

# Global Media & Entertainment Limited

Annual Report and Financial Statements  
Year ended 31 March 2023

Company number 06251684



# **Global Media & Entertainment Limited**

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# **Global Media & Entertainment Limited**

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## **Directors and advisers**

### **Current Directors**

Lord Allen of Kensington CBE (Chairman)  
A.D. Tabor-King OBE  
S.G. Miron  
M. Gordon  
J Hickman  
D.J. Henderson  
B. Porter (appointed 1 July 2023)  
S. Cairns  
J. A Rea  
S. J. Enser-Wight

### **Company secretary**

M.J Gammon

### **Registered office**

30 Leicester Square  
London  
WC2H 7LA

### **Company number**

06251684

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered accountants and statutory auditors  
1 Embankment Place  
London  
WC2N 6RH

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# Global Media & Entertainment Limited

## Group Strategic Report

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The Directors present their Strategic Report for Global Media & Entertainment Limited (the “Company”) and its subsidiaries (together the “Group”) when viewed as a whole for the year ended 31 March 2023. Throughout this document we refer to the 12 month financial period ended 31 March 2023 and 2022 as either year or period.

### Principal activities

The Group's principal activities during the year were the operation of commercial radio stations in the United Kingdom and the operations of out-of-home media advertising in the UK and Europe.

### Business review

Across the Group's platforms, on-air, on Global Player and Outdoor, we entertain and reach over 51.7 million individuals across the UK every week.

Despite the continued challenging economic backdrop in the UK, the Audio business delivered its highest ever revenue, helped by the record number of Partnership deals and growth within podcasting including the launch of The News Agents podcast. According to the latest RAJAR radio audience data in quarter one of 2023, we achieved our highest audience, reaching 26.7m weekly listeners. The Outdoor business has seen continued recovery since the pandemic, delivering 30% growth in revenue on the prior year, as we saw the market come back strongly.

Overall the Group's continuing revenue and continuing adjusted EBITDA (as defined on page 6) increased by 14% and 15% respectively leading to an overall operating profit of £75.4m compared to £57.1m in the previous period. The increase is due to the ongoing recovery of markets in which we operate post pandemic, as well as continued strong commercial and operating performance. We have discussed the performance of our key operations Audio and Outdoor below.

### Audio

Global owns some of the best-loved radio stations in the UK and continues to be a market-leader in commercial radio. Our brands which include Heart, Capital, LBC and Smooth keep 26.7 million people entertained every week. In the year we saw record growth of 9% and had our best ever RAJAR results.

Over the last few years, listening habits and the needs of advertisers have changed rapidly and the growth in digital platforms has accelerated some of these trends. Our DAX business remains a key player in the programmatic advertising arena, with a growing number of publishers. The market remains dynamic, with Global at the forefront, and advertisers are increasingly directing greater levels of spend towards tools and channels which allow more targeted and transparent campaigns.

Digital engagement with Global's brands has continued to grow year on year, driven by our investment in Global Player and podcasting along with the increasing use by listeners of smart speakers to listen to Global stations. In particular, we delivered growth across our podcasting business of 48%.

We continued to strengthen our brands and the offerings for listeners by signing high profile presenters along with launching three new stations (Heart 00s, Capital Chill and Radio X Classic Rock) that enhance our listeners' experiences with our brands.

Classic FM celebrated its 30th birthday and in conjunction with this celebration Sky commissioned Global to produce shows for Sky Arts as part of a multiyear production agreement. This partnerships allows us to take our popular events featuring world-class musicians, to an even larger audience.

### Outdoor

With an extensive and diverse portfolio, we are a leader in Outdoor advertising across the UK and Europe. We have over 253,000 sites combining London Underground, airports, roadside posters, premium digital screens, buses and more. Our Outdoor inventory reaches 95% of the UK population.

During the year we successfully renewed the contract with Gatwick Airport for a further five years retaining our position as the UK's largest airport media operator. The contract provided Global with exclusive advertising rights throughout the airport, offering advertisers access to innovative solutions in a premium environment as well as insight into international and domestic audiences.

Whilst the market remains below pre-pandemic levels, it is building back strongly and we continued to underscore our commitment to the medium with our ongoing investment and innovation.

The opening of the Elizabeth line in May 2022 saw the unveiling of 329 state-of-the-art advertising sites along the line; the largest launch of digital assets at one time on the TfL network. The new digital billboards located at all Elizabeth line stations were added to Global's Outdoor inventory and, in October 2022, made available on its digital advertising platform, DAX, allowing advertisers to buy data-driven campaigns across digital Outdoor and digital audio. With a focus on creating extensive digital opportunities for advertisers, the new stations feature seven pairs of unmissable, full motion enabled Digital Ribbons and 16 new-format Digital Runways – made up of 234 platform edge screens – which are exclusive to the Elizabeth line. The extension of DAX programmatic

## Global Media & Entertainment Limited

### Group Strategic Report

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trading demonstrates the Group's continued drive to provide dynamic digital Outdoor advertising at scale. In the wider Outdoor portfolio, featuring two large-format, portrait screens, Global launched The Premiere @ Leicester Square.

Global is continuing to invest in digital screens which are more energy efficient, and its Outdoor division has several accreditations (including ISO 50001 and ISO 14001 certifications), and has won awards, for its commitment to sustainability.

In May 2022 Global Spain (Global Media & Entertainment, S.A.U) won the tender for the advertising management of over 1,400 ADIF (National Railways) sites until 2032 and in November 2022 Global Media & Entertainment B.V. won the tender with NS Stations B.V. to manage the advertising over 360 digital advertising screens to 2025.

#### Other key highlights and events in the year to date

Global entered the mobile gaming arena with a strategic investment in Odeco which delivers non-intrusive audio adverts in mobile games. The investment sees DAX becoming the company's exclusive sales partner in the UK and in the US, expanding DAX's existing podcast, digital audio articles and programmatic Outdoor offering for advertisers and creators.

Global hosted both Capital's annual Summertime Ball in June 2023 and the Jingle Bell Ball in December 2022 along with other major events. Global signed an exclusive deal with ITV to broadcast a highlights show from Capital's Summertime Ball with Barclaycard on ITV and ITXV in June 2023.

Global's radio stations, Heart Scotland and Capital Scotland, launched brand-new breakfast shows in May 2023. In addition, both stations have launched brand new schedules as part of the expansion of Global's broadcast centre and technology hub in Glasgow.

In the financial year there were no new appointments to the Board. However Darren Singer (Chief Financial Officer) stepped down in August 2023 and was replaced by Ben Porter. Cilesta Van Doorn stepped down from the Board on 25 May 2023 and James Hickman (Chief Digital Product Officer) joined the Board on 1 July 2023 providing a wealth of experience across digital.

Global's Make Some Noise is the Group's in house charity. It continues to raise money and awareness for smaller charities and projects that do inspiring work to help disadvantaged communities. Since its launch Global's Make Some Noise has raised over £28.8m, supporting 331 small charities across the UK improving the lives of more than 150,000 people in need. During the year, Global's Make Some Noise raised over £4.5m (2022: £3.3m). Through the careful use of funds, the charity was able to award £2.5m (2022: £2.6m) in grants to 40 charities and projects across the UK, helping more than 24,000 beneficiaries.

Global continues to support the Global Academy, a unique school for Year 10 - Year 13 students and beyond specialising in the fast-paced and exciting creative media industry in Hayes, Middlesex, which opened in 2016 and provides academic and vocational education for students who want to work in the broadcast and digital media industry. For the fifth year the Group has offered apprenticeships to students from the Academy for a training and work experience programme. Currently, Global has employed 44 full time employees from this programme.

The Group is well positioned to continue growth within both our key operations of Audio and Outdoor content with additional growth through acquisitions and continued investment in DAX & the Outdoor estate. The Directors are continuing to monitor the impact of the cost of living crisis within the UK.

#### Financial performance

##### *Revenue and operating profit*

The consolidated income statement is set out on page 21 and shows revenue for the year ended 31 March 2023 of £806.1m, an increase of £96.5m, and operating profit of £75.4m, an increase of £18.3m. This is due to the recovery in the year from Covid-19, as well as continued strong commercial and operating performance. This is outlined by the factors discussed in the business review.

##### *Adjusted EBITDA pre IFRS 16*

The Directors consider that adjusted EBITDA pre IFRS 16 (as defined in the table below) represents a key measure of the business' performance, as it demonstrates the underlying trading performance by excluding the effects of non-recurring items. The Directors review and manage the business pre adjustments for IFRS 16 which has a significant impact on the statutory performance of the Group.

## Global Media & Entertainment Limited

### Group Strategic Report

#### Financial performance (continued)

A reconciliation between the statutory measure 'operating profit' to the alternative measure 'EBITDA' and 'adjusted EBITDA' is shown below:

|                                                      | Year ended<br>31 March 2023<br>£m | Year ended<br>31 March 2022 <sup>1</sup><br>£m |
|------------------------------------------------------|-----------------------------------|------------------------------------------------|
| Audio                                                | 426.1                             | 418.9                                          |
| Outdoor                                              | 380.0                             | 290.7                                          |
| <b>Revenue from continuing operations</b>            | <b>806.1</b>                      | <b>709.6</b>                                   |
| Cost of sales from continuing operations<br>(Note 1) | (373.8)                           | (284.9)                                        |
| Gross profit                                         | 432.3                             | 424.7                                          |
| Administrative expenses                              | (356.9)                           | (367.6)                                        |
| <b>Operating profit from continuing operations</b>   | <b>75.4</b>                       | <b>57.1</b>                                    |
| Depreciation                                         | 81.2                              | 78.4                                           |
| Amortisation                                         | 36.9                              | 30.9                                           |
| Other operating expenses                             | 10.0                              | 11.1                                           |
| <b>Adjusted EBITDA (Note 2)</b>                      | <b>203.5</b>                      | <b>177.5</b>                                   |
| IFRS 16 adjustment                                   | (65.8)                            | (62.5)                                         |
| <b>Adjusted EBITDA pre IFRS 16</b>                   | <b>137.7</b>                      | <b>115.0</b>                                   |
|                                                      | <b>31 March 2023</b>              | <b>31 March 2022</b>                           |
|                                                      | £m                                | £m                                             |
| <b>Net liabilities</b>                               | (766.4)                           | (903.0)                                        |
| <b>Total assets</b>                                  | 1,535.5                           | 1,509.0                                        |

<sup>1</sup> These numbers have been restated, refer to Note 1 (d) for explanation

Note 1: Cost of sales exclude depreciation, amortisation and charges or credits relating to non-recurring items including restructuring and integration costs such as launch costs including rebranding, redundancy costs, system implementations, impairments of intangible assets and vacant property provisions outside of the scope of IFRS 16, as well as costs of acquisitions. This was consistent with prior year.

Note 2: Adjusted EBITDA comprises earnings before interest, tax, depreciation and amortisation and is stated before any charges or credits relating to non-recurring items including restructuring and integration costs such as launch costs including rebranding, redundancy costs, system implementations, impairments of any Goodwill or Intangible assets and vacant property provisions outside of the scope of IFRS 16, as well as costs of acquisitions. This was consistent with prior year.

# **Global Media & Entertainment Limited**

## **Group Strategic Report**

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### **Going concern**

In assessing Global's viability and ability to operate on a going concern basis, the Directors have considered the future trading prospects of the Group's businesses and available liquidity and debt maturities and consider it appropriate to adopt the going concern assumption used in the preparation of the Group's financial statements for the year ended 31 March 2023. The Directors are continuing to monitor the impact of the cost of living crisis within the UK.

The Directors have prepared a forecast on a base case and downside scenarios from the date of approval of these financial statements. The key assumptions in the modelled scenarios relate to the speed of the recovery of the advertising market and the rate and scale of delivery of advertising on our Outdoor inventory as audiences return.

The Board continues to monitor performance against the forecast as well as internal and external analysis to inform its planning and decision making and will continue to manage its costs and cash appropriately. For further details on the reasons why the Directors believe that these financial statements have been prepared on a going concern basis see Section 1i: Basis of preparation in the notes to the consolidated financial statements.

### **Principal risks, financial risks and uncertainties**

The principal risks faced by the business can be divided into operational, commercial, financial and credit risks. The risks are monitored and managed at a Group level and by local management teams.

#### **Operational risk**

Reduced audience levels at the Group's stations or reach across the Outdoor estate could erode the Group's position in local, national or international markets. The Group promotes its radio brands and Outdoor inventory regularly and continually strives to improve programming standards to increase audiences and encourage digital Outdoor advertising. The Group carries out research on its listeners, building profiles of their likes and dislikes, and uses this to develop both the sound of the stations, and the music they play.

#### **Commercial risk**

There is a risk that weakness in the advertising market could put pressure on traditional revenue streams. To address this, the Group has been developing its relationship with advertisers and agencies to ensure that the value of its brands is fully realised. This includes offering tailored solutions to advertisers and highlighting the breadth of the Group's products. The development of new digital opportunities is at the heart of the Group's strategy, which will continue to reduce the pressure on our traditional revenue sources.

#### **Financial risk**

The Group is primarily funded by both related party and external bank debt. The Group's operations are cash-generative, and general exposure to liquidity risk is considered to be low. The Group monitors performance against its banking covenants on a quarterly basis.

The Group actively mitigates the risk of payment default by its customers using trade credit insurance and by reviewing outstanding payments and provisions for payment default regularly. This risk did not significantly increase in the year.

#### **Liquidity risk**

To maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the Group uses long-term debt finance. In the financial year the Group extended the external debt facilities until 2027 and converted a historic shareholder loan to equity; further details are disclosed in note 20 within the consolidated financial statements.

#### **Financial instruments**

The Group's risk management process and the policies for mitigating certain type of risks are set out in note 20. Details of the financial instruments used for these purposes are in note 20 to the consolidated financial statements.

#### **Key performance indicators**

The business uses key performance indicators which are monitored on a regular basis and include audience trends such as weekly reach, listening hours, share of the market and demographic mix as well as financial indicators such as revenue, adjusted EBITDA pre IFRS 16 and operating margins. Variance analysis is performed monthly, the results of which are monitored and discussed within a formal meeting structure.

## Global Media & Entertainment Limited

### Group Strategic Report

#### Non-financial key performance indicators

The Directors regularly assess the performance of the Group with a number of financial indicators, though the main non-financial measures are radio audience figures, as recorded in RAJAR surveys, and Outdoor advertising reach as measured by Route, a joint industry body producing estimates for out-of-home advertising. These figures are used commercially, in terms of determining campaign value, but also as a guide as to how each brand, location and format is performing. Both RAJAR results and Route data are based on statistical calculations derived from surveys completed by members of the public and are published quarterly.

#### Section 172 statement

The Group's long term success is at the forefront of the Board's thinking and the Directors have full regard for their duties and the matters set out in Section 172 of the UK Companies Act 2006. Indeed, it is the Board's belief that the Group can only be successful when the interest of those it works with are considered, and particularly when customer, supplier, employee and shareholder interests and the environment, climate and societies we operate in are understood and responded to and appropriately reflected in how the business develops. The table below discusses how the Board engages with the stakeholders to promote the success of the Group, with regard to the factors set out in Section 172 (1) of the Companies Act 2006.

| Stakeholders     | Major stakeholders, their interests and how the Board engages                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Customers</b> | <p>The Group is dedicated to building deep and meaningful client experiences, whether through our direct contact or through special events. The quality of this engagement is critical to facilitating our customers' campaigns. Client satisfaction is measured through satisfaction surveys as well as our ability to retain existing customers and recruit new ones.</p> <p>The Group has an internal customer support team for all listeners and customers where all complaints and enquiries can be dealt with in a timely manner. A weekly customer satisfaction report is posted on the internal Workplace intranet.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Employees</b> | <p>The Group is focused on ensuring that employees are well-informed of its key imperatives including its philosophy, values and ethics and the common guidelines and policies that support them. This includes the provision of an internal Facebook Workplace platform for open communication, quarterly company meetings presented by Board members, return of networking breakfasts and specific question and answer sessions allowing individuals to raise questions and concerns directly to Board members.</p> <p>In the year our new Brighter purpose was launched to align the Group's strategic direction and give employees a better insight into how their roles aligned with the purpose of the Company. To make everyone's day brighter employees are given their workiversary off to celebrate their commitment to Global.</p> <p>Employee engagement surveys are performed bi-annually to highlight areas for improvement in communication of the Group's purpose and objectives. The Board considers the results of these surveys to be a good barometer of the workforce's confidence in the Group's strategic direction, optimism for the future and career opportunities.</p> <p>The board continues to focus on the involvement of the workforce both the culture of the company and diversity and inclusion (D&amp;I) in the year, which is detailed in the Global goodness report on the external website <a href="http://www.global.com">www.global.com</a>.</p> <p>The Group's internal code of conduct (Global's Guide to doing the right thing), provides the ethical principles for all Global employees, which reflect our core values and expectation.</p> |

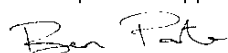


## Global Media & Entertainment Limited

### Group Strategic Report

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|-------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Suppliers</b>                          | <p>The Group is strongly committed to conducting its business in compliance with all applicable labour and employment-related laws, rules and regulations in every location in which we do business and across our supply chain. This includes, but is not limited to, laws, rules and regulations relating to wages and hours worked, equal employment opportunity, non-discrimination, harassment, immigration and work authorisation, privacy, collective bargaining, and child, prison and forced labour.</p> <p>The approach to partnering with suppliers is governed by a prescribed Responsible Sourcing Policy. Reflecting the internal code of conduct, this policy sets out expectations and requirements regarding issues such as respect of labour laws, forced and slave labour, human rights, the environment and anti-corruption. The Group carefully selects suppliers and business partners and maintains business relationships with those that share a commitment to high ethical standards. Global expects its suppliers and business partners to comply with applicable laws, rules and regulations as well as our Responsible Sourcing Policy.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Shareholder</b>                        | <p>The shareholder receives regular and timely information (at least weekly) including on the financial performance of the business, strategy, operational matters, market conditions and sustainability, all supported by Key Performance Indicators (KPIs).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Environment/<br/>community/society</b> | <p>The Directors do not just consider that the Group's advertising operations serve a commercial purpose but that they also provide important public information. Millions of people see our billboards, listen to our radio brands and spend time with us on our digital platforms every day. We're driven to be the very best we can be, creating market leading products and services for people to enjoy, and for brands to engage with their audiences. As we deliver on our business ambition, we know we have a unique opportunity to drive positive change in all that we do. We want to make sure we give back to the communities we serve.</p> <p>We are mindful of our environment and the responsibilities of being a media owner. We passionately believe that we need to accelerate opportunities for diverse talent and those from different socio-economic backgrounds to enter the creative industries.</p> <p>Through award-winning radio brands, podcasts, billboards and digital platforms, we have become an important part of the UK's everyday. We know how lucky we are to hold such a trusted position, and take our responsibilities seriously. It's why we stand behind a unifying purpose: Making everyone's day brighter. Each year we publish a Global Goodness Report which is an annual summary of how we are giving back to the communities we proudly serve, as well as sharing insights into our future aspirations.</p> <p>Our environmental impact report is on our website <a href="http://www.global.com">www.global.com</a> which illustrates how the Group are delivering on these priorities.</p> |

This report was approved by the Board of Directors on 7 December 2023 and signed on its behalf by



**B Porter**

Director

7 December 2023

## Global Media & Entertainment Limited

### Group Directors' Report

The Directors present the Directors' Report and the audited financial statements of the Group and the Company for the year ended 31 March 2023.

#### Results and dividends

The loss for the year after taxation for continuing operations amounted to £104.9m (2022: £105.3m). The Directors do not recommend the payment of a dividend (2022: £nil).

#### Directors

The Directors who served to the date of signing the financial statements:

|                                         |
|-----------------------------------------|
| Lord Allen of Kensington CBE (Chairman) |
| A.D. Tabor-King OBE                     |
| S.G. Miron                              |
| R.F.J. Park (resigned 1 August 2022)    |
| M. Gordon                               |
| J Hickman                               |
| D. Singer (resigned 4 August 2023)      |
| D.J. Henderson                          |
| B. Porter (appointed 1 July 2023)       |
| S. Cairns                               |
| J. A Rea                                |
| C. Van Doorn (resigned 25 May 2023)     |
| S. J. Enser-Wight                       |

#### Political and charitable contributions

As well as providing significant radio airtime to promote the activities and events of its charity, the Group provides a number of services to these charities, including the use of offices and administration services, free of charge.

The Group's donations to charities amounted to £nil (2022: £nil). No contributions were made to political organisations in both the current and prior period.

#### Future developments

The Directors believe that the Group will continue to see growth within both the Audio and Outdoor divisions from their current offerings. The Directors continue to explore several opportunities to grow and expand the Group operations.

#### Financial instruments

The Group's risk management process and the policies for mitigating certain type of risks are set out in note 20. Details of the financial instruments used for these purposes are in note 20 to the consolidated financial statements.

#### Employee involvement

As discussed in the Section 172 statement in the Strategic Report, the Group places considerable value on the involvement of its people and has continued to keep them informed on matters affecting their employment and on a range of factors affecting the performance of the Group and the Company.

#### Climate change

Whilst the Directors do not consider climate change to be a principal or financial risk for the Group, the environment and the impact that the Group has on the environment has been on their green agenda for the past 12 years. The Group has a committee (Green@Global) dedicated to making the Group as environmentally responsible as possible. Our green initiatives are underpinned by an annual carbon footprint audit and sustainability action plan to help meet our target of reducing carbon emissions by 5% each year end, and as a member of Ad Net Zero to achieve neutrality by 2030. In January 2023 we released our second Global Environmental Impact Report on our website ([www.global.com](http://www.global.com)) which outlines our environmental performance for the 2022 financial year, our achievements and how we are working towards our goals.

The Group achieved its target of reducing net carbon emissions by 5% from the prior period.

The Group actively pursues a policy of reducing and recycling waste across its locations. This informs a range of procurement decisions from single-use plastics to hybrid company cars as discussed within our Section 172 statement.

# Global Media & Entertainment Limited

## Group Directors' Report (continued)

### Climate change (continued)

The Group is required to report annually on the quantity of carbon dioxide equivalent emissions in tonnes emitted as a result of activities for which its responsible. All data for the financial year ended 31 March 2023 is disclosed here for scope 1, 2 and 3 emissions.

| Indicator                                                                      | 2023   | 2022   |
|--------------------------------------------------------------------------------|--------|--------|
| Total gross (CO <sub>2</sub> e emissions (tCO <sub>2</sub> e)                  | 4,171  | 4,501  |
| Scope 1: Direct emissions (tCO <sub>2</sub> e)                                 | 712    | 859    |
| Scope 2: In-direct emissions (tCO <sub>2</sub> e)                              | 3,290  | 3,610  |
| Scope 3: Transport data (tCO <sub>2</sub> e)                                   | 169    | 32     |
| Carbon offsets used to compensate for remaining emissions (tCO <sub>2</sub> e) | 3,105  | 3,259  |
| Total annual net emissions (tCO <sub>2</sub> e)                                | 1,066  | 1,242  |
|                                                                                |        |        |
| Energy consumption to calculate emissions (kWh)                                | 19,396 | 19,549 |

| Intensity Metric Assessments                                                    | 2023 | 2022 |
|---------------------------------------------------------------------------------|------|------|
| Intensity Ratio 1 [scope 1-3] (tCO <sub>2</sub> e / floor area m <sup>2</sup> ) | 0.17 | 0.2  |
| Intensity Ratio 2 [scope 1-3] (tCO <sub>2</sub> e / headcount)                  | 1.8  | 2.36 |

The methodology used to calculate our GHG emissions is aligned with GHG protocol and Environmental Reporting Guidelines including streamlined energy and carbon reporting guidance. The financial control approach has been used to define the reporting boundary.

### Social matters and human rights

Global impacts the social fabric of the United Kingdom both through the programming and events it provides to its audiences, and also through how it operates as an organisation.

As an employer, Global seeks to create a socially diverse environment where individuals are able to thrive regardless of ethnicity, gender, age, disability or sexuality, and upholds a fairness policy addressing equal opportunities and diversity throughout the Group's operations.

The Group is fully committed to ensuring it does not participate in, or facilitate, the violation of human rights. Its Modern Slavery Act Statement addresses how the Group identifies, addresses and prevents modern slavery in its business and wider supply chain. This statement is available on the company website and is reviewed annually. Global has also published Privacy and Data Protection policies as well as an Information Security policy, detailing how it manages and stores individuals' information whether they are employed by, or providing information to, the Group.

Global interacts with a large number of individuals during the ordinary course of its operations and as such, has a safeguarding policy in place for dealing with children or vulnerable adults to ensure their safety while they are with us.

### Anti-corruption and anti-bribery

All of the Group's employees are required to read and to acknowledge the policy on anti-corruption and bribery along with completing a e-learning module annually. The implications of not following the policy are set out in the guide issued and available to all staff. During the financial year Global also introduced a Whistleblowing hotline where employees can raise issues on serious misconduct anonymously. These reports are reviewed and appropriate action taken by the Group's General Counsel.

### Disabled employees

Applications for employment from disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. As a people-focused business, we make sure that we recruit the right person for the job every time, whatever their background.

In the event of a member of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and that appropriate adjustments are made. It is the policy of the Group and the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

## **Global Media & Entertainment Limited**

### **Group Directors' Report (continued)**

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#### **Qualifying third party indemnity provisions**

The Directors benefit from qualifying third party indemnity provisions in place. The Group also provided qualifying third-party indemnity provisions to certain Directors of associated companies during the financial year and as at the date of signing the consolidated financial statements.

#### **Matters covered in the Strategic Report**

Details of the principal and financial risks faced by the Group, including operational risk, credit risk and liquidity risk along with customer and supplier engagement are discussed in the Group Strategic Report.

#### **Provision of information to the auditors**

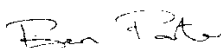
Each of the persons who are Directors at the time when this Group Directors' Report is approved has confirmed that:

- so far as that each Director is aware, there is no relevant audit information of which the Group and the Company's auditors are unaware; and
- that each Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Group and the Company's auditors are aware of that information.

#### **Independent Auditors**

Under section 487(2) of the Companies Act 2006 PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the register, whichever is earlier.

This report was approved by the Board of Directors on 7 December 2023 and signed on its behalf by



**B Porter**

Director

7 December 2023

## **Global Media & Entertainment Limited**

### **Statement of Directors' Responsibilities**

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The directors are responsible for preparing the Statement of Directors' Responsibilities and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the consolidated financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

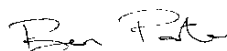
- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the consolidated financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This statement was approved by the Board of Directors on 7 December 2023 and signed on its behalf by



**B Porter**  
Director

# Global Media & Entertainment Limited

## Independent Auditors' Report to the Members of Global Media & Entertainment Limited

### Report on the audit of the financial statements

#### Opinion

In our opinion:

- Global Media & Entertainment Limited's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2023 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Statements of Financial Position as at 31 March 2023; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Our audit approach

##### Overview

##### Audit scope

- The Group audit team carried out audit procedures over the consolidation and material balances and transactions processed centrally. We conducted audit procedures for the UK Audio and Outdoor components, together with work performed at corporate functions, and at the Group level. Our audit procedures accounted for approximately 84% of the Group's revenue. The Group audit team performed substantive procedures over all of the material balances and transactions of the Company.

##### Key audit matters

- Assessment of carrying values of goodwill and other intangible assets and cost of investment in subsidiaries (group and company)
- Revenue recognition (group)
- IFRS 16 lease accounting (group)

##### Materiality

- Overall group materiality: £6.8m (2022: £6.0m) based on 1% of revenue of the Group capped at £6.8m (2022: £6.0m).
- Overall company materiality: £12.5m (2022: £5.7m) based on 1% of total assets (2022: total assets limited by the allocation of component materiality).
- Performance materiality: £5.1m (2022: £4.5m) (group) and £9.4m (2022: £4.2m) (company).

#### The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

#### Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, 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, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

# Global Media & Entertainment Limited

## Independent Auditor's Report to the Members of Global Media & Entertainment Limited (continued)

Classification of related party loans (group and company), which was a key audit matter last year, is no longer included because of the prior year change in the determination of the loans under IFRS 9. Otherwise, the key audit matters below are consistent with last year.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| <p><i>Assessment of carrying values of goodwill and other intangible assets and cost of investment in subsidiaries (group and company)</i></p> <p>Refer to Note 1 (Accounting Policies) and Note 10 (Intangible Assets) of the consolidated financial statements as well as note 1 (Accounting policies) and Note 3 (Investments) of the company financial statements.</p> <p>Management has estimated the recoverable amount for each Cash-Generating Unit ("CGU") using a value-in-use model by projecting cash flows for the next five years together with a terminal value using a perpetuity growth rate. Investments are tested for impairment if impairment indicators exist. If such indicators exist, the recoverable value of the investment is estimated in order to determine the extent of the impairment loss, if any.</p> <p>The total amount of goodwill on the Consolidated Statement of Financial Position is £466.5m (2022: £466.0m) and of other intangible assets is £311.1m (2022: £328.6m) as at 31 March 2023. In the Company Statement of Financial Position, Investments in Subsidiaries are held at a value of £1,257.6m (2022: £1,257.6m).</p> <p>The Group assesses goodwill for impairment based upon their cash generating units ("CGUs"), Audio and Outdoor, which reflects the level at which goodwill is monitored. This assessment as well as the assessment of the recoverable amount of the company investment was based on a value in use model which took into consideration the FY24 Board approved budget, and forecasts beyond FY24 for subsequent four years with a terminal growth rate applied thereafter.</p> <p>The recoverable amount of the CGUs and the investment in subsidiaries are dependent on certain key assumptions, including the forecast cash flows, EBITDA margins, short and long term growth rates and the discount rate, all of which are dependent upon management estimates. No impairment was identified in goodwill, other intangible assets or investments. The Outdoor investment carrying value had low headroom due to the continued recovery of the business following the significant impact of the pandemic.</p> <p>We have focused on this as a key audit matter in our audit work due to the inherent estimation in the five year cash flow forecast, particularly for the Outdoor CGU and estimation required in the key assumptions as noted above.</p> | <p>In completing our work over the goodwill, other intangible assets and investments, we performed the following procedures:</p> <ul style="list-style-type: none"> <li>• Understanding the controls and procedures in place in respect of goodwill, intangible assets and investments;</li> <li>• Evaluating the process by which management prepared its cash flow forecasts and agreeing the forecasts used for impairment reviews to the Board approved FY24 budget and management approved forecasts for next two years;</li> <li>• Tested the allocation of assets and liabilities to CGUs;</li> <li>• Tested the mathematical accuracy of the underlying forecasts and value in use calculations;</li> <li>• Performed lookback testing by CGU to test historical forecasting accuracy and to verify historical achieved growth rates;</li> <li>• Assessed key assumptions in the calculations including forecast revenue and EBITDA margin. In assessing these particular assumptions, we considered external market growth forecasts as well as internal analysis of the forecast revenue and actual performance post year end;</li> <li>• Considered the appropriateness of the significant assumptions used by management in their forecasts in respect of the long term growth rates in the forecasts by comparing them to long term average growth rates of the UK, Netherlands, Spain and Ireland economies;</li> <li>• Utilised our valuation experts to assess the discount rates and long term growth rates applied to management's forecasts;</li> <li>• Reviewed management's sensitivity analysis to assess whether it was appropriate and performed our own sensitivity test to establish whether there were any further impairment risks; and</li> <li>• Reviewed the adequacy of management's disclosures in the financial statements and challenged the disclosures in relation to the reasonably possible changes in key assumptions.</li> </ul> <p>Based on the audit procedures described above, we concur with management's conclusion that there is no impairment in the goodwill and other intangible assets held in the Consolidated Statement of Financial Position and Investments in Subsidiaries held in the Company Statement of Financial Position.</p> |

## Global Media & Entertainment Limited

### Independent Auditor's Report to the Members of Global Media & Entertainment Limited (continued)

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| <p><i>Revenue recognition (Group)</i></p> <p>Refer to Note 1 (Accounting Policies) and Note 4 of the Consolidated financial statements.</p> <p>For the year ended 31 March 2023 the Group earned £806.1m of revenue (2022: £709.6m restated). As is presumed under Auditing Standards, there is a possibility that management may be put under pressure to achieve revenue forecasts. Accordingly, revenue recognition was identified as an area where fraud could occur.</p> <p>We considered the significant risk would most likely occur through posting of manual journals (including consolidation entries at a Group level) or through accrued income balances at year end. The significant risk relating to journals was <i>identified in relation to the occurrence of all the revenue streams</i>.</p> <p>This area of our audit was considered to be a key audit matter based on the significant audit effort required and the judgements applied by the Group in terms of revenue recognition for the revenue streams of the Group.</p> | <p>In completing our work over Audio and Outdoor revenue, we performed the following procedures to address the significant risk:</p> <ul style="list-style-type: none"> <li>• We performed walkthroughs of the revenue process for each revenue stream to understand the related revenue recognition;</li> <li>• We performed testing of unusual journals impacting revenue through the use of data analytics to identify unusual account combinations, and obtained supporting documentation for any identified journals to test whether these were appropriate entries. All material consolidation journals were also subject to detailed testing; and</li> </ul> <p><i>In completing our work over Audio and Outdoor revenue, we also performed the following procedures:</i></p> <ul style="list-style-type: none"> <li>• Obtained and read a sample of the underlying contracts to understand the nature of the revenue, including understanding the number of performance obligations in line with IFRS 15 and whether the revenue was to be recognised over time or at a point in time;</li> <li>• Performed detailed testing, through to evidence supporting the work performed, invoice and cash receipt;</li> <li>• For selected Audio revenue streams, we used our Data Enabled Revenue Testing approach which involved performing an end-to-end reconciliation from ordering to scheduling to customer receipts to general ledger postings;</li> <li>• Tested a sample of revenue transactions recognised in the <i>month pre and post year end to assess whether revenue</i> was recognised in the correct period; and</li> <li>• Traced a sample of revenue through from the booking system to the general ledger to determine that revenue was recognised on all orders during the period</li> <li>• We performed testing over a sample of accrued and deferred revenue balances to address the cut-off risk in the Outdoor revenue streams.</li> </ul> <p>Our work did not indicate the existence of any fraudulent transactions and we noted no material misstatements from our work.</p> |
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# Global Media & Entertainment Limited

## Independent Auditor's Report to the Members of Global Media & Entertainment Limited (continued)

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| <p><i>IFRS 16 lease accounting (group)</i></p> <p>Refer to Note 1 (accounting policies) and Note 12 (IFRS 16 Leases) of the consolidated financial statements.</p> <p>The Group has £349.4m (2022: £341.4m) of Right of Use assets and £384.8m (2022: £378.4m) of Lease liabilities as at 31 March 2023.</p> <p>Given the number of leases the business is party to, there is an increased inherent risk of error in identifying and accounting for all leases accurately.</p> <p>Due to the volume and complexity of the data as well as the potential magnitude of a misstatement, we identified a significant risk in relation to the accuracy of the right of use assets and lease liabilities balances.</p> <p>We have therefore focused on this area as a key audit matter, given the lease liabilities and right of use asset are significant balances in the group financial statements and there is a heightened risk of misstatement.</p> | <p>Our initial testing identified inaccuracies in the data that was used to calculate the liability and right of use asset for lease accounting purposes. Management completed a reassessment of the data used, revised their calculations and posted adjustments to both right of use assets and lease liabilities. In completing our work over the recognition of leases, we performed the following procedures:</p> <ul style="list-style-type: none"><li>• Understood and evaluated the controls in place to identify and account for leases, including management's process for reassessing their data and revised calculations;</li><li>• Tested an extended sample of closing lease liabilities and right of use assets back to supporting contracts and recalculated the closing position using the contractual information;</li><li>• Utilised our valuation experts to benchmark the IBRs used by management in the year;</li><li>• Tested an extended sample of modifications and reassessments in the year, verifying the cash flow changes to the contracts and ensuring the accounting was appropriate under IFRS 16;</li><li>• Tested a sample of disposals to supporting signed documentation or verified that the lease had come to the end of its term;</li><li>• Tested a sample of rental payments in the current year to supporting lease contracts and bank statements and traced the lease through to the IFRS 16 workings where it fell within the scope of IFRS 16;</li><li>• Recalculated depreciation and interest expense for a sample of leases;</li><li>• Checked management's calculations for data integrity and mathematical accuracy; and</li><li>• Reviewed the adequacy of management's disclosures in the financial statements</li></ul> <p>Following our testing, we concluded that the right of use asset and lease liability balances were free from material misstatement.</p> |
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### How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The Group audit team carried out audit procedures over the consolidation and material balances and transactions processed centrally. The territories where we conducted audit procedures, together with work performed at corporate functions and at the Group level, accounted for approximately 84% of the Group's revenue. The Group audit team performed substantive procedures over all of the material balances and transactions of the Company.

### The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the group's financial statements. We have assessed the impact of climate risk on the financial statements, the level of emphasis that climate risk is given in the front half (other information) within the annual report and the other risks impacting the business and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the group and company's financial statements.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

## Global Media & Entertainment Limited

### Independent Auditor's Report to the Members of Global Media & Entertainment Limited (continued)

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

|                                 | Financial statements - group                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Financial statements - company                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Overall materiality             | £6.8m (2022: £6.0m).                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | £12.5m (2022: £5.7m).                                                                                                                                                                                                                                                                                                                                                         |
| How we determined it            | approximately 1% of Revenue of the Group capped at £6.8m (2022: £6.0m)                                                                                                                                                                                                                                                                                                                                                                                                                    | 1% of total assets (2022: total assets limited by the allocation of component materiality)                                                                                                                                                                                                                                                                                    |
| Rationale for benchmark applied | The Group's principal measure of performance is revenue. Given the significant volatility in operating profit over the past few years due to the impact of Covid-19, a key focus area coming out of the pandemic is a focus on top line revenue growth. We took revenue as the measure into account in determining our materiality as it is the metric against which the performance of the Group is most commonly assessed in the short term by management and reported to shareholders. | We consider that total assets is the primary measure used by the shareholders in assessing the performance of a holding company and is a generally accepted auditing benchmark.<br><br>The company was not considered a component in our scoping of the group audit and therefore materiality was not limited by the allocation of component materiality in the current year. |

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £5,300,000 to £6,120,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2022: 75%) of overall materiality, amounting to £5.1m (2022: £4.5m) for the group financial statements and £9.4m (2022: £4.2m) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £340,000 (group audit) (2022: £300,000) and £625,000 (company audit) (2022: £200,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

### Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing both the existing and amended bank facility agreements as well as the related party loan facility agreements to ensure we understand the associated terms including covenants;
- Obtaining supporting evidence for management's going concern assessment, including agreeing the cashflows to Board approved budgets, understanding the key assumptions underpinning the forecasts, challenging these assumptions with reference to past performance of the group, external data points and considering management's historical forecasting accuracy. The mathematical accuracy of the model was also verified;
- Discussions with management relating to potential downside scenarios and the impact these have on the covenant and liquidity headroom including agreeing the impact to management's calculations and evaluating whether the conclusion that covenant and liquidity headroom remained in all scenarios;
- Obtaining and re-performing the Group's most recent covenant compliance calculations and subsequent quarterly forecast covenant compliance calculations based on the base case and downside forecasts provided by management; and
- Review of Board meeting minutes and discussions with the Board of Directors to ensure that all known facts and circumstances including potential external factors have been considered into management's 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's 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.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

# Global Media & Entertainment Limited

## Independent Auditor's Report to the Members of Global Media & Entertainment Limited (continued)

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Group Strategic report and Group Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### Group Strategic Report and Group Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Group Strategic report and Group Directors' Report for the year ended 31 March 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Group Strategic report and Group Directors' Report.

### Responsibilities for the financial statements and the audit

#### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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 company or to cease operations, or have no realistic alternative but to do so.

#### Auditors' 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 auditors' 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.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to but were not limited to employment laws and regulations and data protection legislation, 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 financial statements such as UK and overseas tax legislation and the Companies Act 2006. 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 of inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquiries of management and the in-house legal team to understand internal processes with regards to compliance with laws and regulations and to understand whether there have been any instances of non-compliance;
- Reviewing relevant meeting minutes, including those of the Board of Directors;
- Challenging the key assumptions made by management in their significant accounting estimates, including in our audit work in respect of the carrying value of goodwill, the recognition and measurement of leases, expected credit loss and the valuation of the defined benefit obligations;
- Identification of journal entries considered to be unusual e.g. postings to unusual account combinations or by unexpected users, testing of these journals to supporting documentation and evaluating the business rationale of significant transactions outside of the normal course of business; and
- Review of financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

## **Global Media & Entertainment Limited**

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### **Independent Auditor's Report to the Members of Global Media & Entertainment Limited (continued)**

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report. In our engagement letter, we also agreed to describe our audit approach, including communicating key audit matters.

#### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Other required reporting**

#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility



Brian Henderson (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
7 December 2023

# Global Media & Entertainment Limited

## Consolidated Income Statement

For the year ended 31 March 2023

|                                                             |      | Year ended 31<br>March 2023 | Year ended 31<br>March 2022 <sup>1</sup> |
|-------------------------------------------------------------|------|-----------------------------|------------------------------------------|
|                                                             | Note | £'000                       | £'000                                    |
| <b>Revenue</b>                                              | 4    | <b>806,125</b>              | 709,609                                  |
| Cost of sales                                               |      | (373,775)                   | (284,876)                                |
| <b>Gross profit from continuing operations</b>              |      | <b>432,350</b>              | 424,733                                  |
| Administrative expenses                                     |      | (356,950)                   | (367,622)                                |
| <b>Operating profit from continuing operations</b>          |      | <b>75,400</b>               | 57,111                                   |
| Finance income                                              | 7    | 1,694                       | 1,027                                    |
| Finance expense                                             | 8    | (179,934)                   | (150,712)                                |
| <b>Net finance costs</b>                                    |      | <b>(178,240)</b>            | (149,685)                                |
| Share of profit of equity-accounted investments, net of tax | 13   | 1,682                       | 1,224                                    |
| <b>Loss before taxation from continuing operations</b>      |      | <b>(101,158)</b>            | (91,350)                                 |
| Income tax charge                                           | 9    | (3,728)                     | (13,951)                                 |
| <b>Loss for the year from continuing operations</b>         |      | <b>(104,886)</b>            | (105,301)                                |
| <b>Loss for the year</b>                                    |      | <b>(104,886)</b>            | (105,301)                                |
| <b>Attributable to:</b>                                     |      |                             |                                          |
| Owners of the Company                                       |      | (105,878)                   | (106,328)                                |
| Non-controlling interests                                   | 22   | 992                         | 1,027                                    |
|                                                             |      | <b>(104,886)</b>            | (105,301)                                |

The notes on pages 27 to 71 form part of these consolidated financial statements.

<sup>1</sup> These numbers have been restated, refer to Note 1 (d) for explanation

# Global Media & Entertainment Limited

## Consolidated Statement of Comprehensive Income

For the year ended 31 March 2023

|                                                               | Note | Year ended 31<br>March 2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|---------------------------------------------------------------|------|--------------------------------------|--------------------------------------|
| <b>Loss for the year</b>                                      |      | <b>(104,886)</b>                     | <b>(105,301)</b>                     |
| <b>Items that will not be reclassified to profit or loss:</b> |      |                                      |                                      |
| Actuarial gain related to the pension scheme                  | 27   | 930                                  | 6,126                                |
| Foreign exchange gain                                         |      | 3,791                                | 536                                  |
| Deferred tax exchange gain                                    | 19   | (433)                                | 164                                  |
| Deferred tax on actuarial gain                                | 19   | (177)                                | (1,164)                              |
| <b>Other comprehensive income for the year, net of tax</b>    |      | <b>4,111</b>                         | <b>5,662</b>                         |
| <b>Total comprehensive loss</b>                               |      | <b>(100,775)</b>                     | <b>(99,639)</b>                      |
| <b>Attributable to</b>                                        |      |                                      |                                      |
| Owners of the Company                                         |      | (101,767)                            | (100,666)                            |
| Non-controlling interests                                     |      | 992                                  | 1,027                                |
|                                                               |      | <b>(100,775)</b>                     | <b>(99,639)</b>                      |

The notes on pages 27 to 70 form part of these financial statements.

# Global Media & Entertainment Limited

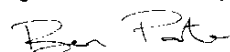
## Consolidated Statement of Financial Position

As at 31 March 2023

|                                           |      | 31 March 2023             | 31 March 2022             |
|-------------------------------------------|------|---------------------------|---------------------------|
|                                           | Note | £'000                     | £'000                     |
| <b>ASSETS</b>                             |      |                           |                           |
| <b>Non-current assets</b>                 |      |                           |                           |
| Intangible assets                         | 10   | 777,583                   | 794,688                   |
| Property, plant and equipment             | 11   | 87,090                    | 91,732                    |
| Right of Use Assets                       | 12   | 349,429                   | 341,372                   |
| Equity accounted investments              | 13   | 1,980                     | 1,427                     |
| Investments                               | 14   | 1,775                     | 335                       |
| Surplus on defined benefit pension scheme | 27   | 17,217                    | 14,635                    |
|                                           |      | <u>1,235,074</u>          | <u>1,244,189</u>          |
| <b>Current assets</b>                     |      |                           |                           |
| Inventories                               |      | 848                       | 1,036                     |
| Current tax assets                        |      | 4,891                     | 3,565                     |
| Trade and other receivables               | 15   | 241,698                   | 221,171                   |
| Cash and cash equivalents                 |      | 52,987                    | 39,011                    |
|                                           |      | <u>300,424</u>            | <u>264,783</u>            |
| <b>Total assets</b>                       |      | <u><b>1,535,498</b></u>   | <u><b>1,508,972</b></u>   |
| <b>LIABILITIES</b>                        |      |                           |                           |
| <b>Current liabilities</b>                |      |                           |                           |
| Trade and other payables                  | 16   | (197,269)                 | (181,954)                 |
| Current tax liabilities                   |      | (2,686)                   | (1,920)                   |
| Lease liabilities                         | 12   | (61,704)                  | (67,834)                  |
| Borrowings                                | 17   | (67,282)                  | (95,923)                  |
| Provisions                                | 18   | (7,300)                   | (3,551)                   |
|                                           |      | <u>(336,241)</u>          | <u>(351,182)</u>          |
| <b>Non-current liabilities</b>            |      |                           |                           |
| Lease liabilities                         | 12   | (323,046)                 | (310,601)                 |
| Borrowings                                | 17   | (1,599,351)               | (1,705,780)               |
| Provisions                                | 18   | (4,363)                   | (6,237)                   |
| Deferred tax liabilities                  | 19   | (38,877)                  | (38,139)                  |
|                                           |      | <u>(1,965,637)</u>        | <u>(2,060,757)</u>        |
| <b>Total liabilities</b>                  |      | <u><b>(2,301,878)</b></u> | <u><b>(2,411,939)</b></u> |
| <b>Net liabilities</b>                    |      | <b>(766,380)</b>          | <b>(902,967)</b>          |
| <b>EQUITY</b>                             |      |                           |                           |
| Share capital                             | 20   | (409,804)                 | (171,889)                 |
| Accumulated losses                        |      | 1,176,184                 | 1,074,856                 |
|                                           |      | <u>766,380</u>            | <u>902,967</u>            |
| <b>Attributable to:</b>                   |      |                           |                           |
| Shareholders                              |      | 767,230                   | 903,811                   |
| Non-controlling interests                 | 22   | (850)                     | (844)                     |
| <b>Total shareholders' deficit</b>        |      | <u><b>766,380</b></u>     | <u><b>902,967</b></u>     |

1 This period has been restated, see note 1.d for more details

The financial statements on pages 21 to 83 were approved by the Board of Directors on 7 December 2023 and signed on its behalf by



**B Porter**

Director

7 December 2023

**Global Media & Entertainment Limited**  
**Consolidated Statement of Changes in Equity**  
For the year ended 31 March 2023

|                                              | Note | Share capital<br>£'000 | Accumulated losses<br>£'000 | Equity attributable to shareholders<br>£'000 | Non-controlling interests<br>£'000 | Total shareholders' deficit<br>£'000 |
|----------------------------------------------|------|------------------------|-----------------------------|----------------------------------------------|------------------------------------|--------------------------------------|
| <b>At 1 April 2021</b>                       | 1    | 171,889                | (975,054)                   | (803,165)                                    | 837                                | (802,328)                            |
| Loss for the year                            |      | —                      | (106,328)                   | (106,328)                                    | —                                  | (106,328)                            |
| Non-controlling interest share of profit     | 21   | —                      | —                           | —                                            | 1,027                              | 1,027                                |
| Dividends paid to non-controlling interests  | 22   | —                      | —                           | —                                            | (1,020)                            | (1,020)                              |
| Actuarial gain related to the pension scheme | 27   | —                      | 6,126                       | 6,126                                        | —                                  | 6,126                                |
| Foreign exchange movements                   |      | —                      | 536                         | 536                                          | —                                  | 536                                  |
| Other                                        |      | —                      | 184                         | 184                                          | —                                  | 184                                  |
| Deferred tax on actuarial gain               | 26   | —                      | (1,164)                     | (1,164)                                      | —                                  | (1,164)                              |
| <b>At 31 March 2022</b>                      |      | <b>171,889</b>         | <b>(1,075,700)</b>          | <b>(903,811)</b>                             | <b>844</b>                         | <b>(902,967)</b>                     |
| <b>At 1 April 2022,</b>                      |      | <b>171,889</b>         | <b>(1,075,700)</b>          | <b>(903,811)</b>                             | <b>844</b>                         | <b>(902,967)</b>                     |
| Loss for the year                            |      | —                      | (105,878)                   | (105,878)                                    | —                                  | (105,878)                            |
| Non-controlling interest share of profit     | 22   | —                      | —                           | —                                            | 992                                | 992                                  |
| Dividends paid to non-controlling interests  | 22   | —                      | —                           | —                                            | (986)                              | (986)                                |
| Issue of share capital                       | 20   | 33,750                 | —                           | 33,750                                       | —                                  | 33,750                               |
| Conversion of shareholder debt to equity     | 17   | 204,165                | —                           | 204,165                                      | —                                  | 204,165                              |
| Actuarial gain related to the pension scheme | 27   | —                      | 930                         | 930                                          | —                                  | 930                                  |
| Foreign exchange movements                   |      | —                      | 3,791                       | 3,791                                        | —                                  | 3,791                                |
| Deferred tax on actuarial gain               | 19   | —                      | (177)                       | (177)                                        | —                                  | (177)                                |
| <b>At 31 March 2023</b>                      |      | <b>409,804</b>         | <b>(1,177,034)</b>          | <b>(767,230)</b>                             | <b>850</b>                         | <b>(766,380)</b>                     |

The notes on pages 27 to 70 form part of these financial statements.



# Global Media & Entertainment Limited

## Consolidated Statement of Cash Flows

For the year ended 31 March 2023

|                                                                |      | Year ended 31<br>March 2023 | Year ended 31<br>March 2022 |
|----------------------------------------------------------------|------|-----------------------------|-----------------------------|
|                                                                | Note | £'000                       | £'000                       |
| <b>Cash flows from operating activities</b>                    |      |                             |                             |
| Loss for the year from continuing operations                   |      | (104,886)                   | (105,301)                   |
| <b>Adjustments for:</b>                                        |      |                             |                             |
| Depreciation                                                   | 11   | 16,813                      | 20,563                      |
| Amortisation                                                   | 10   | 36,852                      | 30,874                      |
| Right of use assets depreciation                               | 12   | 64,427                      | 57,815                      |
| Loss on disposal of property, plant and equipment              | 11   | 3,766                       | 4,443                       |
| Loss on disposal of intangible assets                          | 10   | 1,369                       | 700                         |
| Gain on IFRS 16 lease modifications and terminations           |      | (4,536)                     | (47)                        |
| Net finance costs                                              |      | 178,240                     | 149,685                     |
| Share of profits of equity-accounted investments               | 13   | (1,682)                     | (1,224)                     |
| Movement in retirement benefit obligations                     | 27   | (1,232)                     | (1,876)                     |
| Extinguishment of borrowings                                   | 17   | 1,076                       | —                           |
| Impairment loss                                                | 14   | 168                         | —                           |
| Income tax charge                                              | 9    | 3,728                       | 13,951                      |
|                                                                |      | <b>194,103</b>              | <b>169,583</b>              |
| <b>Changes in:</b>                                             |      |                             |                             |
| Increase/(decrease) in Provisions                              |      | 1,729                       | (3,135)                     |
| Decrease in Inventories                                        |      | 188                         | 58                          |
| Increase in Trade and other receivables                        |      | (24,475)                    | (73,933)                    |
| Increase in Trade and other payables                           |      | 12,283                      | 157                         |
|                                                                |      | <b>183,828</b>              | <b>92,730</b>               |
| <b>Cash flows generated from operations</b>                    |      | <b>183,828</b>              | <b>92,730</b>               |
| Interest paid                                                  |      | (37,387)                    | (32,736)                    |
| Net income tax (payment)/refund                                |      | (4,107)                     | 4,379                       |
| <b>Net cash flows from operating activities</b>                |      | <b>142,334</b>              | <b>64,373</b>               |
| <b>Cash flows from investing activities</b>                    |      |                             |                             |
| Interest received                                              | 7    | 246                         | —                           |
| Dividends received from associates                             | 13   | 1,129                       | 1,029                       |
| Acquisition of subsidiaries, net of cash acquired              | 25   | —                           | (14,583)                    |
| Purchase of investments                                        | 14   | (1,580)                     | —                           |
| Payments for property, plant and equipment                     | 11   | (16,020)                    | (12,920)                    |
| Payments for intangible assets                                 | 10   | (15,155)                    | (8,377)                     |
| Proceeds from sale of property, plant & equipment, net of cash |      | 107                         | —                           |
| <b>Net cash flows from investing activities</b>                |      | <b>(31,273)</b>             | <b>(34,851)</b>             |
| <b>Cash flows from financing activities</b>                    |      |                             |                             |
| Repayments of loans and borrowings                             | 30   | (73,455)                    | (63,810)                    |
| Proceeds from issue of share capital                           | 20   | 33,750                      | —                           |
| Principal elements of lease payments                           | 30   | (57,156)                    | (47,886)                    |

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## Global Media & Entertainment Limited

### Consolidated Statement of Cash Flows

For the year ended 31 March 2023

|                                                      |      | Year ended 31<br>March 2023 | Year ended 31<br>March 2022 |
|------------------------------------------------------|------|-----------------------------|-----------------------------|
|                                                      | Note | £'000                       | £'000                       |
| Dividends paid to non-controlling interests          | 22   | (986)                       | (1,020)                     |
| <b>Net cash flows from financing activities</b>      |      | <b>(97,847)</b>             | <b>(112,716)</b>            |
| Net increase/(decrease) in cash and cash equivalents |      | <b>13,214</b>               | (83,194)                    |
| FX Gain                                              |      | <b>762</b>                  | 80                          |
| Cash and cash equivalents at the start of the year   |      | <b>39,011</b>               | 122,125                     |
| Cash and cash equivalents at the end of the year     |      | <b>52,987</b>               | 39,011                      |

The notes on pages 27 to 70 form part of these financial statements.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements

### 1. Accounting policies

#### a) Reporting entity

Global Media & Entertainment Limited (the "Company") is an incorporated private company limited by shares and domiciled in the United Kingdom. Its registered address is 30 Leicester Square, London, WC2H 7LA.

These consolidated financial statements are for the Global Media & Entertainment Limited group (the "Group") and they comprise the Company and its subsidiaries which are listed in full in note 3 of the Company Financial Statements. These financial statements are available on the Group's website ([www.global.com](http://www.global.com)) and the UK Companies House website (<https://www.gov.uk/government/organisations/companies-house>).

The Group's principal activities during the year were the operation of commercial radio stations in the United Kingdom and out-of-home advertising in the United Kingdom and Europe.

The consolidated financial statements were approved by the Board of Directors on 7 December 2023.

#### b) Statement of compliance

The financial statements have been prepared in accordance with the UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

#### c) Functional and presentational currency

These financial statements are presented in pound sterling (£), which is the Group and the Company's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### d) Basis of preparation

The financial statements have been prepared on a historical cost basis except where the accounting standard requires fair value. The accounting policies set out below have been applied consistently to the Group to all periods presented in these financial statements, except in the case of new accounting standards adopted in the year, detailed below.

#### Comparative information

The comparative financial information has been restated to reflect certain adjustments as detailed below:

#### i) Revenue

Historically, revenues in relation to DAX US have been recognised net of publisher costs. Under IFRS 15, these revenues should have been reported gross to account for the revenue as a principal rather than as an agent. Therefore, an adjustment has been made to gross these revenues up for the year ended 31 March 2023 and 31 March 2022, resulting in a restatement of prior year revenue and cost of sales of £27.8m.

The adjustment made to each respective impacted item is shown below:

|                         | 31 March 2022 | 31 March 2022 | 31 March 2022 |
|-------------------------|---------------|---------------|---------------|
|                         | £000          | £000          | £000          |
| Group                   | Reported      | Adjustment    | Restated      |
| <i>Income Statement</i> |               |               |               |
| Revenue                 | 681,827       | 27,782        | 709,609       |
| Cost of Sales           | (257,094)     | (27,782)      | (284,876)     |

#### ii) Employee numbers

Employee headcount in the prior year has been restated to reflect two errors. We have removed casual workers which had been inappropriately included. In addition to that we have included employees from DAX Digital Audio Exchange Inc and AudioHQ LLC, which were excluded in the prior year. These differences partially offset one another, and result in the ultimate reduction of 138.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies

#### e) Basis of consolidation (continued)

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

##### *Subsidiaries*

A subsidiary is an entity controlled, either directly or indirectly, by the Company. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee.

The results of a subsidiary acquired during the period are included in the Group's results from the effective date on which control is transferred to the Group. All intercompany balances and transactions, including unrealised profits arising from intra-Group transactions, have been eliminated in full.

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of transition.

#### f) Interests in equity-accounted investments

The Group's interests in equity-accounted investments comprise interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income of equity-accounted investments, until the date on which significant influence or joint control ceases.

#### g) New accounting standards and interpretations not yet effective

##### **Standards and interpretations adopted in the current year**

New accounting standards, interpretations and amendments that are effective from 1 April 2022 have not had significant impact on the Group's results or Statement of Financial Position. The following new accounting standards and/or amendments are effective from 1 April 2022:

- Amendments to IAS16 'Property, Plant and Equipment': Proceeds before intended use
- Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets': Onerous Contracts - Cost of Fulfilling a Contract
- Annual improvements to IFRS Standards 2018-2020 (IFRS 9 'Financial Instruments' & IFRS 16 'Leases')
- Amendments to IFRS 3 'Business Combinations' - Reference to the Conceptual Framework

New accounting standards, interpretations and amendments that are effective from 1 April 2022 have not had significant impact on the Group's results or Statement of Financial Position.

##### **Accounting standards effective in future periods**

The Directors have considered the impact on the Group of new and revised accounting standards, interpretations or amendments that are not yet effective and do not expect them to have a significant impact on the Group's results and Consolidated Statement of Financial Position. Management are still considering the impact of IAS 12 on the disclosure of Deferred Tax where an asset and liability are created by a single transaction. Management do not expect any material impact.

#### h) Critical accounting judgements and key sources of estimation uncertainty

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

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant impact on the amounts recognised in financial statements.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### Critical judgments

##### *Adjusted EBITDA*

The identification of adjusting items is a judgement in terms of which costs or credits are not associated with the underlying trading of the business or otherwise impact the comparability of the Group's results year on year. Adjusted EBITDA comprises earnings before interest, tax, depreciation and amortisation and is stated before any charges or credits relating to non-recurring items including restructuring, impairment and integration costs such as launch costs including rebranding, redundancy costs and acquisition related costs. This is consistent with prior year.

Adjusted EBITDA is a non-statutory reporting measure and, as such, is not presented in the primary financial statements of the Group, however it is an important element of the Group's internal reporting and impacts certain performance-related remuneration costs, as reported in the financial statements.

##### *Determining the incremental borrowing rate used to measure lease liabilities*

Determining the incremental borrowing rate used to measure lease liabilities. The Group is required to determine its incremental borrowing rate (IBR) to measure lease liabilities. Judgement is applied in determining the components of the IBR used for each lease including risk-free rates, the Group's credit risk and any lease-specific adjustments. IBRs are determined bi-annually and depend on the term, country and start date of the lease. The IBR is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; and a credit risk adjustment based on a synthetic credit rating of entities within the Group.

### i) Critical accounting judgements and key sources of estimation uncertainty (continued)

#### Key sources of estimation uncertainty

##### *Impairment of Goodwill*

Goodwill is reviewed for impairment on an annual basis at the reporting date. When an impairment assessment is conducted, the recoverable amount is determined as the higher of fair value less costs to sell or value in use of the assets. The value in use method required the Group to determine appropriate assumptions (which are sources of estimation uncertainty) in relation to the cash flow projections over a five-year period, the long-term growth rate has been applied beyond the five-year period.

The assumption that cash flows continue into perpetuity is a source of significant estimation uncertainty. A future change to the assumption of trading into perpetuity for any Cash-Generating Unit (CGU) would result in a reassessment of useful economic lives and residual value and could give rise to a significant impairment of goodwill, particularly where the carrying value exceeds the recoverable amount. Refer to note 10 for further details on other key sources of estimation uncertainty.

##### *Defined benefit pension scheme (note 26)*

The Trust Deed provides the Group with an unconditional right to a refund of surplus assets assuming the full settlement of plan liabilities over time until all members have left the plan. Based on these rights, any net surplus in the scheme is recognised in full.

### j) Going concern

The Directors consider it appropriate to prepare the financial statements on a going concern basis. The Directors' forecasts until March 2025 show sufficient cash will be generated from the Group's operations to be able to repay the bank loan and other obligations as they fall due together with cash available and the utilised borrowing facilities available.

The directors also applied a sensitivity analysis by decreasing group revenue by 5%. This does not cause the Group to breach the bank loan covenants or cause the Group to be unable to fulfil its debts as they fall due.

In prior periods due to Covid-19 we reached formal agreement with our banking syndicate to either remove covenants or reduce covenants. In July 2022 we reached further agreement with the banks in regards to our cashflow cover going forward as well as the minimum required working capital facility. These revised terms were maintained upon refinancing of the loan in March 2023.

As at 31 March 2023 the financial covenant was met. As a result, the Directors believe that the Group is well placed to manage its financing and other significant risks satisfactorily and that the Group will be able to operate within the level of its facilities for the foreseeable future. For this reason, the Directors consider it appropriate for the Group to adopt the going concern basis in preparing its financial statements.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### k) Segment reporting

A segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's board of Directors to make decisions about resources to be allocated to a segment and assess its performance, and for which discrete financial information is available (see note 2).

#### l) Foreign currency translation

Foreign currency transactions are translated into pound sterling (£), the Group's functional currency, using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign currency translation gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. Foreign currency translation gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income Statement within finance income or finance expense. All other foreign currency translation gains and losses are presented in the Income Statement within cost of sales and administrative expenses.

The assets and liabilities of foreign operations, including fair value adjustments arising on consolidation, are translated to the Group's functional currency at foreign currency exchange rates ruling at the reporting date.

The revenues and expenses of foreign operations are translated at an average rate for the period, which approximates the foreign currency exchange rates ruling at the dates of the transactions. Exchange differences arising from the translation of foreign operations are reported in other comprehensive income.

#### m) Investments

Investments are included in the Statement of Financial Position at cost less amounts written-off, representing impairment in value. Impairment charges are recorded if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### n) Property, plant and equipment

Property, plant and equipment are stated at cost less impairment. Cost includes the original purchase price of the assets and costs attributable to bringing the asset to its working condition for its intended use.

Property, plant and equipment is depreciated at rates calculated to write off the cost less residual value of each asset over its useful economic life on a straight-line basis over the following periods:

|                                                |                            |
|------------------------------------------------|----------------------------|
| Land & buildings                               | 25 to 50 years             |
| Leasehold improvements                         | Over the term of the lease |
| Transmitters, fixtures and technical equipment | 3 to 20 years              |

Gains and losses on disposals of assets are calculated as the difference between the proceeds received and the carrying value of the asset at the time of disposal and are recognised in the Income Statement.

Construction in progress (CIP) includes components purchased for incorporating into advertising sites and other assets, which are recorded at the lower of cost and net realisable value of the separate items of stock or groups of similar items. Assets in the course of contribution are recorded at cost to date and represents the amount of other expenditure on advertising sites which are not yet installed or ready for service.

#### *Impairment of property, plant and equipment*

Impairment reviews of property, plant and equipment are undertaken whenever events or changes in circumstances indicate their carrying value may not be recoverable. If the fair value of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate, but restricted so that the increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Any impairment losses or reversals are recognised immediately in the Income Statement.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### o) Intangible assets and goodwill

##### *Research and software development costs*

Research costs are expensed as incurred. Software development expenditure that are directly attributable to the design and testing of the identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria is met:

- The technical feasibility of completing the intangible asset so that the asset will be available for use;
- Its intention to complete and its ability and intention to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to measure the reliability of the expenditure during development to complete the software product so that it will be available for use;

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

##### *Amortisation*

Amortisation is charged to Administrative expenses within the Income Statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available to use. The estimated useful lives are as follows:

|                  |               |
|------------------|---------------|
| Software         | 1 to 7 years  |
| Franchise rights | 2 to 22 years |
| Other            | 4 to 8 years  |

##### *Impairment of intangible assets (excluding goodwill)*

Impairment reviews are undertaken whenever events or changes in circumstances indicate their carrying value may not be recoverable. If the fair value of an intangible asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount. Where an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate, but restricted so that the increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Any impairment losses or reversals are recognised immediately in the Income Statement.

#### p) Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually or more frequently if events or changes in circumstances indicate that the carry value may be impaired.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. Subsequent changes to the fair value will be recognised either within the Income Statement or in other comprehensive income.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### p) Goodwill (continued)

Goodwill on acquisition is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities.

Identifiable intangible assets, meeting either the contractual-legal or separability criterion are recognised separately from goodwill. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill in respect of an acquired subsidiary is recognised as an intangible asset. Goodwill in respect of an acquired associate or joint venture is included within investments accounted for using the equity method.

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Where the fair value of the interest acquired in an entity's assets, liabilities and contingent liabilities exceeds the consideration paid, the excess is recognised immediately as a gain in the Income Statement.

As at the acquisition date, any goodwill acquired is allocated to each of the cash-generating units expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the cash generating unit, to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than the carrying amount, an impairment loss is recognised. Where goodwill forms part of a cash generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the portion of the cash generating unit retained.

#### q) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and money market deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the Statement of Cash Flows.

#### r) Share capital

##### *Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

##### *Share premium*

The share premium account represents the amount subscribed for share capital in excess of nominal value, less any costs directly attributable to the issue of new shares.

##### *Reserves*

The retained deficit represents the cumulative net gains and losses recognised in the Income Statement and Statement of Comprehensive Income.

##### *Dividends*

Dividends on ordinary share capital are recognised as a liability in the Group's financial statements in the period in which they are declared. In the case of interim dividends, these are considered to be declared when they are paid and in the case of final dividends these are declared when authorised by the shareholders.

#### s) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are recognised initially at fair value and subsequently measured at amortised cost. Trade payables are classified as current liabilities if payment is due within one year or less, otherwise they are presented as non-current liabilities.



# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### t) Borrowings

Borrowings are recognised at fair value, net of transaction costs incurred. Borrowings are measured subsequently at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

Bank Loans as disclosed in note 16 of these Financial Statements, are subsequently measured at amortised cost net of translation costs. The variable interest on the external bank loan is tied to the leverage ratio of the company and the SONIA Daily Rate impacting on the interest rate charged on the loans; therefore is subject to change. Shareholder loan notes, as disclosed in note 16 of these Financial Statements, are subsequently measured at amortised cost net of transaction costs.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

#### u) Finance income and expense

Finance income comprises interest received on cash balances, interest on pension scheme assets and other finance income.

Finance expense comprises interest payable on borrowings, amortisation and write off of debt issuance costs, the unwinding of the discount on non-current provisions, interest on lease liabilities and interest on pension scheme liabilities.

Interest is recognised in profit or loss as it accrues, using the effective interest rate. Interest payable on borrowings includes a charge in respect of attributable transaction costs, which are recognised in profit or loss over the period of the borrowings on an effective interest basis.

#### v) Financial instruments

A financial instrument is initially recognised at fair value on the Statement of Financial Position when the entity becomes party to the contractual provisions of the instrument. A financial instrument is derecognised when the contractual rights to the cash flows expire or substantively all risks and rewards of ownership are transferred.

The Group's financial assets are classified in accordance with IFRS 9 and subsequently measured at amortised cost or fair value, depending on classification.

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### *Impairment of financial assets*

The Group recognises a provision for expected credit losses on financial assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the financial instrument.

In assessing whether the credit risk has increased significantly, the Group considers both quantitative and qualitative information that is both reasonable and supportable, including historical experience and forward-looking information. The Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

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# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### v) Financial instruments (continued)

For all financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group and the cash flows the Group expects to receive, discounted at the original effective interest rate.

##### *Financial liabilities*

Subsequent to initial recognition, all financial liabilities are stated at amortised cost using the effective interest method.

##### *Financial liabilities at FVTPL*

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as FVTPL.

Financial liabilities at FVTPL are measured at fair value with any gains or losses arising on changes in fair value recognised in profit or loss (except for those attributable to changes in the credit risk of the liability, which is instead recorded in other comprehensive income). Amounts recognised in other comprehensive income are not subsequently reclassified to profit or loss, but are instead transferred to retained earnings upon derecognition of the financial liability.

##### *Financial liabilities measured subsequently at amortised cost*

All other financial liabilities are measured at amortised cost using the effective interest method.

##### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Income Statement.

#### w) Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Statement of Financial Position. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, except for deferred income tax liabilities where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### x) Employee benefits

##### *Short term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

##### *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37. Provisions, contingent liabilities and contingent assets ("IAS 37") and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than one year after the end of the reporting period are discounted to their present value.

##### *Defined contribution pension scheme*

The Group operates employee stakeholder retirement and death benefit schemes. Both employees and employers are required to make contributions with the employers' contributions for each employee determined by the level of contribution made by the employee and the employee's length of service within the Group or subsidiary company. The employer's contributions are charged to profit and loss in the year in which the contributions are due.

##### *Defined benefit pension schemes*

The Group operates two defined benefit pension schemes which require contributions to be made to separately administered funds. The cost of providing benefits under the plans are determined using independent actuarial valuations. These are based on the projected unit credit method and are recognised in accordance with the advice of a qualified actuary. Past service costs resulting from enhanced benefits are recognised on a straight-line basis over the vesting period or immediately if the benefits have vested.

Re-measurement gains and losses, and taxation thereon, are recognised in other comprehensive income and are not reclassified to profit or loss in subsequent periods. Re-measurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest) and changes in the amount of any asset restrictions.

Actuarial gains and losses may result from differences between the actuarial assumptions underlying the plan liabilities and actual experience during the year or changes in the assumptions used in the valuation of the plan liabilities.

The aggregate defined benefit liability or asset recognised in the Statement of Financial Position comprises the present value of the benefit obligation using a discount rate based on appropriate high quality corporate bonds, at the reporting date, minus any past service costs not yet recognised, minus the fair value of the plan assets, if any, at the reporting date. Where the plans are in surplus, the asset recognised is limited to the amount which the Group expects to recover by way of refunds or reduction in future contributions.

#### y) Share-based payments

The Group has a long-term incentive share scheme under which it makes cash-settled share-based payments to eligible employees. The cost of cash-settled share-based payments are measured at fair value at the date of grant and subsequently at each period end and recognised as an expense over the vesting period, which ends on the date on which the employees become fully entitled to the reward.

Fair value is estimated using appropriate models for the awards under consideration. In valuing cash settled transactions, no account is taken of any vesting conditions, other than the performance conditions linked to the value of the shares of the Company (market conditions). Any other conditions which are required to be met in order for an employee to become fully entitled to an award are considered to be non-vesting conditions. These are also taken into account in determining the grant date fair value.

No expense is recognised for awards that do not ultimately vest, except for cash-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

At each reporting date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the number of the achievement or otherwise of non-market vesting conditions and of the number of equity instruments that will ultimately vest or, in the case of an instrument subject to a market condition, be treated as vesting. The movement in cumulative expense since the previous reporting date is recognised in the Income Statement, with a corresponding entry to the liability.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### y) Share-based payments (continued)

Where a cash-settled award is cancelled (where non-vesting conditions within the control of either the entity or the employee are not met), it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is expensed immediately. The fair value of the liability is remeasured at the date of cancellation or settlement. Any payment made to settle the liability component shall be accounted for as an extinguishment of the liability.

#### z) Provisions

Provisions for onerous leases, restructuring costs, legal claims and other future costs are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of the costs expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Restructuring provisions are recognised only when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected. The measurement of such a provision includes only the direct expenditures arising from the restructuring, not those associated with the ongoing activities of the entity.

#### aa) Revenue recognition

Revenue recognition is based on the satisfaction of performance obligations, and an assessment of when control is transferred to the customer. The transaction price is allocated to these identified performance obligations, including an estimate of any variable consideration, and stated net of any sales taxes, agency commissions and trade discounts.

Customer contracts vary across the Group and contain a variety of performance obligations. Under IFRS 15, the Group must evaluate whether the goods or services are transferred over time or at a point in time for each performance obligation.

A summary of how the key classes of revenue are recognised is provided below:

|                                |                                                      |
|--------------------------------|------------------------------------------------------|
| Radio advertising              | Point in time, at date of broadcast                  |
| Sponsorship                    | Over the term of the contract                        |
| DAX                            | Point in time, at date of broadcast                  |
| Transmission fees              | Over the term of the contract                        |
| Production of adverts          | Point in time, on date of release to clients         |
| Enterprise revenue             | Point in time, on agreed settlement with all parties |
| Out-of-home media revenue      | Over the term of the contract                        |
| Out-of-home production revenue | Point in time, when provided for use                 |
| Events                         | Point in time, at date of event                      |

For goods and services that are transferred over time, revenue is recognised based on the number of days that have transpired at the reporting date.

Customer contracts are generally less than one year in duration, as are all standard payment terms, and therefore no significant financing components exist within the Group's operations.

The transaction price is determined by the agreed terms of the contract. In some instances, contracts will comprise an element of variable consideration, often in the form of volume-based rebates. In these instances, the total transaction price of the contract is reduced by the estimated variable consideration.

The Group applies the practical expedient to expense all incremental costs in obtaining new contracts when incurred on the condition that the contract is less than one year in duration.

Revenue on barter transactions is recognised only when the services being exchanged are of a similar nature.

#### Contract assets

A contract asset is the right to consideration in exchange for goods and services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### aa) Revenue recognition (continued)

##### *Contract liabilities*

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

#### ab) Fair value measurement

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Set out below is an analysis of the valuation method of the Group's financial instruments:

The different levels in the fair value hierarchy have been defined as follows:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within level 1 that are observable, for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Group has no assets or liabilities where fair values have been determined for measurement purposes.

#### ac) Financial guarantee contracts

Where the Group enters into financial guarantee contracts to guarantee the indebtedness of other companies within the Group, the Group considers these to be insurance arrangements. In this respect, the Group treats the guarantee contract as a contingent liability until as such time as it becomes probable that the Group will be required to make a payment under the guarantee.

#### ad) The Group as a lessee

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. The lease liability and right of use asset are recognised on the lease commencement date which is the start date on which the underlying asset is made available for use by the Group. For short-term and low value 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.

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 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 lease 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 Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired, as part of the overall intangibles impairment review, and accounts for any identified impairment loss, as described in note 10.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 1. Accounting policies (continued)

#### ad) The Group as a lessee (continued)

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

Where lease contract is modified and the lease modification is not accounted for as a separate lease, the lease liability is remeasured by discounting the revised lease payments using a revised discount rate in line with the treatment given under IFRS 16.

### 2. Operating segments

The Group's chief operating decision maker has been identified as the Board of Directors. The Board of Directors review the Group's internal reporting monthly in order to assess performance and allocate resources.

Management has determined the operating segments based on the reports used by the Board. The Board mainly assesses performance based on adjusted EBITDA. Management does not review individual balance sheets as part of their monthly review.

In the current year the Group has two reportable segments in the year being commercial radio broadcasting including DAX (Audio) in the UK and US and out of home advertising (Outdoor) operating in the UK and Europe.

Most of the Group's trading is carried out and recognised within the United Kingdom, though the Group also operates across North America and Europe.

All transactions between segments are completed on an arm's length basis. There were no contracts in the year that represented greater than 10% of the Group continuing consolidated revenue.

#### Year ended 31 March 2023

|                                                                           | Audio<br>£'000  | Outdoor<br>£'000 | Eliminations<br>£'000 | Total<br>£'000   |
|---------------------------------------------------------------------------|-----------------|------------------|-----------------------|------------------|
| Total revenue                                                             | 426,148         | 380,415          | (438)                 | 806,125          |
| Revenue from external customers                                           | <b>426,148</b>  | <b>380,415</b>   | <b>(438)</b>          | <b>806,125</b>   |
| Cost of sales                                                             | (148,340)       | (225,873)        | 438                   | (373,775)        |
| Gross profit                                                              | <b>277,808</b>  | <b>154,542</b>   | —                     | <b>432,350</b>   |
| Operating expenses (excluding exceptional, depreciation and amortisation) | (165,153)       | (63,684)         | —                     | (228,837)        |
| Adjusted EBITDA *                                                         | <b>112,655</b>  | <b>90,858</b>    | —                     | <b>203,513</b>   |
| Other expenses                                                            | (27,578)        | (100,535)        | —                     | (128,113)        |
| Operating profit / (loss)                                                 | <b>85,077</b>   | <b>(9,677)</b>   | —                     | <b>75,400</b>    |
| Net finance expense                                                       | (156,090)       | (22,150)         | —                     | (178,240)        |
| Share of profit of equity-accounted investees, net of tax                 | 1,682           | —                | —                     | 1,682            |
| Loss before taxation                                                      | <b>(69,331)</b> | <b>(31,827)</b>  | —                     | <b>(101,158)</b> |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

Year ended 31 March 2022

|                                                                           | Audio<br>1      | Outdoor         | Total           |
|---------------------------------------------------------------------------|-----------------|-----------------|-----------------|
|                                                                           | £'000           | £'000           | £'000           |
| Total revenue                                                             | 418,869         | 290,740         | 709,609         |
| Revenue from external customers                                           | <b>391,087</b>  | <b>290,740</b>  | <b>681,827</b>  |
| Cost of sales                                                             | (128,056)       | (156,820)       | (284,876)       |
| Gross profit                                                              | <b>290,813</b>  | <b>133,920</b>  | <b>424,733</b>  |
| Operating expenses (excluding exceptional, depreciation and amortisation) | (172,688)       | (74,555)        | (247,243)       |
| Adjusted EBITDA*                                                          | <b>118,125</b>  | <b>59,365</b>   | <b>177,490</b>  |
| Other expenses                                                            | (41,903)        | (78,476)        | (120,379)       |
| Operating profit / (loss)                                                 | <b>76,222</b>   | <b>(19,111)</b> | <b>57,111</b>   |
| Net finance expense*                                                      | (128,158)       | (21,527)        | (149,685)       |
| Share of profit of equity-accounted investees, net of tax                 | 1,224           | —               | 1,224           |
| Loss before taxation                                                      | <b>(50,712)</b> | <b>(40,638)</b> | <b>(91,350)</b> |

1 These numbers have been restated, refer to Note 1 (d) for explanation

\*The reconciliation and definition of Adjusted EBITDA is disclosed on page 6 of the financial statements.

### 3. Operating profit/(loss)

Operating profit is stated after charging/(crediting):

|                                                                 | Year ended 31<br>March 2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|-----------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Amortisation of intangible assets (Note 10)                     | <b>36,852</b>                        | 30,874                               |
| Depreciation of property, plant and equipment (Note 11)         | <b>16,813</b>                        | 20,563                               |
| Depreciation of right of use assets (Note 12)                   | <b>64,427</b>                        | 57,815                               |
| Movement in impairment provision on trade receivables (Note 14) | <b>367</b>                           | 2,487                                |
| Loss on disposal of property, plant and equipment               | <b>3,873</b>                         | 4,443                                |
| Loss on disposal of intangibles                                 | <b>1,568</b>                         | 700                                  |

Auditors' remuneration for audit and non-audit services during the year was:

|                                                                                                                        | Year ended 31<br>March 2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements | <b>1,410</b>                         | 706                                  |
| For the audit of the subsidiaries of the Group                                                                         | <b>216</b>                           | 394                                  |
| Total audit fees                                                                                                       | <b>1,626</b>                         | 1,100                                |

Out of the total audit fees, £437k relates to FY2022 and £1,189k relates to FY2023.

Fees payable to the Group's auditors and their associates in respect of:

|                              |           |    |
|------------------------------|-----------|----|
| Taxation compliance services | <b>15</b> | 16 |
| Other assurance services     | <b>52</b> | —  |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 4. Revenue

#### a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers

|                                    | Year ended 31<br>March 2023 | Year ended 31<br>March 2022 |
|------------------------------------|-----------------------------|-----------------------------|
|                                    | £'000                       | £'000                       |
| Audio                              | 426,148                     | 418,869                     |
| Outdoor                            | 379,977                     | 290,740                     |
| Revenue from continuing operations | 806,125                     | 709,609                     |

<sup>1</sup> These numbers have been restated, refer to Note 1 (d) for explanation

Geographic split of revenue recognition for the group:

|                | Year ended 31<br>March 2023 | Year ended 31<br>March 2022 |
|----------------|-----------------------------|-----------------------------|
|                | £'000                       | £'000                       |
| United Kingdom | 673,093                     | 603,716                     |
| North America  | 44,341                      | 41,398                      |
| Other Europe   | 88,691                      | 64,495                      |
|                | 806,125                     | 709,609                     |

Timing of revenue recognition for the group:

|                                                   | Year ended 31<br>March 2023 | Year ended 31<br>March 2022 |
|---------------------------------------------------|-----------------------------|-----------------------------|
|                                                   | £'000                       | £'000                       |
| Goods and services transferred at a point in time | 449,290                     | 427,766                     |
| Goods and services transferred over time          | 356,835                     | 281,843                     |
|                                                   | 806,125                     | 709,609                     |

<sup>1</sup> These numbers have been restated, refer to Note 1 (d) for explanation

Goods and services transferred over time includes commission revenue, sponsorships, transmission fees and Outdoor media revenue. All other revenue for the group relates to goods and services that are transferred at a point in time.

#### b) Contract balances

|                      | Year ended 31<br>March 2023 | Year ended 31<br>March 2022 |
|----------------------|-----------------------------|-----------------------------|
|                      | £'000                       | £'000                       |
| Contract assets      | 16,814                      | 12,459                      |
| Contract liabilities | 10,427                      | 8,330                       |

The timing of invoicing, cash collection and revenue recognition results in trade receivables, contracts assets and contract liabilities in the Group's Statement of Financial Position. Contract assets and liabilities are included in trade receivables and trade payables balances respectively within the Statement of Financial Position.

### 4. Revenue (continued)



## **Global Media & Entertainment Limited**

### **Notes to the Consolidated Financial Statements (continued)**

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As at the reporting date, any goods or services that have been transferred to customers for which consideration has not yet been received (or invoiced for) are recognised as a contract asset. Any consideration that has been received (or invoiced for) in relation to goods or services that have not been transferred to the customer is recognised as a contract liability.

Contract asset balances, where applicable, are stated net of provisions for impairment. All contract balances relate to performance obligations expected to be settled within a year, and are classified as current in the Consolidated Statement of Financial Position.

Revenue recognised in the current period that was included in the contract liability balance at the beginning of the period was £7.7m (2022: £8.1m). There was no revenue recognised in the period from performance obligations satisfied (or partially satisfied) in previous periods.

The Group applies the practical expedient provided by the standard not to disclose information about unsatisfied performance obligations on the basis that all such performance obligations are part of contracts that have an expected duration of less than one year.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 5. Employees

The average number of people employed by the Group (including Directors) during the year, analysed by category was as follows:

|                     | Year ended 31<br>March 2023<br>Number | Year ended 31<br>March 2022<br>Number <sup>1</sup> |
|---------------------|---------------------------------------|----------------------------------------------------|
| Sales and marketing | 1,009                                 | 977                                                |
| Programming         | 499                                   | 480                                                |
| Administration      | 612                                   | 514                                                |
|                     | <b>2,120</b>                          | <b>1,971</b>                                       |

<sup>1</sup> These numbers have been restated, refer to Note 1 (d) for explanation

All members of staff are contractually employed by subsidiary companies within the Group and not under direct employment by Global Media & Entertainment Limited (the Company).

The aggregate remuneration costs of these employees were as follows:

|                       | Year ended 31<br>March 2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|-----------------------|--------------------------------------|--------------------------------------|
| Wages and salaries    | 119,124                              | 120,582                              |
| Social security costs | 15,750                               | 13,233                               |
| Other Pension costs   | 4,858                                | 4,155                                |
|                       | <b>139,732</b>                       | <b>137,970</b>                       |

### 6. Directors

The remuneration costs of the Group's Directors were:

|              | Year ended 31<br>March 2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|--------------|--------------------------------------|--------------------------------------|
| Remuneration | 9,182                                | 8,706                                |
|              | <b>9,182</b>                         | <b>8,706</b>                         |

Total remuneration includes £1,000 of contributions for 3 directors to the defined contribution schemes (2022: £1,000).

The remuneration of the highest paid Director was:

|                      | Year ended 31<br>March 2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|----------------------|--------------------------------------|--------------------------------------|
| Aggregate emoluments | 3,131                                | 2,373                                |
|                      | <b>3,131</b>                         | <b>2,373</b>                         |

The amounts disclosed above represent the remuneration for the qualifying services of the Directors of the Group. Certain Directors are also expected to receive benefits under the Growth Share Scheme, see note 26

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 6. Directors (continued)

IAS 24 *Related party transactions* ("IAS 24") requires the Group to disclose all transactions and outstanding balances with the Group's key management personnel. IAS 24 defines key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise) of that entity.

The key management personnel who are responsible for planning, directing and controlling the activities of the Group and the Company are the Group's Directors.

During the prior year, a number of Directors including the highest paid Director were granted loans in relation to an cash-settled share-based payment arrangement. The loans are due for repayment on the settlement of the scheme. The loan balances outstanding are:

|                                                                                | 31 March 2023 | 31 March 2022 |
|--------------------------------------------------------------------------------|---------------|---------------|
|                                                                                | £'000         | £'000         |
| Loans to directors in relation to cash-settled share based payment arrangement | 1,009         | 461           |

No interest has been charged on the loans made to directors (2022: £nil).

### 7. Finance income

|                                   | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------|--------------------------|--------------------------|
|                                   | £'000                    | £'000                    |
| Bank interest receivable          | 64                       | —                        |
| Interest on pension scheme assets | 1,448                    | 1,027                    |
| Other finance income              | 182                      | —                        |
|                                   | <b>1,694</b>             | <b>1,027</b>             |

### 8. Finance expense

|                                               | Year ended 31 March 2023 | Year ended 31 March 2022 |
|-----------------------------------------------|--------------------------|--------------------------|
|                                               | £'000                    | £'000                    |
| Interest payable on bank loans and overdrafts | 12,905                   | 10,392                   |
| Interest payable on other loans               | 125,190                  | 101,691                  |
| Amortisation of debt issue costs              | 1,360                    | 1,483                    |
| Interest on lease liabilities                 | 24,413                   | 22,285                   |
| Interest expense on parent company loan       | 14,968                   | 13,890                   |
| Interest on pension scheme liabilities        | 1,028                    | 877                      |
| Other finance expenses                        | 70                       | 94                       |
|                                               | <b>179,934</b>           | <b>150,712</b>           |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 9. Income tax charge/(credit)

#### (a) Analysis of tax charge in the year

|                                                                        | Year ended 31<br>March 2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Current tax expense</b>                                             |                                      |                                      |
| Corporation tax on the (loss) / profit for the year                    | 4,846                                | 3,591                                |
| Adjustments in respect of prior years                                  | (1,445)                              | (1,578)                              |
| <b>Total current tax (credit) / expense</b>                            | <b>3,401</b>                         | <b>2,013</b>                         |
| <b>Deferred tax (credit) / expense</b>                                 |                                      |                                      |
| Effects of changes in tax rates                                        | (1,436)                              | 7,142                                |
| (Recognition)/non recognition of deferred tax on temporary differences | 5,687                                | 4,901                                |
| Origination and reversal of temporary differences                      | (4,107)                              | (1,667)                              |
| Adjustments in respect of prior years                                  | 183                                  | 1,562                                |
| <b>Total deferred tax (credit) / expense</b>                           | <b>327</b>                           | <b>11,938</b>                        |
| <b>Income tax charge / (credit)</b>                                    | <b>3,728</b>                         | <b>13,951</b>                        |

#### (b) Factors affecting the tax charge in the year

See below a reconciliation of the tax charge within this note to that presented within the income statement.

|                                                                                       | Year ended 31<br>March 2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|---------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Loss before tax</b>                                                                | <b>(101,158)</b>                     | <b>(91,350)</b>                      |
| Loss before tax multiplied by the standard rate of corporation tax of 19% (2022: 19%) | (19,220)                             | (17,357)                             |
| Effects of:                                                                           |                                      |                                      |
| Expenses not deductible for tax purposes                                              | 1,861                                | 3,737                                |
| Interest expense not deductible for tax purposes                                      | 17,865                               | 15,155                               |
| Non recognition of deferred tax on temporary differences                              | 5,687                                | 4,901                                |
| Special factors affecting joint-ventures and associates                               | —                                    | —                                    |
| Impact of equity-accounted investments                                                | (320)                                | (229)                                |
| Effects of changes in tax rates                                                       | (1,436)                              | 7,142                                |
| Adjustments in respect of prior years                                                 | (1,262)                              | (16)                                 |
| Overseas rates vs UK rates                                                            | 553                                  | 618                                  |
| <b>Income tax charge / (credit)</b>                                                   | <b>3,728</b>                         | <b>13,951</b>                        |

#### (c) Factors that may affect future tax charge

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. The Group has applied the exception under the IAS 12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

In the Finance Act 2021, it was enacted that the main rate of UK corporation tax would be increased to 25.0% from 1 April 2023. UK deferred tax has been valued at 25.0% (31 March 2022: 25.0%).

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 10. Intangible assets

|                                                | Software costs<br>£'000 | Franchise rights<br>£'000 | Other<br>£'000 | Licenses<br>£'000 | Brands and trademarks<br>£'000 | Goodwill<br>£'000 | Total<br>£'000 |
|------------------------------------------------|-------------------------|---------------------------|----------------|-------------------|--------------------------------|-------------------|----------------|
| <b>Cost</b>                                    |                         |                           |                |                   |                                |                   |                |
| At 1 April 2022                                | 52,155                  | 378,220                   | 4,776          | 21,565            | 16,488                         | 990,086           | 1,463,290      |
| Additions                                      | 15,138                  | —                         | 17             | —                 | —                              | —                 | 15,155         |
| Disposals                                      | (10,651)                | —                         | (788)          | (300)             | (16,458)                       | —                 | (28,197)       |
| Transfers                                      | 3,665                   | 279                       | (3,939)        | —                 | —                              | —                 | 5              |
| Effects of movements in foreign exchange       | 1,335                   | 3,282                     | (66)           | —                 | (30)                           | 485               | 5,006          |
| At 31 March 2023                               | 61,642                  | 381,781                   | —              | 21,265            | —                              | 990,571           | 1,455,259      |
| <b>Accumulated amortisation</b>                |                         |                           |                |                   |                                |                   |                |
| At 1 April 2022                                | 29,420                  | 82,876                    | 1,732          | 14,073            | 16,461                         | 524,040           | 668,602        |
| Charge for the year                            | 16,138                  | 19,504                    | 135            | 1,075             | —                              | —                 | 36,852         |
| Transfers                                      | 1,115                   | 491                       | (939)          | (667)             | —                              | —                 | —              |
| Effects of movements in foreign exchange       | (1,264)                 | 1,022                     | (902)          | —                 | (5)                            | —                 | (1,149)        |
| Disposals                                      | (9,847)                 | —                         | (26)           | (300)             | (16,456)                       | —                 | (26,629)       |
| At 31 March 2023                               | 35,562                  | 103,893                   | —              | 14,181            | —                              | 524,040           | 677,676        |
| <b>Net book value</b>                          |                         |                           |                |                   |                                |                   |                |
| At 31 March 2023                               | 26,080                  | 277,888                   | —              | 7,084             | —                              | 466,531           | 777,583        |
|                                                | Software costs<br>£'000 | Franchise rights<br>£'000 | Other<br>£'000 | Licenses<br>£'000 | Brands and trademarks<br>£'000 | Goodwill<br>£'000 | Total<br>£'000 |
| <b>Cost</b>                                    |                         |                           |                |                   |                                |                   |                |
| At 1 April 2021                                | 43,878                  | 374,901                   | 540            | 20,035            | 16,458                         | 978,430           | 1,434,242      |
| Acquisitions                                   | 55                      | 3,905                     | 4,245          | 1,450             | —                              | 11,384            | 21,039         |
| Additions                                      | 8,241                   | —                         | 136            | —                 | —                              | —                 | 8,377          |
| Disposals                                      | (700)                   | —                         | —              | —                 | —                              | —                 | (700)          |
| Transfers                                      | 719                     | —                         | 44             | —                 | —                              | —                 | 763            |
| Effects of movements in foreign exchange       | (38)                    | (586)                     | (189)          | 80                | 30                             | 272               | (431)          |
| At 31 March 2022                               | 52,155                  | 378,220                   | 4,776          | 21,565            | 16,488                         | 990,086           | 1,463,290      |
| <b>Accumulated amortisation and impairment</b> |                         |                           |                |                   |                                |                   |                |
| At 1 April 2021                                | 18,744                  | 64,361                    | 462            | 13,126            | 16,456                         | 524,040           | 637,189        |
| Charge for the year                            | 10,104                  | 18,515                    | 1,315          | 940               | —                              | —                 | 30,874         |
| Effects of movements in foreign exchange       | 151                     | —                         | (45)           | 7                 | 5                              | —                 | 118            |
| Transfers                                      | 421                     | —                         | —              | —                 | —                              | —                 | 421            |
| At 31 March 2022                               | 29,420                  | 82,876                    | 1,732          | 14,073            | 16,461                         | 524,040           | 668,602        |
| <b>Net book value</b>                          |                         |                           |                |                   |                                |                   |                |
| At 31 March 2021                               | 25,134                  | 310,540                   | 78             | 6,909             | 2                              | 466,046           | 797,053        |
| At 31 March 2022                               | 22,735                  | 295,344                   | 3,044          | 7,492             | 27                             | 466,046           | 794,688        |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 10. Intangible assets (continued)

During the year, the Group capitalised £15.1m (2022: £4.3m) of software development costs. Such costs are in relation to internally generated systems meeting the definition of a separately identifiable intangible asset under IAS 38 and are not SaaS arrangements.

#### Goodwill

#### Impairment review

The Group completes an impairment review of goodwill annually in accordance with IAS 36 - Impairment of assets ("IAS 36"). The Group tests for impairment of goodwill at the operating segment level (see note 2 for operating segments) representing an aggregation of Cash Generating Units ("CGUs") and reflects the level at which goodwill is monitored in the business.

The Group estimates value in use by projecting pre-tax cash flows for the next five years, together with a terminal value using a long-term growth rate to determine recoverable amount. The recoverable amount has been determined by performing a value in use calculation. The key assumptions underpinning the recoverable amounts of the CGUs tested for impairment are forecast EBITDA, long term growth rate and discount rate.

The cash flows used for the impairment testing for each CGU are based on the Group's latest budget and forecast cash flows, covering a five-year period, which have regard to historical performance and where Management see the performance of the CGUs given the industry sector in which they operate. Management have made several key assumptions, specifically on cash flows, EBITDA margins, pre-tax discount rates, short and long term growth rates.

The key assumptions used by management alongside the cash flow forecasts are as follows:

| CGU     | Headroom on CGU £000 |         | Long term growth rate (LTGR) (%) |      | Pre-tax discount rates (%) |      |
|---------|----------------------|---------|----------------------------------|------|----------------------------|------|
|         | 2023                 | 2022    | 2023                             | 2022 | 2023                       | 2022 |
| Outdoor | 142,500              | 92,500  | 2.0                              | 1.9  | 11.5                       | 11.0 |
| Audio   | 914,400              | 924,400 | 2.0                              | 1.9  | 10.5                       | 11.0 |

The pre-tax discount rates used in the value in use calculations reflect the Group's assessment of the current market and other risks specific to the CGUs. Long-term growth rates are applied after the forecast period. Long-term growth rates are based on calculations by externally engaged specialists regarding long-term GDP growth rates for the main geographic markets in which each CGU operates. The headroom shown above represents the excess of the recoverable amount over the carrying value for both the Audio CGU and the Outdoor CGU.

Management's review of Intangible assets and Property plant and equipment, using the same cash flows used in their annual goodwill assessment, determined there were no additional impairments required.

The Group has undertaken a sensitivity analysis based on changes to key assumptions considered to be reasonably possible by management. These sensitivities around discount rate, EBITDA and growth rates have been considered as to whether they are reasonably likely to either erode headroom or give risk of material adjustment to carrying values across CGU groups. Management have concluded that a reasonable possible change would not result in an impairment.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 10. Intangible assets (continued)

The total carrying value of Goodwill at 31 March 2023 is £466,531k which is allocated to the CGUs as follows: Audio - £334,440k (FY22: £334,088k) and Outdoor - £132,113k (FY22: £131,958k). Prior year comparatives have been restated by reclassifying £16,741k from Audio to Outdoor.

### 11. Property, plant and equipment

|                                             | Land and<br>buildings<br>£'000 | Transmitters, fixtures and<br>technical equipment<br>£'000 | Construction<br>in progress<br>£'000 | Leasehold<br>improvements<br>£'000 | Total<br>£'000 |
|---------------------------------------------|--------------------------------|------------------------------------------------------------|--------------------------------------|------------------------------------|----------------|
| <b>Cost</b>                                 |                                |                                                            |                                      |                                    |                |
| At 1 April 2022                             | 14,501                         | 100,671                                                    | 6,589                                | 1,347                              | 123,108        |
| Additions                                   | —                              | 5,679                                                      | 10,341                               | —                                  | 16,020         |
| Disposals                                   | (10)                           | (7,549)                                                    | (110)                                | (872)                              | (8,541)        |
| Transfers                                   | (14,491)                       | 10,761                                                     | (11,250)                             | 14,975                             | (5)            |
| Effects of movements in<br>foreign exchange | —                              | 2,520                                                      | 37                                   | 29                                 | 2,586          |
| At 31 March 2023                            | —                              | 112,082                                                    | 5,607                                | 15,479                             | 133,168        |
| <b>Accumulated depreciation</b>             |                                |                                                            |                                      |                                    |                |
| At 1 April 2022                             | 1,768                          | 28,323                                                     | 589                                  | 696                                | 31,376         |
| Charge for the year                         | 32                             | 15,168                                                     | —                                    | 1,613                              | 16,813         |
| Effects of movements in<br>foreign exchange | —                              | 2,552                                                      | —                                    | 5                                  | 2,557          |
| Transfers                                   | (1,800)                        | (24)                                                       | —                                    | 1,824                              | —              |
| Disposals                                   | —                              | (4,176)                                                    | —                                    | (492)                              | (4,668)        |
| At 31 March 2023                            | —                              | 41,843                                                     | 589                                  | 3,646                              | 46,078         |
| <b>Net book value</b>                       |                                |                                                            |                                      |                                    |                |
| At 31 March 2023                            | —                              | 70,239                                                     | 5,018                                | 11,833                             | 87,090         |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 11. Property, plant and equipment (continued)

|                                             | Land and<br>buildings | Transmitters, fixtures and<br>technical equipment | Construction<br>in progress | Leasehold<br>improvements | Total    |
|---------------------------------------------|-----------------------|---------------------------------------------------|-----------------------------|---------------------------|----------|
|                                             | £'000                 | £'000                                             | £'000                       | £'000                     | £'000    |
| <b>Cost</b>                                 |                       |                                                   |                             |                           |          |
| At 1 April 2021                             | 14,501                | 114,913                                           | 8,262                       | 1,090                     | 138,766  |
| Additions                                   | —                     | 967                                               | 11,802                      | —                         | 12,769   |
| Acquisitions                                | —                     | 787                                               | —                           | —                         | 787      |
| Disposals                                   | —                     | (23,505)                                          | (3,004)                     | (965)                     | (27,474) |
| Transfers                                   | —                     | 8,477                                             | (10,464)                    | 1,224                     | (763)    |
| Effects of movements in<br>foreign exchange | —                     | (968)                                             | (7)                         | (2)                       | (977)    |
| At 31 March 2022                            | 14,501                | 100,671                                           | 6,589                       | 1,347                     | 123,108  |
| <b>Accumulated depreciation</b>             |                       |                                                   |                             |                           |          |
| At 1 April 2021                             | 1,706                 | 31,357                                            | 589                         | 197                       | 33,849   |
| Charge for the year                         | 62                    | 19,040                                            | —                           | 1,461                     | 20,563   |
| Effects of movements in<br>foreign exchange | —                     | (859)                                             | —                           | (1)                       | (860)    |
| Transfers                                   | —                     | (421)                                             | —                           | —                         | (421)    |
| Disposals                                   | —                     | (20,794)                                          | —                           | (961)                     | (21,755) |
| At 31 March 2022                            | 1,768                 | 28,323                                            | 589                         | 696                       | 31,376   |
| <b>Net book value</b>                       |                       |                                                   |                             |                           |          |
| At 31 March 2021                            | 12,795                | 83,556                                            | 7,673                       | 893                       | 104,917  |
| At 31 March 2022                            | 12,733                | 72,348                                            | 6,000                       | 651                       | 91,732   |



# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 12. IFRS 16 Leases (Group as a lessee)

|                                                | Property      | Fleet        | Franchise contracts | Total          |
|------------------------------------------------|---------------|--------------|---------------------|----------------|
| Right-of-use assets                            |               |              |                     |                |
|                                                | £'000         | £'000        | £'000               | £'000          |
| <b>Cost</b>                                    |               |              |                     |                |
| At 1 April 2022                                | 53,139        | 2,861        | 425,461             | 481,461        |
| Additions                                      | 2,886         | 1,609        | 37,462              | 41,957         |
| Modifications                                  | (234)         | 96           | 24,280              | 24,142         |
| Effects of movement in exchange rates          | 146           | 64           | 3,018               | 3,228          |
| Disposals                                      | (677)         | (1,352)      | (17,749)            | (19,778)       |
| <b>As at 31 March 2023</b>                     | <b>55,260</b> | <b>3,278</b> | <b>472,472</b>      | <b>531,010</b> |
| <b>Accumulated depreciation and impairment</b> |               |              |                     |                |
| At 1 April 2022                                | 14,882        | 1,567        | 123,640             | 140,089        |
| Charge for the year                            | 5,585         | 861          | 57,981              | 64,427         |
| Modifications                                  | (20)          | 36           | (4,319)             | (4,303)        |
| Effects of movement in exchange rates          | 78            | 31           | 947                 | 1,056          |
| Disposals                                      | (677)         | (1,323)      | (17,688)            | (19,688)       |
| <b>As at 31 March 2023</b>                     | <b>19,848</b> | <b>1,172</b> | <b>160,561</b>      | <b>181,581</b> |
| <b>Carrying Amount</b>                         |               |              |                     |                |
| <b>At 31 March 2023</b>                        | <b>35,412</b> | <b>2,106</b> | <b>311,911</b>      | <b>349,429</b> |

|                                       | Property      | Fleet        | Franchise contracts | Total          |
|---------------------------------------|---------------|--------------|---------------------|----------------|
| Right-of-use assets                   |               |              |                     |                |
|                                       | £'000         | £'000        | £'000               | £'000          |
| <b>Cost</b>                           |               |              |                     |                |
| At 1 April 2021                       | 55,556        | 2,420        | 379,278             | 437,254        |
| Additions                             | 867           | 1,148        | 44,880              | 46,895         |
| Modifications                         | 934           | 10           | 15,082              | 16,026         |
| Effects of movement in exchange rates | (32)          | (18)         | (441)               | (491)          |
| Acquisitions                          | —             | —            | 1,332               | 1,332          |
| Disposals                             | (4,186)       | (699)        | (14,670)            | (19,555)       |
| <b>As at 31 March 2022</b>            | <b>53,139</b> | <b>2,861</b> | <b>425,461</b>      | <b>481,461</b> |
| <b>Accumulated depreciation</b>       |               |              |                     |                |
| At 1 April 2021                       | 12,205        | 1,200        | 88,302              | 101,707        |
| Charge for the year                   | 6,856         | 1,048        | 49,911              | 57,815         |
| Effects of movement in exchange rates | (12)          | (10)         | (514)               | (536)          |
| Disposals                             | (4,167)       | (671)        | (14,059)            | (18,897)       |
| <b>As at 31 March 2022</b>            | <b>14,882</b> | <b>1,567</b> | <b>123,640</b>      | <b>140,089</b> |
| <b>Carrying Amount</b>                |               |              |                     |                |
| <b>At 31 March 2022</b>               | <b>38,257</b> | <b>1,294</b> | <b>301,821</b>      | <b>341,372</b> |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 12. IFRS 16 Leases (Group as a lessee) (continued)

The Group leases several assets including properties, motor vehicles and franchise contracts. The average lease term is 8 years (2022: 16 years).

Amounts recognised in profit and loss:

|                                             | Year ended<br>31 March<br>2023 | Year ended<br>31 March<br>2022 |
|---------------------------------------------|--------------------------------|--------------------------------|
|                                             | £'000                          | £'000                          |
| Depreciation expense of right-of-use assets | 64,427                         | 57,815                         |
| Interest expense on lease liabilities       | 24,413                         | 22,285                         |
| Expense relating to short term leases       | 10,706                         | 8,715                          |
| Expense relation to variable lease payment  | 137,170                        | 91,378                         |

The total cash outflow for leases amounted to £81.6m (2022: £70.2m).

|                          | Year ended<br>31 March<br>2023 | Year ended<br>31 March<br>2022 |
|--------------------------|--------------------------------|--------------------------------|
|                          | £'000                          | £'000                          |
| <b>Lease liabilities</b> |                                |                                |
| <b>Maturity Analysis</b> |                                |                                |
| Year 1                   | 78,978                         | 87,282                         |
| Year 2                   | 70,531                         | 65,619                         |
| Year 3                   | 45,596                         | 55,312                         |
| Year 4                   | 38,390                         | 38,574                         |
| Year 5                   | 29,921                         | 34,199                         |
| Onwards                  | 292,456                        | 278,882                        |
|                          | <u>555,872</u>                 | <u>559,868</u>                 |

|                     | Year ended<br>31 March<br>2023 | Year ended<br>31 March<br>2022 |
|---------------------|--------------------------------|--------------------------------|
|                     | £'000                          | £'000                          |
| <b>Analysed as:</b> |                                |                                |
| Non-current         | 323,046                        | 310,601                        |
| Current             | 61,704                         | 67,834                         |
|                     | <u>384,750</u>                 | <u>378,435</u>                 |

The Group's main leases are those of franchise contracts, which relate to the Outdoor segment of the business. These are leased from landlords, and are utilised to run campaigns for the Group's customers. These leases will span a large period in range, from a single year to 40 years, and can be made up of fixed and variable payments. Where contracts have an extension option, and the Group is certain the option will be taken, the extension has been included within the assessment of the lease.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 13. Equity accounted investments

|                                                      | Investments in<br>joint ventures<br>£'000 | Investments in<br>associates<br>£'000 | Total<br>£'000 |
|------------------------------------------------------|-------------------------------------------|---------------------------------------|----------------|
| <b>Cost</b>                                          |                                           |                                       |                |
| At 1 April 2022                                      | 782                                       | 645                                   | 1,427          |
| Share of profit of equity accounted investments      | 1,128                                     | 554                                   | 1,682          |
| Dividends received from equity accounted investments | (850)                                     | (279)                                 | (1,129)        |
| <b>At 31 March 2023</b>                              | <b>1,060</b>                              | <b>920</b>                            | <b>1,980</b>   |
|                                                      |                                           |                                       |                |
|                                                      | Investments in<br>joint ventures<br>£'000 | Investments in<br>associates<br>£'000 | Total<br>£'000 |
| <b>Cost</b>                                          |                                           |                                       |                |
| At 1 April 2021                                      | 729                                       | 503                                   | 1,232          |
| Share of profit of equity accounted investments      | 803                                       | 421                                   | 1,224          |
| Dividends received from equity accounted investments | (750)                                     | (279)                                 | (1,029)        |
| <b>At 31 March 2022</b>                              | <b>782</b>                                | <b>645</b>                            | <b>1,427</b>   |

The Group's investments in associates are:

| Name                                     | Country | % of ordinary share<br>capital ownership |
|------------------------------------------|---------|------------------------------------------|
| EG Digital Limited                       | UK      | 49.0                                     |
| The Digital Radio Group (London) Limited | UK      | 46.5                                     |

The Group's investments in joint ventures are:

| Name               | Country | % of ordinary share<br>capital ownership |
|--------------------|---------|------------------------------------------|
| CE Digital Limited | UK      | 50.0                                     |

The principal activity of EG Digital Limited is that of a dormant company that previously operated digital multiplexes.

The principal activity of The Digital Radio Group (London) Limited is the operation of a digital radio multiplex in London.

The principal activity of CE Digital Limited is the operation of digital radio multiplexes in London, Birmingham and Manchester.

The registered addresses of the Group's joint ventures and associates are:

| Company                                  | Registered Address                                                         |
|------------------------------------------|----------------------------------------------------------------------------|
| EG Digital Limited                       | Media House, Peterborough Business Park, Lynch Wood, Peterborough, PE2 6EA |
| The Digital Radio Group (London) Limited | 30 Leicester Square, London, WC2H 7LA                                      |
| CE Digital Limited                       | 30 Leicester Square, London, WC2H 7LA                                      |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 14. Investments

|                       | Total<br>£'000         |
|-----------------------|------------------------|
| <b>Cost</b>           |                        |
| At 1 April 2022       | 643                    |
| Additions             | 1,580                  |
| Fx revaluation        | 28                     |
| At 31 March 2023      | <u>2,251</u>           |
| <b>Impairment</b>     |                        |
| At 1 April 2022       | 308                    |
| Impairment losses     | 168                    |
| At 31 March 2023      | <u>476</u>             |
| <b>Net book value</b> |                        |
| At 31 March 2023      | <u><u>1,775</u></u>    |
|                       | <b>Total<br/>£'000</b> |
| <b>Cost</b>           |                        |
| At 1 April 2021       | 643                    |
| At 31 March 2022      | <u>643</u>             |
| <b>Impairment</b>     |                        |
| At 1 April 2021       | 308                    |
| At 31 March 2022      | <u>308</u>             |
| <b>Net book value</b> |                        |
| At 31 March 2022      | <u><u>335</u></u>      |

During the year, on the 26<sup>th</sup> May 2022, Global (through Digital Audio Exchange Limited), invested £1.6m (\$2m) into the company Sonic Odeeo. The investment was made as part of seed funding, and in return for an investment of \$2m, Global was rewarded with a 4% shareholding in the business.

### 15. Trade and other receivables

|                               | 31 March 2023<br>£'000 | 31 March 2022<br>£'000 |
|-------------------------------|------------------------|------------------------|
| Gross trade receivables       | 199,261                | 189,236                |
| Less provision for impairment | <u>(9,375)</u>         | <u>(9,008)</u>         |
|                               | 189,886                | 180,228                |
| Other debtors                 | 17,064                 | 8,507                  |
| Prepayments                   | 17,935                 | 19,977                 |
| Contract assets               | 16,814                 | 12,459                 |
|                               | <u><u>241,699</u></u>  | <u><u>221,171</u></u>  |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 15. Trade and other receivables (continued)

|                                            | 31 March 2023<br>£'000 | 31 March 2022<br>£'000 |
|--------------------------------------------|------------------------|------------------------|
| Balance at 1 April 2022 and 1 April 2021   | 9,008                  | 6,521                  |
| Movement in provision                      | 367                    | 2,487                  |
| Balance at 31 March 2023 and 31 March 2022 | <u>9,375</u>           | <u>9,008</u>           |

The above table details the movements in the provision for the impairment of trade receivables.

The carrying value of trade and other receivables is a reasonable approximation of the fair value of trade and other receivables. The Group measures the provision for impairment at an amount equal to lifetime expected credit losses (ECL), estimated with reference to past default experience, offsetting of rebate balances as well as the debtor's current financial position.

There has been no change in significant assumptions made during the current reporting period and the provision remains immaterial to the Group's trade receivable balances.

The Group writes off a trade receivable where there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

There are no material overdue trade receivables that have not been provided against and there is no contractual balance outstanding on financial assets written off during the year.

### 16. Trade and other payables

| Current                               | 31 March<br>2023<br>£'000 | 31 March<br>2022<br>£'000 |
|---------------------------------------|---------------------------|---------------------------|
| Trade payables                        | 46,153                    | 41,637                    |
| Other taxes and social security costs | 10,197                    | 11,177                    |
| Other creditors                       | 7,950                     | 16,087                    |
| Accruals                              | 122,542                   | 104,723                   |
| Contract liabilities                  | 10,427                    | 8,330                     |
|                                       | <u>197,269</u>            | <u>181,954</u>            |

The carrying value of trade and other payables is a reasonable approximation of the fair value of trade and other payables. All of the Group's trade and other payables are held at amortised cost using the effective interest method.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 17. Borrowings

| <b>Current</b>            | <b>31 March<br/>2023<br/>£'000</b> | <b>31 March<br/>2022<br/>£'000</b> |
|---------------------------|------------------------------------|------------------------------------|
| Bank loans and overdrafts | 27,829                             | 67,864                             |
| Accrued interest          | 39,453                             | 28,059                             |
|                           | <b>67,282</b>                      | <b>95,923</b>                      |

| <b>Non-Current</b>      | <b>31 March<br/>2023<br/>£'000</b> | <b>31 March<br/>2022<br/>£'000</b> |
|-------------------------|------------------------------------|------------------------------------|
| Bank loans              | 247,889                            | 278,915                            |
| Other loans             | 1,351,462                          | 1,426,865                          |
|                         | <b>1,599,351</b>                   | <b>1,705,780</b>                   |
| <b>Total borrowings</b> | <b>1,666,633</b>                   | <b>1,801,703</b>                   |

The nominal value of the Group's borrowings at each reporting date is as follows:

|                         | <b>31 March<br/>2023<br/>£'000</b> | <b>31 March<br/>2022<br/>£'000</b> |
|-------------------------|------------------------------------|------------------------------------|
| Accrued interest        | 39,453                             | 28,059                             |
| Senior term loans       | 275,718                            | 349,173                            |
| Shareholder loan notes  | 1,351,462                          | 1,237,665                          |
| Loan from parent entity | —                                  | 204,165                            |
|                         | <b>1,666,633</b>                   | <b>1,819,062</b>                   |

The book value of the Group's borrowings at each reporting date is as follows:

|                         | <b>31 March<br/>2023<br/>£'000</b> | <b>31 March<br/>2022<br/>£'000</b> |
|-------------------------|------------------------------------|------------------------------------|
| Accrued interest        | 39,453                             | 28,059                             |
| Senior term loans       | 275,718                            | 346,779                            |
| Shareholder loan notes  | 1,351,462                          | 1,237,665                          |
| Loan from parent entity | —                                  | 189,200                            |
|                         | <b>1,666,633</b>                   | <b>1,801,703</b>                   |

## Global Media & Entertainment Limited

### Notes to the Consolidated Financial Statements (continued)

#### 17. Borrowings (continued)

The interest rates on the Group's borrowings are as follows:

| Interest rates on variable interest borrowings | 31 March<br>2023     | 31 March<br>2022     |
|------------------------------------------------|----------------------|----------------------|
|                                                | % above<br>benchmark | % above<br>benchmark |
| Shareholder loan notes                         | 7.5 %                | 7.5 %                |
| Senior term loans                              | 2.0 %                | 2.5 %                |

The benchmark for Shareholder loans is the Bank of England base rate while SONIA is used as the basis for senior term loans.

| Interest rates on fixed interest borrowings | 31 March<br>2023 | 31 March<br>2022 |
|---------------------------------------------|------------------|------------------|
|                                             | Fixed rate       | Fixed rate       |
| Shareholder loan notes                      | 15.0 %           | 15.0 %           |
| Loan from parent entity                     | 0.0 %            | 0.0 %            |

The Group's borrowings have the following maturity profile:

|                    | 31 March<br>2023 | 31 March<br>2022 |
|--------------------|------------------|------------------|
|                    | £'000            | £'000            |
| Less than one year | 67,282           | 95,559           |
| One to five years  | 247,889          | 1,723,503        |
| Over five years    | 1,351,462        | —                |
|                    | <b>1,666,633</b> | <b>1,819,062</b> |

The Shareholder loans are listed on the International Stock Exchange ("TISE"). On 31 December 2022 the Shareholder Loan notes had interest of £113.8m (31 December 2021: £97.8m) capitalised to the loan principal.

The Group has undrawn committed borrowing facilities of £10.0m at 31 March 2023 (2022: £10.0m). Significant non-cash transactions in the year in respect of financing activities comprised unpaid interest which was capitalised into borrowings of £113.8m (2022: £97.8m).

The senior term loan was refinanced during the year and is now due for repayment on 31 March 2027 (2022: 23 December 2024). The refinancing constituted a quantitative substantial modification therefore the original senior term loan was extinguished and a new senior term loan recognised. Fees incurred upon refinancing of £2.2m were recognised in the profit and loss. The balance of capitalised fees of £1.1m from inception of the original senior term loan, previously capitalised as a pre-payment for liquidity services over the period of the facility, were released to the profit and loss upon extinguishment of the original loan.

The loan from parent entity of £204m was converted from non-current borrowings to ordinary share capital on 16 March 2023 with previous fair value adjustments of £15m released to the profit and loss.

## Global Media & Entertainment Limited

### Notes to the Consolidated Financial Statements (continued)

#### 18. Provisions

|                                          | £'000         |
|------------------------------------------|---------------|
| At 1 April 2022                          | 9,788         |
| Additions                                | 2,842         |
| Disposals                                | (127)         |
| Effects of movement in foreign exchange  | 186           |
| Utilised during the year                 | (1,026)       |
| <b>At 31 March 2023</b>                  | <b>11,663</b> |
|                                          | £'000         |
| At 1 April 2021                          | 12,923        |
| Additions                                | 1,111         |
| Disposal of assets                       | (1)           |
| Effects of movements in foreign exchange | (45)          |
| Utilised during the year                 | (4,200)       |
| <b>At 31 March 2022</b>                  | <b>9,788</b>  |

The breakdown of provisions between current and non-current is as follows:

|              | 31 March<br>2023<br>£'000 | 31 March<br>2022<br>£'000 |
|--------------|---------------------------|---------------------------|
| Current      | 7,300                     | 3,551                     |
| Non-Current  | 4,363                     | 6,237                     |
| <b>Total</b> | <b>11,663</b>             | <b>9,788</b>              |

Provisions include asset retirement obligation provisions (£11.1m) and other provisions (£0.2m) for the year ended 31 March 2023 (2022: (£9.7m) and (£0.1m) respectively).

Asset retirement obligation provisions represent the Group's estimated cost for removing advertising structures as agreed in its franchise agreements and the cost of returning its leased offices and warehouses to its original state at the end of the lease term. The estimated cost is discounted at a risk free rate with a similar currency and remaining term as the provision.



# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 19. Deferred tax

|                                                                                        | Property, plant and equipment | Intangible assets | Tax losses   | Interest restricted under corporate interest restriction | Other          | Total           |
|----------------------------------------------------------------------------------------|-------------------------------|-------------------|--------------|----------------------------------------------------------|----------------|-----------------|
|                                                                                        | £'000                         | £'000             | £'000        | £'000                                                    | £'000          | £'000           |
| Deferred tax assets                                                                    | 18,685                        | —                 | 10,022       | 10,591                                                   | 1,291          | 40,589          |
| Deferred tax liabilities                                                               | (849)                         | (74,219)          | —            | —                                                        | (3,660)        | (78,720)        |
| At 1 April 2022                                                                        | 17,836                        | (74,219)          | 10,022       | 10,591                                                   | (2,369)        | (38,139)        |
| Credited/(charged) to the income statement                                             | (3,788)                       | 4,239             | (1,384)      | 633                                                      | (27)           | (327)           |
| Recognised in other comprehensive income / Consolidated Statement of Changes in Equity | 150                           | (583)             | —            | —                                                        | (177)          | (610)           |
| Acquired in the year                                                                   | —                             | 199               | —            | —                                                        | —              | 199             |
| At 31 March 2023                                                                       | 14,198                        | (70,364)          | 8,638        | 11,224                                                   | (2,573)        | (38,877)        |
| <b>Deferred tax assets</b>                                                             | <b>14,899</b>                 | <b>—</b>          | <b>8,638</b> | <b>11,224</b>                                            | <b>1,731</b>   | <b>36,492</b>   |
| <b>Deferred tax liabilities</b>                                                        | <b>(701)</b>                  | <b>(70,364)</b>   | <b>—</b>     | <b>—</b>                                                 | <b>(4,304)</b> | <b>(75,369)</b> |
| <b>At 31 March 2023</b>                                                                | <b>14,198</b>                 | <b>(70,364)</b>   | <b>8,638</b> | <b>11,224</b>                                            | <b>(2,573)</b> | <b>(38,877)</b> |
| Deferred tax assets                                                                    | 17,595                        | —                 | 14,030       | 9,455                                                    | 749            | 41,829          |
| Deferred tax liabilities                                                               | (994)                         | (62,205)          | —            | —                                                        | (1,233)        | (64,432)        |
| At 31 March 2021 and 1 April 2021                                                      | 16,601                        | (62,205)          | 14,030       | 9,455                                                    | (484)          | (22,603)        |
| Credited/(charged) to the income statement                                             | 1,227                         | (9,572)           | (4,008)      | 1,136                                                    | (721)          | (11,938)        |
| Recognised in other comprehensive income / Consolidated Statement of Changes in Equity | 8                             | 156               | —            | —                                                        | (1,164)        | (1,000)         |
| Acquired in the year                                                                   | —                             | (2,598)           | —            | —                                                        | —              | (2,598)         |
| At 31 March 2022                                                                       | 17,836                        | (74,219)          | 10,022       | 10,591                                                   | (2,369)        | (38,139)        |
| Deferred tax assets                                                                    | 18,685                        | —                 | 10,022       | 10,591                                                   | 1,291          | 40,589          |
| Deferred tax liabilities                                                               | (849)                         | (74,219)          | —            | —                                                        | (3,660)        | (78,728)        |
| At 31 March 2022                                                                       | 17,836                        | (74,219)          | 10,022       | 10,591                                                   | (2,369)        | (38,139)        |

<sup>1</sup> These numbers were restated in the prior year

The following table lists the Group's unrecognised gross temporary differences:

|                                                                                | 31 March 2023<br>£'000 | 31 March 2022<br>£'000 |
|--------------------------------------------------------------------------------|------------------------|------------------------|
| Property, plant and equipment                                                  | 1,466                  | —                      |
| Tax losses                                                                     | 92,104                 | 92,293                 |
| Interest paid                                                                  | 49,963                 | 49,963                 |
| Interest restricted under corporate interest restriction (CIR) carried forward | 158,192                | 129,002                |
|                                                                                | <b>301,725</b>         | <b>271,258</b>         |

Deferred tax assets have not been recognised in respect of the above items, because it is not probable that future taxable profits will be available against which the Group can use the benefits therefrom.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 20. Share capital

|                                                               | 31 March<br>2023   | 31 March<br>2022   |
|---------------------------------------------------------------|--------------------|--------------------|
|                                                               | £                  | £                  |
| <b>Authorised, issued, called up and fully paid</b>           |                    |                    |
| 409,803,820 (2022: 117,889,147) Ordinary shares of £1.00 each | 409,803,820        | 171,889,147        |
|                                                               | <b>409,803,820</b> | <b>171,889,147</b> |

On 25 July 2022 additional share capital of £33.8m was issued at par.

On 16 March 2023 a loan amount from the parent entity of £204.2m was converted from non-current borrowings to ordinary share capital.

### 21. Funding and financial risk management

#### Financial risk management

The Group holds and uses financial instruments to finance its operations and to manage its interest rate and liquidity risks. The Group primarily finances its operations using share capital, revenue and borrowings.

The Group's activities expose it to a variety of financial risks: market risk (interest rate risk and foreign exchange risk), credit risk and liquidity risk.

The Group is primarily funded by debt and although shareholder loans have increased during the year, the Group's operations are cash generative, and the general exposure to liquidity risk is considered to be low. The Group monitors performance against its banking covenants on a quarterly basis.

The Group does not engage in trading or speculative activities using derivative financial instruments.

The Directors view that the carrying amount of financial assets represents the maximum credit exposure.

#### Market risk

Market risk is the risk that changes in prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments.

#### Interest rate risk

Interest rate risk is the risk of a change in the Group's cash flows due to a change in interest rates. The Group has both fixed rate and floating rate borrowings. The ratio of fixed to floating rate borrowings is monitored on an ongoing basis to ensure that the Group is not too exposed to variability in interest rates.

#### Foreign exchange risk

Foreign exchange risk is the risk of a change in the Group's cash flows due to a change in foreign currency exchange rate. The vast majority of the Group's income and expenditure is in Pound Sterling therefore the Group is not exposed to significant foreign exchange risk.

In the year ended 31 March 2023, the Group earned the following revenue and incurred the following costs from continuing operations in EUR and USD:

|                       | 31 March<br>2023 | 31 March<br>2022 | 31 March<br>2023 | 31 March<br>2022 |
|-----------------------|------------------|------------------|------------------|------------------|
|                       | %                | %                | %                | %                |
|                       | EUR              | EUR              | USD              | USD              |
| Proportion of revenue | 11 %             | 9 %              | 4 %              | 5 %              |
| Proportion of costs   | 10 %             | 8 %              | 3 %              | 4 %              |

The Group is therefore sensitive to movements in EUR against GBP.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 21. Funding and financial risk management (continued)

Each 10% movement in EUR to GBP and USD to GBP exchange rates would have the following impact:

|                              | 31 March<br>2023<br>£'000 | 31 March<br>2022<br>£'000 | 31 March<br>2023<br>£'000 | 31 March<br>2022<br>£'000 |
|------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                              | EUR                       | EUR                       | USD                       | USD                       |
| 10% sensitivity - revenue    | 8,869                     | 6,450                     | 3,430                     | 3,488                     |
| 10% sensitivity - costs      | 9,009                     | 6,177                     | 3,160                     | 3,406                     |
| 10% sensitivity - net assets | 19,260                    | 17,595                    | 2,696                     | 2,306                     |

Management have utilised 10% for sensitivity analysis based on the level of fluctuations seen during the current period.

#### *Credit risk*

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Directors consider the Group's credit risk from cash, cash equivalents and deposits to be low as the Group only enters transactions with banks or financial institutions with a credit rating of A or above.

The Group has policies in place to manage potential credit risk from trade receivables. The Group mitigates the risk of payment default by its customers by the use of trade credit insurance for high value customers. Customer credit terms are determined using independent ratings agency data and regularly updated to reflect any changes in customer circumstances or trading conditions. Trade receivables are reviewed on a regular basis by the Group's credit control department to ensure debts are recovered in full.

The Directors do not expect any significant losses of receivables that have not been provided for.

#### *Liquidity risk*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's finance department regularly monitors forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs and bank covenant requirements.

#### *Capital management*

The Group relies on capital for organic growth. The Group defines capital as equity as shown in the Statement of Financial Position plus net debt (total borrowings less cash) and seeks to achieve an acceptable return on gross capital.

The Group manages its capital structure using a number of measures and taking into account its future strategic plans. Such measures include ensuring the Group maintains sufficient liquidity from the cash that the Group has generated from operations.

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## Global Media & Entertainment Limited

### Notes to the Consolidated Financial Statements (continued)

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#### 22. Non-controlling interests

|                                             | £'000      |
|---------------------------------------------|------------|
| At 1 April 2022                             | 844        |
| Share of profit after taxation for the year | 992        |
| Dividends paid to non-controlling interests | (986)      |
| <b>At 31 March 2023</b>                     | <b>850</b> |

|                                             | £'000      |
|---------------------------------------------|------------|
| At 1 April 2021                             | 837        |
| Share of profit after taxation for the year | 1,027      |
| Dividends paid to non-controlling interests | (1,020)    |
| <b>At 31 March 2022</b>                     | <b>844</b> |

The subsidiaries that the Group have a non-controlling interest in are disclosed within note 3 of the Company Financial Statements.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 23. Commitments, financial commitments and contingent liabilities

#### *Guarantees*

The Company will guarantee the debts and liabilities of certain of its UK subsidiaries at the reporting date in accordance with section 479A of the Companies Act 2006. The Company has assessed the probability of loss under these guarantees as remote.

#### *Security*

The assets of the Group are pledged to their bankers as security against loans by way of a floating charge over the assets.

#### *VAT Group*

The Company is a member of a group for VAT purposes, resulting in a joint and several liability for amounts owing by other Group companies for unpaid VAT.

#### *Financial commitments*

The Group has entered into agreements with transmission supply companies and digital multiplex operators for the transmission of its radio stations for periods up to 2033 at competitive prices and to ensure supply. At the year end the commitments to purchase space on transmitters was £86m (2022: £94m).

|                                 | 31 March<br>2023 | 31 March<br>2022 |
|---------------------------------|------------------|------------------|
|                                 | £'000            | £'000            |
| <b>Transmission commitments</b> |                  |                  |
| Within one year                 | 7,501            | 684              |
| Between two and five years      | 29,929           | 47,453           |
| After five years                | 48,777           | 45,860           |
|                                 | <b>86,207</b>    | <b>93,997</b>    |

The Group's future minimum lease payments under non-cancellable operating leases that fall are outside of the scope of IFRS 16 are set out below:

|                            | 31 March<br>2023 | 31 March<br>2022 |
|----------------------------|------------------|------------------|
|                            | £'000            | £'000            |
| <b>Land and buildings</b>  |                  |                  |
| Within one year            | 76               | 71               |
| Between two and five years | 29               | —                |
|                            | <b>105</b>       | <b>71</b>        |

|                                  | 31 March<br>2023 | 31 March<br>2022 |
|----------------------------------|------------------|------------------|
|                                  | £'000            | £'000            |
| <b>Franchise fee commitments</b> |                  |                  |
| Within one year                  | 8,379            | 3,762            |
| Between two and five years       | 345              | —                |
| After five years                 | 54               | —                |
|                                  | <b>8,778</b>     | <b>3,762</b>     |

The Group leases property, motor vehicles and office equipment and advertising sites. The Group's leases do not include any material contingent lease payments, purchase options, escalation clauses or restriction clauses.

## Global Media & Entertainment Limited

### Notes to the Consolidated Financial Statements (continued)

#### 24. Related party transactions

During the year the Group traded with its associates, joint ventures and with entities with common control to the Group. All transactions were in the normal course of business and priced under normal trade terms. Related party transactions were made on terms equivalent to those that prevail in arm's length transactions only when such terms can be substantiated. All outstanding balances are repayable on demand. Balances and transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its associates are disclosed below.

The Company's immediate parent company is Global Radio Group Limited, a company incorporated in Jersey. Details of interest charged and loans outstanding with this entity are given in note 17.

During the year, the Company was charged £1,492,868 (2022: £1,043,284) in respect of digital radio services by CE Digital Limited, an associated undertaking of the Group, of which £nil was outstanding at 31 March 2023 (2022: £nil). The Company received £340,226 (2022: £302,852) in respect of legal expertise and engineering time from CE Digital Limited.

The Digital Radio Group (London) Limited, an associated undertaking of the Group, operates a digital radio multiplex and during the year the Company paid £133,239 (2022: £131,977) to this company for transmission services. The Company had an outstanding balance owing of £nil at 31 March 2023 (2022: £nil).

Radio Centre Limited, in which the Group has an investment, is a trade body promoting commercial radio to advertisers. Radio Centre Limited is funded by levies paid by the commercial radio industry in the UK based on volumes of advertising revenue. During the year the Company paid £1,105,100 (2022: £1,507,523) in levies to Radio Centre Limited and had an outstanding balance of £nil at 31 March 2023 (2022: £nil).

BV Gaming Limited and Newcote Services Limited, in which there is a connected person to a director of the Group, operate Heart Bingo and the Group receives a profit share as part of the agreement. During the year the Group received revenue of £4,482,871 (2022: £1,310,369) and £852,399 (2022: £60,371) was receivable at year end.

Global Media Group Services Limited also provides contract accounting services for which it charged £46,655 for the year ended 31 March 2023 (2022: £42,803) to the Group's non-wholly owned subsidiary Independent Radio News Limited (IRN), a provider of news services to commercial radio. In addition, the Company's share of the IRN rebate to client stations for the year ended 31 March 2023 amounted to £3,204,621 (2022: £3,354,430). At the financial year end the net balance due to Independent Radio News Limited at 31 March 2023 was £1,421,082 (2022: £1,490,442).

During the year the Group had a number of recharge arrangements with various members of the Global Entertainment and Talent Group, with whom the Group shares a director. As at 31 March 2023 the outstanding debtor was £8,482 (2022: £22,207).

The Group considers the Directors to be key management personnel. Related party transactions with key management personnel have been disclosed in note 6, which includes a loss of office payment of £nil (2022: £440,300).

In the opinion of the Directors, there were no other related party transactions during the year.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 25. Business combinations

There were no acquisitions in the current year.

#### Prior year acquisitions

During the prior period, the Group made several acquisitions across the media industry, further expanding its portfolio of digital advertising in the out-of-home sector as well as within other sectors such as podcasting.

| Name                                 | Date of acquisition | Country                  | % Ownership | Purchaser                                                                           | Business Unit |
|--------------------------------------|---------------------|--------------------------|-------------|-------------------------------------------------------------------------------------|---------------|
| Centercom B.V.                       | 1 October 2021      | Netherlands              | 100.0%      | Global Media & Entertainment BV (Formerly known as Exterion Media (Netherlands) BV) | Outdoor       |
| Captivate Audio Limited              | 17 December 2021    | United Kingdom           | 100.0%      | Global Radio Holdings Limited                                                       | Audio         |
| Quidem Limited                       | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| Banbury Broadcasting Company Limited | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| Centre Broadcasting Limited          | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| Quidem Midlands Limited              | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| Rugby Broadcasting Company Limited   | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| SidelIndex Limited                   | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| The New 102 Limited                  | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| Touch Broadcasting Limited           | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| Touch Warwick Limited                | 30 July 2021        | United Kingdom           | 100.0%      | Galaxy Radio Birmingham Limited                                                     | Audio         |
| Remixd Media Inc.                    | 1 October 2021      | United States of America | 100.0%      | Dax US Inc.                                                                         | Audio         |

#### Quidem Limited ("Quidem")

The Group acquired 100% of the ordinary share capital of Quidem Limited and its subsidiaries in July 2021. Quidem hold and operate a number of radio licenses in the United Kingdom.

#### Captivate Audio Limited ("Captivate")

The acquisition of Captivate Audio Limited was completed in December 2021 and is a UK based business operating a podcast hosting platform.

#### Remixd Media Inc. ("Remixd")

The purchase of Remixd Media Inc. completed in October 2021. Remixd is a Company based in the United States of America which operates a text-to-speech service.

#### Centercom B.V. ("Centercom")

This acquisition was completed in October 2021 and operates out-of-home advertising in the Netherlands, adding to the Group's existing portfolio in the Country.

The fair valuation of the acquired assets and liabilities was finalised as at the 31 March 2022 and the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill recognised in the prior period is listed below.

### 25. Business combinations (continued)

## Global Media & Entertainment Limited

### Notes to the Consolidated Financial Statements (continued)

|                               | Centercom<br>B.V.<br>£'000 | Captivate<br>Audio Limited<br>£'000 | Quidem<br>Limited<br>£'000 | Remixd<br>Media Inc.<br>£'000 | Total<br>£'000 |
|-------------------------------|----------------------------|-------------------------------------|----------------------------|-------------------------------|----------------|
| Intangible assets             | 4,211                      | 2,615                               | 1,462                      | 1,367                         | 9,655          |
| Property, plant and equipment | 774                        | 13                                  | —                          | —                             | 787            |
| Trade and other receivables   | 602                        | 12                                  | 170                        | 40                            | 824            |
| Cash                          | —                          | 326                                 | —                          | 168                           | 494            |
| Right of use assets           | 1,332                      | —                                   | —                          | —                             | 1,332          |
| Trade and other payables      | (860)                      | (550)                               | (1,250)                    | (831)                         | (3,491)        |
| Lease liabilities             | (1,332)                    | —                                   | —                          | —                             | (1,332)        |
| Deferred tax liability        | (1,117)                    | (620)                               | (346)                      | (350)                         | (2,433)        |
| <b>Net assets acquired</b>    | <b>3,610</b>               | <b>1,796</b>                        | <b>36</b>                  | <b>394</b>                    | <b>5,836</b>   |
| Goodwill                      | 1,117                      | 3,313                               | 346                        | 6,608                         | 11,384         |
| <i>Split between:</i>         |                            |                                     |                            |                               |                |
| Goodwill                      | 1,117                      | 3,313                               | 346                        | 6,608                         | 11,384         |
| Intangible assets             | —                          | —                                   | —                          | —                             | —              |
| Deferred tax                  | —                          | —                                   | —                          | —                             | —              |
| <b>Total consideration</b>    | <b>4,727</b>               | <b>5,109</b>                        | <b>382</b>                 | <b>7,002</b>                  | <b>17,220</b>  |
| <b>Satisfied by:</b>          |                            |                                     |                            |                               |                |
| Cash                          | 4,297                      | 5,109                               | —                          | 5,671                         | 15,077         |
| Deferred consideration        | 430                        | —                                   | 382                        | 1,331                         | 2,143          |
|                               | <b>4,727</b>               | <b>5,109</b>                        | <b>382</b>                 | <b>7,002</b>                  | <b>17,220</b>  |

Goodwill is calculated as the difference between the fair value of consideration and acquired assets and liabilities. None of the purchased goodwill is deductible for tax purposes.

Deal-related costs of £0.7m were charged to administration expenses in the Income Statement for the year ended 31 March 2022 and are not recognised within consideration.

From the acquisition date and during the year ended 31 March 2022, the acquired entities contributed £2.1m to the Group's revenue and a loss of £0.1m.

It is not possible to disclose the consolidated revenue and profit that the acquired entities would have contributed if the acquisitions had occurred on 1 April 2021 due to the lack of reliable pre-acquisition financial information available.



# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 26. Share-based payments

The Group operates cash-settled share-based payment arrangements as follows:

#### The Growth Shares Scheme ("the Scheme")

On 30 January 2015, a number of directors acquired E and F shares in Global Radio Holdings Limited, for which the directors paid unrestricted market value.

On 8 February 2021 a number of directors and senior managers acquired R shares in Global Radio Holdings Limited, for which the directors and senior managers paid unrestricted market value. Further on 8 February 2021 a number of directors and senior managers acquired O shares in Global Outdoor Media Holdings Limited, for which the directors and senior managers paid unrestricted market value.

The E, F, O and R shares are subject to a put and call option structure whereby the directors and senior managers may sell the shares to Global Media & Entertainment Limited, or Global Media & Entertainment Limited may acquire the shares from the directors for cash, within various 60 day windows between 1 August 2023 and 30 September 2025. The value at which the shares can be bought or sold shall be determined by a formula based on the growth in value of the shares over a certain minimum threshold value. The shares provide the holder with an interest in the growth of the business beyond that threshold, which has been set at 20% above the original value in the case of the E and F shares and 17.5% in the case of the O and R shares.

On 27 July 2022, P shares in Global Outdoor Media Holdings Limited and S shares in Global Radio Holdings Limited were allotted as part of an employee incentive arrangement. The shares were acquired for unrestricted market value. The shares are subject to a put and call option structure whereby the holder can sell the shares to Global Media & Entertainment Limited during the 30 day window commencing on 1 October 2025 and Global Media & Entertainment Limited may acquire the shares within the 60 day window commencing on 1 August 2025. The shares can also be sold in connection with certain realisation events as defined in the articles of association. The price at which the shares can be bought or sold at is determined in reference to the growth in the value of the shares over a certain minimum threshold value.

The aggregate number of E and F shares issued in 2015 outstanding at 31 March 2023 was 175,175 (31 March 2022: 175,175). The aggregate number of R and O shares issued in 2021 outstanding at 31 March 2023 was 463,631 (2022: 463,631). The aggregate number of P and S shares issued in 2022 outstanding at 31 March 2023 was 547,653 (31 March 2022: nil).

The value of the E, F, O, P, R and S shares were determined using the Black-Scholes model.

#### Share-based payment expense

The charge recognised in the Income Statement in respect of the Scheme was £2,088,158 (2022: £11,307,000).

#### Share-based payment liability

The Scheme requires the Group to pay the intrinsic value of these share-based payments to the employee at the date of exercise. The liability is re-valued at each reporting date and settlement date with any changes to fair value being recognised in the profit and loss account. The Group has recorded liabilities in respect of unvested grants of £29,269,158 (2022: £27,181,000).

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 27. Pension schemes

The Group operates three pension schemes on behalf of its employees in the UK. This includes a defined contribution scheme - Global Radio Group Personal Pension Plan ("GRGPPP"), and two contributory defined benefit schemes.

All current employees are eligible to join the GRGPPP, which new employees are enrolled in automatically when they begin employment with the Group. At 31 March 2023, 1,675 (2022: 1,532) employees were active members of this scheme. The Group makes age-related employer contributions to the scheme. At 31 March 2023 there were 179 members (2022: 178) of the multiple Outdoor defined contribution schemes.

The Capital Radio plc Pension and Assurance Scheme ("CRPPAS") and the Midlands Radio Group Pension Scheme ("MRGPS") are the two contributory defined benefit schemes. Both defined benefit schemes were closed to new employees from 31 March 1995. At 31 March 2023, the MRGPS had nil (2022: 3) active members and the CRPPAS had nil (2022: 4) active members. The trustees of each scheme are responsible for the governance of the pension plan and the Group does not hold a direct interest in any of the scheme's funds. The Group operates within the schedule of contributions set out by the Trustees and is not subject to any minimum funding requirements. No other entity is responsible for the governance of the plan beyond the board of trustees.

At the year end, the plan liabilities of the Group's defined benefit schemes had a weighted average duration of 13 years.

The Group contributed £6,267,000 (2022: £6,410,000) to the schemes. This contribution included £1,409,000 (2022: £2,255,000) to defined benefit schemes and £4,858,000 (2022: £4,155,000) to defined contribution schemes.

Contributions amounting to £nil (2022: £nil) were payable to the schemes at the end of the financial year and are included in other creditors.

There were £100k (2022: £nil) of costs attributable to plan amendments, curtailments or settlements during the year.

The actual return on the two defined benefit pension schemes assets over the period from 1 April 2022 to 31 March 2023 was a gain of £2,938,000 for MRGPS and loss of £5,373,000 for CRPPAS (for the period from 1 April 2021 to 31 March 2022 there was a gain of £834,000 and loss of £101,000 respectively). The expected long-term rate of return on assets assumption is assessed by considering the current level of returns on risk-free investments (primarily government bonds) and the expectations for the risk premium of each asset class. The expected return for each asset class is then weighted based on the asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

The amounts recognised in the consolidated Statement of Financial Position are as follows:

|                                     | Year ended<br>31 March<br>2023<br>£'000 | Year ended 31<br>March<br>2022<br>£'000 |
|-------------------------------------|-----------------------------------------|-----------------------------------------|
| Present value of funded obligations | (32,408)                                | (44,897)                                |
| Fair value of scheme assets         | 49,625                                  | 59,532                                  |
| Surplus in scheme                   | <u>17,217</u>                           | <u>14,635</u>                           |
| Midlands                            | 11,283                                  | 7,499                                   |
| Capital                             | 5,934                                   | 7,136                                   |
| Total surplus                       | <u>17,217</u>                           | <u>14,635</u>                           |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 27. Pension schemes (continued)

The amounts recognised in the consolidated Income Statement are as follows:

|                                  | Year ended<br>31 March<br>2023<br>£'000 | Year ended 31<br>March<br>2022<br>£'000 |
|----------------------------------|-----------------------------------------|-----------------------------------------|
| Current service cost             | (178)                                   | (243)                                   |
| Administration costs             | (99)                                    | —                                       |
| Interest on obligation           | (1,028)                                 | (877)                                   |
| Expected return on scheme assets | 1,448                                   | 1,027                                   |
| Settlement and curtailment cost  | (100)                                   | —                                       |
| Total                            | 43                                      | (93)                                    |
| Actual return on scheme assets   | (8,311)                                 | 733                                     |

Movements in the present value of the defined benefit obligation were as follows:

|                                                                       | Year ended<br>31 March<br>2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|-----------------------------------------------------------------------|-----------------------------------------|--------------------------------------|
| Opening defined benefit obligation at 1 April 2022 and 1 April 2021   | 44,897                                  | 52,482                               |
| Insured liabilities                                                   | (1,726)                                 | (1,163)                              |
| Current service cost                                                  | 178                                     | 243                                  |
| Interest cost                                                         | 1,028                                   | 877                                  |
| Change due to settlement or curtailment cost                          | (100)                                   | —                                    |
| Contributions by scheme participants                                  | 16                                      | 18                                   |
| Actuarial gains                                                       | (10,689)                                | (6,420)                              |
| Benefits paid                                                         | (1,196)                                 | (1,140)                              |
| Closing defined benefit obligation at 31 March 2023 and 31 March 2022 | 32,408                                  | 44,897                               |

Changes in the fair value of scheme assets were as follows:

|                                                                        | Year ended<br>31 March<br>2023<br>£'000 | Year ended 31<br>March 2022<br>£'000 |
|------------------------------------------------------------------------|-----------------------------------------|--------------------------------------|
| Opening fair value of scheme assets at 1 April 2022 and 1 April 2021   | 59,532                                  | 58,965                               |
| Insured assets                                                         | (1,726)                                 | (1,163)                              |
| Expected return on assets                                              | 1,448                                   | 1,027                                |
| Actuarial losses                                                       | (9,759)                                 | (294)                                |
| Contributions by employer                                              | 1,409                                   | 2,255                                |
| Contributions by scheme participants                                   | 16                                      | 18                                   |
| Benefits paid                                                          | (1,196)                                 | (1,140)                              |
| Expenses paid by scheme                                                | (99)                                    | (136)                                |
| Closing fair value of scheme assets at 31 March 2023 and 31 March 2022 | 49,625                                  | 59,532                               |

The total amount recognised in the Group Statement of Comprehensive Income in respect of actuarial losses on assets is £9,759,000 (2022: loss of £294,000) and the amount recognised for actuarial gains on liabilities is £10,689,000 (2022: gain of 6,420,000).

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 27. Pension schemes (continued)

The two schemes are fully funded by the Group and the scheme members who contribute a percentage of salary. The funding requirements are based on the pension fund's actuarial measurement framework set out in the *funding policies of the plan*.

The Group expects to pay deficit reduction contributions of £nil to its defined benefit pension schemes in 2024 (2023: £286,000).

The major categories of scheme assets as a percentage of total scheme assets are as follows:

|                                   | 31 March<br>2023<br>£'000 | 31 March<br>2022<br>£'000 |
|-----------------------------------|---------------------------|---------------------------|
| Equities (quoted)                 | —                         | 10,412                    |
| Bonds (quoted)                    | 15,931                    | 12,222                    |
| Diversified growth funds (quoted) | 3,035                     | 25,902                    |
| Gilts (quoted)                    | 24,942                    | 3,649                     |
| Cash                              | 504                       | 408                       |
| Insured assets                    | 5,213                     | 6,939                     |
|                                   | <b>49,625</b>             | <b>59,532</b>             |

|                                   | 31 March<br>2023 | 31 March<br>2022 |
|-----------------------------------|------------------|------------------|
| Equities (quoted)                 | —%               | 17.49%           |
| Bonds (quoted)                    | 32.10%           | 20.53%           |
| Diversified growth funds (quoted) | 6.12%            | 43.51%           |
| Gilts (quoted)                    | 50.26%           | 6.13%            |
| Cash                              | 1.02%            | 0.68%            |
| Insured assets                    | 10.50%           | 11.66%           |

Principal actuarial assumptions at the reporting dates were (expressed as weighted averages):

|                          | 31 March<br>2023 | 31 March<br>2022 |
|--------------------------|------------------|------------------|
| Discount rate            | 4.80%            | 2.75%            |
| Future salary increases  | 3.50%            | 3.80%            |
| Future pension increases | 3.65%            | 3.77%            |
| Inflation assumption     | 3.00%            | 3.30%            |

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 27. Pension schemes (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

|                             | 31 March<br>2023 | 31 March<br>2022 |
|-----------------------------|------------------|------------------|
|                             | Number           | Number           |
| <b>Retiring today</b>       |                  |                  |
| Males                       | 22.2             | 22.1             |
| Females                     | 24.6             | 24.5             |
| <b>Retiring in 20 years</b> |                  |                  |
| Males                       | 23.5             | 23.4             |
| Females                     | 26.0             | 25.9             |

Amounts for the current and previous years are as follows:

|                                              | Year ended<br>31 March<br>2023<br>£'000 | Year ended<br>31 March<br>2022<br>£'000 | Year ended<br>31 March<br>2021<br>£'000 | Year ended<br>31 March<br>2020<br>£'000 | Year ended<br>31 March<br>2019<br>£'000 |
|----------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
| Defined benefit obligation                   | (32,408)                                | (44,897)                                | (52,482)                                | (41,292)                                | (42,960)                                |
| Scheme assets                                | 49,625                                  | 59,532                                  | 58,965                                  | 44,086                                  | 44,586                                  |
|                                              | <b>17,217</b>                           | <b>14,635</b>                           | <b>6,483</b>                            | <b>2,794</b>                            | <b>1,626</b>                            |
| Experience adjustments on scheme liabilities | 10,689                                  | 6,420                                   | (3,698)                                 | 1,942                                   | (1,769)                                 |
| Experience adjustments on scheme assets      | (9,759)                                 | (294)                                   | 5,338                                   | (2,764)                                 | 404                                     |

Under IFRIC 14, both schemes show a surplus. In accordance with IAS 19, the Group has recognised an asset on the Statement of Financial Position in relation to the surplus in the schemes because the Group has an unconditional right to realise the surplus during the plan or when the plan is settled. The directors consider that the surplus shown under IAS 19 accounting is a recoverable one. The schemes ambitions are to move towards a buyout position and under a buyout valuation methodology the schemes remain in deficit.

The value of the annuity policies as at 31 March 2023 under IAS 19 is shown below, alongside the corresponding value as at 31 March 2022. The asset and liability amounts in respect of the annuities are the same, so there is no surplus or deficit to be disclosed. The movement in the value of the annuity policies in the year is shown as insured assets/liabilities in the scheme asset/liability tables.

|                                                                 | 31 March<br>2023<br>£'000 | 31 March<br>2022<br>£'000 |
|-----------------------------------------------------------------|---------------------------|---------------------------|
| <b>Annuity valuation</b>                                        |                           |                           |
| Valuation of annuity policies for purposes of IAS19 disclosures | 5,213                     | 6,939                     |

The valuation of the annuity policies has reduced over the year, which reflects the pension benefits paid over the period and changes in the assumptions used to value these policies (primarily the increase in the discount rate).

The Group is exposed to a number of risks relating to the defined benefit schemes (the "schemes") including assumptions not being borne out in practice. The most significant risks are as follows:

#### Asset volatility

There is a risk that a fall in asset values is not matched by corresponding reduction in the value placed on the schemes. The schemes hold a proportion of growth assets, which are expected to outperform corporate or government bond yields in the long term but gives exposure to volatility and risk in the short term.

#### Change in bond yields

A decrease in corporate bond yields will increase the value placed on the scheme's liabilities, although this will be partially offset by an increase in the value of the scheme's corporate bond holdings.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 27. Pension schemes (continued)

#### *Inflation risk*

The majority of the scheme's liabilities are linked to inflation where higher inflation will lead to higher scheme liabilities. Some of the scheme assets are either unaffected by inflation or loosely correlated with inflation (e.g. growth assets), meaning that an increase in inflation will generally increase scheme liabilities.

#### *Life expectancy*

An increase in life expectancy will lead to an increased value being placed on the scheme's liabilities. Future mortality rates cannot be predicted with certainty.

#### *Actuarial assumption sensitivity*

The discount rate is set by reference to market conditions at the reporting date, and can vary significantly between periods. The earnings increases are linked to inflation and so set by reference to market conditions at the reporting date. The mortality assumptions used are set by considering the experience of the scheme's members, and by making an allowance for possible future improvements in longevity. Mortality assumptions are difficult to set accurately, and forecasting rates of future mortality improvement is inevitably speculative.

The discount rate, earnings increases and inflation rates are set by reference to market conditions at the reporting date, and can vary significantly between periods.

A decrease in the discount rate by 0.1% will increase the scheme's liabilities by £367,000 (2022: increase of £848,000).

An increase in inflation and salary growth assumptions by 0.1% will increase the scheme's liabilities by £115,000 (2022: increase of £218,000).

### 28. Events after the Balance Sheet date

There are no events post balance sheet to report.

### 29. Immediate and ultimate parent company

In the opinion of the Directors the Company's immediate and ultimate controlling company is Global Radio Group Limited, a company incorporated in Jersey.

The largest and smallest group in which the results of the Company are consolidated is that headed by Global Media & Entertainment Limited a privately owned Company.

# Global Media & Entertainment Limited

## Notes to the Consolidated Financial Statements (continued)

### 30. Financing activities

The movements in Group liabilities in the year as a result of financing activities are set out within the below reconciliation:

|                                 | Total borrowings | Lease liabilities | Total liabilities from financing activities |
|---------------------------------|------------------|-------------------|---------------------------------------------|
|                                 | £'000            | £'000             | £'000                                       |
| 1 April 2022                    | 1,801,703        | 378,435           | 2,180,138                                   |
| Cash flows                      | (86,360)         | (81,569)          | (167,929)                                   |
| Accrued Interest                | 138,096          | 24,413            | 162,509                                     |
| Debt issuance costs             | 2,439            | —                 | 2,439                                       |
| Additions                       | —                | 37,309            | 37,309                                      |
| Foreign exchange                | (45)             | 2,343             | 2,298                                       |
| Disposals                       | —                | (1,874)           | (1,874)                                     |
| Modifications                   | —                | 25,693            | 25,693                                      |
| Other movements                 | (189,200)        | —                 | (189,200)                                   |
| <b>Year ended 31 March 2023</b> | <b>1,666,633</b> | <b>384,750</b>    | <b>2,051,383</b>                            |

|                                 | Total borrowings | Lease liabilities | Total liabilities from financing activities |
|---------------------------------|------------------|-------------------|---------------------------------------------|
|                                 | £'000            | £'000             | £'000                                       |
| 1 April 2021                    | 1,748,468        | 362,762           | 2,111,230                                   |
| Cash flows                      | (63,810)         | (70,171)          | (133,981)                                   |
| Accrued Interest                | 101,691          | 22,285            | 123,976                                     |
| Debt issuance costs             | 1,485            | —                 | 1,485                                       |
| Unwind of discounting           | 13,869           | —                 | 13,869                                      |
| Acquisitions                    | —                | 1,332             | 1,332                                       |
| Additions                       | —                | 47,404            | 47,404                                      |
| Foreign exchange                | —                | (241)             | (241)                                       |
| Disposals                       | —                | (705)             | (705)                                       |
| Modifications                   | —                | 15,769            | 15,769                                      |
| <b>Year ended 31 March 2022</b> | <b>1,801,703</b> | <b>378,435</b>    | <b>2,180,138</b>                            |

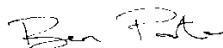
**Global Media & Entertainment Limited**  
**Company Statement of Financial Position**  
**At 31 March 2023 Company number 06251684**

|                                                                |             | <b>31 March<br/>2023</b> | <b>31 March 2022</b> |
|----------------------------------------------------------------|-------------|--------------------------|----------------------|
|                                                                | <i>Note</i> | <b>£'000</b>             | <b>£'000</b>         |
| <b>Fixed assets</b>                                            |             |                          |                      |
| Investments                                                    | 3           | <b>1,257,583</b>         | 1,257,583            |
|                                                                |             | <b>1,257,583</b>         | 1,257,583            |
| <b>Current assets</b>                                          |             |                          |                      |
| Deferred tax assets                                            |             | <b>359</b>               | 495                  |
| Cash at bank and in hand                                       |             | <b>10</b>                | 21                   |
|                                                                |             | <b>369</b>               | 516                  |
| <b>Creditors: amounts falling due within one year</b>          | 4           | <b>(215,314)</b>         | (193,446)            |
| <b>Net current liabilities</b>                                 |             | <b>(214,945)</b>         | (192,930)            |
| <b>Total assets less current liabilities</b>                   |             | <b>1,042,638</b>         | 1,064,653            |
| <b>Creditors: amounts falling due after more than one year</b> | 5           | <b>(1,599,423)</b>       | (1,705,597)          |
| <b>Net liabilities</b>                                         |             | <b>(556,785)</b>         | (640,944)            |
| <b>Equity</b>                                                  |             |                          |                      |
| Called up share capital                                        | 6           | <b>409,805</b>           | 171,889              |
| Accumulated losses                                             |             | <b>(966,590)</b>         | (812,833)            |
| <b>Total equity</b>                                            |             | <b>(556,785)</b>         | (640,944)            |

The Company's loss for the financial year was £153,758k (2022: loss of £121,648k).

The notes on pages 73 to 83 form part of these financial statements.

The financial statements on pages 71 to 83 were approved by the Board of Directors on 7 December 2023 and signed on its behalf by



**B Porter**  
Director  
7 December 2023



**Global Media & Entertainment Limited**  
**Company Statement of Changes in Equity**  
**For the year ended 31 March 2023**

|                                          | <b>Called up<br/>share capital<br/>£'000</b> | <b>Accumulated<br/>losses<br/>£'000</b> | <b>Total equity<br/>£'000</b> |
|------------------------------------------|----------------------------------------------|-----------------------------------------|-------------------------------|
| <b>At 1 April 2022</b>                   | 171,889                                      | (812,833)                               | (640,944)                     |
| Loss for the year                        | —                                            | (153,758)                               | (153,758)                     |
| Issue of share capital                   | 33,750                                       | —                                       | 33,750                        |
| Conversion of shareholder debt to equity | 204,167                                      | —                                       | 204,167                       |
| <b>At 31 March 2023</b>                  | <b>409,806</b>                               | <b>(966,591)</b>                        | <b>(556,785)</b>              |
|                                          | <b>Called up<br/>share capital<br/>£'000</b> | <b>Accumulated<br/>losses<br/>£'000</b> | <b>Total equity<br/>£'000</b> |
| <b>At 1 April 2021, restated</b>         | <b>171,889</b>                               | <b>(691,185)</b>                        | <b>(519,296)</b>              |
| Loss for the year                        | —                                            | (121,648)                               | (121,648)                     |
| <b>At 31 March 2022</b>                  | <b>171,889</b>                               | <b>(812,833)</b>                        | <b>(640,944)</b>              |

The notes on pages 72 to 82 form part of these financial statements.

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# Global Media & Entertainment Limited

## Notes to the Company Financial Statements

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### 1. Accounting policies for the Company Financial Statements

#### a) Reporting entity

Global Media & Entertainment Limited (the "Company") is an incorporated private company limited by shares and domiciled in the United Kingdom. Its registered address is 30 Leicester Square, London, WC2H 7LA.

The Company's principal activity was the operation of commercial radio stations in the United Kingdom and the sale of advertising across its network.

The Company Financial Statements were approved by the board of Directors on 7 December 2023.

#### b) Statement of compliance

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements ("FRS 100") and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") and the Companies Act 2006.

As permitted by Section 408(2) of the Companies Act 2006 information about the Company's employee numbers and costs have not been presented.

As permitted by Section 408(3) of the Companies Act 2006, the Company's Profit and Loss Account and Statement of Other Comprehensive Income and related notes have not been presented as the Company's consolidated financial statements have been prepared in accordance with the Companies Act 2006.

#### c) Functional and presentational currency

These financial statements are presented in pound sterling (£), which is the Company's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

#### d) Basis of preparation

The financial statements have been prepared on a historical cost basis, and are in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by IFRS;
- certain disclosures regarding the company's capital;
- a Statement of Cash Flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly-owned members of the group headed by Global Media & Entertainment Limited.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Global Media & Entertainment Limited.

These financial statements do not include certain disclosures in respect of:

- Financial Instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value); and
- Impairment of assets.

# Global Media & Entertainment Limited

## Notes to the Company Financial Statements

### 1. Accounting policies for the Company Financial Statements (continued)

#### e) Investments

Investments are included in the Balance Sheet at cost less amounts written-off. Impairment charges are recorded if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### f) Going concern

The Directors have carried out a detailed and comprehensive review of the business and its future prospects at a group level at the date of approval of these financial statements. Whilst the Company is in net liability position at year end, the Directors have considered the overall performance and cash position of the Group as this funds the Company's external payments.

They have compared the forecast future performance of the Company up until March 2025 and anticipated cash flows with the available working capital facilities and covenants stipulated in the banking arrangements that form part of the Company's current financing structure. They have assessed the ability of the Group to meet its obligations as they fall due in the light of current economic conditions.

The Directors have also performed a sensitivity analysis by decreasing forecasted group revenue by 5%. This does not cause the Group to breach the bank loan covenants or cause the Group to be unable to fulfil its debts as they fall due.

The Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### g) Accounting policies for the Company Financial Statements

The Company's accounting policies are the same as the Group's accounting policies, as detailed in note 1 to the consolidated financial statements, for the following

| Company FRS 101 accounting policy           | Group IFRS accounting policy                | Note |
|---------------------------------------------|---------------------------------------------|------|
| New accounting standards                    | New accounting standards                    | 1g   |
| Critical accounting estimates and judgments | Critical accounting estimates and judgments | 1h   |
| Cash                                        | Cash                                        | 1q   |
| Share capital                               | Share capital                               | 1r   |
| Creditors                                   | Trade and other payables                    | 1s   |
| Interest receivable and similar income      | Finance income and expense                  | 1u   |
| Interest payable and similar expense        | Finance income and expense                  | 1u   |
| Financial instruments                       | Financial instruments                       | 1v   |
| Current and deferred tax                    | Current and deferred tax                    | 1w   |
| Revenue recognition                         | Revenue recognition                         | 1aa  |
| Fair value measurement                      | Fair value measurement                      | 1ab  |

#### h) Key areas of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not clear from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Actual results may differ from these estimates.

The following are the key estimations that the Directors have made in the process of applying the Company's accounting policies and that have the most significant impact on the amounts recognised in financial statements.

# Global Media & Entertainment Limited

## Notes to the Company Financial Statements

### 1. Accounting policies for the Company Financial Statements (continued)

#### *Impairment of investments*

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying value amount may not be recoverable. When an impairment assessment is conducted the recoverable amount is determined as the higher of fair value less costs to sell or value in use of the assets. The value in use method requires the Company to determine appropriate assumptions (which are sources of estimation uncertainty) in relation to the cash flow projections over a five-year period, the long-term growth rate has been applied beyond the five-year period.

The assumption that cash flows continue into perpetuity is a source of significant estimation uncertainty. A future change to the assumption of trading into perpetuity for any investment would result in a reassessment of useful economic lives and residual value and could give rise to a significant impairment of investments, particularly where the carrying value exceeds fair value less costs to sell.

#### *Determination of discount rate – impact on impairment assessments*

The Company uses its weighted average cost of capital to discount expected future cash flows across its operating segments. The value in use of the Outdoor CGU, and therefore the headroom above carrying value, is sensitive to changes in this discount rate.

### 2. Directors

Information on the Company's Directors is provided in note 6 to the consolidated financial statements.

### 3. Investments

|                  | Investments in subsidiary<br>companies<br>£'000 |
|------------------|-------------------------------------------------|
| At 1 April 2022  | 1,257,583                                       |
| At 31 March 2023 | <u>1,257,583</u>                                |
|                  | £'000                                           |
| At 1 April 2021  | 1,257,583                                       |
| At 31 March 2022 | <u>1,257,583</u>                                |

# Global Media & Entertainment Limited

## Notes to the Company Financial Statements

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### 3. Investments (continued)

#### Impairment review

The Company completes an impairment review of investments annually in accordance with IAS 36 - Impairment of assets ("IAS 36"). The Company tests for impairment at the level of each investment.

The Company estimates value in use by projecting pre-tax cash flows for the next five years, together with a terminal value using a long-term growth rate to determine recoverable amount. The recoverable amount has been determined by performing a value in use calculation.

The Company has undertaken a sensitivity analysis based on changes to key assumptions considered to be reasonably possible by management. These sensitivities around discount rate, EBITDA and growth rate have been considered as to whether they are reasonably likely to either erode headroom or give risk of material adjustment to Investment carrying values. If the projected EBITDA margin used in the value in-use calculation for the Outdoor investment at 31 March 2023 had been 1 percentage point lower than managements estimate in every year, the company would have had to recognise an impairment against carrying value of £25.6m. This reduction in EBITDA margin equates to a 7.4% reduction in EBITDA in each year versus managements estimate.

## Global Media & Entertainment Limited

### Notes to the Company Financial Statements

#### 3. Investments (continued)

The Company's subsidiaries, including subsidiaries held by indirect holding companies, are:

| Name                                               | Country                  | % ordinary<br>share capital<br>ownership | Registration<br>number |
|----------------------------------------------------|--------------------------|------------------------------------------|------------------------|
| Atlantic Broadcasting Limited*                     | United Kingdom           | 100                                      | 04992498               |
| Audio HQ LLC                                       | United States of America | 100                                      | N/A                    |
| Banbury Broadcasting Limited*                      | United Kingdom           | 100                                      | 06778731               |
| Beat FM Limited                                    | United Kingdom           | 100                                      | 02661902               |
| Bell Bidco Limited*                                | United Kingdom           | 100                                      | 06309648               |
| Bell Intermediate Limited*                         | United Kingdom           | 100                                      | 06309642               |
| Capital Gold Hampshire Limited                     | United Kingdom           | 100                                      | 04767945               |
| Capital Gold Manchester Limited*                   | United Kingdom           | 100                                      | 04364461               |
| Capital Radio (London) Limited                     | United Kingdom           | 100                                      | 02134734               |
| Capital Radio Investments Limited*                 | United Kingdom           | 100                                      | 00988448               |
| Capital Radio Limited                              | United Kingdom           | 100                                      | 03911005               |
| Capital Radio Restaurants Group Limited            | United Kingdom           | 100                                      | 01650740               |
| Capital Radio Restaurants Limited                  | United Kingdom           | 100                                      | 01311073               |
| Capital Radio Telstar Entertainment Direct Limited | United Kingdom           | 50                                       | 03587404               |
| Capital Radio Trustee Limited                      | United Kingdom           | 100                                      | 03632977               |
| Capital Television Limited                         | United Kingdom           | 100                                      | 02928488               |
| Capital Xtra Limited*                              | United Kingdom           | 100                                      | 02421343               |
| Captivate Audio Limited*                           | United Kingdom           | 100                                      | 11840222               |
| Castleform Limited                                 | United Kingdom           | 100                                      | 04023527               |
| Central European Broadcasting Limited              | United Kingdom           | 100                                      | 02726679               |
| Centre Broadcasting Limited*                       | United Kingdom           | 100                                      | 03294814               |
| Centercom B.V.                                     | Netherlands              | 100                                      | N/A                    |
| Champion FM Limited                                | United Kingdom           | 100                                      | 03260165               |
| Cheerdale Limited                                  | United Kingdom           | 100                                      | 02598996               |
| Chill Radio Limited*                               | United Kingdom           | 100                                      | 03793939               |
| Chiltern Radio Limited*                            | United Kingdom           | 100                                      | 01472241               |
| Choice FM London Limited                           | United Kingdom           | 100                                      | 02983969               |
| Choice FM North London Limited                     | United Kingdom           | 100                                      | 03184284               |
| Classic FM Limited*                                | United Kingdom           | 100                                      | 02622707               |
| Core Digital Radio Limited                         | United Kingdom           | 100                                      | 03546920               |
| Cotswold Broadcasting Company Limited              | United Kingdom           | 100                                      | 02525641               |
| DAX Digital Audio Exchange Inc.                    | Canada                   | 100                                      | N/A                    |
| DAX US Inc.                                        | United States of America | 100                                      | N/A                    |
| Deltrack Limited*                                  | United Kingdom           | 100                                      | 03285808               |
| Devonair Radio Limited                             | United Kingdom           | 100                                      | 01417361               |
| Digital Audio Exchange Limited*                    | United Kingdom           | 100                                      | 10820862               |
| Digital News Network Limited                       | United Kingdom           | 100                                      | 04130784               |
| Doubleplay I Limited*                              | United Kingdom           | 100                                      | 08604738               |
| Doubleplay II Limited*                             | United Kingdom           | 100                                      | 08604810               |
| Doubleplay III Limited*                            | United Kingdom           | 100                                      | 08604817               |
| DQ Radio Services Limited*                         | United Kingdom           | 100                                      | 06873466               |
| East Anglian Radio Limited                         | United Kingdom           | 100                                      | 01768405               |

# Global Media & Entertainment Limited

## Notes to the Company Financial Statements

| Name                                      | Country                | % ordinary<br>share capital<br>ownership | Registration<br>number |
|-------------------------------------------|------------------------|------------------------------------------|------------------------|
| Ecast Ventures Limited                    | United Kingdom         | 100                                      | 03925414               |
| Essex Radio Limited*                      | United Kingdom         | 100                                      | 00670633               |
| Expressway Limited                        | United Kingdom         | 100                                      | 02372642               |
| Exterion Group Holdings Limited           | Cayman Islands         | 100                                      | N/A                    |
| Exterion Holdings (BVI) Limited           | British Virgin Islands | 100                                      | N/A                    |
| Exterion Holdings (UK) Limited*           | United Kingdom         | 100                                      | 06350231               |
| Exterion Holdings I (Netherlands) B.V.    | Netherlands            | 100                                      | N/A                    |
| Exterion Holdings II (Netherlands) B.V.   | Netherlands            | 100                                      | N/A                    |
| Exterion Leasing (BDA) Limited            | Bermuda                | 100                                      | N/A                    |
| Exterion Leasing (UK) Limited*            | United Kingdom         | 100                                      | 06423332               |
| Exterion Limited*                         | United Kingdom         | 100                                      | 10400127               |
| Exterion Media (Ireland) Limited          | Ireland                | 100                                      | N/A                    |
| Exterion Media (Netherlands) B.V.         | Netherlands            | 100                                      | N/A                    |
| Exterion Media (UK) Limited               | United Kingdom         | 100                                      | 02480440               |
| Exterion Media Holdings Limited*          | United Kingdom         | 100                                      | 09546482               |
| Exterion Media Spain S.A.U                | Spain                  | 100                                      | N/A                    |
| Exterion Partner (BDA) GP                 | Bermuda                | 100                                      | N/A                    |
| Falcon Outdoor (North) Limited*           | United Kingdom         | 100                                      | 04656512               |
| First Oxfordshire Radio Company Limited*  | United Kingdom         | 100                                      | 02247588               |
| G.M. Radio News (UK) Limited              | United Kingdom         | 99                                       | 01417147               |
| Galaxy Radio Birmingham Limited*          | United Kingdom         | 100                                      | 03652313               |
| Galaxy Radio Limited                      | United Kingdom         | 100                                      | 02997500               |
| Galaxy Radio Manchester Limited*          | United Kingdom         | 100                                      | 02848034               |
| Galaxy Radio North East Limited*          | United Kingdom         | 100                                      | 03139918               |
| Galaxy Radio Yorkshire Limited*           | United Kingdom         | 100                                      | 03052392               |
| GCap Media (CRUD) Limited                 | United Kingdom         | 100                                      | 04406408               |
| GCap Media (FPRL) Limited                 | United Kingdom         | 100                                      | 03546500               |
| GCap Media (The Jazz) Limited             | United Kingdom         | 100                                      | 03909859               |
| GCap Media Limited                        | United Kingdom         | 100                                      | 03140291               |
| Gemini Radio Limited*                     | United Kingdom         | 100                                      | 02864089               |
| Global Land Limited                       | United Kingdom         | 100                                      | 04128788               |
| Global Live Limited*                      | United Kingdom         | 100                                      | 08908964               |
| Global Media Group Services Limited       | United Kingdom         | 100                                      | 03296557               |
| Global Media Ventures Limited**           | United Kingdom         | 100                                      | 08124421               |
| Global Music Television Limited* **       | United Kingdom         | 100                                      | 07103948               |
| Global Media IP Limited                   | United Kingdom         | 100                                      | 12002350               |
| Global IP Holdings Limited                | United Kingdom         | 100                                      | 12000875               |
| Global Outdoor Media Holdings Limited* ** | United Kingdom         | 100                                      | 06309636               |
| Global Outdoor Media Limited              | United Kingdom         | 100                                      | 02866133               |
| Global Radio (AM) Limited*                | United Kingdom         | 100                                      | 03074908               |
| Global Radio Acquisitions Limited **      | United Kingdom         | 100                                      | 06417314               |
| Global Radio Digital Limited              | United Kingdom         | 100                                      | 03588779               |
| Global Radio Hampshire Limited*           | United Kingdom         | 100                                      | 01586580               |
| Global Radio Holdings Limited* **         | United Kingdom         | 100                                      | 04077052               |
| Global Radio Limited*                     | United Kingdom         | 100                                      | 00923454               |

## Global Media & Entertainment Limited

### Notes to the Company Financial Statements

| Name                                     | Country        | % ordinary<br>share capital<br>ownership | Registration<br>number |
|------------------------------------------|----------------|------------------------------------------|------------------------|
| Global Radio London Limited*             | United Kingdom | 100                                      | 02826601               |
| Global Radio Media Management Limited*   | United Kingdom | 100                                      | 02318655               |
| Global Radio Midlands Limited*           | United Kingdom | 100                                      | 02828239               |
| Global Radio Northwest Limited*          | United Kingdom | 100                                      | 05416681               |
| Global Radio Publishing Limited*         | United Kingdom | 100                                      | 03546507               |
| Global Radio Services Limited            | United Kingdom | 100                                      | 02049463               |
| Global Radio UK Limited **               | United Kingdom | 100                                      | 06288359               |
| GM&E GmbH                                | Germany        | 100                                      | N/A                    |
| GMG Radio Limited                        | United Kingdom | 100                                      | 04184678               |
| GWR (Local Area) Limited                 | United Kingdom | 100                                      | 03427545               |
| GWR (Trustee Company) Limited            | United Kingdom | 100                                      | 03110813               |
| GWR (West) Limited*                      | United Kingdom | 100                                      | 01458936               |
| GWR East Holdings Limited*               | United Kingdom | 100                                      | 03960678               |
| GWR Group Limited*                       | United Kingdom | 100                                      | 00715143               |
| GWR International Investments Limited    | United Kingdom | 100                                      | 04168494               |
| GWR International Limited*               | United Kingdom | 100                                      | 02915500               |
| GWR Radio (South East) Limited*          | United Kingdom | 100                                      | 03825017               |
| GWR Radio Limited                        | United Kingdom | 100                                      | 01027407               |
| Harlow FM Limited                        | United Kingdom | 81                                       | 02757939               |
| Healthbuild Limited                      | United Kingdom | 100                                      | 02555579               |
| Heart 106 FM Limited                     | United Kingdom | 100                                      | 05185951               |
| Heart Radio Limited                      | United Kingdom | 100                                      | 04140186               |
| Heart TV Limited                         | United Kingdom | 100                                      | 03499203               |
| Hereward Radio Limited                   | United Kingdom | 100                                      | 02301358               |
| Hit 40 UK Limited                        | United Kingdom | 100                                      | 04466658               |
| Hopstar Limited*                         | United Kingdom | 100                                      | 04341970               |
| Independent Radio News Limited           | United Kingdom | 55                                       | 01112963               |
| Invicta Concerts and Promotions Limited  | United Kingdom | 100                                      | 01681332               |
| Jams of London Limited                   | United Kingdom | 100                                      | 02058068               |
| Juice Holdco Limited*                    | United Kingdom | 100                                      | 09514551               |
| Lancashire Broadcasting Company Limited* | United Kingdom | 100                                      | 04130072               |
| Lantern Radio Limited                    | United Kingdom | 99                                       | 02702198               |
| LBC 1152 Limited                         | United Kingdom | 100                                      | 03210292               |
| LBC Radio Limited*                       | United Kingdom | 100                                      | 03143623               |
| Leicester Sound Limited*                 | United Kingdom | 100                                      | 01433194               |
| Lite Spaces Limited*                     | United Kingdom | 100                                      | 05974000               |
| Marcher Radio Group Limited*             | United Kingdom | 100                                      | 01606318               |
| Maxx Outdoor Limited*                    | United Kingdom | 100                                      | 05735642               |
| Mid Anglia Radio Limited*                | United Kingdom | 100                                      | 01391895               |
| My Kinda Bath Limited                    | United Kingdom | 100                                      | 01496573               |
| My Kinda Shacks Limited                  | United Kingdom | 100                                      | 01489508               |
| My Kinda Square Limited                  | United Kingdom | 100                                      | 01502034               |
| Neal Street Blues Limited                | United Kingdom | 100                                      | 02421532               |
| Ocean FM Limited                         | United Kingdom | 100                                      | 02367458               |
| Official Big Top 40 Limited              | United Kingdom | 100                                      | 04767887               |



# Global Media & Entertainment Limited

## Notes to the Company Financial Statements

| Name                              | Country                  | % ordinary<br>share capital<br>ownership | Registration<br>number |
|-----------------------------------|--------------------------|------------------------------------------|------------------------|
| Orchard FM Limited*               | United Kingdom           | 100                                      | 03224505               |
| Orchard Media Limited*            | United Kingdom           | 100                                      | 02333640               |
| Outdoor Plus Limited*             | United Kingdom           | 100                                      | 04823380               |
| Oval (709) Limited                | United Kingdom           | 99                                       | 00666567               |
| Plymouth Sound Limited*           | United Kingdom           | 100                                      | 02595043               |
| Pop Buzz Limited*                 | United Kingdom           | 100                                      | 09619068               |
| <i>Power FM Limited</i>           | <i>United Kingdom</i>    | 100                                      | 02307279               |
| Primesight Airports Limited*      | United Kingdom           | 100                                      | 09679775               |
| Primesight Billboards Limited*    | United Kingdom           | 100                                      | 06925872               |
| Primesight Limited                | United Kingdom           | 100                                      | 01847728               |
| Prock Licence (NTRLRSL) Limited   | United Kingdom           | 100                                      | 03823436               |
| Project Iconic Bidco Limited*     | United Kingdom           | 100                                      | 10303941               |
| Project Iconic Holdings Limited*  | United Kingdom           | 100                                      | 10303993               |
| Project Iconic Midco Limited*     | United Kingdom           | 100                                      | 10303998               |
| Quidem Limited*                   | United Kingdom           | 100                                      | 06928312               |
| Quidem Midlands Limited*          | United Kingdom           | 100                                      | 06928928               |
| Radio Broadland Limited*          | United Kingdom           | 100                                      | 01620771               |
| Radio Invicta Limited*            | United Kingdom           | 100                                      | 01475448               |
| Radio Mercury Limited*            | United Kingdom           | 100                                      | 01717321               |
| Radio Orwell Limited              | United Kingdom           | 100                                      | 01003334               |
| Radio South Limited*              | United Kingdom           | 100                                      | 01955992               |
| Radio Trent Limited*              | United Kingdom           | 100                                      | 00728182               |
| Ram FM Limited                    | United Kingdom           | 100                                      | 02913953               |
| Real and Smooth Limited*          | United Kingdom           | 100                                      | 03739421               |
| Real Radio (North East) Limited*  | United Kingdom           | 100                                      | 02802028               |
| Real Radio (North West) Limited*  | United Kingdom           | 100                                      | 03409448               |
| Real Radio (Scotland) Limited*    | United Kingdom           | 100                                      | SC145214               |
| Real Radio Limited*               | United Kingdom           | 100                                      | 03815009               |
| Remixd Media Inc                  | United States of America | 100                                      | N/A                    |
| Rock Radio Limited                | United Kingdom           | 100                                      | SC131424               |
| Rugby Broadcasting Limited*       | United Kingdom           | 100                                      | 03243997               |
| Saxon Radio Limited               | United Kingdom           | 100                                      | 01532605               |
| Sideindex Limited*                | United Kingdom           | 100                                      | 04004601               |
| Smooth Digital Radio Limited      | United Kingdom           | 100                                      | 04054273               |
| Smooth Radio Investments Limited* | United Kingdom           | 100                                      | 02585798               |
| Smooth Radio London Limited*      | United Kingdom           | 100                                      | 01627850               |
| Smooth Radio Scotland Limited*    | United Kingdom           | 100                                      | SC243652               |

## Global Media & Entertainment Limited

### Notes to the Company Financial Statements

| Name                                              | Country        | % ordinary<br>share capital<br>ownership | Registration<br>number |
|---------------------------------------------------|----------------|------------------------------------------|------------------------|
| Smooth Radio West Midlands Limited*               | United Kingdom | 100                                      | 08665246               |
| South Hams Radio Limited                          | United Kingdom | 87                                       | 03300698               |
| Southern Radio Group Limited*                     | United Kingdom | 100                                      | 01798533               |
| Southern Radio Limited*                           | United Kingdom | 100                                      | 01602035               |
| Storm (GWR) Limited                               | United Kingdom | 100                                      | 03967783               |
| Storm Broadcasting Limited                        | United Kingdom | 100                                      | 04091105               |
| Suffolk Group Radio Limited*                      | United Kingdom | 100                                      | 01582637               |
| Tainside Limited*                                 | United Kingdom | 100                                      | 03652320               |
| Thames Valley Broadcasting Group Limited          | United Kingdom | 100                                      | 02199253               |
| Thames Valley Broadcasting Limited*               | United Kingdom | 100                                      | 01208165               |
| Thamesquote Limited*                              | United Kingdom | 100                                      | 02360672               |
| The Digital Radio Group (Investments) Limited*    | United Kingdom | 100                                      | 04280706               |
| The Digital Radio Group Limited*                  | United Kingdom | 100                                      | 04027646               |
| The New 102 Limited*                              | United Kingdom | 100                                      | 03062393               |
| The Northamptonshire Broadcasting Company Limited | United Kingdom | 100                                      | 01848359               |
| The Storm (Digital Radio) Limited                 | United Kingdom | 100                                      | 04089796               |
| This is Global Limited                            | United Kingdom | 100                                      | 05614997               |
| Touch Broadcasting Limited*                       | United Kingdom | 100                                      | 02425724               |
| Touch Warwick Limited*                            | United Kingdom | 100                                      | 05296793               |
| TS Holdings Limited                               | United Kingdom | 100                                      | 02795817               |
| Two Counties Radio Limited*                       | United Kingdom | 100                                      | 01388851               |
| We the Unicorns Limited*                          | United Kingdom | 100                                      | 09732240               |
| Welovelocal.com Limited                           | United Kingdom | 100                                      | 05975759               |
| West Country Broadcasting Limited                 | United Kingdom | 100                                      | 00858419               |
| Westward Radio Limited                            | United Kingdom | 100                                      | 03223796               |
| Wiltshire Radio Limited*                          | United Kingdom | 100                                      | 01568150               |
| Wirral FM Limited                                 | United Kingdom | 50                                       | 02984878               |
| Xfm Limited*                                      | United Kingdom | 100                                      | 02672315               |
| Xfm Manchester Limited*                           | United Kingdom | 100                                      | 05337066               |

\* Exemption from Audit by Parent Guarantee – Entities' debts and liabilities are guaranteed by the Company at the reporting date in accordance with section 479A of the Companies Act 2006.

\*\* Direct holdings of Global Media & Entertainment Limited as at the date of signing.

The Company's subsidiaries all have a year end of 31 March, with the exception of Audio HQ LLC which has a year end of 31 December. The group considers its 50% ownership interest in Capital Radio Telstar Entertainment Direct Limited and Wirral FM Limited as controlling. The board of both companies is wholly made up of Global employees. As such, the group has the ability to influence decision making.

# Global Media & Entertainment Limited

## Notes to the Company Financial Statements

### 3. Investments (continued)

The Company's subsidiaries' registered address is 30 Leicester Square, London, WC2H 7LA with the exception of the following entities:

| Company                                 | Registered Address                                                                    |
|-----------------------------------------|---------------------------------------------------------------------------------------|
| Audio HQ LLC                            | 358 5th Avenue, Suite 302, New York 10001, United States of America                   |
| Bell Bidco Limited                      | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Global Outdoor Media Holdings Limited   | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Bell Intermediate Limited               | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Classic FM BV                           | Naarderpoort 2, 1411MA, Naarden, The Netherlands                                      |
| Centercom B.V.                          | Karspeldreef 8 Amsterdam Z.O., 1101 CJ Netherlands                                    |
| DAX Digital Ad Exchange Inc.            | 901 King Street West, Suite 400, Toronto, Ontario, M5V 3H5                            |
| DAX US Inc.                             | 358 5th Avenue, Suite 302, New York 10001, United States of America                   |
| Remixd Media Inc.                       | 358 5th Avenue, Suite 302, New York 10001, United States of America                   |
| Deltrack Limited                        | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Falcon Outdoor (North) Limited          | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Global Media & Entertainment B.V.       | Karspeldreef 8 Amsterdam Z.O., 1101 CJ Netherlands                                    |
| GM Radio News (UK) Limited              | Academic House, 24-28 Oval Road, London, NW1 7DJ                                      |
| GM&E GmbH                               | c/o Taylor Wessing, 1 Sartorplatz, 880331 Munich                                      |
| Independent Radio News Limited          | Academic House, 24-28 Oval Road, London, NW1 7DJ                                      |
| Lite Spaces Limited                     | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Maxx Outdoor Limited                    | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Outdoor Plus Limited                    | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Primesight Airports Limited             | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Primesight Billboards Limited           | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Primesight Limited                      | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Project Iconic Bidco Limited            | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Project Iconic Holdings Limited         | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Project Iconic Midco Limited            | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Real Radio (Scotland) Limited           | 1 West Regent Street, Glasgow, G2 1RW                                                 |
| Rock Radio Limited                      | 1 West Regent Street, Glasgow, G2 1RW                                                 |
| Smooth Radio Scotland Limited           | 1 West Regent Street, Glasgow, G2 1RW                                                 |
| Doubleplay I Limited                    | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Doubleplay II Limited                   | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Doubleplay III Limited                  | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Exterior Group Holdings Limited         | Floor 4 Willow House Cricket Square, PO BOX 268, Grand Cayman, K11104, Cayman Islands |
| Exterior Holdings (BVI) Limited         | 2/F Palm Grove House, P.O Box 3340, Road Town, Tortola, British Virgin Islands        |
| Exterior Holdings (UK) Limited          | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Exterior Holdings I (Netherlands) B.V.  | Karspeldreef 8 Amsterdam Z.O., 1101 CJ Netherlands                                    |
| Exterior Holdings II (Netherlands) B.V. | Karspeldreef 8 Amsterdam Z.O., 1101 CJ Netherlands                                    |
| Exterior Leasing (BDA) Limited          | Cumberland House 1 Victoria Street, 9th Floor, Hamilton, HM11, Bermuda                |
| Exterior Leasing (UK) Limited           | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Exterior Limited                        | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Exterior Media (Ireland) Limited        | 25-28 Adelaide Road, Dublin 2 D02 RY98                                                |
| Exterior Media Holdings Limited         | 7th Floor, Lacon House, 84 Theobalds Road, London, United Kingdom, WC1X 8NL           |
| Exterior Media Spain S.A.U              | Calle Valle de la Fuenfna, 3, 28034 Madrid, Spain                                     |
| Exterior Partner (BDA) GP               | Cumberland House 1 Victoria Street, 9th Floor, Hamilton, HM11, Bermuda                |

## Global Media & Entertainment Limited

### Notes to the Company Financial Statements

#### 4. Creditors: amounts falling due within one year

|                                    | 31 March 2023<br>£'000 | 31 March 2022<br>£'000 |
|------------------------------------|------------------------|------------------------|
| Bank loans and overdrafts          | 27,500                 | 67,500                 |
| Accrued interest                   | 39,453                 | 28,059                 |
| Amounts owed to group undertakings | 148,248                | 97,887                 |
| Accruals                           | 113                    | —                      |
|                                    | <b>215,314</b>         | <b>193,446</b>         |

The intra-group balances are repayable on demand. The balance is made up of some interest bearing loans and some interest free loans, for those which are interest bearing, the balances within the Radio operating segment incur annual interest of 6%.

The amounts owed to group undertakings is split as follows: £136.9m (2022: £20.4m) Global Media Group Services Limited, £9.4m (2022: £nil) Global Radio Limited, £nil (2022:£74.8m) Global Radio Acquisitions Limited and £1.8m Global Radio Holdings Limited (2022: £1.8m).

#### 5. Creditors: amounts falling due after more than one year

|             | 31 March 2023<br>£'000 | 31 March 2022<br>£'000 |
|-------------|------------------------|------------------------|
| Bank loans  | 247,500                | 278,231                |
| Other loans | 1,351,923              | 1,427,366              |
|             | <b>1,599,423</b>       | <b>1,705,597</b>       |

Included in other loans is £1,351,462 shareholder debt (2022: £1,237,665), refer to the group consolidated financial statements note 16.

#### 6. Called up share capital

|                                                               | 31 March 2023<br>£ | 31 March 2022<br>£ |
|---------------------------------------------------------------|--------------------|--------------------|
| <b>Authorised, issued, called up and fully paid</b>           |                    |                    |
| 409,804,781 (2022: 171,889,147) Ordinary shares of £1.00 each | 409,804,781        | 171,889,147        |
|                                                               | <b>409,804,781</b> | <b>171,889,147</b> |

#### 7. Related party transactions

As disclosed in note 23 of the consolidated financial statements and in accordance with the exemptions in FRS 101 the Company is not required to disclose related party transactions with key management personnel or between members of the Group. The Company has not completed any related party transactions with any other entities or parties.

## **Global Media & Entertainment Limited**

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### **Notes to the Company Financial Statements**

#### **8. Immediate and ultimate parent company**

In the opinion of the Directors the Company's immediate and ultimate controlling company is Global Radio Group Limited, a company incorporated in Jersey.

The largest and smallest group in which the results of the Company are consolidated is that headed by Global Media & Entertainment Limited. Refer to Note 1 of the consolidated financial statements for details of where these financial statements can be obtained from.

#### **9. Events after the reporting period**

Please refer to note 28 of the consolidated financial statements.