18 May 2023

Connectors. Creators. Experience Makers.

FUTURE plc

2023 INTERIM YEAR RESULTS

Diversification strategy delivers solid results

Future plc (LSE: FUTR, “Future”, “the Group”), the global platform for specialist media, today publishes its results for the half-year ended 31 March 2023.

Highlights

Financial results for the half-year ended 31 March 2023

Adjusted results[1]	**HY 2023**	**HY 2022**	**Var**
Adjusted operating profit (£m)	130.3	134.5	(3)%
Adjusted operating profit margin (%)	32%	33%	(1)ppt
Adjusted diluted EPS (p)	71.2	81.3	(12)%
Adjusted free cash flow[3]	130.0	137.8	(6)%
Statutory results	**HY 2023**	**HY 2022**	**Var**
Revenue (£m)	404.7	404.3	-
Operating profit (£m)	83.9	88.4	(5)%
Profit before tax (£m)	66.4	81.0	(18)%
Cash generated from operations (£m)	117.3	138.1	(15)%
Diluted EPS (p)	46.7	51.7	(10)%

Financial highlights

- Performance in the half was in line with management expectations with revenue flat year-on-year to £404.7m (HY 2022: £404.3m) with the contribution from acquisitions and favourable foreign exchange offsetting the expected organic[2] decline. Organic[2] revenue was down (10)% reflecting the challenging macroeconomic backdrop, including audience decline in our markets, but with progress on the execution of the strategy, notably in Fashion & Beauty, Homes, and eCommerce Affiliates services, driving improved monetisation.

- Despite the adverse revenue mix and cost inflation, the Group's cost agility and platform effect protected profitability with adjusted[1] operating profit margin of 32%, down (1)ppt year-on-year (HY 2022: 33%). Inflationary pressures in HY 2023 were equivalent (1)ppt or £(8)m and adverse mix, equivalent (1)ppt of adjusted operating profit margin, with statutory operating profit margin at 21% down (1)ppt (HY 2022: 22%).

- Adjusted[1] operating profit declined only (3)% to £130.3m (HY 2022: £134.5m) with the top line organic[2] decline partly mitigated by cost saving initiatives and on track to deliver further benefits in the second half. Statutory operating profit was down (5)% to £83.9m (HY 2022: £88.4m).

- The Group remains highly cash generative with adjusted free cash flow[3] of £130.0m (HY 2022: £137.8m), representing 100% of adjusted[1] operating profit (HY 2022: 102%). Cash generated from operations was £117.3m (HY 2022: £138.1m).

- Leverage[4] reduced to 1.41x (FY 2022: 1.48x) after three additional acquisitions. This reflects continued rapid de-levering, resulting in net debt at the end of the half-year of £390.9m (FY 2022: £423.6m). Total debt facilities at the end of March 2023 were £900m.

<u>Operational and strategic highlights</u>

- **Leadership positions progress**
    - Our leadership positions enable premium monetisation through improved revenue per user and resilience
    - The Group maintained or improved leadership positions[5] within key verticals
        - Maintained - Consumer technology #1 in the US and UK
        - Entered - Fashion & Beauty #7 in the US, #4 in the UK
        - Progress - Homes #4 in the US, #1 in the UK

- **Diversifying and growing monetisation**
    - Diversification of audiences with almost half of our audience coming from outside online users
    - Diversification of revenue with:
        - Rollout of proprietary voucher code technology on content websites
        - Launch of new strategic initiative of eCommerce affiliate services on Wealth content

      These new initiatives will further diversify our revenue streams in affiliates and underpin future growth
    - Continued premiumisation of the fashion and beauty audience with 2% organic[2] media revenue growth in Women's lifestyle vertical and strong performance of recently acquired Who What Wear brand
    - More direct and high-value campaigns driving yield resilience in advertising and demonstrating the value of our audiences

- **Maximising value through efficient capital allocation**
    - Accelerating the execution of our strategy with value creating acquisitions is a key part of our capital allocation
    - Three acquisitions completed since October 2022, adding capability in B2C and B2B at attractive multiples

<u>Outlook</u>

- The flexibility and diversification of our business model continues to allow us to navigate the tougher macroeconomic backdrop.
- As we look to the second half, we expect the first half trends to continue; with challenging market conditions, impacting audience.
- Additionally, we are investing to support US growth opportunities.
- As a result, we expect full year performance to be towards the bottom end of current market expectations.
- Longer-term, we are confident that our diversified strategy will continue to deliver significant value for shareholders, with our investment in new content verticals and capabilities underpinning our growth ambitions.

Jon Steinberg, Future's Chief Executive, said:

"I am excited to have joined Future and by the significant opportunity to build on the unique position it has in the digital media landscape.

"In my first six weeks I have been extremely impressed with the depth of talent and energy throughout the organisation and, looking ahead, my priorities will be to further enhance our brand leadership positions, continue to diversify and grow our monetisation opportunities, and maximise value for all our stakeholders.

"The macroeconomic environment remains tough, but we are well positioned to continue to outperform the industry. Our investment in new strategic verticals, coupled with the Group's tech stack and operating model, will create long-term value for our stakeholders."

Presentation

A live webcast of the analyst presentation will be available at 09.00 am (UK time) today at https://stream.brrmedia.co.uk/broadcast/6436d35e30f1081a33efe79a

A copy of the presentation will be available on our website at: https://www.futureplc.com/investor-results/

A recording of the webcast will also be made available.

The definitions below apply throughout the document.

1) Adjusted results are adjusted to exclude share-based payments (relating to equity settled share awards with vesting periods longer than 12 months) and associated social security costs, acquisition and integration related costs, exceptional items, amortisation of intangible assets arising on acquisitions, unwinding of discount on contingent consideration, and any related tax effects. A reconciliation between adjusted and statutory profit is shown in note 1.

2) Organic growth is defined as the like for like portfolio in the period, including the impact of closures and new launches but excluding HY 2022 acquisitions which have not been acquired for a full financial year and HY 2023 acquisitions, and at constant FX rates. Constant FX rates is defined as the average rate for HY 2023.

3) Adjusted free cash flow is defined as adjusted operating cash flow less capital expenditure. Capital expenditure is defined as cash flows relating to the purchase of property, plant and equipment and purchase of computer software and website development. Adjusted operating cash flow represents cash generated from operations adjusted to exclude cash flows relating to acquisition and integration related costs, exceptional items and payment of accrual for employer's taxes on share-based payments relating to equity settled share awards with vesting periods longer than 12 months, and to include lease repayments following adoption of IFRS 16 *Leases*. Adjusted free cash flow conversion reflects adjusted free cash flow as a percentage of adjusted operating profit.

4) Leverage is defined as Net debt as defined below (excluding capitalised bank arrangement fees and lease liabilities, and including any non-cash ancillaries), as a proportion of Adjusted EBITDA and including the 12 month trailing impact of acquired businesses (in line with the Group's bank covenants definition). Adjusted EBITDA is defined as earnings less interest, tax, depreciation and amortisation and also adjusted for the items referenced above where applicable.

5) Comscore Media Metrix Demographic Profile, March 2023 - Desktop Age 2+ and Total Mobile 18+ US and UK

6) Online users defined as monthly online users from Google Analytics and, unless otherwise stated, is the monthly average over the financial period and excludes Gardening Know How. Forums are excluded as they are non-commercial websites for which Future does not write content, and are not actively managed or monetised.

7) Proforma numbers compare at constant exchange rates the performance of acquisitions on a like-for-like (as defined above in organic growth definition) basis.

8) Reference to 'core or underlying' reflects the trading results of the Group without the impact of amortisation of acquired intangible assets, acquisition and integration related costs, exceptional items, share-based payment expenses (relating to equity-settled share awards with vesting periods longer than 12 months), together with associated social security costs, unwinding of discount on contingent consideration, and any tax related effects that would otherwise distort the users understanding of the Group's performance. The Directors believe that adjusted results provide additional useful information on the core operational performance of the Group, and review the results of the Group on an adjusted basis internally.

9) Net debt is defined as the aggregate of the Group's cash and cash equivalents and its external bank borrowings net of capitalised bank arrangement fees. It does not include lease liabilities recognised following the adoption of IFRS 16 *Leases*.

10) Apple News users are users as accounted by Apple on iCloud for March 2023.

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About Future

Future is a digital-first global platform for intent-led specialist media. Underpinned by leading technology and enabled by data, we operate c.250 brands in diversified content verticals, across our B2C and B2B divisions with multiple market leading positions and three core monetisation frameworks: advertising, eCommerce affiliate and direct consumer monetisation. We organise our brands by specialist interest and have four main content verticals with 16 subcategories ranging from Consumer Technology and Home to Wealth and Women's Lifestyle. Our content is published and distributed through a range of formats including websites, email newsletters, videos, magazines and live events. The successful execution of our strategy is focused on three pillars: organic growth, the platform effect and value-creating M&A.

Strategic and operational update

Future is a digital-first global platform for intent-led specialist media underpinned by technology, enabled by data with diversified revenue streams. The business model has a strong track record of driving consistent, high-quality profit growth which translates into strong operating margin and cash. Future's strategy is to grow relevant and valuable audiences to maintain or gain leadership positions in each of the markets it operates in, whilst diversifying and growing the monetisation of these audiences.

By obtaining leadership positions, we become a must-have partner, enabling strong advertising yields and affiliate commissions with resilience through economic cycles. This resilience is reinforced by the diversified nature of the Group, both from content verticals, geographical locations and different revenue streams.

We are focused on profitable organic growth to drive long-term value through operating leverage and excellent cash conversion. The strategy is accelerated with acquisitions. Acquisitions are integrated in full, deploying our operating model including our global approach to our content, our technology platform and our audience reach, driving further the Platform Effect.

We have a relentless focus on the sustainable execution of our strategy. This focus translates into a repeatable, efficient value creation model as highlighted by our exceptional track record.

Grow relevant and valuable audiences

Our first strategic objective is to meet the needs of our audience. We are a trusted expert, helping our audiences do the things they love, from which graphic cards to use to understanding taxes for the self-employed. Our goal is to be the leader in the markets in which we operate as this provides the ability to drive greater revenue from the audience at higher yields and resilience.

As anticipated, the wider market slowdown in audience numbers outlined in our last trading update has continued. Despite this, we have maintained or improved leadership positions within key verticals.

In the US, we have maintained our leadership position in Technology, our most impacted vertical, where, as expected, we are seeing users decline year-on-year driven by market dynamics with limited new products being launched and brought forward purchases during the pandemic combined with challenges in TechRadar including the impact of the Google algorithm change. In Fashion & Beauty, we are now #7, this performance is underpinned by strong growth in Marie Claire and the inclusion of Who What Wear. In Homes, we are now #4 with the inclusion of Gardening Know How and very strong performance in the legacy portfolio. In Wealth, Kiplinger is performing well with a focus on expert content to build out the foundations for growth.

In the UK, we have also maintained our leadership position in Technology although we have experienced users decline, along with the wider market. We are now #4 in Fashion & Beauty. We remain #1 in Homes with continued growth and our biggest site, Homes & Gardens, has grown by over 30% on Comscore.

We continue to progress on our audience diversification journey with a focus on increasing reach in diversified channels as well as verticals. However, online users in the period were challenged with users down (19)% on a reported basis and (23)% on an organic basis. The large majority of this change is in our GETs vertical, impacted by the previously mentioned pressures in the consumer technology markets. This has been coupled with the impact of a Google algorithm change which has impacted the market, including some of our larger sites, driving the Group's number. However, we continue our medium term goal of diversifying our audience sources with a particular focus on direct to consumer. Good examples of our progress in this area are that we have increased our newsletter subscribers, a very valuable audience, by 52% to over 15m subscribers and our permissioned Go.Compare subscribers have increased double digit to 4m. We have also increased audience by scaling in Apple News[10] which brought 10m users in the month of March 2023. We continue to see Apple News as a diversified source of audience, in line with our strategy. Social followers are also up +34% to over 180m (HY 2022: 135m), benefiting from the addition of Who What Wear and up 2m since FY 2022.

Driving audience is a blend of art and science. The art is delivered by our expert editorial teams who thrive in responding to audience demands for relevant, useful and engaging content (both online and in print). The science is brought by our ability to use data, analytics and artificial intelligence. The combination allows us to reach high-intent audiences at scale, providing a brand-safe qualified audience for advertisers and responding to eCommerce demand.

Diversify and grow monetisation

The second strategic objective of the Group is to diversify and grow monetisation; that is, to increase the revenue from our audiences. The diversification of revenue streams enables the Group to continue to deliver despite challenging market conditions. For example, in the period we benefited from growing demand in our Wealth & Savings vertical, including our price comparison business, whilst digital revenue and affiliates for products, along with the wider market, were impacted by macroeconomic conditions. The Wealth & Savings audience is the most valuable of the consumer audiences in the Group and provides a favourable mix to our monetisation.

Growth in revenue is driven by a combination of a content-led approach to increase audiences, with a focus on achieving market leadership positions allowing premium pricing, as well as increasing revenue per user by adding new routes of monetisation. In the period, the Women's Lifestyle portfolio was the most valuable digital advertising audience per user of the Group. This is in part as a result of the Who What Wear acquisition which brought in a strong sales team who are helping to generate strong revenues both from the acquired but also from the organic Women's Lifestyle and Homes audience in the US.

During the period, we continued the rollout of Eagle, our proprietary voucher technology, which went live on Tom's Guide as the first site last year. Tom's Guide vouchers are continuing to display strong results 9 months after the deployment. We are in the process of rolling out this technology to all of our main content sites and expect to be live on 12 sites by the end of the year which we see as an important driver of future revenue growth.

Our key content verticals are at different levels of monetisation with newer verticals such as Women's Lifestyle and Wealth representing the greatest opportunities, both through audience growth and also increasing advertising yields and adding new revenue streams.

The Platform Effect drives sustained strong operating margin

The Platform Effect is more than operating leverage and growing the bottom line, it is about the multiplier impact of the organic and inorganic capabilities that deliver unique value creation, in both revenue and profit.

Our financial results evidence our successful and diversified monetisation model as well as our ability to deploy the Future operating model to drive scalability and operating leverage. Despite the macroeconomic backdrop impacting revenue as well as the wider inflationary pressures, the flexibility of our cost base helped to deliver a robust adjusted operating profit margin of 32%. This was achieved whilst continuing to invest for growth, notably with some senior US sales hires in the half. To ensure we navigate the short-term as well as invest for the long-term, we continue to invest in technology across the portfolio and focus on increasing efficiency in centres of excellence.

We believe our **proprietary technology platform** is a key source of competitive advantage. The benefit of having a common platform translates into our ability to leverage the benefit of continuous investment rapidly across our estate. We now have a total of 51 sites on the Vanilla website platform (FY 2022: 52). During the half, we further deployed our voucher code technology to nine websites, allowing a new affiliate revenue stream on these sites. We also continued to enrich our data audience platform Aperture and its activations to produce high-value advertising segments and we invested in insight on content writing with SmartPublishing using our proprietary AI-enabled tool.

Content is at the heart of our purpose and we continuously invest in content creation to ensure we remain the trusted, authoritative expert for our audiences. Editorial is our biggest team with over 1,300 editorial colleagues. Quality, expert, intent-led content is also a source of operating leverage with a significant percentage of our revenue from content being produced in the prior periods.

Our **centres of excellence** reduce duplication and provide access to talent in locations with a lower cost of living, delivering efficiency of spend and agility in an ever-changing landscape. During the half, we have made New York our US hub with the majority of our employees working remotely, driving facilities cost savings. In the UK, we opened a new office in Cardiff which now hosts over 200 employees, and leverages the proximity to graduate talent in an affordable city location.

Efficient capital allocation

Whilst accelerating the execution of our strategy with value creating acquisitions is a key part of our capital allocation, we recognise the higher-interest rate environment and our own valuation. We have updated our hurdle rate for acquisitions to reflect these factors and whilst this raises the bar for value-creating M&A, the pipeline remains active with market pricing starting to reflect the current environment. However, to the extent that we are unable to execute on such transactions, we would look to deploy our excess free cashflow in returning cash to shareholders.

We remain highly disciplined when it comes to acquisitions with 25 deals reviewed for each transaction that we executed in the past 6 months, as we rigorously ensure that each acquisition meets our investment objectives.

Shortlist
On 18 October 2022, we completed the acquisition of Shortlist.com, a technology website, for £0.2m. We are deploying our tech stack to the website to drive monetisation, whilst growing our online users and accelerating this growth through our capabilities. Shortlist is now fully integrated into the Group.

ActualTech
On 30 November 2022, the Group completed the acquisition of ActualTech, a provider of content marketing solutions for B2B marketers, funded from the Group's existing debt facilities for an initial enterprise value of $36m or 6.6x 2022 EBITDA pre-synergies . In addition, a further variable deferred consideration up to a total value of $24m could be paid, subject to meeting certain financial targets based on the 12 month period ending 31 December 2023. ActualTech specialises in webinars, white papers, syndication and content marketing on owned platforms. The acquisition further diversifies the Group by strengthening Future's position in the B2B vertical and provides greater scale and reach in

North America to further monetise its highly-valuable B2B audience. In addition, the Group will be leveraging ActualTech's webinar capabilities and its US expertise within the Group's existing portfolio. The initial integration has been completed with the full integration expected by the end of the earnout period in December 2023. In the period, ActualTech has delivered strong revenue results creating operating leverage.

Gardening Know How
On 7 February 2023, the Group completed the acquisition of Gardening Know How, a US Homes website for an enterprise value of $17m or 6.3x 2022 EBITDA. The nature of gardening means that content is very evergreen driving a strong return on editorial investment. This acquisition strengthens our strategic Homes vertical by increasing our position within Comscore and will benefit from our operating model including our proprietary tech stack. The integration is well-underway and performance is very promising at this early stage.

Execution underpinned by values

Future operates as a purpose-driven organisation creating value for all stakeholders. Our strategy is to operate as a responsible business and everything we do is underpinned by our purpose and values which fosters an aligned culture across the organisation. We are extremely fortunate that our brands give us the platform and opportunities to influence and inspire people across the globe to encourage positive change.

We remain proud of and thankful to our colleagues for their hard work and ongoing support in these continued challenging times.

Executive changes

Following the announcement on 22 February 2023, Jon Steinberg joined the Group as CEO on 3 April 2023.

Outlook

- The flexibility and diversification of our business model continues to allow us to navigate the tougher macroeconomic backdrop.
- As we look to the second half, we expect the first half trends to continue; with challenging market conditions, impacting audience.
- Additionally, we are investing to support US growth opportunities.
- As a result, we expect full year performance to be towards the bottom end of current market expectations.
- Longer-term, we are confident that our diversified strategy will continue to deliver significant value for shareholders, with our investment in new content verticals and capabilities underpinning our growth ambitions.

Financial summary

The financial summary is based primarily on a comparison of results for the period ended 31 March 2023 with those for the period ended 31 March 2022. Unless otherwise stated, change percentages relate to a comparison of these two periods. Organic growth is defined as the like for like portfolio in the period, including the impact of closures and new launches but excluding HY 2022 acquisitions which have not been acquired for a full financial year and HY 2023 acquisitions, and at constant FX rates. Constant FX rates is defined as the average rate for HY 2023.

	HY 2023 £m	HY 2022 £m
Revenue	**404.7**	404.3
Adjusted operating profit	**130.3**	134.5
Adjusted profit before tax	**113.1**	127.1
Operating profit	**83.9**	88.4
Profit before tax	**66.4**	81.0
Basic earnings per share (p)	**46.9**	52.5
Diluted earnings per share (p)	**46.7**	51.7
Adjusted basic earnings per share (p)	**71.7**	82.7
Adjusted diluted earnings per share (p)	**71.2**	81.3

The Directors believe that adjusted results provide additional useful information on the core operational performance of the Group, and review the results of the Group on an adjusted basis internally. See the section below for a reconciliation between adjusted and statutory results.

A reconciliation of adjusted operating profit to profit before tax is shown below:

	HY 2023 £m	HY 2022 £m
Adjusted operating profit	**130.3**	134.5
Adjusted net finance costs	**(17.2)**	(7.4)
Adjusted profit before tax	**113.1**	127.1
Adjusting items:		
Share-based payments (including social security costs)	**(7.0)**	(3.7)
Acquisition and integration related costs (note 4)	**(3.2)**	(10.6)
Exceptional items (note 5)	**(5.9)**	(1.6)
Amortisation of acquired intangibles	**(30.3)**	(30.2)
Unwinding of discount on contingent consideration	**(0.3)**	-
Profit before tax	**66.4**	81.0

Revenue

Revenue	**HY 2023 £m**	HY 2022 £m	YoY Var	Organic YoY Var
Advertising & other	**87.7**	77.7	+13%	(22)%
Affiliates	**39.0**	42.3	(8)%	(24)%
Magazines	**40.1**	34.4	+17%	+3%
Total US	**166.8**	154.4	+8%	(17)%
Advertising & other	**44.3**	42.1	+5%	(2)%
Affiliates	**94.5**	96.5	(2)%	(2)%
Magazines	**99.1**	111.3	(11)%	(7)%
Total UK	**237.9**	249.9	(5)%	(5)%
Total revenue	**404.7**	404.3	-	(10)%

Group revenue was flat year-on-year in the period to £404.7m (HY 2022: £404.3m), with the benefit of acquisitions and foreign exchange translation offsetting organic decline (decline of (10)% at constant currency and (5)% at actual currency). HY 2022 acquisitions which have not been acquired for a full financial year and HY 2023 acquisitions contributed £20.3m to revenue in the period and includes revenue from WhatCulture, Who What Wear, Shortlist, ActualTech and Gardening Know How.

UK revenue declined by (5)% or £(12.0)m to £237.9m (HY 2022: £249.9m). Total UK organic revenues declined (5)% with (2)% organic revenue decline in Media and (7)% in Magazines. UK Media organic decline was driven by a (5)% decline in digital advertising and other media increased by +8% driven by strong events. The relatively stronger UK performance demonstrates how leadership creates resilience, notably through a better video and direct advertising mix. Affiliate revenue was also down (2)% benefiting from a high mix of price comparison revenue which grew by +4%.

Performance was weaker in the **US** driven by the unfavourable mix (less Magazines and no price comparison) offset by the benefit of acquisitions, notably Who What Wear and ActualTech, driving reported revenue growth of +8% or £12.4m to £166.8m (HY 2022: £154.4m). Organic growth was down (17)% with (22)% decline in digital advertising and other Media and (24)% in affiliates, offset by +3% growth in Magazines notably in subscriptions.

Revenue	**HY 2023 £m**	HY 2022 £m	YoY Var	Organic YoY Var
Advertising & other media	**132.0**	119.8	+10%	(15)%
Affiliates	**133.5**	138.8	(4)%	(10)%
Total Media	**265.5**	258.6	+3%	(12)%
Total Magazines	**139.2**	145.7	(4)%	(5)%
Total revenue	**404.7**	404.3	-	(10)%

Media revenue increased by £6.9m or +3% but declined organically by (12)% to £265.5m (HY 2022: £258.6m).

Organic digital advertising revenue declined by (18)% despite improved monetisation due to the impact of lower online audiences. Importantly, the yield has remained very resilient as a result of the quality of our audience, and a favourable mix with more direct advertising. This demonstrates the Group's ability to deliver valuable audiences to advertisers. Other media revenue increased +6% organically driven by a strong +16% organic growth in events with key successful events such as Women in Music Awards and Home Building and Renovating shows.

Organic affiliate revenue was down (10)%, with the growth in price comparison and vouchers partially offsetting the decline in products. This performance highlights the benefit of the strategy of diversification. In Affiliate products, whilst we have seen an improvement in newer verticals such as Fashion & Beauty and Wealth, we have been impacted by the macroeconomy through lower demand as seen in the lower audience numbers. This decline was particularly strong in the Consumer Technology vertical, correlating with the performance of hardware manufacturers. In our Price Comparison business, we have made further progress in the diversification of our Go.Compare revenue with 35% of the revenue in our diversified growth verticals (outside of car insurance), +3ppt year-on-year. We have had strong performance in home, travel, and pet insurance.

Magazine revenue declined by £(6.5)m or (4)% to £139.2m (HY 2022: £145.7m). Magazine organic revenue was down (5)% year-on-year, an improvement on the secular decline rate we have been experiencing historically. Subscriptions experienced a (5)% organic decline in the legacy portfolio as customers unsubscribed from pandemic subscriptions. Subscriptions now represent 48% of the Magazines revenue, providing a robust source of recurring revenue. The rest of the magazine portfolio was down (4)% organically. This resilience was driven by the strength of our brands which are highly specialist and touch people's passions.

Revenue	**HY 2023 £m**	HY 2022 £m	YoY Var	Organic YoY Var
Games, Entertainment & Technology (GETs)	**135.6**	156.0	(13)%	(20)%
Lifestyle, Knowledge & News (LKN)	**132.4**	112.1	+18%	(2)%
Wealth & Savings (W&S)	**97.1**	93.6	+4%	+1%
B2B & other	**39.6**	42.6	(7)%	(12)%
Total revenue	**404.7**	404.3	-	(10)%

GETs revenue benefited from the acquisitions of WhatCulture and Shortlist. On an organic basis, as previously mentioned, revenue was impacted by lower online users and market challenging conditions notably in Consumer Technology.

LKN revenue benefited from the acquisition of Who What Wear and had a resilient organic performance driven by a favourable mix of Magazines combined with progress on monetisation in Media.

W&S organic revenue benefited from growth in the price comparison business and US subscription business partially offset by decline in the UK subscription business and overall digital advertising.

B2B and other revenue was impacted by market conditions.

Operating profit

Cost of sales has increased year-on-year driven by inflation, mostly in magazines with increases to paper and printing costs due to high energy prices as well as the inclusion of acquisitions and their respective costs. Other costs have increased due to the inclusion of acquisitions and their respective costs as well as inflationary pressures on salary and wages. These cost increases (translating into a (1)ppt impact of the adjusted operating margin) have been partially offset by cost saving initiatives around offices, staff location and reprioritisation of investment. As a result, the Group adjusted operating profit margin has only declined by (1)ppt to 32% (HY 2022: 33%), despite a (1)ppt headwind from adverse mix with lower revenue decline in lower gross contribution Magazines business compared to Media business. This is a testament of the strength of the platform and the cost agility of the Group, even in the challenging macroeconomic environment. As a result, adjusted operating profit decreased by £(4.2)m to £130.3m (HY 2022: £134.5m) with organic profit performance partially offset by contributions from acquisitions. Statutory operating profit decreased by £(4.5)m to £83.9m (HY 2022: £88.4m) and statutory operating margin decreased by (1)ppt to 21% (HY 2022: 22%) driven by the performance in adjusted operating profit, and includes £5.3m of restructuring costs approaching completion.

Earnings per share

	HY 2023	HY 2022
Basic earnings per share (p)	**46.9**	52.5
Adjusted basic earnings per share (p)	**71.7**	82.7
Diluted earnings per share (p)	**46.7**	51.7
Adjusted diluted basic earnings per share (p)	**71.2**	81.3

Basic earnings per share is calculated using the weighted average number of ordinary shares in issue during the period of 120.1m (HY 2022: 120.5m).

Adjusted earnings per share is based on profit after taxation which is then adjusted to exclude share-based payments (relating to equity-settled share awards with vesting periods longer than 12 months) and associated social security costs, acquisition and integration related costs, exceptional items, amortisation of intangible assets arising on acquisitions, unwinding of discount on contingent consideration, and any related tax effects. Adjusted profit after tax was £86.1m (HY 2022: £99.6m).

Acquisition and integration related costs

Acquisition and integration related costs of £3.2m incurred in the period reflect £1.2m of deal-related fees, £0.8m of restructuring costs related to recent acquisitions and £2.0m net onerous property costs relating to recently acquired properties, net of £0.8m released following settlement of a provision for historic legal claims recognised on the Dennis opening balance sheet (HY 2022: £1.7m relating to the Dennis acquisition and £8.9m to onerous properties). Note 4 to the financial statements provides further detail.

Exceptional items

Exceptional costs incurred in the period include £5.3m relating to restructuring costs (HY 2022: £0.5m) and £0.6m relating to onerous properties (HY 2022: £1.1m). Note 5 to the financial statements provides further detail.

Other adjusting items

Amortisation of acquired intangibles of £30.3m (HY 2022: £30.2m) includes amortisation arising from the in-year acquisitions of ActualTech and Gardening Know How and the acquisition of Dennis in FY 2022.

Share-based payment expenses (relating to equity-settled share awards with vesting periods longer than 12 months), together with associated social security costs increased by £3.3m to £7.0m (HY 2022: £3.7m). The nature of the all-employee Value Creation Plan scheme means that a charge is booked irrespective of the likelihood of achieving the vesting targets.

Net finance costs and refinancing
In November 2022, the Group secured a new facility of £400m with a syndicate of banks and supported by a partial guarantee from UK Export Finance (UKEF), with attractive terms. As at 31 March 2023 the Group total committed facilities were £900m.

Net finance costs increased to £17.5m (HY 2022: £7.4m) which includes external interest payable of £13.9m reflecting the utilisations of the Group's debt facilities to fund the ActualTech and Gardening Know How acquisitions, and higher interest rates; £2.0m in respect of the amortisation of arrangement fees relating to the Group's bank facilities; and £0.3m unwinding of discount on contingent consideration relating to the ActualTech acquisition. A further £1.4m of interest was recognised in relation to lease liabilities (offset by £0.1m of interest income on sublet properties).

Leverage at 31 March 2023 was 1.41 times, down from 1.48 times at 30 September 2022, demonstrating the Group's ability to continue to de-lever quickly.

A derivative interest rate swap for £150m was acquired in March 2023 in order to hedge the Group's exposure to interest rate fluctuations. The swap is at an interest rate of 3.72% and expires on 24 March 2026.

Taxation
The tax charge for the six months ended 31 March 2023 is based on the statutory tax rate estimated on a full year basis being applied to the statutory profit for the six months ended 31 March 2023. The Group adjusted effective tax rate is 23.9% (HY 2022: 21.6%).

The Group's statutory tax rate is estimated to be 15.1% (HY 2022: 21.9%) with the difference between the statutory tax rate and adjusted effective tax rate attributable to the tax effect of share based payment charges which are recognised in equity.

For FY 2023, the Group expects the adjusted effective tax rate to be 23.9%.

Balance sheet
Property, plant and equipment decreased by £15.5m to £37.5m in the period (FY 2022: £53.0m) primarily reflecting the write-down of right-of-use assets and leasehold improvements on onerous properties of £10.1m, primarily attributable to property leases inherited via the acquisition of Dennis (included within acquisition and integration related costs) and depreciation of £4.8m, offset by capital expenditure of £6.2m.

Intangible assets increased by £56.4m to £1,659.4m (FY 2022: £1,715.8m) mainly reflecting the in-year acquisitions of ActualTech and Gardening Know How (£48.8m) and capitalisation of website development costs (£5.1m) offset by amortisation (£37.1m) and the impact of FX (£(73.4)m).

Trade and other receivables decreased by £21.6m to £112.7m (FY 2022: £134.3m) primarily driven by improved cash collection during the period together with the impact of FX.

Trade and other payables inclusive of deferred income decreased by £22.9m to £176.7m (FY 2022: £199.6m) primarily driven by the payment of the FY 2022 profit pool bonus in the period, a focus on timely payments as well as the impact of FX. Provisions decreased by £13.8m, primarily due to payment of £8.9m for settlement of the provision for historic legal claims recognised on the Dennis opening balance sheet .

Cash flow and net debt
Net debt at 31 March 2023 was £390.9m (FY 2022: £423.6m, HY 2022: £388.7m) reflecting the ActualTech and Gardening Know How acquisitions, offset by strong cash generation.

During the period, there was a cash inflow from operations of £117.3m (FY 2022: £268.5m, HY 2022: £138.1m) reflecting strong cash generation. Adjusted operating cash inflow was £136.2m (HY 2022: £144.0m). A reconciliation of cash generated from operations to adjusted free cash flow is included below:

	HY 2023 £m	HY 2022 £m
Cash generated from operations	**117.3**	138.1
Cash flows related to acquisition and integration related costs	**12.7**	3.7
Cash flows related to exceptional items	**8.9**	3.5
Settlement of social security costs on share based payments[1]	**0.4**	1.8
Lease payments following adoption of IFRS 16 *Leases*	**(3.1)**	(3.1)
Adjusted operating cash inflow	**136.2**	144.0
Cash flows related to capital expenditure	**(6.2)**	(6.2)
Adjusted free cash flow	**130.0**	137.8

[1] Relating to equity-settled share awards with vesting periods longer than 12 months.

Other significant movements in cash flows include £6.2m (HY 2022: £6.2m) of capital expenditure, acquisitions totalling £44.0m (HY 2022: £14.6m), net repayment of bank loans and overdraft (net of arrangement fees) of £15.7m (HY 2022: net repayment of £388.9m), acquisition of own shares of £7.8m (HY 2022: £nil), lease payments of £3.1m (HY 2022: £3.1m) and the balance reflecting the Group's strong cash generation. The Group paid a dividend in the period of £4.1m (HY 2022: £3.4m). Foreign exchange and other movements accounted for the balance of cash flows.

Adjusted free cash flow increased to £130.0m (HY 2022: £137.8m), representing 100% of adjusted operating profit (HY 2022: 102%), reflecting the ongoing efficient cash management by the Group.

Going concern
The Group has produced forecasts for the next 18 months from the balance sheet date which demonstrates significant headroom both on total facilities and covenants at all points during the period to 30 September 2024.

At the period end the Group had net current liabilities of £34.6m (FY 2022: £115.3m). This is primarily driven by deferred income of £61.0m and the nature of the Group's magazine business where the profile of cash receipts from wholesalers is often ahead of payment of certain magazine related costs. The Group has consistently delivered adjusted free cash flow conversion of around 100% and is forecast to generate sufficient cash flows to meet its liabilities as they fall due. The reduction in net current liabilities since 30 September 2022 is primarily due to the repayment of the term loan, with the existing UKEF and RCF facilities all classed as non-current.

After due consideration, the Directors have concluded that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of this report. For this reason, the Directors continue to adopt the going concern basis in preparing the consolidated financial statements for the HY 2023 results.

Condensed consolidated interim financial statements

Consolidated income statement

for the six months ended 31 March 2023 (unaudited)

	Note	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Revenue	1,2	**404.7**	404.3
Net operating expenses	3	**(320.8)**	(315.9)
Operating profit		**83.9**	88.4
Net finance costs	7	**(17.5)**	(7.4)
Profit before tax	1	**66.4**	81.0
Tax charge	8	**(10.0)**	(17.7)
Profit for the period attributable to owners of the parent		**56.4**	63.3

Earnings per 15p Ordinary share

	Note	6 months to 31 March 2023 Pence	6 months to 31 March 2022 Pence
Basic earnings per share	10	**46.9**	52.5
Diluted earnings per share	10	**46.7**	51.7

Consolidated statement of comprehensive income

for the six months ended 31 March 2023 (unaudited)

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Profit for the period	**56.4**	63.3
Items that may be reclassified to the consolidated income statement		
Currency translation differences	**(50.1)**	8.9
Cash flow hedge reserve	**1.4**	-
Other comprehensive (expense)/income for the period	**(48.7)**	8.9
Total comprehensive income for the period attributable to owners of the parent	**7.7**	72.2

Consolidated statement of changes in equity

for the six months ended 31 March 2023 (unaudited)

	Note	Issued share capital £m	Share premium account £m	Merger reserve £m	Treasury reserve £m	Other reserves £m	Accumulated exchange differences £m	Retained earnings £m	Total equity £m
Balance at 1 October 2022		**18.1**	**197.0**	**581.9**	**(8.0)**	**-**	**70.7**	**201.0**	**1,060.7**
Profit for the period		**-**	**-**	**-**	**-**	**-**	**-**	**56.4**	**56.4**
Currency translation differences		**-**	**-**	**-**	**-**		**(50.1)**	**-**	**(50.1)**
Cash flow hedge reserve	16	**-**	**-**	**-**	**-**	**1.4**	**-**	**-**	**1.4**
Other comprehensive expense for the period		**-**	**-**	**-**	**-**	**1.4**	**(50.1)**	**-**	**(48.7)**
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**1.4**	**(50.1)**	**56.4**	**7.7**
Share capital issued		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Acquisition of own shares	16	**-**	**-**	**-**	**(7.8)**	**-**	**-**	**-**	**(7.8)**
Share schemes									
- Issue of treasury shares to employees	16	**-**	**-**	**-**	**3.7**	**-**	**-**	**(3.7)**	**-**
- Value of employees' services	6	**-**	**-**	**-**	**-**	**-**	**-**	**6.8**	**6.8**
- Current tax on options		**-**	**-**	**-**	**-**	**-**	**-**	**(0.1)**	**(0.1)**
- Deferred tax on options		**-**	**-**	**-**	**-**	**-**	**-**	**(6.1)**	**(6.1)**
Dividends paid to shareholders		**-**	**-**	**-**	**-**	**-**	**-**	**(4.1)**	**(4.1)**
Balance at 31 March 2023		**18.1**	**197.0**	**581.9**	**(12.1)**	**1.4**	**20.6**	**250.2**	**1,057.1**
Balance at 1 October 2021		18.1	197.0	581.9	(7.6)	-	(10.1)	83.0	862.3
Profit for the period		-	-	-	-	-	-	63.3	63.3
Currency translation differences		-	-	-	-	-	8.9	-	8.9
Other comprehensive income for the period		-	-	-	-	-	8.9	-	8.9
Total comprehensive income for the period		-	-	-	-	-	8.9	63.3	72.2
Share schemes									
- Issue of treasury shares to employees	16	-	-	-	6.4	-	-	(6.4)	-
- Value of employees' services	6	-	-	-	-	-	-	6.3	6.3
- Current tax on options		-	-	-	-	-	-	1.0	1.0
- Deferred tax on options		-	-	-	-	-	-	(7.2)	(7.2)
Dividends paid to shareholders		-	-	-	-	-	-	(3.4)	(3.4)
Balance at 31 March 2022		18.1	197.0	581.9	(1.2)	-	(1.2)	136.6	931.2

Consolidated balance sheet
as at 31 March 2023 (unaudited)

	Note	**31 March 2023 £m**	31 March 2022 £m	30 September 2022 £m
Assets				
Non-current assets				
Property, plant and equipment		**37.5**	52.6	53.0
Intangible assets - goodwill	11	**1,047.3**	940.5	1,069.6
Intangible assets - other	11	**612.1**	597.1	646.2
Financial asset - derivative	13	**1.4**	-	-
Total non-current assets		**1,698.3**	1,590.2	1,768.8
Current assets				
Inventories		**1.8**	1.2	1.2
Corporation tax recoverable		**15.4**	0.1	13.4
Deferred tax		**3.8**	-	5.1
Trade and other receivables		**112.7**	127.4	134.3
Cash and cash equivalents		**30.8**	25.0	29.2
Finance lease receivable		**3.8**	4.2	6.1
Total current assets		**168.3**	157.9	189.3
Total assets		**1,866.6**	1,748.1	1,958.1
Equity and liabilities				
Equity				
Issued share capital	15	**18.1**	18.1	18.1
Share premium account		**197.0**	197.0	197.0
Merger reserve		**581.9**	581.9	581.9
Treasury reserve		**(12.1)**	(1.2)	(8.0)
Other reserves	16	**1.4**	-	-
Accumulated exchange differences		**20.6**	(1.2)	70.7
Retained earnings		**250.2**	136.6	201.0
Total equity		**1,057.1**	931.2	1,060.7
Non-current liabilities				
Financial liabilities - interest-bearing loans and borrowings		**421.7**	344.2	369.0
Lease liability due in more than one year		**42.4**	52.2	55.8
Deferred tax		**122.4**	100.4	131.7
Provisions	14	**7.6**	12.8	21.4
Deferred income		**12.5**	11.2	14.9
Total non-current liabilities		**606.6**	520.8	592.8
Current liabilities				
Financial liabilities - interest-bearing loans and borrowings		**-**	69.5	83.8
Trade and other payables	12	**115.7**	140.4	143.8
Deferred income		**61.0**	62.9	55.8
Corporation tax payable		**-**	6.9	1.0
Lease liability due within one year		**9.7**	11.9	12.1
Deferred consideration		**3.6**	4.5	4.5
Contingent consideration	13,18	**7.0**	-	-
Deferred tax		**5.9**	-	3.6
Total current liabilities		**202.9**	296.1	304.6
Total liabilities		**809.5**	816.9	897.4
Total equity and liabilities		**1,866.6**	1,748.1	1,958.1

Consolidated cash flow statement

for the six months ended 31 March 2023 (unaudited)

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Cash flows from operating activities		
Cash generated from operations	**117.3**	138.1
Interest paid	**(9.0)**	(5.1)
Interest paid on lease liabilities	**(1.3)**	(0.4)
Tax paid	**(20.7)**	(14.4)
Net cash generated from operating activities	**86.3**	118.2
Cash flows from investing activities		
Purchase of property, plant and equipment	**(1.1)**	(1.7)
Purchase of computer software and website development	**(5.1)**	(4.5)
Purchase of subsidiary undertakings, net of cash acquired	**(44.0)**	(14.6)
Net cash used in investing activities	**(50.2)**	(20.8)
Cash flows from financing activities		
Acquisition of own shares for Employee Benefit Trust	**(7.8)**	-
Drawdown of bank loans	**250.1**	-
Repayment of bank loans	**(256.0)**	(385.7)
Repayment of overdraft	**(4.2)**	(3.1)
Bank arrangement fees	**(5.6)**	(0.1)
Repayment of principal element of lease liabilities	**(3.1)**	(3.1)
Dividends paid	**(4.1)**	(3.4)
Net cash paid from financing activities	**(30.7)**	(395.4)
Net increase/(decrease) in cash and cash equivalents	**5.4**	(298.0)
Cash and cash equivalents at beginning of period	**29.2**	324.3
Exchange adjustments	**(3.8)**	(1.3)
Cash and cash equivalents at end of period	**30.8**	25.0

Notes to the consolidated cash flow statement

for the six months ended 31 March 2023 (unaudited)

A. Cash generated from operations

The reconciliation of profit for the period to cash generated from operations is set out below:

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Profit for the period	**56.4**	63.3
Adjustments for:		
Depreciation	**4.8**	4.6
Impairment charge	**2.4**	6.3
Amortisation of intangible assets	**37.1**	36.3
Share schemes		
- Value of employees' services	**6.8**	6.3
Finance costs	**17.5**	7.4
Tax charge	**10.0**	17.7
Cash generated before changes in working capital and provisions	**135.0**	141.9
Movement in provisions	**(12.5)**	1.3
Increase in inventories	**(0.6)**	(0.1)
Decrease/(increase) in trade and other receivables	**17.2**	(6.2)
(Decrease)/increase in trade and other payables	**(21.8)**	1.2
Cash generated from operations	**117.3**	138.1

B. Analysis of net debt

	30 September 2022 £m	Cash flows £m	On acquisition £m	Other non-cash changes £m	Exchange movements £m	31 March 2023 £m
Cash and cash equivalents	29.2	1.3	4.1	-	(3.8)	**30.8**
Debt due within one year	(83.8)	83.7	-	0.1	-	**-**
Debt due after more than one year	(369.0)	(68.0)	-	(2.1)	17.4	**(421.7)**
Net debt	**(423.6)**	**17.0**	**4.1**	**(2.0)**	**13.6**	**(390.9)**

C. Reconciliation of movement in net debt

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Net debt at start of period	**(423.6)**	(176.3)
Increase/(decrease) in cash and cash equivalents	**5.4**	(298.0)
Net movement in borrowings	**15.7**	90.3
Other non-cash changes	**(2.0)**	(1.3)
Exchange movements	**13.6**	(3.4)
Net debt at end of period	**(390.9)**	(388.7)

Basis of preparation

The condensed consolidated interim financial statements for the six-month period ended 31 March 2023 are unaudited but have been subject to an independent review by the auditor. They do not constitute statutory financial statements as defined in section 434 of the Companies Act 2006. The comparative figures are for the six month period ended 31 March 2022.

This unaudited condensed consolidated interim financial information for the six months ended 31 March 2023 has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* in conformity with the requirements of the Companies Act 2006, and in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority.

The interim financial information contained in the Interim Report should be read in conjunction with the Annual Report for the year ended 30 September 2022.

Having considered the Group's funding position and latest forecasts, the Directors believe that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the condensed interim financial information.

As stated in the financial statements for the year ended 30 September 2022 the following amendments to existing standards have been applied where applicable:

- amendment to IAS 1 *Amendments regarding the classification of liabilities* and *Amendments regarding the disclosure of accounting policies*;
- IAS 8 *Amendments regarding the definition of accounting estimates*;
- IAS 12 *Amendments regarding deferred tax on leases and decommissioning obligations*;
- IAS 16 *Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use*;
- IAS 37 *Amendments regarding the costs to include when assessing whether a contract is onerous*;
- IFRS 3 *Amendments updating a reference to the Conceptual Framework*;
- IFRS 9 *Amendments relating to the fees in the '10 per cent' test for derecognition of financial liabilities*;
- IFRS 16 *Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions*; and
- Annual Improvements to IFRS Standards 2018-2020 Cycle.

The Group has entered into an interest rate swap in the period, with the hedge accounting requirements of IFRS 9 *Financial instruments* being applied. The effective portion of the derivative is recognised in other comprehensive income and reclassified to profit or loss when the qualifying asset, being the Group's borrowings, impacts profit or loss.

The accounting policies adopted, methods of computation and presentation are otherwise consistent with those set out in the Group's statutory accounts for the financial year ended 30 September 2022.

There has been no material impact from the adoption of new standards, amendments to standards or interpretations which are relevant to the Group.

The Group's critical accounting judgments and other key sources of estimation uncertainty remain the same as those set out in the Group's Consolidated Financial Statements for the year ended 30 September 2022.

Presentation of non-statutory measures

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.

During the period the Group has introduced a new Alternative Performance Measure ('APM') - Acquisition and integration related costs. Acquisitions are a key part of the Group's strategy and a material amount of these costs are typically incurred, however the timing and scale will vary year on year. Integration costs will also vary depending on the scale and complexity of the acquisition and may cross financial years. Splitting these costs out from the broader category of exceptional items is intended to allow a user of the financial statements to assess the impact of these activities on our results. Costs which were included as exceptional in the comparative period have been included within acquisition and integration related costs on a consistent basis with the current period.

Adjustments are made in respect of:

Share-based payments – share-based payment expenses (relating to equity-settled share awards with vesting periods longer than 12 months), together with associated social security costs, are excluded from the adjusted results of the Group as the Directors believe they result in a level of charge that would distort the user's view of the core trading performance of the Group.

Acquisition and integration related costs – although acquisitions are a key part of the Group's strategy the Group adjusts for costs relating to the completion and subsequent integration of acquisitions, initiated within 12 months of the acquisition date, as these costs are not related to the core trading of the Group and not doing so would distort the Group's results, so as to assist the user of the financial statements to understand the results of the core underlying operations of the Group. Details of acquisition and integration related costs are shown in note 4.

Exceptional items – 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 size, is material and/or is not related to the core underlying trading of the Group so as to assist the user of the financial statements to better understand the results of the Group. Details of exceptional items are shown in note 5.

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 non-trading investment activities. As such, they are not considered to be reflective of the core trading performance of the Group.

Unwinding of discount on contingent consideration – the Group excludes unwinding of the discount on contingent consideration from the Group's adjusted results on the basis that it is non-cash and the balance is driven by the Group's assessment of the relevant discount rate to apply. Excluding this item ensures comparability with prior periods.

The tax related to adjusting items is the tax effect of the items above, calculated using the standard rate of corporation tax in the relevant jurisdiction.

Reference to 'core' or 'underlying' reflects the trading results of the Group without the impact of amortisation of acquired intangible assets, acquisition and integration related costs, exceptional items, share-based payment expenses (relating to equity-settled share awards with vesting periods longer than 12 months), together with associated social security costs, unwinding of discount on contingent consideration and any related tax effects, that would otherwise distort the users understanding of the Group's performance.

A summary table of all measures is included below:

APM	**Closest equivalent statutory measure**	**Definition**
Adjusted operating profit	Operating profit	Adjusted operating profit represents earnings before share-based payments (relating to equity-settled awards with vesting periods longer than 12 months) and related social security costs, amortisation of acquired intangible assets, acquisition and integration related costs and exceptional items. This is a key management incentive metric, used within the Group's Deferred Annual Bonus Plan. Adjusted operating profit margin is adjusted operating profit as a percentage of revenue. Adjusting items are shown in the table below and defined in the commentary.
Adjusted profit before tax	Profit before tax	Adjusted profit before tax represents earnings before share-based payments (relating to equity-settled awards with vesting periods longer than 12 months) and related social security costs, interest, tax, amortisation of acquired intangible assets, acquisition and integration related costs, exceptional items, unwinding of discount on contingent consideration, and any related tax effects Adjusting items are shown in the table below and defined in the commentary.
Adjusted diluted earnings per share	Diluted earnings per share	Adjusted diluted earnings per share (EPS) represents adjusted profit after tax divided by the weighted average dilutive number of shares at the year end date. This is a key management incentive metric, used within the Group's Performance Share Plan. A reconciliation is provided in note 10.
Adjusted effective tax rate	Effective tax rate	Adjusted effective tax rate is defined as the effective tax rate adjusted for the tax impact of adjusting items.

Adjusted operating cash flow	Operating cash flow	Adjusted operating cash flow represents cash generated from operations adjusted to exclude cash flows relating to acquisition and integration costs, exceptional items and for payment of employer's taxes on share-based payments relating to equity settled share awards with vesting periods longer than 12 months, and to include lease repayments following the adoption of IFRS 16 *Leases*.
Adjusted free cash flow	Free cash flow	Adjusted free cash flow is defined as adjusted operating cash flow less capital expenditure. Capital expenditure is defined as cash flows relating to the purchase of property, plant and equipment and purchase of computer software and website development.
Net debt	The aggregation of cash and debt	Net debt is defined as the aggregate of the Group's cash and cash equivalents and its external bank borrowings net of capitalised bank arrangement fees. It does not include lease liabilities recognised following the adoption of IFRS 16 *Leases*.

A reconciliation of adjusted operating profit to profit before tax is shown below:

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Adjusted operating profit	**130.3**	134.5
Adjusted net finance costs	**(17.2)**	(7.4)
Adjusted profit before tax	**113.1**	127.1
Adjusting items:		
Share-based payments (including social security costs)	**(7.0)**	(3.7)
Acquisition and integration related costs (note 4)	**(3.2)**	(10.6)
Exceptional items (note 5)	**(5.9)**	(1.6)
Amortisation of acquired intangibles	**(30.3)**	(30.2)
Unwinding of discount on contingent consideration	**(0.3)**	-
Profit before tax	**66.4**	81.0

A reconciliation of cash generated from operations to adjusted free cash flow is shown below:

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Cash generated from operations	**117.3**	138.1
Cash flows related to acquisition and integration related costs	**12.7**	3.7
Cash flows related to exceptional items	**8.9**	3.5
Settlement of social security costs on share based payments[1]	**0.4**	1.8
Lease payments	**(3.1)**	(3.1)
Adjusted operating cash inflow	**136.2**	144.0
Cash flows related to capital expenditure	**(6.2)**	(6.2)
Adjusted free cash flow	**130.0**	137.8

[1] Relating to equity-settled share awards with vesting periods longer than 12 months.

A reconciliation between adjusted and statutory earnings per share measures is shown in note 10.

Included below is a reconciliation between statutory revenue and organic revenue:

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Total revenue	**404.7**	404.3
Revenue from HY 2023 and HY 2022 acquisitions which have not been acquired for a full financial year	**(20.3)**	-
HY 2023 organic revenue	**384.4**	404.3
Impact of FX at constant rates	**(0.5)**	20.5
Organic revenue at constant currency	**383.9**	424.8

In line with Group policy, in determining organic revenue for the 6 months to 31 March 2023 acquisitions which have not been acquired for a full financial year in either the current or prior period have been excluded. As such, and for the purposes of providing comparability period-on-period, the reconciliation of organic revenue for the 6 months to 31 March 2022 has been presented based on this definition.

Revenue from HY 2023 and HY 2022 acquisitions which have not been acquired for a full financial year includes revenues from the WhatCulture, Who What Wear, Shortlist, ActualTech and Gardening Know How acquisitions.

Notes to the financial information

1. Segmental reporting

The Group is organised and arranged primarily by reportable segment. The Executive Directors consider the performance of the business from a geographical perspective, namely the UK and the US. The Australian business is considered to be part of the UK segment and is not reported separately due to its size. The Group also uses a sub-segment split of Media (websites and events) and Magazines for further analysis. The Group considers that the assets within each geographical segment are exposed to the same risks.

(a) Reportable segment
(i) Segment revenue

	Sub-segment		**6 months to 31 March 2023 £m**	Sub-segment		6 months to 31 March 2022 £m
	Media £m	**Magazines £m**	**Total £m**	Media £m	Magazines £m	Total £m
Segment:						
UK	**138.8**	**99.1**	**237.9**	138.6	111.3	249.9
US	**126.7**	**40.1**	**166.8**	120.0	34.4	154.4
Total	**265.5**	**139.2**	**404.7**	258.6	145.7	404.3

Transactions between segments are carried out at arm's length.

(ii) Segment adjusted operating profit

			6 months to 31 March 2023 £m			6 months to 31 March 2022 £m
	Adjusted operating profit prior to intra-group adjustments £m	**Intra-group adjustments £m**	**Adjusted operating profit £m**	Adjusted operating profit prior to intra-group adjustments £m	Intra-group adjustments £m	Adjusted operating profit £m
UK	**43.7**	**42.5**	**86.2**	52.2	40.0	92.2
US	**86.6**	**(42.5)**	**44.1**	82.3	(40.0)	42.3
Total	**130.3**	**-**	**130.3**	134.5	-	134.5

A reconciliation of total segment adjusted operating profit to profit before tax is provided as follows:

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Adjusted operating profit	**130.3**	134.5
Adjusted net finance costs (note 7)	**(17.2)**	(7.4)
Adjusted profit before tax	**113.1**	127.1
Share-based payments (including social security costs)	**(7.0)**	(3.7)
Amortisation of acquired intangibles	**(30.3)**	(30.2)
Unwinding of discount on contingent consideration	**(0.3)**	-
Acquisition and integration related costs (note 4)	**(3.2)**	(10.6)
Exceptional items (note 5)	**(5.9)**	(1.6)
Profit before tax	**66.4**	81.0

2. Revenue

The table below disaggregates revenue according to the timing of satisfaction of performance obligations:

	6 months to 31 March 2023 £m			6 months to 31 March 2022 £m		
	Over time £m	**Point in time £m**	**Total revenue £m**	Over time £m	Point in time £m	Total revenue £m
Total revenue	**8.0**	**396.7**	**404.7**	7.6	396.7	404.3

See note 1 for disaggregation of revenue by geography.

3. Net operating expenses

Operating profit is stated after charging:

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Cost of sales	**(209.3)**	(187.2)
Distribution expenses	**(21.2)**	(20.7)
Share-based payments (including social security costs)	**(7.0)**	(3.7)
Acquisition and integration related costs (note 4)	**(3.2)**	(10.6)
Exceptional items (note 5)	**(5.9)**	(1.6)
Depreciation	**(4.8)**	(4.6)
Amortisation	**(37.1)**	(36.3)
Other administration expenses	**(32.3)**	(51.2)
Total	**(320.8)**	(315.9)

4. Acquisition and integration related costs

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Acquisition related costs	**1.2**	1.7
Onerous property costs	**2.0**	8.9
Total charge	**3.2**	10.6

Acquisition and integration related costs of £3.2m incurred in the period reflect £1.2m of deal-related fees, £0.8m of restructuring costs related to recent acquisitions and £2.0m onerous property costs relating to acquired properties, net of £0.8m released following settlement of a provision for historic legal claims recognised on the Dennis opening balance sheet (HY 2022: £1.7m relating to the Dennis acquisition and £8.9m to acquired onerous properties).

Further details in respect of the acquisitions are shown in note 18.

5. Exceptional items

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Restructuring costs	**5.3**	0.5
Onerous property costs	**0.6**	1.1
Total charge	**5.9**	1.6

Exceptional costs incurred in the period include £5.3m relating to restructuring costs (HY 2022: £0.5m) and £0.6m relating to onerous properties (HY 2022: £1.1m).

6. Employee costs

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Wages and salaries	**84.5**	84.7
Social security costs	**8.1**	4.9
Other pension costs	**2.7**	2.6
Share schemes		
- Value of employees' services	**6.8**	6.3
Total employee costs	**102.1**	98.5

Wages and salaries in the table above include the all-employee profit pool bonus in the comparative period.

IFRS 2 *Share-based Payment* requires an expense for equity instruments granted to be recognised over the appropriate vesting period, measured at their fair value at the date of grant.

The fair value has been calculated using the Monte Carlo and Black-Scholes models, using the most appropriate model for each scheme. Assumptions have been made in these models for expected volatility, risk-free rates and dividend yields.

Key management personnel compensation

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Salaries and other short-term employee benefits	**1.0**	1.7
Share schemes		
- Value of employees' services	**1.5**	1.3
Total employee costs	**2.5**	3.0

Key management personnel are deemed to be the members of the Board of Future plc.

7. Finance income and costs

	6 months to 31 March 2023 £m	6 months to 31 March 2022 £m
Interest payable on interest-bearing loans and borrowings	**(13.9)**	(5.2)
Amortisation of bank loan arrangement fees	**(2.0)**	(1.2)
Interest payable on lease liabilities	**(1.4)**	(1.0)
Adjusted finance costs	**(17.3)**	(7.4)
Unwinding of discount on contingent consideration	**(0.3)**	-
Total reported finance costs	**(17.6)**	-
Interest receivable on lease liabilities	**0.1**	-
Net finance costs	**(17.5)**	(7.4)

On 23 November 2022, the Group further extended its committed debt facilities with a 5 year, £400m term facility partially guaranteed by UK Export Finance. The facility, maturing November 2027, has a 12 month availability period and amortises from year 3. It was secured at competitive market rates, on substantially similar terms to, and with the same covenants as, the Groups £500m Revolving Credit Facility ('RCF') which expires in June 2025 and has a 1 year extension option at lender consent. On signing, the first £160m was utilised to prepay the Groups previous Term Loan maturing 31 December 2023.

8. Tax on profit

The tax charge for the six months ended 31 March 2023 is based on the effective tax rate, estimated on a full year basis, being applied to the statutory profit for the six months ended 31 March 2023. The Group's adjusted effective tax rate is 23.9% (HY 2022: 21.6%).

The Group's statutory effective tax rate is 15.1% (HY 2022: 21.9%) with the difference between the statutory tax rate and adjusted effective tax rate attributable to the tax effect of share based payment charges which are recognised in equity.

Inclusive of this charge, the statutory effective tax rate is 24.4% (HY 2022: 29.5%).

9. Dividends

Equity dividends	6 months to 31 March 2023	6 months to 31 March 2022
Number of shares in issue at end of period (million)	**120.9**	120.8
Dividends paid and payable in period (pence per share)	**3.4**	2.8
Dividends paid in period (£m)	**(4.1)**	(3.4)

Interim dividends are recognised in the period in which they are paid and final dividends are recognised in the period in which they are approved. The dividend in respect of the year ended 30 September 2022 was paid on 14 February 2023. The Board has not proposed a dividend for the six months ended 31 March 2023.

10. Earnings per share

Basic earnings per share are calculated using the weighted average number of Ordinary shares in issue during the year. Diluted earnings per share have been calculated by taking into account the dilutive effect of shares that would be issued on conversion into Ordinary shares of awards held under employee share schemes.

Adjusted earnings per share remove the effect of share based payments, acquisition and integration related costs (note 4), exceptional items (note 5), amortisation of intangible assets arising on business combinations, unwinding of discount on contingent consideration, and any related tax effects from the calculation.

	6 months to 31 March 2023	6 months to 31 March 2022
Adjustments to profit after tax:		
Profit after tax (£m)	**56.4**	63.3
Share-based payments (including social security costs) (£m)	**7.0**	3.7
Acquisition and integration related costs (£m)	**3.2**	10.6
Exceptional items (£m)	**5.9**	1.6
Amortisation of intangible assets arising on acquisitions (£m)	**30.3**	30.2
Unwinding of discount on contingent consideration (£m)	**0.3**	-
Tax effect of the above adjustments (£m)	**(17.0)**	(9.8)
Adjusted profit after tax (£m)	**86.1**	99.6
Weighted average number of shares in issue during the period:		
- Basic	**120,146,502**	120,504,929
- Dilutive effect of share options	**714,468**	1,939,825
- Diluted	**120,860,970**	122,444,754
Basic earnings per share (in pence)	**46.9**	52.5
Adjusted basic earnings per share (in pence)	**71.7**	82.7
Diluted earnings per share (in pence)	**46.7**	51.7
Adjusted diluted earnings per share (in pence)	**71.2**	81.3
The adjustments to profit after tax have the following effect:		
Basic earnings per share (pence)	**46.9**	52.5
Share-based payments (including social security costs) (pence)	**5.8**	3.1
Acquisition and integration related costs (pence)	**2.7**	8.8
Exceptional items (pence)	**4.9**	1.3
Amortisation of intangible assets arising on acquisitions (pence)	**25.2**	25.1
Unwinding of discount on contingent consideration (pence)	**0.2**	-
Tax effect of the above adjustments (pence)	**(14.0)**	(8.1)
Adjusted basic earnings per share (pence)	**71.7**	82.7
Diluted earnings per share (pence)	**46.7**	51.7
Share-based payments (including social security costs) (pence)	**5.8**	3.0
Acquisition and integration related costs (pence)	**2.6**	8.7
Exceptional items (pence)	**4.9**	1.3
Amortisation of intangible assets arising on acquisitions (pence)	**25.1**	24.7
Unwinding of discount on contingent consideration (pence)	**0.2**	-
Tax effect of the above adjustments (pence)	**(14.1)**	(8.1)
Adjusted diluted earnings per share (pence)	**71.2**	81.3

11. Intangible assets

	Goodwill £m	Publishing rights £m	Brands £m	Customer relationships £m	Subscribers £m	Other acquired intangibles £m	Other £m	Total £m
Cost								
At 1 October 2021	951.2	90.4	349.7	54.5	15.2	42.6	46.0	1,549.6
Additions through business combinations	302.6	-	128.4	-	62.0	19.1	1.7	513.8
Other additions	-	-	-	-	-	-	9.0	9.0
Exchange adjustments	86.4	0.5	23.5	3.3	9.2	4.7	2.5	130.1
At 30 September 2022	**1,340.2**	**90.9**	**501.6**	**57.8**	**86.4**	**66.4**	**59.2**	**2,202.5**
Additions through business combinations	**29.1**	**-**	**10.5**	**7.4**	**-**	**2.0**	**-**	**49.0**
Other additions	**-**	**-**	**-**	**-**	**-**	**-**	**5.1**	**5.1**
Exchange adjustments	**(56.2)**	**(0.3)**	**(17.5)**	**(2.0)**	**(5.5)**	**(3.8)**	**(1.8)**	**(87.1)**
At 31 March 2023	**1,313.1**	**90.6**	**494.6**	**63.2**	**80.9**	**64.6**	**62.5**	**2,169.5**
Accumulated amortisation and impairment								
At 1 October 2021	(263.0)	(22.0)	(31.4)	(13.6)	(5.7)	(27.1)	(32.1)	(394.9)
Charge for the period	-	(7.5)	(27.4)	(7.8)	(9.4)	(6.2)	(13.0)	(71.3)
Exchange adjustments	(7.6)	(0.4)	(4.3)	(1.3)	(2.0)	(2.8)	(2.1)	(20.5)
At 30 September 2022	**(270.6)**	**(29.9)**	**(63.1)**	**(22.7)**	**(17.1)**	**(36.1)**	**(47.2)**	**(486.7)**
Charge for the period	**-**	**(3.4)**	**(14.4)**	**(4.3)**	**(4.9)**	**(3.3)**	**(6.8)**	**(37.1)**
Exchange adjustments	**4.8**	**0.3**	**3.3**	**0.9**	**1.4**	**1.5**	**1.5**	**13.7**
At 31 March 2023	**(265.8)**	**(33.0)**	**(74.2)**	**(26.1)**	**(20.6)**	**(37.9)**	**(52.5)**	**(510.1)**
Net book value at 31 March 2023	**1,047.3**	**57.6**	**420.4**	**37.1**	**60.3**	**26.7**	**10.0**	**1,659.4**
Net book value at 30 September 2022	1,069.6	61.0	438.5	35.1	69.3	30.3	12.0	1,715.8
Useful economic lives		5-15 years	3-20 years	8-10 years	7-11 years	3-15 years	2 years	

The other acquired intangibles category in the table above includes assets relating to customer lists, content and websites.

Any residual amount arising as a result of the purchase consideration being in excess of the value of acquired assets is recorded as goodwill.

Further details regarding the intangible assets acquired during the period through business combinations are set out in note 18.

Other intangibles relate to capitalised software costs and website development costs which are internally generated. Amortisation is included within administration expenses in the consolidated income statement.

12. Trade and other payables

	31 March 2023 £m	30 September 2022 £m
Trade payables	**21.6**	28.8
Other taxation and social security	**5.4**	5.1
Other payables	**11.5**	7.2
Accruals	**77.2**	102.7
Total	**115.7**	143.8

13. Financial instruments

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 March 2023:

	31 March 2023		30 September 2022	
	Level 2 Fair value £m	**Level 3 Fair value £m**	Level 2 Fair value £m	Level 3 Fair value £m
Assets				
Financial asset - derivative	**1.4**	**-**	-	-
Liabilities				
Contingent consideration	**-**	**7.0**	-	-
Total	**1.4**	**7.0**	-	-

A derivative interest rate swap for £150m was acquired in March 2023 in order to hedge the Group's exposure to interest rate fluctuations. The swap is at an interest rate of 3.72% and expires on 24 March 2026. The swap has been valued based on the present value of the estimated future cash flows based on observable yield curves. An asset of £1.4m has been recognised on the balance sheet at 31 March 2023 with a corresponding increase in the cash flow hedge reserve (see note 16).

The contingent consideration of £7.0m (30 September 2022: £nil) relates to the acquisition of ActualTech LLC ("ActualTech") (see note 18 for further details).

The ActualTech contingent consideration has been valued using a scenario-based approach drawing from internal projections and forecasts. The outcome is then discounted to reflect the market risk related to contingent consideration and underlying achievement of the gross profit target. The discount rate of 13% was determined using a Capital Asset Pricing Model (CAPM) approach.

The main level 3 inputs used in valuing the contingent consideration are gross profit and the discount rate, as shown in the table below:

Assumption	**ActualTech, LLC**
Discount rate	13%
Gross profit	\$10.1m - \$15.1m

The table below sets out the sensitivity of level 3 inputs to a 10% change in the assumptions, which is considered to be a reasonably possible alternative assumption:

Assumption	**Increase/(decrease)**	**Increase/(decrease) in liability £m**
Discount rate	10%	(0.1)
Discount rate	(10)%	0.1
Gross profit	10%	3.1
Gross profit	(10)%	(3.7)

There were no transfers between levels in the current or prior period.

14. Provisions

	31 March 2023 £m	30 September 2022 £m
Property	**6.8**	9.1
Other	**0.8**	12.3
Total	**7.6**	21.4

The provision for property relates to dilapidations and obligations under short leasehold agreements on vacant property. The majority of the vacant property provision is expected to be utilised over the next three years. The reduction in other provisions is primarily due to payment of £8.9m for settlement of the provision for historic legal claims recognised on the Dennis opening balance sheet.

15. Issued share capital

During the period no shares were issued by the Company pursuant to share scheme exercises throughout the period (31 March 2022: 165,891 Ordinary shares with a nominal value of £24,884). 2,095 Ordinary shares were issued under the Share Incentive Plan for a combined total cash commitment of £nil.

As at 31 March 2023 there were 120,858,025 Ordinary shares in issue (31 March 2022: 120,791,225; 30 September 2022: 120,855,930).

16. Reserves

Treasury reserve

The treasury reserve represents the cost of shares in Future plc purchased in the market and held by the Employee Benefit Trust ('EBT') to satisfy awards made by the trustees.

During the period 233,587 (31 March 2022: 365,505) of the shares held by the EBT were used to satisfy the vesting of share options and 625,000 (31 March 2022: 22,216) shares were purchased to fund the future vesting of share options at a total value of £7.8m.

Merger reserve
During the current and comparative period there was no movement on the merger reserve.

Accumulated exchange differences
The reserve for accumulated exchange differences comprises the revaluation of the Group's foreign currency entities, principally the US and Australia, on consolidation.

Other reserves
Other reserves comprises the cash flow hedge reserve, as the Group entered into an interest rate swap in March 2023, in order to hedge against fluctuations in interest rates. The cash flow hedge reserve represents the cumulative amount of gains and losses on the interest rate swap deemed effective.

17. Contingent liabilities

There were no material contingent assets or liabilities as at 31 March 2023 (31 March 2022: £nil).

18. Acquisitions

Acquisition of Shortlist

On 18 October 2022, Future completed the acquisition of ShortList Media Limited (trading as Shortlist.com), a technology website, for consideration of £0.2m.

Acquisition of ActualTech LLC

On 30 November 2022 the Group acquired ActualTech LLC, a provider of content marketing solutions for B2B marketers, for initial cash consideration of £32.2m. In addition, a further variable deferred consideration up to a total value of $24 million could be paid, subject to meeting certain financial targets based on the 12 month period ending 31 December 2023. The table below includes £6.9m ($8.3m) as contingent consideration, which represents its fair value at the date of acquisition. At the reporting date, the fair value of the contingent consideration had increased to £7.0m ($8.7m) due to the impact of discounting. 100% of the voting equity interest was acquired.

The impact of the acquisition on the consolidated balance sheet was:

	Fair value £m
Intangible assets	
- Brand	3.4
- Customer relationships	7.4
- Database	0.3
- Software	0.5
Cash and cash equivalents	3.3
Trade and other receivables	1.4
Trade and other payables	(0.6)
Net assets acquired	15.7
Goodwill	23.4
	39.1
Consideration:	
Cash	32.2
Contingent consideration	6.9
Total consideration	**39.1**

ActualTech specialises in webinars, white papers, syndication and content marketing on owned platforms. The acquisition further diversifies the Group by strengthening its position in the B2B vertical and provides greater scale and reach in North America to further monetise its highly-valuable B2B audience. In addition, the Group will be leveraging ActualTech's webinar capabilities and its US expertise within the Group's existing portfolio.

Goodwill is attributable to the opportunities associated with future returns from new customer relationships. The intangibles recognised, including goodwill, are expected to be deductible for tax purposes.

Included within the Group's results for the period are revenues of £4.5m and a profit before tax of £1.6m from ActualTech (excluding acquired intangible amortisation).

If the acquisition had been completed on the first day of the financial year, it would have contributed £6.6m of revenue and a profit before tax of £2.4m (excluding acquired intangible amortisation) during the period.

Gross trade receivables were £1.4m on acquisition, of which £1.4m were expected to be recovered.

Acquisition of Gardening Know How

On 7 February 2023, the Group acquired Gardening Know How, a specialist interest site for gardening based in the US, for total consideration of £14.8m. The Gardening

Know How acquisition brings additional expertise to the Group, strengthening the Group's strategic Homes vertical. 100% of the voting equity interest was acquired.

The provisional impact of the acquisition on the consolidated balance sheet was:

	Provisional fair value £m
Intangible assets	
- Brand	7.1
- Content	1.2
Cash and cash equivalents	0.8
Trade and other receivables	0.3
Trade and other payables	(0.1)
Net assets acquired	9.3
Goodwill	5.5
	14.8
Consideration:	
Cash	14.8
Total consideration	**14.8**

Goodwill is attributable to future premium advertising relationships and new evergreen content. The intangibles recognised, including goodwill, are expected to be deductible for tax purposes.

Included within the Group's results for the period are revenues of £0.4m and a profit before tax of £0.1m from Gardening Know How (excluding acquired intangible amortisation).

If the acquisition had been completed on the first day of the financial year, it would have contributed £1.2m of revenue and a profit before tax of £0.3m (excluding acquired intangible amortisation) during the period.

Gross trade receivables were £0.3m on acquisition, of which £0.3m were expected to be recovered.

The fair values included for the Gardening Know How acquisition are described as 'provisional' as the acquisition occurred within one month of the balance sheet date and so further time is required in order to fully ascertain the fair value of assets and liabilities acquired, which will be completed upon finalisation of the completion accounts.

19. Post balance sheet events

Interest rate swap

Following the period end, an additional £50m interest rate swap was entered into with Lloyds Bank, to further hedge the Group's exposure to fluctuations in interest rates. The swap is at an interest rate of 4.03% and expires on 3 April 2026, giving the Group a blended fixed rate of 3.83% and a 47:53 fixed:floating ratio.

Disposal of titles

On 28 April the Group disposed of The Shooting Times & Country, Sporting Gun, www.shootinguk.co.uk and The Shooting Show for total consideration of £0.2m, of which £0.1m is deferred for 12 months.

Statement of Directors' responsibilities

We confirm that to the best of our knowledge:

• the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting in conformity with the requirements of the Companies Act 2006;

• the interim management report includes a fair review of the information required by:

a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

A list of current Directors is maintained on the Future plc website, www.futureplc.com

By order of the Board

Directors

Richard Huntingford
Independent Non-Executive Chairman

Jon Steinberg
Chief Executive Officer

Penny Ladkin-Brand
Chief Financial and Strategy Officer

Hugo Drayton
Senior Independent Non-Executive

Alan Newman
Independent Non–Executive

Rob Hattrell
Independent Non–Executive

Meredith Amdur
Independent Non–Executive

Mark Brooker
Independent Non–Executive

Angela Seymour-Jackson
Independent Non–Executive

17 May 2023

The maintenance and integrity of the Future plc website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT REVIEW REPORT TO FUTURE PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2023 which comprises the consolidated income statement, consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and related notes 1 to 19. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2023 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in the Basis of preparation note, the annual financial statements of the Group will be prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
Reading, United Kingdom
17 May 2023