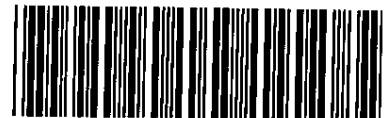

GLOBAL RADIO HAMPSHIRE LIMITED

UNAUDITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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GLOBAL RADIO HAMPSHIRE LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | SG Miron RFJ Park DD Singer |
| Company secretary | J Beak |
| Registered number | 01586580 |
| Registered office | 30 Leicester Square London WC2H 7LA |

GLOBAL RADIO HAMPSHIRE LIMITED

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GLOBAL RADIO HAMPSHIRE LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2017

Introduction

The Directors present their Strategic Report for Global Radio Hampshire Limited (the "Company").

Business review

Global Radio Hampshire Limited, a subsidiary of Global Media & Entertainment Limited (formerly This is Global Limited) (the Group), holds two radio authority licences to broadcast commercial radio services to parts of Hampshire, West Sussex and the Isle of Wight. The services are broadcast under one licence as the brand names 103.2 Capital FM and Heart 96.7 and 97.5 respectively during the year, and under the other licence as Smooth.

Turnover for the year ended 31 March 2017 amounted to £100,000 (31 March 2016: £100,000) and the Company made a profit for the year before tax of £107,000 (31 March 2016: £107,000). The Directors expect the general level of activity to continue at current levels.

Principal risks and uncertainties

The Company is a subsidiary of Global Media & Entertainment Limited (formerly This is Global Limited) Group. From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. The review of the business of Global Media & Entertainment Limited (formerly This is Global Limited) and its subsidiaries, which provides an analysis of the main trends and factors likely to affect the development, performance and position of the business, and a description of the principal risks and uncertainties facing the business, can be found in the Group financial statements of Global Media & Entertainment Limited (formerly This is Global Limited).

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses intercompany borrowings from other Group companies.

Market risk

The key risk to the business is that an advertising slowdown may put pressure on traditional revenues, and reduce the value of the investments held. The risk is monitored and managed through Group management.

Interest rate risk


Interest rate risk arises from intercompany balances that bear interest at a fixed rate. The Directors have reviewed the Company's exposure to interest rates and have concluded that the risk is appropriate in relation to the financial results of the Company.

Financial key performance indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. The KPIs for the Global Media & Entertainment Limited (formerly This is Global Limited) Group can be found in the Annual Report of Global Media & Entertainment Limited (formerly This is Global Limited), which is available to the public.

GLOBAL RADIO HAMPSHIRE LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

This report was approved by the board on *8th* and signed on its behalf.
December 2017

DD Singer
Director

GLOBAL RADIO HAMPSHIRE LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

The Directors present their report and the financial statements for the year ended 31 March 2017.

Directors

The Directors who served during the year were:

SG Miron
RFJ Park
DD Singer

Political contributions

The Company did not make any political contributions during the year (2016: £nil).

Future developments

The Directors confirm that, after making enquiries, they have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis of accounting in preparing these financial statements. Further information around the assessment of going concern can be found on Note 2 of the financial statements.

Qualifying third party indemnity provisions

The Directors benefit from qualifying third party indemnity provisions in place.

Matters covered in the strategic report

An indication of likely future developments in the business of the Company, and financial risk management objectives and policies are included in the strategic report.

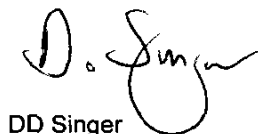
Post balance sheet events

There have been no significant events affecting the Company since the year end.

Small companies note

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 8th December 2017 and signed on its behalf.



DD Singer
Director

GLOBAL RADIO HAMPSHIRE LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GLOBAL RADIO HAMPSHIRE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2017

| | Note | 2017 £000 | 2016 £000 |
|--|------|--------------|--------------|
| Turnover | 4 | 100 | 100 |
| Interest receivable and similar income | 7 | 7 | 7 |
| Profit before tax | | 107 | 107 |
| Tax on profit | 8 | (21) | (21) |
| Profit for the financial year | | 86 | 86 |

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income. There was no comprehensive income for 2017 (2016: £nil).

GLOBAL RADIO HAMPSHIRE LIMITED
REGISTERED NUMBER: 01586580

BALANCE SHEET
AS AT 31 MARCH 2017

| | Note | 2017 £000 | 2016 £000 |
|--|------|-------------------|-------------------|
| Current assets | | | |
| Debtors: amounts falling due within one year | 10 | 110 | 110 |
| | | <u>110</u> | <u>110</u> |
| Total assets less current liabilities | | 110 | 110 |
| Net assets | | <u>110</u> | <u>110</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 24 | 24 |
| Profit and loss account | 12 | 86 | 86 |
| | | <u>110</u> | <u>110</u> |

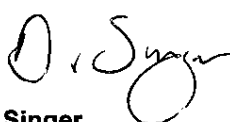
The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



DD Singer
Director

8th December
2017.

The notes on pages 9 to 17 form part of these financial statements.

GLOBAL RADIO HAMPSHIRE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2017

| | Called up share capital | Profit and loss account | Total equity |
|--|----------------------------|----------------------------|--------------|
| | £000 | £000 | £000 |
| At 1 April 2016 | 24 | 86 | 110 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 86 | 86 |
| | <hr/> | <hr/> | <hr/> |
| Other comprehensive income for the year | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| Total comprehensive income for the year | - | 86 | 86 |
| Dividends paid | - | (86) | (86) |
| | <hr/> | <hr/> | <hr/> |
| Total transactions with owners | - | (86) | (86) |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2017 | 24 | 86 | 110 |
| | <hr/> | <hr/> | <hr/> |

GLOBAL RADIO HAMPSHIRE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2016

| | Called up share capital | Profit and loss account | Total equity |
|--|----------------------------|----------------------------|--------------|
| | £000 | £000 | £000 |
| At 1 April 2015 | 24 | 87 | 111 |
| Comprehensive income for the year | | | |
| Profit for the year | - | 86 | 86 |
| | | | |
| Other comprehensive income for the year | | | |
| | - | - | - |
| | | | |
| Total comprehensive income for the year | - | 86 | 86 |
| Dividends paid | - | (87) | (87) |
| | | | |
| Total transactions with owners | - | (87) | (87) |
| | | | |
| At 31 March 2016 | 24 | 86 | 110 |

The notes on pages 9 to 17 form part of these financial statements.

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. General information

Global Radio Hampshire Limited (the "Company") is incorporated and domiciled in the United Kingdom. The Company is a private company limited by shares and is registered in England and Wales.

The principal activity of the Company is the holding of two radio authority licences to broadcast commercial radio services to parts of Hampshire, West Sussex and the Isle of Wight.

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.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

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

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
 - paragraph 50 of IAS 41 Agriculture
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

New accounting standards and interpretations not yet effective

The following new standards, amendments to standards and interpretations issued by the International Accounting Standards Board ("IASB") became effective during the year ended 31 March 2017. The accounting policies adopted in the presentation of these financial statements reflect the adoption of the following new standards, amendments to standards and interpretations as of 1 April 2016. These have not had any material impact on the financial statements.

- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities – Applying the Consolidation Exception (effective date 1 January 2016)

Standards effective in future periods

Certain new standards, amendments and interpretations to existing standards have been published that are relevant to the Group's activities and are mandatory for the Group's accounting periods beginning after 31 January 2016 or later and which the Group has decided not to adopt early.

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions (continued)

- IFRS 9 Financial Instruments (will become effective for accounting periods starting on or after 1 January 2018)
- IFRS 15 Revenue from contracts with customers (will become effective for accounting periods starting on or after 1 January 2018)

The impact of these standards is currently being assessed.

2.3 Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Strategic Report on page 1. The Company participates in the group centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The Global Media & Entertainment Limited (formerly This is Global Limited) group has prepared detailed forecasts of expected future cash flows for the three years ending 31 March 2020 ("the forecast"). The Board considers the forecast has been prepared on a prudent basis taking into account current consensus forecasts of the radio advertising market. However, the group has also prepared a worse than expected downside scenario. Even under this sensitised scenario, the forecasts indicate that the Company can continue to trade for the foreseeable future and operate within its new facility and the associated financial covenants.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

2. Accounting policies (continued)

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.8 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.9 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.10 Share capital and reserves

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.

Profit and loss account

Retained earnings includes the cumulative net gains and losses recognised in the profit and loss account.

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the Company's accounting policies and the reported amount of assets, liabilities, income, expenses and other disclosures. The estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis.

Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based, or as a result of new information or further information. Such changes are recognised in the period in which the estimate is revised.

Key assumptions about the future and key sources of estimation uncertainty that have a risk of causing a material adjustment to the carrying value of assets and liabilities over the next year are set out below.

Income taxes

Estimates may be required in determining the level of current and deferred income tax assets and liabilities, which the directors believe are reasonable and adequately recognise any income tax related uncertainties. Various factors may have favourable or adverse effects on the income tax assets or liabilities. These include changes in tax legislation, tax rates and allowances, future levels of spending, the Company's level of future earnings and estimated future taxable profits.

Useful economic life of assets

The Company's policy for applying useful economic lives and residual values of assets has been determined through applying historical experience and taking into consideration the nature of assets and their intended use.

4. Turnover

An analysis of turnover by class of business is as follows:

| | 2017 £000 | 2016 £000 |
|----------------|--------------|--------------|
| Radio licences | 100 | 100 |
| | <u>100</u> | <u>100</u> |

All turnover arose within the United Kingdom.

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

5. Operating profit

For the year ending 31 March 2017 the Company was entitled to an exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

During the year ended 31 March 2017 the Directors received remuneration from Global Radio Services Limited and the majority of their time was spent on services to Global Media & Entertainment Limited (formerly This is Global Limited), the ultimate parent company. Their remuneration as directors of Global Media & Entertainment Limited (formerly This is Global Limited) is disclosed in that company's financial statements. None of the Directors received remuneration in respect of qualifying services to the Company.

6. Employees

The Company did not directly employ any staff in the year (2016: nil).

7. Interest receivable

| | 2017 £000 | 2016 £000 |
|--|--------------|--------------|
| Interest receivable from group companies | 7 | 7 |
| | <u>7</u> | <u>7</u> |

8. Taxation

| | 2017 £000 | 2016 £000 |
|-------------------------------------|--------------|--------------|
| Corporation tax | | |
| Current tax on profits for the year | 21 | 21 |
| Total current tax | <u>21</u> | <u>21</u> |

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2016 - the same as) the standard rate of corporation tax in the UK of 20% (2016 - 20%) as set out below:

| | 2017 £000 | 2016 £000 |
|--|--------------|--------------|
| Profit on ordinary activities before tax | 107 | 107 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%) | 21 | 21 |
| Effects of: | | |
| Total tax charge for the year | 21 | 21 |

Factors that may affect future tax charges

Further changes to the UK Corporation tax system were announced in the 2016 Finance Bill. The 2016 Finance Bill includes legislation to reduce the main rate of corporation tax from 19% to 17% from 1 April 2020.

The 2016 Finance Bill was substantively enacted on 6 September 2016.

The tax rates used to measure the deferred tax assets and liabilities recorded in these financial statements are the tax rates in the period in which we expect the deferred tax assets or liabilities to crystallise.

9. Dividends

| | 2017 £000 | 2016 £000 |
|--------------------|--------------|--------------|
| Ordinary dividends | 86 | 87 |
| | 86 | 87 |

Dividends per share of £3.53 were paid during the year (2016: £3.58).

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

10. Debtors

| | 2017 £000 | 2016 £000 |
|------------------------------------|--------------|--------------|
| Amounts owed by group undertakings | 110 | 110 |
| | <u>110</u> | <u>110</u> |

Amounts owed by group undertakings are repayable on demand and incur a 6% annual interest charge.

11. Share capital

| | 2017 £ | 2016 £ |
|--|---------------|---------------|
| Shares classified as equity | | |
| Allotted, called up and fully paid | | |
| 1,661 Ordinary (voting) shares of £1 each | 1,661 | 1,661 |
| 22,674 Ordinary (non-voting) shares of £1 each | 22,674 | 22,674 |
| | <u>24,335</u> | <u>24,335</u> |

12. Reserves

Profit & loss account

Retained earnings includes the cumulative net gains and losses recognised in the profit and loss account.

13. Guarantees

Guarantees as at the balance sheet date were as follows:

a) An inter-group cross guarantee held by HSBC Bank plc (as agent) whereby the Company guarantees to meet the obligations of Global Media & Entertainment Limited (formerly This is Global Limited) under its banking facilities arrangements.

b) A floating charge over the assets of the Company held by HSBC Bank plc (as agent) by way of debenture.

c) The Company is a member of a group for VAT purposes, resulting in a joint and several liabilities for amounts owing by group undertakings for unpaid VAT.

GLOBAL RADIO HAMPSHIRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

14. Related party transactions

As the Company is a wholly owned subsidiary of Global Media & Entertainment Limited (formerly This is Global Limited) (the ultimate parent company) the Company has taken advantage of the exemption contained within FRS 101.8(k) and has therefore not disclosed transactions or balances with wholly owned group companies (or investees of the group qualifying as related parties). The consolidated financial statements of Global Media & Entertainment Limited (formerly This is Global Limited), within which this Company is included, can be obtained from the address given below.

15. Controlling party

The Directors regard Global Radio Holdings Limited, a company incorporated in Great Britain and registered in England and Wales, as the immediate parent company.

The Directors regard Global Media & Entertainment Limited (formerly This is Global Limited), a company incorporated in Great Britain and registered in England and Wales, as the Company's ultimate parent undertaking.

The Directors consider that Global Radio Group Limited, a company incorporated in Jersey, is the ultimate controlling party of the Company.

The largest and smallest group in which the results of the company are consolidated is that headed by Global Media & Entertainment Limited (formerly This is Global Limited), the ultimate parent company which is incorporated in Great Britain. The consolidated financial statements of this company are available to the public and may be obtained from the registered address, 30 Leicester Square, London WC2H 7LA.