

Ref No: 04947149

See
Note 28

CENTAUR

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended 31 December 2022

Company number: 04948078



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29/06/2023

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COMPANIES HOUSE

CENTAUR

Advise. Inform. Connect.

Our vision

We will be the 'go to' company in the international Marketing and Legal sectors for:

- Advising businesses on how to improve their performance and returns on investment (ROI);
- Providing business intelligence to customers using data, content and insight;
- Offering training, learning and advisory services through digital learning initiatives and online programmes; and
- Connecting specific communities through digital media and events.

We will build strong and lasting relationships with our customers by providing cutting-edge insight and analysis to deliver long-term sustainable returns for our shareholders.

Our business

Centaur is an international provider of business intelligence, learning and specialist consultancy that inspires and enables people to excel at what they do within the marketing and legal professions. Our Xeim and The Lawyer business units serve the marketing and legal sectors respectively and, across both, we offer a wide range of products and services targeted at helping our customers add value.

Our reputation is based on the trust and confidence arising from a deep understanding of these sectors providing innovative products and services and we have developed a strong track record for providing our customers with market-leading insight, content, data and training. Our key strengths are the expertise of our people, the quality of our brands and products, and our ability to harness technology to innovate continually and develop our customer offering. This enables us to help our customers raise their aspirations and deliver better performance.

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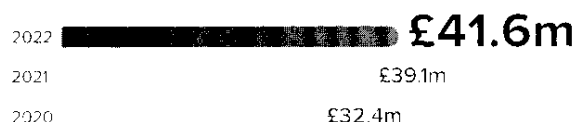
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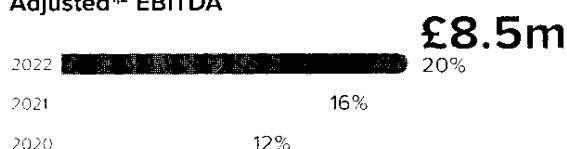
Highlights of the year

Financial highlights

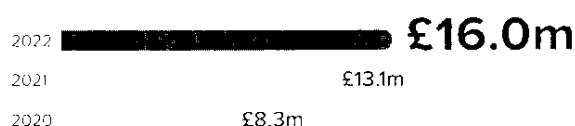
Revenue



Adjusted^{1,2} EBITDA



Net Cash³



Adjusted¹ diluted EPS



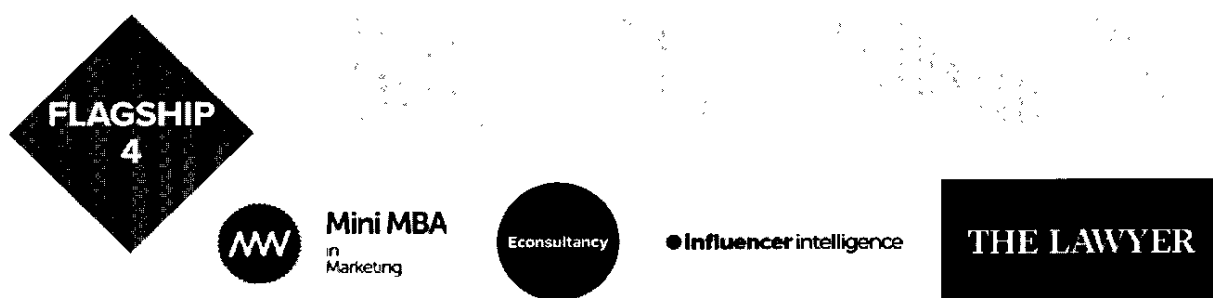
¹ See alternative performance measures section for definition of adjusted results

² Adjusted EBITDA is reconciled to Adjusted Operating Profit in note 1(b) and on page 20

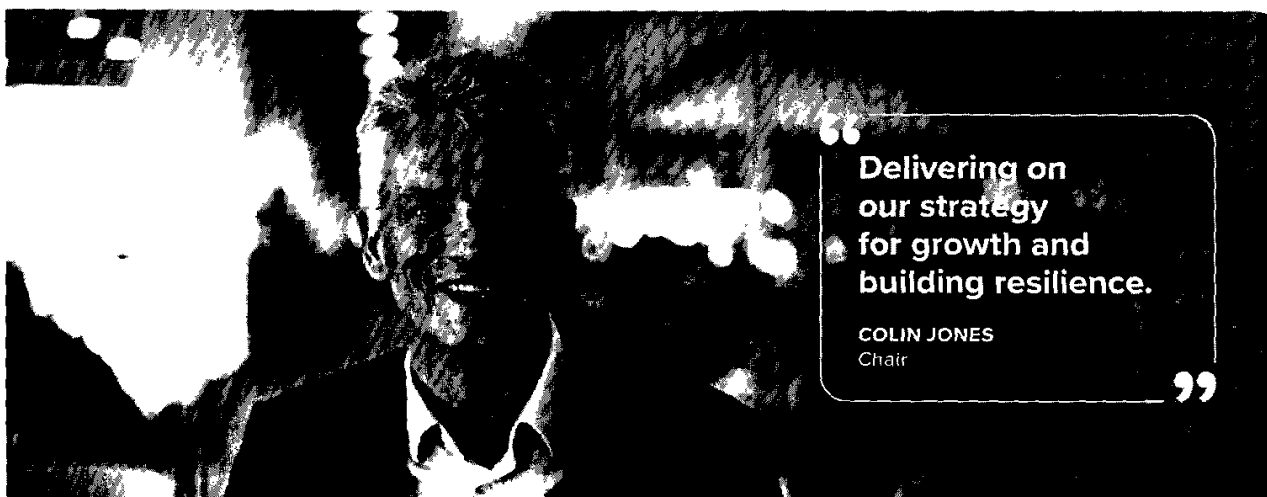
³ Net cash is the total of cash and cash equivalents and short-term deposits

Strategic and operational highlights

- Strong performance despite macroeconomic uncertainty, with business on track to deliver its MAP23 objectives
- Clear operational and financial steps taken to focus on organic growth and manage costs to reinforce the resilience of the business
- Flagship 4 brands continue to deliver growth as the average customer account value increases
- New customer-centric products launched including Econsultancy's LMS platform, MW Mini MBA's alumni membership, The Lawyer Briefing Room and Litigation Tracker International
- Return to in-person events with Festival of Marketing and The Lawyer Awards being notable successes
- Cash conversion remains strong at close to 100%
- Return of capital to shareholders announced through special dividends
- DICE, our employee engagement committee, continues to go from strength to strength, with improvements in employee engagement and on climate-related matters.



Chair's statement



**Delivering on
our strategy
for growth and
building resilience.**

COLIN JONES
Chair

Dear Shareholder,
2022 was a year where Centaur built on the good momentum of 2021, despite the ongoing macroeconomic uncertainty, as our customers continue to look for the targeted connectivity and timely and deeper insight that we offer to the legal and marketing sectors.

None of us could have foreseen the events in February when Russia invaded Ukraine and the subsequent energy crisis, cost inflation and market volatility have hurt both businesses and individuals. Nonetheless, our focus on delivering our Margin Acceleration Plan 2023 (MAP23) strategy never wavered and we achieved our financial targets for 2022 – no mean feat given that they were set two years earlier when the world was very different.

Broadly our strategy remains the same. We continue to position Centaur to be more customer focused – providing access to learning and consultancy expertise in sizable markets, along with the tools and events to provide expert knowledge, bespoke

solutions and engaging digital connections that create advantages for them.

Our revenues are increasingly resilient as our clients are choosing us for strategic, long-term spend in order to future-proof their businesses. Structured customer price rises have been implemented to help mitigate the inflationary environment. In line with our strategy, the higher quality revenue streams of Premium Content, Marketing Services and Training and Advisory now represent 77% of Group revenue (2021: 74%).

Performance

Our clear vision and the focused strategic and operational decisions taken by Centaur's management team resulted in the achievement of £41.6m revenue and an Adjusted EBITDA margin of over 20%, reflecting the high-quality revenue streams and the inherent operational leverage across the Group's businesses. This has put us in a strong position as we come into the final year of our MAP23 strategy.

These results saw a strong contribution across Centaur's unique portfolio. Our Flagship 4 brands benefited from enhanced pricing, strong renewal rates and large contracts with international blue-chip corporates, and were supported by our Core Brands driven by a full programme of in-person events, quality content and networking capabilities.

Our strong performance is underpinning Centaur's ability to progress, continuing the drive towards its MAP23 targets and ensuring positive shareholder returns.

Dividend and capital allocation

The Board believes in the long-term fundamentals of Centaur and the continued robust performance of the business in 2022 resulted in an increase in Centaur's net cash, including short-term deposits, to £16.0m at 31 December 2022.

The Group's capital allocation policy is focused on retaining sufficient cash in the business to fund all organic investment, including technology and new products, while maintaining a prudent level of funding to cover unexpected working capital volatility. The Group will also consider complementary bolt-on acquisitions to supplement its growth strategy. Any cash surplus to the long-term requirements of the business will be returned to shareholders, most likely in the form of special dividends.

The success of the MAP23 strategy has led to significantly stronger cash flows and a more robust balance sheet. This enabled us to announce in January 2023 a special dividend of 3.0 pence per share, equivalent to £4.3m, paid in February 2023, in addition to our normal dividend policy of distributing 40% of Adjusted retained earnings, subject to a minimum dividend of 1.0 pence per share per annum.

We have now announced a further special dividend of 2.0 pence per share, equivalent to £2.9m, to be paid in March 2023.

ESG

Despite the macro upheaval of this year, as a company Centaur has also reinforced the importance of ESG throughout our corporate behaviours and strategic approach and made sure these aspects remain a consideration in all our business decisions. Key areas of focus for us continue to be reducing the impact that we have on the planet and improving the effect our business has on our people and their development, concentrating on ensuring we attract and retain the best talent.

Our carbon footprint, excluding the increase in transport emissions from employee commuting relating to returning to the office following the pandemic, increased by 12% due to increased levels of operating activity and capital investment. We have improved our reporting of climate-related financial information and have complied with all but two of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations as explained more fully in our ESG report.

Good performance against our Diversity, Inclusion, Culture and Engagement (DICE) objectives ensured that we improved equality in both our recruitment and career development.

As a corporate citizen, we were pleased to have supported two charities in 2022 that our employees indicated were of importance to them and their communities – The Trussell Trust and Shooting Stars Children's Hospices.

Our people

However, of course, this performance could not have been delivered without our successful and determined people. It is their adaptability, innovation, expertise and exceptional commitment that has enabled us to deliver such results. Their imagination has enabled Centaur to develop a pipeline of innovative new products to satisfy the evermore sophisticated needs of our customers, whilst their energy will continue to drive the business forward.

We will also continue to operate with integrity, transparency and accountability, and the Board remains committed to the highest standards of corporate governance. More detail on our governance policies is set out from page 51.

Looking ahead

During 2022, we have taken firm operational and financial steps to improve the quality of our products and the efficiency of our business model. Like many businesses, the Group faces uncertain macroeconomic headwinds in 2023 and we will therefore retain a cautious outlook. However, we will remain focused on our strategic priorities and achieving our ambitious MAP23 targets, and I believe that Centaur has the talent, strategy and financial discipline to realise the opportunities that lie ahead.

Finally, I would like to take this opportunity to thank all of Centaur's employees for their continued drive and contribution to the business, delivering excellent results and benefits for all our customers. As a company we are committed to the future development and the wellbeing of our people and we will continue to invest in them and support them where required.

Colin Jones
Chair

14 March 2023



Strategy

FLAGSHIP 4



Our Strategy

Our strategy is to create shareholder value by increasing revenue to £45m and raising Group Adjusted EBITDA margin to 23% by 2023.

£45m

Revenue

23%

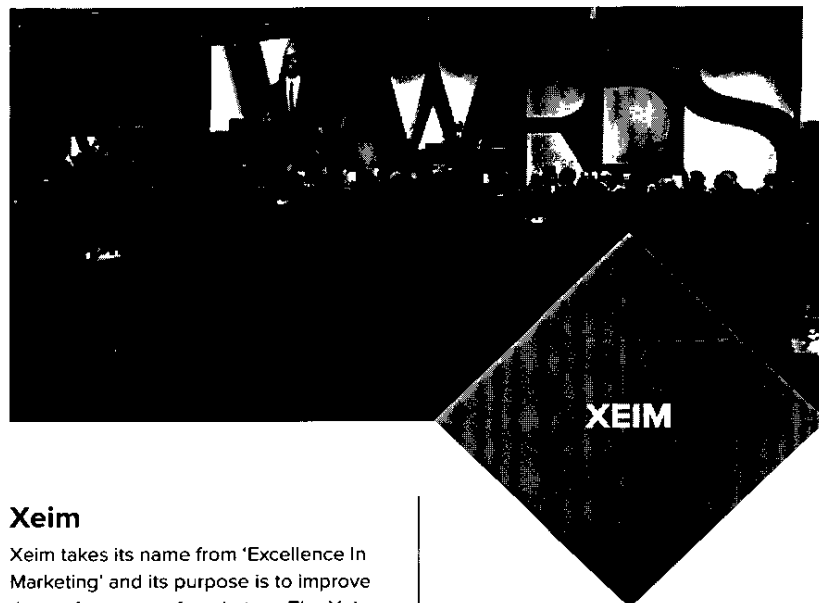
EBITDA Margin

Centaur is an international provider of business intelligence, learning and specialist consultancy that inspires and enables customers to excel at what they do, raising their aspirations and delivering better performance.

The Group's aim is to be the 'go to' company in the international marketing and legal sectors to:

- Advise businesses on how to improve their performance and ROI;
- Provide business intelligence to customers using data, content and insight;
- Offer training, learning and advisory services through digital learning initiatives and online programmes; and
- Connect specific communities through digital media and events.

Over the past year, despite the macroeconomic uncertainty, the Group has performed well and is within reach of its ambitious MAP23 goals. By continuing to invest in our Flagship 4 brands – Econsultancy, Influencer Intelligence, MW Mini MBA and The Lawyer – we are continuing to expand our margin through our focus on profitable revenue growth, capitalising on Xeim and The Lawyer's high-quality revenues and operational leverage.



Xeim

Xeim takes its name from 'Excellence In Marketing' and its purpose is to improve the performance of marketers. The Xeim portfolio brings together the Group's 11 marketing brands – Econsultancy, Influencer Intelligence, MW Mini MBA, Festival of Marketing, Marketing Week, Design Week, Creative Review, ReallyB2B, Fashion & Beauty Monitor, Oystercatchers and Foresight News – to support the marketing sector, providing our customers with the advice, intelligence and connections needed to set themselves apart from their peers. Our industry-leading brands and experts provide insight, analysis and proprietorial content, attracting over 6 million digital contact points every month. Our approach capitalises on the inherent strength of these brands to create integrated solutions for our international blue-chip customers.

The Lawyer

The Lawyer is the most trusted brand for the UK legal profession and a leading provider of intelligence to the global legal market, delivered via a scalable digital platform.

The Lawyer has built on its 35-year heritage of delivering incisive commentary and cutting-edge analysis of the UK legal market, continuing to broaden its offering to develop a more international business providing market intelligence to the world's largest law firms. This privileged position enables it to connect law firms with the in-house legal community in a unique way. The Lawyer counts 90% of the top 50 UK and top 50 US law firms in London among its corporate subscribers.



Strategy

CONTINUED

MAP23

Our strategic focus is to create shareholder value by delivering the targets set out two years ago under MAP23: raising Group Adjusted EBITDA margins to 23% by 2023 and increasing revenue to £45m.

Our resilience during the recent macroeconomic uncertainty, our organic revenue growth, increase in profitability in 2022 and ability to generate cash, together with the strength of our balance sheet, evidences the progress that Centaur is making towards MAP23 and our longer-term vision.

The Group intends to deliver the targets through a combination of profitable organic revenue growth and operational cost leverage.

To achieve this, we will be:

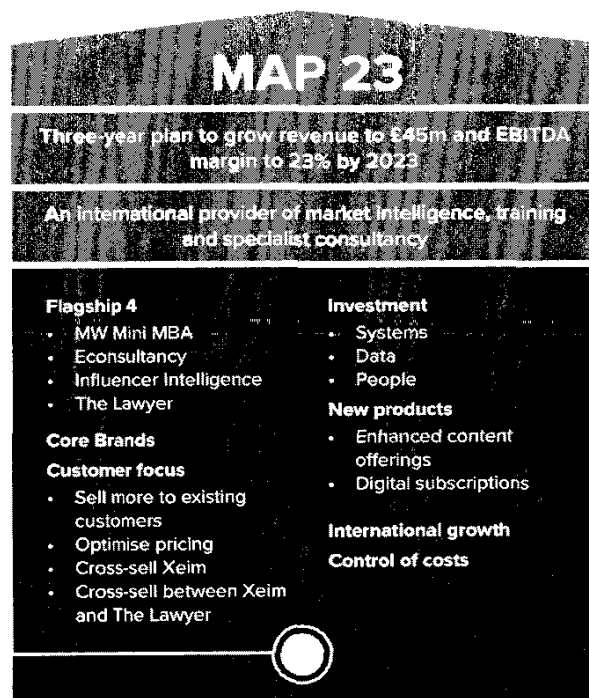
- Gaining a deep understanding of the ever increasing and sophisticated needs of our customers;

- Delighting our customers through excellent customer service;
- Developing our digital offering through new products, services, technology and data;
- Creating further opportunities for growth through The Lawyer and Xeim's wider portfolio of brands, with an increasing focus on cross-selling their suite of products and services to enterprise clients to drive up revenue per client;
- Investing in marketing, building out the knowledge and skill set of our marketing teams to increase brand profile and sell our products to a broader range of international clients;
- Improving our marketing and legal sector leading paid-for-subscription products; and
- Continuing to leverage our cost base by managing costs tightly as revenue grows.

Revenue model

Our business model is integral to how we will deliver MAP23. Centaur's business consists of Xeim and The Lawyer, and we report revenue under six core revenue streams:

- Premium Content comprising subscription-driven paid content services;
- Training and Advisory from marketing consultancy, digital learning and online training courses;
- Marketing Services from campaign management and marketing automation;
- Events including sponsorship and delegate revenue from conferences, awards and large-scale events;
- Marketing Solutions that includes display and bespoke client campaigns; and
- Recruitment Advertising being sector focused.

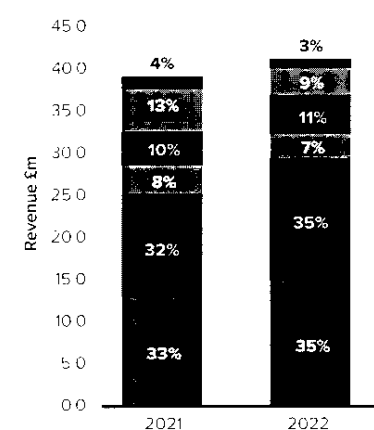


The chart below shows which brands derive revenue from each revenue stream:

	Brand	Premium Content	Training and Advisory	Marketing Services	Events	Marketing Solutions	Recruitment Advertising
Xeim	Econsultancy						
	Influencer Intelligence						
	MW Mini MBA						
	Festival of Marketing						
	Oystercatchers						
	Marketing Week						
	Fashion & Beauty Monitor						
	Foresight News						
	Creative Review /Design Week						
	Really B2B						
	The Lawyer						
	Revenue 2022 (% of total)	35%	35%	7%	11%	9%	3%

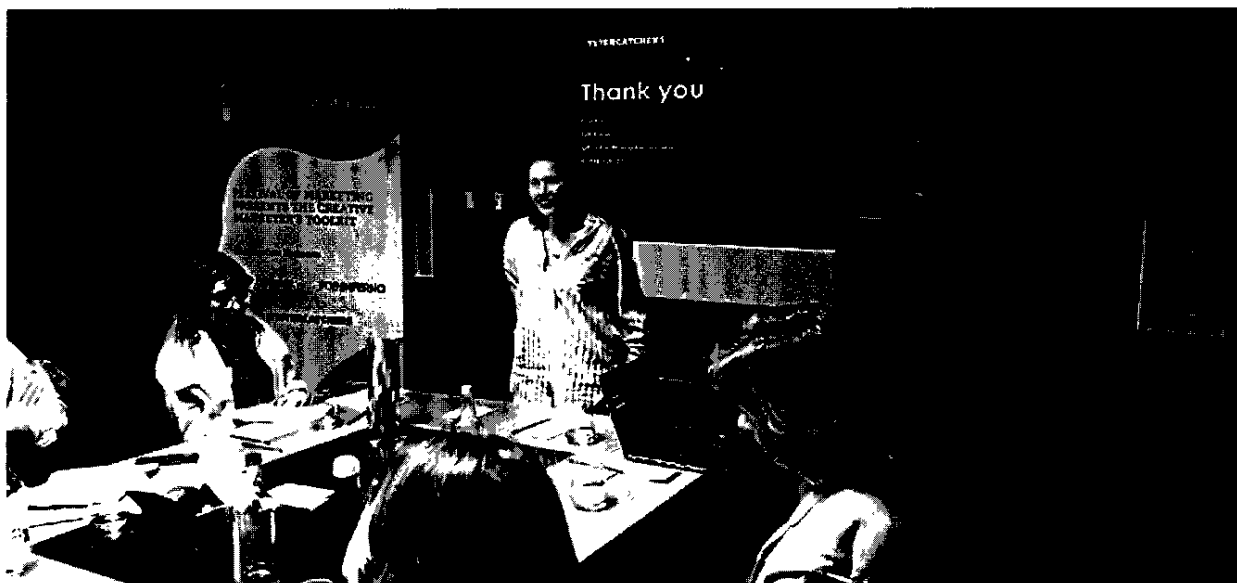
Through our focus on the Flagship 4, we have continued to improve the quality of our revenue with 77% of total revenue in 2022 coming from our valuable Premium Content, Training and Advisory and Marketing Services recurring revenue streams (2021: 74%).

Revenue



- Recruitment Advertising
- Marketing Solutions
- Events
- Marketing Services
- Training and Advisory
- Premium Content

Revenue from outside the United Kingdom has increased by 5% to £15.1m in 2022 in part as a result of an uplift of 21% in revenue from Europe.



Strategy

CONTINUED

Our portfolio



● Influencer intelligence



Mini MBA
in Marketing

MarketingWeek



● OYSTERCATCHERS

CREATIVE
REVIEW

design:

FASHION
BEAUTY MONITOR

Really:

foresightnews
STRATEGY & INSIGHTS

To achieve our immediate MAP23 ambitions, we will continue to focus investment and resource allocation on the Flagship 4 – the four brands we consider our key drivers for profitable revenue growth – and invest in the Core Brands that support Xeim's growth. Across Xeim, we will continue to cross-sell our brands to the top 200 marketing spenders through Xeim Engage and generate Marketing Solutions revenues. At The Lawyer, we will invest in data-led product development for the top 100 law firms in the UK and US, whilst expanding our market penetration by delivering more content for the top European law firms and the UK mid-tier law firms.

Flagship 4

The Lawyer

The Lawyer – the most trusted brand for the UK legal profession and a leading provider of intelligence to the global legal market delivered via a scalable digital platform. Its main corporate information service, together with related subscriptions products Signal and Litigation Tracker, are used by 90% of the top 100 law firms in London. Its loyal customer base gives The Lawyer the confidence to continue to develop additional products and services in 2023. These Premium Content services are enriched by the networking and thought leadership from an entirely live schedule of conferences and The Lawyer UK Awards.

Over the next three years, The Lawyer will continue its transition from a traditional media brand to a content and data-led research and intelligence business. Combining unique data with market commentary and insights, it will continue to develop high-quality subscription products delivered through an improved customer experience.

Econsultancy

Econsultancy guides, supports and enables customers to achieve excellence in digital marketing and ecommerce. Its focus is on combining learning content and thought leadership with practical applications and tools to support marketers.

In September, we launched a new integrated LMS system, which has added additional learning channels, improved digital skills index assessment tools, digital skills cloud and single sign-on functionality. As a result, we are seeing an uplift in renewals and an improvement in user engagement supported with new pricing and packages.

Looking ahead, Econsultancy's product enhancement will continue to underpin its 'multi-touch learning' strategy, which combines consultancy and online subscription training services at scale with large organisations such as Unilever and PepsiCo.

Influencer Intelligence

Influencer Intelligence provides expertise and support to help customers select influencers, measure performance and manage the success of their marketing campaigns. The combination of our data-driven influencer marketing platform and specialist in-house analyst team helps businesses navigate the influencer and celebrity marketing landscape.

This results in a highly renewable subscription product with a loyal customer base particularly in the fashion and retail sectors. Our challenge has been to scale the number of influencers on the platform and retain the level of detailed analytics, as we require manual inputs and insight from our research and content team.

In 2023, we will continue with the same strategy and the provision of detailed analytics and information for customers. Our content is respected for trends analysis, events coverage and essential contact information for the people in the industry that matter, and this is where we will focus.

MW Mini MBA

Marketing Week's Mini MBA distils the core marketing module of a full MBA programme into an easily digestible and thoroughly engaging 12-week course with on-demand modules prepared and moderated by Professor Mark Ritson.

Since its launch in 2016, the MW Mini MBA has grown to be Centaur's largest brand with over 24,000 delegates from across the globe driven by corporate multi-seat packages and online sales. This year we also launched the MW Mini MBA Alumni Network – an annual membership platform – which gives the user continued access to their course material and the ability to post, network and engage with the MW Mini MBA team via Q&As and additional learning functionality.

To build on last year, we have a third marketing course in production for release in 2023. We will also enhance the existing MW Mini MBA in Brand Management course supported by focused advertising and promotion.

Core Brands

Outside the Flagship 4, our portfolio of Core Brands will continue to support Centaur's growth and play an important role in creating opportunities for Xeim, through the cross-selling of our products and services, introducing us to a wider customer base and demonstrating the breadth of our business intelligence products and services. These include:

- **Marketing Week** – for over 40 years, the most influential source of marketing information in the UK. In 2023, we will continue to generate revenue from marketing solutions, lead generation services, subscriptions, proprietary research, white papers and the annual MW Awards event;
- **MW Festival of Marketing** – an annual thought leadership, learning and networking event that has become a leading and influential event dedicated to ambitious marketers. After running the event virtually in the previous two years, it was wonderful to hold a hybrid Festival in March and an in-person Festival in October. We plan to discover, learn and connect with more of our customers in-person at the Festival and related masterclass events in 2023;
- **Oystercatchers** – as one of the Financial Times' most highly regarded management consultancies in the UK, Oystercatchers has differentiated itself by providing best-in-class agency pitch and business performance transformation advice to its clients; and
- **Really B2B** – this Marketing Services business delivers creative campaigns, lead generation and Account Based Marketing services to drive its clients' marketing ROI. The brand continues to generate leads and provide solutions for clients across the Xeim portfolio and, after a strategy reset, is now positioned for growth in 2023.

Driving performance at Xeim

Xeim is able to position and cross-sell multi-brand offerings for the benefit of our customers by understanding how the brands interact most effectively with each other.

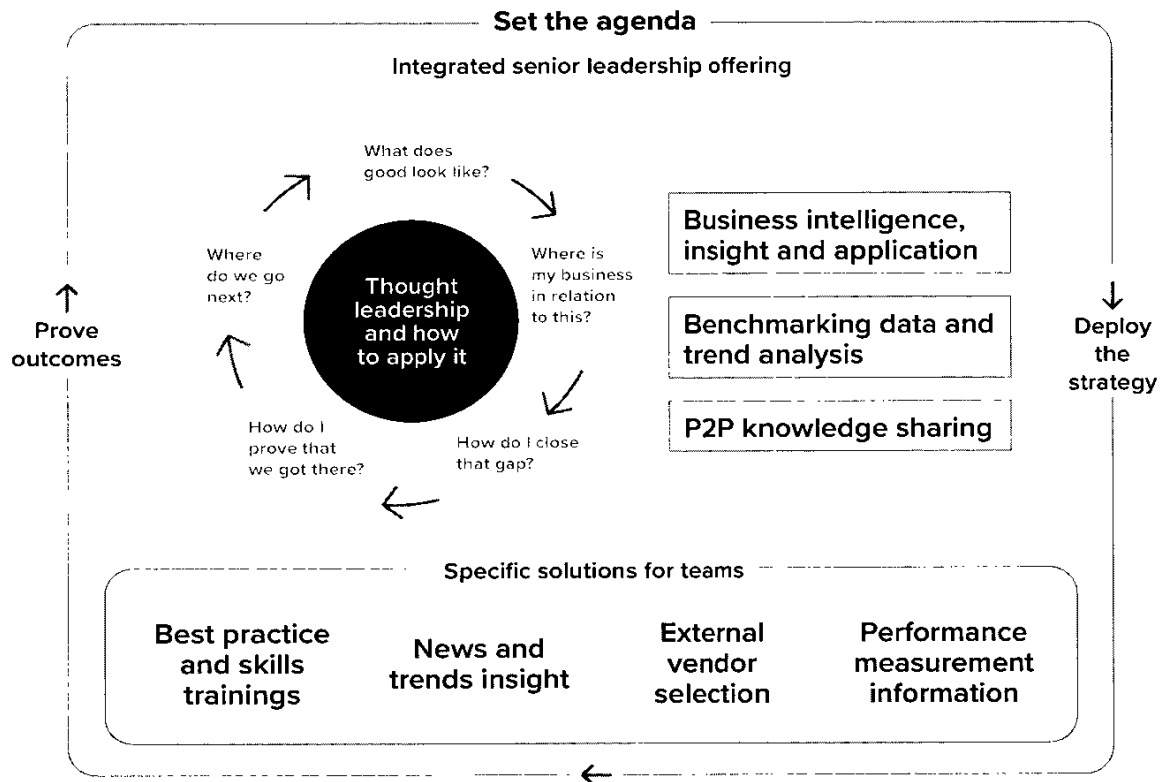
Xeim provides marketers with training, information and in-depth consulting services by utilising the content and expertise across the portfolio. We deliver transformational programmes for our customers by providing diagnostic tools, best practice guides, case studies, thought leadership and curated training services to support the customer need. We also deliver content-led marketing solutions and networking opportunities to enable marketers to drive awareness and generate leads and business contacts.

Mark is your usual professor

MW Mini MBA
in Marketing

Strategy

CONTINUED



Group strategy

Over the last two years, we have relentlessly pursued our brand-led strategy targeting margin acceleration to 2023 (MAP23). Building on the foundations from MAP23, we are planning to achieve a step-change in valuation with a transformational growth strategy, developed by the Centaur Strategy Group.

This will see the business complete the transition from a B2B media product-led organisation to a customer-centric intelligence business, with the mission of

building on our heritage of informing and connecting our customers by providing the skills and business intelligence to enable them to create great organisations in changing and challenging environments. In doing so, we will provide tech-enabled, intelligence and learning solutions to senior leaders of blue-chip companies and law firms to generate high value revenue streams.

Centaur's leading brands and domain expertise provide a strong foundation from which to build out and achieve success

with this strategy. We will be targeting a market opportunity of £0.8bn in the UK, whilst creating a platform to access an international market opportunity of a further £2.9bn in the US and EU markets¹. By 2026, we anticipate the Centaur business having shifted towards a more focused offering with repeatable, high-value revenue streams from a higher proportion of blue-chip customers.

¹ Business intelligence, structured information, knowledge management and learning spend at large B2B & B2C companies and top UK and US law firms



WFL Fundale (panel Voting)

OUR PANEL

HOW TO CHAMPION YOUR BRAND UNDER THE CLOUD OF RECESSION



Claire Pointon
Customer Director
John Lewis Partnership



David Enwright
Marketing Director
Post Office



Mark Brown
Marketing Director
General Mills



Nicky Bullock
Group Chief Creative
MullenLow

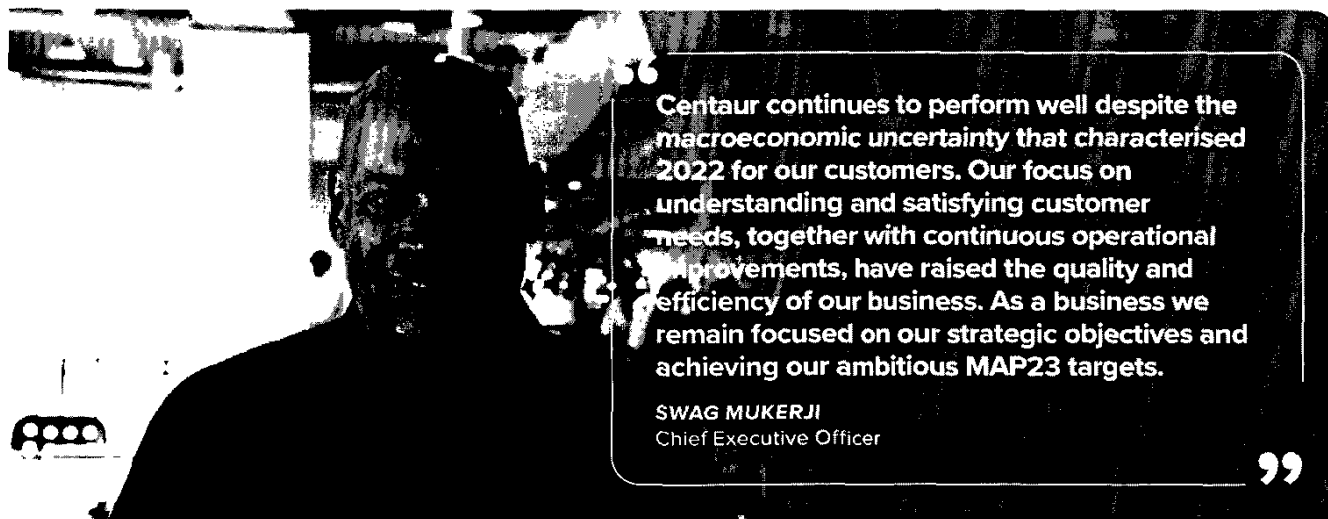
xpim

OVERCATCHERS

ACCELERATING MARKETING PERFORMANCE

Performance

CHIEF EXECUTIVE OFFICER'S STATEMENT



Centaur continues to perform well despite the macroeconomic uncertainty that characterised 2022 for our customers. Our focus on understanding and satisfying customer needs, together with continuous operational improvements, have raised the quality and efficiency of our business. As a business we remain focused on our strategic objectives and achieving our ambitious MAP23 targets.

SWAG MUKERJI
Chief Executive Officer

”

Dear Shareholder,
This is my fourth Annual Report as CEO of Centaur Media and, as we enter the third and final year of our ambitious MAP23 strategy, we are laying the foundations for the next step in Centaur's growth story.

2022 was another year marked by macroeconomic turbulence – and Centaur remains focused on growth. We are determined to keep driving performance in line with our MAP23 objectives, by continuing to build the quality of our revenue streams and taking advantage of the operational leverage within our business units.

As a reminder, the core objectives of MAP23 are to raise Group Adjusted EBITDA margins to 23% by the end of 2023, while increasing revenues to £45m in the same timeframe.

Financial performance

Over the course of 2022, Centaur continued to take positive steps towards our MAP23 goals, building on the structure

and processes that were put in place through the previous year.

In 2022, Centaur reported revenues of £41.6m for the year (up from £39.1m in 2021), and a Group Adjusted EBITDA of £8.5m (up from £6.4m in 2021). It was satisfying to see that Adjusted EBITDA margin for 2022 was over 20% (up from 16% in 2021) resulting in the Group ending the year with net cash of £16.0m, up from £13.1m last year. I am pleased with the contribution that all our brands have continued to make to this positive momentum over the past twelve months.

Clear operational and financial steps have been taken to focus on organic growth and manage costs to reinforce the resilience of the business. These include better understanding and satisfying the needs of our customers, focusing on increasing the size and scale of customers we target, conducting strong negotiation with suppliers and implementing flexible reward structures to retain and recruit top talent. Employee numbers have been kept under tight control, with only a slight increment on 2021, as increases in growth areas were balanced by reductions in less strategically important areas of the business. We have also maintained our central costs in line with 2021 and will be reducing our costs in 2023, along with our carbon footprint, by moving into a smaller London office as of 1 January 2023. These steps will maintain

our operational leverage and ensure that the business is best positioned to withstand any wider macroeconomic uncertainty and achieve our MAP23 objectives.

Dividends

The Group has proposed a final dividend of 0.6 pence per ordinary share to take our total ordinary dividends for 2022 to 1.1 pence, above the minimum 1.0 pence per share that we have paid previously under our dividend policy. A special dividend of 3.0 pence per share, equivalent to £4.3m, was paid on 10 February 2023 and a further special dividend of 2.0 pence per share, to be paid on 31 March 2023, will bring the total dividends to shareholders in respect of 2022 to 6.1 pence per share (£8.8m).

Operational review

Centaur comprises two business units, Xeim and The Lawyer. Xeim forms 80% of our revenues and is focused on the marketing sector across a wide range of industries. The Lawyer is focused on the legal sector and drives the other 20%. Both sectors are undergoing significant change, driven by technological advancement, structural change and globalisation, giving Centaur a great opportunity to use its competitive advantage to further grow in these sectors.

Within these two business units, Centaur has four key brands – the Flagship 4 – which we consider our key growth drivers and where the business prioritises investment and resource allocation. The Lawyer is one of these brands, while the other three form part of the Xeim portfolio

(Econsultancy, Influencer Intelligence and MW Mini MBA). The Flagship 4 is supported by our suite of Core Brands.

Over the course of 2022, we made significant progress in developing both our Flagship 4 and Core Brands. Our aim is to position each of these brands for

further growth, developing cross-selling opportunities and enhancing their shared capabilities, with the ultimate aim of enabling our customers to deliver better corporate outcomes through building competitive advantage in their markets.

A selection of our Xeim clients



Econsultancy continued to win large six-figure contracts from blue-chip international companies including Unilever, Jacobs Douwe Egberts, Specsavers and Pepsico, seeing Training and Advisory revenues increase by 38%, while growing its core digital and training subscription services through improving renewal rates averaging 82% for the year. A restructuring in 2022 enabled the business to combine its consultancy and online subscription training, enhancing the offer to customers.

Influencer Intelligence grew in momentum over the course of the year, overcoming prior challenging market conditions, to end the year with an annual renewal rate of 90% - the highest rate for over five years. Our focus has been to gain a better insight as to what the needs of our customers are whilst retaining the level of detailed analytics conducted by our research and content team.

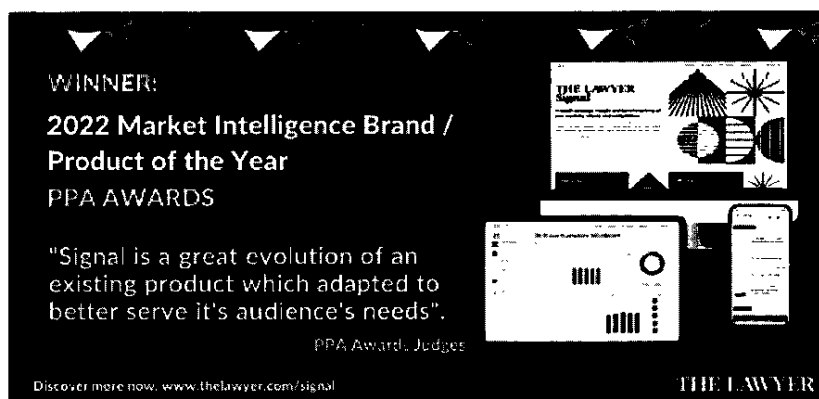
The **MW Mini MBA** continued to go from strength to strength, with corporate multi-seat packages up 20% and related delegates now representing 43% of the total for the year. A reduction in the volume of online sales resulted in total delegate numbers on the main courses increasing only 1% in the year. However this was achieved with an increase in yield of 10%

from price rises and discount management resulting in an 11% increase in revenue on the main courses and 7% in total for the MW Mini MBA, including bespoke courses.

The Lawyer had another year of strong performance, with TheLawyer.com corporate subscriptions, supported by Horizon, performing ahead of expectations with renewal rates of 116%. The main corporate subscription product is complemented by data-driven products, including Signal and Litigation Tracker, which launched internationally in May with content from Hong Kong, Singapore and Dubai. The new data-driven subscription

product, Signal, launched in 2021 has performed well, exceeding expectations on renewal rate by value and volume in its first year of renewals, and on the number of new customers. It was also recognised externally as an award-winning Market Intelligence subscription product.

In April we also launched Briefing Room bringing together all sides of the legal community to share thought leadership and latest content enabling networking with companies and individuals. The Lawyer's industry-leading conferences also returned to a fully live schedule in 2022, which was welcomed by both sponsors and delegates.



Performance

CHIEF EXECUTIVE OFFICER'S STATEMENT CONTINUED



This strong performance follows last year's similarly high renewal rates and user engagement, indicating how important The Lawyer is to leading law firms and their fee earners.

In our portfolio of **Core Brands**, we were particularly encouraged by the Festival of Marketing moving forwards from two years of virtual events to a hybrid Festival in March and an in-person Festival in October. This year's Festivals brought together a carefully curated group of top speakers from the marketing world and beyond, offering the insight, provocation and inspiration that will help those in the industry to do their job better.

People

A key part of our strategy is ensuring that we have the right people in the right positions to deliver our intended growth. Over the course of 2022, Centaur continued to strengthen its management team. We made several excellent new hires, including Lisa Taylor, who joined as Xeim Group Marketing Director and Agata Kreutzinger, who became our Group Data Director. We also identified and promoted people within the organisation to support the progression of our people, with Ian Baldwin joining our Executive Committee and taking on the role of Chief Technology Officer.

Looking to 2023

Centaur has undergone a significant transformation over recent years and in 2023, we will continue to develop our Flagship 4 and Core Brands to ensure we are leading from the front in delivering what our customers need. Our strategic priority is to shift towards a more focused, customer-centric offering. That means gaining a greater share of repeatable, high-value revenue streams from a higher proportion of blue-chip customers. We will be focusing on this across the Flagship 4 and Core Brands.

The Lawyer will accelerate its penetration of UK and European law firms with new content and will implement a customised website user experience, a law firm practice Signal channel and a UK law firm advisory service.

At Xeim, there will be more emphasis and focus on paid content and strategic information via corporate packages, subscriptions and partnerships. Our objective is to work with higher value companies as a regular partner. For this, we have Xeim Engage, a dedicated, experienced team, creating solutions for the top 200 marketing spend companies. Xeim's Flagship 4 brands will continue to be supported by the Core Brands, which together will enhance Xeim's focus on addressing the market demand

for paid content and strategic information, via corporate packages, subscriptions and partnerships.

Summary

To conclude, I wanted to reflect on the past three years and reiterate my thanks to everyone at Centaur for their hard work and determination. As we look to 2023, Centaur remains focused on growth. Our strategy is clear and we are in the final stage of achieving our ambitious, but achievable targets. We want to provide the most advanced and competitive offering in the marketplace – to do that we will continue to build the quality of our employees, focus on our high value revenue streams and take advantage of our operational leverage.

Swag Mukerji

Chief Executive Officer

14 March 2023



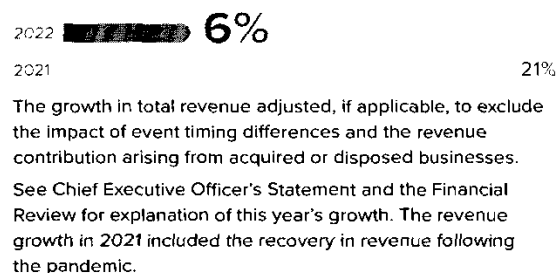
Key Performance Indicators

(FINANCIAL AND NON-FINANCIAL)

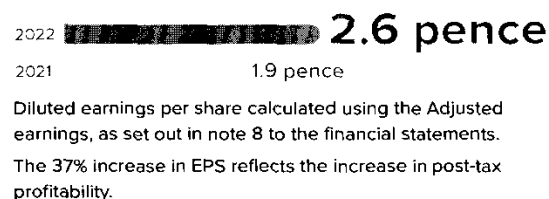
The Group has set out the following core financial and non-financial metrics to measure the Group's performance. The KPIs are monitored by the Board and the focus on these measures will support the successful implementation of the MAP23 strategy. These indicators are discussed in more detail in the CEO and financial reviews.

Financial

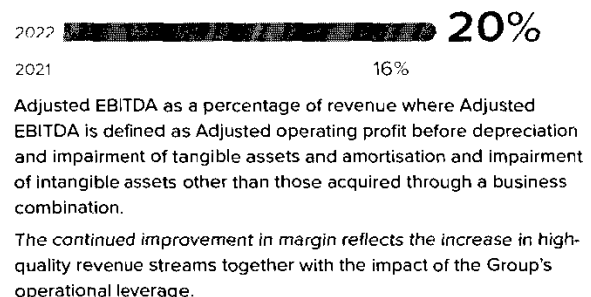
Underlying revenue growth¹



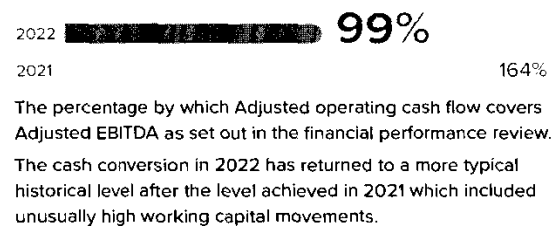
Adjusted diluted EPS¹



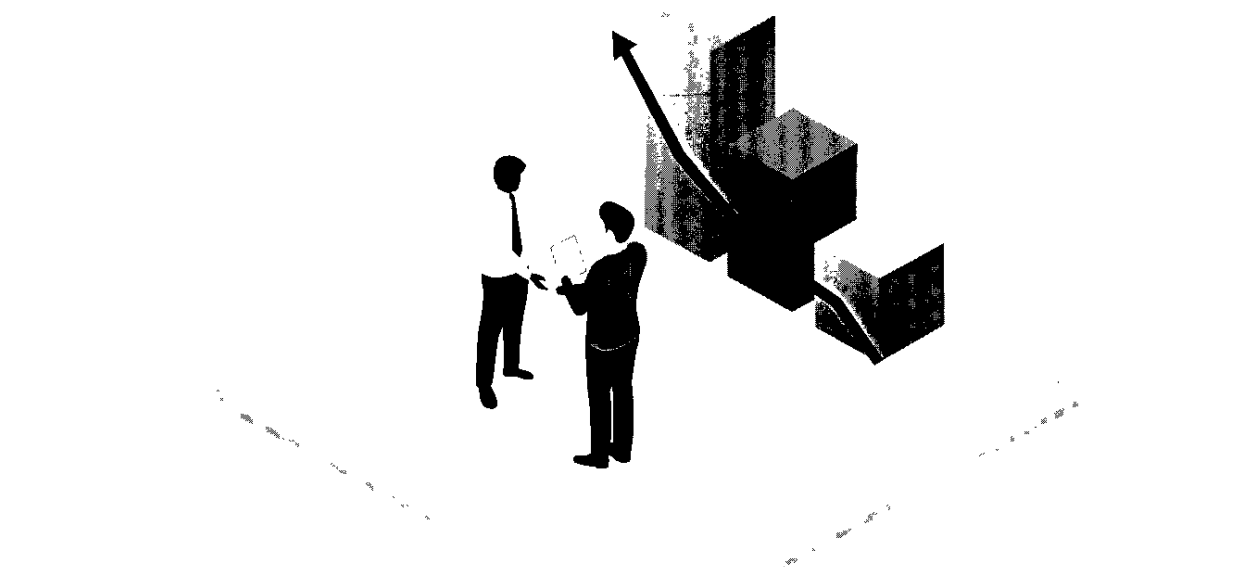
Adjusted EBITDA margin¹



Cash conversion¹

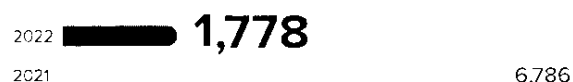


¹ See definitions in Financial Review on page 24.



Non-financial

Attendance at Festival of Marketing



Number of unique delegates attending the Festival of Marketing.

This year's events were in-person compared to virtual attendees in 2021. The number of paid delegates increased compared to the last in-person event in 2019 coupled with a significant reduction in complimentary tickets.

Delegates on Mini MBA course



Number of delegates on Mini MBA and related eLearning courses in the year.

There was an increase in the number of total delegates on the two main courses as well as a higher yield per delegate. 2021 included 515 delegates on a customised course that was not repeated in 2022.

Xeim customers >£50k



Number and value of Xeim customers that have sales in the year of greater than £50,000.

The focus on higher value accounts continued in 2022 with a 17% increase in the average value of these accounts.

Top 250 law firm customers

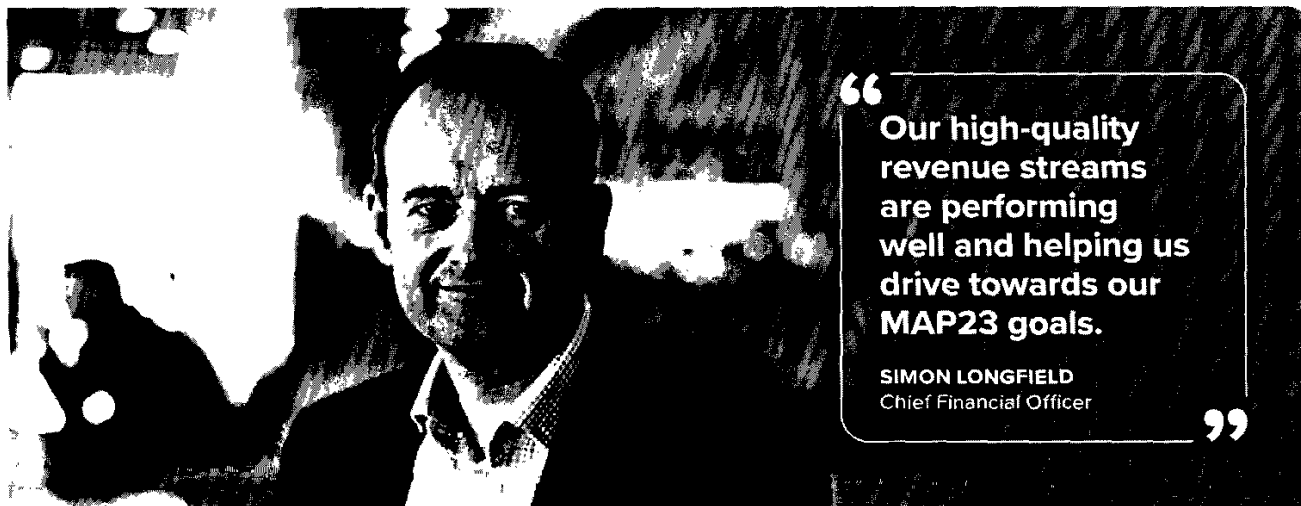


Number and value of top 200 UK law firms and top 50 US law firms.

The focus on higher value accounts continued in 2022 with a 24% increase in the average value of these accounts.

Performance

FINANCIAL REVIEW



“Our high-quality revenue streams are performing well and helping us drive towards our MAP23 goals.”

SIMON LONGFIELD
Chief Financial Officer

Overview

After the recovery in 2021 following the challenges posed by the pandemic, new economic uncertainties impacted Centaur's trading. Despite these uncertainties, Centaur continued to focus on organic revenue growth particularly through its higher value revenue streams of Premium Content and Training and Advisory which together grew 15%.

This growth was enhanced by the return to a full schedule of in-person events, including The Lawyer Awards and the Festival of Marketing, pushing up revenue from events by 23%. These growth areas were offset by a reduction of 25% in total revenue from Marketing Solutions and Recruitment Advertising and a 14% reduction in Marketing Services.

Our continued focus on tight control of costs resulted in only a 1% increase in operating expenses demonstrating the operational leverage within Centaur

and its ability to maintain its consistent improvement in profitability. All of this resulting in generation of free cash flow through good cash conversion.

Performance

Group

Statutory revenue rose by £2.5m to £41.6m in 2022, an increase of 6%. Xeim increased 4% and The Lawyer 19%. Revenue generated from outside the UK remained steady at 36% (2021: 37%) showing 9% growth across customers in the UK and Europe offset by a 3% decline in the rest of the world. Throughout 2022 we did not engage in any business with Russian customers, the impact of which is negligible compared to our results for 2021.

Adjusted EBITDA increased by 33% from £6.4m to £8.5m at a margin of 20% (2021: 16%), showing promising progress towards our MAP23 targets of a 23% margin in 2023. This improved margin was on increased revenues, demonstrating the increase in our high-quality revenue streams, resolute cost control and the operational leverage within the Group. Despite inflationary pressure, operating costs in the Central segment were flat in 2022 compared to 2021.

The Group posted an increase of 66% in Adjusted operating profit to £5.3m

(2021: £3.2m) as a result of the increase in Adjusted EBITDA. The Group achieved an Adjusted profit after taxation of £3.9m (2021: £2.8m).

During 2022, we have increased our net cash¹ balances from £13.1m to £16.0m, mainly as a result of a focus on cash management, the increase in EBITDA and healthy cash collections from customers.

Xeim

Xeim's revenue for 2022 was £33.3m, an increase of 4% from £32.1m in 2021. Premium Content in 2022 rose 11% with growth in Flagship brands Econsultancy and Influencer Intelligence both of which had improved renewal rates compared to 2021 and despite a tougher year for new business.

Revenue from Training and Advisory also showed year-on-year growth of 15% as a result of a robust trading performance by Econsultancy, Oystercatchers and from MW Mini MBA's marketing and brand courses. Recruitment Advertising grew 5% with a strong performance in H1, partially offset by slowing demand in H2.

Conversely, it was a difficult year for Marketing Services and Marketing Solutions which saw year-on-year declines in revenue of 14% and 29% respectively, resulting from lower recurring revenues and new business generation. Events

¹ Net cash is the total of cash and cash equivalents and short-term deposits

revenue was at a similar level to 2021 but was mainly driven by delegates and sponsorship revenues from the in-person Festival of Marketing compared to virtual events in the previous year.

Xeim posted an Adjusted EBITDA of £8.5m for the year, an increase of 29% from £6.6m in 2021 (see page 21). This was driven by a combination of increased revenue and a decrease in costs.

Xeim contains three of the Group's Flagship 4 brands – Econsultancy, Influencer Intelligence and MW Mini MBA.

After facing difficulties posed by the pandemic in previous years, Econsultancy has continued its momentum from 2021 and has grown both its Premium Content and Training and Advisory revenue streams in 2022. Including an offset from a reduction in Events and Marketing Solutions revenue, total Econsultancy revenue has increased by 8%.

Premium Content revenue benefitted from our continued investment in Econsultancy's blended multi-touch learning strategy resulting in an improved subscription renewal rate of 82% (2021: 70%). Econsultancy's Training and Advisory revenue had an excellent year with 38% growth on 2021, continuing to win large

digital training and consultancy contracts with blue chip international companies.

Influencer Intelligence revenue increased 13% in the year, following the post-Covid recovery of the retail and fashion industries. Renewal rates improved significantly from Q2 2021 and continued throughout 2022, with the annual renewal rate of 90% in 2022 at the highest rate seen over the past five years. The success of renewals was partially offset by muted performance in winning new business during the year.

The MW Mini MBA's strong growth in recent years has slowed with delegate numbers on the main courses up only 1% year-on-year, but revenue on those courses up 11% driven by a 10% yield increase. MW Mini MBA retains an excellent Net Promoter Score of +74 and strong loyalty from recurring corporate customers.

Of our core Xeim brands, Fashion Monitor showed growth due to strong renewals up to 92% from 73% in the prior year, while Really B2B and Festival of Marketing both saw revenue fall by approximately 15%. Really B2B struggled with lack of new business contracts to drive renewal and upsell. Festival of Marketing fell short of delegate and sponsorship revenues for its March event, but held a successful and fully booked festival in October.

The Lawyer

Overall revenues for The Lawyer grew by 19%. Premium Content revenue showed strong growth of 22% primarily from TheLawyer.com corporate subscriptions performance with an impressive renewal rate of 116%, supported by Signal with a further year of significant new business and a notable first year of renewals at a 102% renewal rate. Events also had a particularly strong year with the first in-person The Lawyer Awards since 2019. The Lawyer retains a 90% penetration of the top 100 law firms demonstrating the value delivered to our customers.

This performance was partially offset with downsides in Marketing Solutions and Recruitment Advertising reducing 33% and 15% respectively.

This led to a rise in Adjusted EBITDA from £2.7m in 2021 to £3.1m in 2022 at a margin of 37% (see page 21). The underlying business is performing strongly with resilient renewal rates and continued engagement by users indicating how important The Lawyer is to leading law firms and their fee earners.



Performance

FINANCIAL REVIEW CONTINUED

Measurement and non-statutory adjustments

The statutory results of the Group are presented in accordance with UK-adopted International Accounting Standards (IFRS). The Group also uses alternative reporting and other non-GAAP measures as explained below and as defined in the table at the end of this section.

Adjusting items

Adjusted results are not intended to replace statutory results but are prepared to provide a better comparison of the Group's core business performance by removing the impact of certain items from the statutory results. The Directors believe that adjusted results and Adjusted earnings per share are the most appropriate way to measure the Group's operational performance because they are comparable to the prior year and consequently review the results of the Group on an adjusted basis internally.

Statutory operating profit for the year reconciles to adjusted operating profit and Adjusted EBITDA as follows:

	Note	2022 £m	2021 £m
Statutory operating profit		3.9	1.6
Adjusting items:			
Exceptional costs	4	0.1	–
Amortisation of acquired intangible assets	10	0.5	1.1
Share-based payments	22	0.8	0.5
		1.4	1.6
Adjusted operating profit		5.3	3.2
Depreciation, amortisation and impairment	3	3.2	3.2
Adjusted EBITDA		8.5	6.4
Adjusted EBITDA margin		20%	16%

Adjusting items of £1.4m in the year (2021: £1.6m) are comprised as follows:

Adjusting item	Description
Exceptional costs	Exceptional costs of £0.1m (2021: £nil) relate to the office lease termination fee less the gain on remeasurement of the office lease.
Amortisation of acquired intangible assets	Amortisation of acquired intangible assets of £0.5m (2021: £1.1m) has fallen as certain assets have become fully amortised.
Share-based payments	Share-based payments of £0.8m have increased in the year due to an additional year of LTIP issuance to members of the Centaur Strategy Group (2021: £0.5m).

Segment profit

Segmental profit is reported to improve clarity around performance and consists of the gross contribution for the Xeim and The Lawyer Business Units less specific overheads and allocations of the central support teams and overheads that are directly related to each Business Unit. Any costs not attributable to either Xeim or The Lawyer, remain as part of central costs.

The table below shows the statutory revenue, which is the same as the underlying revenue, for each Business Unit:

	Xeim 2022 £m	The Lawyer 2022 £m	Total 2022 £m	Xeim 2021 £m	The Lawyer 2021 £m	Total 2021 £m
Revenue						
Premium Content	10.0	4.7	14.7	9.0	3.9	12.9
Training and Advisory	14.4	–	14.4	12.6	–	12.6
Marketing Services	2.9	–	2.9	3.3	–	3.3
Events	2.7	2.0	4.7	2.7	1.1	3.8
Marketing Solutions	2.9	0.6	3.5	4.2	0.8	5.0
Recruitment Advertising	0.4	1.0	1.4	0.3	1.2	1.5
Total statutory revenue	33.3	8.3	41.6	32.1	7.0	39.1
Revenue growth	4%	19%	6%			

The table below reconciles the Adjusted operating profit/(loss) for each segment to the Adjusted EBITDA:

	Xeim 2022 £m	The Lawyer 2022 £m	Central 2022 £m	Total 2022 £m	Adjusted 2022 £m	Adjusted 2021 £m	Adjusted 2021 £m	Total 2021 £m
Revenue	33.3	8.3	—	41.6	32.1	7.0	—	39.1
Adjusted operating costs	(27.1)	(5.8)	(3.4)	(36.3)	(27.6)	(4.9)	(3.4)	(35.9)
Adjusted operating profit/(loss)	6.2	2.5	(3.4)	5.3	4.5	2.1	(3.4)	3.2
<i>Adjusted operating margin</i>	19%	30%		13%	14%	30%		8%
Depreciation, amortisation and impairment	2.3	0.6	0.3	3.2	2.1	0.6	0.5	3.2
Adjusted EBITDA	8.5	3.1	(3.1)	8.5	6.6	2.7	(2.9)	6.4
<i>Adjusted EBITDA margin</i>	26%	37%		20%	21%	39%		16%

Net finance costs

Net finance costs were £0.1m (2021: £0.3m). The Group held positive cash balances throughout the year and therefore, in both 2022 and 2021, finance costs mainly relate to the commitment fee payable for the revolving credit facility as well as interest on lease payments for right-of-use assets. In 2022 this was offset by interest income of £0.1m.

Taxation

A tax charge of £1.0m (2021: credit of £0.1m) has been recognised for the year. The Adjusted tax charge was £1.3m (2021: charge of £0.1m). The Company's profits were taxed in the UK at a rate of 19.0% (2021: 19.0%), but the resulting tax charge is at an effective tax rate of 26% due mainly to the utilisation of tax losses for which the deferred tax asset had been recognised at a rate of 25%, being the future rate of tax in the UK from April 2023. See note 7 for a reconciliation between the statutory reported tax charge and the Adjusted tax charge.

Earnings/loss per share

The Group has delivered Adjusted diluted earnings per share for the year of 2.6 pence (2021: 1.9 pence). Diluted earnings per share for the year were 1.8 pence (2021: earnings of 0.9 pence). Full details of the earnings per share calculations can be found in note 8 to the financial statements.

Dividends

Under the Group's dividend policy, Centaur targets a pay-out ratio of 40% of Adjusted retained earnings, subject to a minimum dividend of 1.0 pence per share per annum.

Therefore, the Group has proposed a final dividend of 0.6 pence per ordinary share in respect of 2022. This brings the total ordinary dividends relating to 2022 to 1.1 pence (2021: 1.0 pence) per ordinary share and is the first time, since the dividend policy was initiated, that we have paid above the 1.0 pence per share minimum due to the increasing profitability of the Group.

Given the continued robust performance of the Group in 2022 and the resulting year end cash balance of £16.0m, the Group announced in January 2023, and paid in February, a special dividend of 3.0 pence per share, equivalent to £4.3m. Looking forward and taking into account the cash needs of the Group, the Board has taken the decision to announce a second special dividend of 2.0 pence per share, equivalent to £2.9m, to be paid in March 2023 in order to return further cash to shareholders.

The final ordinary dividend is subject to shareholder approval at the Annual General Meeting and, if approved, will be paid on 26 May 2023 to all ordinary shareholders on the register at the close of business on 12 May 2023.

Performance

FINANCIAL REVIEW CONTINUED

Cash flow

	2022 £m	2021 £m
Adjusted operating profit	5.3	3.2
Depreciation, amortisation and impairment	3.2	3.2
Movement in working capital	(0.1)	3.1
Adjusted operating cash flow	8.4	9.5
Capital expenditure	(1.4)	(0.8)
Cash impact of adjusting items	(0.2)	–
Taxation	–	–
Repayment of lease obligations and net interest paid	(1.9)	(2.2)
Free cash flow	4.9	6.5
Purchase of own shares	(0.6)	(0.3)
Dividends paid to Company's shareholders	(1.4)	(1.4)
Increase in net cash¹	2.9	4.8
Opening net cash ¹	13.1	8.3
Closing net cash¹	16.0	13.1
Cash conversion	99%	164%

¹ Net cash is the total of cash and cash equivalents and short-term deposits.

Adjusted operating cash flow is not a measure defined by IFRS. Centaur defines Adjusted operating cash flow as cash flow from operations excluding the impact of adjusting items. The Directors use this measure to assess the performance of the Group as it excludes volatile items not related to the core trading of the Group and includes the Group's management of capital expenditure. A reconciliation between cash flow from operations and Adjusted operating cash flow is shown in note 1(b) to the financial statements.

The cash conversion of 99% (2021: 164%) has been adjusted to exclude these one-off items. The cash conversion in 2022 has returned to a more normal level after the high conversion rate in 2021 resulting from positive working capital movements relating to increased bonuses and MW Mini MBA costs in 2021, both paid after the end of the year. Conversely 2022 cash conversion is impacted by lower bonuses but maintained close to 100% by an increase in deferred revenue from subscriptions.

MAP23

In January 2021 the Group announced its MAP23 strategy under which it will raise Adjusted EBITDA margins to 23% by 2023, while increasing revenues to £45m. The increase in revenue of 6% and Adjusted EBITDA margin from 12% in 2020 to 16% in 2021 to 20% in 2022 demonstrates clear progress towards these objectives. With current uncertainty over the economic environment going into 2023, the achievement of our MAP23 objectives will be demanding and will require an unwavering focus on our customer's needs and control over our costs, particularly given inflationary pressures. Further details of MAP23 can be found in the Strategy section on page 6.

The Group has made an encouraging start to 2023 and trading is in line with our expectations. We are expecting elongated sales contracting processes with our customers and pressure on our costs due to the wider economic situation in the UK and internationally. We will address this through a deep focus on our customer

needs, structured pricing increases, robust negotiation with our suppliers to tighten control of our cost base and variable remuneration structures for our senior management team. We will also continue our work on the climate and social aspects of our ESG agenda as set out in our ESG report.

Financing and bank covenants

On 16 March 2021 the Group signed a revolving credit facility with NatWest which allows the Group to borrow up to £10m and has a three-year duration with the option of two further one-year periods. On 5 December 2022, management exercised the option to extend for one further one-year period. The Group has not drawn down any borrowings under the facility.



Balance sheet

	2022 £m	2021 £m
Goodwill and other intangible assets	43.8	44.2
Property, plant and equipment	0.4	2.5
Deferred taxation	1.6	2.4
Deferred income	(8.9)	(7.8)
Other current assets and liabilities	(4.1)	(7.1)
Non-current assets and liabilities	–	(0.2)
Net assets before cash	32.8	34.0
Net cash ¹	16.0	13.1
Net assets	48.8	47.1

¹ Net cash is the total of cash and cash equivalents and short-term deposits.

Goodwill and other intangibles have decreased by £0.5m as a result of the amortisation of intangible assets. Property, plant and equipment has fallen by £2.1m predominantly due to the cessation of the property lease meaning the right-of-use asset has been disposed of. A right-of-use asset for the new lease will be recognised on 1 January 2023, and is included in capital commitments at 31 December 2022, see note 27. Deferred income has increased by £1.0m mainly as a result of advance billings on subscriptions. Other net current assets and liabilities have increased by £3.0m due to a lower bonus accrual and a reduction of £1.9m in lease liabilities, offset by a reduction in trade receivables.

Going concern

After due consideration, as required under IAS 1 Presentation of Financial Statements, of the Group's forecasts for at least twelve months from the date of this report and the effectiveness of risk management processes, the Directors have concluded that it is appropriate to continue to adopt the going concern basis in the preparation of the consolidated financial statements for the year ended 31 December 2022. As detailed under the Risk Management section, the Directors have assessed the viability of the Group over a three-year period to March 2026 and the Directors have a reasonable expectation that the Company will be able to continue in

operation and meet its liabilities as they fall due over that period.

Conclusion

Centaur is continuing to grow organically despite the macro-economic uncertainties and year on year is increasing the profit margin achieved. Together with the strength of our balance sheet, Centaur is in a good position to press on towards its ambitious MAP23 goals and longer-term vision.

Simon Longfield
Chief Financial Officer

14 March 2023

Alternative performance measures

Measure	Definition
Adjusted EBITDA	Adjusted operating profit before depreciation and impairment of tangible assets and amortisation and impairment of intangible assets other than those acquired through a business combination.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of revenue.
Adjusted EPS	EPS calculated using Adjusted profit for the period.
Adjusting items	Items as set out in the statement of consolidated income and notes 1(b) and 4 of the financial statements including exceptional items, amortisation of acquired intangible assets, profit/(loss) on disposal of assets, share-based payment expense, volatile items predominantly relating to investment activities and other separately reported items.
Adjusted operating costs	Net operating costs excluding Adjusting items.
Adjusted operating profit	Operating profit excluding Adjusting items.
Adjusted profit before tax	Profit before tax excluding Adjusting items.
Adjusted retained earnings	Tax charge excluding the tax charge on Adjusted items.
Adjusted tax charge	Profit for the year excluding Adjusting items.
Cash conversion	Adjusted operating cash flow (excluding any one-off significant cash flows) / Adjusted EBITDA.
Exceptional items	Items where the nature of the item, or its magnitude, is material and likely to be non-recurring in nature as shown in note 4.
Free cash flow	Increase/decrease in cash for the year before the impact of debt, acquisitions, disposals, dividends and share repurchases.
Net cash	The total of cash and cash equivalents and short-term deposits.
Segment profit	Adjusted operating profit of a segment after allocation of central support teams and overheads that are directly related to each segment or business unit.
Underlying revenue	Statutory revenue adjusted to exclude the impact of revenue arising from acquired businesses, disposed businesses that do not meet the definition of discontinued operations per IFRS 5, and closed business lines ("excluded revenue").

Section 172 Statement

Centaur's success is built on the strength of our stakeholder relationships. The Board prioritises frequent and open engagement with all our stakeholders and their views, values and suggestions are at the heart of our decision-making process. In 2022, these interactions were a key input to our strategic choices in the context of the macro-economic situation. Taking into consideration the factors set out in Section 172(1)(a) to (f) of the Companies Act 2006, the table below outlines who our key stakeholders are and how we interact with them when making key decisions for the long-term benefit of the Group. This should be read in conjunction with our ESG report on pages 29 to 39.

Stakeholder Group	How we engage?	Why we engage?	What matters to this Group?
Investors	<p>Formal documented investor roadshow meetings, post results presentations and market updates, as well as other ad hoc investor meetings.</p> <p>Paid-for research, including video interviews, available to all investors via our website and distributed via press releases and email.</p> <p>Annual General Meeting.</p> <p>Consultation prior, during and post strategic decision making or execution.</p>	<p>Our investors are integral to monitoring and safeguarding the governance of the Group and increasing shareholder value is one of our major focus areas.</p> <p>We work to ensure that our investors and their representatives have a good understanding of, and are supportive of, our strategy, business model, opportunity, culture and approach to ESG.</p>	<p>Strategy and business model</p> <p>Long term share value growth and a sustainable dividend policy</p> <p>Financial stability and clear communication</p> <p>An engaged and proactive Board who take investors' views into account in decision making</p> <p>ESG performance</p>
Customers	<p>Every day we interact with a wide variety of existing and potential customers through marketing and sales processes and from face-to-face interaction at events. This is with a view to understanding customer requirements/ feedback, to manage their expectations and to generate long term profitable revenue.</p>	<p>Our purpose is to advise, inform and connect our customers to help them achieve their goals. To ensure our customers are satisfied with our offering and continue to provide repeatable and recurring revenues, it is vital that we obtain feedback to understand their requirements and adapt our offering to their needs.</p>	<p>The customer experience and overall customer satisfaction</p> <p>A provider that listens and adapts products to their needs</p> <p>Innovative products which deliver enhanced value</p>



Section 172 Statement

CONTINUED

Stakeholder Group	How we engage?	Why we engage?	What matters to this Group?
Employees	<p>DICE (Diversity, Inclusion, Culture and Engagement) was established in 2019 so that all employees have a voice, and their views are considered. (More detail of the work undertaken by DICE in 2022 is provided in the ESG report.)</p> <p>Monthly Executive Committee meetings, monthly senior leadership meetings and regular team meetings held virtually and in-person.</p> <p>Xeim and The Lawyer hold Town Halls to which all Centaur employees are invited. Hybrid companywide Town Hall sessions every two months to update employees on business and people issues, celebrate success through the Heroes initiative and an open Q&A session.</p> <p>CEO breakfasts have continued leading to the formation of six Kaizen working groups to improve key processes affecting employees.</p> <p>A weekly online sense check questionnaire "Engage" measures employees' motivation and levels of engagement providing line managers with quarterly Engage scores to facilitate action plans to support team members.</p> <p>There have been several ad hoc surveys in 2022 related to working from home, equipment and return to the office. An annual employment survey has also been sent out by DICE.</p> <p>Annual appraisals and increased focus on ensuring that all employees had objectives set at the beginning of 2022.</p> <p>We held a successful Wellness Week with a range of sessions focusing on sleep, nutrition, financial wellbeing, mental resilience and midlife matters culminating in a companywide well-being day.</p>	<p>Our diverse workforce of 284 employees (at 31 December 2022) is our most important asset and our success depends on their commitment and job fulfilment. It is vital to ensure that we take their needs into account in our strategic decision making.</p> <p>To ensure that communication is clear and understood throughout the Company, so all employees understand the purpose and objectives of Centaur.</p> <p>The Company is working hard to drive its status as a destination employer by creating the right environment and culture.</p>	<p>Opportunities for career development and progression</p> <p>Agile working patterns</p> <p>Adoption of a hybrid working model with employees typically attending the office two days per week. Senior leaders have been upskilled on leading hybrid teams and Brand days have been introduced to maximise the impact of days in the office.</p> <p>An interactive and motivating office experience to be achieved through our new smaller office footprint from the start of 2023</p> <p>An understanding management team who listens to employees and are considerate of their views and values</p> <p>Opportunity to share ideas and make a difference</p> <p>Diversity and inclusion</p> <p>Centaur's ESG commitments</p>

Stakeholder Group	How we engage?	Why we engage?	What matters to this Group?
Strategic suppliers	The Company has meetings with suppliers as appropriate, together with negotiations on the terms and conditions of supply.	Strategic suppliers underpin several key business operations. Strategic decisions consider the impact on these suppliers, in terms of capability, scale, value for money and risk.	<p>To ensure that the Company can comply with agreed terms and conditions</p> <p>The values of our suppliers and their high standards of business conduct</p> <p>Innovation and product development</p>
Community	The Company supports local communities and charitable organisations through direct fundraising and donations. During 2022, the Company supported The Trussell Trust and Shooting Stars Children's Hospices as its nominated charities. A total of £5,000 was raised (2021: £14,400) of which the Company contributed £2,550 (2021: £14,400).	To be a good corporate citizen and give back to the communities and charities that are important to our employees and to the Company.	Inclusion of employee sentiment and what is important to them
Government and regulators	The Board's intention is to behave responsibly and comply with all applicable laws and regulations to ensure that the business operates with integrity, transparency and accountability, and acts with high standards and good governance.	In doing so, we believe we will achieve our long-term business strategy and develop our reputation further in our sector.	To ensure that the business operates in a legal and transparent manner, in compliance with the spirit of all applicable laws and regulations.

Stakeholder engagement case study

Stakeholder	Return to the office with hybrid working and reintroduction of in-person live events
Overview	<p>Following the pandemic the business considered the implications of returning to work in the office. Through consultation with employees via surveys and DICE as well as other organisations in similar and adjacent industries, a hybrid way of working was established with most employees coming back into the office two days per week. In order to maximise effectiveness and to enable collaboration within teams in the office, there is an emphasis on specific Brand days.</p> <p>Both the Xeim and The Lawyer business units responded to the desire of their customers to return to live event experiences with the reintroduction of in-person events including the Festival of Marketing and The Lawyer Awards.</p> <p>At the end of 2022 negotiations were completed for the business to move into a smaller office in the current building with a reduced number of desks to take account of hybrid working, reducing Centaur's operating costs and reducing its impact on the environment. The Board were fully supportive of the plan devised by the Executive Committee and it has been well received by employees as the smaller footprint has engendered a more lively and fun dynamic in the office.</p>
Investors	<p>Focus on future growth of Centaur through the innovation and interaction of its employees.</p> <p>Increased revenues from delegates and sponsors attending in-person events.</p> <p>Cost savings by reducing office space.</p>
Customers	Reintroduction of in-person events to meet the networking and learning needs of our customers.
Employees	<p>Provision of suitable office equipment to safely work from home and encouragement of employees to adopt hybrid working to benefit from experience in the office.</p> <p>Continuous online training – mandatory, working practices and skills.</p> <p>Maintained high level of staff communications and mental health support.</p> <p>Introduction of Kaizen to involve all employees to continuously improve operations and processes.</p>
Strategic suppliers	<p>Ensured that all suppliers were paid on time.</p> <p>Negotiated mutually beneficial contractual terms with regular suppliers for events.</p>
Communities	<p>Charity fund raising through office-based activities.</p> <p>Donations to local foodbanks.</p>
Government and regulators	Complied with all government regulation regarding guidance on homeworking.

Environmental, Social and Governance

Environmental

Climate

Centaur recognises the need for continued focus on reducing its environmental impact, as well as the importance of improved reporting of climate-related information to its shareholders, customers and other key stakeholders. As a provider of business-to-business (B2B) intelligence, online learning and specialist consultancy, Centaur's exposure to climate-related issues is less than that of businesses operating in many other sectors. The business is people-orientated, has limited physical assets and its products and services are predominantly digital in nature. However, our climate materiality assessment demonstrates that this does not mean that the business is immune from the effects of climate change, including the environmental impact on activities such as in person events.

Centaur is committed to running a long-term sustainable and environmentally responsible business.

Centaur's response to the recommendations of the Task Force on Climate-related Disclosures ('TCFD')

Over the last year Centaur has made significant progress in reporting against the recommendations of the TCFD across the four thematic areas of governance, strategy, risk management and metrics and targets. Key highlights are as follows:

- **Governance** – We have established a Climate Steering Committee to support development of Centaur's climate strategy and full alignment with the TCFD recommendations.
- **Strategy** – We have conducted a thorough review of our climate-related transitional and physical risks and, for the first time, undertaken a scenario analysis of such risks.
- **Risk management** – We have strengthened our processes for identifying, assessing and mitigating climate-related risks and we now include climate-related risks in our risk register.

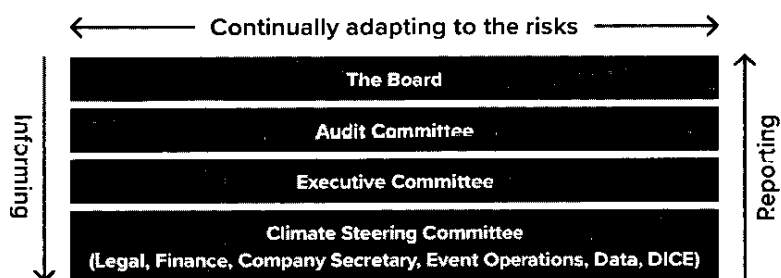
- **Metrics and Targets** – We have further developed our understanding of our Scope 1 and 2 emissions and, for the first time, analysed and calculated our Scope 3 emissions.

In 2022, Centaur has complied with the requirements of LR 9.8.6R by making climate-related financial disclosures

consistent with all TCFD recommendations except for the financial component of the second recommended disclosure of Strategy and the third recommended disclosure of Metrics and Targets. Centaur is committed to working towards full disclosure against both recommendations, as described more fully below.

Governance

Centaur's Climate Governance Structure



- **Describe the Board's oversight of climate-related risks and opportunities**

The Board, together with the Executive Committee, has overall responsibility and accountability for climate-related risks and opportunities impacting the Group. Through the Audit Committee and the Risk Management approach (see page 40), the Board has oversight of the climate-related risks to the business and is responsible for the mitigations in place for managing these. The Board also has oversight of Centaur's Environmental and CSR Policy and, through its Non-Executive Director sponsor, Carol Hosey, the environmental initiatives organised by Centaur's employee engagement committee, DICE.

Centaur benefits from the climate-related knowledge and experience of its Directors particularly through their directorships of other listed companies which have TCFD obligations namely, Colin Jones, William Eccleshare and Leslie-Ann Reed (see their biographies on pages 46 to 47).

In 2023, the Board commits to considering climate-related matters at least once annually, either as a standalone agenda item or under the umbrella of ESG, and

attending at least one climate-related webinar to further build upon its knowledge of climate-related issues. Further, Centaur will explore the possibility of delivering some focused climate-related risk training to the Board. The Board also plans to consider climate with regards to Centaur's strategic plans and budgets and will keep under review the development of climate key performance indicators.

From 2023, a proportion of the remuneration of the Executive Directors and Executive Committee is dependent on climate-related matters through the personal objectives element of their annual bonuses that are equivalent to 20% of their total bonus opportunity. One of their four personal objectives is the implementation and integration of climate-related governance, strategy, risk management and metrics and targets into the Group's business operations and is equivalent to 5% of their bonus opportunity.

Environmental, Social and Governance

CONTINUED

- **Describe management's role in assessing and managing climate-related risks and opportunities**

Centaur has a clear structure for the assessment and management of climate-related risks, as shown in the organogram above. The Board has delegated the day-to-day operational management of climate-related risks and opportunities to the Executive Committee. Centaur has established a Climate Steering Committee which reports to the Executive Committee, oversees sustainability initiatives and makes recommendations regarding the strategic management of Centaur's climate risks and opportunities. The Committee is chaired by the Head of Legal and has representation and input from key internal functions, as detailed in the organogram above, as well as members of Centaur's employee engagement committee, DICE. In 2022, the Executive Committee provided insights into a climate materiality assessment undertaken in order to further understand the risks and opportunities that climate change poses for the business, as described more fully below. Further, as part of the Group's measures to strengthen the identification and assessment of such risks and opportunities, climate change considerations are being embedded into

Centaur's business-as-usual processes. This includes, but is not limited to, the assessment of weather-related events that may impact our employees and clients and their ability in particular to attend Centaur's in-person events, face-to-face training and award ceremonies, to ensure related risks are considered and mitigation measures are understood and implemented where appropriate.

Strategy

- **Describe the climate-related risks and opportunities the organisation has identified over the short (S), medium (M) and long term (L)**
- **Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning**

In 2022, with the support of sustainability consultancy Anthesis Group, Centaur undertook a climate materiality assessment which involved a climate screening exercise with members of management and key stakeholders to identify and assess which physical and transitional risks may impact Centaur's performance. The exercise considered the nature of such

impacts and the likelihood of these risks arising across short (2030), medium (2040) and long-term (2050) time horizons. Risks and opportunities were ranked from low to high priority with the top six risks, as set out in the table below, taken forward for pilot scenario analysis to better understand Centaur's resilience across differing future world scenarios.

Centaur plans to identify climate-related opportunities which allow the Group to support the transition to a net zero economy including, for example:

- continuing to focus on its digital strategy, in recognition of the role that digital technologies can play in helping to mitigate climate change;
- reviewing key suppliers for major in-person events and awards ceremonies with a view to ensuring that they align with Centaur's sustainability considerations; and
- exploring how to use these events and our content as platforms to raise awareness of and promote the importance of reducing carbon emissions and the impact of climate change.

Risk type and timeframe	Description of climate-related risks and opportunities, together with Centaur's mitigations of and resilience to any such risks
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Transitional risks

Reputation

Timeframe:



Reputational damage from not 'walking the talk' or supporting the net zero agenda is recognised as a potential risk to the business. Misalignment to the global climate action agenda, not keeping up with stakeholder expectations and not having ambitious commitments within this area could harm the Group's reputation and therefore result in reduced demand from customers, investment from shareholders and availability of talent. Centaur's enhanced climate governance, including its newly established Climate Steering Committee which will drive overall direction, the setting of targets and mainstreaming of climate action across all policy domains, is expected to help to mitigate this risk.

Policy, law and regulation

Timeframe:



As the UK has mandated into law a strategy to decarbonise all sectors of the UK economy to meet its net zero target by 2050, an increase in law and regulation in this area is expected, particularly for publicly listed companies. New legal and regulatory requirements to improve transparency on climate-related matters will require the Group to fully understand what must be done to avoid potential for sanctions by regulators. Not fully understanding or aligning with these requirements could result in reputational damage and/or additional costs. The climate materiality workshop undertaken by Centaur with Anthesis Group in 2022 has supported the business in understanding this risk and the requirements of the TCFD and the newly established Climate Steering Committee, together with Centaur's existing measures for identifying and addressing changes in policy, law and regulation, should help to mitigate this risk.

Technology

Timeframe:



With increasing pressures for businesses to reduce their carbon footprints, it is anticipated that certain sectors, including technology, will be required to change infrastructure to be less carbon intensive. Centaur could experience an increase in costs for elements such as data hosting, storage and employee travel for in-person training and events due to potential future carbon taxation. Centaur's Chief Technology Officer will help to mitigate against this risk by keeping Centaur's technology stack and its fitness for purpose in this regard under review. Opportunities do exist for the Group to align its services and solutions with less carbon intensive infrastructure to help address its customer's own climate goals and the wider technological systemic changes expected.

Physical risks

Flooding

Timeframe:



Flooding is deemed to be a risk to the business, albeit one that is more related to travelling to and from locations rather than materially affecting operations. Although flooding is anticipated to increase across the UK in future years, as Centaur does not own any buildings (its office is leased and data centres are owned by third parties), the exposure to physical damage to its assets is not material to the Group. Additionally, as a large proportion of the Group's business is digital with back-ups available on cloud-based storage, should a third-party supplier be impacted by flooding, there is a low risk of data being lost. Furthermore, our events represent a relatively low proportion of revenue, so if cancelled or postponed due to flooding, the impact on revenue would not be material.

Extreme heat

Timeframe:



The UK heatwave in 2022 heightened awareness of the risk of extreme heat and the impact on the productivity of staff. Centaur is a UK based business and many UK residential buildings do not have air-conditioning systems. When working from home, Centaur employees may face increasing challenges in working productively during heatwaves in the future. The business is somewhat resilient to this as an air-conditioned office is available for use by its employees. By contrast, the impact of extreme heat on the wider transport infrastructure is outside Centaur's control, however, by monitoring weather updates from the MET office, Centaur can ensure that sufficient mitigation measures are in place to safeguard employee health, safety and wellbeing.

Storms

Timeframe:



Evidence suggests storms are becoming increasingly powerful, with higher winds and more intense rainfall, as global air and sea temperatures rise. As a digital business, the impact of increased storms (both frequency and intensity) may result in power outages and the inability for the Group to operate efficiently is recognised as a risk. The impact of this on Centaur's in-person training, consultancy and the hosting of events is also recognised as a risk to the business. This risk can be mitigated through flexible work locations for staff, use of cloud-based storage (so that work is backed up in the cloud should Centaur or its employees face power outages) and the ability to convert face-to-face services to a digital format.

Environmental, Social and Governance

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Following the results of the climate materiality assessment, the Group considered actual and potential climate-related risks and opportunities in its financial planning through assessing their impacts on the viability of the business, the potential impairment of value of business assets and the potential for contingent liabilities to arise.

Separately, as described more fully in 'Risk Management' below, Centaur has undertaken an assessment of the materiality of such transitional and physical risks, including scoring each risk both in terms of the likelihood of a risk's occurrence and its potential impact on the business and considering where it ranks in relation to other material risks. As a result of these exercises, Centaur has concluded that, at present, the transitional and physical risks identified are expected to have an immaterial financial impact on Centaur's three-year strategy and financial planning cycle. Further, Centaur's investment in new digital products and its operations are not currently expected to impact significantly on its business or alter its risk profile.

We do not currently fully disclose the impacts of climate-related issues on financial planning beyond Centaur's three-year financial planning cycle due to transitional challenges including data and system limitations. Centaur will therefore consider the materiality and impacts of its climate-related risks, particularly in respect of future strategic and financial planning cycles on an ongoing basis to ensure that any increase in materiality is identified and

appropriate action can be taken to mitigate against increased risk. For information on the potential longer-term impacts of the climate-related risks, please see the scenario analysis discussion below.

- **Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario**

In line with the TCFD, Centaur has undertaken a climate-related scenario analysis including qualitative scenario analysis considering three climate scenarios and three-time horizons. Climate scenarios used include a Paris-aligned 1.5°C scenario ('Net Zero 2050'), a <2°C scenario ('Delayed Transition'), and a 3°C scenario ('Current Policies'). The analysis includes data from the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS). The key findings from Centaur's scenario analysis are below, and we intend to further refine and develop our climate modelling and scenario analysis capabilities to quantify climate risk in future.

- Transitional risks pose a relatively higher risk than physical risks, however overall the risks are not deemed to be financially material;
- The level of risk to Centaur is greatest under the 'Delayed Transition' and 'Current Policies' scenarios, with the level of risk increasing over the medium and longer terms (2040 and 2050);

- Aside from under a worst case 'Current Policies' scenario which would see an increase in unmitigated and unpredictable climate events with increasing frequency and severity, Centaur is generally resilient to the physical risks associated with climate change;
- Flooding is considered to be the greatest risk in future scenarios (particularly the 'Delayed Transition' and 'Current Policies' scenarios), as this risk has the greatest percentage change across time horizons;
- Transition risk, and in particular policy and legal risk, is greatest under the 'Delayed Transition' pathway due to the likelihood of tough but sudden national policies being put in place to reduce emissions; and
- Under all scenarios, consideration of the climate via Centaur's products, services and actions to support the net zero transition represents an opportunity for the company to differentiate itself from its peers by positioning itself as a climate conscious organisation and supporting a reduction in reputational risks.

Scenario	Net Zero 2050 (or 'Paris-aligned')	Delayed Transition (or 'disorderly transition')	Current Policies (or 'hot house world')
Description	This scenario limits global warming to 1.5 °C through ambitious climate policies which are introduced immediately and innovation, reaching net zero CO ₂ emissions around 2050, giving at least a 50 % chance of limiting global warming to below 1.5 °C by 2100, with no or little overshoot (< 0.1 °C) of 1.5 °C in earlier years. Transition risks are likely to be driven by higher emissions costs and changes in business and consumer preferences. The level of physical risk is anticipated to be relatively low.	The scenario assumes global annual emissions do not decrease until 2030 and policies are not introduced until 2030 (or later) and in a more rapid and disruptive manner. Technology change is anticipated to be slow for the first decade with a rapid increase in change and innovation anticipated from 2030 onwards; pushing carbon prices higher than in the Net Zero 2050 scenario. As a result, emissions may exceed the carbon budget temporarily in the 2020's and decline rapidly after 2030 resulting in a 67 % chance of limiting global warming to below 2 °C. This scenario could result in both higher transition and physical risks than the Net Zero scenario.	This scenario assumes that only currently implemented policies are preserved, leading to higher physical risks and lower transition risks than in the other scenarios. This means that policies in place at present are not anticipated to increase in ambition and the level of action taken to reduce emissions going forward is minimal. Technologies are not fully developed by 2050 and emissions continue to rise until 2080 leading to circa 3 °C of warming and severe climate-related physical risks.
Future World	1.5°C warming	<2°C warming	>3°C warming
Time Horizons	2030 and 2050	2030 and 2050	2030 and 2050
Analysis for Centaur Media	The greatest climate-related risks for Centaur under this scenario are transitional, particularly those associated with policy and law and regulation and, to a lesser extent, technological shifts. Reputation is also assessed as a moderately low transition risk for Centaur in this scenario. Centaur is mostly resilient to the physical risks associated with climate change in this scenario as the business does not have significant physical assets such as warehouses, multiple offices, or complex supply chains. The risk is low (or moderately low) across all of the assessed physical risks across all time horizons due to the digital-based nature of the business and the ability to back-up work via cloud-storage, or flexibly work from home or the office in London.	In a delayed transition, Centaur is relatively more vulnerable to reputational risks, ranked as highest overall. Technology and policy and legal risks both represent low risks to the business in 2030 but quickly progress to a moderately high risk by 2050 due to the expected introduction of strong policies needed post-2030 to limit warming to below 2°C. Centaur is somewhat more vulnerable to physical risks under this scenario than the Net-Zero 2050 scenario, but relatively resilient overall, namely against heatwaves and storms which present only a moderately low risk (again due to the flexible nature of working from home, the office and being a digital-based business). Flooding poses a moderate risk in 2050 due to the potential for flooding to damage wider infrastructure such as data centres and transport which could result in delays to Centaur's operations. Further analysis into the locations of data centres shall be considered for future strategic decision-making.	Centaur is most vulnerable to the physical risks under this scenario, as global efforts to mitigate climate change are largely insufficient. This is reflective of changes in the climate which will impact all businesses, not that Centaur itself is more vulnerable than other businesses also facing similar climate hazards. Flooding presents a moderate risk, and storms and heatwaves a moderately low to moderate risk due to the changes in climate and subsequent impacts. Reputation is the transitional risk that Centaur is least resilient to under this scenario based on its current management measures, however it has the potential to better integrate climate into its products and services to reduce this risk. Centaur is generally resilient to the other transitional risks as under this scenario little regulatory effort would be made to mitigate climate change, resulting in low risk for both policy and legal and technological shifts across all time horizons.

Environmental, Social and Governance

CONTINUED

Risk Management

- Describe the organisation's processes for identifying and assessing climate-related risks
- Describe the organisation's processes for managing climate-related risks
- Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

Centaur's processes for identifying, assessing and managing climate-related risk are integrated into its wider risk management processes, details of which are available at pages 40 to 43. As described there, Centaur's Board is ultimately responsible for articulating the Group's risk appetite and assessing principal risks and any associated mitigations and controls. The Executive Committee, Company Secretary and the Head of Legal are responsible for identifying and assessing risks, including climate-related risks, and reporting these to the Board through the Audit Committee. Risks are formally considered and analysed at least twice annually by the Executive Committee and then the Audit Committee, as described below.

Climate-related risks were incorporated into Centaur's risk register for the first time in 2022. The process for identifying and assessing the significance of Centaur's climate-related risks follows the same process employed to identify and determine the significance of all risks facing Centaur. The Executive Committee members review the risk register and, together, they consider whether any new risks relating to their departmental or operational areas have arisen which may require inclusion in the risk register. They then score each risk both in terms of the likelihood of a risk's occurrence and its potential impact on the business, and rank the risks in order of materiality based on their scores.

Mitigations for the risks and any resilience to such risks are then identified, and responsibility for ongoing monitoring and management of each risk is assigned to a member of the Executive Committee. A further consideration of the risks is then conducted by the Audit Committee, who review and validate or adjust as necessary the Executive Committee's conclusions. This process is repeated at least twice annually.

Although climate-related risks are not currently considered to be principal risks for the Group, they are recognised and monitored as potential contributors to a number of principal risks, such as inability to create a high growth performance

culture and attract and retain key talent, and inadequate regulatory compliance. From 2023, climate-related risks will be formally considered by the Executive Committee, as well as the Audit Committee, with reference to the Group's strategic aims and its operating environment at least twice annually as part of the Group's risk management processes.

Centaur recognises that it is not immune to the impacts that physical risks have on the business and it also recognises the potential regulatory and reputational risks associated with the transition to a low-carbon economy. Centaur actively monitors and manages its climate-related risks in order to mitigate their impact including as follows:

- the Group monitors weather-related events via reliable sources such as the MET Office so that it can identify and assess extreme weather events that may impact the business and, where necessary, communicate this to relevant stakeholders, such as our employees and / or event attendees (*mitigation of physical risks, such as flooding, storms and extreme heat*); and
- the Group's Legal, Co-Sec and Finance functions regularly review the regulatory landscape to identify any new policy, governance requirements or legislation relating to climate-change (*mitigation of reputation and policy and legal risks*).



Metrics and Targets

• Metrics used by Centaur to assess climate-related risks and opportunities in line with its strategy and risk management processes

Centaur has focused its key metrics towards the climate-related risks that will have the most impact on the Group in the shorter-term. These metrics include the following:

KPI	Description and risk mitigated
Training of Directors and key management	In relation to mitigation of both the reputational risk and the policy, law and regulation risk, Centaur collects information on both the type and quantum of training undertaken by all Directors, the Executive Committee and the Climate Steering Committee
Business travel	In order to monitor and control the emissions related to business travel and to understand and mitigate against both physical and technology risks, a record is kept of all significant business travel undertaken by employees and consultants that either includes air or international travel and/or hotel nights, and an estimation of the resulting emissions.
Employee office attendance	In order to monitor and understand the emissions related to employee commuting and to mitigate against physical risks, a record is kept on a monthly basis of all employees commuting into our London office. Linked with home location information, commuting emissions data can be calculated at a detailed level as well as understanding Centaur's office space requirements
Scope 1, 2 and 3 emissions	In order to monitor and control the emissions related to the past and future significant activities of the Group, the total of its Scope 1, 2 and 3 emissions and the related ratios of emissions per employee and per £m of revenue are calculated on an annual basis. This metric will also be used to estimate and inform future decisions such as those related to the budget and three-year strategy and financial plan. Knowledge and understanding of current emissions will also be used to inform management of the climate-related impact of new revenue streams, products and purchased services or supplies.
Carbon offset	In order to mitigate Centaur's reputational risk as well as support any future carbon targets, the Group will keep a record of the carbon offset initiatives that it undertakes and as a consequence an estimation of the emissions that are offset.

• Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks

Centaur's energy use and greenhouse gas (GHG) emissions have been assessed using Anthesis Group's RouteZero platform that forms an accurate and robust GHG inventory across Scopes 1, 2 and 3, aligned with the GHG Protocol: A Corporate Accounting and Reporting Standard (revised edition, 2015). Responsibility for emissions sources was determined using the operational control approach. All emissions sources required under the Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) Regulations 2016 are included. This estimate covers all Centaur's operations that are consolidated in the financial statements and the office leased by Centaur to conduct these operations. Data including employee commuting has been collected from Centaur's office based in London. Activity data was then converted to greenhouse gas estimates using the UK Government's GHG Conversion Factors for Company Reporting 2022.

Environmental, Social and Governance

CONTINUED

Centaur's emissions from Scope 1, 2 and 3 are set out below. Our reporting on energy use and GHG emissions is in line with the Streamlined Energy and Carbon Reporting ('SECR') legislation. The Scope 1 and 2 emissions from 2021 are shown as a baseline.

	31 December 2022 Tonnes of CO ₂ e	31 December 2021 Tonnes of CO ₂ e	31 December 2020 Tonnes of CO ₂ e	31 December 2022 Tonnes of CO ₂ e	31 December 2021 Tonnes of CO ₂ e	31 December 2020 Tonnes of CO ₂ e
Scope 1 – direct emissions ¹	–	–	–	–	–	–
Scope 2 – indirect emissions ¹	13	17	(24)	40	46	(13)
Total Scope 1 and 2 emissions	13	17	(24)	40	46	(13)
CO ₂ employee ratio Scope 1 and 2 (tonnes of CO ₂ per employee)	0.05	0.06	(17)	0.15	0.17	(12)
CO ₂ employee ratio Scope 1 and 2 (tonnes of CO ₂ per £m revenue)	0.31	0.43	(28)	0.96	1.18	(19)
Scope 3 – employee commuting ²	2,893	548	428	2,893	548	428
Scope 3 – other indirect emissions	2,288	2,045	12	2,298	2,056	12
Scope 3 – total	5,181	2,593	100	5,191	2,604	99
Total (all Scope 1, 2 and 3)	5,194	2,610	99	5,231	2,650	97
CO ₂ employee ratio Scope 1, 2 and 3 (tonnes of CO ₂ per employee)	19	10	90	19	10	90
CO ₂ employee ratio Scope 1, 2 and 3 (tonnes of CO ₂ per £m revenue)	125	67	87	126	68	85

¹ In the prior year, emissions from gas were reported under Scope 1. This classification has since been revised to Scope 2 to reflect that the gas is consumed via the office lease arrangement rather than the Group purchasing the gas directly.

² Emissions from employee commuting has been estimated using a distance-based method.

	31 December 2022	31 December 2021	31 December 2020
Total UK and global energy consumption (kWh)	697,478	684,790	2

Scope 3 emissions from employee commuting has increased in 2022 compared to 2021 due to a return to working from the office following COVID-19. Other Scope 3 emissions have increased due to the increase in operating activities in the year such as events, an increase in business travel and the increase year-on-year in the level of emissions related to capital purchases such as property, plant and equipment.

• Targets used by Centaur to manage climate-related risks and opportunities and performance against targets

Centaur does not currently employ targets to manage climate-related risks and opportunities and performance against targets due to transitional challenges, including lack of climate-related data and metrics and system limitations. Having now accurately measured and disclosed our Scope 1, 2 and 3 emissions for 2022 and reviewed the most material contributors to our carbon footprint, we intend to assess our ability to reduce these. We are currently considering how we can achieve a net zero target and over what timeframe. Now the business has identified and understands the potential impacts of climate change on the business, over the course of 2023, Centaur aims to increase the availability of climate-related metrics to support the Group in setting targets associated with managing potential climate-related risks and opportunities.

We are also reviewing opportunities to use high-quality carbon offsets to reach carbon neutrality. To help mitigate the impact of our GHG emissions, in 2021 DICE launched a scheme investing in a new carbon capture project to help mitigate the impact of our emissions through carbon offsetting, with the United Nations (Eastbourne) Mvule tri-species tree project in Uganda. Centaur's contribution to this project is estimated to capture up to 2,500 CO₂/t per annum over the first ten years, although lower offset levels are achieved in its initial years.

Energy efficiency actions

We continue to measure our carbon footprint by monitoring our energy usage and we are pleased to confirm that we are compliant with the EU Energy Efficiency Directive 'Energy Saving Opportunity Scheme' ('ESOS').

After analysis of the emissions data for 2021 and 2022, the key areas contributing to Centaur's emissions have been identified as:

- Scope 1 and 2 emissions relating to the London office space; and
- Scope 3 emissions from employee commuting and purchased goods and services.

Centaur has taken action to reduce its emissions in the following ways:

- relocation from 1 January 2023 to a smaller WeWork office space, which is expected to significantly reduce our Scope 1 and 2 emissions in 2023;
- continuation of hybrid working with most staff attending the office up to a maximum of two days a week to reduce commuting related emissions from historical levels before Covid. However, emissions from employee commuting are nonetheless expected to rise from 2022 to 2023 as the return to working from the office following Covid took place in February 2022 and the average number of employees in the office has increased over the course of the year;
- introduction of an electric vehicle scheme and continued support of the cycle to work scheme; and

- staff initiatives to encourage good environmental practices.

Further, in relation to Centaur's office space in WeWork, we are achieving an indirect reduction of our emissions from the environmental practices and targets that WeWork has set itself:

- Renewable electricity – based in one of WeWork's global locations that is sourced by 100% renewable electricity; and
- Sustainable, efficient operations – reducing energy and water use and reducing annual waste.

Social

Our people – communication

The Board recognises the importance of instilling Centaur's values in the culture of the Company and the necessity for high standards of business conduct across the breadth of the Group; it is integral to delivering on our strategy.

These values and standards are cascaded to the business by "walking the talk" led by the Executive Directors, through the Executive Committee and the senior leadership team, to all employees. This is done through regular all staff updates and Q&A sessions, Xeim and The Lawyer Town Hall meetings and other formal and informal methods of communication. During 2022, the Company commenced a Kaizen process which is a Japanese business philosophy that continuously improves operations and involves all employees. As part of this, the CEO has a rolling programme of breakfast meetings with all non-senior employees to listen to their ideas to improve the business.

Kaizen sees improvement in productivity as a gradual and methodical process.

Our people – talent development

Our people are our most important asset and are crucial to our success. Having the right people with the right skills at all levels in our organisation is critical to building a quality, sustainable business and delivering our strategy.

Our culture is characterised as customer focused, commercial, diverse, grounded and innovative with a "Can do, Will do, Now!" attitude. Accordingly, career development, communication and continuous quality improvement are a priority. The Kaizen programme is also an effective way to engage and develop the talents of our people.

The Company has also recognised that ESG is of high importance to young talent when making career choices and the Group's disclosure on these matters is therefore supportive of recruitment efforts.

Our people – training

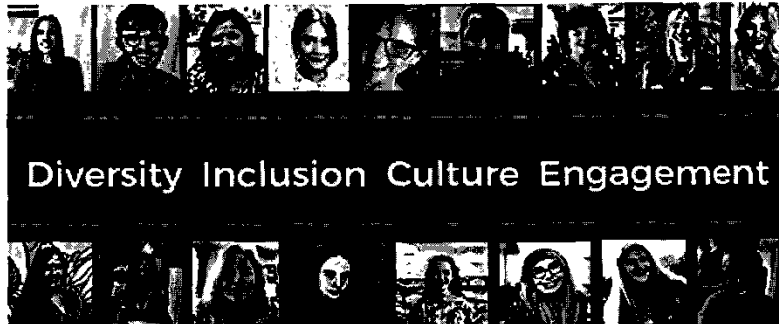
During the year there has been mandatory training for all staff on Security, GDPR and Anti-Bribery and Corruption along with coaching sessions, webinars on resilience, training for menopause champions and other individual role specific training sessions.

Further management training has taken place and all colleagues have been through Customer Services training which was developed internally. 27 colleagues have completed the MW Mini MBA in Marketing. Sessions related to diversity and inclusion were held for men and women – further detail below.



Environmental, Social and Governance

CONTINUED



DIVERSITY | INCLUSION | CULTURE | ENGAGEMENT

DICE (Diversity, Inclusion, Culture and Engagement) – Employee engagement in action

DICE was formed during 2019 with the purpose of building a more diverse, inclusive and engaged workforce through driving positive change. DICE comprises twelve employees from across the Group and is led by one of the CSG. DICE reports to the CEO and Carol Hosey is its Non-Executive Director sponsor. Her role is to ensure that employee sentiment is clearly communicated to the Board and that our gender, diversity and environmental ambitions are realised with actionable plans.

During 2022 DICE focused its efforts in five key areas, Diversity and Inclusion, Communications and Engagement, Social, Environment and Charity. It continues to play an integral and valuable role to support engagement with our workforce, ensuring that everyone at Centaur feels connected and helps to build our community and culture.

DICE is a key driver in Centaur's environmental and social policy and has devised workstreams to support the business in driving continued change in 2022. For instance, the Group has a whistleblowing policy in place enabling employees to report any concerns about improper practices, including relating to its environmental and social responsibility practices.

During 2022, key DICE initiatives included the following:

Diversity & Inclusivity

- Sessions on Midlife Matters for men and women and launch of Menopause Champions;

- Gender Diversity – publication of our Age Pledge; and
- Education around Black History Month and South Asian Heritage Month.

Communications and Engagement

- Weekly newsletter;
- Wellness Day – given to all staff in October 2022 which will be repeated in 2023;
- Feedback Forums – 1-to-1 and focus groups to better understand employee sentiment and achieve greater employee satisfaction; and
- Annual employee survey.

Social

- Two main social events in 2022, the first in April to "Welcome" everyone back following the return to working from the office earlier in the year and the second in September.

Charity

- Volunteer days with the Trussell Trust; and
- A number of fundraising events in the office including bake sales and a sale of unwanted gifts to encourage recycling.

Diversity

Centaur strongly encourages diversity across the Group and considers it an integral element of ensuring our success as a business. We profoundly believe that a workforce with diverse experiences and diverse ideas makes for a better business, and we are committed to recruiting and promoting the most talented people from the widest pool. To do this, we offer apprenticeships, internships, and work experience opportunities to young

people from all backgrounds and provide equal opportunities for all current and prospective employees.

The Group has an Inclusion, Diversity and Equality Policy which covers recruitment and selection, promotion, training and development, and standard contract terms for all staff. DICE has been instrumental in developing our Antiracism & Inclusivity and LGBTQ+ pledges and a Community Group forum exists and acts as a space of openness and inclusivity where employees can speak freely about issues regarding race.

As at 31 December 2022, two of our seven (29%) Board members are female, a decrease from 33% in 2021 following the appointment of Richard Staveley in the year in his role as an adviser to Centaur's largest shareholder. Two out of our six (33%) Executive Committee members (2021: 40%) are female following the promotion of Ian Baldwin as Centaur's CTO in the year. The Centaur Strategy Group, comprising the Executive Committee and a small group of senior leaders in the Company (in total 11 male and 7 female), have been involved in the development of a number of strategic projects during 2022.

As at 31 December 2022, 163 (57%) of our employees are female and 121 (43%) are male. We proudly support flexible working opportunities and over 10% of the workforce is employed on a part-time basis.

Gender pay

We carry out an annual analysis on Gender Pay. The report for 2022 can be found at www.centaurmedia.com/corporate-responsibility/inclusion-diversity. Our mean average Gender Pay Gap has reduced between 2021 and 2022 from 24.7% to 19.4%, although the median average Gender Pay Gap has increased slightly from 12.5% to 12.9%.

Other initiatives

During 2022, the Board continued initiatives to support our colleagues. These included:

- access to Unum "Lifeworks", an employee assistance programme providing counselling, support with Covid, managing finances, assistance with legal matters and mental health support services as well as giving access to virtual GP appointments free of charge;
- five mental health first-aiders were trained for all employees to confidentially engage with regarding any issues they may have. This was supplemented with a variety of webinars and initiatives to support those coping with change and uncertainty, building resilience and working from home effectively;
- access to NABS, which is a support organisation for the advertising and media industry;
- maternity buddies and menopause champions;
- recognising the cost-of-living challenges for approximately half of our employees who are lower paid by giving them a mid-year pay rise;
- promoting salary sacrifice for employees to plan financial efficiency on their pension contributions; and
- expert professional advice on financial education including money saving tips.

Having seen, first-hand, the benefits of these initiatives, as well as listening to employee feedback, the Board will be maintaining these practices going forward.

Health and safety

We are committed to the safety of our staff and, while the nature of the business and our WeWork serviced offices make the risk of work-based accidents relatively low, the Group takes its responsibilities for the health and safety of its employees seriously. We have a detailed health and safety policy outlining the responsibilities of our staff to ensure workplace safety and our Health and Safety Committee, which is responsible for overseeing the application of this Policy, meets every six months and reports directly to the Board.

In normal circumstances, our Office Manager is responsible for maintaining a safe environment for employees at our WeWork offices and an accident book is available to all staff in reception. We also periodically carry out internal health and safety reviews, taking follow up action to maintain standards where necessary and undertake staff training in relation to fire safety. To minimise risk to the health and safety of our employees in the event of a major disaster or emergency, our business continuity plan is regularly revised and tested.

During 2022, employees adopted a hybrid working model following on from the response to the Covid pandemic. However, our Health and Safety Committee continued to operate and we sent surveys to employees to ensure they had the right equipment to work safely and comfortably from their homes. Based on the responses, we supplied employees with the necessary furniture and IT equipment, to ensure they could work from home in a safe and healthy way.

Anti-slavery and human trafficking policy

We implemented the provisions of the UK Modern Slavery Act 2015 in 2016 and adopted an anti-slavery and human trafficking policy. Our Slavery and Human Trafficking Statement is published on our website in March each year.

Community

The Group supports local communities and charitable organisations through direct fundraising, donation and pro-bono work. In 2022 we made donations to The Trussell Trust, an organisation that aids a nationwide network food bank to provide emergency food and support to people locked in poverty (£2,500) and Shooting Star Children's Hospices (£2,500).

In 2023 the Group will continue to support Shooting Star Children's Hospices as well as Crisis. Both charities have been selected by colleagues through a selection process initiated by DICE.

In 2021, donations were made to Beat, an eating disorders charity (£1,400), The Calm Zone, a campaign against living miserably (£4,000 paid after the end of the year), Young Minds, who support young people's mental health (£4,000) and the Mvule Project for Carbon Capture in Uganda (£5,000).

The Group also offers each employee a paid day off to spend volunteering for a not-for-profit cause or charity of their choice. We also operate a Give-As-You-Earn scheme through the payroll and offer employees the option to undertake Volunteer Days.

Governance

Details on Governance are set out in the Corporate Governance Report starting on page 51.

Risk Management

Risk management approach

The Board has overall responsibility for the effectiveness of the Group's system of risk management and internal controls, and these are regularly monitored by the Audit Committee. Details of the activities of the Audit Committee in this financial year can be found in the Audit Committee Report on pages 55 to 57.

The Executive Committee, Company Secretary and the Head of Legal are responsible for identifying, managing and monitoring material and emerging risks in each area of the business and for regularly reviewing and updating the risk register, as well as reporting to the Audit Committee in relation to risks, mitigations and controls. As the Group operates principally from one office and with relatively flat management reporting lines, members of the Executive Committee are closely involved in day-to-day matters and are able to identify areas of increasing risk quickly and respond accordingly.

The responsibility for each risk identified is assigned to a member of the Executive Committee. The Audit Committee considers risk management and controls regularly and the Board formally considers risks to the Group's strategy and plans as well as the risk management process as part of its strategic review.

The risk register is the core element of the Group's risk management process. The register is maintained by the Company Secretary with input from the Executive Committee and the Head of Legal. The Executive Committee initially identifies the material risks and emerging risks facing the Group and then collectively assesses the severity of each risk (by ranking both the likelihood of its occurrence and its potential impact on the business) and the related mitigating controls.

As part of its risk management processes, the Board considers both strategic and operational risks, as well as its risk appetite in terms of the tolerance level it is willing

to accept in relation to each principal risk, which is recorded in the Company's risk register. This approach recognises that risk cannot always be eliminated at an acceptable cost and that there are some risks which the Board will, after due and careful consideration, choose to accept.

The Group's risk register, its method of preparation and the operation of the key controls in the Group's system of internal control are regularly reviewed and overseen by the Audit Committee with reference to the Group's strategic aims and its operating environment. The register is also reviewed and considered by the Board.

As part of the ongoing enhancement of the Group's risk monitoring activities, we reviewed and updated the procedures by which we evaluate principal risks and uncertainties during the year including the consideration of climate-related risks as described in the ESG report.

Principal risks

The Group's risk register currently includes operational and strategic risks. The principal risks faced by the Group in 2022, taken from the register, together with the potential effects and mitigating factors, are set out below. The Directors confirm that they have undertaken a robust assessment of the principal and emerging risks facing the Group. Financial risks are shown in note 25 to the financial statements.

Rank	Risk	Description of risk and impact	Risk mitigation/control procedure	Movement in risk
1	Sensitivity to UK/sector economic conditions.	<p>The world economy has been severely impacted by the Covid pandemic and the conflict in Ukraine. The UK is forecast to be in recession and the inflation rate is over 10%. The Group continues to have sensitivity to UK/sector volatility and economic conditions. The impact has been acute on some of Centaur's target market segments including the fashion, retail and entertainment sectors and is also having some impact on in-person events.</p> <p>The likelihood of ongoing volatility in 2023 is expected to be high including high inflation rates and there are varying views as to the timing and extent of any recovery.</p>	<p>We will mitigate the risk relating to our customers by adapting content to help them manage in the economic environment, focus on adding value to our subscription and eLearning products and improving user experience and customer service to protect renewal rates and new business.</p> <p><i>Centaur continues to increase international organic growth to mitigate this risk. We are also increasing our focus on targeting larger scale multinational businesses which have a more diversified risk profile.</i></p> <p>Many of the Group's products are market-leading in their respective sectors and are an integral part of our customers' operational processes, which mitigates the risk of reduced demand for our products.</p> <p>The Group regularly reviews the political and economic conditions and forecasts for UK, including specific risks such as inflation, to assess whether changes to its product offerings or pricing structures are necessary.</p>	<p>The Board considers this risk to have increased since the prior year.</p> <p>↑</p>

Rank	Risk	Description of risk and impact	Risk mitigation/control procedure	Movement in risk
2	<p>Failure to deliver and maintain a high growth performance culture.</p> <p>The risk that Centaur is unable to attract, develop and retain an appropriately skilled, diverse and responsible workforce and leadership team, and maintain a healthy culture which encourages and supports ethical high-performance behaviours and decision making.</p> <p>Difficulties in recruiting and retaining staff could lead to loss of key senior staff.</p>	<p>Centaur's success depends on growing the business and completing the MAP23 strategy. In order to do this, it depends in large part on its ability to recruit, motivate and retain highly experienced and qualified employees in the face of often intense competition from other companies, especially in London.</p> <p>Investment in training, development and pay awards needs to be compelling but will be challenging in the current economic and operating climate.</p> <p>Implementing a diverse and inclusive working environment that allows for agile and remote delivery is necessary to keep the workforce engaged. It is also required for a flexible hybrid working model.</p> <p>Higher staff churn (a challenge for many companies in our sector) has been an important issue during the first half of 2022 but we will need to keep our policies and practices under review.</p> <p>Developing the MAP23 business strategy and changes required in skill set and culture are challenging and costly.</p>	<p>There has been a significant focus on employee communication this year including weekly updates, local town hall meetings, all company Q&A sessions and staff welfare calls.</p> <p>We regularly review measures aimed at improving our ability to recruit and retain employees. During the year we have continued to focus on bringing in higher quality employees to replace leavers or those in new roles in order to enhance our strategy particularly in areas such as marketing, digitalisation, technology and data analytics.</p> <p>We track employee engagement through weekly "check-ins" via our ENGAGE system to gauge colleague sentiment and gain an understanding of any key risks or challenges.</p> <p>Our employee engagement committee, DICE, who focus on Diversity, Inclusion, Culture and Engagement, has helped to drive forward initiatives relating to diversity and inclusion, through communication and social functions. This is sponsored by the CEO and a Non-Executive Director.</p> <p>The CEO has held Kaizen breakfasts with employees during the year with the objective of generating a continuous performance improvement culture within the Group.</p> <p>An annual review ensures flight risks and training needs are identified which become the focus for pay, reward and development areas. All London based staff continue to be paid at or above the London Living Wage.</p> <p>Our HR team hold exit interviews for all leavers to identify and resolve areas of concern.</p>	<p>The Board considers this risk to be broadly the same as the prior year.</p> <p>→</p>

Risk Management

CONTINUED

Rank	Risk	Description of risk and impact	Risk mitigation/control procedure	Movement in risk
3	Fraudulent or accidental breach of our IT network, major systems failure or ineffective operation of IT and data management systems leads to loss, theft or misuse of financial assets, proprietary or sensitive information and/or inoperative core products, services, or business functions.	<p>Centaur relies on its IT network to conduct its operations. The IT network is at risk of a serious systems failure or breach of its security controls due to a deliberate or fraudulent cyber-attack or unintentional event and may include third parties gaining unauthorised access to Centaur's IT network and systems.</p> <p>This could result in misappropriation of its financial assets, proprietary or sensitive information (including personal data or confidential information), corruption of data, or operational disruption, such as unavailability of our websites and our digital products to users, unavailability of support platforms and disruption to our revenue collection activities.</p> <p>Centaur could incur significant costs and suffer other negative consequences as a result of this, such as remediation costs (including liability for stolen assets or information and repair of any damage caused to Centaur's IT network infrastructure and systems) as well as reputational damage and loss of investor confidence resulting from any operational disruption.</p> <p>A serious occurrence of a loss, theft or misuse of personal data could also result in a breach of data protection requirements and the effects of this. See risk 4: Regulatory compliance.</p>	<p>Appropriate IT security and related controls are in place for all key processes to keep the IT environment safe and monitor our network systems and data.</p> <p>Centaur has invested significantly in its IT systems and, where services are outsourced to suppliers, contingency planning is carried out to mitigate risk of supplier failure.</p> <p>Centaur continues to develop its CRM, e-commerce and finance systems and has removed a number of legacy systems in the last 3 years reducing the Group's cyber risk.</p> <p>Centaur has a business continuity plan which includes its IT systems and there is daily, overnight back-up of data, stored off-site.</p> <p>Websites are hosted by specialist third-party providers who typically provide warranties relating to security standards. All of our websites are hosted on a secure platform which is cloud hosted and databases have been cleansed and updated.</p> <p>The Group Head of Data ensures that rigorous controls are in place to ensure warehouse data can only be downloaded by the data team. Integration of the warehouse with current databases and data captured and stored elsewhere is ongoing.</p> <p>Please see risk 4: Regulatory compliance for specific mitigations relating to the security of personal data and GDPR compliance.</p>	<p>The Board considers this risk to be broadly the same as the prior year.</p> <p>→</p>

Rank	Risk	Description of risk and impact	Risk mitigation/control procedure	Movement in risk
4	Regulatory compliance (GDPR, PECR and other similar legislation) includes strict requirements regarding how Centaur handles personal data, including that of customers. There is the risk of a fine from the ICO, third-party claims as well as reputational damage if we do not comply.	<p>The UK General Data Protection Regulation ('GDPR'), the Data Protection Act 2018 ('DPA') and the Privacy and Electronic Communications Regulations ('PECR') involve strict requirements for Centaur regarding its handling of personal data. Centaur's obligations under the GDPR are complex meaning this area requires ongoing focus.</p> <p>PECR includes specific obligations for businesses like Centaur regarding electronic marketing calls, emails, texts and use of cookies and similar technologies, among other things.</p> <p>In the event of a serious breach of the GDPR and/or PECR, Centaur could be subject to a significant fine from the regulator, the ICO, and claims from third parties including customers, as well as reputational damage.</p> <p>The maximum fines for breaches are £17.5 million (GDPR) and £500,000 (PECR) respectively and directors can have liability for serious breaches of PECR's marketing rules.</p> <p>Other countries and jurisdictions worldwide have their own laws relating to data and privacy. Where Centaur is required to comply with the laws in non-UK jurisdictions there is a risk that Centaur may not be compliant with all such laws and could therefore be subject to regulatory action and fines from the relevant regulators and data subjects.</p> <p>ICO guidance relating to use of cookies, and further changes to the laws relating to data privacy, ad tech and electronic marketing expected in the future, will further increase the regulatory burden for businesses like Centaur and the requirements in this regard will need to be kept under review.</p>	<p>Centaur has taken a wide range of measures aimed at complying with the key aspects of the GDPR, DPA and PECR.</p> <p>The Data Compliance Committee (overseen by the CFO) monitors Centaur's ongoing compliance with data protection laws.</p> <p>Staff are required to undertake online data protection awareness and data security awareness training annually.</p> <p>In 2021, Centaur appointed a DPO (Wiggin LLP) to oversee its compliance with data protection laws. Further, Centaur's in-house legal team keeps abreast of material developments in data protection law and regulation and advice from external law firms is sought where appropriate.</p> <p>Given the increasingly global nature of our business and our customers, Centaur's approach to complying with data protection laws in other jurisdictions is kept under review.</p>	<p>The Board considers this risk to be broadly the same as the prior year.</p> <p>→</p>

Risk Management

CONTINUED

Viability Statement

In accordance with provision 31 of the UK Corporate Governance Code 2018, the Directors have assessed the viability of the Group over a three-year period from signing of this Annual Report to March 2026, taking account of the Group's current position, the Group's strategy, the Board's risk appetite and, as documented above, the principal risks facing the Group and how these are managed. Based on the results of this analysis, the Directors have a reasonable expectation that the Group and the Company will be able to continue in operation and meet its liabilities as they fall due over the period to March 2026.

The Board has determined that the three-year period to March 2026 is an appropriate period over which to provide its viability statement because the Board's financial planning horizon covers a three-year period. In making their assessment, the Directors have taken account of the Group's £10m three-year revolving credit facility (which allows extensions to 2026 on similar terms), cash flows, dividend cover and other key financial ratios over the period.

The covenants of the facility require a minimum interest cover ratio of 4 and net leverage not exceeding 2.5 times. In the calculation of net leverage Adjusted EBITDA excludes the impact of IFRS 16. The Group is not expected to breach any of these covenants in any of the scenarios run for the viability statement and is not forecasting that the facility will be utilised during the viability period.

The base scenario uses a three-year forecast to December 2025, which assumes achievement of MAP23 targets, with the 2024 and 2025 forecast continuing that strategy. The three months to March 2026 are based directly off the respective forecast in 2025 with inflation applied. The MAP23 targets were built, bottom-up during 2020 once the impact of Covid had become clear. The strategy focuses on investment and resource allocation on the Flagship 4, the four brands we consider our key drivers for organic revenue growth. Further details of the MAP23 plan can be found in the Strategy section of this Annual Report.

The metrics in the base case are subject to stress testing which involves sensitising key assumptions underlying the forecasts both individually and in unison. The key sensitivity is on Adjusted EBITDA which is the primary driver of performance in the viability assessment. This sensitised scenario assumes that Adjusted EBITDA is lowered by 10% in every period that the viability statement covers.

In both the base case and sensitised scenarios, the Group would not be required to rely on the revolving credit facility in order to fund its daily operations. Sensitising the model for changes in the assumptions and risks affirmed that the Group and the Company would remain viable over the three-year period to March 2026.

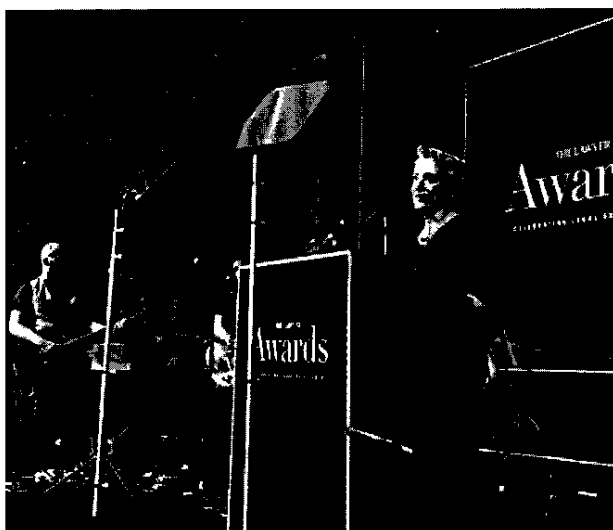
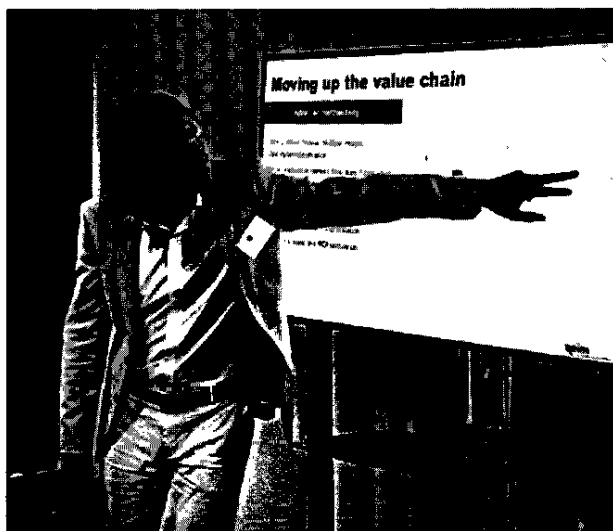
Going concern basis of accounting

In accordance with provision 30 of the UK Corporate Governance Code 2018, the Directors' statement as to whether they consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements and their identification of any material uncertainties, including the principal risks outlined above, to the Group's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements and for the foreseeable future, being the period as discussed in the viability statement above, can be found on page 56.

The Strategic Report was approved by the Board of Directors and signed by order of the Board.

Helen Silver
Company Secretary

14 March 2023



Board of Directors



COLIN JONES

Chair

Colin joined Centaur in September 2018 and became Chair in June 2019. Prior to June 2018, Colin was CFO of Euromoney Institutional Investor PLC (Euromoney), where he worked in leadership roles in the UK and US for 22 years. He is also an independent non-executive director, and audit committee chair, at M&C Saatchi Plc, and a non-executive director and trustee of City Lit, London's leading adult education college, where he chairs the Finance & Commercial Committee. During his time at Euromoney, Colin was instrumental in its transformation from its traditional media roots to a global, B2B digital information services group. He also has extensive M&A expertise through Euromoney's many successful transactions. Before joining Euromoney, Colin was a Director at Price Waterhouse Europe, where he qualified as a Chartered Accountant.

Chair of the Nomination Committee and Member of the Remuneration Committee.



SWAGATAM MUKERJI

Chief Executive Officer

Swag joined Centaur in 2016, after creating significant shareholder value previously at several blue chip FMCG companies, including United Biscuits plc, Diageo plc and Virgin, where he operated as a value creator, trouble-shooter and change agent. At Biocompatibles International plc, he led the commercialisation and international growth of the company, whilst running the product licensing division, increasing the share price fourfold in a falling market. Since then, he has been a C-suite director of three private equity backed businesses in a variety of sectors with the common theme of increasing shareholder value through strategy refresh, transformation and revitalising corporate culture. He has also led a substantial number of M&A transactions and multi-lender refinancings. Swag qualified as a Chartered Accountant at PricewaterhouseCoopers LLP and is a Warwick MBA.



SIMON LONGFIELD

Chief Financial Officer

Simon joined Centaur in November 2019. He spent the previous 10 years as CFO of BMI Research, a leading provider through its subscriptions model of macroeconomic, industry and financial market analysis, which was acquired by Fitch Group in 2014. During his time at BMI Research revenues more than doubled as the company expanded internationally with Simon's support. Prior to this, Simon was CFO of Newfound, an AIM-listed property and leisure group. Simon began his career at PricewaterhouseCoopers LLP where he qualified as a Chartered Accountant and worked in London and Australia.



WILLIAM ECCLESHARE

Senior Independent Director

William joined Centaur in July 2016. William served as CEO of Clear Channel Outdoor (NYSE) - one of the world's largest out-of-home media companies - from 2009 to 2021. He is Senior Independent Director of Britvic plc and Chair of The Design Council - a charity by Royal Charter and the UK Government's strategic advisor on design. William served as a non-executive director of Hays plc from 2004 to 2014 and was a Partner and Leader of European Branding Practice at McKinsey & Co from 2000 to 2003. He has also served in international leadership roles at major advertising agencies, including as European Chairman and CEO of BBDO (Omnicom); European Chairman of Young and Rubicam (WPP Group); Global Strategic Planning Director of J. Walter Thompson Worldwide (WPP Group); and CEO of PPGH/JWT Amsterdam.

Member of the Audit, Remuneration and Nomination Committees.



CAROL HOSEY

Non-Executive Director (Independent)

Carol joined Centaur on 5 February 2020. Carol has extensive remuneration experience at executive and board level and has spent over 20 years in senior HR roles, latterly as the Group HR Director for Mace Ltd, the international consultancy and construction group and Mitie Group plc.

Chair of the Remuneration Committee and member of the Audit and Nomination Committees. She is also the Non-Executive Director sponsor of Centaur's employee engagement committee known as DICE.



LESLIE-ANN REED

Non-Executive Director (Independent)

Leslie-Ann joined Centaur on 1 March 2020 and became Chair of Centaur's Audit Committee on 31 March 2020. Leslie-Ann is an experienced non-executive director and chairs the audit committee at Learning Technologies Group plc. She is also chair of the audit committee and senior independent non-executive director of Bloomsbury Publishing Plc. Leslie-Ann is a chartered accountant and her executive roles have included CFO of the B2B publisher Metal Bulletin plc and the online auctioneer Go Industry plc.

Chair of the Audit Committee and member of the Nomination and Remuneration Committees.

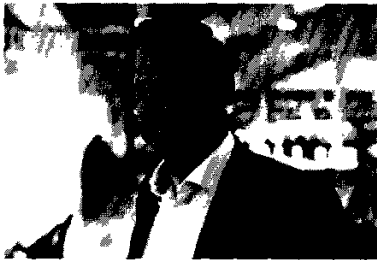


RICHARD STAVELEY

Non-Executive Director

Richard joined Centaur in May 2022 as a non-independent non-executive director with over twenty years' experience of equity investing as a fund manager at several successful fund management businesses, primarily in publicly quoted companies. He is the lead fund manager at Rockwood Strategic Plc, which holds 6.0% of Centaur, and an advisor to Harwood Capital LLP, which holds 23.8%. Since qualifying as a Chartered Accountant at PricewaterhouseCoopers, Richard has worked at Société Générale Asset Management, River and Mercantile Asset Management and Majedie Asset Management. He is a Chartered Financial Analyst (CFA) with a Bachelor of Arts from the University of Newcastle. He is also a non-executive director of Bonhill Group plc.

Executive Committee



STEVE NEWBOLD

Group Managing Director – Xeim

Steve joined Centaur in March 2015. He is responsible for the eleven brands in the Xeim portfolio including Econsultancy, Influencer Intelligence, Marketing Week and the highly successful Marketing Week Mini MBA series. Steve has extensive experience in leading content-led, multi-channel businesses in both B2B and consumer sectors. He has played a key role at Centaur in accelerating the growth of the company's digital information and training business with a focus on establishing long-term relationships with customers and developing repeatable revenue streams. Prior to joining Centaur Steve held Managing Director roles at WGSN, I2i Events, Emap Communications (now Ascential) and Emap Consumer Media (now Bauer).



JANE WILKINSON

Managing Director – The Lawyer

Jane is Managing Director of The Lawyer. She joined Centaur in August 2021 and has over 25 years of industry experience, including 18 years at B2B data and information business Euromoney Institutional Investor Plc, where she played a key role in growing paid subscriptions and transitioning the business to digital. She was responsible for running Euromoney Learning Solutions; Institutional Investor and Hedge Fund Intelligence, before becoming Group Chief Marketing Officer in 2016. Jane has worked with subscription businesses throughout her career, both B2C and B2B, in the information financial services and supply chain risk management sectors.



JACQUE MACKENZIE

Chief People Officer

Jacque is the Chief People Officer and joined the Executive Committee in January 2020. Prior to joining Centaur in 2015, Jacque worked for Lloyds Banking Group, where she undertook a number of senior HR roles. She also spent five years working for Lloyd's Retail Banking Division in Customer Experience and as Head of Engagement in the London 2012 Sponsorship Team. Talent and performance are critical to get right in any business and Jacque is particularly interested in the role that diversity, culture and engagement play in ensuring that Centaur achieves its highest potential.



IAN BALDWIN

Chief Technology Officer

Ian joined Centaur as part of the 2012 acquisition of The Profile Group, where he was Senior Technology Director, and joined Centaur's Executive Committee in November 2022 as Chief Technology Officer. With responsibility for all technology at Centaur, including digital development, data and IT, Ian has extensive experience running digital and IT teams and specialises in subscription systems, digital strategy, growth and product innovation. He has played a critical role at Centaur leading the transformation of the business's print and digital information services into technology-enabled, scalable, high-growth products. Prior to Centaur, Ian headed technology at research agency MRIB.

Directors' Report

The Directors of Centaur Media Plc ('the Company' or 'the Group'), a company incorporated and domiciled in England and Wales, present their report on the affairs of the Group and Company together with the audited Company and consolidated financial statements for the year ended 31 December 2022.

There are no significant events since the reporting date, except the commencement of the new office lease. Before the end of the year, the Group signed a lease agreement for new office space with a commencement date of 1 January 2023. This lease has a term of three years until 31 December 2025. See notes 18 and 27 for further details.

Principal activities

The principal activities of the Group are the provision of business intelligence, learning and specialist consultancy to selected professional and commercial markets within

the marketing and legal professions, our two sectors. The principal activities of the Company are those of a holding company.

Business review

The Strategic Report, incorporating the CEO's Statement, on pages IFC to 44 sets out a summary of the Group strategic objectives, business model, key performance measures, operating and financial reviews, future developments, S172 statement, the Environmental, Social and Governance report and principal risks.

Greenhouse gas emissions

Details of the Group's greenhouse gas emissions are included in the Environmental, Social and Governance report on page 36.

Research and development activities

The Group invests in systems and website development activities – see note 10 to the financial statements for the internally generated amounts capitalised during the year. The Group does not incur any significant research costs.

Dividends

A final ordinary dividend under the dividend policy in respect of the year to 31 December 2022 of 0.6 pence per share (2021: 0.5 pence) is proposed by the Directors, and subject to shareholder approval at the Annual General Meeting, will be paid on 26 May 2023 to ordinary shareholders on the register at the close of business on 12 May 2023. The total ordinary dividends paid to shareholders relating to the year will therefore be 1.1 pence (2021: 1.0 pence).

In addition to the ordinary dividends paid relating to 2022, a special dividend of 3.0 pence per share was announced in January 2023 and paid in February 2023. A further special dividend of 2.0 pence per share is now announced to be paid in March 2023.

Share capital and substantial shareholdings

Details of the share capital of the Company are set out in note 21 to the financial statements. As at 31 December 2022, and 14 March 2023 (being the last practicable date prior to publication), notifications of interests at or above 3% in the issued voting share capital of the Company had been received from the following:

	31 December 2022 %	2021 %
Harwood Capital LLP	29.86	29.86
Aberforth Partners LLP ¹	23.91	23.91
Herald Investment Management	7.32	7.32
Downing LLP	4.56	4.56
Richard Griffiths	–	3.39
Graham Sherren	3.20	3.20
Artemis Investment Management LLP	4.55	3.01

¹ This includes Wellcome Trust Limited which is managed by Aberforth Partners LLP

At 14 March 2023 and 31 December 2022, 4,550,179 (31 December 2021: 4,550,179) 10 pence ordinary shares are held in treasury, representing 3.01% (2021: 3.01%) of the issued share capital of the Company as at 31 December 2022. As at 31 December 2022, there were 800,000 (2021: 800,000) deferred shares of 10 pence each which carry restricted voting rights and carry no right to receive a dividend payment.

Directors and Directors' interests

The Directors of the Company during the year and up to the date of this report are detailed below. All Directors apart from Richard Staveley, who was appointed on 16 May 2022, served from 1 January 2021. The Board has decided to continue observing best practice by offering themselves for re-election annually.

Directors' Report

CONTINUED

			Number of ordinary shares held at 31 December 2022	Number of ordinary shares held at 14 March 2023
Swagatam Mukerji	403,448	257,208	660,656	661,519
Simon Longfield	72,769	–	72,769	72,769
Colin Jones	140,000	–	140,000	140,000
William Eccleshare	–	–	–	–
Carol Hosey	–	–	–	–
Leslie-Ann Reed	–	–	–	–
Richard Staveley (appointed 16 May 2022)	–	–	–	–

The Directors' interests in long-term incentive plans are disclosed in the Remuneration Committee Report on pages 59 to 75.

Qualifying third party indemnity provisions

By virtue of article 231 of the Articles of Association of the Company, a qualifying third-party indemnity provision (within the meaning given by section 234 of the Companies Act 2006) is in force at the date of this report in respect of each Director of the Company and was in force throughout the year.

The Company has purchased appropriate insurance in respect of legal actions against Directors and officers.

Charitable and political donations

The Group supports local communities and charitable organisations through direct fundraising, donation and pro-bono work and details of the charitable donations it made in 2022 can be found in the community section of the Section 172 statement.

No political donations were made during the year (2021: £nil).

Employment policy

The Group is an equal opportunities employer and appoints employees based on their skill, experience and capability without reference to age, gender, sexual orientation, ethnic group, religious beliefs, disability or any other personal characteristics.

It is the Group's policy to give full consideration to suitable applications for employment by disabled persons. Opportunities also exist for employees of the Group who become disabled to continue in their employment or to be trained for other positions in the Group.

The Group actively encourages employee involvement at all levels, both through monthly employee briefings and by direct access to managers and the Executive Committee. Our employee engagement committee known as DICE was set up in 2019 on which more details can be found in the Strategic Report on page 38. In addition, the Share Incentive Plan as described

in note 22 encourages employees' participation in the Group's performance.

All employees are regularly briefed on the financial and economic factors affecting the Group's performance and new initiatives through town hall meetings and management cascade of information.

Significant agreements

The Group's bank facility agreement is a significant agreement that is terminable on a change of control of the Company. In addition, awards under certain of the long-term incentive plans, details of which are set out in note 22, will vest or may be exchanged for awards of a purchaser's shares upon a change of control of the Company.

Conflicts of interest

Following the implementation of legislation on conflicts of interest, reflected in the historical changes to the Company's Articles of Association, procedures are in place to deal with such conflicts which have operated effectively.

Financial instruments

A statement in relation to the financial risk management and use of financial instruments by the Group is presented in note 25 to the financial statements.

Information required under the listing rules

In accordance with the UK Financial Conduct Authority's Listing Rules (LR 9.8.4C), the information to be included in the Annual Report and financial statements, where applicable, under LR 9.8.4, is set out in this Directors' Report, with the exception of details of transactions with shareholders which is set out on page 71.

Going concern

The Directors have carefully considered the Group's net current asset position, have assessed the Company's ability to continue

trading, and have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of this report and for the foreseeable future, being the period shown in the viability statement on page 44. See note 1(a) of the financial statements for further details and page 44 for our viability statement.

Subsidiaries

Details of the subsidiaries of the Company are shown in note 12 to the financial statements.

Compliance with the UK Corporate Governance Code

The Directors' Statement on Corporate Governance in respect of the Group's compliance with the provisions of the UK Corporate Governance Code is set out on page 51.

Auditor and disclosure of information to the Auditor

The Directors confirm that, so far as the Directors are aware, there is no relevant audit information of which the Company's auditor is unaware and the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. The Directors' responsibility statement is included on page 76.

Approved by the Board of Directors and signed by order of the Board.

Helen Silver
Company Secretary
14 March 2023

Directors' Statement on Corporate Governance

The Board is committed to high standards of corporate governance and supports the UK Corporate Governance Code published in 2018. The Board sets out its report below on how the Group has applied the principles of, and complied with, the UK Corporate Governance Code during the year.

Compliance statement

The Company has applied the provisions set out in the UK Corporate Governance Code throughout the year. The Board is committed to maintaining a structure which establishes a sound corporate governance framework on behalf of the Company's shareholders. Throughout the year, the Group has complied with all the provisions of the UK Corporate Governance Code except for the provision set out below.

In respect of Provision 38 of the Code, Executive Directors' pension contributions are in line with the Remuneration Policy approved at the AGM in 2022. In 2022, Swagatam Mukerji received a pension allowance equivalent to 9% of annual salary, the rate at the time of his appointment in 2016. After discussion at the beginning of 2022 the Remuneration Committee agreed that from 1 January 2023 this will be reduced to 8% and by a further 1% a year for each of the 3 following years to align his pension arrangements with the general workforce at 5% from 1 January 2026.

The Board

As at 31 December 2022, the Board had five Non-Executive Directors and two Executive Directors (Chief Executive and Chief Financial Officer). On 16 May 2022 Richard Staveley, a representative of our largest shareholder, was appointed to the Board as one of the Non-Executive Directors. Biographies for each currently serving Director are shown on pages 46 to 47. The Board endeavours to maintain diversity in its composition with respect to gender, skills, knowledge and length of service in order to ensure the balanced and effective running of the Company. Colin Jones is Chair of the Board and was independent on appointment. He leads the Board and ensures that both Executive and Non-Executive Directors make available sufficient time to carry out their duties in an appropriate manner, that all Directors receive sufficient financial and operational information and that there is proper debate at Board meetings.

The Board is responsible for the leadership of the Company and the Group, and in discharging that responsibility it makes decisions objectively and in the best interests of the Group and its stakeholders. The Section 172 Statement is set out in the Strategic Report on pages 25 to 28. The Board sets the vision, culture, values and standards for the Group. The balance of the Board, together with the advice sought from the Executive Committee members and the Company's external advisors, ensures that no one individual has unfettered powers of decision. The Board delegates day-to-day responsibility for the running of the Company to the Chief Executive.

The Chair is responsible for the effective performance of the Board through a

schedule of matters reserved for approval by the Board (comprising issues considered most significant to the Group in terms of financial impact and risk) and control of the Board agenda. The Chair conducts Board and shareholder meetings and ensures that all Directors are properly briefed. The Chief Executive, supported by the Chief Financial Officer and Executive Committee, is responsible to the Board for running the business and implementing strategy. The Board reviews the performance of the Executive Directors and the Group against agreed budgets and against the Group's objectives, strategy and values.

The Senior Independent Director is William Eccleshare, who is also a member of the Remuneration, Audit and Nomination Committees. The Company Secretary is Helen Silver. The Company Secretary assists the Chair in ensuring there is efficient communication between all Directors, the committees and senior management, as well as the professional development of Directors. Independent advisors including lawyers, remuneration specialists and the external auditor are available to advise the Non-Executive Directors at the Company's expense. All the Non-Executive Directors, apart from Richard Staveley, are independent, and the Chair was independent on appointment. Committee meetings are held independently of Board meetings and invitations to attend are extended by the Committee Chair to other Directors, the Group's advisors and management as appropriate. The terms of reference of the Audit Committee, the Nomination Committee and the Remuneration Committee, including their roles and the authority delegated to them by the Board, are available on request from the Company Secretary and will be available at the AGM.

Board meetings

During the year, the membership of the Board and of each committee was as follows:

Director	Role	Executive Committee	Remuneration Committee	Audit Committee
Colin Jones	Chair	–	Member	Chair
William Eccleshare	Senior Independent Director	Member	Member	Member
Carol Hosey	Non-Executive Director	Member	Chair	Member
Leslie-Ann Reed	Non-Executive Director	Chair	Member	Member
Richard Staveley ¹	Non-Executive Director	–	–	–
Swagatam Mukerji	Chief Executive	–	–	–
Simon Longfield	Chief Financial Officer	–	–	–

¹ Richard Staveley was appointed as a Non-Executive Director on 16 May 2022

Directors' Statement on Corporate Governance

CONTINUED

The number of scheduled full Board meetings and committee meetings during the year along with attendance of Directors was as follows:

Number of scheduled meetings held:	7		5		3		2	
	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend	Meetings attended	Meetings eligible to attend
Colin Jones	7	7	–	–	3	3	2	2
William Eccleshare ⁴	7	7	4	5	3	3	2	2
Swagatam Mukerji	7	7	–	–	–	–	–	–
Simon Longfield	7	7	–	–	–	–	–	–
Carol Hosey	7	7	5	5	3	3	2	2
Leslie-Ann Reed	7	7	5	5	3	3	2	2
Richard Staveley	4	4	–	–	–	–	–	–

¹ One additional unscheduled Board meeting was held during the year.

² One additional unscheduled Remuneration Committee meeting was held during the year.

³ Two additional unscheduled Nomination Committee meetings were held during the year.

⁴ William Eccleshare was unable to attend one of the Audit Committee meetings due to illness.

If a Director is unable to attend a meeting he or she is provided with the same level of information as the other Directors in advance of the meeting and given the opportunity to express views, which will then be shared at the meeting.

In addition to the key items identified for discussion by the Committees above, the Board discussed the following matters at the Board meetings during the year:

- Review of financial performance against budget and prior year ;
- Decisions regarding the return to working from the office and hybrid working;
- Review of dividend policy and payments;
- Return of capital to shareholders;
- Review and approval of budgets;
- Review of Group key performance indicators;
- Approval of financial reports and communication to shareholders and investors; and
- Approval of the Group's internal control policy, including a robust assessment of the principal and emerging risks, corporate governance environment and environmental issues.

Board assessment and Directors' performance evaluation

The Board undertakes a formal evaluation of its own performance and that of its committees and individual Directors. Individual evaluation aims to show whether each Director continues to contribute effectively and to demonstrate commitment to the role (including commitment of time for Board and committee meetings and other duties). Evaluations are undertaken annually by self-assessment and the Chair's performance is also evaluated by the other Non-Executive Directors at a separate meeting for this purpose each year.

In addition, the Chief Executive is subject to an annual performance review with the Chair. New Directors receive an induction programme and all the Directors are encouraged to undertake continuous professional development programmes as appropriate. The Group maintains insurance cover in respect of legal action against its Directors.

Management structure

The Board delegates the day-to-day running of the Company to the Executive Directors, who in turn share the operational running of the Group with the Executive Committee. On 7 November 2022, Ian Baldwin was appointed to the Executive Committee as Chief Technology Officer. Throughout the year, the Executive Committee was the primary body

implementing operational management across the Group.

The role of the Executive Committee is to review:

- Financial performance, the budget and forecasts;
- Human capital management and resource allocation including capital expenditure;
- Operational efficiency and developments (including Group IT, procurement and facilities);
- Product development;
- Market development;
- Business continuity planning;
- Internal and external communications;
- Business transformation and change management; and
- Acquisition and disposal plans.

The biographies of the members of the Executive Committee are set out on page 48.

Relations with shareholders

The Company encourages meaningful dialogue with all stakeholders. Shareholder communication centres primarily on the publication of annual reports, periodic press releases, investor presentations, analyst research on Centaur's website and trading updates. The Chair and Executive Directors are available for discussions

with shareholders throughout the year and particularly around the time of results announcements. During the year, meetings were held with major shareholders following the preliminary results in March and the interim results in July.

The Senior Independent Director is also available should any shareholder wish to draw any matters to his attention. The Directors are available for comment throughout the year and at all General Meetings of the Company. Centaur values the views of its shareholders and recognises their interest in the Company's strategy and performance, Board membership and quality of management. The Group therefore has an active programme to meet and make presentations to its current and potential shareholders to discuss its objectives. More details on engagement with our stakeholders are set out in the Section 172 Statement in the Strategic Report on pages 25 to 28.

Investors are encouraged to attend the AGM and to participate in proceedings formally or sharing their views with Board members informally after the meeting. The Chairs of the Audit, Remuneration and Nomination Committees are available to answer questions. Separate resolutions are proposed on each issue so that they can be given proper consideration and there is a resolution to approve the annual report and financial statements. Consistent with last year's AGM, shareholders will be given the opportunity to email questions to the Board prior to the AGM in 2023.

The Company counts all proxy votes and indicates the level of proxies lodged on each resolution, after it has been voted on by a show of hands. All shareholders can gain access to the annual reports, trading updates, announcements, research, press releases and other information about the Company through the Company's website, www.centaurlmedia.com.

Risk assessment

Risks that affect or may affect the business are identified and assessed, and appropriate controls and systems implemented to ensure that the risk is managed. The Group's risk register is kept by the Company Secretary with input from the Executive Committee and Head of Legal and is reviewed by the Audit Committee regularly with appropriate

mitigation actions also being reported to and overseen by the Audit Committee.

Principal and emerging risks

The principal and emerging risks facing the Group, with associated mitigating controls, are detailed on pages 40 to 43 within the Strategic Report.

Ethics

The Group carries out its business in a fair, honest and open manner, ensuring that it complies with all relevant laws and regulations. The Company has specific policies on fraud, Director conflict, bribery, whistleblowing and slavery and human trafficking, which are widely distributed and compliance with these policies is monitored. The HR team ensures that new job opportunities are made available to existing employees as well as to outside applicants and that all employees are able to benefit from training, career development and promotion opportunities where appropriate. The recruitment of new personnel is made without prejudice and the Group believes in equal opportunity and encourages diversity. The analysis of the Group's workforce and Board by gender is set out in the Environmental, Social and Governance Report on page 38.

Through all our interactions with our customers and partners we ensure that we treat them fairly and openly while abiding by the terms of contracts and relevant law. Equally, we treat our suppliers fairly, and do not exploit them or their employees, including the objective of paying all suppliers within the agreed payment terms.

Monitoring of controls

The Board has overall responsibility for the effectiveness of the Group's system of risk management and internal controls, and these are regularly monitored by the Audit Committee.

Details of the activities of the Audit Committee in this financial year can be found in the Audit Committee Report on pages 55 to 57.

Greenhouse gas emissions

The disclosure in respect of the greenhouse gas emissions of the Group that are attributable to human activity in tonnes of carbon dioxide is set out in the Environmental, Social and Governance Report on page 36.

Fraud

While the Group cannot guarantee to prevent fraud, an internal control framework is in place to reduce the likelihood of fraud arising. The Group's whistleblowing policy is available to employees on the Company's intranet, should any employee become aware of any incidence of fraud.

Directors' conflicts

Group and subsidiary Directors are required to notify their employing company of all directorships they hold. Annual conflict of interest disclosures require them to disclose such directorships or other relationships, which they or a person connected to them may hold. Richard Staveley represents significant shareholder interests as an adviser to Harwood Capital and when appropriate will recuse himself from Board discussions if there is the possibility of a conflict. These are reviewed by the Board to assess the impact on the Company and whether it would impair the Group's objectives.

Bribery Act 2010

In response to the Bribery Act 2010, the Board performed a risk assessment across the Group and formalised its policy to prevent bribery. The Board has in place processes to prevent corruption or unethical behaviour. The policy explains what is considered a bribe or facilitation payment, which are prohibited, and provides guidance over the levels of gifts, entertainment and hospitality that are considered reasonable. Training is mandatory for all employees. During 2022, an online training programme was made available to all employees. The Group's policy is communicated to all appropriate third parties. The more rigorous processes around declaring Directors' interests and identifying potential conflicts have improved the regular monitoring of the Group's policy.

Directors' Statement on Corporate Governance

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Whistleblowing

The Company is committed to the highest standards of integrity and honesty. Along with other policies which encourage this behaviour, the Group's whistleblowing policy is available to employees on the Company's intranet. This policy allows all employees to disclose openly, in confidence or anonymously, any concerns they may have about possible improper practices, in financial or other matters. An escalation process has been communicated to employees. Any matters raised will be investigated and resolved. The Audit Committee will be notified of any issues raised through this process and appropriate action taken. However, no incidents were noted during the year.

Modern Slavery Act 2015

The Company is committed to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in its business or in any of its supply chains. The Company's slavery and human trafficking statement for the purposes of section 54 of the Modern Slavery Act 2015 is available on the Company's website, www.centaurmedia.com. The Group has in place an anti-slavery and human trafficking policy which has been made available to employees on the Company's intranet and is notified to all new joiners. Training has been provided to key employees and the policy is communicated to suppliers and other third parties where appropriate.

Capital structure

Information on the share capital structure is included in the Directors' Report on page 49.

Approved by the Board of Directors and signed by order of the Board.

Helen Silver

Company Secretary

14 March 2023

Audit Committee Report

Dear Shareholder,

I am pleased to present the report of the Audit Committee ('the Committee') for the year ended 31 December 2022. This report details the Audit Committee's responsibilities and key activities over the period.

The role of the Committee is to protect the interests of shareholders regarding the integrity of financial information published by the Group and to oversee the effectiveness of the external audit. It does this through reviewing and reporting to the Board on the Group's financial reporting, internal controls and risk management processes and the performance, independence and of the external auditor.

Following the appointment of Crowe U.K. LLP as auditor for the 2020 audit, they have continued in office and provided their audit report on 2022 on pages 77 to 80.

Committee composition

The Audit Committee comprises Carol Hosey, William Eccleshare and myself. Our biographies are shown on pages 46 to 47. The membership of the Committee is balanced and is considered to contain the appropriate combination of recent, relevant financial experience through the Chair, as well as competence relevant to the sector. The Executive Directors, representatives of the external auditor and other Group executives regularly attend meetings at the invitation of the Committee. The Committee met five times during the year with attendance as shown in the Directors' Statement on Corporate Governance. Meetings are held throughout the year and timed to align with the overall financial reporting timetable. At least once during the year, the Committee meets separately with the external auditor without management and as Chair I am in regular direct contact with the external auditor and with the Chief Financial Officer.

Roles and responsibilities

The main roles and responsibilities of the Audit Committee are to:

- Monitor the integrity of the financial statements of the Group and any formal public announcements relating to the Group's financial performance, reviewing (and approving) significant financial reporting judgements contained in them;
- Review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements;
- Review and assess the Annual Report in order to determine that it can advise the Board that, taken as a whole, the Annual Report is fair, balanced and understandable, and provides shareholders with the information they need to assess the Company's position and performance, business model and strategy as required by provision 27 of the UK Corporate Governance Code;
- Make recommendations to the Board in relation to the appointment and terms of engagement of the external auditor and to review and approve levels of audit and non-audit remuneration;
- Develop and implement policy on the engagement of the external auditor to supply non-audit services;
- Review the effectiveness of the Group's internal financial control and risk management systems including a bi-annual review of the Group's risk register;
- Review the Group's financial and operational policies and procedures to ensure they remain effective and relevant;
- Oversee the whistleblowing arrangements of the Group and to ensure they are operating effectively; and
- Report to the Board on how it has discharged its responsibilities.

Activities of the Committee during the year

During the year and up until the date of this report, the Audit Committee undertook the following activities to ensure the integrity of the Group's financial statements and formal announcements:

- Regularly met with management and the Chief Financial Officer to discuss the results and performance of the business;
- Received reports from management on the internal controls covering the financial reporting process and on data compliance matters;
- Reviewed forecasts relating to the interim and final dividends;
- Reviewed and agreed the external auditor's strategy in advance of their audit for the year;
- Reviewed and agreed reappointment and remuneration of the external auditor;
- Reviewed compliance with requirements under the UK Corporate Governance Code, and in particular its impact on the Strategic Report, Viability Statement and going concern assessment;
- Discussed the report received from the external auditor regarding their audit in respect of the prior year, which included comments on significant financial reporting judgements and their findings on internal controls;
- Met with other management personnel;
- Reviewed and discussed with management and the Chief Financial Officer each financial reporting announcement made by the Group; and
- Reviewed compliance with UK-adopted International Accounting Standards.

The most significant financial reporting judgements considered by the Audit Committee and discussed with the external auditor during the year were as follows:

Audit Committee Report

CONTINUED

Carrying value of goodwill, intangible assets and investments

The Committee has reviewed management's assessment of the recoverability of the Group's goodwill and intangible assets at 31 December 2022 and whether there is a need for any resulting impairment. The recoverable amount of goodwill has been determined through value-in-use calculations of each cash-generating unit ('CGU') based on Board approved forecasts for the first three years of the value-in-use calculation and applying a terminal growth rate of 2.5%. Management's assessment of the recoverability of the Group's goodwill and intangible assets resulted in no impairment being recognised.

The Committee paid particular attention to the judgements and assumptions used to forecast cash flows, particularly around revenue and Adjusted EBITDA growth rates. The Committee was satisfied that the forecasts reflect the CGUs' historical budgeting performance and that reasonable sensitivities were performed, that the value-in-use calculation reflects management's best estimate, and that the booking of no impairment against any CGU is appropriate. As a result, the Audit Committee was satisfied with the carrying value of goodwill and intangible assets in the Group's balance sheet.

Further details on goodwill and the impairment testing are included in note 9 to the financial statements.

Going concern and viability

The Audit Committee received a report setting out the going concern review undertaken by management which forms the basis of the Board's going concern conclusion.

The Group performed well during 2022 with organic growth in revenue and a 37% increase in Adjusted profit before tax arising from tight control over the Group's operating costs and operational leverage. The Group's cash generation remained strong with positive Adjusted EBITDA resulting in an increase in net cash¹ to £16.0m at the end of 2022 (2021: £13.1m).

The Committee has reviewed forecasts to cover the twelve months from signature date based on the Group's three-year plan strategy with downside scenarios explored. The Committee has also taken into consideration the special dividends paid and recommended to be paid after the end of the year and the £10m revolving credit facility with NatWest. The Committee has concluded that the adoption of the going concern basis is appropriate.

The Committee has also assessed the statement in relation to the longer-term viability of the Group and of the Group's principal risks to viability, including reviewing the long-term financial projections for the period over which the statement is made, and reviewing qualitative and quantitative analysis and scenario testing prepared by management. The Committee concluded that the statement in relation to the longer-term viability of the Group in the Strategic Report is appropriate.

Adjusting items

Adjusting items in 2022 comprise the amortisation of acquired intangible assets, share-based payments, gain on remeasurement of the office lease and a lease termination payment relating to the office. The Committee is satisfied that it is appropriate to present these items as adjusting items on the basis that they assist the user in assessing the core operating performance of the Group.

The Committee assesses the appropriateness of all alternative performance measures disclosed as adjusting and the impact these have on the presentation of the Group's results and is satisfied that they do not inappropriately replace or obscure IFRS measures. Further details on adjusting items are included in notes 1(b) and 4 to the financial statements.

New accounting standards

No new accounting standards were introduced during the year. As a premium-listed company, Centaur was already required to disclose climate-related financial disclosures in its 2021 Annual Report.

Risk management

The Group's management is responsible for the identification, assessment and management of risk and emerging risk, as well as for designing and operating the system of internal control as set out in the Strategic Report on pages 40 to 43. The Committee has assessed management's identification of risk and concluded that appropriate mitigating actions are being taken. The auditor has also detailed certain risks in their report and set out the work performed to satisfy themselves that these have been properly reflected in the financial statements. The Committee has worked closely with management and received detailed information to assess the effectiveness of internal financial control and risk assessment and management systems, and report on them to the Board (which retains ultimate responsibility). Details of financial risks are set out in note 25.

Having monitored the Group's risk management and internal control system, and having reviewed the effectiveness of material controls, including financial, operational and compliance controls, the Committee confirms on behalf of the Board that it has not identified any significant control failings or weaknesses at any time during the year and to the date of this report.

Risk of fraud

The Committee considered the risk of fraudulent financial reporting in the business and through its review of the effectiveness of internal controls and reporting from management has concluded that adequate controls were in place during the year.

Whistleblowing

The Committee reviewed the Group's whistleblowing policy and is satisfied that this has met FCA rules and good standards of corporate governance. Further details of the whistleblowing policy are set out within the Directors' Statement on Corporate Governance on page 54.

¹ Net cash is the total of cash and cash equivalents and short-term deposits.

Internal audit

The Committee considered whether it was appropriate to appoint internal auditors and concluded that this is not currently required given the size of the business, its relatively centralised operations and the risks identified together with the mitigating controls. During the year the CFO provides a report on the significant internal controls operating within the business and notes any weaknesses identified during the period together with appropriate mitigations. In addition, the external auditor as part of the audit procedures considers and evaluates the adequacy of the Group's systems and controls relevant to the financial statements. The auditor reviews the key cycle processes and assesses the design and implementation of controls. Any weaknesses arising from this review are reported to management who identify solutions or mitigations. The associated weakness and recommendations are discussed with the Audit Committee to ensure that appropriate actions are undertaken in order to deliver a satisfactory resolution.

External audit

The Group's external auditor is Crowe U.K. LLP (Crowe) who were appointed as auditor in November 2020 following a competitive tender. The Committee monitors the external audit process to ensure high standards of quality and effectiveness.

This was assessed throughout the year using a number of measures, including:

- Reviewing the quality and scope of planning of the audit and the level of fees;
- Monitoring the independence and transparency of the audit; and
- Obtaining feedback from management and the Directors on the quality of the audit team, their business understanding and audit approach, and approving reappointment.

The Audit Committee has considered the independence and objectivity of the external auditor through a careful review of their terms of engagement, scope of work and level of fees (which are shown in note 3 to the financial statements).

The external auditor is excluded from providing any non-audit services that individually, or in aggregate, may impair the independence of the auditor. Prior approval from the Audit Committee is required for any permitted audit-related or other services in accordance with the regulations.

During the year, Crowe provided no services to the Group other than audit and audit-related (interim review) services.

The external auditor's report to the Directors and the Audit Committee also confirmed their independence in accordance with auditing standards and the Committee concurred. Should non-audit services be required in the forthcoming year, we are likely to use suppliers other than Crowe.

Self-assessment

During the period the Audit Committee performed a formal, questionnaire based self-assessment, the results of which confirmed that the Committee continued to function effectively.

Report to the Board

The Board has requested the Committee to confirm that in its opinion the Board can make the required statement that the Annual Report taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. The Committee has given this confirmation on the basis of its review of the whole Annual Report, underpinned by involvement in the planning for its preparation, review of the processes to ensure the accuracy of factual content and by assurances from the Remuneration Committee.

Independent auditor

A resolution is to be proposed at the Annual General Meeting for the re-appointment of Crowe as auditor of the Company.

Leslie-Ann Reed

Chair of the Audit Committee

14 March 2023

Nomination Committee Report

Dear Shareholder,
I am pleased to present the report of the Nomination Committee for the year ended 31 December 2022. This report details the Committee's responsibilities and key activities over the period.

The Committee comprises myself and the three independent Non-Executive Directors, William Eccleshare (Senior Independent Director), Carol Hosey and Leslie-Ann Reed.

The appointment of Directors is a matter for the Board, which considers the recommendations of the Nomination Committee. In May 2022 following discussion with the Company's largest shareholders, Richard Staveley was appointed as a non-independent Non-

Executive Director. Richard is regarded as non-independent as he represents the interests of Harwood Capital LLP and Rockwood Strategic Plc which together hold 29.9% of the Company's shares.

Nomination Committee responsibilities

The Committee's key responsibilities include:

- Reviewing the Board's structure, size, composition and diversity;
- Reviewing the composition of Board Committees;
- Defining the role and competencies required for appointments to the Board;
- Managing succession planning for all members of the Board and senior management team;
- Identifying, nominating and reviewing candidates for appointment to the Board; and

- Reviewing the leadership needs of the organisation, including Executive and Non-Executive Directors as well as senior management.

Activities during the year

The main areas of focus for the Committee during the year were a continued review of succession planning and the consideration of Board and Executive Committee appointments including:

- A separate meeting dedicated to succession planning for senior management roles;
- The appointment of Richard Staveley as a non-independent Non-Executive Director; and
- The internal appointment of Ian Baldwin, Chief Technology Officer, to the Executive Committee.

Diversity

In anticipation of the new requirement set out in Listing Rule 9.8.6R(10), the gender identity of the Board and the Executive Committee at 31 December 2022 and the date of this report is as follows:

Men	5	71%	4	4	67%
Women	2	29%	–	2	33%

¹ Following the appointment of Richard Staveley in May 2022, female representation on the Board has reduced from 33% to 29%.

² Following the internal promotion of Ian Baldwin to the Executive Committee in November 2022, female representation on Exco has reduced from 40% to 33%.

The ethnic background of the Board and the Executive Committee at 31 December 2022 and the date of this report is as follows:

White British	6	86%	3	5	83%
Asian British	1	14%	1	1	17%

The Committee is committed that in due course, when any of the senior Directors retires from the Board, it will look to appoint a Director that fulfils the targets set out in Listing Rule 9.8.6R(9) on diversity into one of the senior positions of Chair, Senior Independent Director, CEO or CFO.

DICE continues to play an integral role in supporting engagement with our workforce on Diversity, Inclusion, Culture and Engagement.

Our policy on Board diversity is set out in the Directors' Report above and further details of diversity/gender in the Company are set out in the Environmental, Social and Governance Statement on page 38.

Colin Jones

Chair of the Nomination Committee

14 March 2023

Remuneration Committee Report

Dear Shareholder,
On behalf of the Board,
I am pleased to present the
Directors' Remuneration
Report for the year ended
31 December 2022.

This report is in three parts: (i) this Annual Statement; (ii) the Directors' Remuneration Policy report, which sets out the Remuneration Policy approved by shareholders at the AGM held on 11 May 2022; and (iii) the Annual Report on Remuneration.

2022 has continued to be a challenging year as a whole with war breaking out in Ukraine, high inflation and three Prime Ministers for the UK, demonstrating some of the turmoil. The impacts to the economy and the cost-of-living for employees have been significant and will take considerable time to remedy.

Centaur has supported employees with these cost-of-living challenges by making exceptional pay increases of between 2% and 6% to all employees earning £40,000 or less, from 1 October 2022. This was in addition to the average 4% pay rise across the Group on 1 April 2022 and the payment of a £750 bonus to all employees in March 2022 relating to 2021. The October pay rise had a positive enduring impact for 50% of our employees and was very well received by all employees.

In addition, Centaur has supported employees with a range of actions to assist them in managing their own financial wellbeing, including:

- The provision of a Financial Education package including webinars delivered by a Certified Financial Coach covering a range of topics including budgeting, money management and dealing with debt;
- The launch of a Financial Wellbeing App;
- Bi-monthly emails offering money saving and money management tips; and

- Regular communications on salary sacrifice schemes, government childcare tax free scheme, Benefit Hub savings and other practical hints and tips.

Performance of the Group over this last year shows a change in behaviour amongst our clients; greater time and consideration is being given to contracts and their expenditure and Centaur is responding to this change in dynamics to ensure it is equipped to meet these future challenges. Whilst it has been challenging, we have seen a positive financial performance in 2022 and this will be reflected in the 2022 annual bonus and 2020 LTIP award vesting levels as detailed below.

Committee membership and work of the Committee during the year

During the year, Centaur's Remuneration Committee comprised myself, Colin Jones, William Eccleshare and Leslie-Ann Reed. The Committee had three scheduled meetings during 2022 and met one further time. The main Committee activities during the year (full details of which are set out in the relevant sections of this report) included:

- Agreeing Executive Director base salary levels from 1 April 2022;
- Agreeing the performance against the targets for the 2021 annual bonus;
- Agreeing the targets for the 2022 annual bonus plan;
- Agreeing the award levels and performance targets for the 2022 LTIP awards;
- Reviewing the Company's share dilution capacity for LTIP awards;
- Reviewing and setting remuneration for the Directors and Executive Committee;
- Reviewing workforce remuneration and alignment of workforce incentives and rewards; and
- Reviewing gender pay numbers and disclosures and the CEO Pay Ratio requirements.

In addition, the Committee has considered how the Policy and practices are consistent with the six factors set out in Provision 40 of the UK Corporate Governance Code:

- **Clarity**
Our Policy (approved by shareholders in 2022) is understood by our senior executive team and has been clearly articulated to our shareholders and representative bodies (both on an ongoing basis and when changes are proposed).
- **Simplicity**
The Committee is mindful of the need to avoid overly complex remuneration structures which can be misunderstood and deliver unintended outcomes. Therefore, a key objective of the Committee is to ensure that our executive remuneration policies and practices are straightforward to communicate and operate.
- **Risk**
Our Policy has been designed to ensure that inappropriate risk-taking is discouraged and will not be rewarded via: (i) the balanced use of annual and long-term pay with a blend of financial, non-financial and shareholder return targets; (ii) the significant role played by equity in our incentive plans; and (iii) malus/clawback provisions.
- **Predictability**
Our incentive plans are subject to individual caps and our share plans are subject to market standard dilution limits.
- **Proportionality**
There is a clear link between individual awards, delivery of strategy and long-term performance. In addition, the significant role played by incentive/'at-risk' pay, together with the structure of the Executive Directors' service contracts, ensures that poor performance is not rewarded.
- **Alignment to culture**
Our executive pay policies are aligned to our culture through the use of metrics in our incentive plans.

Remuneration Committee Report

CONTINUED

Performance and Reward in respect of 2022

The Group saw good year on year growth in revenue, profit and cash performance. We delivered £41.6m of revenue and the Group's Adjusted EBITDA performance for the year generated a margin of over 20% reflecting the high-quality revenue streams and the operational leverage inherent within the Group. While macroeconomic conditions and inflationary pressures resulted in growth slowing in the year, the performance in 2022 demonstrates the Group's overall resilience as it continues to make progress into the final year of its Margin Acceleration Plan 2023.

Reflecting this performance, the annual bonus awards for 2022 were 69.7% of salary (69.7% of max) for Swagatam Mukerji and 68.0% of salary (68.0% of max) for Simon Longfield as a result of Adjusted EBITDA performance being between the threshold and maximum, revenue performance being below threshold and the partial achievement of personal objectives.

In relation to the 2020 LTIP awards granted to both Swagatam Mukerji and Simon Longfield on 30 June 2020, the Adjusted EBITDA margin and Adjusted Basic EPS targets were achieved in full and TSR, the performance period for which runs to 30 June 2023, is currently in the upper quartile of the comparator group. As such, the 2020 LTIP is currently forecast to vest at 100%. Prior to vesting in June 2023, the Committee will consider the appropriateness of the vesting levels and values in light of the stakeholder

experience. The Committee will also consider the extent to which there has been a windfall gain, although the Committee has already sought to address this risk given award levels were reduced at the grant date from normal levels (from 100% to 75% of salary).

Further details of the annual bonus award and forecast vesting of the 2020 LTIP awards are presented in the Annual Report on Remuneration.

Implementing the Remuneration Policy for 2023

- The base salaries of the Executive Directors are expected to increase on 1 April 2023 by 5% in line with the proposed general workforce increases of 5% albeit in addition to this, cost of living increases of between 2% and 6% were awarded to all employees earning £40,000 or less (circa 50% of the employee population) from 1 October 2022. This will take Swagatam Mukerji's salary from £336,200 to £353,000 and Simon Longfield's salary from £200,000 to £210,000.
- Simon Longfield will continue to receive a pension allowance equivalent to 5% of salary, in line with the pension arrangements for the general workforce. Swagatam Mukerji will receive a pension allowance equivalent to 8% of salary (reducing by 1% of salary each year such that it will be 5% of salary from 1 January 2026).

- The maximum annual bonus for Executive Directors will continue to be set at 100% of salary. The majority of bonus potential (80%) will be measured against financial-based targets with a minority (20%) based on strategic and personal objectives that incorporates ESG objectives including one related to climate. Any annual bonus greater than 75% of salary will be awarded in Centaur Media Plc shares and deferred for three years.

- LTIP awards are expected to be granted on a basis consistent with awards granted in prior years in terms of grant levels (100% of salary). Performance targets are expected to be based one-third on Adjusted EBITDA performance, one-third on Adjusted Basic EPS and one-third on relative TSR.

Shareholder consultation and AGM approvals

At the 2023 AGM, there will be an advisory resolution on the Annual Statement and Annual Report on Remuneration for the year ended 31 December 2022. I hope we continue to receive your support.

Carol Hosey

Chair of the Remuneration Committee

14 March 2023

Directors' Remuneration Policy

The Directors' Remuneration Policy (Policy) approved by shareholders at the 11 May 2022 AGM is set out below.

Policy scope

The Policy applies to the Chair, Executive Directors and Non-Executive Directors.

Policy duration

The current Remuneration Policy was passed by a binding shareholder vote at the Company's AGM held on 11 May 2022 and became effective from the date of that meeting. The policy takes into account the provisions of the UK Corporate Governance Code which became effective from 1 January 2019, and other good practice guidelines from institutional shareholder and shareholder bodies. The Committee's current intention is that the Policy will be operated for the three years until the 2025 AGM. All payments to Directors during the policy period will be consistent with the approved policy.

Overview of Remuneration Policy

Centaur recognises the need to attract, retain and incentivise executives with the appropriate skills and talent to manage and develop the Group's businesses, drive the Group's strategy and deliver shareholder value. The main principles of the Directors' Remuneration Policy are:

- To achieve total remuneration packages that are competitive in the sector within which the Group operates and with the market in general;
- To provide an appropriate balance between fixed and variable remuneration which rewards high levels of performance whilst managing risk to the business; and
- To incentivise and retain management and to align their interests with those of shareholders.

Considerations of employment conditions elsewhere in the Group

The Committee considers the base salary increases and remuneration policies and practice more generally for all employees when determining the annual salary increases and remuneration policy for the Executive Directors. Employees are given the opportunity to provide feedback to management and the Board throughout the year on various matters, including the Directors' Remuneration Policy, via a number of different communication channels that have been established at the Company.

Consideration of shareholder views

The Committee considers shareholder feedback received in relation to the Annual Report and AGM each year. This feedback, plus any additional feedback received during the course of the year, is then considered as part of the Company's annual review of its Remuneration Policy. In addition, the Committee will seek to engage directly with major shareholders and their representative bodies should any material changes be made to the Directors' Remuneration Policy. Details of votes for and against the resolution to approve last year's Remuneration Report and the 2022 Remuneration Policy are set out in the Annual Report on Remuneration.

Directors' Remuneration Policy

The table below sets out the Remuneration Policy approved by shareholders at the AGM held on 11 May 2022.

Note that payments may be made under arrangements in place under a previous policy (including pension, other benefits and incentives).

The remuneration offered to employees of the Group will be adapted to reflect local market practice and seniority.

Directors' Remuneration Policy

CONTINUED

Element	Purpose and link to strategy	Operation	Maximum	Performance targets and recovery provisions
Base salary	<p>Reflects the value of the individual and their role</p> <p>Reflects skills and experience over time</p> <p>Provides an appropriate level of basic fixed income avoiding excessive risk arising from over reliance on variable income</p>	<p>Reviewed annually, normally effective 1 April</p> <p>Paid in cash on a monthly basis</p> <p>Pensionable</p> <p>Benchmarked against companies with similar characteristics and sector comparators</p>	<p>The Committee has not set a maximum level of salary. Increases will be set in the context of salary increases amongst the wider work force</p> <p>The Committee retains the discretion to make increases above this level in certain circumstances, for example, but not limited to:</p> <ul style="list-style-type: none"> • An increase in the individual's scope and responsibilities • Alignment to the external market • An increase to reflect an individual's performance and development in the role, e.g. where a new appointment is recruited at a lower salary level and is awarded stepped increases 	Not applicable
Annual bonus	<p>Incentivises annual delivery of financial and strategic goals</p> <p>Maximum bonus only payable for achieving demanding targets</p>	<p>Targets reviewed annually</p> <p>Not pensionable</p> <p>Deferral of any bonus over 75% of base salary into shares for three years</p> <p>Dividend equivalents may be payable on deferred share awards</p>	100% of salary	<p>Normally measured over a one-year performance period</p> <p>Primarily based on Group's annual financial performance (majority)</p> <p>Personal and/or strategic objectives (minority)</p> <p>Malus and clawback provisions apply</p>

Element	Purpose and link to strategy	Operation	Maximum	Performance targets and recovery provisions
Long term incentives	Aligns to main strategic objectives of delivering profit growth and shareholder return	<p>Annual grant of conditional awards or nil cost options</p> <p>A two-year holding period post vesting applies for LTIPs granted after May 2019</p> <p>Dividend equivalents may be payable on shares to the extent awards vest</p>	Awards capped at 100% of salary (200% in exceptional circumstances)	<p>Normally a three-year performance period</p> <p>Performance is based on financial and/or share price-based and/or strategic/ESG measures (e.g. EPS and relative TSR)</p> <p>The Committee may alter the weighting and targets for each grant annually if it determines that it is appropriate to do so</p> <p>Awards vest as follows:</p> <ul style="list-style-type: none"> • Threshold performance: up to 25% of award • Maximum performance: up to 100% of award • Malus and clawback provisions apply
Pension	<p>Provides competitive retirement benefits</p> <p>Provides an opportunity for Executive Directors to contribute to their own retirement plan</p>	<p>Defined contributions made to the Executive Director's own pension plan. Cash alternatives may also be paid in full or in part</p>	Workforce aligned for the CFO and any new Executive Director. The CEO's pension provision will be workforce aligned by 1 January 2026	Not applicable
Other benefits	Aids retention and recruitment	<p>Executive Directors are provided with private medical insurance</p> <p>Other benefits including company car allowance and car parking may be provided if considered appropriate by the Committee</p>	<p>There is no maximum. Set at a level which the Committee considers is appropriate in the context of the circumstances of the role/individual and local market practice</p>	Not applicable

Directors' Remuneration Policy

CONTINUED

Element	Purpose and link to strategy	Operation	Maximum	Performance targets and recovery provisions
Share ownership	To provide alignment of interests between Executive Directors and shareholders	<p>In employment: 50% of the net of tax vested LTIP shares required to be retained until the guideline is met</p> <p>Post employment: 100% of the in-employment guideline (or actual shareholding if lower) for two years post cessation of employment excluding: (i) own shares purchased; and (ii) shares vesting from any share award granted prior to the 2022 AGM</p>	200% of salary	Not applicable

Notes

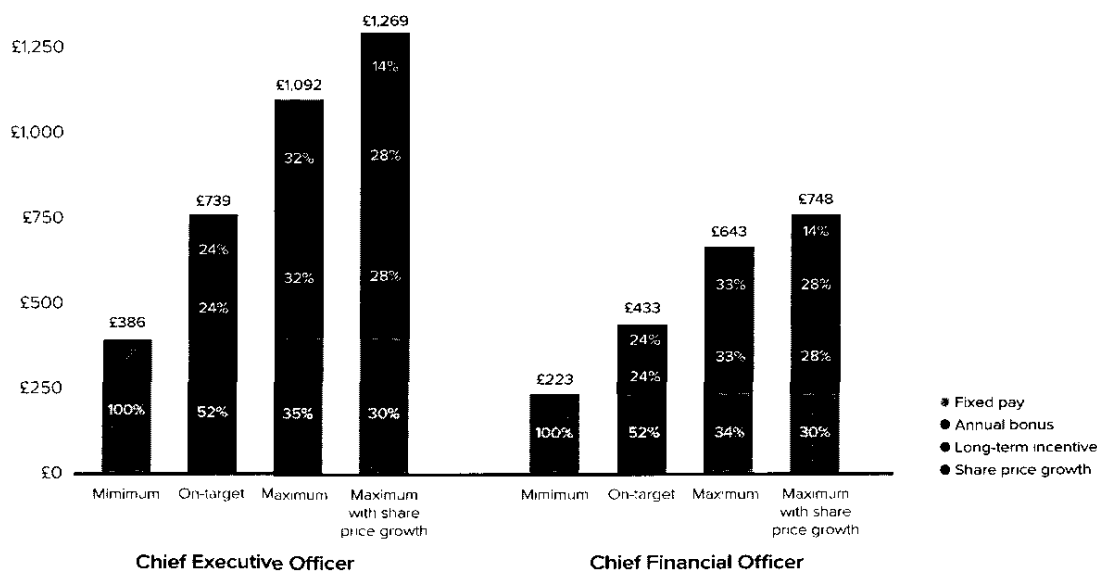
- ¹ The Annual Report on Remuneration sets out how the Company implemented and applied the Policy presented above in 2022 and how it will apply the Policy in 2023.
- ² Not all employees have a bonus opportunity. Below Executive Director level bonus opportunities are lower and participation in the LTIP is limited to Executive Directors and certain selected senior management. Other employees are eligible to participate in the Company's all employee share plan. In general, these differences arise to ensure remuneration arrangements are competitive in the market, together with the fact that remuneration of the Executive Directors and senior executives typically has a greater emphasis on performance related pay. All bonus plans are discretionary.
- ³ The choice of performance metrics applicable to the annual bonus plan reflect the Committee's belief that any incentive compensation should be appropriately challenging and primarily tied to financial measures.
- ⁴ The EBITDA, EPS and TSR performance conditions applicable to the 2022 LTIP awards were selected by the Committee on the basis that they are consistent with rewarding the delivery of long-term returns to shareholders and the Group's financial growth.
- ⁵ Executive Directors may participate in any all-employee share plan, in line with HMRC limits, and to the extent offered.
- ⁶ Post cessation guidelines will be operated on a self-certification basis during the two-year period post cessation

Malus and clawback

The current malus (prior to vesting) and clawback (within 3 years of vesting) triggers include misstatement of results, error and gross misconduct. In addition, reputational damage (or potential reputational damage, if it were made public) and insolvency event/corporate failure will also apply to the 2023 annual bonus (and any deferred bonus award granted in 2024 in respect of a 2023 bonus) and the 2023 LTIP grant.

Reward Scenarios

Based on base salaries as at 1 April 2023, minimum, on-target (50% of incentive potential assumed) and maximum reward scenarios are shown below. In addition, the maximum scenario assuming a 50% share price growth is also shown.



Approach to recruitment and promotions

The remuneration package for a new Executive Director would be set in accordance with the terms of the Company's prevailing approved remuneration policy at the time of appointment and would take into account the skills and experience of the individual, the market rate for a candidate of that experience and the importance of securing the relevant individual.

On recruitment, salary may (but need not necessarily) be set below the normal market rate, with phased increases as the executive gains experience. Pension provision will be aligned to that provided to the general workforce. Incentive awards would be no more than set out in the Policy table above. In addition, on recruitment the Company may compensate for amounts foregone from a previous employer (using Listing Rule 9.4.2 if necessary) taking into account the quantum foregone and, as far as reasonably practicable, the extent to which performance conditions apply, the form of award and the time left to vesting. For an internal promotion, any variable pay element awarded in respect of the prior role would be allowed to pay out

according to its terms. Any other ongoing remuneration obligations existing prior to appointment may continue, provided that they are put to shareholders for approval at the earliest opportunity.

The Committee may agree that the Company will meet relocation, legal fees or incidental costs where appropriate.

Service contracts and loss of office payments

The current Executive Directors have service contracts which have a 12-month notice period, dated 21 September 2016 for Swagatam Mukerji and 6 November 2019 for Simon Longfield. In respect of these service contracts, at the Board's discretion, a payment in lieu of any unexpired notice may be paid, comprising an amount for base salary, pension and any accrued holiday entitlement. The amount may be paid in one lump sum or in two instalments and mitigation will be applied to the second instalment. If termination is within six months of a change of control, a payment equal to 12 months' salary, pension and accrued holiday pay is payable. Where the Company terminates the contract in any other manner, any damages shall be calculated in accordance with common law principles including those relating to

mitigation of loss. Notwithstanding the above, the Company is entitled to terminate employment without compensation, damages or payment in lieu of notice in specified circumstances (e.g. serious misconduct).

An annual incentive will normally be payable for the period of the financial year served, although it will normally be pro-rated and paid at the normal pay-out date. Any share-based entitlements granted to an Executive Director under the Company's share plans will be determined based on the relevant plan rules. However, in certain prescribed circumstances, such as death, disability, retirement or other circumstances at the discretion of the Committee, 'good leaver' status may be applied. For good leavers, awards will normally vest at the vesting date set out in the relevant award, subject to the satisfaction of the relevant performance conditions at the time and reduced pro-rata to reflect the proportion of the performance period actually served. However, the Committee has discretion to determine that awards vest at cessation of employment or to dis-apply time pro-rating.

In addition to the above, outplacement support may be provided and legal fees or any other minor incidental costs which are considered appropriate may be payable.

Directors' Remuneration Policy

CONTINUED

Remuneration Policy for the Chair and Non-Executive Directors

The Company Chair's fee is determined by the Remuneration Committee (other than the Company Chair, if he sits on the Committee). The fees for the Non-Executive Directors are set by the Board, excluding the Non-Executive Directors. The table summarises the key aspects of the Remuneration Policy for the Chair and Non-Executive Directors:

Element	Purpose and link to strategy	Operation	Maximum	Performance targets and recovery provisions
Chair and Non-Executive Directors fees	Reflect time commitments and responsibilities of each role, in line with those provided by similarly sized companies	<p>Cash fee normally paid on a monthly basis</p> <p>Reimbursement of incidental expenses where appropriate</p> <p>Reviewed periodically</p> <p>An additional amount will be paid for chairing a Committee or being the Senior Independent Director</p>	<p>There is no prescribed maximum annual fee or fee increase</p> <p>The Committee and Board are guided by the general increase in the Non-Executive market, but may decide to award a lower or higher fee increase to recognise, for example, an increase in the scale, scope or responsibility of the role or take account of relevant market movements</p>	Not applicable

Letters of appointment

The Chair and Non-Executive Directors have letters of appointment with the Company, which are for an initial three-year period with the option for an extension for a further three-year period and provide for a notice period of three months. All of the current Non-Executive Directors have chosen to submit to annual re-election at each AGM.

Colin Jones	1 September 2018	1 September 2021	1 September 2024
William Eccleshare	1 July 2016	1 July 2022	1 July 2025
Carol Hosey	5 February 2020	5 February 2023	5 February 2026
Leslie-Ann Reed	1 March 2020	1 March 2023	1 March 2026
Richard Staveley	16 May 2022	16 May 2022	16 May 2025

Approach to fees on recruitment

For the appointment of a new Chair or Non-Executive Director, the fee will be set in accordance with the approved remuneration policy in force at that time.

Annual Report on Remuneration

A summary of how the Directors' Remuneration Policy will be applied during the year ending 31 December 2023 is set out below.

Base salary

The Executive Directors are expected to receive a 5% salary increase from 1 April 2023. This is consistent with the expected general workforce increase of 5% albeit in addition to this, cost of living increases of between 2% and 6% were awarded to all employees earning £40,000 or less (50% of the employee population) from 1 October 2022.

The Executive Directors' current and proposed salaries are as follows:

	From April 2023	2022	2021
Swagatam Mukerji	353,000	336,190	5
Simon Longfield	210,000	200,000	5

Pension and benefits

Simon Longfield will continue to receive a pension allowance equivalent to 5% of annual salary, in line with the pension arrangements for the general workforce. Swagatam Mukerji's pension allowance will be equivalent to 8% of annual salary (reducing by 1% of salary each year such that it will be 5% of salary from 1 January 2026).

Annual bonus for 2023

The maximum bonus for Executive Directors will continue to be set at 100% of salary. The majority (80%) of bonus potential will be measured against financial-based targets with a minority (20%) based on strategic and personal objectives. Any annual bonus greater than 75% of basic salary will be awarded in Centaur Media Plc shares and normally deferred for three years.

Long term incentives for 2023

LTIP awards will be granted to Executive Directors in 2023 as follows:

- One-third will be based on Adjusted EBITDA. The Adjusted EBITDA threshold and target will be set for the year ending 31 December 2025 in line with the Company's long-term business plan.
- One-third will be based on Adjusted Basic EPS. The EPS threshold and target will also be set for the year ending 31 December 2025 in line with the Company's long-term business plan.
- One-third will be based on relative TSR measured against the constituents of the FTSE SmallCap (excluding investment trusts). 25% of this part of the award will vest for median TSR increasing pro-rata to 100% vesting for upper quartile TSR over the three years ending 31 December 2025. In addition to the TSR performance condition, the Committee will need to be satisfied that the Company's TSR performance reflects the underlying financial performance of the Company for this part of an award to vest.

The performance targets for the above awards, of which the Adjusted EBITDA and Adjusted EPS targets are derived from the performance envisaged under the Company's long-term business plan, will be disclosed in next year's Directors' Remuneration Report, subject to any commercial sensitivity.

Annual Report on Remuneration

CONTINUED

Fees for the Chair and Non-Executive Directors

The current and proposed annual fees for the Chair and the Non-Executive Directors from 1 April 2023 are as follows:

	From April 2023 £		
Colin Jones	108,015	103,000	5
William Eccleshare ²	48,670	46,350	5
Carol Hosey ²	48,670	46,350	5
Leslie-Ann Reed ²	48,670	46,350	5
Richard Staveley (appointed 16 May 2022)	43,260	41,200	5

¹ Or date of appointment, if later.

² The annual fees from 1 April 2023 include £5,410 for William Eccleshare for being the Senior Independent Director, £5,410 for Carol Hosey for chairing the Remuneration Committee and £5,410 for Leslie-Ann Reed for chairing the Audit Committee.

Remuneration received by Directors for the year (audited)

Directors' remuneration for the years ended 31 December 2022 and 2021 was as follows:

Executive Directors										
Swagatam Mukerji ³	2022	333,750	4,524	234,323	30,038	382,368	985,003	368,312	616,691	
	2021	324,800	3,976	263,211	37,322	80,542	709,851	366,098	343,753	
Simon Longfield	2022	194,625	2,103	136,095	9,731	209,108	551,662	206,459	345,203	
	2021	177,625	2,167	143,943	8,654	—	332,389	188,446	143,943	
Non-Executive Directors										
Colin Jones	2022	102,250	—	—	—	—	102,250	102,250	—	
	2021	100,000	—	—	—	—	100,000	100,000	—	
William Eccleshare ⁴	2022	46,931	—	—	—	—	46,931	46,931	—	
	2021	44,694	—	—	—	—	44,694	44,694	—	
Leslie-Ann Reed	2022	46,013	—	—	—	—	46,013	46,013	—	
	2021	45,000	—	—	—	—	45,000	45,000	—	
Carol Hosey	2022	46,013	—	—	—	—	46,013	46,013	—	
	2021	45,000	—	—	—	—	45,000	45,000	—	
Richard Staveley	2022	25,935	—	—	—	—	25,935	25,935	—	
(appointed 16 May 2022)	2021	—	—	—	—	—	—	—	—	

Notes:

¹ The 2022 bonus amounts relate to bonuses earned in 2022 and payable in 2023 including any deferred shares element

² The LTIP remuneration for 2022 is based on the number of shares estimated to vest for the 2020 LTIP awards for which the performance period is substantially complete as at year end and which will vest in June 2023 on completion of the TSR performance period. The LTIP remuneration for 2021 relates to the 2019 LTIP awards for which the performance period ended on 31 December 2021 and which vested in October 2022. The value of £80,542 is based on the share price of 40.0 pence per share at vesting and is lower than £110,947 stated in the 2021 Annual Report which was based on an estimate of the value at vesting as at 31 December 2021.

³ Swagatam Mukerji's pension for 2021 includes an additional payment of £8,090 that was underpaid in 2019 and 2020 due to an administration error.

⁴ William Eccleshare's 2022 fees include £1,021 relating to 2021 which was underpaid due to an administrative error.

Annual bonus for the year (audited)

The 2022 bonus opportunity for the CEO and CFO was set at 100% of salary. The majority (80%) of bonus potential was measured against financial-based targets with a minority (20%) based on strategic and personal objectives.

The performance against the financial objectives for both the CEO and the CFO was as follows:

Measure	2021 Actual	2022 Target	2022 Actual	2022 % of Target	2022 Actual	2022 % of Target	2022 % of Target
Adjusted EBITDA	£6.9m	£9.2m	30%	60%	£8.49m	69.1%	50.7%
Revenue	£41.98m	£46.65m	0%	20%	£41.59m	0%	0%

The Committee reviewed and discussed the achievement against the personal objectives, as part of the year-end review process, for both the CEO and CFO, and the performance against the personal objectives, as determined by the Committee, was as follows:

Objective	Executive	Weighting	Assessment ¹	Performance	Opportunity payable
Develop a strategic plan beyond MAP23	CEO & CFO	25% each	Strategic plan delivered to Board in September.	100%	
Steps that reinforce delivery of MAP23	CEO & CFO	25% each	MW Mini MBA 3rd course planned; Econsultancy LMS and The Lawyer new products launched; scope and investment case for data project to be implemented in 2023/24.	80%	
Continue culture transformation by further developing Social Criteria ("S" in ESG) within Centaur	CEO & CFO	25% each	Culture workshops with Board run by the Chief People Officer; Kaizen programme initiated; restructuring of DICE carried out.	100%	The aggregated performance is: CEO: 95% of max CFO: 86.8% of max and results in a bonus equivalent to: CEO: 19.0% of salary CFO: 17.3% of salary
Develop a succession plan for the Centaur Exco and CSG	CEO	25%	Succession plans for all key management presented to Board in June, followed by a more detailed Board discussion in October.	100%	
Lead automation and efficiency change within finance to build a strong platform for future growth	CFO	25%	Internal teams working more efficiently, Salesforce upgraded, systems simplification continued and improved processes. Formalisation of certain KPIs to be enhanced.	67%	

¹ A detailed assessment of the Executive Directors' bonus objectives and performance against each was carried out by the Chair and discussed at the Remuneration Committee meeting on 6 February 2023. A summary of the key findings against each objective is shown above.

The above assessment against financial targets and strategic and personal objectives resulted in the following bonuses for 2022:

Executive	2022 Bonus	2022 Bonus	2022 Bonus	2022 Bonus	2022 Bonus	2022 Bonus
Swagatam Mukerji	336,190	100%	69.7%	234,323	234,323	–
Simon Longfield	200,000	100%	68.0%	136,095	136,095	–

Annual Report on Remuneration

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Vesting of 2020 LTIP awards

With respect to the LTIP awards granted to Executive Directors (Swagatam Mukerji and Simon Longfield) on 30 June 2020 which will vest on 30 June 2023, vesting is based on one-third Adjusted EBITDA margin, one-third on Adjusted Basic EPS for the three-year performance period to 31 December 2022 and one-third based on TSR for the period 1 July 2020 to 30 June 2023. A minimum holding period of 2 years applies following vesting. Further details relating to these awards are provided in the table below:

Performance Condition	Weighting	Targets	Actual or estimated outcome	Proportion of award to vest
Adjusted EBITDA Margin	One-third	0% vesting below 16% 25% vesting at Threshold (16%) 100% vesting at Target (20%) Pro rata straight-line vesting between Threshold and Target	Over target 20.3%	100%
Adjusted Basic EPS	One-third	0% vesting below 1.5 pence per share 25% vesting at Threshold (1.5 pence per share) 100% at Target (2.5 pence per share) Pro rata on a straight-line basis between Threshold and Target	Over target 2.7 pence	100%
Relative TSR vs FTSE SmallCap index (excluding investment trusts)	One-third	0% vesting below median 25% vesting at median 100% vesting at upper quartile Straight-line vesting between median and upper quartile	Upper quartile ¹	100%
Total LTIP vesting				100%

¹ The TSR performance period is for the three years ending on 30 June 2023. Based on the period up to 31 December 2022, the performance is currently in the Upper Quartile.

The 2020 LTIP awards are therefore expected to vest as follows:

Swagatam Mukerji	960,000	100%	960,000	240,000	142,368	382,368
Simon Longfield	525,000	100%	525,000	131,250	77,858	209,108

¹ Value from share price increase based on a 25 pence share price at the time of grant of the award in June 2020 to the three-month average share price to 31 December 2022 of 39.83 pence

² The value of shares on vesting is based on a three-month average share price to 31 December 2022 of 39.83 pence and will be restated next year based on the actual share price on the date of vesting (together with additional cash/shares awarded in respect of dividend equivalents).

³ As detailed in the Annual Statement, the Committee will review the appropriateness of the 2020 LTIP award values at the point of vesting.

Grant of LTIP awards in 2022

LTIP grants were made on 24 March 2022 to Swagatam Mukerji and Simon Longfield as follows:

Swagatam Mukerji	24 March 2022	700,417	100% of base salary	£336,200	See below	1 January 2022 to 31 December 2024
Simon Longfield	24 March 2022	416,667	100% of base salary	£200,000	See below	1 January 2022 to 31 December 2024

¹ The share price used to calculate the face value of the award was the average share price for the 5 working days prior to the date of grant of 48 pence.

The performance conditions for this award, including Adjusted EBITDA and Adjusted EPS targets derived from the Group's three-year plan, are set out in three parts below:

Adjusted Basic EPS ¹	One-third	3 years to 31 December 2024	Threshold Max Between threshold and max	25% 100% Pro-rata on a straight-line basis between 25% and 100%
Adjusted EBITDA ¹	One-third	3 years to 31 December 2024	Threshold Max Between threshold and max	25% 100% Pro-rata on a straight-line basis between 25% and 100%
Relative TSR vs FTSE SmallCap index (excluding investment trusts) at 1 January 2022 ²	One-third	3 years to 31 December 2024	Median Upper Quartile Between Median and Upper Quartile	25% 100% Pro-rata on a straight-line basis between 25% and 100%

¹ The performance targets for Adjusted Basic EPS and Adjusted EBITDA for the three years, derived from the Group's three-year plan, are commercially sensitive and are not disclosed. They will remain commercially sensitive during the three-year period of performance until the calculation is performed and disclosed in the 2024 Annual Report.

² The TSR element will only vest if there has been sustained improvement in the Company's underlying financial performance over the performance period. TSR is measured over the 3-year period from 1 January 2022 to 31 December 2024.

Swagatam Mukerji purchased 3,902 shares during the period under the Share Incentive Plan. The Company matched these shares on a 1 for 2 basis in accordance with the Plan rules, resulting in 1,951 matching shares being awarded in the year.

Grant of DSBP awards in 2022

Deferred Share Bonus Plan (DSBP) grants were made on 12 May 2022 to Swagatam Mukerji and Simon Longfield. Details of this award are set out below:

Swagatam Mukerji	12 May 2022	39,172	47 pence	£18,411	None	24 March 2025
Simon Longfield	12 May 2022	21,421	47 pence	£10,068	None	24 March 2025

¹ Equal to that part of the 2021 annual bonus award that was in excess of 75% of salary (as disclosed in the 2021 Annual Report).

Other than continued service, there are no vesting or performance conditions attached to this award.

Board changes and payments for loss of office (audited)

Richard Staveley was appointed to the Board as a Non-Executive Director on 16 May 2022. There were no other Board changes or payments for loss of office during 2022.

Payments to past Directors (audited)

Consistent with a long-standing arrangement, Graham Sherren, former Chief Executive Officer and Chair, was paid £3,000 during the year (2021: £3,000) for advisory services performed. No other payments to past Directors were made.

Annual Report on Remuneration

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Directors' shareholding and share interests (audited)

The tables below set out details of Executive Directors' outstanding share awards under the LTIP plan (which will vest in future years, subject to performance and continued service). Under each plan the exercise price is £nil.

						At 31 December 2022				
Swagatam Mukerji										
2019	758,293	—	201,355	556,938	—	03/10/19	01/01/19- 31/12/21	03/10/22- 02/04/23	42.2p	
2020 ²	960,000	—	—	—	960,000	30/06/20	01/01/20-30/06/23	30/06/23-31/12/23	25.0p	
2021	826,329	—	—	—	826,329	25/03/21	01/01/21-31/12/23	25/03/24-24/09/24	39.5p	
2022	—	700,417	—	—	700,417	24/03/22	01/01/22-31/12/24	24/03/25-23/09/25	48.0p	
	2,544,622	700,417	201,355	556,938	2,486,746					
Simon Longfield										
2020 ²	525,000	—	—	—	525,000	30/06/20	01/01/20- 30/06/23	30/06/23- 31/12/23	25.0p	
2021	451,898	—	—	—	451,898	25/03/21	01/01/21-31/12/23	25/03/24-24/09/24	39.5p	
2022	—	416,667	—	—	416,667	24/03/22	01/01/22-31/12/24	24/03/25-23/09/25	48.0p	
	976,898	416,667	—	—	1,393,565					

¹ 2019 LTIPs were exercised in November 2022 at a share price of 40.0 pence.

² 2020 LTIPs expected to vest at 100% of the maximum in June 2023.

The table below sets out details of Executive Directors' outstanding share awards under the DSBP.

						At 31 December 2022				
Swagatam Mukerji										
2022	—	39,172	—	—	39,172	12/05/22	N/A	24/03/25-23/09/25	47.0p	
	—	39,172	—	—	39,172					
Simon Longfield										
2022	—	21,421	—	—	21,421	12/05/22	N/A	24/03/25-23/09/25	47.0p	
	—	21,421	—	—	21,421					

The table below sets out the number of shares held or potentially held by Directors (including their connected persons where relevant).

					31 December 2022				
Executive									
Swagatam Mukerji ¹	403,448	660,656	No	2,486,746	39,172	3,186,574			
Simon Longfield	72,769	72,769	No	1,393,565	21,421	1,487,755			
Non-Executive									
Colin Jones	140,000	140,000	N/A	—	—	140,000			
William Eccleshare	—	—	N/A	—	—	—			
Carol Hosey	—	—	N/A	—	—	—			
Leslie-Ann Reed	—	—	N/A	—	—	—			
Richard Staveley	—	—	N/A	—	—	—			

¹ 571,582 interests in ordinary shares are held by Rina Mukerji.

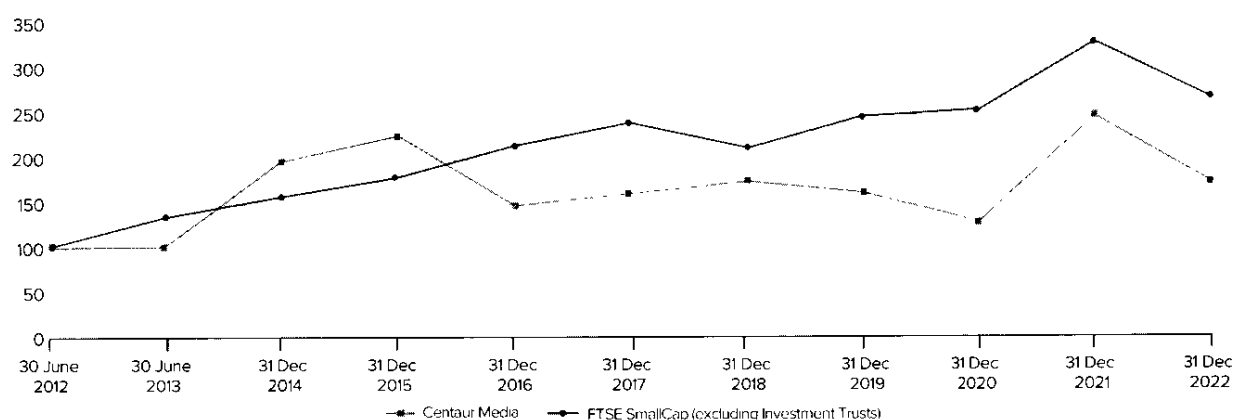
² See share ownership guideline in the Directors' Remuneration Policy.

Performance graph

The graph below shows the TSR of Centaur Media plc compared to the performance of the FTSE SmallCap index (excluding investment trusts) over the last ten and a half years. This comparator has been chosen on the basis that it is the index against which performance for the purpose of share awards made under the LTIP is assessed. Owing to the change to the financial year end in 2014, there was no financial year ended 30 June 2014 and, instead, TSR performance for the 18 months ended 31 December 2014 is shown.

The graph shows the value of £100 invested in Centaur Media plc on 1 July 2012 compared with the value of £100 invested in the FTSE SmallCap index (excluding investment trusts) at each financial period end.

Total Shareholder Return
Source: Refinitiv Datastream



History of remuneration for the CEO

The table below sets out the CEO single figure of total remuneration over the past ten and a half years.

Period	CEO	Salary	Benefits	IP	LTIP
31 December 2022	Swagatam Mukerji	985,003	70	100	
31 December 2021	Swagatam Mukerji	740,256	81	27	
31 December 2020	Swagatam Mukerji	405,531	19	0	
31 December 2019	Swagatam Mukerji (from 4 September 2019)	258,743 ¹	70	N/A	
31 December 2019	Andria Vidler (until 30 September 2019)	975,425 ²	63	50	
31 December 2018	Andria Vidler	430,859	0	0	
31 December 2017	Andria Vidler	558,526	37	0	
31 December 2016	Andria Vidler	422,605	0	0	
31 December 2015	Andria Vidler	416,607	2	N/A	
31 December 2014 (18-months)	Andria Vidler (from 14 November 2013)	670,077	56	N/A	
30 June 2013	Geoff Wilmot	514,920	0	0	
30 June 2012	Geoff Wilmot	363,321 ³	7	0	

¹ Based on salary and benefits for the period from 4 September 2019 to 31 December 2019 and a pro-rated portion of the 2019 IP relating to that period. Excludes the LTIP part of his remuneration on the basis that this related to his role as CFO.

² Based on total remuneration including salary, benefits, 2019 IP and LTIP remuneration, but excluding £392,642 contractual notice payment.

³ Excludes £384,704 termination and contractual notice payment as detailed in the 2013 Report and Accounts.

Annual Report on Remuneration

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Change in remuneration of Directors and employees

The percentage change in remuneration between 2020, 2021 and 2022, excluding LTIP and pension contributions for the Directors and for the average of all other employees in the Group was as follows:

							% change 2022 v 2021		
							Base salary	Taxable benefits	Annual bonus
Executive Directors									
Swagatam Mukerji ^{1,2,3}	15%	6%	(85%)	2%	2%	325%	3%	14%	(11%)
Simon Longfield ^{1,2,3}	0%	0%	N/A	2%	N/A	325%	10%	(3%)	(5%)
Non-Executive Directors									
Colin Jones ⁴	13%	N/A	N/A	5%	N/A	N/A	2%	N/A	N/A
William Eccleshare ⁴	(5%)	N/A	N/A	7%	N/A	N/A	5%	N/A	N/A
Carol Hosey ⁴	N/A	N/A	N/A	15%	N/A	N/A	2%	N/A	N/A
Leslie-Ann Reed ⁴	N/A	N/A	N/A	29%	N/A	N/A	2%	N/A	N/A
Richard Staveley ⁵	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Employee population	(11%)	(6%)	(71%)	9%	55%	274%	(1%)	(13%)	(50%)

¹ The increase in base salary in 2022 reflects the pay rise of 3% for Swagatam Mukerji and 12% for Simon Longfield on 1 April 2022. The average base salary reduction for employees reflects an average salary rise of 4% at 1 April 2022 and a further 1% average at 1 October 2022 resulting from a one-off cost of living salary rise for lower paid employees ranging from 2 to 5% of salary. These salary increases were offset by the change in mix in remuneration within the business and a reduction in salaries due to the introduction of salary sacrifice for the main pension scheme, with a corresponding increase in the pension costs.

² The decrease in taxable benefits for the employee population in 2022 reflects the overall decrease in health insurance premiums across the Group, although the specific increase or decrease for the Executive Directors reflects the cost of health insurance related to their individual circumstances.

³ The reduction in annual bonus for 2022 was less than the reduction for the employee population due to the relatively higher performance against the Adjusted EBITDA element of the annual bonus plan for Executive Directors compared to employees who had bonuses based on individual business unit performance. In addition, all employees received a discretionary bonus in 2021 which was not repeated in 2022.

⁴ The Non-Executive Directors received an increase in annual fees of 3% as at 1 April 2022. The increase for William Eccleshare also includes £1,021 relating to 2021 which was underpaid due to an administrative error.

⁵ Richard Staveley was appointed on 16 May 2022, therefore no change in remuneration calculation is applicable.

⁶ Calculated based on average remuneration for all employees in the Group (excluding discontinued operations).

CEO pay ratio

The tables below set out a comparison of the CEO total remuneration to the equivalent remuneration of the upper quartile, median and lower quartile UK employees:

2022	Option C ¹	29:1	22:1	16:1
2021	Option C ¹	24:1	17:1	10:1
2020	Option C ¹	14:1	10:1	7:1

¹ The Group has used Option C given that this method of calculation was considered to be the most efficient and robust approach in respect of gathering recent and readily available data for each year. The approach adopted is based on an annualisation of employee remuneration data in the final month of the relevant year end and is considered to be representative of the relevant quartiles. The total remuneration of the CEO has increased from 2020 to 2021 through to 2022 as a result of an increase in variable pay from bonuses and LTIPs and it is this increase in variable pay that has given rise to the upward trend on the quartile pay ratios.

2022	£31,200	£40,740	£54,660	£33,852	£44,100	£62,843
2021	£30,000	£39,000	£55,661	£31,500	£43,050	£77,070

Relative importance of the spend on pay

The following table sets out the percentage change in distributions to shareholders and employee remuneration costs.

	2021	2022	% change
Employee remuneration costs	£19.0m	£19.3m	(1.6)%
Dividends paid and share repurchases	£1.4m	£1.4m	0%

Remuneration Committee

The Remuneration Committee is responsible for monitoring, reviewing and making recommendations to the Board at least annually on the broad policy for the remuneration of the Executive Directors, the Chair, Company Secretary and management tier below the Board. It also determines their individual remuneration packages, including pension arrangements, bonuses and all incentive schemes and the determination of targets for any performance-related pay schemes operated by the Group. In addition, the Committee reviews pay and conditions across the workforce and takes this into account when considering executive remuneration. Minutes of Committee meetings are circulated to the Board once they have been approved by the Committee.

External advisors

The Remuneration Committee has access to independent advice where it considers it appropriate. During the year, the Committee sought advice relating to executive remuneration from FIT Remuneration Consultants ('FIT'), who were appointed by the Committee. The Committee is satisfied that the advice received from FIT in relation to executive remuneration matters during the year under review was objective and independent. FIT is a member of the Remuneration Consultants Group and abides by the Remuneration Consultants Group Code of Conduct. The fees charged by FIT for the year, based on time and materials, amounted to £17,911 ex VAT.

Statement of shareholder voting

The voting results for the Directors' Remuneration Policy and Directors' Remuneration Report were as follows:

	For	Against	Abstain	Total
Approval of Directors' Remuneration Policy in 2022	106,932,094 (99.99%)	1,500 (0.01%)		106,933,594
Approval of Directors' Remuneration Report in 2022	103,493,133 (96.78%)	3,440,461 (3.22%)		106,933,594

Approval

The Board of Directors has approved this Remuneration Committee Report, including both the Directors' Remuneration Policy and the Annual Report on Remuneration.

Signed on behalf of the Board of Directors

Carol Hosey

Chair of the Remuneration Committee

14 March 2023

Statement of Directors' Responsibilities in Respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Therefore, the Directors have prepared the Group financial statements in accordance with UK-adopted International Accounting Standards (IFRS) and Company financial statements in accordance with IFRS. 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 Group and Company and of the profit or loss of the Group and Company 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 IFRS have been followed for the Group financial statements and applicable IFRS 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 also 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 responsible for keeping adequate accounting records that are

sufficient to show and explain the Group 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 and the Directors' Remuneration Report 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.

Directors' confirmations

The Directors consider that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Governance Report confirm that, to the best of their knowledge:

- The Company financial statements, which have been prepared in accordance with UK-adopted IASs, give a true and fair view of the assets, liabilities, financial position and result of the Company;
- The Group financial statements, which have been prepared in accordance with UK-adopted IASs, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- The Directors' Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- So far as the Director is aware, there is no relevant audit information of which the Group and Company's auditors are unaware; and
- They have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

By order of the Board

Helen Silver
Company Secretary

14 March 2023

Independent Auditor's Report

TO THE MEMBERS OF CENTAUR MEDIA PLC

Opinion

We have audited the financial statements of Centaur Media Plc (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2022 which comprise the Consolidated statement of comprehensive income, Consolidated and Company statement of changes in equity, Consolidated and Company statement of financial position, Consolidated and Company cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the Group and parent Company financial statements is appropriate. Our evaluation of the Director's assessment of the Group and parent Company's ability to continue to adopt the going concern basis of accounting included:

- assessing the cash flow requirements of the Group over the duration of the viability statement based on budgets and forecasts;
- understanding what forecast expenditure is committed and what could be considered discretionary;
- considering the liquidity of existing assets on the statement of financial position;
- considering the terms of the finance facilities and the amount available for drawdown; and
- considering potential downside scenarios and the resultant impact on available funds.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Parent 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 relation to the Group reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Director's considered it appropriate to adopt the going concern basis of accounting.

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

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £215,000 (2021: £200,000) based on a variety of performance based metrics including 5% of profit before taxation, 3% of adjusted EBITDA and 0.5% of revenue. Materiality for the parent Company financial statements as a whole was set at £160,000 (2021: £140,000) based on a percentage of total assets.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. For the Group performance materiality was set at £150,000 (2021: £140,000) and £112,000 (2021: £105,000) for the parent Company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and Directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £10,000 (2021: £10,000). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The scope of the audit work and the design of audit tests undertaken was solely for the purposes of forming an audit opinion on the consolidated financial statements of the Group. All entities included within the scope of the consolidation were included within the scope of our audit testing which was performed by the group audit team.

Independent Auditor's Report

TO THE MEMBERS OF CENTAUR MEDIA PLC

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included 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.

We identified going concern as a key audit matter and have detailed our response in the conclusions relating to going concern section above.

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

Key audit matter	How the scope of our audit responded to the key audit matter
Valuation of Goodwill and intangible assets (see note 9, note 10)	
<p>The Group has a significant balance of intangible assets at 31 December 2022 and there is a risk that they could be impaired.</p> <p>The valuation of the recoverable amount of goodwill and other intangible assets has a high degree of estimation uncertainty, with a potential range of reasonably possible outcomes greater than our materiality for the financial statements as a whole.</p> <p>There is significant judgement with regard to assumptions and estimates involved in forecasting future cash flows, which form the basis of the assessment of the recoverability of goodwill balances. These include forecast revenues, operating margin, long-term growth rates and the discount rate used.</p> <p>The financial statements disclose the sensitivity estimated by the Group.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none">Assessing the Group's budgeting review and approval procedures upon which the cash flow forecasts are based.Comparing the Group's assumptions to externally derived data in relation to key inputs such as projected economic growth, market premium and discount rates. To challenge the reasonableness of the assumptions we also assessed the historical accuracy of the Group's forecasting.Performing scenario-specific models including changes to, and breakeven analysis on, the discount rate, long-term growth rates and forecast cash flows.Assessing whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the valuation of goodwill. <p>We found the resulting estimate of the recoverable amount of goodwill and intangible assets to be acceptable.</p>
Valuation of Investments in the Parent Company (see note 12)	
<p>We consider the carrying value of investments in subsidiaries by the Parent Company and the risk over potential impairment to be a significant audit risk due to the inherent uncertainty involved in forecasting and discounting future cash flows, which are the basis of the assessment of recoverability.</p> <p>We consider the key inputs into the impairment model to be the approved business plans and assumptions for the growth and discount rates.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none">Assessing the Group's budgeting review and approval procedures upon which the cash flow forecasts are based.Comparing the Group's assumptions to externally derived data in relation to key inputs such as projected economic growth, market premium and discount rates. To challenge the reasonableness of the assumptions we also assessed the historical accuracy of the Group's forecasting.Performing scenario-specific models including changes to, and breakeven analysis on, the discount rate, long-term growth rates and forecast cash flows. <p>We found the resulting estimate of the recoverable amount of investments to be acceptable.</p>
Revenue recognition (see note 2)	
<p>Revenue is recognised in accordance with the accounting policy set out in the financial statements. We focus on the risk of material misstatement in the recognition of revenue, as a result of both fraud and error, because revenue is material and is an important determinant of the Group's profitability, which has a consequent impact on its share price performance.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none">validating that revenue is recognised in accordance with the stated accounting policies in compliance with IFRS.ensuring that cut off was correctly applied across all revenue streams.validating a sample of revenue items to confirm revenue was being recognised in line with IFRS and ensuring the services were delivered within the period.assessing the adequacy of the Group's disclosures related to revenue. <p>We concluded that revenue was reasonably stated.</p>

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of 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 the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion based on the work undertaken in the course of our 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 those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority

(the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and

- information about the Company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in:

- the strategic report or the directors' report; or
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' remuneration report to be audited 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; or
- a corporate governance statement has not been prepared by the Parent Company.

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Parent Company's compliance with the provisions of the UK Corporate Governance Statement specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified on page 50;
- Directors' explanation as to its assessment of the group's prospects, the period this assessment covers and why they period is appropriate set out on page 44;
- Directors' statement on whether it has a reasonable expectation that the group will be able to continue in operation and meet its liabilities set out on page 44;
- Directors' statement on fair, balanced and understandable set out on page 76;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 40 to 43;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 56 to 57; and
- The section describing the work of the Audit Committee set out on pages 55 to 58.

Independent Auditor's Report

TO THE MEMBERS OF CENTAUR MEDIA PLC

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 76, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 however the primary responsibility for the prevention and detection of fraud lies with management and those charged with governance of the Company.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and the procedures in place for ensuring compliance. The most significant identified were the Companies Act 2006, General Data Protection Regulations and the UK Corporate Governance Code. Our work included direct enquiry of Head of Legal, reviewing Board and relevant committee minutes and inspection of correspondence.
- As part of our audit planning process we assessed the different areas of the financial statements, including disclosures, for the risk of material misstatement. This included considering the risk of fraud where direct enquiries were made of management and those charged with governance concerning both whether they had any knowledge of actual or suspected fraud and their assessment of the susceptibility of fraud. We considered the risk was greater in areas involving significant management estimate or judgement. Based on this assessment we designed audit procedures to focus on the key areas of estimate or judgement, this included specific testing of journal transactions, both at the year end and throughout the year.
- We used data analytic techniques to identify any unusual transactions or unexpected relationships, including considering the risk of undisclosed related party transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and

carefully organised schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

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

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed in November 2020 to audit the financial statements for the year ending 31 December 2020 and subsequent financial periods. The period of total uninterrupted engagement is three years, covering the years ending 31 December 2020 to 2022 inclusive.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

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.

Matthew Stallabrass
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW, UK
14 March 2023

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Adjusted Results ¹ 2022 £'000	Adjusting Items ¹ 2022 £'000	Statutory Results 2022 £'000	Adjusted Results ¹ 2021 £'000	Adjusting Items ¹ 2021 £'000	Statutory Results 2021 £'000
Revenue	2	41,593	–	41,593	39,080	–	39,080
Net operating expenses	3	(36,296)	(1,419)	(37,715)	(35,848)	(1,611)	(37,459)
Operating profit / (loss)		5,297	(1,419)	3,878	3,232	(1,611)	1,621
Finance income	6	85	–	85	1	–	1
Finance costs	6	(158)	–	(158)	(261)	–	(261)
Net finance costs		(73)	–	(73)	(260)	–	(260)
Profit / (loss) before tax		5,224	(1,419)	3,805	2,972	(1,611)	1,361
Taxation	7	(1,275)	270	(1,005)	(139)	195	56
Profit / (loss) for the year attributable to owners of the parent		3,949	(1,149)	2,800	2,833	(1,416)	1,417
Total comprehensive income / (loss) attributable to owners of the parent		3,949	(1,149)	2,800	2,833	(1,416)	1,417
Earnings / (loss) per share attributable to owners of the parent							
	8						
Basic		2.7p	(0.8p)	1.9p	2.0p	(1.0p)	1.0p
Fully diluted		2.6p	(0.8p)	1.8p	1.9p	(1.0p)	0.9p

¹ Adjusted results exclude adjusting items, as detailed in note 1(b).

The notes on pages 88 to 120 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2022

Attributable to owners of the Company

	Note	Share capital £'000	Own shares £'000	Share premium £'000	Reserve for shares to be issued £'000	Deferred shares £'000	Foreign currency reserve £'000	Retained earnings £'000	Total equity £'000
At 1 January 2021		15,141	(5,902)	1,101	607	80	166	35,977	47,170
Profit for the year and total comprehensive income		-	-	-	-	-	-	1,417	1,417
Currency translation adjustment		-	-	-	-	-	(23)	-	(23)
Transactions with owners in their capacity as owners:									
Dividends	23	-	-	-	-	-	-	(1,450)	(1,450)
Purchase of own shares	21	-	(481)	-	-	-	-	-	(481)
Exercise of share awards	21,22	-	912	-	(493)	-	-	(419)	-
Fair value of employee services	22	-	-	-	357	-	-	-	357
Tax on share-based payments	13	-	-	-	-	-	-	118	118
As at 31 December 2021		15,141	(5,471)	1,101	471	80	143	35,643	47,108
Profit for the year and total comprehensive income		-	-	-	-	-	-	2,800	2,800
Currency translation adjustment		-	-	-	-	-	1	-	1
Transactions with owners in their capacity as owners:									
Dividends	23	-	-	-	-	-	-	(1,436)	(1,436)
Purchase of own shares	21	-	(604)	-	-	-	-	-	(604)
Exercise of share awards	21,22	-	212	-	(54)	-	-	(158)	-
Lapsed share awards	22	-	-	-	(14)	-	-	14	-
Fair value of employee services	22	-	-	-	724	-	-	-	724
Tax on share-based payments	13	-	-	-	-	-	-	233	233
As at 31 December 2022		15,141	(5,863)	1,101	1,127	80	144	37,096	48,826

The notes on pages 88 to 120 are an integral part of these consolidated financial statements.

Company Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2022

Attributable to owners of the Company

	Note	Share capital £'000	Own shares £'000	Share premium £'000	Reserve for shares to be issued £'000	Deferred shares £'000	Retained earnings £'000	Total equity £'000
At 1 January 2021		15,141	(4,135)	1,101	607	80	27,756	40,550
Loss for the year and total comprehensive loss		—	—	—	—	—	(2,325)	(2,325)
Transactions with owners in their capacity as owners:								
Dividends	23	—	—	—	—	—	(1,450)	(1,450)
Exercise of share awards	22	—	—	—	(493)	—	80	(413)
Fair value of employee services	22	—	—	—	357	—	—	357
Tax on share-based payments	13	—	—	—	—	—	88	88
As at 31 December 2021		15,141	(4,135)	1,101	471	80	24,149	36,807
Loss for the year and total comprehensive loss		—	—	—	—	—	(4,619)	(4,619)
Transactions with owners in their capacity as owners:								
Dividends	23	—	—	—	—	—	(1,436)	(1,436)
Exercise of share awards	22	—	—	—	(54)	—	(27)	(81)
Lapsed share awards	22	—	—	—	(14)	—	14	—
Fair value of employee services	22	—	—	—	724	—	—	724
Tax on share-based payments	13	—	—	—	—	—	101	101
As at 31 December 2022		15,141	(4,135)	1,101	1,127	80	18,182	31,496

The notes on pages 88 to 120 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2021

Registered number 04948078

	Note	31 December 2022 £'000	31 December 2021 £'000
Non-current assets			
Goodwill	9	41,162	41,162
Other intangible assets	10	2,611	3,102
Property, plant and equipment	11	387	2,484
Deferred tax assets	13	1,673	2,488
Other receivables	14	27	319
		45,860	49,555
Current assets			
Trade and other receivables	14	5,357	6,059
Cash and cash equivalents	15	7,501	13,065
Short-term deposits	16	8,500	–
Current tax assets	20	165	195
		21,523	19,319
Total assets		67,383	68,874
Current liabilities			
Trade and other payables	17	(9,652)	(11,408)
Lease liabilities	18	–	(1,884)
Deferred income	19	(8,885)	(7,846)
		(18,537)	(21,138)
Net current assets / (liabilities)		2,986	(1,819)
Non-current liabilities			
Lease liabilities	18	–	(500)
Deferred tax liabilities	13	(20)	(128)
		(20)	(628)
Net assets		48,826	47,108
Capital and reserves attributable to owners of the Company			
Share capital	21	15,141	15,141
Own shares		(5,863)	(5,471)
Share premium		1,101	1,101
Other reserves		1,207	551
Foreign currency reserve		144	143
Retained earnings		37,096	35,643
Total equity		48,826	47,108

The financial statements on pages 81 to 120 were approved by the Board of Directors on 14 March 2023 and were signed on its behalf by:

Simon Longfield
Chief Financial Officer

Company Statement of Financial Position

AS AT 31 DECEMBER 2021

Registered number 04948078

	Note	31 December 2022 £'000	31 December 2021 £'000
Non-current assets			
Investments	12	65,529	65,155
Deferred tax assets	13	375	190
Other receivables	14	1,225	1,197
		67,129	66,542
Current assets			
Trade and other receivables	14	136	161
		136	161
Total assets		67,265	66,703
Current liabilities			
Trade and other payables	17	(35,769)	(29,896)
		(35,769)	(29,896)
Net current liabilities		(35,633)	(29,735)
Net assets		31,496	36,807
Capital and reserves attributable to owners of the Company			
Share capital	21	15,141	15,141
Own shares		(4,135)	(4,135)
Share premium		1,101	1,101
Other reserves		1,207	551
Retained earnings		18,182	24,149
Total equity		31,496	36,807

The Company has taken advantage of the exemption available under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The Company's loss for the year was £4,619,000 (2021: loss of £2,325,000).

The financial statements on pages 81 to 120 were approved by the Board of Directors on 14 March 2023 and were signed on its behalf by:

Simon Longfield
Chief Financial Officer

Consolidated Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities			
Cash generated from operations	24	8,402	9,521
Tax paid	7	(30)	–
Net cash generated from operating activities		8,372	9,521
Cash flows from investing activities			
Purchase of property, plant and equipment	11	(284)	(51)
Purchase of intangible assets	10	(1,073)	(706)
Interest received	6	63	1
Investment in short-term deposits	16	(8,500)	–
Net cash flows used in investing activities		(9,794)	(756)
Cash flows from financing activities			
Finance costs paid	6	(71)	(88)
Repayment of obligations under lease	18	(1,921)	(2,036)
Termination of lease	18	(243)	–
Purchase of own shares	21	(604)	(306)
Dividends paid to Company's shareholders	23	(1,436)	(1,448)
Loan arrangement fees	24	–	(107)
Net cash flows used in financing activities		(4,275)	(3,985)
Net (decrease) / increase in cash and cash equivalents		(5,697)	4,780
Cash and cash equivalents at beginning of the year		13,065	8,300
Effects of foreign currency exchange rate changes		133	(15)
Cash and cash equivalents at end of year	15	7,501	13,065

The notes on pages 88 to 120 are an integral part of these consolidated financial statements

Company Cash Flow Statement

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities			
Cash generated from operating activities	24	1,507	1,642
Cash flows from financing activities			
Finance costs paid	6	(71)	(87)
Dividends paid to Company's shareholders	23	(1,436)	(1,448)
Loan arrangement fees	24	–	(107)
Net cash flows used in financing activities		(1,507)	(1,642)
Net increase in cash and cash equivalents		–	–
Cash and cash equivalents at beginning of the year		–	–
Cash and cash equivalents at end of year	15	–	–

The notes on pages 88 to 120 are an integral part of these consolidated financial statements.

Notes to the Financial Statements

1 Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated and Company financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements are for the Group consisting of Centaur Media Plc and its subsidiaries, and the Company, Centaur Media Plc. Centaur Media Plc is a public company limited by shares and incorporated in England and Wales.

(a) Basis of preparation

The consolidated and Company financial statements have been prepared in accordance with UK-adopted International Accounting Standards (IFRS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The financial statements have been prepared on a historical cost basis except where stated otherwise within the accounting policies.

In preparing the Group financial statements management has considered the impact of climate change, taking into account the relevant disclosures in the Strategic Report, including those made in accordance with the recommendations of the Taskforce on Climate-related Financial Disclosures. This included an assessment of assets with indefinite and long lives as well as impairment assessments of CGU's (including forecasted cash flows), and how they could be impacted by measures taken to address global warming. Recognising that the environmental impact of the Group's operations, and the use of the Group's services, is relatively low, no issues were identified that would impact the carrying values of such assets or have any other impact on the financial statements.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have carefully assessed the Group's ability to continue trading and have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for at least twelve months from the date of approval of these financial statements and for the foreseeable future, being the period in the viability statement on page 44.

At 31 December 2022, the Group had cash and cash equivalents of £7,501,000 (2021: £13,065,000) and short-term deposits of £8,500,000 (2021: £nil). Since March 2021, the Group has had its multi-currency revolving credit facility with NatWest. The facility consists of a committed £10m facility and an additional uncommitted £15m accordion option, both of which can be used to cover the Group's working capital and general corporate needs. In December 2022, the Group took the option to extend the facility for one year and the facility now runs to March 2025, with the remaining option to extend for one further year. £nil of this was drawn down at 31 December 2022.

The Group has net current assets at 31 December 2022 amounting to £2,986,000 (2021: net current liabilities £1,819,000). In prior year, the net current liability position primarily arose from its normal high levels of deferred income relating to performance obligations to be delivered in the future rather than an inability to service its liabilities. At 31 December 2022, there are still normal high levels of deferred income, however the increase in net cash in 2022 of £2,936,000 (note 1(b)) and the termination of a property lease resulting in nil lease liabilities at the balance sheet date has resulted in achieving net current asset position. A lease agreement for new office space was signed during the year, with a commencement date of 1 January 2023, and has been included in this report as a capital commitment (note 27). An assessment of cash flows for the next three financial years, which has taken into account the factors described above, has indicated an expected level of cash generation which would be sufficient to allow the Group to fully satisfy its working capital requirements and the guarantee given in respect of its UK subsidiaries, to cover all principal areas of expenditure, including maintenance, capital expenditure and taxation during this year, and to meet the financial covenants under the revolving credit facility. The Company has net current liabilities at 31 December 2022 amounting to £35,633,000 (2021: £29,735,000). In both the current and prior year, these almost entirely arose from unsecured payables to subsidiaries which have no fixed date of repayment.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's best knowledge of the amount, events or actions, the actual results may ultimately differ from those estimates.

Having assessed the principal risks and the other matters discussed in connection with the Viability Statement on page 44 which considers the Group and Company's viability over a three-year period to March 2026, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing both the consolidated financial statements of the Group and the financial statements of the Company.

New and amended standards adopted by the Group

No new standards or amendments to standards that are mandatory for the first time for the financial year commencing 1 January 2022 affected any of the amounts recognised in the current year or any prior year and are not likely to affect future periods.

1 Summary of significant accounting policies continued

New standards and interpretations not yet adopted

'Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)' will be effective for financial periods beginning on or after 1 January 2023. This amendment has revised that an entity is now required to disclose its material accounting policy information instead of its significant accounting policies. This will therefore impact the detail and number of accounting policies disclosed from the subsequent financial year onwards.

There are no additional standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Comparative numbers

Prior year comparative numbers have been updated to reflect current year presentation and disclosures. The prior year share-based payments reported under key management compensation in note 5 have been re-presented to reflect the share-based payment expense attributable to key management personnel during the year. This was previously presented as the market value of shares exercised by key management personnel during the year. There is no impact on the face of the consolidated statement of comprehensive income.

(b) Presentation of non-statutory measures

In addition to IFRS statutory measures, the Directors use various non-GAAP key financial measures to evaluate the Group's performance and consider that presentation of these measures provides shareholders with an additional understanding of the core trading performance of the Group. The measures used are explained and reconciled to their IFRS statutory headings below.

Adjusted operating profit and adjusted earnings per share

The Directors believe that adjusted results and adjusted earnings per share, provide additional useful information on the core operational performance of the Group to shareholders, and review the results of the Group on an adjusted basis internally. The term 'adjusted' is not a defined term under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. It is not intended to be a substitute for, or superior to, IFRS measurements of profit.

Adjustments are made in respect of:

- **Exceptional costs** – the Group considers items of income and expense as exceptional and excludes them from the adjusted results where the nature of the item, or its magnitude, is material and likely to be non-recurring in nature so as to assist the user of the financial statements to better understand the results of the core operations of the Group.
- **Amortisation of acquired intangible assets** – the amortisation charge for those intangible assets recognised on business combinations is excluded from the adjusted results of the Group since they are non-cash charges arising from investment activities. As such, they are not considered reflective of the core trading performance of the Group. Details of amortisation of acquired intangible assets are shown in note 10.
- **Share-based payments** – share-based payment expenses or credits are excluded from the adjusted results of the Group as the Directors believe that the volatility of these charges can distort the user's view of the core trading performance of the Group. Details of share-based payments are shown in note 22.
- **Other separately reported items** – certain other items are excluded from adjusted results where they are considered large or unusual enough to distort the comparability of core trading results year-on-year. Details of these separately disclosed items are shown in note 4.

The tax related to adjusting items is the tax effect of the items above that are allowable deductions for tax purposes, calculated using the standard rate of corporation tax. See note 7 for a reconciliation between reported and adjusted tax charges.

Further details of adjusting items are included in note 4. A reconciliation between adjusted and statutory earnings per share measures is shown in note 8.

Notes to the Financial Statements

CONTINUED

1 Summary of significant accounting policies continued

Adjusted operating profit and adjusted earnings per share continued

Profit before tax reconciles to adjusted operating profit as follows:

	Note	2022 £'000	2021 £'000
Profit before tax		3,805	1,361
Adjusting items:			
Amortisation of acquired intangible assets	10	521	1,091
Impairment of acquired intangible assets	10	–	25
Gain on remeasurement of lease	18	(151)	–
Lease termination fee	11,18	243	–
Share-based payment expense	22	806	495
Adjusted profit before tax		5,224	2,972
Finance income	6	(85)	(1)
Finance costs	6	158	261
Adjusted operating profit		5,297	3,232

Adjusted operating cash flow

Adjusted operating cash flow is not a measure defined by IFRS. It is defined as cash flow from operations excluding the impact of adjusting items, which are defined above, and including capital expenditure. The Directors use this measure to assess the performance of the Group as it excludes volatile items not related to the core trading of the Group and includes the Group's management of capital expenditure. Statutory cash flow from operations reconciles to adjusted operating cash as below:

	Note	2022 £'000	2021 £'000
Reported cash flow from operating activities	24	8,402	9,521
Adjusted operating cash flow		8,402	9,521
Capital expenditure		(1,357)	(757)
Post capital expenditure cash flow		7,045	8,764

Our cash conversion rate for the year was 99% (2021: 164%).

Underlying revenue growth

The Directors review underlying revenue growth in order to allow a like-for-like comparison of revenues between years. Underlying revenues therefore exclude the impact of revenue contribution arising from acquired or disposed businesses and other revenue streams that are not expected to be ongoing in future years. There were no exclusions for underlying revenue in the current or prior year. Statutory revenue growth is equal to underlying revenue growth and is as follows:

	Xeim £'000	The Lawyer £'000	Total £'000
Reported and underlying revenue 2021	32,108	6,972	39,080
Reported and underlying revenue 2022	33,292	8,301	41,593
Reported and underlying revenue growth	4%	19%	6%

Adjusted EBITDA

Adjusted EBITDA is not a measure defined by IFRS. It is defined as adjusted operating profit before depreciation and impairment of tangible assets and amortisation and impairment of intangible assets other than those acquired through a business combination. It is used by the Directors as a measure to review performance of the Group and forms the basis of some of the Group's financial covenants under its revolving credit facility. Adjusted EBITDA is calculated as follows:

	Note	2022 £'000	2021 £'000
Adjusted operating profit (as above)		5,297	3,232
Depreciation of property, plant and equipment	3,11	2,028	1,808
Amortisation of computer software	3,10	1,136	1,335
Impairment of computer software	3,10	–	55
Adjusted EBITDA		8,461	6,430

1 Summary of significant accounting policies continued

Net cash

Net cash is not a measure defined by IFRS. Net cash is calculated as cash and cash equivalents, plus short-term deposits less overdrafts and bank borrowings under the Group's financing arrangements. The Directors consider the measure useful as it gives greater clarity over the Group's liquidity as a whole. Group net cash is calculated as follows:

	Note	2022 £'000	2021 £'000
Cash and cash equivalents	15	7,501	13,065
Short-term deposits	16	8,500	–
Net cash		16,001	13,065

(c) Principles of consolidation

The consolidated financial statements incorporate the financial statements of Centaur Media Plc and all of its subsidiaries after elimination of intercompany transactions and balances.

(i) Subsidiaries

Subsidiaries are all entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group until the date that the Group ceases to control them.

On the disposal of a subsidiary, assets and liabilities of that subsidiary are de-recognised from the consolidated statement of financial position, earnings up to the date of loss of control are retained in the Group, and a profit/(loss) on disposal is recognised, measured as consideration received less the fair value of assets and liabilities disposed of.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. The accounting policies of subsidiaries are consistent with the policies adopted by the Group.

(ii) Employee Benefit Trust

The Centaur Employees' Benefit Trust ('Employee Benefit Trust') is a trust established by Trust deed in 2006 for the granting of shares to applicable employees. Its assets and liabilities are held separately from the Company and are fully consolidated in the consolidated statement of financial position. Holdings of Centaur Media Plc shares by the Employee Benefit Trust are shown within the 'own shares' reserve as a deduction from consolidated equity.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Pounds Sterling, which is the Group and Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the consolidated statement of comprehensive income.

(iii) Group companies

The results and financial position of the Group entities that have a functional currency different from the presentation currency, as disclosed in note 12, are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the reporting date;
- income and expenses for each statement of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations and of borrowings are recognised in other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the consolidated statement of comprehensive income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Notes to the Financial Statements

CONTINUED

1 Summary of significant accounting policies continued

(e) Revenue recognition

Revenue is measured at the transaction price, which is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to the customer. Judgement may arise in timing and allocation of transaction price when there are multiple performance obligations in one contract. However, an annual impact assessment is performed which has confirmed that the impact is immaterial in both the current year and comparative year. Revenue arises from the sales of premium content, training and advisory, marketing services, events, marketing solutions and recruitment advertising in the normal course of business, net of discounts and value added tax. *Goods and services exchanged as part of a barter transaction are recognised in revenue at the fair value of the goods and services provided.* Returns, refunds and other similar allowances, which have historically been low in volume and immaterial in magnitude, are accounted for as a reduction in revenue as they arise.

Where revenue is deferred it is held as a balance in deferred income on the consolidated statement of financial position. At any given reporting date, this deferred income is current in nature and is expected to be recognised wholly in revenue in the following financial year, with the exception of returns and credit notes, which have historically been low in volume and immaterial in magnitude.

The Group recognises revenue earned from contracts as individual performance obligations are met, on a stand-alone selling price basis. This is when value and control of the product or service has transferred, being when the product is delivered to the customer or the period in which the services are rendered as set out in more detail below.

Premium Content

Revenue from subscriptions is deferred and recognised on a straight-line basis over the subscription period, reflecting the continuous provision of paid content services over this time. Revenue from individual publication sales is recognised at the point at which the publication is delivered to the customer. In general, the Group bills customers for premium content at the start of the contract.

Training and Advisory

Revenue from training and advisory is deferred and recognised over the period of the training or when a separately identifiable milestone of a contract has been delivered to the customer. In general, the Group bills customers for training and advisory up front or on a milestone basis as the service is delivered.

Marketing Services

Revenue from campaign work and consultancy contracts is recognised when the Group has obtained the right to consideration in exchange for its performance, which is when a separately identifiable phase (milestone) of a contract has been completed and the value and benefit of the services rendered have been transferred to the customer. In general, the Group bills customers for marketing services up front on a milestone basis.

Events

Consideration received in advance for events is deferred and revenue is recognised at the point in time at which the event takes place. In general, the Group bills customers for events before the event date.

Marketing Solutions

Marketing solutions revenue from display and bespoke campaigns is recognised over the period that the service is provided. In general, the Group bills customers for marketing solutions on delivery.

Recruitment Advertising

Sales of online recruitment advertising space are recognised in revenue over the period during which the advertisements are placed. Sales of recruitment advertising space in publications are recognised at the point at which the publication occurs. In general, the Group bills customers for recruitment advertising on delivery.

(f) Finance income

Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(g) Finance costs

Finance costs are recognised in the consolidated statement of comprehensive income in the period in which they are incurred.

(h) Investments

In the Company's financial statements, investments in subsidiaries are stated at cost less provision for impairment in value.

Investments are reviewed for impairment whenever events indicate that the carrying value may not be recoverable. An impairment loss is recognised to the extent that the carrying value exceeds the higher of the investments fair value less cost of disposal and its value-in-use. An asset's value-in-use is calculated by discounting an estimate of future cash flows by the pre-tax weighted average cost of capital. Any impairment is recognised in the statement of comprehensive income. If there has been a change in the estimates used to determine the investment's recoverable amount, impairment losses that have been recognised in prior periods may be reversed. This reversal is recognised in the statement of comprehensive income.

1 Summary of significant accounting policies continued

(i) Income tax

The tax expense represents the sum of current and deferred tax.

Current tax is based on the taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years, and it further includes items that are never taxable or deductible. The Group and Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is provided in full, using the liability method, on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available to utilise those temporary differences and losses. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is calculated at the enacted or substantively enacted tax rates that are expected to apply in the year when the liability is settled, or the asset is realised. Deferred tax is charged or credited to the consolidated statement of comprehensive income, except when it relates to items charged or credited directly to equity or other comprehensive income, in which case the deferred tax is recognised in equity or other comprehensive income respectively.

The carrying amount of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(j) Leases

Lessee accounting

Under IFRS 16, leases are accounted for on a 'right-of-use model' reflecting that, at the commencement date, the Group as a lessee has a financial obligation to make lease payments to the lessor for its right to use the underlying asset during the lease term. The financial obligation is recognised as a lease liability, and the right to use the underlying asset is recognised as a right-of-use ('ROU') asset. The ROU assets are recognised within property, plant and equipment on the face of the consolidated statement of financial position and are presented separately in note 11.

The lease liability is initially measured at the present value of the lease payments using the rate implicit in the lease or, where that cannot be readily determined, the incremental borrowing rate. The incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the Group estimates the lessee would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment. Subsequently, the lease liability is measured at amortised cost, with interest increasing the carrying amount and lease payments reducing the carrying amount. The carrying amount is remeasured to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments.

The ROU asset is initially measured at cost which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs; and
- an estimate of costs to be incurred at the end of the lease term.

Subsequently, the ROU asset is measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated to write off the cost on a straight-line basis over the lease term.

Using the exemption available under IFRS 16, the Group elects not to apply the requirements above to:

- Short-term leases; and
- Leases for which the underlying asset is of a low value.

In these cases, the Group recognises the lease payments as an expense on a straight-line basis over the lease term, or another systematic basis if that basis is more representative of the agreement.

Notes to the Financial Statements

CONTINUED

1 Summary of significant accounting policies *continued*

(k) Impairment of assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events indicate that the carrying value may not be recoverable. An impairment loss is recognised to the extent that the carrying value exceeds the higher of the asset's fair value less cost of disposal and its value-in-use. An asset's value-in-use is calculated by discounting an estimate of future cash flows by the pre-tax weighted average cost of capital.

(l) Property, plant and equipment

See note 1(j) for right-of-use assets. All other property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses. The historical cost of property, plant and equipment is the purchase cost together with any incidental direct costs of acquisition. Depreciation is calculated to write off the cost, less estimated residual value, of assets, on a straight-line basis over the expected useful economic lives to the Group over the following periods:

Fixtures and fittings	— 5 to 10 years
Computer equipment	— 3 to 5 years
Right-of-use assets	— over the lease term

The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

(m) Intangible assets

(i) Goodwill

Where the cost of a business acquisition exceeds the fair values attributable to the separable net assets acquired, the resulting goodwill is capitalised and allocated to the cash generating unit ('CGU') or groups of CGUs that are expected to benefit from the synergies of the business combination. Goodwill has an indefinite useful life and is tested for impairment annually on a Group level or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Each segment is deemed to be a CGU. Goodwill and acquired intangible assets are assessed for impairment in accordance with IAS 36 'Impairment of Assets'. In assessing whether a write-down of goodwill and acquired intangible assets is required, the carrying value of the segment is compared with its recoverable amount. Recoverable amount is measured as the higher of fair value less cost of disposal and value-in-use. Any impairment is recognised in the consolidated statement of comprehensive income (in net operating expenses) and is classified as an adjusting item. Impairment of goodwill is not subsequently reversed.

In undertaking the impairment testing at 31 December 2022 management considered its climate change risk and opportunity assessment, and after taking account of the materiality of the expected impact, did not view there to be any adjustment needed to the cash flow forecasts or long-term growth rates used in the testing.

On the disposal of a CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(ii) Brands and publishing rights and customer relationships

Separately acquired brands and publishing rights are shown at historical cost. Brands and publishing rights and customer relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(iii) Software

Computer software that is not integral to the operation of the related hardware is carried at cost less accumulated amortisation. Costs associated with the development of identifiable and unique software products controlled by the Group that will generate probable future economic benefits in excess of costs are recognised as intangible assets when the criteria of IAS 38 'Intangible Assets' are met. They are carried at cost less accumulated amortisation and impairment losses.

1 Summary of significant accounting policies continued

(iv) Amortisation methods and periods

Amortisation is calculated to write off the cost or fair value of intangible assets on a straight-line basis over the expected useful economic lives to the Group over the following periods:

Computer software	– 3 to 5 years
Brands and publishing rights	– 5 to 20 years
Customer relationships	– 3 to 10 years or over the term of any specified contract
Separately acquired websites and content	– 3 to 5 years

(n) Employee benefits

(i) Post-employment obligations

The Group and Company contribute to a defined contribution pension scheme for the benefit of employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. Contributions to defined contribution schemes are charged to the statement of comprehensive income in net operating expenses when employer contributions become payable.

(ii) Share-based payments

The Group operates several equity-settled share-based payment plans, under which the Group receives services from employees in consideration for equity instruments (share options and shares) of the Company. Information relating to these plans is set out in note 22.

Equity-settled share-based payments are measured at fair value at the date of grant. Fair value is measured using either a Monte Carlo simulation (stochastic) model or Black-Scholes option pricing model. The fair value of the employee services received in exchange for the grant of share awards and options is recognised as an expense on a straight-line basis over the vesting period, based on the Group's estimate of the number of options or shares that will eventually vest. Non-market-based performance or service vesting conditions (for example profitability and remaining as an employee of the entity over a specified time period) are included in assumptions about the number of share awards and options that are expected to vest. Market-based performance criteria is reflected in the measurement of fair value at the date of grant.

The impact of the revision to original estimates, if any, is recognised in the consolidated statement of comprehensive income, with a corresponding adjustment to equity, such that the cumulative expense reflects the revised estimate. The cumulative share-based payment expense held in reserves is recycled into retained earnings when the share awards or options lapse or are exercised. When options are exercised, shares are either transferred to the employee from the Employee Benefit Trust or by issuing new shares. The social security contributions payable in connection with the grant of share awards is treated as a cash-settled transaction.

The award by the Company of share-based payment awards over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution only if it is left unsettled. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

A deferred tax asset is recognised on share options based on the intrinsic value of the options, which is calculated as the difference between the fair value of the shares under option at the reporting date and exercise price of the share options. The deferred tax asset is utilised when the share options are exercised or released when share options lapse. The accounting policy regarding deferred tax is set out above in note 1(i).

(o) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the obligation can be reliably estimated.

(p) Equity

(i) Share capital and share premium

Ordinary and deferred shares are classified as equity. The excess of consideration received in respect of shares issued over the nominal value of those shares is recognised in the share premium account. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity instruments, for example as the result of a share buyback or share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Shares held by the Employee Benefit Trust are disclosed as own shares and deducted from equity.

Notes to the Financial Statements

CONTINUED

1 Summary of significant accounting policies continued

(ii) Own shares

Own shares consist of treasury shares and shares held within the Employee Benefit Trust.

Own shares are recognised at cost as a deduction from equity shareholders' funds. Subsequent consideration received for the sale of such shares is also recognised in equity, with any excess of consideration received between the sale proceeds and the original cost being recognised in share premium. No gain or loss is recognised in the financial statements on transactions in treasury shares.

(q) Dividends

Dividends are recognised in the year in which they are paid or, in respect of the Company's final dividend for the year, approved by the shareholders in the Annual General Meeting.

(r) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Executive Committee has been identified as the chief operating decision-maker, reviewing the Group's internal reporting on a monthly basis in order to assess performance and allocate resources. Refer to note 2 for the basis of segmentation.

(s) Financial instruments

The Group has applied IFRS 9 'Financial Instruments' as outlined below:

(i) Financial assets

The Group classifies and measures its financial assets in line with one of the three measurement models under IFRS 9: at amortised cost, fair value through profit or loss, and fair value through other comprehensive income. Management determines the classification of its financial assets based on the requirements of IFRS 9 at initial recognition.

They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Group's financial assets comprise trade and other receivables, short-term deposits and cash and cash equivalents in the consolidated statement of financial position. Please see the following sections.

(ii) Trade receivables

Trade receivables are accounted for under IFRS 9, being recognised initially at fair value and subsequently at amortised cost less any allowance for expected lifetime credit losses under the 'expected credit loss' model. As mandated by IFRS 9, the expected lifetime credit losses are calculated using the 'simplified' approach.

A provision matrix is used to calculate the allowance for expected lifetime credit losses on trade receivables which is based on historical default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The allowance for expected lifetime credit losses is established by considering, on a discounted basis, the cash shortfalls it would incur in various default scenarios for prescribed future periods and multiplying those shortfalls by the probability of each scenario occurring. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The allowance is the sum of these probability weighted outcomes. The allowance and any changes to it are recognised in the consolidated statement of comprehensive income within net operating expenses. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against net operating expenses in the consolidated statement of comprehensive income. The Group defines a default as failure of a debtor to repay an amount due as this is the time at which our estimate of future cash flows from the debtor is affected.

(iii) Short-term deposits

Short-term deposits include cash held on deposit for a term of greater than 90 days or not readily convertible to known amounts of cash.

(iv) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and deposits repayable on demand or maturing within three months from the date of acquisition.

(v) Financial liabilities

Debt and trade and other payables are recognised initially at fair value based on amounts exchanged, net of transaction costs, and subsequently at amortised cost.

Interest expense on debt is accounted for using the effective interest method and is recognised in finance costs.

(vi) Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(vii) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and carried subsequently at amortised cost. Costs of borrowings, including commitment fees on undrawn facilities, are recognised in the consolidated statement of comprehensive income as incurred or, where appropriate, across the term of the related borrowing.

1 Summary of significant accounting policies continued

(viii) Receivables from and payables to subsidiaries and the Employee Benefit Trust

The Company has amounts receivable from and payable to subsidiaries and the receivable from the Employee Benefit Trust which are recognised at fair value. Amounts receivable from subsidiaries and the Employee Benefit Trust are assessed annually for recoverability under the requirements of IFRS 9.

(t) Key accounting assumptions, estimates and judgements

The preparation of financial statements under IFRS requires the use of certain key accounting assumptions and requires management to exercise its judgement and to make estimates. Those that have the most significant effect on the amounts recognised in the consolidated financial statements or have the most risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

(i) Carrying value of goodwill, other intangible assets and Company investment estimate

In assessing whether goodwill, other intangible assets and the Company's investment are impaired, the Group uses a discounted cash flow model which includes forecast cash flows and estimates of future growth. If the results of operations in future periods are lower than included in the cash flow model, impairments may be triggered. A sensitivity analysis has been performed on the value-in-use calculations. Further details of the assumptions and sensitivities in the discounted cash flow model are included in notes 9 and 12.

Critical accounting judgements

(ii) Adjusting items judgement

The term 'adjusted' is not a defined term under IFRS. Judgement is required to ensure that the classification and presentation of certain items as adjusting, including exceptional costs, is appropriate and consistent with the Group's accounting policy. Further details about the amounts classified as adjusting are included in notes 1(b) and 4.

Other areas of judgement and accounting estimates

The consolidated financial statements include other areas of judgement and accounting estimates. While these areas do not meet the definition under IAS 1 of significant accounting estimates or critical accounting judgements, the recognition and measurement of certain material assets and liabilities are based on assumptions and/or are subject to longer-term uncertainties. The other areas of judgement and accounting estimates are:

- Deferred tax (estimation of forecasted future taxable profits) refer to notes 1(i) and 13;
- Lease liabilities (lease term judgement) refer to notes 1(j) and 18;
- Lease liabilities (IBR rate estimate) refer to notes 1(j) and 18; and
- Share-based payment expense (estimation of fair value) refer to notes 1(n)(ii) and 22.

Notes to the Financial Statements

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2 Segmental reporting

The Group is organised around two reportable market-facing segments: Xeim and The Lawyer. These two segments derive revenues from a combination of premium content, training and advisory, marketing services, events, marketing solutions and recruitment advertising. Overhead costs are allocated to these segments on an appropriate basis, depending on the nature of the costs, including in proportion to revenues or headcount. Corporate income and costs have been presented separately as 'Central'. The Group believes this is the most appropriate presentation of segmental reporting for the user to understand the core operations of the Group. There is no inter-segmental revenue.

Segment assets consist primarily of property, plant and equipment, intangible assets (including goodwill) and trade receivables. Segment liabilities primarily comprise trade payables, accruals and deferred income.

Corporate assets and liabilities primarily comprise property, plant and equipment, intangible assets, current and deferred tax balances, cash and cash equivalents, short-term deposits and lease liabilities.

Capital expenditure comprises purchases of additions to property, plant and equipment and intangible assets.

2022	Note	Xeim £'000	The Lawyer £'000	Central £'000	Group £'000
Revenue		33,292	8,301	–	41,593
Adjusted operating profit / (loss)	1(b)	6,198	2,474	(3,375)	5,297
Amortisation of acquired intangibles	10	(521)	–	–	(521)
Gain on remeasurement of lease	18	118	27	6	151
Lease termination fee	11, 18	(190)	(43)	(10)	(243)
Share-based payment expense	22	(260)	(72)	(474)	(806)
Operating profit / (loss)		5,345	2,386	(3,853)	3,878
Finance income	6				85
Finance costs	6				(158)
Profit before tax					3,805
Taxation	7				(1,005)
Profit for the year					2,800
Segment assets		34,343	17,391	–	51,734
Corporate assets				15,649	15,649
Consolidated total assets					67,383
Segment liabilities		(11,139)	(2,778)	–	(13,917)
Corporate liabilities				(4,640)	(4,640)
Consolidated total liabilities					(18,557)
Other items					
Capital expenditure (tangible and intangible assets)		1,143	147	67	1,357

2 Segmental reporting continued

2021	Note	Xeim £'000	The Lawyer £'000	Central £'000	Group £'000
Revenue		32,108	6,972	–	39,080
Adjusted operating profit / (loss)	1(b)	4,469	2,110	(3,347)	3,232
Amortisation of acquired intangibles	10	(1,091)	–	–	(1,091)
Impairment of acquired intangibles	10	(25)	–	–	(25)
Share-based payments	22	(113)	(2)	(380)	(495)
Operating profit / (loss)		3,240	2,108	(3,727)	1,621
Finance income	6				1
Finance costs	6				(261)
Profit before tax					1,361
Taxation	7				56
Profit for the year					1,417
Segment assets		38,167	18,216	–	56,383
Corporate assets				12,491	12,491
Consolidated total assets					68,874
Segment liabilities		(13,251)	(2,795)	–	(16,046)
Corporate liabilities				(5,720)	(5,720)
Consolidated total liabilities					(21,766)
Other items					
Capital expenditure (tangible and intangible assets)		401	188	168	757

Supplemental information

Revenues by geographical location

The Group's revenues from external customers by geographical location are detailed below:

	Xeim 2022 £'000	The Lawyer 2022 £'000	Total 2022 £'000	Xeim 2021 £'000	The Lawyer 2021 £'000	Total 2021 £'000
United Kingdom	19,573	6,882	26,455	19,057	5,662	24,719
Europe (excluding United Kingdom)	5,726	609	6,335	4,567	675	5,242
North America	4,639	628	5,267	4,954	445	5,399
Rest of world	3,354	182	3,536	3,530	190	3,720
	33,292	8,301	41,593	32,108	6,972	39,080

Substantially all of the Group's net assets are located in the United Kingdom. The Directors therefore consider that the Group currently operates in a single geographical segment, being the United Kingdom. Refer to note 12 for the location of the Group's subsidiaries.

Revenues by type

The Group's revenues by type are as follows:

	Xeim 2022 £'000	The Lawyer 2022 £'000	Total 2022 £'000	Xeim 2021 £'000	The Lawyer 2021 £'000	Total 2021 £'000
Premium Content	9,980	4,748	14,728	9,006	3,882	12,888
Training and Advisory	14,431	–	14,431	12,542	18	12,560
Marketing Services	2,850	–	2,850	3,301	–	3,301
Events	2,703	1,998	4,701	2,751	1,071	3,822
Marketing Solutions	2,948	565	3,513	4,145	840	4,985
Recruitment Advertising	380	990	1,370	363	1,161	1,524
	33,292	8,301	41,593	32,108	6,972	39,080

The accounting policies for each of these revenue streams is disclosed in note 1(e), including the timing of revenue recognition. There are some contracts for which revenue has not yet been recognised and is being held in deferred income, see note 19. This deferred income is all current and is expected to be recognised as revenue in 2023.

Notes to the Financial Statements

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3 Net operating expenses

Operating profit / (loss) is stated after charging:

	Note	Adjusted Results ¹ 2022 £'000	Adjusting Items ¹ 2022 £'000	Statutory Results 2022 £'000	Adjusted Results ¹ 2021 £'000	Adjusting Items ¹ 2021 £'000	Statutory Results 2021 £'000
Employee benefits expense	5	19,034	–	19,034	19,272	–	19,272
Depreciation of property, plant and equipment	4,11	2,028	243	2,271	1,808	–	1,808
Amortisation of intangible assets	4,10	1,136	521	1,657	1,335	1,091	2,426
Impairment of intangible assets	10	–	–	–	55	25	80
Gain on remeasurement of lease	4,18	–	(151)	(151)	–	–	–
Share-based payment expense	4,22	–	806	806	–	495	495
Net impairment of trade receivables	25	(31)	–	(31)	(39)	–	(39)
IT expenditure		2,645	–	2,645	2,563	–	2,563
Marketing expenditure		1,685	–	1,685	1,399	–	1,399
Other staff-related costs		233	–	233	618	–	618
Other operating expenses		9,566	–	9,566	8,837	–	8,837
		36,296	1,419	37,715	35,848	1,611	37,459
Cost of sales		15,434	–	15,434	15,082	–	15,082
Distribution costs		60	–	60	62	–	62
Administrative expenses		20,802	1,419	22,221	20,704	1,611	22,315
		36,296	1,419	37,715	35,848	1,611	37,459

¹ Adjusted results exclude adjusting items, as detailed in note 1(b)

Services provided by the Company and Group's auditor

	2022 £'000	2021 £'000
Fees payable for the audit of Company and Group consolidated financial statements	120	109
Fees payable for the interim financial statement review	11	10
Total fees paid to the Company and Group's auditor	131	119

4 Adjusting items

As discussed in note 1(b), certain items are presented as adjusting. These are detailed below:

	Note	2022 £'000	2021 £'000
Amortisation of acquired intangible assets	10	521	1,091
Impairment of acquired intangible assets	10	–	25
Gain on remeasurement of lease	18	(151)	–
Lease termination fee	11,18	243	–
Share-based payment expense	22	806	495
Adjusting items to profit / (loss) before tax		1,419	1,611
Tax relating to adjusting items	7	(270)	(195)
Total adjusting items after tax		1,149	1,416

Termination of lease

As a result of the termination of the London property lease, a net gain of £151,000 was recognised on remeasurement of the lease liability and respective proportionate adjustment to the ROU asset. The termination fee was included in the measurement of the ROU asset at the time of the remeasurement, therefore the £243,000 is recognised in depreciation. Refer to note 18 for further details.

Other adjusting items

Other adjusting items relate to the amortisation and impairment of acquired intangible assets (see note 10) and share-based payment costs (see note 22).

5 Directors and employees

	Note	2022 Group £'000	2021 Group £'000	2022 Company £'000	2021 Company £'000
Wages and salaries		16,102	16,652	1,464	1,057
Social security costs		2,018	1,946	221	105
Other pension costs		914	674	50	42
Employee benefits expense		19,034	19,272	1,735	1,204
Share-based payment expense	22	806	495	424	325
		19,840	19,767	2,159	1,529

The average number of employees employed during the year, including Executive Directors, was:

	2022 Group Number	2021 Group Number	2022 Company Number	2021 Company Number
Xeim	201	202	–	–
The Lawyer	58	52	–	–
Central	10	10	4	4
	269	264	4	4

The Group's employees are employed and paid by Centaur Communications Limited, a Group company, with the exception of the Company's Directors and Company Secretary who are employed by the Company. As the employees provide services to other Group companies, their costs are recharged.

Key management compensation

	2022 £'000	Re-presented ² 2021 £'000
Salaries and short-term employment benefits	1,583	1,736
Post-employment benefits	78	74
Share-based payment expense	590	401
	2,251	2,211

² See note 1(a) for description of prior year re-presentation.

Key management is defined as the Executive Directors and Executive Committee members.

201,355 shares were exercised by Directors during the year at a share price of 40.0 pence. (2021: no Directors exercised share options during the year). Details of Directors' remuneration are included in the Remuneration Committee Report between pages 59 to 75.

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6 Finance income and costs

	Note	2022 £'000	2021 £'000
Finance income			
Interest income from short-term deposits	16	68	–
Interest income from cash and cash equivalents		17	1
		85	1
Finance costs			
<i>Commitment fees and amortisation of arrangement fee in respect of revolving credit facility</i>		(105)	(194)
Interest on lease	18	(51)	(67)
Other finance costs		(2)	–
		(158)	(261)
Net finance costs		(73)	(260)

Interest income from short-term deposits

Interest income from short-term deposits is calculated using the effective interest method and is recognised in profit or loss. Finance income in relation to these short-term deposits resulted in cash inflows to the Group of £46,000 during the year (2021: £nil). Refer to note 16 for further details.

Fees on revolving credit facility

These finance costs are in relation to the £10m revolving credit facility, none of which was drawn down at 31 December 2022 (2021: £nil). As indicated by the consolidated cash flow statement, there were no drawdowns from this facility during the current and prior year. Finance costs in relation to this facility resulted in cash outflows by the Company and Group of £71,000 during the year (2021: £194,000).

Lease interest

A lease liability was recognised for the Group's property lease. £51,000 of interest on this lease was incurred during the year (2021: £67,000). Refer to notes 1(j) and 18 for further details.

7 Taxation

	Note	2022 £'000	2021 £'000
Analysis of charge / (credit) for the year			
Current tax	20		
Overseas tax		(3)	14
Adjustments in respect of prior years		68	(38)
		65	(24)
Deferred tax	13		
Current period		913	(175)
Adjustments in respect of prior years		27	143
		940	(32)
Taxation charge / (credit)		1,005	(56)

The taxation charge / (credit) for the year can be reconciled to the profit in the consolidated statement of comprehensive income as follows:

	2022 £'000	2021 £'000
Profit before tax	3,805	1,361
Tax at the UK rate of corporation tax of 19.0% (2021: 19.0%)	723	259
Effects of:		
Expenses not deductible for tax purposes	18	69
Additional deduction for capital allowances	(86)	–
Share-based payments	2	47
<i>Effects of changes in tax rate on deferred tax balances</i>	253	(538)
Different tax rates of subsidiaries in other jurisdictions	–	2
Adjustments in respect of prior years	95	105
Taxation charge / (credit)	1,005	(56)

7 Taxation continued

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Temporary differences are remeasured using the enacted tax rates that are expected to apply when the liability is settled or the asset realised.

In prior year, tax losses were remeasured using the enacted tax rate (25%). However, the Group has utilised £2,775,000 of tax losses this year at the current UK corporation tax rate of 19%, with the remaining £2,935,000 expected to be utilised in 2023 at the blended tax rate of 23.5%. In the current year, the remaining losses have been remeasured at this blended tax rate to reflect this.

A reconciliation between the reported tax charge / (credit) and the adjusted tax charge taking account of adjusting items as discussed in note 1(b) and 4 is shown below:

	2022 £'000	2021 £'000
Reported tax charge / (credit)	1,005	(56)
Effects of:		
Amortisation of acquired intangible assets	108	112
Gain on remeasurement of lease	(36)	—
Share-based payments	198	83
Adjusted tax charge	1,275	139

8 Earnings / (loss) per share

Basic earnings per share ('EPS') is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of shares in issue during the year. 3,112,784 (2021: 2,064,185) shares held in the Employee Benefit Trust and 4,550,179 (2021: 4,550,179) shares held in treasury (see note 21) have been excluded in arriving at the weighted average number of shares.

For diluted earnings per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all deferred shares and dilutive potential ordinary shares. This comprises share options and awards granted to Directors and employees under the Group's share-based payment plans where the exercise price is less than the average market price of the Company's ordinary shares during the year.

Basic and diluted earnings per share have also been presented on an adjusted basis, as the Directors believe that these measures are more reflective of the underlying performance of the Group. These have been calculated as follows:

	2022 Adjusted Results ¹ £'000	2022 Adjusted Items ¹ £'000	2022 Statutory Results £'000	2021 Adjusted Results ¹ £'000	2021 Adjusted Items ¹ £'000	2021 Statutory Results £'000
Profit / (loss) per share attributable to owners						
Profit / (loss) for the year	3,949	(1,149)	2,800	2,833	(1,416)	1,417
Number of shares (thousands)						
Basic weighted average number of shares	143,813	143,813	143,813	144,927	144,927	144,927
Effect of dilutive securities – options	7,638	—	7,638	7,947	—	7,947
Diluted weighted average number of shares	151,451	143,813	151,451	152,874	144,927	152,874
Earnings / (loss) per share (pence)						
Basic earnings per share	2.7	(0.8)	1.9	2.0	(1.0)	1.0
Fully diluted earnings per share	2.6	(0.8)	1.8	1.9	(1.0)	0.9

¹ Adjusted results exclude adjusting items, as detailed in notes 1(b) and 4.

Notes to the Financial Statements

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9 Goodwill

	Group £'000
Cost	
At 1 January 2021, 31 December 2021 and 31 December 2022	81,109
Accumulated impairment	
At 1 January 2021, 31 December 2021 and 31 December 2022	39,947
Net book value	
At 1 January 2021, 31 December 2021 and 31 December 2022	41,162

At 31 December 2022 a full impairment assessment has been carried out. No impairment is required for the carrying value of goodwill. (2021: £nil).

Goodwill by segment

Each brand is deemed to be a cash generating unit ("CGU"), being the lowest level at which cash flows are separately identifiable. Goodwill is attributed to individual CGUs and has historically been reviewed at the operating segment level for the purposes of the annual impairment review as this is the level at which management monitors goodwill.

	Xeim £'000	The Lawyer £'000	Total £'000
At 1 January 2021, 31 December 2021 and 31 December 2022	25,188	15,974	41,162

Impairment testing of goodwill and acquired intangible assets

At 31 December 2022, goodwill and acquired intangible assets (see note 10) were tested for impairment in accordance with IAS 36. In assessing whether an impairment of goodwill and acquired intangible assets is required, the carrying value of the segment is compared with its recoverable amount. Recoverable amounts are measured based on value-in-use ("VIU").

The Group estimates the VIU of its CGUs using a discounted cash flow model, which adjusts the cash flows for risks associated with the assets and discounts these using a pre-tax rate of 9.9% (2021: 10.3%). The discount rate used is consistent with the Group's weighted average cost of capital and is used across all segments, which are all based predominantly in the UK and considered to have similar risks and rewards.

The key assumptions used in calculating VIU are revenue growth, margin, Adjusted EBITDA growth, discount rate and the terminal growth rate. These have been derived from a combination of experience and management's expectations of future growth rates in the business. The Group has used the three-year plan forecast to 2025 for the first three years of the calculation and applied a terminal growth rate of 2.5% (2021: 2.5%). This timescale and the terminal growth rate are both considered appropriate given the nature of the Group's revenues. The three-year plan forecast to 2025 has been prepared brand by brand on a bottom-up basis following a review of the business where management have identified the key growth and focus areas which will deliver the forecasted targets, and conversely which areas of the business will be de-prioritised over that period. Overall the three-year plan forecast to 2025 assumes continued profit growth reflecting top line expansion in flagship brands, while managing the impact of projected inflationary pressures.

The key assumptions and variables in this plan are sensitised in isolation and in combination. The main sensitivities applied to the key drivers are outlined below. As required by IAS 36, these sensitivities are applied in order to assess the effect of reasonably possible changes in the assumptions.

Sensitivity analysis has been performed on the VIU calculations, holding all other variables constant, to:

- i. apply a 10% reduction to forecast Adjusted EBITDA in each year of the modelled cash flows. No impairment would occur in either of the segments.
- ii. apply a 2 percentage point increase in discount rate from 9.9% to 11.9%. No impairment would occur in either of the segments.
- iii. reduce the terminal value growth rate from 2.5% to 1.5%. No impairment would occur in either of the segments.

The results of the impairment assessment and sensitivities applied indicate that no impairment to the goodwill or acquired intangible assets of either CGU is required for the year ended 31 December 2022.

10 Other intangible assets

	Computer software £'000	Brands and publishing rights £'000	Customer relationships £'000	Separately acquired websites and content £'000	Total £'000
Cost					
At 1 January 2021	18,983	1,558	11,321	3,210	35,078
Additions – separately acquired	396	–	–	–	396
Additions – internally generated	298	–	–	–	298
Disposals	(48)	(178)	–	–	(226)
Exchange differences	2	–	–	–	2
At 31 December 2021	19,631	1,380	11,321	3,216	35,548
Additions – separately acquired	763	–	–	–	763
Additions – internally generated	403	–	–	–	403
Disposals	(197)	–	–	–	(197)
Exchange differences	21	–	–	–	21
At 31 December 2022	20,621	1,380	11,321	3,216	36,538
Accumulated amortisation					
At 1 January 2021	16,221	808	9,922	3,216	30,167
Amortisation charge for the year	1,335	114	977	–	2,426
Impairment charge for the year	55	25	–	–	80
Disposals	(48)	(178)	–	–	(226)
Exchange differences	(1)	–	–	–	(1)
At 31 December 2021	17,562	769	10,899	3,216	32,446
Amortisation charge for the year	1,136	99	422	–	1,657
Disposals	(197)	–	–	–	(197)
Exchange differences	21	–	–	–	21
At 31 December 2022	18,522	868	11,321	3,216	33,927
Net book value at 31 December 2022	2,099	512	–	–	2,611
Net book value at 31 December 2021	2,069	611	422	–	3,102
Net book value at 1 January 2021	2,762	750	1,399	–	4,911

Amortisation and impairment of intangible assets is included in net operating expenses in the consolidated statement of comprehensive income. The current year amortisation charge is £1,657,000 (2021: £2,426,000). Acquired intangible assets from business combinations represents the asset groups 'Brands and publishing rights', 'Customer relationships' and 'Separately acquired websites and content'. The amortisation on acquired intangible assets is £521,000 (2021: £1,091,000). This is presented as an adjusting item in note 4 (see note 1(b) for further information).

Other intangible assets are tested annually for impairment in accordance with IAS 36 at a segment level by comparing the carrying value with its recoverable amount. Refer to note 9 for further details. During the prior year, the Group impaired intangible assets totalling a net book value of £80,000. The £80,000 impairment charge related to computer software and brand and publishing rights no longer in use by the business. There was no impairment of other intangibles incurred in the current year.

The Company has no intangible assets (2021: £nil).

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11 Property, plant and equipment

	Fixtures and fittings £'000	Computer equipment £'000	ROU assets – property £'000	Total £'000
Cost				
At 1 January 2021	68	1,049	5,077	6,194
Additions – separately acquired	5	51	978	1,034
Disposals	–	(2)	–	(2)
Exchange differences	–	–	2	2
At 31 December 2021	73	1,098	6,057	7,228
Additions – separately acquired	21	273	–	294
Remeasurement	–	–	(120)	(120)
Disposals	–	(21)	(5,937)	(5,958)
Exchange differences	–	2	–	2
At 31 December 2022	94	1,352	–	1,446
Accumulated depreciation				
At 1 January 2021	40	704	2,192	2,936
Depreciation charge for the year	21	138	1,649	1,808
Disposals	–	(2)	–	(2)
Exchange differences	–	–	2	2
At 31 December 2021	61	840	3,843	4,744
Depreciation charge for the year	7	170	2,094	2,271
Disposals	–	(21)	(5,937)	(5,958)
Exchange differences	–	2	–	2
At 31 December 2022	68	991	–	1,059
Net book value at 31 December 2022	26	361	–	387
Net book value at 31 December 2021	12	258	2,214	2,484
Net book value at 1 January 2021	28	345	2,885	3,258

Depreciation of property, plant and equipment is included in net operating expenses in the consolidated statement of comprehensive income.

The current year depreciation charge is £2,271,000 (2021: £1,808,000). Depreciation of the ROU asset includes £243,000 termination fee which was included in the cost of the ROU asset in the remeasurement on the agreement of the lease termination (see note 18). This £243,000 is presented as an adjusting item in note 4 and the remaining depreciation charge of £2,028,000 is in Adjusted Results.

The Company has no property, plant and equipment at 31 December 2022 (2021: £nil).

12 Investments

Company	Investments in subsidiary undertakings £'000
Cost	
At 1 January 2021	151,385
Additions	163
At 31 December 2021	151,548
Additions	374
At 31 December 2022	151,922
Accumulated impairment	
At 1 January 2021, 31 December 2021 and 31 December 2022	86,393
Net book value at 31 December 2022	65,529
Net book value at 31 December 2021	65,155
Net book value at 1 January 2021	64,992

Impairment testing of the investment

The carrying value of the investment represents the Company's direct ownership of Centaur Communications Limited ('CCL'). At 31 December 2022, the investment was tested for impairment in accordance with IAS 36. In assessing whether an impairment of the investment is required, the carrying value of the investment is compared with its recoverable amount. The recoverable amount is measured based on value-in-use ('VIU'). Although the Company only has direct ownership of CCL, CCL in turn directly or indirectly controls the rest of the Group's subsidiaries. Therefore, the VIU of the Company's investment in CCL is supported by the operations of the entire Group.

In the prior year, the ongoing global pandemic and its impact on the economy and directly on the Group was identified as an indication of impairment of the Company's investment carrying value. Therefore, a full impairment assessment was performed. The results of the impairment assessment and sensitivities applied indicated that no impairment to the Company's investment in CCL was required for the year ended 31 December 2021 as the carrying value of the investment was supported by the underlying trade of the Group.

In the current year, the UK's economic uncertainty throughout 2022 has been identified as an indication of impairment of the Company's investment carrying value. Therefore, a full impairment assessment has been performed.

The Group estimates the VIU using a discounted cash flow model, which adjusts the cash flows for risks associated with the assets and discounts these using a pre-tax rate of 9.9% (2021: 10.3%). The discount rate used is consistent with the Group's weighted average cost of capital.

The key assumptions used in calculating VIU are revenue growth, margin, Adjusted EBITDA growth, discount rate and the terminal growth rate. These have been derived from a combination of experience and management's expectations of future growth rates in the business. The Group has used the three-year plan forecast to 2025 for the first three years of the calculation and applied a terminal growth rate of 2.5% (2021: 2.5%). This timescale and the terminal growth rate are both considered appropriate given the nature of the Group's revenues. The three-year plan forecast to 2025 has been prepared brand by brand on a bottom-up basis following a review of the business where management have identified the key growth and focus areas which will deliver the forecasted targets, and conversely which areas of the business will be de-prioritised over that period. Overall the three-year plan forecast to 2025 assumes continued profit growth reflecting top line expansion in flagship brands, while managing the impact of projected inflationary pressures.

Sensitivities are applied to each of the key assumptions and variables in isolation and in combination, in line with those sensitivities applied for goodwill impairment testing as outlined in note 9. As required by IAS 36, these sensitivities are applied in order to assess the effect of reasonably possible changes in the assumptions.

The results of the impairment assessment and sensitivities applied indicate that no impairment to the Company's investment in CCL is required for the year ended 31 December 2022.

Additions of £374,000 (2021: £163,000) related to capital contributions for share-based payments recharged to the Company's subsidiaries.

In order to simplify the Group structure, the process to close dormant companies commenced during the prior year.

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12 Investments continued

The Group dissolved the following subsidiaries during the current year:

Name	Proportion of ordinary shares and voting rights held (%)	Principal activities	Country of incorporation	Date of closure
Pro-Talk Ltd	100	Dormant	United Kingdom	20 December 2022
Taxbriefs Limited	100	Dormant	United Kingdom	20 December 2022

At 31 December 2022, the Group has control over the following subsidiaries:

Name	Proportion of ordinary shares and voting rights held (%)	Principal activities	Country of incorporation
Centaur Communications Limited ¹	100	Holding company and agency services	United Kingdom
Centaur Media USA Inc ²	100	Digital information services	United States
Chiron Communications Limited ³	100	In liquidation	United Kingdom
E-consultancy LLC ²	100	Holding company	United States
E-consultancy.com Limited	100	Digital information services	United Kingdom
Market Makers Incorporated Limited	100	In liquidation	United Kingdom
Taxbriefs Holdings Limited ⁴	100	Holding company	United Kingdom
TheLawyer.com Limited	100	Digital information services	United Kingdom
Xeim Limited	100	Digital information services	United Kingdom

¹ Directly owned by Centaur Media Plc

² Registered address is 244 Fifth Avenue, Suite 1297, New York, NY 10001, USA. Functional currency is USD.

³ Chiron Communications Limited was liquidated on 11 January 2023

⁴ The process to strike off Taxbriefs Holdings Limited commenced in January 2023.

The registered address of all subsidiary companies, except for those identified above, is 10 York Road, London, SE1 7ND, United Kingdom. The functional currency of all subsidiaries is GBP except for those identified above. The consolidated financial statements incorporate the financial statements of all entities controlled by the Company at 31 December 2022.

13 Deferred tax

The movement on the deferred tax account for the Group is shown below:

	Accelerated capital allowances £'000	Other temporary differences £'000	Tax losses £'000	Total £'000
Net asset / (liability) at 1 January 2021	683	(14)	1,541	2,210
Adjustments in respect of prior periods	(42)	(55)	(46)	(143)
Recognised in the consolidated statement of comprehensive income	69	110	(4)	175
Recognised in the consolidated statement of changes in equity	–	118	–	118
Net asset at 31 December 2021	710	159	1,491	2,360
Adjustments in respect of prior periods	13	23	(63)	(27)
Recognised in the consolidated statement of comprehensive income	(443)	268	(738)	(913)
Recognised in the consolidated statement of changes in equity	–	233	–	233
Net asset at 31 December 2022	280	683	690	1,653

13 Deferred tax continued

Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net.

	2022 £'000	2021 £'000
Deferred tax assets	1,673	2,488
Deferred tax liabilities	(20)	(128)
	1,653	2,360

At the year end, the Group has unused tax losses of £2,935,000 (2021: £5,961,000) available for offset against future profits. A deferred tax asset of £690,000 (2021: £1,491,000) has been recognised in respect of £2,935,000 (2021: £5,961,000) of such tax losses.

Following the Group's disposals in previous years, the transformed Group is now more focused and streamlined in order to deliver higher margins and profits and this is reflected in the current year results and continuation of this profitable position is reflected in the Group's three-year plan forecast to 2025. The Group has concluded that the deferred tax asset will be recoverable using the estimated future taxable profit based on the three-year plan forecast to 2025. This forecast was used in the impairment assessments performed for goodwill and investments. Refer to notes 9 and 12 for further details. The Group generated taxable profits in 2022 and is expected to generate taxable profits from 2023 onwards. The losses can be carried forward indefinitely and have no expiry date as long as the companies that have the losses continue to trade.

The Company had deferred tax assets on share options under long-term incentive plans of £375,000 at 31 December 2022 (2021: £190,000).

Deferred tax assets and liabilities are expected to be materially utilised after 12 months.

14 Trade and other receivables

Note	2022 Group £'000	2021 Group £'000	2022 Company £'000	2021 Company £'000
Amounts falling due within one year				
Trade receivables	25	4,348	5,475	—
Less: expected credit loss	25	(537)	(564)	—
Trade receivables – net		3,811	4,911	—
Other receivables		430	92	34
Prepayments		916	981	127
Accrued income		200	75	—
		5,357	6,059	161
Amounts falling due after one year				
Other receivables		27	319	27
Receivable from Employee Benefit Trust		—	1,198	1,156
		27	319	1,197

The receivable from Employee Benefit Trust is unsecured, has no fixed due date and does not bear interest.

Other receivables falling due within one year include £278,000 (2021: £278,000 amount falling due after one year) in relation to a deposit on the London property lease which is fully refundable at the end of the lease term. The current London property lease ended on 31 December 2022. From 1 January, the Group will be fully refunded for this deposit. The Group has signed a new lease agreement commencing 1 January 2023, for which a deposit of £162,000 will be recognised in other receivables falling due after one year. The new lease deposit will be fully refundable at the end of the lease term. Refer to note 18 and 27 for further detail.

15 Cash and cash equivalents

	2022 Group £'000	2021 Group £'000
Cash at bank and in hand	7,501	13,065

The Company had no cash and cash equivalents at 31 December 2022 (2021: £nil).

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16 Short-term deposits

	2022 Group £'000	2021 Group £'000
Short-term deposits	8,500	—

In October 2022, £3,500,000 was placed in a short-term deposit for a four-month fixed term, accruing interest at a fixed annual rate of 2.50%. In December 2022 a further £5,000,000 was placed in a short-term deposit for a five-month fixed term, accruing interest at a fixed annual rate of 2.85%. Interest for both short-term deposits is to be paid on maturity (2021: £nil). These amounts remain in deposit at year end. Refer to note 6 for further detail.

17 Trade and other payables

	2022 Group £'000	2021 Group £'000	2022 Company £'000	2021 Company £'000
Trade payables	727	1,070	—	—
Payables to subsidiaries	—	—	34,744	29,397
Accruals	7,590	8,112	1,002	496
Social security and other taxes	577	886	—	—
Other payables	758	1,340	23	3
	9,652	11,408	35,769	29,896

Payables to subsidiaries are unsecured, have no fixed date of repayment and bear interest at an annual rate of 5.68% (2021: 3.45%).

The Directors consider that the carrying amount of the trade payables approximates their fair value.

18 Lease liabilities

The lease liability reflected below relates to a property lease, for which a corresponding right-of-use ('ROU') asset is held on the consolidated statement of financial position within property, plant and equipment and detailed in note 11.

	2022 Group £'000	2021 Group £'000
At 1 January	2,384	3,375
Remeasurement of lease liability	(271)	978
Interest expense	51	67
Cash outflow – lease payments	(1,921)	(2,036)
Cash outflow – termination fee	(243)	—
At 31 December	—	2,384
Current	—	1,884
Non-current	—	500
At 31 December	—	2,384

The Group had one lease agreement in place during the year. In June an option to extend the lease was exercised, resulting in an increase to the lease liability and a corresponding increase to the ROU asset. Subsequently, in October, an agreement to terminate the lease was signed, bringing the end date forward to 31 December 2022. This changed the lease term judgement previously made, and the lease liability was therefore remeasured. These two remeasurements resulted in the net decrease in lease liability of £271,000. The remeasurement upon agreement to terminate resulted in a proportionate adjustment to the ROU asset and lease liability based on the carrying values at the effective date, resulting in a gain on remeasurement of £151,000. In exiting the lease, the Group incurred a £243,000 termination fee. These are both recognised as adjusting items in the consolidated statement of comprehensive income. Refer to note 1(b) and 4 for further details.

A new lease agreement has been entered into with a commencement date of 1 January 2023, and therefore a lease liability and corresponding ROU asset will be recognised on 1 January 2023. This lease has a term of three years until 31 December 2025, with lease payments/cash outflows of £972,000 for the first year of the lease term, increasing by 3.5% annually thereafter. Refer to note 27 for further details.

During the prior year, the lease liability for the Group's property in London was remeasured upon reassessment of the lease term, resulting in an increase of £978,000. The amount of the remeasurement of the lease liability was recognised as an adjustment to the ROU asset.

19 Deferred income

	2022 Group £'000	2021 Group £'000
Deferred income	8,885	7,846

Deferred income arises on contracts with customers where revenue recognition criteria has not yet been met. See note 1(e) for further details. During the year ended 31 December 2022, £7,831,000 (2021: £7,023,000) of the deferred income balance of £7,846,000 at 31 December 2021 (£7,048,000 at 31 December 2020) was recognised as revenue in the consolidated statement of comprehensive income.

20 Current tax assets

	2022 Group £'000	2021 Group £'000
Corporation tax receivables	165	195

The Company had no corporation tax receivables or payables at 31 December 2022 (2021: £nil).

21 Equity

	Nominal value £'000	Number of shares
Ordinary shares of 10 pence each		
Authorised share capital – Group and Company		
At 1 January 2021, 31 December 2021 and 31 December 2022	20,000	200,000,000
Issued and fully paid share capital – Group and Company		
At 1 January 2021, 31 December 2021 and 31 December 2022	15,141	151,410,226

Deferred shares reserve

The deferred shares reserve represents 800,000 (2021: 800,000) deferred shares of 10 pence each, which carry restricted voting rights and have no right to receive a dividend payment in respect of any financial year.

Reserve for shares to be issued

The reserve for shares to be issued is in respect of equity-settled share-based payment plans. The movements in the reserve for shares to be issued represent the total charges for the year relating to equity-settled share-based payment transactions with employees as accounted for under IFRS 2 less transfers from this reserve to retained earnings for shares exercised or lapsed during the year.

Own shares reserve

The own shares reserve represents the value of shares held as treasury shares and in the Employee Benefit Trust. At 31 December 2022, 4,550,179 (2021: 4,550,179) 10 pence ordinary shares are held in treasury and 3,112,784 (2021: 2,064,185) 10 pence ordinary shares are held in the Employee Benefit Trust.

The Employee Benefit Trust issued 201,355 (2021: 981,783) shares to meet obligations arising from share-based rewards to employees that had vested and were exercised in the current year (2021: vested and exercised in 2021). The shares were issued at a historical weighted average cost of 105.3 pence (2021: 92.9 pence) per share. The total cost of £212,000 (2021: £912,000) has been recognised as a reduction in the own shares reserve in other reserves in equity.

During 2022, the Employee Benefit Trust purchased 1,249,954 (2021: 1,097,476) ordinary shares in order to meet future obligations arising from share-based rewards to employees. The shares were acquired at an average price of 48.3 pence per share, with prices ranging from 47.7 pence to 49.4 pence. The total cost of £604,000 (2021: £481,000) has been recognised in the own shares reserve in equity.

Notes to the Financial Statements

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22 Share-based payments

The Group's share-based payment expense for the year by plan:

	2022 £'000	2021 £'000
Share-based payment expense	806	495

The share-based payment expense is presented as an adjusting item in note 4 (see note 1(b) for further information) and is included in net operating expenses in the consolidated statement of comprehensive income.

The Group's share-based payment plans upon vesting are equity-settled.

The share-based payment expense includes social security contributions which are settled in cash upon exercise. £75,000 (2021: £132,000) was charged to the consolidated statement of comprehensive income in relation to employers NI on share-based payment plans and included in accruals on the consolidated statement of financial position.

Long-Term Incentive Plan

The Group operates a Long-Term Incentive Plan ('LTIP') for Executive Directors and selected senior management. This is an existing incentive policy and was approved by shareholders at the 2016 AGM. Full details on how the plan operates are included in the Remuneration Report.

During the year LTIP awards were granted to Executive Directors and selected senior management. Details of the performance conditions of these awards are disclosed in the Remuneration Report.

A reconciliation of the movements in LTIP awards is shown below.

	2022	2021
Number of awards		
At 1 January	7,664,075	7,503,258
Granted	2,870,942	2,985,565
Exercised	(201,355)	(981,776)
Forfeited	(166,057)	(596,093)
Lapsed	(2,832,868)	(1,246,879)
At 31 December	7,334,737	7,664,075
Exercisable at 31 December	–	–
Weighted average share price at date of exercise (pence)	40.00	42.01

The awards granted during the year were priced using the following models and inputs:

Grant date	24.03.2022
Share price at grant date (pence)	48.00
Fair value (pence)	29.44
Vesting date	24.03.2025
Exercise price (pence)	£nil
Expected volatility (%)	42.76
Expected dividend yield (%)	2.08
Risk free interest rate (%)	1.36
Valuation model used	Stochastic

Options exercised during the year related to the proportion of the 2019 LTIP awards that vested during the year (2021: 2018 LTIP awards).

Options forfeited during the year were due to the participants leaving before the vesting date of the options. Options that lapsed in the year did not meet the performance conditions and related to the 2019 LTIP awards (2021: 2018 LTIP awards). No options expired during the year (2021: nil).

The share awards outstanding at 31 December 2022 had a weighted average exercise price of £nil (2021: £nil) and a weighted remaining life of 1.4 years (2021: 1.3 years).

22 Share-based payments continued

Deferred Share Bonus Plan

The Deferred Share Bonus Plan ('DSBP') was approved by the Board in May 2022 and applies to Executive Directors. Under the plan, the portion of the annual bonus greater than 75% of basic salary is deferred in accordance with the Group's remuneration policy into awards in Centaur Media Plc shares. Awards under the DSBP are not subject to further performance conditions and vest after three years, subject to continued employment. Dividend equivalents may be awarded in respect of the DSBP awards on vesting. Further details on how the plan operates is included in the Remuneration Report.

A reconciliation of the movements in DSBP awards is shown below.

	2022
Number of awards	
At 1 January	–
Granted	60,593
At 31 December	60,593
Exercisable at 31 December	–
Weighted average share price at date of exercise (pence)	–

In May 2022, 60,593 shares were awarded to Executive Directors under the DSBP, representing the portion of the 2021 bonus to Executive Directors greater than 75% of their basic salary.

The awards granted during the year were priced using the following models and inputs:

Grant date	12.05.2022
Share price at grant date and fair value (pence)	47.00
Vesting date	24.03.2025
Exercise price (pence)	£nil

No options were exercised, forfeited or expired during the year.

The share awards outstanding at 31 December 2022 had a weighted average exercise price of £nil and a weighted remaining life of 2.2 years.

Senior Executive Long-Term Incentive Plan

The Centaur Media Plc 2010 Senior Executive Long-Term Incentive Plan (the 'SELTIP') was introduced during 2011 and was approved by shareholders at the 2010 AGM. This is not an HMRC approved plan and vests over a three-year period with service and performance conditions. Awards were granted under this plan in 2011 for no consideration and no exercise price. This plan is closed to new awards.

	2022	2021
Number of awards		
At 1 January	6,862	6,862
Expired	(6,862)	–
At 31 December	–	6,862
Exercisable at 31 December	–	6,862
Weighted average share price at date of exercise (pence)	–	–

There were no grants, exercises or forfeitures during the current and prior year.

All options expired during the current year (2021: no options expired). The shares outstanding at 31 December 2021 had a weighted average exercise price of £nil and a weighted remaining life of 0.7 years.

Share Incentive Plan

The Centaur Media Plc Share Incentive Plan (the 'SIP') is an HMRC approved Tax-Advantaged plan, which provides employees with the opportunity to purchase shares in the Company. This plan is open to all employees who have been employed by the Group for more than three months. Employees may invest up to £1,800 per annum (or 10% of their salary if less) in ordinary shares in the Company, which are held in trust. The shares are purchased in open market and are held in trust for each employee. The shares can be withdrawn with tax paid at any time, or tax-free after five years. The Group matches the contribution with a ratio of one share for every two purchased. Other than continuing employment, there are no other performance conditions attached to the plan.

The Executive Directors are eligible to participate in the Share Incentive Plan, as are all employees of the Group.

Notes to the Financial Statements

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22 Share-based payments continued

	2022	2021
Number of matching shares		
Outstanding at 1 January	57,495	58,117
Awarded	18,413	15,498
Transferred to participants	–	(8,144)
Forfeited	–	(7,976)
Outstanding at 31 December	75,908	57,495

23 Dividends

	2022 £'000	2021 £'000
Equity dividends		
Final dividend for 2020: 0.5 pence per 10 pence ordinary share	–	726
Interim dividend for 2021: 0.5 pence per 10 pence ordinary share	–	724
Final dividend for 2021: 0.5 pence per 10 pence ordinary share	718	–
Interim dividend for 2022: 0.5 pence per 10 pence ordinary share	718	–
	1,436	1,450

A final dividend for the year ended 31 December 2022 of £862,000 (0.6 pence per share) is proposed by the Directors and, subject to shareholder approval at the Annual General Meeting, will be paid on 26 May 2023 to all ordinary shareholders on the register at the close of business on 12 May 2023.

A special dividend of £4,312,000 (3.0 pence per share) was announced by the Directors and was paid on 10 February 2023 to all ordinary shareholders on the register at the close of business on 27 January 2023.

A further special dividend of £2,875,000 (2.0 pence per share) is announced by the Directors to be paid on 31 March 2023 to all ordinary shareholders on the register at the close of business on 17 March 2023.

The interim, special and final dividends together result in a total dividend pertaining to 2022 of £8,767,000.

The final dividend for the year end 2021 of 0.5 pence per share was proposed by the Directors to all ordinary shareholders on the register at the close of business 13 May 2022. This was estimated to be £725,000 in the 2021 Annual Report. The actual dividend payment in respect of this in May 2022 was £718,000.

24 Notes to the cash flow statement

Reconciliation of profit / (loss) for the year to cash generated from operating activities:

Note	2022 Group £'000	2021 Group £'000	2022 Company £'000	2021 Company £'000
Profit / (loss) for the year	2,800	1,417	(4,619)	(2,325)
Adjustments for:				
Taxation charge / (credit)	7	1,005	(56)	(1,106)
Finance income	6	(85)	(1)	–
Finance costs	6	158	261	1,182
Depreciation of property, plant and equipment	11	2,271	1,808	–
Amortisation of intangible assets	10	1,657	2,426	–
Impairment of intangible assets	10	–	80	–
Gain on remeasurement of lease	18	(151)	–	–
Share-based payment expense	22	806	495	325
Dividends waived		–	2	2
Unrealised foreign exchange differences		(145)	(65)	–
Changes in working capital:				
Decrease / (increase) in trade and other receivables		1,002	(259)	34,359
(Decrease) / increase in trade and other payables		(1,955)	2,615	(31,389)
Increase in deferred income		1,039	798	–
Cash generated from operating activities	8,402	9,521	1,507	1,642

24 Notes to the cash flow statement continued

Reconciliation of movements of liabilities and associated assets to cash flows arising from financing activities:

	Note	Group and Company Net borrowings £'000	Group Lease liability £'000
At 1 January 2021		72	(3,375)
Changes from financing cash flows:			
Loan arrangement fee		107	–
Finance costs paid	6	87	–
Repayment of obligations under finance leases	18	–	2,036
		194	2,036
Other changes:			
Finance costs	6	(194)	(67)
Remeasurement of lease liability	18	–	(978)
		(194)	(1,045)
Balance at 31 December 2021		72	(2,384)
Changes from financing cash flows:			
Finance costs paid	6	71	–
Repayment of obligations under finance leases	18	–	1,921
Termination of lease	18	–	243
		71	2,164
Other changes:			
Finance costs	6	(105)	(51)
Remeasurement of lease liability	18	–	271
Extension fee on revolving credit facility	25	20	–
		(85)	220
Balance at 31 December 2022		58	–

Net borrowings is comprised of a loan arrangement fee debtor of £61,000 (2021: £75,000) presented within other receivables and a commitment fee creditor of £3,000 presented within other payables (2021: £3,000). The movements of this asset and liability together give rise to cash flows from financing activities relating to the £10m revolving credit facility.

Notes to the Financial Statements

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25 Financial instruments and financial risk management

Financial risk management

The Board has overall responsibility for the determination of the Group's risk management policies. The Board receives monthly reports from the Chief Financial Officer through which it reviews the effectiveness of policies and processes put in place to manage risk. The Board sets policies that reduce risk as far as possible without unduly affecting the operating effectiveness of the Group.

The Group's activities expose it to a variety of financial risks, including interest rate risk, credit risk, liquidity risk, capital risk and currency risk. Of these, credit risk and liquidity risk are considered the most significant. This note presents information about the Group's exposure to each of the above risks.

Categories of financial instruments

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1(s). All financial assets and liabilities are measured at amortised cost.

	Note	2022 £'000	2021 £'000
Financial assets			
Cash and cash equivalents	15	7,501	13,065
Short-term deposits	16	8,500	–
Trade receivables – net	14	3,811	4,911
Other receivables	14	457	411
		20,269	18,387
Financial liabilities			
Lease liability	18	–	2,384
Trade payables	17	727	1,070
Accruals	17	7,590	8,112
Other payables	17	758	1,340
		9,075	12,906

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk in relation to financial assets. Credit risk is managed on a Group basis. The Group does not consider that it is subject to any significant concentrations of credit risk.

Trade receivables

Trade receivables consist of a large number of customers, of varying sizes and spread across diverse industries and geographies. The Group does not have significant exposure to credit risk in relation to any single counterparty or group of counterparties having similar characteristics. The Group's exposure to credit risk is influenced predominantly by the circumstances of individual customers as opposed to industry or geographic trends.

The business assesses the credit quality of customers based on their financial position, past experience and other qualitative and quantitative factors. The Group's policy requires customers to pay in accordance with agreed payment terms, which are generally 30 days from the date of invoice. Under normal trading conditions, the Group is exposed to relatively low levels of risk and potential losses are mitigated as a result of a diversified customer base and the requirement for events and certain premium content subscription invoices to be paid in advance of service delivery.

The credit control function within the Group's finance department monitors the outstanding debts of the Group and trade receivable balances are analysed by the age and value of outstanding balances.

Any trade receivable balance which is objectively determined to be uncollectible is written off the ledger, with a charge taken through the consolidated statement of comprehensive income. The Group also records an allowance for the lifetime expected credit loss on its trade receivables balances under the simplified approach as mandated by IFRS 9. The impairment model for trade receivables, under IFRS 9, requires the recognition of impairment provisions based on expected lifetime credit losses rather than only incurred ones. All balances are reviewed with those greater than 90 days past due considered to carry a higher level of credit risk. Refer to note 1(s)(ii) for further details on the approach to allowance for expected credit losses on trade receivables.

The allowance for expected lifetime credit losses, and changes to it, are taken through administrative expenses in the consolidated statement of comprehensive income.

25 Financial instruments and financial risk management continued

The ageing of trade receivables according to their original due date is detailed below:

	2022 Gross £'000	2022 Provision £'000	2021 Gross £'000	2021 Provision £'000
Not due	2,971	(45)	3,488	(43)
0-30 days past due	488	(15)	972	(25)
31-60 days past due	141	(9)	161	(9)
61-90 days past due	74	(9)	146	(16)
Over 90 days past due	674	(459)	708	(471)
	4,348	(537)	5,475	(564)

In making the assessment that unprovided trade receivables are not impaired, the Directors have considered the quantum of gross trade receivables which relate to amounts not yet included in income, including amounts in deferred income and amounts relating to VAT. The credit quality of trade receivables not impaired has been assessed as acceptable.

The movement in the allowance for expected credit losses on trade receivables is detailed below:

	2022 Total £'000	2021 Total £'000
Balance at 1 January	564	993
Utilised	(18)	(390)
Release	(31)	(39)
Exchange differences	22	—
Balance at 31 December	537	564

The Group's policy requires customers to pay in accordance with agreed payment terms which are generally 30 days from the date of invoice or in the case of live events related revenue no less than 30 days before the event. All credit and recovery risk associated with trade receivables has been provided for in the consolidated statement of financial position. The Group's policy for recognising an impairment loss is given in note 1(s)(ii). Impairment losses are taken through administrative expenses in the consolidated statement of comprehensive income.

The Directors consider the carrying value of trade and other receivables approximates to their fair value.

Cash and cash equivalents and short-term deposits

Banks and financial institutions are independently rated by credit rating agencies. We choose only to deal with those with a minimum 'A' rating. We determine the credit quality for cash and cash equivalents and short-term deposits to be strong.

Other receivables

Other receivables are neither past due nor impaired. These are primarily made up of sundry receivables, including employee-related debtors and receivables in respect of distribution arrangements.

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 manages liquidity risk by maintaining adequate reserves and working capital credit facilities, and by continuously monitoring forecast and actual cash flows. Since March 2021, the Group has had its multi-currency revolving credit facility with NatWest. The facility consists of a committed £10m facility and an additional uncommitted £15m accordion option, both of which can be used to cover the Group's working capital and general corporate needs. In December 2022, the Group took the option to extend the facility for one year and the facility now runs to March 2025, with the remaining option to extend for one further year. As at 31 December 2022, the Group had cash of £7,501,000 (2021: £13,065,000) and short-term deposits of £8,500,000 (2021: £nil) with a full undrawn loan facility of £25,000,000 (2021: full undrawn loan facility of £25,000,000).

Notes to the Financial Statements

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25 Financial instruments and financial risk management continued

The following tables detail the financial maturity for the Group's financial liabilities:

	Book value £'000	Fair value £'000	Less than 1 year £'000	2–5 years £'000
At 31 December 2022				
Financial liabilities				
Non-interest bearing	9,075	9,075	9,075	–
	9,075	9,075	9,075	–
At 31 December 2021				
Financial liabilities				
Interest bearing	2,384	2,384	1,884	500
Non-interest bearing	10,522	10,522	10,522	–
	12,906	12,906	12,406	500

The Directors consider that book value is materially equal to fair value.

The book value of primary financial instruments approximates to fair value where the instrument is on a short maturity or where they bear interest at rates that approximate to the market.

The following table details the level of fair value hierarchy for the Group's financial assets and liabilities:

Financial Assets	Financial Liabilities
Level 1	Level 3
Cash and cash equivalents	Lease liabilities
Short-term deposits	Trade payables
Level 3	Accruals
Trade receivables – net	Provisions
Other receivables	Other payables
	Borrowings*

* Borrowings are purely in relation to the Group's revolving credit facility which is discussed above. The amount drawn down from this facility at 31 December 2022 was £nil (2021: £nil).

All trade and other payables are due for payment in one year or less, or on demand.

Interest rate risk

The Group's financial assets are not significant interest-bearing assets. The Group is exposed to interest rate risk when it borrows funds at floating interest rates through its revolving credit facility. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. The Group evaluates its risk appetite towards interest rate risks regularly to manage interest rate risk in relation to its revolving credit facility if deemed necessary.

The Group did not enter any hedging transactions during the current or prior year and as at 31 December 2022 the only floating rate to which the Group was exposed was SONIA. The Group's exposure to interest rates on financial assets and financial liabilities is detailed in the liquidity risk section of this note.

Interest rate sensitivity

The Group has not drawn down from its revolving credit facility in the current year or prior year therefore a sensitivity analysis has not been performed.

25 Financial instruments and financial risk management continued

Capital risk

The Group manages its capital to ensure that all entities in the Group will be able to continue as a going concern while maximising return to shareholders, as well as sustaining the future development of the business.

The capital structure of the Group consists of net cash, which includes cash and cash equivalents (note 15), short-term deposits (note 16) and equity attributable to the owners of the parent, comprising issued share capital (note 21), other reserves and retained earnings. The Board also considers the levels of own shares held for employee share plans and the ability to issue new shares for acquisitions, in managing capital risk in the business.

Since March 2021, the Group has benefited from its banking facility with NatWest, which featured a committed £10m facility and an additional uncommitted £15m accordion option, both of which can be used to cover the Group's working capital and general corporate needs. In December 2022, the Group took the option to extend the facility for one year and the facility now runs to March 2025, with the remaining option to extend for one further year. Interest is calculated on SONIA plus a margin dependent on the Group's net leverage position, which is re-measured quarterly in line with covenant testing. The Group's borrowings are subject to financial covenants tested quarterly. The principal financial covenants under the facility are that the ratio of net debt to EBITDA shall not exceed 2.5:1 and the ratio of EBITDA to net finance charges shall not be less than 4:1. At no point during the current year or prior year did the Group breach its covenants.

Currency risk

Substantially all the Group's net assets are in the United Kingdom. Most of the revenue and profits are generated in the United Kingdom and consequently foreign exchange risk is limited. The Group continues to monitor its exposure to currency risk, particularly as the business expands into overseas territories such as North America, however the results of the Group are not currently considered to be sensitive to movements in currency rates.

26 Pension schemes

The Group contributes to individual and collective money purchase pension schemes in respect of Directors and employees once they have completed the requisite period of service. The charge for the year in respect of these defined contribution schemes is shown in note 5. Included within other payables is an amount of £92,000 (2021: £76,000) payable in respect of the money purchase pension schemes.

27 Capital commitments

At 31 December 2022, the Group had signed a lease agreement for a London property with a commencement date of 1 January 2023. This lease has a term of three years until 31 December 2025, with lease payments/cash outflows of £972,000 for the first year of the lease term, increasing by 3.5% annually thereafter. There is a deposit for the new London property lease which will be payable from the commencement date of 1 January 2023 of £162,000. This is fully refundable at the end of the lease term.

No additional capital commitments as at 31 December 2022 (2021: £nil).

Notes to the Financial Statements

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28 Related party transactions

Group

Key management compensation is disclosed in note 5. There were no other material related party transactions for the Group in the current or prior year.

Company

The Company had the following transactions with subsidiaries and related parties during the year.

i) Interest

During the year, interest was recharged from subsidiary companies as follows:

	2022 £'000	2021 £'000
Net interest payable	1,896	988

There were no borrowings at the end of the year (2021: £nil).

The balances outstanding with subsidiary companies are disclosed in note 17.

ii) Dividends

During both the current and prior year, the Company did not receive any dividends from its subsidiaries.

iii) Employee Benefit Trust

The assets and liabilities of the Employee Benefit Trust are comprised in the consolidated statement of financial position. Transactions between the Employee Benefit Trust and the Parent are detailed in notes 21 and 22. Details of the Company's receivable from the Employee Benefit Trust is in note 14.

There were no other material related party transactions for the Company in the current or prior year.

Audit exemption

For the year ended 31 December 2022, the Company has provided a guarantee pursuant to sections 479A-C of Companies Act 2006 over the liabilities of the following subsidiaries and, as such, they are exempt from the requirements of the Act relating to the audit of individual financial statements, or preparation of individual financial statements, as appropriate, for this financial year.

Name	Company number	Outstanding liabilities £'000
Centaur Communications Limited	01595235	16,013
Chiron Communications Limited ¹	01081808	–
Econsultancy.com Limited	04047149	2
Market Makers Incorporated Limited	05063707	–
Taxbriefs Holdings Limited ²	03572069	–
TheLawyer.com Limited	11491880	2,581
Xeim Limited	05243851	10,077

¹ Chiron Communications Limited was liquidated on 11 January 2023.

² The process to strike off Taxbriefs Holdings Limited commenced in January 2023.

See note 12 for changes to subsidiary holdings during the year.

29 Events after the reporting date

No material events have occurred after the reporting date except the commencement of the new office lease from 1 January 2023 as disclosed in notes 18 and 27.

Five Year Record (Unaudited)

	2018*	2019	2020	2021	2022
Revenue (£m)	50.3	39.6	32.4	39.1	41.6
Operating (loss) / profit (£m)	(20.3)	(7.8)	(2.3)	1.6	3.9
Adjusted operating (loss) / profit (£m)	(2.2)	(1.2)	–	3.2	5.3
Adjusted operating (loss) / profit margin	(4%)	(3%)	–	8%	13%
(Loss) / profit before tax (£m)	(20.5)	(8.1)	(2.6)	1.4	3.8
Adjusted (loss) / profit before tax (£m)	(2.4)	(1.5)	(0.3)	3.0	5.2
Adjusted diluted EPS (pence)	(1.4)	0.3	0.3	1.9	2.6
Ordinary dividend per share (pence)	3.0	1.5	0.5	1.0	1.1
Special dividend per share (pence)	–	2.0	–	–	5.0
Net operating cash flow (£m)	5.6	4.7	2.1	9.5	8.4
Average permanent headcount (FTE)	758	317	282	264	269
Revenue per head (£'000)	66	125	115	148	155
Revenue from continuing operations by type	2018* £m	2019 £m	2020 £m	2021 £m	2022 £m
Premium Content	14.4	14.4	13.2	12.9	14.7
Training and Advisory	8.0	7.6	8.5	12.6	14.4
Marketing Services	4.5	4.3	2.9	3.3	2.9
Events	6.5	6.4	2.5	3.8	4.7
Marketing Solutions	4.6	4.6	4.2	5.0	3.5
Recruitment Advertising	2.7	2.3	1.1	1.5	1.4
Telemarketing Services	9.6	–	–	–	–
	50.3	39.6	32.4	39.1	41.6
Other	2018* £m	2019 £m	2020 £m	2021 £m	2022 £m
Goodwill and other intangible assets	78.1	61.2	46.1	44.2	43.8
Other assets and liabilities	(11.5)	(9.4)	(7.2)	(10.2)	(11.0)
Net assets before net cash	66.6	51.8	38.9	34.0	32.8
Net cash	0.1	9.3	8.3	13.1	16.0
Total equity	66.7	61.1	47.2	47.1	48.8

* 2018 has not been re-presented with regards to discontinued operations relating to the cessation of the MarketMakers telemarketing business in 2020.

Directors, Advisers and other Corporate Information

Company registration number

04948078

Incorporated / domiciled in

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Simon Longfield (Chief Financial Officer)
William Eccleshare
Carol Hosey
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