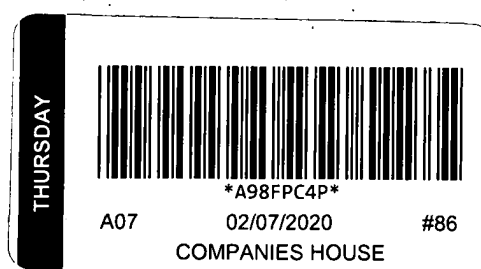


eFinancialNews Holdings Limited
Annual report and financial statements
for the year ended 30 June 2019

Registered number: 05902637



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Directors and advisors

Directors

Azmina Airi
Eric Mandrackie

Secretary

Keysha Zalika McNeil

Auditor

Ernst and Young LLP
1 More London Place
London
SE1 2AF

Bankers

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25 Bank Street
Canary Wharf
London
E14 5JP

Registered Office

The News Building
7th Floor
1 London Bridge Street
London
SE1 9GF
United Kingdom

Registered Number

05902637

eFinancialNews Holdings Limited

Registered No: 05902637

Strategic report

The directors present their Strategic Report for the 52 week period ended 30 June 2019.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company is that of a holding company. This is expected to continue for the foreseeable future.

The key performance indicator of the company is the net assets. The company's main source of income is dividends from subsidiary entities, which is not a KPI measure. During the year no dividends (1 July 2018: £nil) were received from subsidiary entities.

The company recognised an impairment charge on its investments of £11,430,000 during the year.

The majority of the remaining company expenses relate to interest payments on intercompany loans payable. Other expenses consist mainly of administrative expenses relating to accounting and tax compliance.

The results and proposed dividends are set out in the directors' report.

FUTURE DEVELOPMENTS

The directors expect the company to continue as a holding company for the foreseeable future. In January 2020, an outbreak of a new strain of coronavirus, COVID-19, was identified in Wuhan, China. The virus has spread globally including to the UK and Europe and the World Health Organization (WHO) declared COVID-19 a pandemic on 11 March 2020. Governments, the UK government among them, have imposed restrictions to reduce the risk of further spread of the disease - closing borders, ordering home quarantine and cancelling public events. Dow Jones is a globally connected business and has embraced technology to ensure communication across the globe is at its most efficient. The company is an intermediate holding company with an investment in a subsidiary undertaking operation as part of the Dow Jones EMEA business. The Directors do not currently believe that COVID-19 will have a material financial impact on the company in the foreseeable future. Given the uncertainty around the extent and timing of the potential future spread or mitigation of COVID-19, the directors continue to monitor the situation closely and will regularly update their assessment of the impact of the pandemic.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE BUSINESS

As a parent undertaking the principal risks and uncertainties relate to changes in the value of its investments and the profitability of its subsidiaries.

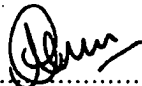
The company aims to mitigate the risks by regularly reviewing its investments for signs of impairment.

This includes monitoring the profitability of its subsidiaries financial news products against budgets and long-range plans. The subsidiaries deliver breaking and exclusive news (online, in print & mobile) excellent customer service and provide in-depth analysis and context to fill the void between the nationals and narrowly focused specialist trade press.

The company has been actively looking at options to settle its intercompany liabilities funded through the receipt of dividends from its subsidiary and the ongoing support from its ultimate controlling party.

All other risks and uncertainties are borne by other group companies.

On behalf of the Board



Azmina Airi
Director

Approved by the directors on 29 June 2020

eFinancialNews Holdings Limited

Directors' report

The Directors present their Report and the independently audited financial statements of the company for the 52 week period ended 30 June 2019.

Results and dividends

The Company made a loss for the year after taxation of £11,727,000 (1 July 2018: loss £265,000). The directors recognised an impairment on investment during the year of £11,430,000 (1 July 2018: £nil). The remaining loss is principally due to the interest charges payable on an intercompany loan. The Directors do not propose payment of a dividend in respect of the year ending 30 June 2019 (1 July 2018: £nil).

Going concern

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future. As of 30 June 2019, Company had net assets of £5,957,000 (1 July 2018: £17,684,000) and net current liabilities of £8,577,000 (1 July 2018: £8,280,000). The business is an intermediate holding company and is not forecasting any cash inflows or outflows for the foreseeable future, including for a period of at least 12 months from the date on which these financial statements are approved. The only liability within the Company is an inter-company loan payable of £8,518,547 payable to the Company's immediate subsidiary undertaking, eFinancial News Limited. Whilst the £8,518,547 liability is repayable on 30 June 2020 the Directors have no expectations to repay this amount in the foreseeable future and have obtained confirmation directly from eFinancial News Limited that they will not seek repayment of the balance for a period of at least 12 months from the date of approval of the financial statements.

The ultimate parent undertaking, News Corporation (the "Parent Company") has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a minimum period of at least 12 months from the date of these financial statements.

The Parent Company has considered the impacts to the Group's business of the recent outbreak of COVID-19. The Parent Company will continue to review its liquidity needs in light of the business and economic impacts of COVID-19; however, it expects that its current cash balances will enable it to meet its liquidity needs in the foreseeable future, including repayment of debt. Group cash balances at 31 March 2020 were \$1.4 billion. The Parent Company also has available borrowing capacity under its undrawn \$750 million revolving credit facility and expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired. In performing cash flow forecasts, the Parent Company has estimated the minimum liquidity requirement necessary for the Group to be able to operate for the 12 months after the approval of the financial statements.

Based on this information and on enquiries, the directors believe that News Corporation has the ability to provide financial support to the Company for the foreseeable future.

Taking into account the position of the ultimate parent, and their assessment of the impact on the Company summarised in the Future developments section/ Note 12, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

eFinancialNews Holdings Limited

Directors' report (continued)

Events since the end of the financial year

Other than as described in the Future Developments section above in relation to COVID-19, there were no significant events after 30 June 2019 that required adjustment to or disclosure in the financial statements. As the circumstances of the pandemic did not exist in the UK as at the balance sheet date, the implications of COVID-19 for the financial statements represent a non-adjusting post balance sheet event.

Directors

The following Directors held office throughout the year and remain directors at the date of this report unless otherwise noted:

Azmina Airi
Eric Mandrackie

Directors and officers indemnity insurance

The ultimate holding company, News Corporation, maintains liability insurance for its directors and officers and those of its subsidiary companies throughout the world. This cover, together with that taken out by certain subsidiaries, where relevant, indemnifies all employees of the group who serve on the boards of all subsidiaries, associates and joint ventures. These indemnity policies subsisted throughout the year and remain in place at the date of this report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

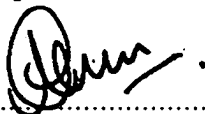
The directors who were members of the board at the time of approving this report are listed above. Having made enquiries of fellow directors and of the Company's auditors, each of these directors confirms that:

- to the best of his/her knowledge and belief, there is no information relevant to the preparation of this report of which the Company's auditor is unaware; and
- he/she has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITOR

The auditor, Ernst & Young LLP, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

Signed on behalf of the directors



Azmina Airi
Director

Approved by the directors on 29 June 2020

eFinancialNews Holdings Limited

Statement of Directors' responsibilities in respect of the financial statements

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102.

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 year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF eFinancialNews Holdings Limited

Opinion

We have audited the financial statements of eFinancialNews Holdings Limited for the year ended 30 June 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 12, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 June 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Effects of COVID-19

We draw attention to notes 1 and 12 of the financial statements, which describe the economic and operational consequences the company is facing as a result of COVID-19. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Annual report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF eFinancialNews Holdings Limited (continued)

Other information (continued)

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF eFinancialNews Holdings Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil Cullum (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

29/6/2020

eFinancialNews Holdings Limited

Statement of Comprehensive Income For the year ended 30 June 2019

| | Note | Year ended 30 June 2019 £ '000 | Year ended 1 July 2018 £ '000 |
|---|------|--------------------------------------|-------------------------------------|
| Administrative expenses | | (21) | (25) |
| Impairment in investment | 7 | (11,430) | - |
| Operating loss | 3 | (11,451) | (25) |
| Interest payable | 4 | (276) | (240) |
| Loss before taxation | | (11,727) | (265) |
| Tax charge on loss | 6 | - | - |
| Loss after taxation for the financial year | | (11,727) | (265) |
| Other comprehensive income | | - | - |
| Total comprehensive loss for the year | | (11,727) | (265) |

All of the activities of the company are classed as continuing.

The notes on pages 12 to 19 form part of these financial statements.

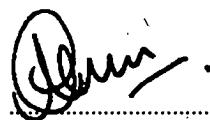
eFinancialNews Holdings Limited

Balance Sheet As at 30 June 2019

| | | 30 June 2019 £ '000 | 1 July 2018 £ '000 |
|---|-------------|---------------------------|--------------------------|
| | <i>Note</i> | | |
| Fixed assets | | | |
| Investments | 7 | <u>14,534</u> | <u>25,964</u> |
| Current assets | | | |
| Cash at bank and in hand | | <u>3</u> | <u>4</u> |
| | | 3 | 4 |
| Creditors: amounts falling due within one year | 8 | <u>(8,580)</u> | <u>(8,284)</u> |
| Net current liabilities | | (8,577) | (8,280) |
| Net assets | | <u>5,957</u> | <u>17,684</u> |
| Capital and reserves | | | |
| Called up share capital | 9 | 13,380 | 13,380 |
| Share premium | 9 | 8,920 | 8,920 |
| Retained earnings | | <u>(16,343)</u> | <u>(4,616)</u> |
| Equity shareholders' funds | | <u>5,957</u> | <u>17,684</u> |

The notes on pages 12 to 19 form part of these financial statements.

Approved and authorised by the Board on and signed on its behalf by:



Azmina Airi
Director

29 June 2020

Registered number: 05902637

eFinancialNews Holdings Limited

Statement of Changes in Equity For the year ended 30 June 2019

| | Called-up share capital (Note 10) £ '000 | Share Premium £ '000 | Profit and loss Account £ '000 | Total £ '000 |
|---|---|-------------------------|--------------------------------------|-----------------|
| As at 2 July 2017 | 13,380 | 8,920 | (4,351) | 17,949 |
| Loss for the year / Total comprehensive loss for the year | - | - | (265) | (265) |
| As at 1 July 2018 | <u>13,380</u> | <u>8,920</u> | <u>(4,616)</u> | <u>17,684</u> |
| Loss for the year / Total comprehensive loss for the year | - | - | (11,727) | (11,727) |
| As at 30 June 2019 | <u>13,380</u> | <u>8,920</u> | <u>(16,343)</u> | <u>5,957</u> |

The notes on pages 12 to 19 form part of these financial statements.

eFinancialNews Holdings Limited

Notes to the financial statements For the year ended 30 June 2019

1 Accounting Policies

General information

The company is a private company limited by shares. The company is incorporated and domiciled in the United Kingdom. The address of the registered office is The News Building, 7th Floor, 1 London Bridge Street, London, SE1 9GF, United Kingdom. The principal activity of the company is that of a holding company.

Statement of compliance

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements for the year ended 30 June 2019.

Basis of preparation

These financial statements are prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable accounting standards.

The financial statements are made up to the Sunday closest to the 30 June each year. Consequently, the financial statements for the current period cover 52 weeks ended 30 June 2019.

The principal accounting policies are set out below and have been consistently applied throughout the year and the preceding year.

The financial statements have been prepared in pound sterling which is the company's functional currency and rounded to the nearest thousand pounds sterling.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, assessments and assumptions in the process of applying the company's accounting policies. However, the nature of estimation means that actual outcomes could differ from those estimates. Judgements and key sources of estimation uncertainty that have a significant effect on the company's financial statements are disclosed in note 2.

Exemption from consolidation

The financial statements contain information about eFinancialNews Holdings Limited as an individual entity and do not contain consolidated financial information as the parent of its group. The Company has taken advantage of the exemption under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent company, News Corporation, which are publicly available.

Exemptions under FRS102

FRS 102 paragraph 1.12 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The equivalent disclosures are included in the consolidated financial statements of News Corporation

The company has taken advantage of the following exemptions:

- From preparing a statement of cash flows and related notes as required by Section 7 Statement of Cash flows and Section 3 Financial Statement Presentation paragraph 3.17 (d);
- From disclosing the company key management personnel compensation, as required by FRS 102 paragraph 33.7; and

eFinancialNews Holdings Limited

Notes to the financial statements For the year ended 30 June 2019

1 Accounting Policies (continued)

Exemptions under FRS102 (continued)

- From not disclosing related party transactions with companies that are fellow wholly owned subsidiaries of News Corporation, its ultimate parent undertaking and controlling party.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into pounds sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. All differences are taken to the statement of comprehensive income.

Intercompany loans

Intercompany loan notes which are basic financial instruments are recorded at cost and interest is receivable per the terms of the agreement which would be the market rate for a similar loan at the time of their issue. Subsequently, they are measured at amortised cost using the effective interest method. Loan notes that are receivable within one year are not discounted.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Investments

Fixed asset investments are recorded at cost less any provision for impairment. The carrying values of fixed asset investments are reviewed for impairment when assets or changes in circumstances indicate the carrying value may not be recoverable.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted, or substantively enacted, at the balance sheet date.

Deferred taxation is accounted for in line with section 29 of the FRS 102 reporting standards "Deferred Taxation", and is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred.

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits or deferred tax liabilities from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Going concern

The financial statements have been prepared on a going concern basis which assumes the company will continue in operational existence for the foreseeable future. As of 30 June 2019, Company had net assets of £5,957,000 (1 July 2018: £17,684,000) and net current liabilities of £8,577,000 (1 July 2018: £8,280,000). The business is an intermediate holding company and is not forecasting any cash inflows or outflows for the foreseeable future, including for a period of at least 12 months from the date on which these financial statements are approved. The only liability within the Company is an inter-company loan payable of £8,518,547 payable to the Company's immediate subsidiary undertaking, eFinancial News Limited.

eFinancialNews Holdings Limited

Notes to the financial statements

For the year ended 30 June 2019

1 Accounting Policies (continued)

Going concern (continued)

Whilst the £8,518,547 liability is repayable on 30 June 2020 the Directors have no expectations to repay this amount in the foreseeable future and have obtained confirmation directly from eFinancial News Limited that they will not seek repayment of the balance for a period of at least 12 months from the date of approval of the financial statements.

The ultimate parent undertaking, News Corporation (the "Parent Company") has agreed to provide continuing financial support to enable the Company to meet its obligations as and when they fall due for a minimum period of at least 12 months from the date of these financial statements.

The Parent Company has considered the impacts to the Group's business of the recent outbreak of COVID-19. The Parent Company will continue to review its liquidity needs in light of the business and economic impacts of COVID-19; however, it expects that its current cash balances will enable it to meet its liquidity needs in the foreseeable future, including repayment of debt. Group cash balances at 31 March 2020 were \$1.4 billion. The Parent Company also has available borrowing capacity under its undrawn \$750 million revolving credit facility and expects to have access to the worldwide credit and capital markets, subject to market conditions, in order to issue additional debt if needed or desired. In performing cash flow forecasts, the Parent Company has estimated the minimum liquidity requirement necessary for the Group to be able to operate for the 12 months after the approval of the financial statements.

Based on this information and on enquiries, the directors believe that News Corporation has the ability to provide financial support to the Company for the foreseeable future.

Taking into account the position of the ultimate parent, and their assessment of the impact on the Company summarised in the Future developments section/ Note 12, the directors are of the view, to the best of their current knowledge, that COVID-19 will not have a material adverse impact on the Company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2 Judgements and key sources of estimation uncertainty

Impairment of non-financial assets

Where there are indicators of impairment the company performs impairment tests based on fair value less costs to sell or value in use calculation.

The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset

The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes. Further details of the discount rate and growth rate assumption used are given in note 7.

eFinancialNews Holdings Limited

Notes to the financial statements For the year ended 30 June 2019

2 Judgements and key sources of estimation uncertainty (continued)

Taxation

Determining income tax provisions involves judgements on the tax treatment of certain transactions. Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

3 Operating loss

Operating loss is stated after charging:

| | 30 June 2019 £'000 | 1 July 2018 £'000 |
|--|-----------------------|----------------------|
| Auditor's remuneration - audit services | 15 | 16 |

4 Interest payable

| | Year ended 30 June 2019 £ '000 | Year ended 1 July 2018 £ '000 |
|-------------------------------|--------------------------------------|-------------------------------------|
| Intercompany interest expense | 276 | 240 |

5 Directors' remuneration

The directors received no remuneration from the company for qualifying services to the company. The directors' remuneration was borne by Dow Jones International Limited and Dow Jones & Company Inc. In the opinion of the directors, it is not practicable to apportion their remuneration between qualifying services to the company and services to the rest of the group.

eFinancialNews Holdings Limited

Notes to the financial statements For the year ended 30 June 2019

6 Tax on loss

(a) Analysis of tax on loss

| | Year ended 30 June 2019 £ '000 | Year ended 1 July 2018 £ '000 |
|--------------------------------------|--------------------------------------|-------------------------------------|
| Current tax: | | |
| UK Corporation tax at 19% (2018:19%) | - | - |
| Total current tax | - | - |
| Deferred tax: | | |
| Current year | - | - |
| Total deferred tax | - | - |
| Total tax on loss | - | - |

(b) Factors affecting tax charge

The tax assessed on the loss before taxation for the financial year is higher than the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

| | Year ended 30 June 2019 £ '000 | Year ended 1 July 2018 £ '000 |
|---|--------------------------------------|-------------------------------------|
| Loss before tax | (11,727) | (265) |
| Loss before tax multiplied by the standard rate of corporation tax of 19% (2018: 19%) | (2,228) | (50) |
| Expenses not deductible for tax purposes | 2,172 | - |
| Group relief surrendered for nil payment | 56 | 50 |
| Total tax on loss | - | - |

(c) Factors that may affect future tax charges

Legislation has been enacted subsequent to the balance sheet date to maintain the UK corporation tax rate at 19% from 1 April 2020.

The company has not recognised a deferred tax asset in respect of tax losses totalling £11,740 (2018 - £11,740), due to the uncertainty on when the asset will be utilised.

eFinancialNews Holdings Limited

Notes to the financial statements For the year ended 30 June 2019

7 Investments

| | Investment in subsidiaries £ '000 |
|---------------------------------|--------------------------------------|
| Cost | |
| At 1 July 2018 and 30 June 2019 | <u>27,711</u> |
| Impairment | |
| At 1 July 2018 | 1,747 |
| Charge for the year | <u>11,430</u> |
| At 30 June 2019 | <u>13,177</u> |
| Net book value | |
| At 30 June 2019 | <u>14,534</u> |
| At 1 July 2018 | <u>25,964</u> |

At the end of the year the directors reviewed the investment in its subsidiary eFinancialNews Holdings Limited (and its subsidiaries) and an additional impairment provision of £11,430,000 has been recognised.

Where there are indicators of impairment the company performs impairment tests based on fair value less costs to sell or value in use calculation.

The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset

The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes. A discount rate of 10% and a growth rate assumption of 3% was used in the value in use calculation.

Additionally, the value of the investment was compared to the net assets of the subsidiaries at 30 June 2019 to determine the impairment charge.

The Company held more than 10% of the share capital of the following companies at 30 June 2019.

| | Country of incorporation or registration | Share description | Holding (Number of shares) | Holding (%) |
|------------------------|--|-------------------|----------------------------|-------------|
| eFinancialNews Limited | England & Wales | Ordinary | 5,000,000 | 100% |
| eFinancialNews Inc.* | USA | Common | 200 | 100% |

*Held by subsidiary undertaking

eFinancialNews Holdings Limited

Notes to the financial statements

For the year ended 30 June 2019

8 Creditors: amounts falling due within one year

| | 30 June 2019 £ '000 | 1 July 2018 £ '000 |
|--|------------------------|-----------------------|
| Trading amounts owed to parent undertakings | 29 | 15 |
| Trading amounts owed to other group undertakings | 10 | 5 |
| Accruals | 18 | 22 |
| Loan amounts owed to subsidiary undertakings | 8,519 | 8,242 |
| | 8,576 | 8,284 |

Trading amounts owed to group undertakings are unsecured, interest free and repayable on demand.

At 30 June 2019, the Company has a loan payable to eFinancial News Limited of £8,518,547 (2018: £8,242,000). The loan is repayable on 30 June 2020. The loan amount owed is an unsecured revolving credit facility bearing interest per annum equal to the 3 Month GBP Fixing (per Bloomberg screen BP003M) plus Lender's cost of funds equal of 250 basis points (2.50%).

The movement on this loan relates to £276,127 of interest charged during the year.

9 Share capital and share premium

(a) Share Capital

The Ordinary and Preference Shares shall rank pari passu in all respects.

| | 30 June 2019 £ '000 | 1 July 2018 £ '000 |
|--|------------------------|-----------------------|
| Authorised | | |
| 25,000,000 0% preference shares of 50 pence each | 12,500 | 12,500 |
| 25,000,000 ordinary shares of 10 pence each | 2,500 | 2,500 |
| | 15,000 | 15,000 |
| Allotted, called up and fully paid | | |
| 22,300,000 0% preference shares of 50 pence each | 11,150 | 11,150 |
| 22,300,010 ordinary shares of 10 pence each | 2,230 | 2,230 |
| | 13,380 | 13,380 |

The Ordinary Shares have attached to them full voting, dividend and distribution (including on winding up) rights; they do not confer any rights of redemption.

The Preference Shares have attached to them full voting, dividend and distribution (including on winding up) rights. The Company shall at any time have the right (Subject to the provisions of the Act) to redeem all or any of the preference shares for the time being outstanding and fully paid up.

(b) Share Premium

This reserve records the amount above the nominal valued received for shares sold. The share premium account cannot be distributed under the Companies Act 2006.

eFinancialNews Holdings Limited

Notes to the financial statements

For the year ended 30 June 2019

10 Related party transactions

The company has taken advantage of the exemptions contained in Section 33.1A FRS102 not to disclose related party transactions that are wholly owner within the group.

There were no other related party transactions

11 Ultimate controlling party

The Company's immediate parent company is Dow Jones International Limited, a company incorporated in the United Kingdom.

In the directors' opinion the Company's ultimate parent undertaking and controlling party is News Corporation which is incorporated in the USA.

The smallest and largest group which includes the Company and for which publicly available group financial statements are prepared is News Corporation. Copies of these financial accounts can be obtained from 1211 Avenue of Americas, New York, NY 10036.

12 Post Balance Sheet Events

In January 2020, an outbreak of a new strain of coronavirus, COVID-19, was identified in Wuhan, China. The virus has spread globally including to the UK and Europe and the World Health Organization (WHO) declared COVID-19 a pandemic on 11 March 2020. Governments, the UK government among them, have imposed restrictions to reduce the risk of further spread of the disease - closing borders, ordering home quarantine and cancelling public events. Dow Jones is a globally connected business and has embraced technology to ensure communication across the globe is at its most efficient. The company is an intermediate holding company with an investment in a subsidiary undertaking operation as part of the Dow Jones EMEA business. The Directors do not currently believe that COVID-19 will have a material financial impact on the company in the foreseeable future. Given the uncertainty around the extent and timing of the potential future spread or mitigation of COVID-19, the directors continue to monitor the situation closely and will regularly update their assessment of the impact of the pandemic.

Other than as described above, there were no significant events after 30 June 2019 that required adjustment to or disclosure in the financial statements.