA within market guidance.

Digitalbox closed the year with gross cash of £2.8m which is £0.6m up on the prior year and with net cash (gross cash less bank debt) of £2.5m which is £0.7m up on the prior year.

On the acquisition front, in accordance with Digitalbox's stated buy and build strategy, we have exchanged contracts on the acquisition of the assets of tvguide.co.uk ltd and completed the purchase of The Poke, the latter having hit the ground running and demonstrating its potential from the outset. The acquisition of tvguide.co.uk is expected to complete in H1 2023.

With the enlarged portfolio of Entertainment Daily, The Daily Mash, The Tab, The Poke and tvguide.co.uk, the business will be well placed to deal with the challenges of 2023 and to take advantage of further acquisition opportunities that the trading conditions will likely bring to the fore.

Marcus Rich
Chairman
27 March 2023



Chief Executive's Report

FOR THE YEAR ENDED 31 DECEMBER 2022

2022 was another significant year for Digitalbox, once again delivering profitable growth and making further progress on our strategy of building a leading mobile-focused media business. We developed our portfolio with the addition of The Poke, attracted new audiences and monetised them effectively. The successful year-end outcome has been greatly aided by our knowledge, focus and agility allowing us to drive benefit from our strategic positioning and navigate challenging trading environments.

With the economic turmoil arising from the pandemic, the war in Ukraine and other issues within the UK economy itself, marketers continue to choose media which presents the most accountable and relevant commercial solutions within the marketing mix, in particular mobile digital media. As we have continued to develop our audience verticals we are now the most significant online publisher of humour/comedy content in the UK and one of the largest publishers for women, continuing to benefit from the market movement towards quality advertising inventory at scale.

> “Further progress building a leading, mobile-first media business”

FINANCIAL REVIEW

We are pleased to deliver Adjusted EBITDA* of £1.1m, which reflected an increase of 5.1% on the prior year and a margin of 30.2% (2021: 28.1%). Cash generation is a key feature of this business and we closed the year with gross cash of £2.8m, an uplift of £0.6m on the prior year and with net cash (gross cash less bank debt) of £2.5m an uplift of £0.7m on the prior year.

These cash increases are despite the business having continued to invest in its products and having acquired The Poke in an all-cash purchase towards the end of the year. This underlines the cash generative nature of the business delivering Cash Generated by Operations of £1.4m which is 131% of Adjusted EBITDA.

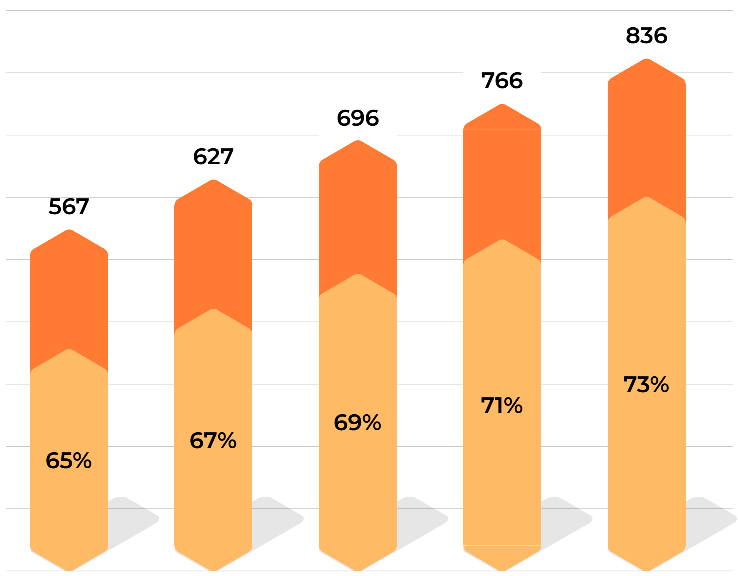
Full year revenues of £3.6m are 2.4% down overall on 2021 but mask the challenging macro trading environment of 2022 which saw the Group's underlying revenues up 40% in H1 and down 27% in H2 on the same periods in the prior year.

The revenue model for The Daily Mash changed from purely consumer advertising dependent to a hybrid subscription model during the year, which required the Directors to provide for a full impairment of the carrying value of this cash generating unit. Accordingly, an impairment charge of £716k has been charged to the profit and loss account.

OPERATING REVIEW

Digitalbox currently owns and operates four trading brands – Entertainment Daily, The Daily Mash, The Tab and The Poke. Entertainment Daily produces and publishes online UK entertainment news covering TV, showbiz and celebrities. The Tab is the UK's largest student and youth culture site fuelled by a London- →

Projected Global Digital / Mobile Ad Spend



based core team and a national network of 30 local university sites. The Daily Mash delivers online satirical news articles in its own distinctive style and The Poke expertly curates the funniest content from around the web and social media. All four brands generate revenue from advertising in and around the content they publish.

Whilst 2022 was a year of continued uncertainty, it further demonstrated the effectiveness of the digital advertising medium as its share grew to 65% of global ad spend. As post-pandemic trends continued to evolve the adoption of ecommerce via the most personal of channels, the mobile device, continued to grow. With Digitalbox's mobile-first focus, we were well positioned in 2022 and remain very well placed for the forecast growth over coming years.

Our audience levels in term of sessions increased by 7% to 293m. As well as building out further content strands to our existing brands we invested in acquiring The Poke, with the deal completing in December 2022. Integration has been smooth and we have quickly re-platformed the brand to gain benefit from our technology stack and drive its commercial success.

Compelling content remains at the core of the Digitalbox offering, created by talented teams with an expert understanding of their respective audiences. We marry their expertise with our proprietary mobile-first tech stack, Graphene. Named after the incredibly fast, light, super-conductive material, Graphene has been developed to deliver the best user experience through the fastest and lightest page load speeds on mobile.

Alongside this highly optimised, low-friction content delivery, part of the Graphene suite, the Graphene Ad Stack (GAS) now powers Entertainment Daily, The Daily Mash, The Tab and, most recently, The Poke. We are seeing significant value creation here as The Poke's improved data from our deployment of GAS has enabled it to significantly grow advertising session values within the early stages of our ownership.

As our portfolio expands GAS's role in optimising revenue performance across the business and speeding the route to enhanced profitability for acquired properties is key for us.

The Tab has proved to be a great success since its acquisition at the end of 2020 having fully paid back its purchase costs within the first two years and we hope to deliver similar results with The Poke. We

*Source: eMarketer, Oct 2022 https://www.insiderintelligence.com/content/worldwide-digital-ad-spending-2023

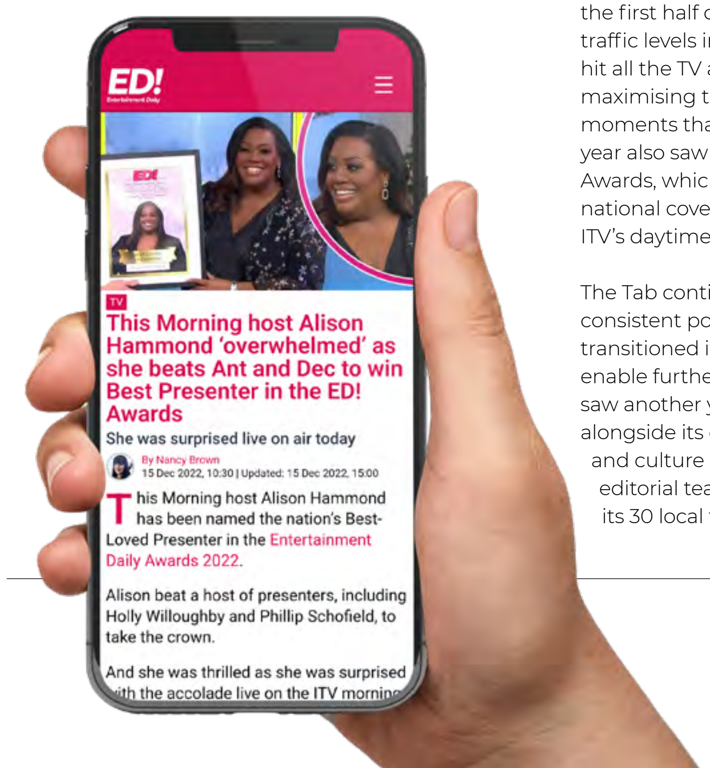
continue to evaluate further acquisitions and have seen a significant increase in opportunities as other publishers with lower margin headroom endured challenging trading conditions in 2022. We remain ready to move quickly where we can realise the appropriate value.

The Digitalbox team was scaled during 2022 to bring capacity for further growth on our existing brands and to ensure any acquisitions can be quickly integrated, whilst operational efficiencies will remain strong.

LEADING AS A MOBILE-FIRST BUSINESS

Our strategy to create a mobile-first business has helped position us as a leader in the market for both audience engagement and monetisation. Push media skills remain critical and our brands continue to engage consumers at scale through this channel with 91% of our audience across the portfolio visiting on mobile devices. With an average of over 24m monthly user visits to our sites, we present truly significant user scale to the market especially when combined with our capacity to engage.

Mobile advertising spend was growing well ahead of the economic issues of 2022 and we anticipate its acceleration once we emerge from this challenging period. As part of our Graphene technology suite that supports our mobile-first strategy, we have built a new Graphene Ad Stack (GAS) which enables optimisations to be rapidly applied. As previously reported, our GAS set up on The Tab quickly drove it to profitability and we are seeing similar results on The Poke. This will give Digitalbox a distinct advantage as we look to further optimise our existing portfolio, complete more acquisitions and benefit from the forecast growth in the digital ad market.

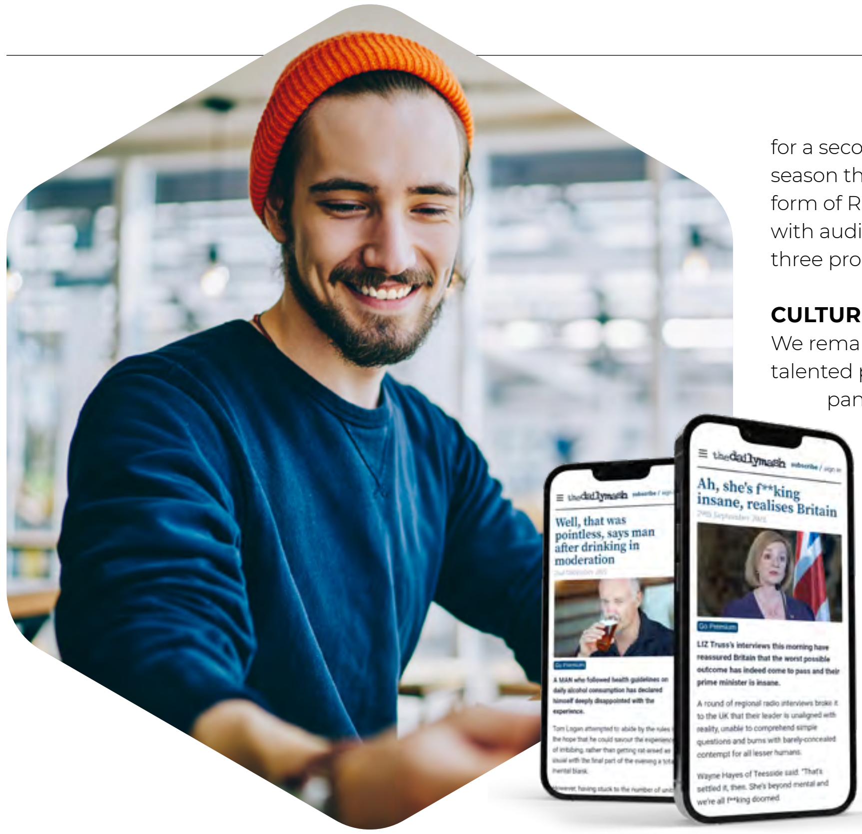


PORTFOLIO GROWTH

Humour curation site The Poke is the most recent addition to the Digitalbox portfolio, with its acquisition completing in December. We feel The Poke is an excellent stablemate for The Daily Mash with a distinct editorial proposition of its own. It brings 1m social followers.

Entertainment Daily saw overall session (visits) growth of 17% year-on-year despite Google algorithm changes causing some challenges. Google accounted for 25m sessions in 2022 and Facebook also performed well in the first half of the year contributing to record organic traffic levels in Q1. The editorial team continued to hit all the TV and showbiz stories as the news broke, maximising traffic and social engagement around moments that caught the nation's imagination. This year also saw the launch of the Entertainment Daily Awards, which attracted more than 150k votes and national coverage including the opening segment of ITV's daytime flagship, This Morning.

The Tab continues to perform on strategy delivering consistent positive contribution now we have transitioned it onto our Graphene platform which will enable further optimisations going forward. This year saw another year of strong, campaigning editorial alongside its established output in entertainment and culture coverage, new hires into the social and editorial team and increased content output from its 30 local teams. →



The Daily Mash had a steady year of recovery growing back from the Facebook strike that caused problems in H1 when the platform struggled to identify the difference between fictional individuals identified in satire and mainstream news articles. With a highly loyal core audience and genuinely unique content, the Mash represented an ideal opportunity to diversify its revenue sources. Our launch of an ad-free premium content experience behind a paywall continues to show encouraging signs with 1,400 monthly subscribers. The impact of the brand was further extended with The Late Night Mash TV show returning for a second series on UK TV's Dave channel. This season the show had a well-received new host in the form of Rachel Parris and continued to perform well with audience levels once again placed it in the top three programmes for the channel.

CULTURE AND PEOPLE

We remain focused on creating a culture that enables talented people to do their best work. Even before the pandemic that meant being flexible and agile rather than harbouring traditional views of office culture or adopting a one-size-fits-all approach. We continue to mix office-based roles and remote working arrangements, full-time and part-time positions, staff and freelance contributor agreements to marry the needs of the business with those of our people. A hybrid scenario of both home and office working is what we have found most successful.

During the year our teams fully embraced flexible working while delivering great results. Good communication and a sense of inclusion are important to us, so we continue to publish monthly all-staff updates on progress and stage weekly leadership sessions alongside daily team meetings. Building on this, in July we held our second all-staff conference and party in Bath followed by a December trip to London's Winter Wonderland, both providing fantastic opportunities for the entire company to gather and share ideas.

Recruiting and retaining great people is crucial to our growth. Our success hiring younger talent on Entertainment Daily through its apprentice programme has continued along with new development opportunities, training and development for more senior staff. The Daily Mash has strengthened its commissioning team and we have used The Tab's outreach network to bring new writing talent onto the site.

Everyone at Digitalbox benefits from the company's life assurance and pension schemes and we aim to ensure our staff are rewarded fairly and have opportunities to progress within the business. All team members and their immediate families have access to our free wellbeing and support programme including personalised healthy eating and exercise plans, mental health support, legal and medical advice and ways to prevent burnout. A share options scheme also exists for senior staff.

I would like to take the opportunity to thank all Digitalbox staff for their incredible hard work and enthusiasm during the last year and their valuable contribution to these results. As the company continues to grow it's a pleasure to be working with such a talented and committed team.

Corporate Highlights

REVENUE	ADJUSTED EBITDA
£3.6m vs £3.7m in 2021	£1.1m vs £1.0m in 2021
ADJUSTED EBITDA MARGIN	ADJUSTED EBITDA PER SHARE
30.2% vs 28.1% in 2021	0.9p vs 0.9p in 2021

*Adjusted EBITDA is defined as the operating profit after adding back depreciation, amortisation, impairment, share based payments, acquisition costs, direct costs associated with business combinations and capital restructure costs

BUSINESS OUTLOOK

Digitalbox has continued to develop as a profitable UK digital media business positioned squarely in the mobile space.

Despite the highly challenging macroeconomic environment, global digital advertising spend is forecast to grow by more than 40% in the next four years. The market reaction to both economic and health-related turbulence of the last few years has accelerated the trends which benefit Digitalbox, pushing the business to the forefront as mobile devices' share is forecast to shift from 65% of all digital ad spend in 2022 to 70% in 2027 and our content and tech teams continue to strengthen delivery through this channel.

Beyond the advertising market, entertainment production houses are expected to increase their spend to over £10bn for UK TV in 2023, providing increasing engagement from both the big terrestrial channels and the streamers. This increasing investment stimulates our various audiences leading to big shows like I'm a Celebrity Get Me Out Of Here and Love Island showing record engagement on our sites in 2022.

The three acquisitions completed since being listed on AIM – The Daily Mash, The Tab and The Poke – have all proved the potential of our model, giving us confidence we can continue to create growth within the portfolio and make further acquisitions when the fit is right.

Whilst 2021 saw a strong recovery from the pandemic and the markets adjusted to work with the new realities attached to changed consumer behaviour, 2022 was a clear story of two halves. The trend towards digital and mobile advertising spend continued accelerating in the first half followed by a second half slowdown driven by the global impact of spiralling energy and food prices impacting consumer spending power. With global economies subject to these headwinds into H1 2023, the open ad market is a good place to be as it has the ability to adapt in real time. Global commentary points towards the market recovering in the second half of 2023 with a full return forecast for 2024. We have no reason to doubt these predicted changes and are confident the business is very well placed for the returning market.

We enter 2023 with an expanded portfolio primed for future growth when the economy returns, a stronger investor base and a confident digital advertising sector expected to significantly increase its share of global ad spend over coming years.

James Carter
Chief Executive
27 March 2023

Strategic Report

The Digitalbox Vision

We set out to build a new digital media business; one driven by profit and efficiency delivering high quality content engaging users at speed and scale.

Our aim remains to generate organic growth of our existing assets and to acquire and transform digital media properties with the potential to thrive through the application of the Digitalbox model.

We have a proven ability to grow at speed by focusing on current and future trends; rapidly adapting to technical advances and the habits of our audience, free from legacy issues that frequently cause distraction in other media businesses.

CONSUMER MEDIA BEHAVIOUR

The Digitalbox publishing model was informed by the recognition of the growth of 'push media' consumption, especially on mobile – where the most highly engaging and relevant content from publishers is placed in users' feeds based on trending topics, article performance and their own behaviours and interests. Content-surfacing algorithms continue to be refined, delivering a better user experience and higher rates of engagement resulting in more time being spent within the respective gateways to this content.

Meta, Alphabet and TikTok continue to compete for consumer attention through 'push media' consumption, and it is the publishers with the most engaging content that will continue to benefit from this competition. Google continues to develop its push content strategy via the Discover feed which is now making billions of content suggestions and Facebook is placing a greater focus on its content tools being more fully integrated across its platforms in a bid to better enable creators and satisfy their audiences. TikTok is taking audience share from all of the key platforms and its predictive content model points the way towards the use of AI which will become increasingly important over the next few years.

Targeting consumers via an array of distribution channels is one thing, but having the ability to profitably operate in those channels is where the real skillset lies.

Whilst the major platforms continue to evolve their AI models, consumers continue to support other push media sources too and as a result, we will continue to see growth opportunities.

OUR APPROACH

We believe in order to be successful in today's media environment a business, its brands and its people must be:

ENGAGING

The internet is dominated by platforms that compete for engagement and media brands that deliver the highest levels will prosper. Our teams' passion for their subjects, understanding of their audiences and expertise in producing truly compelling content, consistently deliver market-leading levels of engagement.

FAST

Audiences' expectation levels are higher than ever and their attention spans are lower. Our content and tech teams obsess about getting the best stories to their readers as quickly as possible.

FLEXIBLE

Digitalbox is a mobile-first media company for the simple reason that this is where consumers have congregated. Our future strategy will be shaped by continuing to move with our audience. This will inevitably require flexibility as different platforms go in and out of favour and different devices emerge. We know tomorrow will be different.

EFFICIENT

Efficiency matters because we regard profitable operation as the key to longevity. The digital market has seen many long bets against models that fail the profit test. Our teams use every tool to maximise their impact and efficiency.

RELEVANCE

Our business is currently built around a UK audience focus which brings distinct benefits across our key disciplines:

- Our editorial content resonates strongly with our audiences, keeping our readers coming back again and again.
- Our key advertiser relationships all have a significant presence in our local market which is one of the world's most advanced marketing economies and they place the greatest value on high-quality UK traffic.

The addition of The Poke in December 2022 with its UK centricity adds more depth to this element of our strategy.

GROWTH THROUGH 'BUY AND BUILD'

On our admission to AIM in February 2019, Digitalbox outlined a strategy to make investments in its existing portfolio and perform acquisitions to grow the business. We intended to identify targets within markets that offer natural synergies with our ongoing operations and also to expand our existing assets into areas where there is a clear appetite from our audiences.

The completion of The Poke transaction in 2022 marked our third acquisition after The Daily Mash in 2019 and The Tab in 2020. Early results have been pleasing as we have been able to improve the brand's commercial performance despite a very challenging advertising market.

We will continue to target and screen acquisitions that best align with our processes and enhance our existing portfolio to deliver the strategic vision. We will also continue to develop new content verticals that offer the opportunity to scale our existing portfolio.

AUDIENCES THAT ARE IN DEMAND

Entertainment Daily reaches a core demographic of 25-55 year old UK women; the power brokers of UK shopping. Being frequently in charge of the household budget they are passionate about the territory they control. They love brands that provide status and are always on the look-out for great deals they can share with their friends. Our audience has evolved to 4m per month.

The Daily Mash is consumed by savvy UK independent thinkers. These educated professionals respond to the brand's pitch-perfect skewering of the rich and infamous and its inventive and surreal takes on the absurdity of modern life. Influential among their peers thanks to their own finely-tuned view of the world, they are seen as selective and discerning. These 25-44 year olds are power-sharers of digital media who even in these challenging times continue to spread a smile.

> "Our latest acquisition, The Poke, has already seen improved commercial performance"

The Tab was founded by three students at Cambridge in 2009 as a reaction to out-of-touch student papers. Since then it has exploded into one of the biggest sites in Britain, speaking directly the UK's youth. They are the generation tasked with more responsibility than any other in the last 50 years. It will be their reinvention that heals the planet, that creates new ways of working and cares for our ageing population. The leaders of tomorrow, the global citizens who need to think in a more measured and considered fashion.

The Poke was founded in 2010 and has since delivered a uniquely entertaining editorial mix, captivating fans →

MOBILE-OPTIMISED GRAPHENE TECH PLATFORM

Graphene is our scalable and dynamic mobile-first platform. This tech stack consists of a blend of technologies allowing our websites to flourish through an efficient, light touch content delivery approach. This brings significant advantages to how our sites are experienced by users and also ranked by the key platforms – especially Alphabet and Meta – as they evaluate the preferred destinations for users.

Further, our Graphene Ad Stack (GAS) maximises mobile profitability, which has been used to great effect more than doubling the session values on The Tab since early 2021.

Graphene also enables us to realise tech and serving costs on the acquisitions we make.

Graphene will continue to evolve via our tech roadmap for 2023.

Operational KPIs

ONLINE SESSIONS	MOBILE USERS	UK AUDIENCE	SOCIAL FOLLOWERS
293 million	110 million	76 million	8 million
(2021: 273m) (2020: 221m) (2019: 225m)	(2021: 108m) (2020: 59m) (2019: 35m)	(2021: 76m) (2020: 51m) (2019: 37m)	(2021: 7.0m) (2020: 6.7m) (2019: 3.5m)
Visits to Digitalbox's websites	*Numbers of users visiting sites on mobile and tablet devices*	*Users of Digitalbox's websites based in UK*	*Social followers of Digitalbox's properties*

2022 Figures include full year Google Analytics audience figures for Entertainment Daily, The Daily Mash and The Tab, and one month of The Poke in December 2022.
Social Followers includes followers of associated pages on Facebook, Twitter, Instagram and TikTok.

→ with an expertly curated blend of the funniest tweets, comments, videos and reddit discussions as the world reacts to trending news and life in general. Its well-balanced audience of males and females sit primarily in the 25-45 age bracket, loving The Poke's up-to-the-minute takes on the biggest, best and most bizarre stories of the day.

The four audiences have further scope for growth in isolation and for cross-fertilisation across the portfolio.

It's also worth noting that female readers are particularly in demand by advertisers and women visited Digitalbox's websites more than 170 million times in 2022.

PORTFOLIO DEVELOPMENT

While profitability is key, we continue to invest in the existing business. 2023 will see additional development of content, distribution strategy and tech on Entertainment Daily, The Tab, The Daily Mash and The Poke as we aim to strengthen all aspects of our publishing operations.

Further detail on business performance can be found in the Financial Review and Operating Review sections of the Chief Executive's Report beginning on page 4.

Key dates in 2022

- **Jan 2022** Entertainment Daily sessions up 84% y.o.y
- **Jan 2022** Highest ever portfolio session volumes created for the month of January
- **Mar 2022** Digitalbox registers record Q1 audience volumes
- **Mar 2022** Market Cap exceeds £17m
- **April 2022** Tab Talks student initiative for aspiring journalists
- **May 2022** Announced exchange of Heads of Agreement to acquire tvguide.co.uk
- **June 2022** CFO acquires shares
- **Sept 2022** Daily Mash Premium subscribers pass 1,000
- **Sept 2022** The Late Night Mash season 2 broadcasts on Dave
- **Sept 2022** Interim Results announce revenues ahead
- **Oct 2022** The Tab local page views increase by 38%
- **Dec 2022** First annual Entertainment Daily Awards
- **Dec 2022** The Poke acquisition completes
- **Jan 2023** CFO acquires shares

Highlights

As noted, 2022 saw encouraging progress across the portfolio, including:

THE DAILY MASH

1400 MONTHLY MASH PREMIUM SUBSCRIBERS

81% CONVERSION RATE FROM MASH PREMIUM SUBS TRIALS

Dave — LATE NIGHT MASH **TOP 3 SHOW** FOR BROADCASTER **UK TV DAVE**

DIGITALBOX GROUP

4bn+ AD IMPRESSIONS IN 2022

7% **INCREASE** IN AVERAGE MONTHLY SESSIONS

MOBILE-FIRST **91%** MOBILE USERS

THE TAB

53% INCREASE IN INSTAGRAM TRAFFIC

CAMPAIGNING EDITORIAL PICKED UP BY NATIONALS

38% INCREASE IN LOCAL CONTENT PAGE VIEWS

ENTERTAINMENT DAILY

ED! **150K VOTES** FOR FIRST ENTERTAINMENT DAILY AWARDS

RECORD 22M ORGANIC SESSIONS IN JANUARY

38% GROWTH IN DIRECT TRAFFIC

THE POKE

200% GROWTH IN SESSION VALUES FROM GAS DEPLOYMENT

32% UP ON NEW USERS Y.O.Y IN DECEMBER

7% **GROWTH** IN UK USERS

RISKS AND UNCERTAINTIES

The Board considers risk on an ongoing basis and feels it is important to identify risks, form an objective view on the impact of these risks, to consider mitigation plans to counterbalance them and to keep them under constant review.

The risks are those which the Board considers, as at the date of this report, are the most critical to the continued operation of the Group. The risks described do not represent the totality of the risks facing the Group and should not be relied on as such by any person considering any investment decision in relation to the Company's ordinary shares.

RISK	POTENTIAL IMPACT	MITIGATION AND CONTROL
Deviation from strategy	A failure to implement the Group's strategy is likely to lead to the business missing its trading targets which will have an adverse knock-on effect on its cash flow prospects. Further, its growth prospects could be impacted with a consequent negative impact on shareholder value.	The Board meets regularly to monitor the path of the business with the non-executive directors objectively challenging the executives over the performance of the business and its adherence to the agreed plan.
Reliance on key online media platforms	In common with all media businesses globally, the Group uses online media platforms to market and distribute its content which, in turn, drives consumers to its sites which enables monetisation.	The Group monitors the balance of traffic sources in its ongoing operations and when considering acquisition targets and also works to respond to key algorithm changes.
Detrimental algorithm changes & content policy strikes	Traffic sourcing remains an ongoing challenge for all media companies as the key platforms adapt the way they rank and prioritise websites for exposure to their users. Also, if content is flagged correctly or incorrectly for a policy violation by one of the platforms the ability to reach audience is negatively impacted for a period.	Digitalbox constantly monitors performance via the key platforms and makes ongoing adjustments to its set-up to optimise the results alongside the use of specialist consultants who advise with broader industry knowledge. In the event of content policy strikes the Group follows the relevant appeals policy.
Competition	A new entrant into the Group's market could divert our share of the time our audience has to consume its content, reducing session numbers. This would have an adverse effect on the number of adverts the business can serve, hence reducing the revenues the business would generate	There is nothing the Group can do to stop new entrants. However, it can continue to provide highly engaging content at speed encouraging its consumers to remain engaged and loyal.
Cash flow	A significant downturn in the trading performance of the Group would have an adverse effect on the Group's cash reserves.	The business has substantial cash reserves, is very profitable, has a very low capital expenditure requirement and pays close attention to its cash flow forecasts.
Downturn in advertising spending	A material decline in UK mobile digital advertising spend would have a significant impact on the Group's revenues and profitability. Also, technologies which may limit the Group's ability to effectively monetise the audience it attracts, including but not limited to brand-safety tools and ad blockers could impact revenue and profitability.	The Board stays abreast of the wider economic climate, market trends and advertising forecasts and – through close relationships with advertising partners – is well informed about current and coming developments. It has demonstrated an ability to grow revenues during periods of significant change (including the introduction of GDPR).
Cyber attack	A cyber attack could result in the loss of data, loss of revenue due to service outage or loss of cash due to fraud.	As the business is a digital media business, it has an enhanced understanding of the challenges posed by cyber fraudsters. The business has a robust data protection policy, robust data protection and network access controls and carries appropriate cyber crime insurance.
COVID-19 / Further pandemics	A resurgence of COVID-19 or further pandemics would impact consumer behaviour, advertising revenues and publishing operations.	The Group has proven its flexibility with staff effectively working from home. Also, as a digital publisher, the Group's ability to reach its audience is not as heavily affected as other media owners and its sites may see increased traffic, offsetting a proportion of any downturn.
Bolt-on acquisitions	As a business planning on scaling through the acquisition of businesses that complement the Digitalbox portfolio, there is risk attached to the process in three key areas: price being paid, quality of due diligence undertaken and the risk attached to integrating the acquisition into the business.	The Group uses consultants to help the process of acquiring new businesses so we have a triple screening process through the executive team, consultants and then the Board.
Staff retention	Competition for high-quality staff and increased mobility owing to remote working may put pressure on the ability to recruit and retain staff.	The nature of the work provided by Digitalbox is regarded as inherently attractive mitigating the likelihood of staff churn.
Inflationary pressures	The global cost of living crisis is creating inflationary forces, leading to higher operating costs, reducing profitability.	These pressures within the Group are largely confined to impacting on payroll and may ultimately feed through into higher advertising rates, offsetting the issue to an extent. The Group also believes that inflationary pressures may create further opportunities to acquire targets.

RISKS AND UNCERTAINTIES (continued)

RISK	POTENTIAL IMPACT	MITIGATION AND CONTROL
Management Succession Planning	Loss of the knowledge and experience of any senior staff leaving the business may impact performance if a suitable successor cannot be identified in a timely manner.	Potential successors within each team are informally identified by the COO & CEO; a pragmatic approach best suited to the business' lean structures.
ESG strategy & Implementation	The business may need to update and communicate its policies in order to meet evolving governance criteria.	Review of policies and communications to be undertaken and acted on in H1 2023.
Artificial Intelligence	Progress particularly in the field of Generative AI may create significant disruption including but not limited to the areas of content creation, search traffic and user behaviour. As a result, all online media outlets are likely to experience opportunities and challenges as this rapidly evolving technology develops.	The business will trial and adopt these technologies where there are opportunities to better equip its teams to increase the efficiency, quality and quantity of content output and enhance other operational areas. The business will apply the agility demonstrated in the past to adapt.

Section 172 of the Companies Act 2006 requires that the Directors act in a way that the consider, in good faith, would most likely promote the long term success of the business taking into consideration the interests of its shareholders and other stakeholders. The table sets out our key stakeholder groups, their interests and how the Group engages with them.

STAKEHOLDER	WHY WE ENGAGE	HOW WE ENGAGE
Our shareholders	We maintain and value regular dialogue with our shareholders throughout the year and place great importance on our relationship with them. We know that our investors expect a comprehensive insight into the financial performance of the Group, and awareness of long-term strategy and direction. As such, we aim to provide high levels of transparency and clarity of our results and long-term strategy and to build trust in our future plans.	· Regular reports and analysis on investors and shareholders · Annual Report · Company website · Shareholder circulars · AGM · RNS announcements · Press releases
Our employees	Without our employees we wouldn't have a business. Effective employee engagement leads to a happier, healthier workforce who are invested in the success of the Group. We strive to address any employee concerns regarding working conditions, health and safety, training and development, as well as workforce diversity. Engagement with our employees starts from the top and is driven effectively throughout the Group.	· Evaluation and feedback processes for employees and management · Competitive rewards packages · Encouraging employee training and development
Regulatory bodies	The Group's operations are subject to a wide range of laws, regulations, and listing requirements including data protection, tax, employment, environmental and health and safety legislation, along with contractual terms.	· Company website · RNS announcements · Annual Report · Direct contact with regulators · Compliance updates at Board Meetings · Consistent risk review
Our customers	Our relationship with our partners is collaborative and we are in constant dialogue to provide support and analytics as required. We listen to and engage with our customers on a regular basis to ensure that we understand their needs and can provide solutions that address them. We work hard to ensure that customer concerns are dealt with in a timely and professional manner.	· Continual dialogue and review of feedback from customers to ensure satisfaction
Our suppliers	We have a number of key suppliers with whom we have built strong relationships with. We establish effective engagement channels to ensure our relationships remain collaborative and forward focused, and to foster relationships of mutual trust and loyalty.	· Taking a collaborative approach to problem solving with our suppliers · Clear parameters are given, backed-up by written agreements where required, to ensure the Group and supplier's actions are co-ordinated

Corporate and Social Responsibility Report

The Group aims to operate ethically and be socially-responsible in its actions. Below are a number of the approaches through which this is achieved.

BUSINESS CONDUCT, ETHICS AND ANTI-CORRUPTION

The Group is committed to ensuring high standards of business conduct and has adopted policies in support of this including an Anti-Bribery & Anti-Corruption policy and an Equal Opportunities & Anti-Harassment policy.

SAFEGUARDING CONSUMERS' DATA

The Group is committed to safeguarding its consumers' data and only use this information where express permission is granted and solely for the purpose specified. The Group holds registrations with the ICO and follows its guidelines to ensure it remains fully compliant with GDPR.

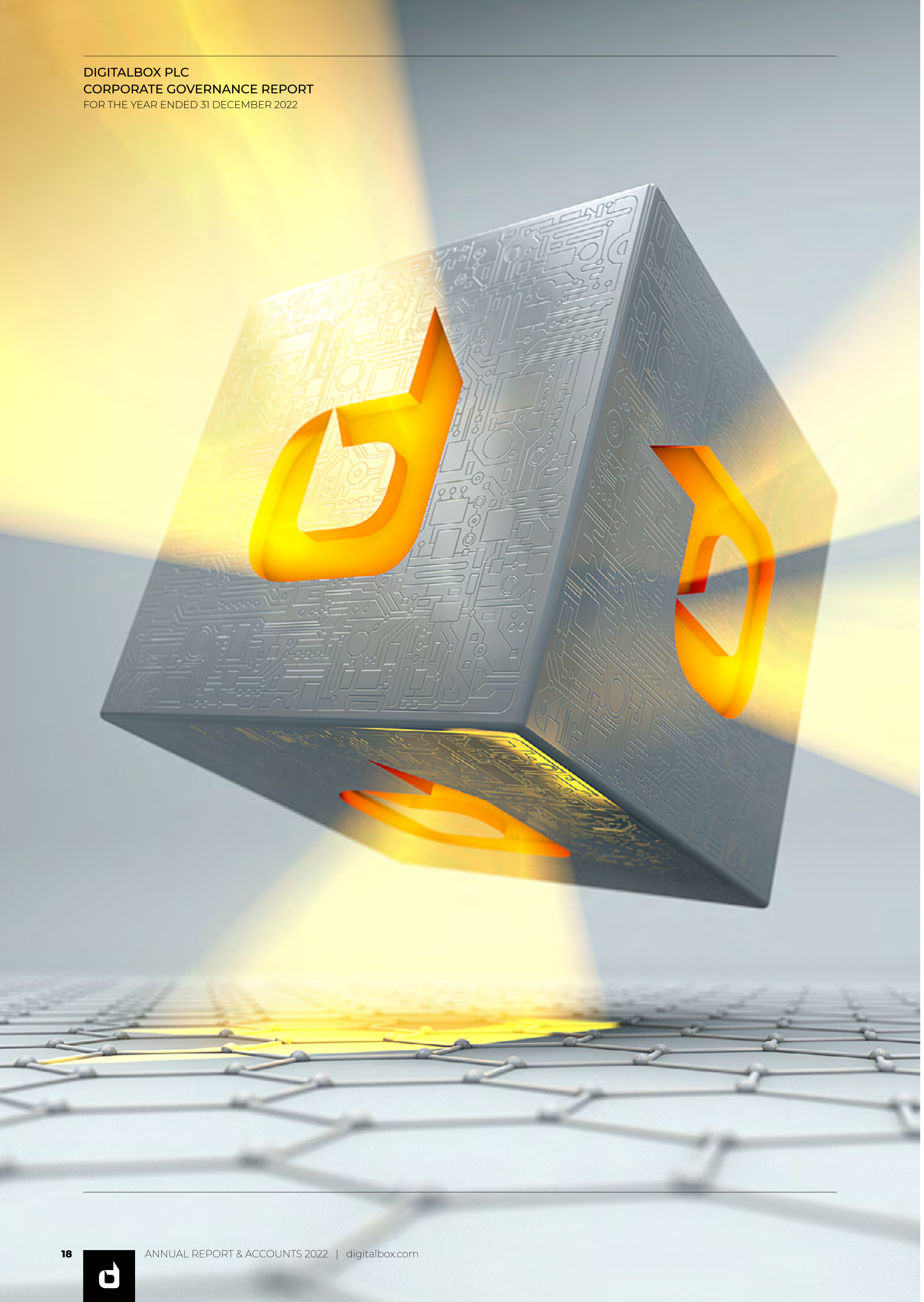
RELATIONSHIP WITH EMPLOYEES

The Group encourages an environment of openness and debate and welcomes all feedback from within.

Details of the Group's performance are shared with all employees at appropriate times via face-to-face meetings where safe to do so, virtual meetings, email updates and the Group's corporate website.

The Group expects a high standard from its staff and provides support to achieve this. Where possible, as new roles in the organisation arise, the Group aims to promote from within.
The Group is committed to fostering new talent and runs a successful apprenticeship programme, often hiring candidates into full-time roles on completion of their apprenticeship.

The Group offers flexible working arrangements for its staff including remote working and part-time contracts.



Corporate Governance

Corporate Governance Report

DIGITALBOX AND THE QCA CODE

Digitalbox PLC is committed to good corporate governance and has adopted the corporate governance guidelines of the Quoted Companies Alliance (QCA).

This section outlines the ways in which the Group applies the QCA's ten principles of corporate governance.

1. Establish a strategy and business model which promote long-term value for shareholders

Digitalbox aims to become a leading publisher of digital media. The Group intends to achieve this through a buy-and-build strategy with a focus on profitable publishing on mobile devices. This strategy is aligned with consumer behaviour and commercial trends.

The Group will create and deliver compelling content for its audiences via the web properties it owns now and will own in the future. This content will engage audiences and in turn create valuable environments for advertisers to reach them.

The Group intends to deliver long-term value for shareholders through its understanding of consumer media consumption, the arising revenue opportunities

Board of Directors

James Carter
Chief Executive Officer

James joined Digitalbox in 2016 and is responsible for the strategy, direction and day-to-day running of the business. He has a proven track record in building value in the media industry, within both public and limited companies. As part of the founding executive team at Factory Media, he drove the business to achieve a significant exit to Forward Internet Group. Prior to the creation of Factory Media, James was NPD Director at Dennis Publishing and Publishing Director at EMAP plc where he had responsibility for FHM. FHM grew from a fledgling fashion focused magazine to a global network of 32 editions and a value at its peak of over £250m.

Jim Douglas
Chief Operating Officer

Jim oversees editorial operations at Digitalbox and has previously held strategic and profit responsibility for successful media brands in sectors including film, music, games, sport and automotive. He has led creative teams in both UK and US. He started his career at EMAP plc as a journalist and in the early 90s he joined start-up business Future Publishing, which eventually became and remains a listed company. At Future, Jim held the position of Editorial Director for 10 years with ultimate responsibility for product development. During this time Future was named UK Digital Publisher of the Year five times.

David Joseph
Chief Financial Officer

David is a law graduate and Chartered Accountant, starting his career and qualifying with Price Waterhouse, moving into industry in steel stockholding (ASD plc) then into FMCG (Unilever plc) before entering the media industry in 1995 when he joined Emap plc. Here he occupied several senior financial roles within its operating companies, including Chief Financial Officer of Emap Metro, the men's and music publications business and Emap Advertising, the then central cross platform advertising sale business. On leaving in 2001 David has since worked exclusively within the media industry on many projects including start up, MBI, MBO, turnaround, distressed and buy and build across a wide spectrum of enterprise values (£1 million to £50 million) and funding structures, internationally, both in the Far East and in the USA.

including advertising and a continued focus on the operating profitability of its brands.

More detail on strategy can be found in the Strategic Report starting on page 10.

2. Seek to understand and meet shareholder needs and expectations

The Group is committed to building and maintaining strong relationships with its shareholders and considers the understanding of shareholder's needs fundamental to its success.

The Chief Executive Officer and Chief Financial Officer are active in meeting with and preparing presentations for institutional investors and engage in regular dialogue with the Group's brokers in order to gauge shareholder sentiment.

The Group's Annual General Meeting (AGM) is the main forum for discussing matters with shareholders, addressing shareholder queries and understanding their needs and expectations. Notice of the AGM and proposed resolutions are sent to shareholders at least 21 days prior to the AGM. Shareholders and their representatives are invited to fully participate and vote in the AGM and are also given the opportunity to vote by proxy. Voting results are published after the AGM.

Outside the AGM will Group convene general →

Marcus Rich
Non-Executive Chairman

Marcus joined Digitalbox as Chairman in February 2021. Before this he was the CEO of TI Media for 6 years where he led the MBO of Time Inc. UK backed by private equity firm Epiris in March 2018, and then the subsequent successful £140m sale of the now named TI Media to Future plc in April 2021. Previously he worked for Associated Newspapers in the roles of Commercial Director and Managing Director Mail On Sunday. He has held several senior Managing Director positions for sizable businesses in the 16 years he worked for Emap plc in Publishing, TV and Advertising in the UK and both the USA and Australia. Marcus has created significant shareholder value in the businesses he has run across the media landscape.

Philip Machray
Non-Executive Director

Philip joined Digitalbox as an Independent Non-Executive Director in July 2021 and is Chairman of the Audit Committee. He is Chief Financial Officer of data and intelligence business, Merit Group plc. Phil is a Chartered Accountant with over 25 years' experience in the media sector as an advisor, Board member and Executive. Most recently Phil worked for 16 years at Reach plc (formerly Trinity Mirror plc) where he held roles including Director of Corporate Development, Chief Operating Officer of Regionals, and Managing Director of Specialist Digital. Phil began his career at Deloitte LLP and was a Director within Deloitte's Technology, Media & Telecoms practice.

Martin Higginson
Non-Executive Director

Martin is recognised as a seasoned Technology, Media and Telecoms (TMT) entrepreneur. He has started, sold, and listed numerous businesses. His first business was sold to IPC Magazines in 1982. Following three years with IPC he left to set up his own publishing and telecoms business, this was subsequently sold to Scottish Power plc. During his time with Scottish Power he joined their subsidiary Scottish Telecom, as Managing Director of their Internet and Interactive division, including Internet ISP Demon Internet. Following the flotation of Thus plc (formerly Scottish Telecom) he left to start Monstermob, a company he went on to list on AIM in 2003; growing it to a Top 50 AIM listed business. Monstermob Group plc was sold to Zed Worldwide in 2006. Martin has subsequently founded Cityblock plc, a luxury student accommodation business, NetPlayTV plc, an interactive TV gaming business, Digitalbox and Immotion plc.

meetings where shareholder approval is required or appropriate on Group matters and may seek input from major institutional investors from time to time in relation to Group policy.

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group seeks to engage with its wider group of stakeholders via:

- Face-to-face / virtual briefings for staff to update on the Group's progress and developments
- Email updates for staff regarding developments
- Releasing public updates via the RNS service
- Stakeholder feedback being passed to Senior Management via the relevant team member at Digitalbox as appropriate.

The Group's approach to this can be found on page 16.

4. Embed effective risk management, considering both opportunities and threats, through the organisation

The Board considers the risks facing the business on an ongoing basis and ensures mitigation strategies are in place wherever possible. The Executive Directors regularly keep the Board updated on current trading, wider market trends and other developments as a means of identifying existing and potential future opportunities and risks.

Key risks and uncertainties facing the business are found on page 15.

5. Maintain the Board as a well-functioning, balanced team led by the Chair

The Board comprises three Executive Directors and three Non-Executive Directors. The Board considers all three Non-Executive Directors to be independent.

The Board will operate in a collaborative and constructive manner with a clear focus on the delivery of the strategy and increasing shareholder value.

The appointment of Directors will be in accordance with the Articles of Association.

The Board met eight times in 2022.

Details of the Board members, their roles and their attendance at meetings can be found on pages 20 and 23.

6. Ensure that between them the Directors have necessary up-to-date experience, skills and capabilities

The Group considers the skills and experience of the Board to be appropriate and this is kept under review.

The Executive Directors have each worked in consumer media for more than twenty years, and as a group have experience at senior management level in respected PLC media businesses. Their specific media expertise includes editorial management, new product development, commercial management, strategic planning, international expansion, financial management, corporate restructuring, digital transition, brand development, acquisitions and disposals.

DIGITALBOX PLC
CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Group's non-executive Directors have extensive successful track records in the fields of technology, telecoms, publishing, television and also have extensive experience in M&A.

7. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board's process of evaluating its own performance, that of its Committees and the individual Directors, is led by the Chairman. The process is conducted by the Remuneration Committee. The Remuneration Committee will evaluate Board performance against targets.

Targets are aligned with the delivery of the Group's strategy.

The Board may utilise the results of the evaluation process when considering the adequacy of the composition of the Board and for succession planning.

8. Promote a culture that is based on ethical values and behaviours

The Group aims to achieve the highest ethical standards and behaviour when conducting its business, with integrity, fairness and equality being high priorities.

The Corporate and Social Responsibility report is found on page 17.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The roles of the Chairman and the Chief Executive Officer are separated and clearly defined. The Chairman provides impartial leadership and guidance to the Board. Working with the Executive Directors, the Chairman is responsible for setting the agenda for Board meetings and ensuring Board members receive the information they need to properly participate in a timely fashion.

The Chief Executive Officer is responsible for the execution of Group strategy approved by the Board, the leadership of the Group's senior management team and its employees on a day to day basis.

The Chief Operating Officer supports the Chief Executive in the delivery of the strategy with a specific remit over editorial matters. →

	Board	Audit	Remuneration	Nomination	Disclosure
James Carter	8/8	-	-	-	-
Jim Douglas	8/8	-	-	-	-
David Joseph	8/8	-	-	-	-
Martin Higginson	8/8	3/3	1/1	n/a	n/a
Philip Machray	8/8	3/3	1/1	n/a	n/a
Marcus Rich	8/8	3/3	1/1	n/a	n/a

→ The Board has established four committees with clearly defined responsibilities. These are as follows:

The **Audit Committee's** principal functions include ensuring that the appropriate accounting systems and financial controls are in place, monitoring the integrity of the financial statements of the Group, reviewing the effectiveness of the Group's accounting and internal control systems, reviewing reports from the Group's auditors relating to the Group's accounting and internal controls, and reviewing the interim and annual results and reports to Shareholders, in all cases having due regard to the interests of Shareholders. The Audit Committee will meet as necessary, informed by the reporting and audit cycle or other requirements. Philip Machray, who has recent and relevant financial experience acts as chairman. Martin Higginson and Marcus Rich are the other members of the Audit Committee.

The Audit Committee report is found on page 25 and 26.

The **Remuneration Committee** is responsible for determining and agreeing with the Board the framework for the remuneration packages for each of the Executive Directors. The Remuneration Committee considers all aspects of the Executive Directors' remuneration, including pensions, bonus arrangements, benefits, incentive payments and share option awards, and the policy for, and scope of any termination payments. The remuneration of the Non-Executive Directors is a matter for the Board. The Remuneration Committee will meet when necessary and generates an annual remuneration report to be approved by the members of the Company at the annual general meeting. No Director may determine their own remuneration. Marcus Rich acts as chairman of the Remuneration Committee and Philip Machray and Martin Higginson are the other members of the Remuneration Committee.

The Remuneration Committee report is found on page 27.

The **Nomination Committee** is responsible for reviewing the structure, size and composition of the Board based upon the skills, knowledge and experience required to ensure the Board operates effectively. The Nomination Committee meets when necessary to do so. The Nomination Committee also identifies and nominates suitable candidates to join the Board when vacancies arise and makes recommendations to the Board for the re-appointment of any Non-Executive Directors. Marcus Rich acts as chairman of the Nomination Committee and Philip Machray and Martin Higginson are the other members of the Nomination Committee.

The **Disclosure Committee** is responsible for ensuring compliance with the AIM rules and MAR concerning disclosure of inside information and works closely with the Board to ensure that the Group's nominated adviser is provided with any information it reasonably requests or requires in order for it to carry out its responsibilities under the AIM Rules and the Aim Rules for Nominated Advisers. The Disclosure Committee approves all RNS and other significant announcements, normally via email and will meet as required. Marcus Rich acts as Chairman of the Disclosure Committee. Philip Machray and Martin Higginson are the other members of the Disclosure Committee.

10. Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

The Group communicates with shareholders and other stakeholders through its Annual and Interim Reports, regulatory and non-regulatory announcements, its investor relations website, Annual General Meetings and face-to-face meetings.

Further details of this can be found on page 16.

Audit Committee Report

The Audit Committee is responsible for ensuring that the financial performance of the Group is properly reported and reviewed. Its role includes monitoring the integrity of the financial statements (including annual and interim accounts and results announcements), reviewing internal control and risk management systems, reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors and advising on the appointment of external auditors.

The Board has overall responsibility for the Group's system of internal financial control and for reviewing its effectiveness. The purpose of the system of control is to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against misstatement or loss. The Chief Financial Officer is the executive within the Group responsible for day-to-day financial management of the Group's affairs and its internal accounting.

The Group's Chief Financial Officer and the external auditors attend meetings of the Audit Committee by invitation. The Committee also holds separate meetings with the auditors as appropriate.

2022 ACTIVITIES

The Audit Committee met twice during the year to consider the prior year's Annual Report and Accounts and the current year interim financial statements. The Committee also met with the Group's external auditors in January 2023 to agree the audit plan for the 2022 financial year-end, and in March 2023 prior to approving the 2022 accounts.

The Committee undertook a review and assessment of the Annual Report in order to determine whether it could advise the Board that, taken as a whole, the Annual Report is fair, balanced and understandable, and provides shareholders with the information they need to assess the Group's position, performance, business model and strategy. In doing this, the Committee reviewed and discussed the findings from the external auditors as part of the 2022 year-end audit and fully discussed the Annual Report at the Committee meeting in March 2023. It considered the following Significant Accounting Judgements:

1. Revenue recognition – the Committee considered the Group's approach to revenue recognition and its compliance with IFRS, and concluded that the very nature of programmatic advertising revenue ensured clarity on the allocation of revenue across each distinct accounting period and a clean cut off.
2. Carrying value of goodwill and other intangible assets – the Committee considered the Group's approach to evaluation of the carrying value of goodwill and other intangible assets. Having recognised an impairment of the goodwill and intangible assets associated with The Daily Mash during the course of the year, the Committee carefully reviewed the retained carrying value of the assets associated with the Group's other brands. The Committee was satisfied with the carrying values having considered the discounted cash flow model which demonstrated that no impairment charge was required.
3. Capitalisation of development costs – the Committee reviewed the circumstances under which development costs had been capitalised as intangible assets during the course of the year and was satisfied that for each development, management had demonstrated that the recognition criteria under IAS38 had been met. →

Audit Committee Report cont...

→ **4.** Going Concern – the Committee considered the appropriateness of a going concern basis especially in the light of macroeconomic factors in the wake of COVID-19. The Committee was assured that the business has a strong balance sheet, is trading profitably and that, whilst consumer advertising revenues are expected to be under pressure during periods of economic uncertainty, the Group's core business model is resilient.

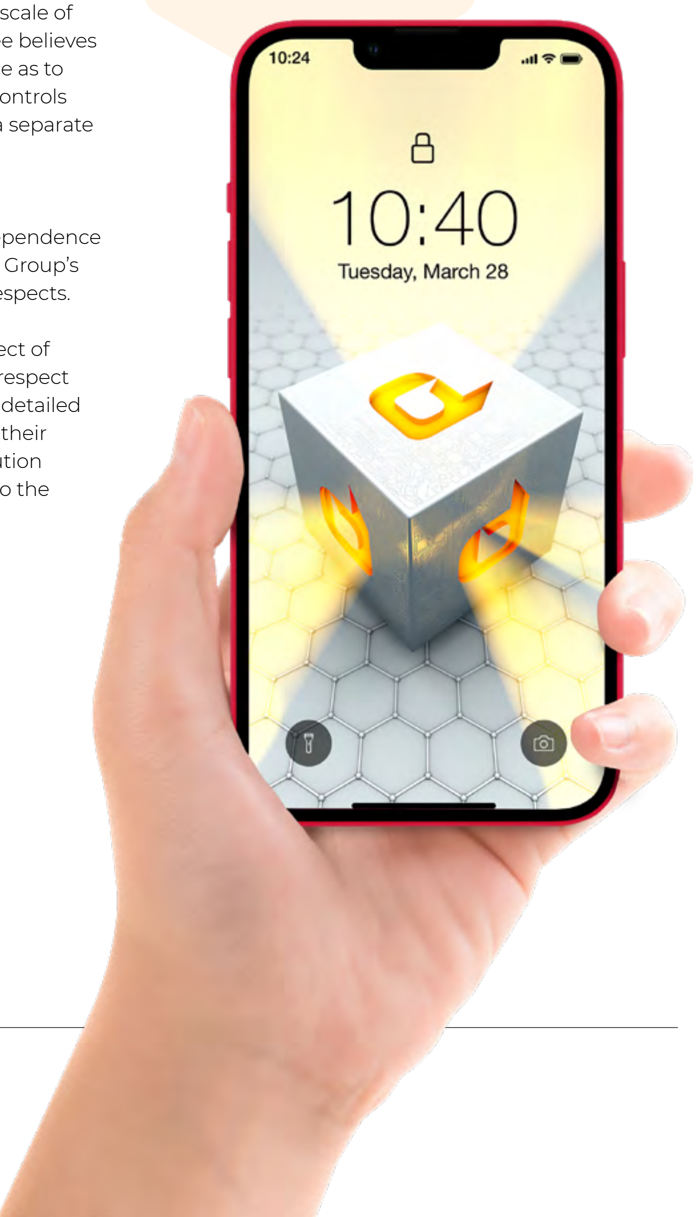
Following a robust process, the Committee recommended to the Board that the Annual Report is, taken as a whole, fair, balanced and understandable.

INTERNAL AUDIT
The Group does not have an internal audit function as this is not considered appropriate given the scale of the Group's operations. The Audit Committee believes that management is able to derive assurance as to the adequacy and effectiveness of internal controls and risk management procedures without a separate Internal Audit function.

EXTERNAL AUDITORS
The Audit Committee has reviewed the independence and effectiveness of Haysmacintyre LLP, the Group's external auditors, and are satisfied in both respects.

Haysmacintyre LLP's fees in the year in respect of audit services were £54k (2021: £47k) and in respect of non-audit services were £5k (2021: £5k) as detailed in note 8. Haysmacintyre LLP have signified their willingness to continue in office and a resolution to reappoint Haysmacintyre LLP as auditor to the Company will be proposed at the AGM.

Philip Machray
Chairman of the Audit Committee
28 March 2023



Remuneration Committee Report

The Remuneration Committee determines the remuneration packages for Executive Directors and other senior employees and keeps the Group's policy on pay and benefits under review generally.

The Remuneration Committee will keep under review the long-term incentivisation of Executive Directors and senior employees, balancing the need to control costs while ensuring that pay and benefits offered by the Group are appropriate for attracting and retaining high-calibre staff.

The Committee will continue to have due regard to remuneration reports from independent sources, to the guidance of its professional advisers and to good practice generally.

Directors' remuneration for the year of 2022 are shown on page 53. Directors' shareholdings are set out below:

Director	Number of 1p Ordinary Shares as at 31st December 2022	%	Number of 1p Ordinary Shares as at 31st December 2021	%
James Carter	10,908,078	9.3%	10,908,078	9.4%
Jim Douglas	10,908,078	9.3%	10,908,078	9.4%
David Joseph*	600,000	0.5%	-	-
	22,416,156	**19.0%**	**21,816,156**	**18.8%**
Total ordinary shares	**117,923,393**		**116,332,457**	

*on 13 January 2023 David Joseph acquired a further 550,000 shares.

Options have been granted to certain key employees, as below:

Option Holder	Number of Shares	Vesting Date
James Carter*	681,958	Vested
Jim Douglas*	681,958	Vested
Nick Clough**	1,002,960	17 April 2023
Karen Hyland**	1,002,960	17 April 2023
Grace Vielma**	1,002,960	24 February 2024
	4,372,796	

*Effective options in Digitalbox plc arising from warrants in a subsidiary company vesting immediately

On 16 February 2022 Martin Higginson exercised 1,590,936 warrants at 2.28 pence per share and subsequently disposed of these shares, generating a gain to him of £64k

Marcus Rich
Chairman of the Remuneration Committee
28 March 2023

Directors' Report

The Directors present their report and audited financial statements for the year ended 31 December 2022.

Principal Activities

The principal activities of the Group are the publication of consumer media through the digital mobile channel, with revenues derived from programmatic advertising.

The principal activity of the Company is as a holding company.

Board of Directors

The Directors who served during the year were:

James Carter
Jim Douglas
David Joseph
Martin Higginson
Marcus Rich
Philip Machray

Future Developments

The Company has chosen in accordance with section 414C(11) of the Companies Act 2006 to include the disclosure of likely future developments in the Chief Executive's Statement beginning on page 5.

Dividends

No dividends were paid during the year (2021: £Nil). The Board is not recommending the payment of a final dividend in respect of the year ended 31 December 2022.

Earnings per Share

Earnings per share in the period from continuing operations was 0.683p (2021: 0.340p) and diluted earnings per share from continuing operations in the period was 0.670p (2021: 0.335p).

Going Concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the Directors have considered the financial position of the Group, together with its forecasts and projections for two years from the reporting date that take into account reasonably possible changes in trading performance that the Coronavirus may cause. The going concern basis of accounting has therefore been adopted in preparing the financial statements.

Treasury Operations & Financial Instruments

The Group operates a centralised treasury function which is responsible for managing liquidity, interest and foreign currency risks associated with the Group's activities.

The Group's principal financial instrument is cash, the main purpose of which is to fund the Group's operations.

The Group has various other financial assets and liabilities such as trade receivables and trade payables naturally arising through from its operations.

The Group's exposure and approach to capital and financial risk, and approach to managing these is set out in note 20 to the consolidated financial statements.

Employee Engagements

The Group engages with its employees regularly through face to face communication where permitted, and virtual meeting where not during which details of the Group's performance is shared.

Further information regarding employee engagement can be found in the Corporate and Social Responsibility Report on page 17.

Employee Policies

The Group has established employment policies which are compliant with current legislation and codes of practice. The Group is an equal opportunities employer.

Payment of Suppliers

The Group's policy is to pay suppliers in accordance with the relevant contractual terms between the Group and the supplier. Where no specific terms are agreed, the Group's standard policy is net monthly.

Directors' Indemnity

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for Directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the Company. Appropriate directors' and officers' liability insurance cover is in place in respect of all the Directors.

Directors' Conflicts of Interest

In the event that a Director becomes aware that they, or their connected parties, have an interest in an existing or proposed transaction involving the Group, they will notify the Board in writing or at the next Board meeting.

Significant Shareholdings

As at 31 December 2022, the following shareholders owned 3% or more of the Company:

Name	**Shares**	**%**
Downing Strategic Micro-Cap Investment Trust plc	22,989,795	19.5
Storia Credit Holdings (Europe)	20,422,822	17.3
Mr James Carter	10,908,078	9.3
Mr Jim Douglas	10,908,078	9.3
Hargreaves Lansdown Asset Management (Bristol)	5,298,867	4.5
AJ Bell Securities (Tonbridge Wells)	3,639,850	3.1

Political Donations

The Group did not make any political donations during 2022 (2021: £Nil).

Matters Covered in the Chairman's Statement & Financial Statements

Certain matters which are required to be disclosed in the Directors' Report (such as review of the business and future developments) have been omitted as they are included within the Chief Executive's Statement, the Strategic Report and within the notes to the Financial Statements.

Annual General Meeting

The Company's Annual General Meeting will be announced in due course.

Statement as to Disclosure of Information to the Auditor

As far as the Directors are aware they have each taken all necessary steps to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditors

Haysmacintyre LLP have signified their willingness to continue in office and a resolution to reappoint Haysmacintyre LLP as auditor to the Company will be proposed at the AGM.

Approved by the Board on 27 March 2023 and signed on its behalf:

James Carter
Chief Executive Officer

Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the United Kingdom and applicable law. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Company and the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRS as adopted by the United Kingdom have been followed subject to any material departures disclosed and explained in the financial statements;
- provide additional disclosures when compliance with specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's and the Group's financial position and financial performance; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

Financial statements are published on the Group's website in accordance with the rules and legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the corporate and financial information on the Group's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The work carried out by the auditors does not include consideration of the maintenance and the integrity of the website and accordingly the auditor accepts no responsibility for any changes that have occurred to the financial statements when they are presented on the website.

Independent Auditor's Report

OPINION

We have audited the financial statements of Digitalbox plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Company Statement of Financial Position, Company Statement of Changes in Equity, Company Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards ("IFRS").

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the director's assessment of the entity's ability to continue to adopt the going concern basis of accounting considered the inherent risks to the group and the company's business model and reviewed the directors' assessment of how those risks affect the group and the company's financial resources or ability to continue operations over the going concern period. We considered the likely cash inflows and outflows over the going concern period and assessed the risk that the group and the company would be unable to meet their liabilities as they fall due. We scrutinised the reasonableness of assumptions applied to the cash flow forecasts and sensitised such forecasts against various scenarios which could come to realisation. We reviewed management's going concern memo and discussed with the Board. We considered post balance sheet date performance and other wider factors in concluding our assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our audit scope included obtaining an understanding of the group and its environment, including the group's system of internal control, and assessing the risks of material misstatement at the group level. Audit work to respond to the assessed risks was performed directly by the audit engagement team who performed full scope audit procedures on the parent company, all non-dormant subsidiaries and the group as a whole. →

OUR APPLICATION OF MATERIALITY

The scope and focus of our audit were influenced by our risk assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Materiality for the financial statements as a whole was set at £57,000, determined by reference to 5% of group Adjusted EBITDA. We have reported to the audit committee any corrected or uncorrected misstatements arising exceeding £2,800. Performance materiality was set at £42,000, being 75% of materiality.

Component materiality for the parent company and only trading subsidiary, Digitalbox Publishing Limited, were capped at £51,300, with reference to a benchmark of group materiality.
Both entities were subject to statutory audits in their own rights, however the materiality calculated for these entities was more than component materiality and as such, component materiality was used for the individual audits.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

DIGITALBOX PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF DIGITALBOX PLC
FOR THE YEAR ENDED 31 DECEMBER 2022

KEY AUDIT MATTER	HOW OUR SCOPE ADDRESSED THIS MATTER
Fraud in revenue recognition (Digitalbox Publishing Limited) Group revenue comprises the sale of digital advertising space. Revenue is recognised in line with the accounting policies in note 4. We consider there to be a significant risk around the occurrence of this revenue and its recognition in accordance with IFRS 15. Revenue is recognised on the basis of dashboards maintained by customers and is manually invoiced on a monthly basis. There is a risk that it is incorrectly recognised. We also consider there to be a risk of misstatement of the financial statements related to transactions occurring close to the year-end, as transactions could be recorded in the wrong financial period (cut-off).	We performed a test in total on the programmatic revenue within Digitalbox Publishing Limited using extractions from each customer's dashboard and agreeing this to the master spreadsheet maintained by the client. We agreed the master spreadsheet to the amount of revenue recognised in the nominal ledger. Further work included, but was not restricted to: • agreeing a sample of revenue to bank statement receipts; • reviewing a sample of sales raised in January 2023 to ensure that this was recognised in the correct period; and • reviewing the recoverability of a sample of trade receivables at the year end to assess validity of their recognition and carrying value as at 31 December 2022.
Impairment of goodwill and other intangibles assets (Digitalbox Plc) The group has recognised intangible assets and goodwill, which arose on historic acquisitions. There is a risk that the value of the intangible assets and goodwill should be impaired as at 31 December 2022	Our work included, but was not restricted to: • reviewing and assessing the impairment reviews prepared by management and challenging the assumption; • reviewing and assessing future budgets and cash flow forecasts including considering sensitivities; • making enquiries of management and assessing expected future performance and potential growth in the business.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 30, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

- In preparing the financial statements, the directors are responsible for assessing the group's and the parent company'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 the parent company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the business and trade regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

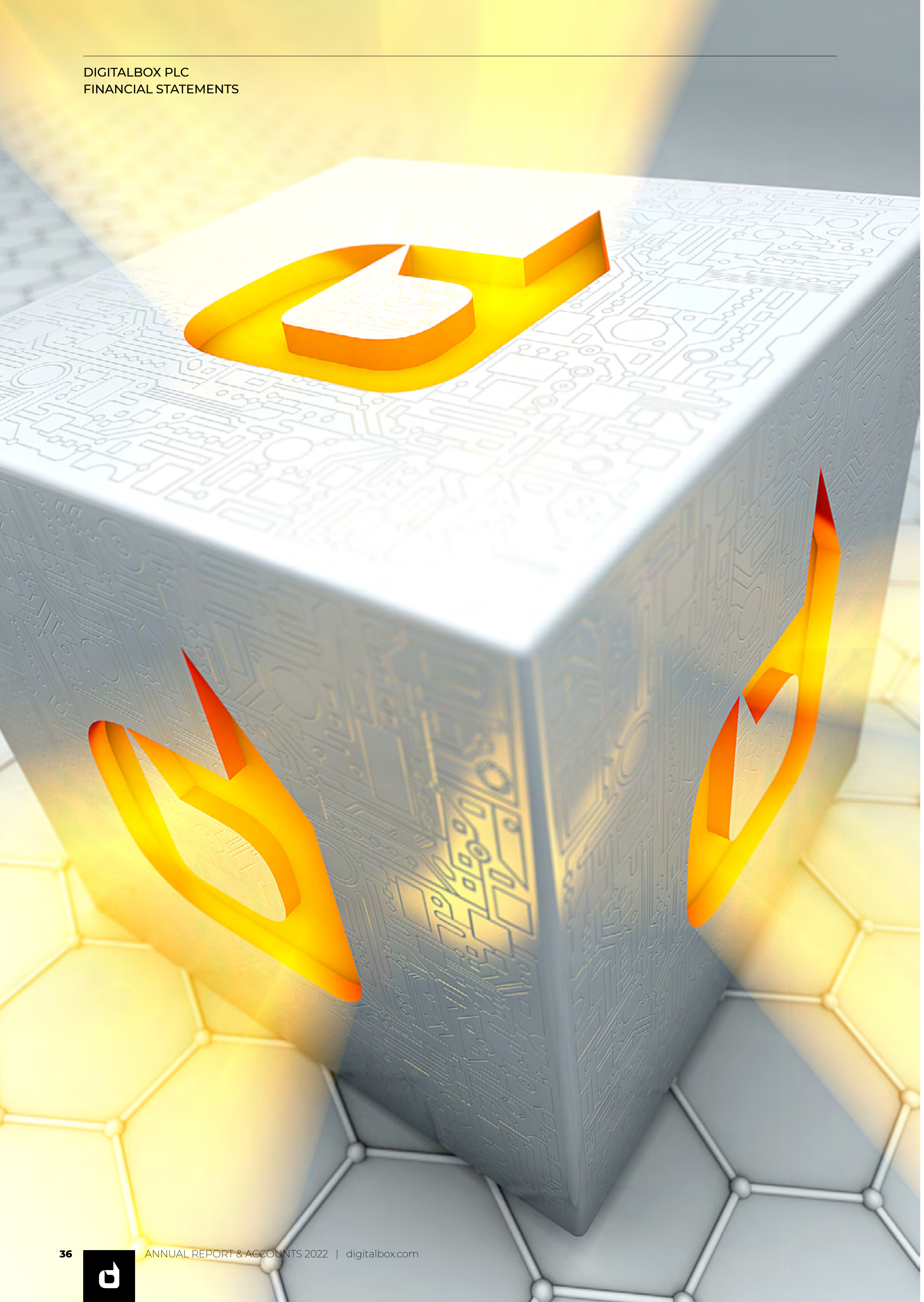
USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jon Dawson
(Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 27 March 2023



DIGITALBOX PLC
FINANCIAL STATEMENTS

Financial Statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Revenue	7	3,578	3,667
Cost of sales		(534)	(529)
Gross profit		3,044	3,138
Administrative expenses		(2,999)	(2,508)
Other operating income	8	-	10
Operating profit	8	45	640
Memorandum			
Adjusted EBITDA[1]		**1,081**	**1,029**
Depreciation		(7)	(31)
Amortisation		(191)	(215)
Impairment o		(716)	-
Share based payments		(62)	(143)
Direct costs of business combinations		(60)	-
Profit from operations		**45**	**640**
Finance costs	10	(8)	(14)
Finance income		8	1
Profit before taxation and attributable to equity holders of the parent		**45**	**627**
Taxation	11	759	(231)
Profit after tax		**804**	**396**

All profits after taxation arise from continuing operations.

There was no other comprehensive income for 2022

[1]Adjusted EBITDA is defined as the operating profit after adding back depreciation, amortisation, impairment, share based payments, acquisition costs, direct costs associated with business combinations and capital restructure costs.

	Note	£	£
Gain per share			
Basic (continuing)	12	0.00683	0.00340
Gain per share			
Diluted (continuing)	12	0.00670	0.00335

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital 2022 £'000	Share premium 2022 £'000	Share based payment 2022 £'000	Retained (deficit)/ earnings 2022 £'000	Total equity 2022 £'000
Balance at 1 January 2021	**1,163**	**11,149**	**321**	**(99)**	**12,534**
Equity settled share-based payments	-	-	143	-	143
Profit after tax	-	-	-	396	396
Balance at 31 December 2021	**1,163**	**11,149**	**464**	**297**	**13,073**
Issue of new shares	16	20	-	-	36
Equity settled share-based payments	-	-	62	-	62
Reserves transfer in respect of lapsed options	-	-	(330)	330	-
Profit after tax	-	-	-	804	804
Balance at 31 December 2022	**1,179**	**11,169**	**196**	**1,431**	**13,975**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	Note	31 December 2022 £'000	31 December 2021 £'000
Non-current assets			
Property, plant and equipment	13	52	46
Intangible fixed assets	14	10,194	10,710
Deferred tax asset	19	617	-
Total non-current assets		10,863	10,756
Current assets			
Trade and other receivables	15	952	1,770
Cash and cash equivalents	16	2,827	2,186
Total current assets		3,779	3,956
Total assets		14,642	14,712
LIABILITIES			
Current liabilities			
Trade and other payables	17	(288)	(739)
Lease liabilities	17	-	(29)
Bank loans	17	(112)	(112)
Corporation tax	17	(61)	(163)
Total current liabilities		(461)	(1,043)
Non-current liabilities			
Lease liabilities	17	-	(2)
Bank loans	17	(206)	(319)
Deferred tax liability	19		(275)
		(206)	(596)
Total liabilities		(667)	(1,639)
Total net current assets		3,318	2,913
Total net assets		13,975	13,073
Capital and reserves attributable to owners of the parent			
Share capital	21	1,179	1,163
Share premium	23	11,169	11,149
Share based payment reserve	23	196	464
Retained earnings	23	1,431	297
Total equity		13,975	13,073

The financial statements were approved by the Board and authorised for issue on 27 March 2023.

James Carter
CEO

David Joseph
CFO

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended 31 December 2022 £'000	Year ended 31 December 2021 £'000
Cash flows from operating activities		
Profit from ordinary activities	804	396
Adjustments for:		
Income tax expense	(759)	231
Share based payments	62	143
Depreciation on property plant and equipment	7	31
Amortisation of intangible assets	191	215
Impairment on goodwill and intangible assets	716	-
Loss on disposal of property, plant and equipment	30	-
Finance costs	8	14
Finance income	(8)	(1)
Cash flows from operating activities before changes in working capital	**1,051**	**1,029**
Decrease / (increase) in trade and other receivables	818	(723)
(Decrease) / increase in trade and other payables	(451)	280
Cash generated by operations	**1,418**	**586**
Income tax paid	(235)	(76)
Net cash from operating activities	**1,183**	**510**
Investing activities		
Purchase of property, plant and equipment	(43)	(2)
Purchase of intangibles	(391)	(86)
Interest received	8	1
Net cash used in investing activities	**(426)**	**(87)**
Financing activities		
Finance costs	(8)	(4)
Loan and lease repayments	(144)	(86)
Issue of new share capital	36	-
Net cash from financing activities	**(116)**	**(90)**
Net increase in cash and cash equivalents	**641**	**333**
Cash and cash equivalents at beginning of the period	2,186	1,853
Cash and cash equivalents at end of the period	**2,827**	**2,186**

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

Reconciliation of net cash flow to movement in net funds:

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Net increase in cash and cash equivalents	641	333
Inception of finance leases	-	(56)
Repayment of loans and leases	144	86
Movement in net funds in the year	785	363
Net funds at 1 January	1,724	1,361
Net funds at 31 December	**2,509**	**1,724**

Breakdown of net funds

Cash and cash equivalents	2,827	2,186
Lease liabilities	-	(31)
Bank loans	(318)	(431)
Net funds at 31 December	**2,509**	**1,724**

The notes on pages 43 to 66 form part of the group financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Digitalbox Plc is a public limited company incorporated and domiciled in the United Kingdom. The address of the registered office Jubilee House, 92 Lincoln Road, Peterborough, England, PE1 2SN. The Company is listed on AIM of the London Stock Exchange.

The principal activity of the Group and of the Company are disclosed in the Directors' Report.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates. Foreign operations are included in accordance with the policies set out in note 4.

2. STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED IN THE CURRENT FINANCIAL YEAR ENDED 31 DECEMBER 2022

The following IFRS standards, amendments or interpretations became effective during the year ended 31 December 2022 but have not had a material effect on this Consolidated Financial Information:

Standard
Amendments to IFRS 3: Reference to the Conceptual Framework
Amendments to IAS 16: Property Plant and Equipment (Proceeds before intended use)
Amendments to IAS 37: Onerous Contracts (Cost of fulfilling a contract)
Amendments to IFRS 1, Annual Improvements to IFRS Standards 2018-2020 IFRS 9, IFRS 16 and IAS 41

All new standards and amendments to standards and interpretations effective for annual periods beginning on or after 1 January 2022 that are applicable to the Group have been applied in preparing these Consolidated Financial Statements.

3. NEW AND REVISED IFRS STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Consolidated Financial Statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

Standard		Effective date
Amendments to IAS 1	Disclosure of accounting policies	1 January 2023
Amendments to IAS 8	Definition of accounting estimates	1 January 2023
Amendments to IAS 12	Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023

The Directors are continuing to assess the potential impact that the adoption of the standards listed above will have on the Consolidated Financial Statements for the year ended 31 December 2023.

4. ACCOUNTING POLICIES

Principal accounting policies
The Group is a public Group incorporated and domiciled in the United Kingdom. The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. →

DIGITALBOX PLC
NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. ACCOUNTING POLICIES (continued)

Basis of preparation
The financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the United Kingdom ("adopted IFRSs") and those parts of the Companies Act 2006 which apply to companies preparing their financial statements under IFRSs. The financial statements are presented to the nearest round thousand (£'000) except where otherwise indicated.

Basis of Consolidation
The Group comprises the parent company and its subsidiaries, as detailed in note III to the company financial statements. All of these have been included in the consolidated financial statements in accordance with the principles of acquisition accounting as laid out by IFRS 3 Business Combinations.

Going concern
The Group generated profit during the year of £804k (2021: £396k), the Group had closing net assets of £13,975k (2021: £13,073k), net current assets of £3,318k (2021: £2,913k) and cash at bank and in hand of £2,827k (2021: £2,186k).

The Group generated net cash from operating activities of £1,183k during the year (2021: £510k). The Group has remained cash generative during a difficult economic period which saw the impact of the war in Ukraine and the effect that has had on inflation in the UK.

In considering going concern, the Directors consider the current financial position and performance of the business, as well as reviewing financial information for a period of at least 12 months from the date of approval of the financial statements. Given the strong and liquid balance sheet position and ongoing financial performance of the Group, the successful acquisition of The Poke and the expectations from forecast financial information, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

The Directors believe that they can continue to accommodate the impact of increasing inflation which has been demonstrably achieved in the year ended 31 December 2022, and accordingly continue to adopt the going concern basis in preparing the financial statements.

Business combinations and goodwill
Acquisitions of subsidiaries and business are accounted for using the acquisition method. The assets and liabilities and contingent liabilities of the subsidiaries are measured at their fair value at the date of acquisition. Any excess of acquisition over fair values of the identifiable net assets acquired is recognised as goodwill. Goodwill arising on consolidation is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss accounts and is not subsequently reversed. Acquisition related costs are recognised in the income statement as incurred.

Transactions between wholly owned group members involving the hive-up or hive-across of trade and / or assets and liabilities are outside the scope of IFRS 3 on the grounds that they represent common control business combinations. The group has elected to apply IFRS 3 in accounting for all such transactions, which involves a full fair value exercise at the date of the transaction. This accounting policy has been consistently applied to all such transactions, and has been chosen on the grounds that the nature of these transactions is the amalgamation of acquired businesses into the existing trading business, which generally takes place shortly after the original acquisition.

Revenue recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group. and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Group monitors the performance obligations in accordance with IFRS 15 considering that the performance obligations are met upon the Group delivering the advertisement to the customer.

A receivable is recognised when the services are delivered at this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Rendering of services
Revenue from providing services is recognised in the accounting period in which the services are rendered.

Revenue from the sale of advertising space is recognised upon the advertisement being generated and the Group delivering the advertisement to the customer. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable future economic benefits will flow to the entity and the Group has satisfied the performance obligations. Revenue is not received in advance and therefore the Group does not account for contract liabilities.

Leases
The Group assesses whether a contract is or contains a lease, at inception of a contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. The Group assesses its discount rate using its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives.

The lease liability is included in Payables in the Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciation over the useful life of the underlying asset.

The depreciation starts at the commencement date of the lease.

The right-of-use assets are included in the tangible fixed assets in the Statement of Financial Position.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts any identified impairment losses. →

4. ACCOUNTING POLICIES (continued)

Foreign currency
The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group company are expressed in pound sterling, which is the functional currency of the Group, and the presentational currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the individual company's functional currency (foreign currencies) are recorded at rates of exchange prevailing on the dates of the transactions. At the reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of the gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income and expense in the period in which the operation is disposed of. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rates.

Intangible assets
Intangible assets include goodwill arising on the acquisition of subsidiaries and represents the difference between the fair value of the consideration payable and the fair value of the net assets that have been acquired. The residual element of Goodwill is not being amortised but is subject to an annual impairment review.

Also included within intangible assets are various assets separately identified in business combinations (such as brand value) to which the Directors have ascribed a fair value and a useful economic life. The ascribed value of these intangible assets is being amortised on a straight-line basis over their estimated useful economic life, which is considered to be 7 years.

Other intangible assets purchased by the Group are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is recognised so as to write off the cost less their residual values over their useful lives, which is considered to be 3 years straight line.

Financial instruments
The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument.

Contract liabilities
Contract liabilities comprise payments in advance of revenue recognition and revenue deferred due to contract performance obligation not being completed. They are classified as current liabilities if the contract performance obligations payments are due to be completed within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Contract liabilities are recognised initially at fair value and subsequently at amortised cost.

Trade and other receivables
Trade and other receivables are measured at initial recognition at fair value, and subsequently measured at amortised cost using the effective interest method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due. The amount of any provision is recognised in profit or loss.

The Group always recognises lifetime expected credit losses (ECL) for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for facts that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast director of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Cash and cash equivalents
Cash and cash equivalents are recognised as financial assets. They comprise cash held by the Group and short-term bank deposits with an original maturity date of three months or less.

Trade payables
Trade payables are initially recognised as financial liabilities measured at fair value, and subsequent to initial recognition measured at amortised cost.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deduction of all its liabilities. Equity instruments issued by the Group are recorded at the proceeds received net of direct issue costs.

Share based payments
Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income on a straight-line basis over the vesting period.

Non-market vesting conditions are taken into account by adjusting the number of options expected to vest at each statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Fair value is calculated using the Black-Scholes model, details of which are given in note 22.

Pensions
The pension schemes operated by the Group are defined contribution schemes. The pension cost charge represents the contributions payable by the Group.

Property, plant and equipment
Property, plant and equipment are stated at cost net of accumulated depreciation and provision for impairment. Depreciation is provided on all property plant and equipment, at rates calculated to write off the cost less estimated residual value, of each asset on a straight-line basis over its expected useful life. The residual value is the estimated amount that would currently be obtained from disposal of the asset if the asset were already of the age and in the condition expected at the end of its useful economic life. →

4. ACCOUNTING POLICIES (continued)

The method of depreciation for each class of depreciable asset is:

Office equipment	- 25% reducing balance
Right-of-Use asset	- over term of lease

Impairment of Assets
Impairment tests on goodwill are undertaken annually at the balance sheet date. The recoverable value of goodwill is estimated on the basis of value in use, defined as the present value of the cash generating units with which the goodwill is associated. This is computed by applying an appropriate discount rate to the estimated value of future cash flows. When value in use is less than the book value, an impairment is recorded and is irreversible.

Other non-financial assets are subject to impairment tests whenever circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its estimated recoverable value (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable value of an individual asset, the impairment test is carried out on the asset's cash-generating unit. The carrying value of property, plant and equipment is assessed in order to determine if there is an indication of impairment. Any impairment is charged to the statement of comprehensive income. Impairment charges are included under administrative expenses within the consolidated statement of comprehensive income.

Taxation and deferred taxation
Corporation tax payable is provided on taxable profits at prevailing rates.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base, except for differences arising on:

- the initial recognition of goodwill; and
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit.

Recognition of deferred tax assets is restricted to those instances where it is probable that future taxable profit will be available against which the asset can be utilised. The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable Group company; or
- different Group entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

There were unused tax losses at 31 December 2022 amounting to £3,172k. In the majority, these were restricted for use for 5 years against future taxable profits arising from the trade formerly carried on in Tab Media Limited and now carried on in Digitalbox Publishing Limited. A deferred tax asset has been recognised in relation to these losses for the first time, as these are now considered to be highly likely to be recoverable against future profits.

Segmental reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Directors, who are responsible for allocating resources and assessing performance of the operating segments.

A business segment is a group of assets and operations, engaged in providing products or services that are subject to risks and returns that are different from those of other operating segments.

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments. The Executive Directors assess the performance of the operating segments based on the measures of revenue, profit before taxation and profit after taxation. Central overheads are not allocated to business segments.

Government grants
Government grants are recognised when there is reasonable assurance that the grant conditions will be met and the grants will be received, and are recognised as a separate component of other operating income, rather than being offset against the costs to which they relate.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Critical accounting judgements
Impairment of goodwill
Impairment of the valuation of the goodwill relating to the acquisition of subsidiaries is considered annually for indicators of impairment to ensure that the asset is not overstated within the financial statements. The annual impairment assessment in respect of goodwill requires estimates of the value in use (or fair value less costs to sell) of subsidiaries to which goodwill has been allocated.

This requires the Directors to estimate the future cash flows and an appropriate discount factor, in order that the net present value of those cash flows can be determined. Discounted cash flow forecasts give due consideration to the impact of COVID-19 on the future cash flows, and are stress tested under a range of scenarios. In all instances, the headroom is sufficient to satisfy the Directors that there are no indicators of impairment based on circumstances that were present or could be reasonably foreseen at the reporting date.

Critical accounting Estimates
Amortisation of intangible assets
The periods of amortisation adopted to write down capitalised intangible assets requires judgements to be made in respect of estimating the useful lives of the intangible assets to determine an appropriate amortisation rate. Development costs (domain names and website costs) are being amortised on a straight-line basis over the period during which the economic benefits are expected to be received, which has been estimated at 3 years. Intangible assets recognised in relation to the brand names are being amortised straight-line over 7 years. →

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Depreciation
The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively.

Share based payment expense
Non-market performance and service conditions are included in the assumptions about the number of options that are expected to vest. At the end of each reporting period the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to the original estimates, if any, in the consolidated statement of comprehensive income, with a corresponding adjustment to equity.

This requires a judgement as to how many options will meet the future vesting criteria as well as the judgements required in estimating the fair value of the options.

Provision for bad and doubtful debts
The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar ageing. The expected loss rates are based on the Group's historical credit losses experience over the twelve month period prior to the period end. Forward looking issues have been considered, including in relation to the ongoing impact of the hostile global trading conditions driven by the impact of the war in Europe. This has had an immaterial effect on the expected credit loss rate.

6. SEGMENTAL INFORMATION

A segmental analysis of revenue and expenditure is as follows:

2022	Entertainment Daily £'000	Mashed Productions £'000	The Tab £'000	The Poke £'000	Head Office £'000	Total 2022 £'000
Revenue	2,261	243	1,059	15	-	3,578
Cost of sales	(224)	(190)	(118)	(2)	-	(534)
Administrative expenses*	(529)	(111)	(398)	(6)	(919)	(1,963)
Adjusted EBITDA	1,508	(58)	543	7	(919)	1,081
Amortisation , depreciation, and impairment	-	-	-	-	(914)	(914)
Acquisition costs	-	-	-	-	(57)	(57)
Capital restructure costs	-	-	-	-	(3)	(3)
Share based payments	-	-	-	-	(62)	(62)
Finance income	-	-	-	-	8	8
Finance costs	-	-	-	-	(8)	(8)
Tax	-	-	-	-	759	759
Profit/(loss) for the year	1,508	(58)	543	7	(1,196)	804

2021	Entertainment Daily £'000	Mashed Productions £'000	The Tab £'000	Head Office £'000	Total 2021 £'000
Revenue	2,463	308	896	-	3,667
Cost of sales	(205)	(171)	(153)	-	(529)
Administrative expenses*	(474)	(86)	(287)	(1,272)	(2,119)
Other operating income	-	-	-	10	10
Adjusted EBITDA	1,784	51	456	(1,262)	1,029
Amortisation, depreciation and impairment -	-	-	-	(246)	(246)
Share based payments	-	-	-	(143)	(143)
Finance Income			-	1	1
Finance costs	-	-	-	(14)	(14)
Tax	-	-	-	(231)	(231)
Profit/(loss) for the year	1,784	51	456	(1,895)	396

*Administrative expenses exclude depreciation, amortisation, impairment, share based payments and acquisition and listing costs.

The segmental analysis above reflects the parameters applied by the Board when considering the Group's monthly management accounts.

	External revenue by location of customer		**Total assets by location**		**Net tangible capital expenditure by location**	
	31 December 2022 Continuing £'000	31 December 2021 Continuing £'000	31 December 2022 £'000	31 December 2021 £'000	31 December 2022 £'000	31 December 2021 £'000
United Kingdom	759	1,683	14,097	14,205	43	58
Europe	1,381	665	284	141	-	-
Rest of World	1,438	1,319	261	366	-	-
	3,578	3,667	14,642	14,712	43	58

At the end of 2021, a key UK based customer was acquired by a large European based business. The acquired business continued to be a key customer of the Group with its revenues billed from Holland instead of the UK. This is the reason for the change in proportion of revenue from the UK and Europe.

7. REVENUE

Revenue by stream is split:	2022 £'000	2021 £'000
Advertising space	3,578	3,667
	3,578	**3,667**

Revenue by location is split:		
United Kingdom	759	1,683
Europe	1,381	665
Rest of world	1,438	1,319
	3,578	**3,667**

The Group had four customers whose revenue individually represented 10% or more of the Group's total revenue, being 19.70%, 13.65%, 12.33% and 11.03% respectively.

8. PROFIT FROM OPERATIONS

	2022 £'000	2021 £'000
This is arrived at after charging/(crediting):		
Continuing operations		
Staff costs (see note 9)	1,322	1,584
Direct costs of business combinations	57	-
Depreciation of property, plant & equipment	31	31
Amortisation of intangible fixed assets	191	215
Impairment on goodwill and intangible assets	716	-
Foreign exchange differences	-	17
Government grants	-	(10)
Auditors' remuneration in respect of the Company	18	18
Audit of the Group and subsidiary undertakings	41	34
	59	52

In 2022, government grants of £NIL (2021: £10k) were received as part of the Government's initiatives to provide immediate financial support as a result of the COVID-19 pandemic. There are no future related costs associated with these grants which were received solely as compensation for costs incurred in the year.

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
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9. STAFF COSTS

	2022 £'000	2021 £'000
Staff costs for all employees, including Directors consist of:		
Wages and salaries	1,176	1,284
Social security costs	134	101
Pensions	12	14
	1,322	1,399
Share based payment charge	62	143
	1,384	1,542

The average number of employees of the group during the year was as follows:	2022 Number	2021 Number
Directors	6	6
Management and administration	4	3
Content	22	20
	32	29

Directors' Detailed Emoluments

Details of individual Directors' emoluments for the year are as follows:

	Salary 2022 £'000	Consultancy 2022 £'000	Bonus 2022 £'000	Pension 2022 £'000	Total 2022 £'000	Total 2021 £'000
N Burton (resigned 17 February 2021)	-	-	-	-	-	3
J Carter	137	-	-	1	138	*288
J Douglas	137	-	-	1	138	*288
M Higginson	-	25	-	-	25	25
D Joseph	45	-	-	-	45	41
R Miller (resigned 17 February 2021)	-	-	-	-	-	14
M Armitage (resigned 1 July 2021)	-	-	-	-	-	13
P Machray (joined 1 July 2021)	25	-	-	-	25	13
M Rich (joined 17 February 2021)	35	-	-	-	35	30
Total	**379**	**25**	**-**	**2**	**406**	**715**

*these sums included bonuses paid in accordance with and Executive Bonus Scheme, with the net proceeds being used to extinguish director loans.

9. STAFF COSTS (continued)

All pension contributions represent payments into defined contribution schemes.

The Executive Directors have service contracts with the Company which are terminable by the Company or relevant director after a fixed term of 12 months followed by 6 months' notice.

The Directors' interests in the issued ordinary share capital of the Company was as follows:

	Shares of £0.01 31/12/2022		Shares of £0.01 31/12/2021	
Director				
James Carter	10,908,078	9.3%	10,908,078	9.4%
Jim Douglas	10,908,078	9.3%	10,908,078	9.4%
David Joseph*	600,000	0.5%	-	-

*David Joseph acquired shares through Integral 2 Limited, a company controlled by him.

There is a share-based payment charge attributable to options held by the directors' during the year amounting to £17k (2021: £100k). These options subsequently lapsed on 28 February 2022.

Effective options in Digitalbox plc exist due to two directors having warrants in its subsidiary company, Digital Publishing (Holdings) Limited, which, when exercised, are satisfied by issuing shares in Digitalbox plc.

These are set out in the table below,

'Effective Option' Holder	Number of Shares
James Carter	681,958
Jim Douglas	681,958
	1,363,916

The warrants had vested prior to admission onto AIM on 28 February 2019 and carry an effective exercise price of 2.28 pence per share issued in Digitalbox plc. On 16 February 2022 Martin Higginson exercised 1,590,936 warrants at 2.28 pence per share and subsequently disposed of these shares.

Further information on share options is included in note 22.

The market price of the shares at 31 December 2022 was 8.50p with a quoted range from throughout 2022 of 8.25p to 16.25p. The options vest based on performance criteria detailed in note 22.

10. FINANCE COSTS

	2022 £'000	2021 £'000
Interest on lease liabilities	-	2
Interest on bank loans	8	12
	8	14

11. TAXATION ON PROFIT/LOSS FROM ORDINARY ACTIVITIES

	2022 £'000	2021 £'000
Current tax		
UK corporation tax on profits for the current period	132	165
Adjustment in respect of prior periods	1	24
Deferred tax		
Origination and reversal of temporary differences	(96)	27
Changes in tax rates	(3)	-
Benefit arising from previously unrecognised tax losses	(793)	-
Adjustments in respect of prior periods	-	15
Total tax charge/(credit)	(759)	231

The tax assessed for the year differs from the standard rate of corporation tax in the UK applied to loss before tax.

	2022 £'000	2021 £'000
Total profit on ordinary activities before tax	45	627
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (2021: 19%)	9	119
Effects of:		
Expenses not deductible for tax purposes	24	30
Income not taxable	(6)	-
Impairment on goodwill	61	-
Adjustments to prior periods	1	39
Fixed asset differences	(2)	-
Deferred tax asset not previously recognised	(793)	-
Deferred tax not recognised – loss relief in current period	(50)	(23)
Effect of changes in tax rates on deferred tax	(3)	66
Tax charge/(credit) for the year	(759)	231

In the Budget on 3 March 2021, the Chancellor announced the intention to increase the main rate of UK corporation tax to 25% for the financial year beginning 1 April 2023. This was substantively enacted on 24 May 2021.Deferred tax at the balance sheet date has therefore been measured using the enacted tax rate of 25% (2021: 25%) in these financial statements.

There were unused tax losses at 31 December 2022 amounting to £3,172k. In the majority, these were restricted for use for 5 years against future taxable profits arising from the trade formerly carried on in Tab Media Limited and now carried on in Digitalbox Publishing Limited. A deferred tax asset has been recognised in relation to these losses for the first time, as these are now considered to be highly likely to be recoverable against future profits.

12.EARNINGS PER SHARE

The earnings per share is based on the following:	**2022 £'000**	**2021 £'000**
Continuing earnings post tax attributable to shareholders	804	396
Basic weighted average number of shares	117,718,533	116,332,457
Diluted weighted average number of shares	120,002,622	118,297,010
Basic earnings per share (£)	0.00683	0.00340
Diluted earnings per share (£)	0.00670	0.00335

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. The exercise price of the outstanding share options is significantly more than the average and closing share price. Therefore, as per IAS33 the potential ordinary shares which could arise from exercised share options are disregarded in the calculation of diluted EPS.

13. TANGIBLE FIXED ASSETS

	IFRS 16 Right-of-Use Asset £'000	**Office equipment £'000**	**Total £'000**
Cost			
Balance at 1 January 2021	33	27	60
Additions	56	2	58
Disposals	(33)	-	(33)
Balance at 1 January 2022	56	29	85
Additions	-	43	43
Disposals	(56)	(14)	(70)
Balance at 31 December 2022	-	58	58
Accumulated depreciation			
Balance at 1 January 2021	31	10	41
Depreciation charge	27	4	31
Depreciation eliminated on disposal	(33)	-	(33)
Balance at 1 January 2022	25	14	39
Depreciation charge	-	7	7
Depreciation eliminated on disposal	(25)	(15)	(40)
Balance at 31 December 2022 -	6	6	
Net Book Value			
At 31 December 2022	-	52	52
At 31 December 2021	31	15	46

The net book value of owned and leased assets included as "Property, plant and equipment" in the Statement of Financial Position is as follows:

	2022 £'000	**2021 £'000**
Tangible fixed assets owned	52	15
Right-of-Use tangible fixed assets	-	31
	52	46

13. TANGIBLE FIXED ASSETS (continued)

Information about the Right-of-Use assets is summarised below:

Net Book Value	**2022 £'000**	**2021 £'000**
Property	-	31

Depreciation charge in respect of the Right-of-Use asset is as follows:

	2022 £'000	**2021** £'000
Property	-	27

14. INTANGIBLE FIXED ASSETS

GROUP	**Goodwill Arising on Consolidation £'000**	**Other Intangible Assets £'000**	**Development costs £'000**	**Total £'000**
Cost				
Balance at 1 January 2021	9,610	1,476	35	11,121
Additions	-	-	86	86
Balance at 1 January 2022	9,610	1,476	121	11,207
Additions	-	18	171	189
Business combinations (note 24)	-	202	-	202
Balance at 31 December 2022	9,610	1,696	292	11,598
Accumulated amortisation				
Balance at 1 January 2021	-	247	35	282
Amortisation	-	211	4	215
Balance at 1 January 2022	-	458	39	497
Amortisation	-	159	32	191
Impairment	321	395	-	716
Balance at 31 December 2022	321	1,012	71	1,404
Net Book Value				
At 31 December 2022	9,289	684	221	10,194
At 31 December 2021	9,610	1,018	82	10,710
At 31 December 2020	9,610	1,229	-	10,839

The company acquired the intellectual property of The Poke in December 2022 for £202,000.

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

14. INTANGIBLE FIXED ASSETS (continued)

GOODWILL AND IMPAIRMENT

The carrying value of goodwill in respect of each cash generating unit is as follows:

	31 December 2022 £'000	31 December 2021 £'000
Digitalbox Publishing (Holdings) Limited	9,171	9,171
Mashed Productions Limited	-	321
Tab Media Limited	118	118
	9,289	9,610

The Group is obliged to test goodwill annually for impairment, or more frequently if there are indications that goodwill and indefinite life intangibles might be impaired, due to the goodwill deemed to have an indefinite useful life. In order to perform this test, management is required to compare the carrying value of the relevant cash generating unit ("CGU") including the goodwill with its recoverable amount. The recoverable amount of the CGU is determined from a value in use calculation. It is considered that any reasonably possible changes in the key assumptions would not result in an impairment of the present carrying value of the goodwill.

Digitalbox Publishing (Holdings) Limited
The recoverable amount of Digitalbox Publishing (Holdings) Limited relates to the Entertainment Daily segment and has been determined from a review of the current and anticipated performance of this unit. In preparing this projection, a discount rate of 10% has been used based on the weighted average cost of capital and a future growth rate of 3% has been assumed. It has been assumed investment in capital equipment will equate to depreciation over the year. The discount rate was based on the Group's cost of capital as estimated by management. After applying sensitivity analysis in respect of the results and future cash flows, in particular for presumed growth rates and discount rates, management is satisfied that it is highly improbable that such a change in key assumptions would reduce the recoverable amount below book value. The key sensitivity is the discount rate which does not breach the outer sensitivity of a 15 year useful economic lifetime until it reaches an improbable 16%.

Mashed Productions Limited
The recoverable amount of Mashed Productions Limited has been determined with reference to the trade and assets hived across to Digitalbox Publishing Limited in 2020. Due to a change in the revenue model for this CGU the recoverable amount has been deemed as £NIL in 2022 and therefore, a full impairment of Mashed Productions Limited has been made.

Tab Media Limited
The recoverable amount of the Tab Media segment, which was hived up from Tab Media Limited to Digitalbox Publishing Limited on 1 October 2020, has been determined from a review of the current and anticipated performance of this unit. In preparing this projection, a discount rate of 10% has been used based on the weighted average cost of capital and a future growth rate of 3% has been assumed. It has been assumed investment in capital equipment will equate to depreciation over the year. The discount rate was based on the Group's cost of capital as estimated by management. After applying sensitivity analysis in respect of the results and future cash flows, in particular for presumed growth rates and discount rates, management is satisfied that it is highly improbable that such a change in key assumptions would reduce the recoverable amount below book value. The key sensitivity is the discount rate which does not breach the outer sensitivity of a 15 year useful economic lifetime until it reaches an improbable 16%.

15. TRADE AND OTHER RECEIVABLES

	31 December 2022 £'000	31 December 2021 £'000
Trade receivables	784	1,428
Prepayments and accrued income	100	104
Other receivables	68	238
	952	1,770

16. CASH AND CASH EQUIVALENTS

	31 December 2022 £'000	31 December 2021 £'000
Cash at bank and in hand	2,827	2,186
	2,827	2,186

17. LIABILITIES

	31 December 2022 £'000	31 December 2021 £'000
Current liabilities		
Trade payables	124	86
Social security and other taxes	84	144
Accruals	76	508
Lease liabilities	-	29
Other payables	4	1
Bank loan	112	112
Corporation tax payable	61	163
	461	1,043
Non-current liabilities		
Lease liabilities	-	2
Bank loans	206	319
	206	321

18. LOANS

	31 December 2022 £'000	31 December 2021 £'000
Bank loans		
Due in less than one year	112	112
Due in between one and two years	122	122
Due in between two and five years	84	197
	318	431

On 7 October 2020, Digitalbox Publishing Limited drew down a loan facility amounting to £450k under the CBILS scheme. The present value of the loan at inception discounted at a market rate of interest was £440k. The loan is for a term of five years and is repayable in equal monthly instalments which commenced in 2021. Interest is charged at a fixed rate of 2.43% per annum, with the cost being fully subsidised by central Government for the first 12 months.

The loan is secured by a debenture over the assets of the Digitalbox Publishing Limited and a £450k guarantee granted by Digitalbox plc. The outstanding balance at 31 December 2022 was £318k (2021: £431k).

19. DEFERRED TAX

	Total £'000
Balance at 1 January 2022	(275)
Deferred tax charge for the year	892
Balance at 31 December 2022	617

The deferred tax provision comprises:	31 December 2022 £'000	31 December 2021 £'000
Intangible asset timing differences	(176)	(275)
Tax losses	793	-
	617	(275)

The expected net reversal of deferred tax in 2023 is £35k.

20. FINANCIAL RISK MANAGEMENT

The Group is exposed to risks that arise from its use of financial instruments. These financial instruments are within the current assets and current liabilities shown on the face of the statement of financial position and comprise the following:

Credit risk
The Group is exposed to credit risk primarily on its trade receivables. The Group maintains its cash reserves at a reputable bank. It is group policy to assess the credit risk of each new customer before entering into binding contracts.

The maximum exposure to credit risk is represented by the carrying value in the statement of financial position. The credit risk on liquid funds is low as the funds are held at a bank with a high credit rating assigned by international credit agencies.

	31 December 2022 £'000	31 December 2021 £'000
Current financial assets		
Trade receivables	784	1,428
Other receivables	67	238
Cash and cash equivalents	2,827	2,186
	3,678	3,852

The table below illustrates the due date of trade receivables:

	31 December 2022 £'000	31 December 2021 £'000
Current	286	577
31 – 60 days	215	421
61 – 90 days	158	267
91 – 120 days	68	126
121 and over	57	37
	784	1,428

The table below illustrates the geographical location of trade receivables:

	31 December 2022 £'000	31 December 2021 £'000
United Kingdom	252	921
Europe	270	141
Rest of world	262	366
	784	1,428

20. FINANCIAL RISK MANAGEMENT (continued)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped together based on similar credit risk and ageing. The average credit period given on sales is 30 days. There are no receivable balances impaired at the reporting date. In determining the provision for impairment of trade receivables, the Group stratifies the receivables into one component being corporate debtors. The expected credit loss allowance for impairment is trivial and so no impairment has been recognised at the year-end.

Liquidity risk
Liquidity risk arises from the Group's management of working capital and the finance charges and repayments of its liabilities.

The Group's policy is to ensure that it will have sufficient cash to allow it to meet its liabilities when they become due and so cash holdings may be high during certain periods throughout the period.

The Group's policy in respect of cash and cash equivalents is to limit its exposure by reducing cash holding in the operating units and investing amounts that are not immediately required in funds that have low risk and are placed with a reputable bank.

Cash at bank and cash equivalents

	31 December 2022 £'000	31 December 2021 £'000
At the year end the Group had the following cash balances:	2,827	2,186

Cash at bank comprises Sterling and US Dollar cash deposits.

All monetary assets and liabilities within the group are denominated in the functional currency of the operating unit in which they are held. All amounts stated at carrying value equate to fair value.

	31 December 2022 £'000	31 December 2021 £'000
Financial liabilities at amortised cost		
Trade payables	124	86
Accruals	76	508
Lease liabilities	-	31
Bank loans	318	431
Other payables	4	1
	522	1,057

The table below illustrates the maturities of trade payables:

	31 December 2022 £'000	31 December 2021 £'000
Current	93	45
31 – 60 days	21	28
61 – 90 days	-	12
91 – 120 days	-	-
121 and over	10	1
	124	86

The table below shows the maturities of financial liabilities:

2022	Carrying amount £'000	6 months or less £'000	6-12 months £'000	1 or more year £'000
Trade payables	124	114	-	10
Accruals	76	76	-	-
Loans	318	56	56	206
Other payables	4	4	-	-
	522	250	56	216

2021	Carrying amount £'000	6 months or less £'000	6-12 months £'000	1 or more year £'000
Trade payables	86	85	1	-
Accruals	508	508	-	-
Lease liabilities	31	14	15	2
Loans	431	56	56	319
Other payables	1	1	-	-
	1,057	664	72	321

Capital Disclosures and Risk Management

The Group's management define capital as the Group's equity share capital and reserves.

The Group's objective when maintaining capital is to safeguard its ability to continue as a going concern, so that in due course it can provide returns for shareholders and benefits for other stakeholders.

The Group manages its capital structure and makes adjustments to it in the light of changes in the business and in economic conditions. In order to maintain or adjust the capital structure, the Group may from time to time issue new shares, based on working capital and product development requirements and current and future expectations of the Company's share price.

Share capital is used to raise cash and as direct payments to third parties for assets or services acquired.

Market risk
Interest rate risk
Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Group considers the interest rates available when deciding where to place cash balances.

Foreign currency risk
Foreign exchange transaction risk arises when individual Group operations enter into transactions denominated in a currency other than the functional currency. The principal risk arises from the Group's reliance on US Dollar denominated annual revenues which amounted to $1.8m (2021: $1.9m) with a trade debtor balance at the year-end of $11k (2021: $214k). The Group mitigates foreign exchange risk by selling forward US Dollars on a quarterly basis.

21. SHARE CAPITAL

	No. 31 December 2022	Value £'000	No. 31 December 2021	Value £'000
Called up share capital				
Allotted, called up and fully paid				
Ordinary shares of £0.01 each	117,923,393	1,179	116,332,457	1,163
	117,923,393	1,179	116,332,457	1,163

	No.	£'000
As at 1 January 2022	116,332,457	1,163
Issue of shares	1,590,936	16
As at 31 December 2022	117,923,393	1,179

On 16 February 2022, 1,590,936 shares were issued pursuant to the exercise of warrants for consideration of £0.0228 per share, resulting in share premium of £20k.

22. SHARE BASED PAYMENTS

During the year, the Group incurred a £62k share based payment charge (2021: £143k). Of this total, £17k (2021: £100k) was recorded as an expense in Digitalbox plc and £45k (2021: £43k) was recorded as an expense in Digitalbox Publishing Limited.

	2022 No. of share	Weighted average exercise price	2021 No. of share options	Weighted average exercise price
Outstanding at beginning of year	9,141,663	7.74p	8,298,757	8.19p
Granted during the year	-	-	1,002,906	6.00p
Exercised during the year	(1,590,936)	2.28p	-	-
Expired during the year	(3,008,808)	14.0p	(160,000)	20.00p
Outstanding at the end of the year	4,541,919	5.51p	9,141,663	7.74p

3,008,718 options are exercisable after 3 years (see page 27), or an exit event.
169,285 options are exercisable immediately.
1,363,916 options relates to Warrants issued prior to the group's admission by Digitalbox Publishing (Holdings) Limited, a subsidiary of the company. These are exercisable upon the exercise of those warrants in a share for share exchange arrangement, under which the company acquires all shares issued in Digitalbox Publishing (Holdings) Limited and in consideration, issues shares to the warrant holders.

A Black-Scholes model has been used to determine the fair value of the share options on the date of grant. The fair value is expensed to the income statement on a straight-line basis over the vesting period, which is determined annually. The model assesses a number of factors in calculating the fair value. These include the market price on the date of grant, the exercise price of the share options, the expected share price volatility of the Company's share price, the expected life of the options, the risk-free rate of interest and the expected level of dividends in future periods.

23. RESERVES

Full details of movements in reserves are set out in the consolidated statement of changes in equity. The following describes the nature and purpose of each reserve within owners' equity:

Share premium: Amount subscribed for share capital in excess of nominal value.

Retained earnings: Cumulative net gains and losses recognised in the consolidated statement of comprehensive income.

Share based payment reserve: Cumulative charges recognised in the consolidated statement of comprehensive income in relation to share based payments.

24. ACQUISITION OF A BUSINESS

On 30 November 2022 the company acquired an unincorporated business, thepoke.co.uk, for consideration of £204,000.

	Book Value £'000	Fair Value £'000
Intangible assets (Brand)	-	202
Property, plant & equipment	2	2
Total consideration	2	204

Satisfied by:	**£'000**
Cash	204

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£'000
Revenue	15
Profit after tax	5

25. LEASING COMMITMENTS

Group as a lessee

In 2022, the group exited their head office lease.

Lease liabilities are due as follows:	31 December 2022 £'000	31 December 2021 £'000
Current	-	29
Non-current	-	2
	-	31

25. LEASING COMMITMENTS (continued)

Contractual undiscounted cash flows are due as follows:	**31 December 2022 £'000**	**31 December 2021 £'000**
Current	-	30
Non-current	-	3
	-	33

There is not considered to be any significant liquidity risk by the Group in respect of leases.

The following amounts in respect of leases, where the Group is a lessee, have been recognised in the profit or loss:

	31 December 2022 £'000	**31 December 2021 £'000**
Interest expense on lease liabilities	-	2
Expenses relating to short-term leases	-	29
	-	31

26. CAPITAL COMMITMENTS

At 31 December 2022 and 31 December 2021 there were no capital commitments.

27. RELATED PARTY TRANSACTIONS

At 31 December 2022, the Group was due £nil (2021: £171k) from James Carter and Jim Douglas, two Directors of the company, both having used the net proceeds of the 2021 bonus payment to repay their Director loans in full.

During the year, Integral2 Limited billed £65k (2021: £53k) to the Group, a company related by virtue of David Joseph, a member of key management personnel, having control over the entity. As at 31 December 2022, £6k (2021: £5k) was owed to Integral2 Limited. During the year, David Joseph acquired 600,000 shares in Digitalbox plc at 8 pence per share through Integral 2 Limited.

During the year, M Capital Investment Properties Limited billed £25k (2021: £25k) to the Group, a company related by virtue of Martin Higginson, a member of key management personnel, having control over the entity. As at 31 December 2022, £2.5k (2021: £2.5k), was accrued as owing to M Capital Investment Properties Limited.

During the prior year, Robin Miller Consultants Limited billed £11k to the Group, a company related by virtue of Robin Miller, a member of key management personnel for part of the prior year, having control over the entity. As at 31 December 2022, £nil (2021: £1.7k), was owed to Robin Miller Consultants Limited. The balances stated here were for transactions up to the point that Robin Miller resigned as a director and was therefore no longer a related party.

The key management personnel are considered to be the Board of Directors. Their remuneration is disclosed in detail in note 9. Key management were remunerated £406k in the year ended 31 December 2022 (2021: £715k).

The key management personnel have been provided with a total of 1,363,916 effective share options resulting in a charge of £17k in the period (2021: £100k).

COMPANY STATEMENT OF FINANCIAL POSITION

		At 31 December 2022 £'000	**At 31 December 2021 £'000**
Fixed assets			
Investments	III	11,209	11,127
		11,209	11,127
Current assets			
Trade and other receivables	IV	1,286	1,747
Cash and cash equivalents	V	1	20
		1,287	1,767
Current liabilities			
Trade and other payables	VI	(73)	(467)
Corporation tax payable		-	
Total current liabilities		(73)	(467)
Total liabilities		(73)	(467)
Net current assets		1,214	1,300
Total assets less total liabilities		12,423	12,427
Capital and reserves			
Called up share capital	VII	1,179	1,163
Share premium account	IX	11,169	11,149
Share-based payment reserve	IX	196	464
Retained reserves	IX	(121)	(349)
Shareholders' funds		12,423	12,427

The Company has taken advantage of the exemptions allowed under section 408 of the Companies Act 2006 and has not presented its income statement in these financial statements. The Group profit for the year included a loss on ordinary activities after tax of £102k (2021: £75k loss) in respect of the Company.

The financial statements were approved by the Board and authorised for issue on 27 March 2023.

James Carter
CEO

David Joseph
CEO

Company registration number: 04606754

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share Capital £'000	Share Premium £'000	Share-based payment £'000	Retained reserves £'000	Total £'000
Balance at 1 January 2021	1,163	11,149	321	(274)	12,359
Loss after tax	-	-	-	(75)	(75)
Share-based payments	-	-	143	-	143
31 December 2021	1,163	11,149	464	(349)	12,427
Loss after tax	-	-	-	(102)	(102)
Issue of new shares	16	20	-	-	36
Share-based payments	-	-	62	-	62
Reserves transfer in respect of lapsed options			(330)	330	-
31 December 2022	1,179	11,169	196	(121)	12,423

The notes on pages 69 to 71 form part of the group financial statements.

NOTES FORMING PART OF THE COMPANY FINANCIAL STATEMENTS

I. ACCOUNTING POLICIES

The separate financial statements of the Company are presented as required by the Companies Act 2006. As permitted by the Act the separate financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements IFRS 7 Financial Instruments: Disclosures;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of: (i) paragraph 79(a) (iv) of IAS 1, (ii) paragraph 73(e) of IAS 16 Property Plant and Equipment and (iii) paragraph 118 (e) of IAS 38 Intangible Assets
- the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 17 and 18a of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

Where required, equivalent disclosures are given in the group financial statements of Digitalbox plc.

The principal accounting policies adopted are the same as those set out in note 4 to the consolidated financial statements except as noted below:

Valuation of investments
Investments in subsidiaries are stated at cost less any provision for impairment in value.

II. OPERATING PROFIT

The auditor remuneration for audit and other services is disclosed in note 8 to the consolidated financial statements.

The average number of employees of the company during the year was 6 (2021: 5) and total staff costs were £461k (2021: £815k). Directors' remuneration is disclosed in note 9 to the consolidated financial statements.

III. FIXED ASSET INVESTMENTS	31 December 2022 £'000
Subsidiary undertakings	
Cost	
Balance at 1 January 2022	11,365
Additions	82
Disposals	-
Balance at 31 December 2022	11,447
Provisions	
Balance at 1 January 2022	238
Charge for the year	-
Balance at 31 December 2022	238
Carrying value of investments	11,209

The additions to investments comprise a capital contribution to the company's subsidiary, Digitalbox Publishing Limited, in relation to equity-settled share-based payments made to employees of that subsidiary as disclosed in Note 22 to the consolidated financial statements, and an increase in the investment in Digitalbox Publishing (Holdings) Limited as a result of a share issue for cash triggered by the exercise of warrants.

At the year end the Company had the following subsidiaries:

Subsidiary name	Class of shares	Proportion of ownership	Registered office
Digitalbox Publishing Limited	Ordinary	100% Indirect	Jubilee House, 92 Lincoln Road,Peterborough, PE1 2SN
Digitalbox Publishing (Holdings) Limited	Ordinary	100% Direct	Jubilee House, 92 Lincoln Road, Peterborough, PE1 2SN

Subsidiary name	Principal activity
Digitalbox Publishing Limited	Sale of digital advertising space
Digitalbox Publishing (Holdings) Limited	Holding company

IV. RECEIVABLES: due within one year	31 December 2022 £'000	31 December 2021 £'000
Amounts owed by group undertakings	1,261	1,695
Prepayments and accrued income	25	52
	1,286	1,747

DIGITALBOX PLC
NOTES FORMING PART OF THE COMPANY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

V. CASH AND CASH EQUIVALENTS

	31 December 2022 £'000	31 December 2021 £'000
Cash at bank and in hand	1	20
	1	20

VI.PAYABLES: amounts falling due within one year

	31 December 2022 £'000	31 December 2021 £'000
Trade payables	10	29
Accruals	45	403
Corporation tax payable	-	18
Other tax and social security	18	16
Other payables	-	1
	73	467

VII. SHARE CAPITAL

Details of the Company's share capital can be found in Note 21 to the consolidated financial statements.

VIII. SHARE OPTIONS

Share Option Scheme

Details of the share options outstanding at 31 December 2022 can be found in Note 22 to the consolidated financial statements.

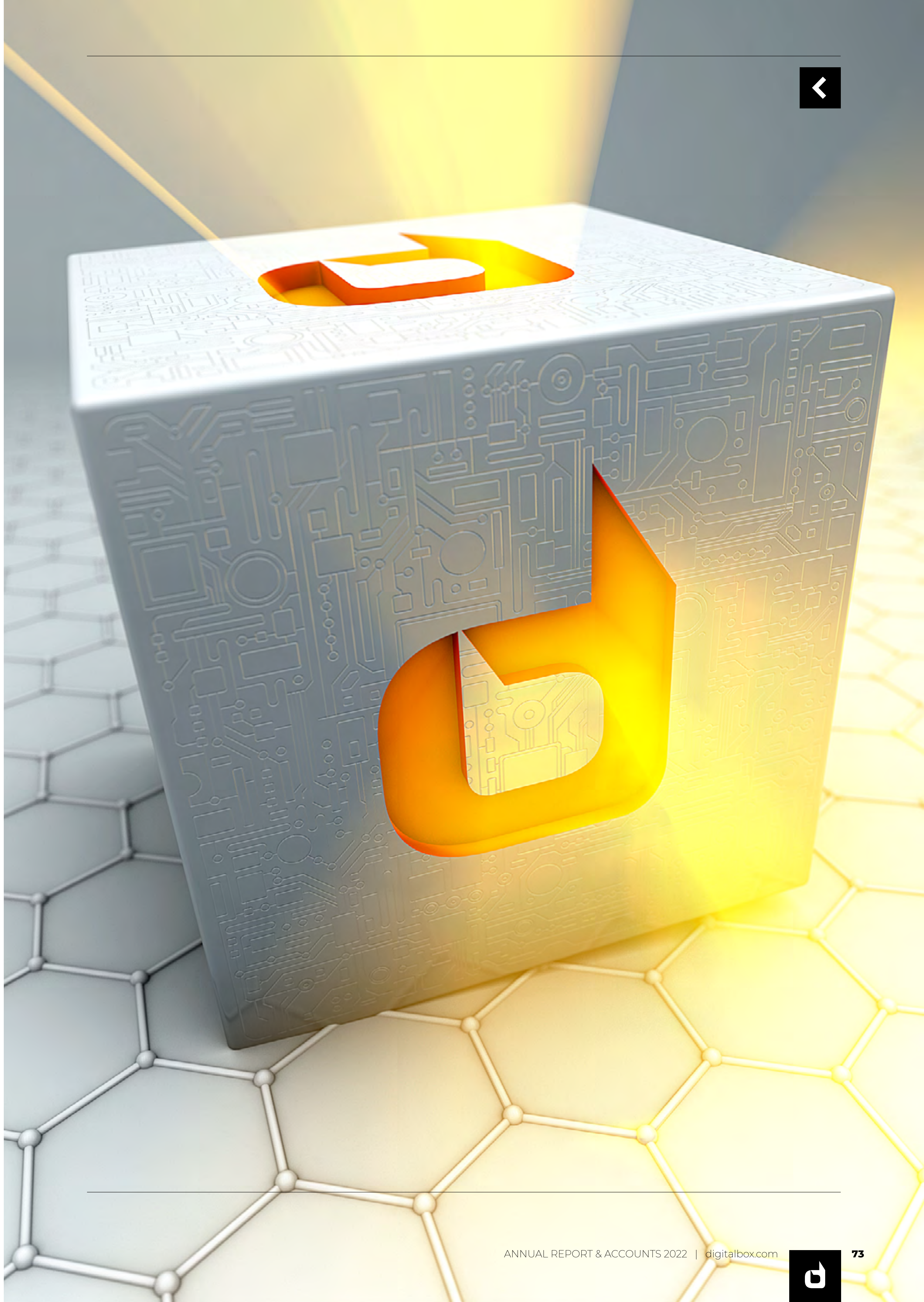
IX. RESERVES

Details of the reserves can be found in Note 23 to the consolidated financial statements.

X. RELATED PARTY TRANSACTIONS

Details of the Company's related party transactions can be found in Note 27 to the consolidated financial statements.

Directors	Marcus Rich James Carter Jim Douglas Martin Higginson David Joseph Philip Machray
Company Secretary and Registered Office	David Joseph Jubilee House 92 Lincoln Road Peterborough PE1 2SN
Company Number	04606754
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham GU9 7DR
Nominated Adviser and Broker	Panmure Gordon 40 Gracechurch Street London EC3V 0BT
Joint Broker	Leander Capital Partners 10 Old Burlington Street London W1S 3AG
Independent Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Solicitors	FREETHS LLP Floor 3 100 Wellington Street Leeds LS1 4LT
Country of Incorporation of Parent Company	England and Wales
Legal Form	Public Limited Company
Domicile	United Kingdom



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