THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom ("**UK**"), is duly authorised under the Financial Services and Markets Act 2000 ("**FSMA**") or, if you are not resident in the UK, from another appropriately authorised independent financial adviser in your own jurisdiction.

This document comprises a prospectus ("**Prospectus**") relating to National World plc (the "**Company**" or "**National World**") prepared in accordance with the prospectus regulation rules of the UK Financial Conduct Authority (the "**FCA**") made under section 73A of FSMA (the "**Prospectus Regulation Rules**"). This Prospectus has been approved by the FCA, as competent authority under the UK version of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") (the "**UK Prospectus Regulation**"). The FCA has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered an endorsement of the Company and of the quality of the ordinary shares of nominal value 0.1 pence each (the "**Ordinary Shares**") that are the subject of this Prospectus.

This Prospectus has been filed with the FCA and will be made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

The Company's entire existing issued share capital ("**Existing Share Capital**") comprising 54,000,000 Ordinary Shares (the "**Existing Ordinary Shares**") is admitted to listing on the standard segment of the Official List ("**Standard Listing**") maintained by the FCA (the "**Official List**"), in its capacity as competent authority under FSMA (under Chapter 14 of the listing rules published by the FCA under section 73A of the FSMA (the "**Listing Rules**")) and to trading on the main market for listed securities (the "**Main Market**") of London Stock Exchange plc (the "**London Stock Exchange**").

Trading in the Existing Ordinary Shares on the Main Market of the London Stock Exchange was suspended on 2 December 2019 as a result of press speculation that the Company was considering acquiring JPIMedia Publishing Limited ("**JPIMedia Publishing**"). On 31 December 2020, National World announced via a regulatory information service (an "**RIS**") that it had entered into a sale and purchase agreement dated 31 December 2020 (the "**Acquisition Agreement**") with JPIMedia Limited ("**JPIMedia**") to acquire JPIMedia Publishing and its subsidiaries (together, "**JPI Group**") from JPIMedia (the "**Acquisition**"). The Acquisition is classified as a "reverse takeover" under the Listing Rules and completed on 2 January 2021 ("**Completion**"). Further details of the Acquisition Agreement are set out in paragraph 13.1(a) of *Part XV – Additional Information* of this Prospectus.

The whole of the text of this Prospectus should be read by prospective investors. Your attention is specifically drawn to the discussion of certain risks and other factors that should be considered in connection with an investment in the Ordinary Shares, as set out in *Part II – Risk Factors* beginning on page 9 of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares.

The Company and the directors of the Company, whose names appear on page 25 of this Prospectus (the "**Directors**" or the "**Board**"), accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company and the Directors, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import.

NATIONAL WORLD

National World plc

(Incorporated in England and Wales with company number 12021298)

Admission to the Official List of 259,432,801 Ordinary Shares of nominal value 0.1 pence each (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange

Broker and Financial Adviser

Dowgate CAPITAL

Dowgate Capital Limited

Financial Advisers

ALVARIUM

Alvarium MB (UK) Limited

Stanhope Capital

Stanhope Capital LLP

Following Completion, the Company has issued £20,000,000 in aggregate principal amount of convertible secured loan notes (the "**Convertible Secured Loan Notes**") and £1,000,000 in aggregate principal amount of unsecured loan notes (the "**Unsecured Loan Notes**") to new and existing investors.

The Company is required to issue and allot 205,432,801 new Ordinary Shares (the "**Conversion Shares**" and together with the Existing Ordinary Shares, the "**Enlarged Share Capital**") at a conversion price of 11 pence per Conversion Share (the "**Conversion Price**") having received irrevocable written commitments in respect of £20,000,000 in principal amount of Convertible Secured Loan Notes (plus a 10% premium and accrued interest) to convert, conditional only on Admission. The Company obtained authority from the shareholders of the Company (the "**Shareholders**") at a general meeting held on 18 March 2021 (the "**General Meeting**"), *inter alia*, to issue and allot the Conversion Shares.

It is anticipated that, in accordance with the Listing Rules, upon publication of this Prospectus, the FCA will cancel the Company's existing Standard Listing, and applications will be made to the FCA for the Enlarged Share Capital to be admitted to a Standard Listing and to the London Stock Exchange for the Enlarged Share Capital to be admitted to trading on the Main Market of the London Stock Exchange ("**Admission**"). It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8:00 a.m. on 7 May 2021.

Apart from the responsibilities and liabilities, if any, which may be imposed on each of Dowgate Capital Limited ("**Dowgate**" or "**Broker and Financial Adviser**"), in its capacity as broker and financial adviser to the Company, Stanhope Capital LLP ("**Stanhope**") and Alvarium MB (UK) Limited ("**Alvarium**") in their respective capacities as financial advisers to the Company (each, a "**Financial Adviser**") by FSMA or the regulatory regime established thereunder, none of Dowgate, Stanhope or Alvarium accept any responsibility whatsoever for, or make any representation or warranty, express or implied, as to the contents of this Prospectus or for any other statement made or purported to be made by them, or on their behalf, in connection with the Company, the Ordinary Shares or Admission and nothing in this Prospectus will be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of Dowgate, Stanhope and Alvarium accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement.

None of Dowgate, Stanhope, Alvarium or any of their respective representatives, are making any representation to any prospective investor of the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such prospective investor under the laws applicable to such prospective investor. The contents of this Prospectus should not be construed as legal, financial or tax advice. Each prospective investor should consult their own legal, financial or tax adviser for legal, financial or tax advice.

Each of Dowgate and Stanhope, which are authorised and regulated by the FCA, and Alvarium, an appointed representative of Alvarium Re Limited which is authorised and regulated by the FCA, is acting exclusively for the Company and for no one else in connection with the production of this Prospectus and/or Admission. None of Dowgate, Stanhope or Alvarium will regard any other person as a client in relation to the production of this Prospectus and/or Admission, and none of Dowgate, Stanhope or Alvarium will be responsible to anyone (whether or not a recipient of this Prospectus) other than the Company for providing the protections afforded to its clients, or for providing advice in connection with the production of this Prospectus and/or Admission, or any other matter, transaction or arrangement referred to in this Prospectus.

Notice to overseas shareholders

The Ordinary Shares have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Ordinary Shares may not be offered or sold in the United States, except to qualified institutional buyers ("**QIBs**"), as defined in, and in reliance on, the exemption from the registration requirements of the Securities Act provided in Rule 144A under the Securities Act ("**Rule 144A**") or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

No actions have been taken to allow a public offering of the Ordinary Shares under the applicable securities laws of any jurisdiction, including Australia, Canada, Japan or the Republic of South Africa. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan, the Republic of South Africa or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction or would impose any unfulfilled registration, publication or approval requirements on the Company (each, a "**Restricted Jurisdiction**").

This Prospectus does not constitute an offer to sell or an invitation to purchase or subscribe for, or the solicitation of an offer or invitation to purchase or subscribe for, Ordinary Shares in any Restricted Jurisdiction.

None of the Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission (the "**SEC**"), any state securities commission in the United States or any other regulatory authority in the United States, nor has the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

The distribution of this Prospectus in or into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of securities laws of any such jurisdiction.

Other than in the UK, no action has been taken or will be taken to permit the possession or distribution of this Prospectus (or any other offering or publicity materials relating to the Ordinary Shares) in any Restricted Jurisdiction. Accordingly, neither this Prospectus, nor any advertisement, nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, no actions have been or will be taken to permit a public offering of the Ordinary Shares under the applicable securities laws of any Restricted Jurisdiction. For a description of these and certain further restrictions on the offer, subscription, sale and transfer of the Ordinary Shares and distribution of this Prospectus, please see *Part III— Important Information* of this Prospectus.

No incorporation of website information

A copy of this Prospectus is available at the Company's website, https://www.nationalworldplc.com.

Neither the content of the Company's website nor any website accessible by hyperlinks to the Company's website is incorporated in, or forms part of, this Prospectus (unless specifically incorporated by reference in this Prospectus).

General

A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with premium listings on the Official List ("**Premium Listing**"), which are subject to additional obligations under the Listing Rules.

Capitalised terms have the meanings ascribed to them in *Part XVI – Definitions*.

The date of this Prospectus is 4 May 2021.

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PART I

SUMMARY

This summary is made up of four sections and contains all the sections required to be included in a summary for this type of securities and issuer.

Even though a sub-section may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the sub-section. In this case, a short description of the sub-section is included in the summary with the mention of "not applicable".

INTRODUCTION AND WARNINGS	
Name and ISIN of the securities	The securities are the Ordinary Shares, which have the ISIN GB00BJN5J635.
Identity and contact details of the issuer	The issuer is National World plc, and its registered address is at 201 Temple Chambers, 3-7 Temple Avenue, London EC4Y 0DT, United Kingdom and telephone number is 020 7583 8304. The Company's LEI is 213800NL4ICLKYSYU749.
Identity and contact details of the offeror or of the person asking for admission to trading on a regulated market	The Company is the person asking for admission to trading of the Ordinary Shares on the Main Market, which is a regulated market.
Date of approval of the prospectus	The Prospectus was approved on 4 May 2021.
Identity and contact details of the competent authority approving the prospectus	The competent authority approving the Prospectus is the FCA. The FCA's registered address is at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number is 020 7066 1000.
Warnings	This summary should be read as an introduction to this Prospectus. Any decision to invest in the Ordinary Shares should be based on consideration of this Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such Ordinary Shares.
KEY INFORMATION ON THE ISSUER	
Who is the issuer of the securities?	
Domicile and legal form	The Company was incorporated in England and Wales on 29 May 2019 as a private company with limited liability under the Companies Act 2006 (the "**Companies Act**") with an indefinite life, and re-registered as a public limited company on 30 July 2019. The Company is domiciled in the UK and subject to the City Code on Takeovers and Mergers (the "**Takeover Code**").
Principal activities	***Introduction*** The Company was launched to create a modern platform for news publishing through acquisition and transformation. ***Acquisition history*** Trading in the Existing Ordinary Shares on the Main Market of the London Stock Exchange was suspended on 2 December 2019 as a result of press speculation that the Company was considering acquiring JPIMedia Publishing. On 31 December 2020, National World announced via an RIS that it had acquired the JPI Group, owner of thirteen regional and city daily newspapers and over one hundred other franchises in print and online, from JPIMedia. The historic titles purchased, include the Yorkshire Post, The Scotsman, The Portsmouth News and The Sheffield Star stretch from the south of England to the north of Scotland. In addition, the Northern Ireland titles include The Newsletter, the oldest English language newspaper in the world, and The Derry Journal.National World completed the acquisition of JPIMedia Publishing and its subsidiaries on 2 January 2021. The Company entered into the Acquisition Agreement with JPIMedia on 31 December 2020, which was completed on 2 January 2021, pursuant to which the Company acquired the JPI Group. The consideration payable by the Company to JPIMedia was £10,217,000 (on a debt free / cash free basis) with a normalised level of working capital. The Company and JPIMedia agreed that the consideration would be satisfied by the repayment of a loan of

£4,717,000 due to JPIMedia by the Company on behalf of JPI Group and the balance of £5,500,000 as consideration for the issued share capital of JPI Group.

The consideration comprises three tranches:

(i) £5,217,000 paid on Completion. This amount was allocated in two parts:

- initial equity consideration of £500,000 as partial satisfaction of the consideration for the issued share capital of JPI Group; and

- £4,717,000 due to JPIMedia by JPI Group, to be paid by the Company on behalf of JPI Group directly to JPIMedia, and treated by JPI Group as discharging the outstanding debt due to JPIMedia.

(ii) the sum of £2,500,000 deferred equity consideration which is payable on 31 March 2022 as partial satisfaction of the consideration for the issued share capital of JPI Group; and

(iii) the sum of £2,500,000 deferred equity consideration which is payable on 31 March 2023 as partial satisfaction of the consideration for the issued share capital of JPI Group.

The consideration payable in the Acquisition Agreement was subject to adjustment on agreement of completion accounts as at 2 January 2021. Adjustments have been made to reflect the normalised level of working capital and for any cash or debt like items and on 31 March 2021 National World paid £1,686,000, as additional consideration, representing the cash in the business on Completion (£472,000) and working capital in the JPI Group on Completion being higher than the normalised level of working capital.

The Acquisition is classified as a "reverse takeover" under the Listing Rules and completed on 2 January 2021. It is anticipated that, in accordance with the Listing Rules, upon publication of this Prospectus, the FCA will cancel the Company's existing Standard Listing.

Structure of Enlarged Group

The Company is the holding company of the Enlarged Group. As at the date of this Prospectus and Admission, the Company has one wholly-owned subsidiary, JPIMedia Publishing (incorporated in England and Wales with company number 11499982), which in turn has 10, wholly-owned subsidiaries:

Enlarged Group company name	*Jurisdiction of incorporation*	*Company number*
JPIMedia Publishing Limited	England and Wales	11499982
JPIMedia Scotsman Publications Limited	England and Wales	11573101
JPIMedia SWP Limited	England and Wales	11573425
JPIMedia North East Limited	England and Wales	11573145
JPIMedia North West Limited	England and Wales	11573442
JPIMedia Off Road Limited	England and Wales	11573449
JPIMedia Yorkshire Limited	England and Wales	11573483
JPIMedia NMSY Limited	England and Wales	11573508
JPIMedia Midlands Limited	England and Wales	11573568
JPIMedia South Limited	England and Wales	11573583
JPIMedia NI Ltd	England and Wales	11573599

Activity since Completion

The JPI Group has been undergoing a comprehensive overhaul in line with the National World's policy of Localise, Energise, Digitise, Monetise in pursuit of a sustainable news platform.

The centralised structure is in the process of being dismantled, transferring resources to the local franchises to bring journalists and sales staff closer to the communities and the advertisers they serve. Content and commercial responsibility has been transferred to the individual franchises grouped in seven regions.

Many titles, print and online, are in the process of being upgraded with richer and exclusive content. This accords with National World strategy to introduce payment for premium online content at an early stage, which recognises that original and unique local content is highly prized by social media platforms. Those platforms are now making payments for such content, including to the Enlarged Group, and this trend is likely to increase either through voluntary arrangements or, as seems possible, through legislative intervention.

The Company is also planning to leverage the Enlarged Group's market position and talent to launch new online products, and exploit its UK wide footprint. The Company has liberated itself from the traditional geographical restrictions of regional publishing by launching nationalworld.com as a website serving the whole of the UK. This has been facilitated by an expansion of high-quality content generated by the Enlarged Group's existing editorial team and exploiting specialist knowledge in a number of key consumer areas. nationalworld.com is edited outside London but with the authority and stance of a national publisher and featuring an illustration of the front page on the website each day. In parallel with this, National World is expanding e-commerce operations across both its regional and national estate to take account of the attractive demographics of its quality audience that some other national mass market publishers lack.

Since Completion, the pace of change has been swift with a focus on preparing the business to deliver on the revenue potential of the country emerging from lockdown in the second quarter of 2021. The National World management team has previous experience of many of the franchises and the regions in which the Enlarged Group operates. This has been of assistance as the Acquisition and transformation to date has been conducted remotely due to COVID-19 pandemic restrictions.

Business strategy

The objective of the Company is to create a modern platform for news publishing through the implementation of a new operating model across multiple brands and platforms by acquiring a number of media and digital technology assets, and leveraging its portfolio to launch new media brands across the UK.

	In a world of media commoditisation and increasing domination by a handful of tech behemoths National World's strategy is to create a new publishing business model that enables it to "localise, energise, digitise and monetise" relevant and unique content: • **Localise** – National World's publishing assets provide compelling content for local communities; both consumers and businesses. A greater sense of community awareness has also been generated during the COVID-19 pandemic as more consumers have lived their lives in a smaller locale. With this new spirit of localism, National World will ensure its journalists and commercial teams are more connected with the local communities they serve. • **Energise** – Enhance users' experience of National World's products and services to increase engagement and provide a strong platform to leverage its unique quality content to launch new products and services across multiple platforms. While the print news-brands will be managed creatively and profitably, National World's strategic focus is on growing local, regional and national online audiences who are deeply engaged with its content. • **Digitise** – Enhance National World's digital infrastructure to improve responsiveness, engagement, data analytics, AI content generation and user insights with a view to profitability. • **Monetise** – Create enhanced first party data and use the latest available digital technology to more effectively define audiences to drive multiple digital revenue streams: digital display advertising - targeting growth in higher yielding video content and local digital advertising, digital subscription - targeting both consumers and businesses and e-commerce -focusing on specific categories of content. National World will retain, recruit and develop talented people, appropriately incentivised and motivated, and provide them with the pre-requisite digital skills that will aid the execution of its strategy. National World's strategy will involve consolidation and change by combining acquired digital technology innovation and traditional print assets in a new industry model designed to grow revenue by aggregation of audiences and maximising efficiencies. As the operating model can be applied to many territories, the Company will not be limited to particular geographic regions. However, the initial focus will be to invest in the UK. ***Acquisition strategy*** In selecting acquisition opportunities, the Board will focus on: • media assets where opportunities exist to implement the new strategy and there is the prospect of adding considerable value; and • new technologies to enable and accelerate implementation of the change strategy. The Company's investments or acquisitions may be in companies, partnerships, special purpose vehicles, joint ventures or direct interests in new digital applications or traditional publishing media assets where the Directors believe the opportunity exists to apply the strategy and achieve improved financial returns. The Company will be focused on those acquisitions that offer either a material shareholding and/or management control.
Major shareholders	In so far as it is known to the Company as at the date of this Prospectus, the following persons will, on Admission, be directly or indirectly, interested (within the meaning of the Companies Act) in 3% or more of the Company's issued share capital (being the threshold for notification of interests that will apply to Shareholders as of Admission pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules):

	As at the date of this Prospectus		On Admission	
Name	**Number of Ordinary Shares**	**Percentage of Existing Share Capital**	**Number of Ordinary Shares***	**Percentage of Enlarged Share Capital***
David Montgomery[1]	18,200,000	33.70%	19,231,631	7.41%
Alasdair Locke	5,000,000	9.26%	25,632,627	9.88%
Canaccord Genuity	4,750,000	8.80%	4,750,000	1.83%
Vijay Vaghela	3,350,000	6.20%	4,381,631	1.69%
George House Holdings Ltd	2,695,000	4.99%	2,695,000	1.04%
David Poutney	2,495,000	4.62%	3,213,481	1.24%
Lorna Tilbian	1,850,000	3.43%	1,850,000	0.71%
Aberforth Partners	-	-	53,139,725	20.48%
Trium Capital Managers Ltd	-	-	12,316,812	4.75%
Gresham House Strategic plc	-	-	12,263,014	4.73%
Mediaforce (Holdings) Ltd	-	-	61,897,882	23.86%

[1] Mr. Montgomery's Ordinary Shares are held by Montgomery Media Limited, a private company controlled by him

** This assumes that £20,000,000 in principal amount of Convertible Secured Loan Notes (plus a 10% premium and accrued interest) are converted into Ordinary Shares at the Conversion Price.*

Key managing directors	David Montgomery, Executive Chairman. Vijay Vaghela, Chief Operating Officer. Mark Hollinshead, Chief Commercial Officer.
Statutory auditors	Crowe U.K. LLP of 55 Ludgate Hill, London EC4M 7JW, United Kingdom.
What is the key financial information regarding the issuer?	
Selection of historical key financial information	**The Company** The tables below set out summary financial information of the Company for the period from incorporation on 29 May 2019 to 31 December 2019 and the year ended 31 December 2020, extracted without adjustment from the audited financial statements of the Company for those periods. ***Summary Statement of Comprehensive Income for the Company***

	Audited **Period ended 31 December 2019**	***Audited*** **Year ended 31 December 2020**

	£'000	£'000
Revenue	-	-
Operating loss	(336)	(1,083)
Total comprehensive loss	(335)	(1,073)
Loss per Ordinary Share *(basic and diluted)*	(0.01)p	(0.02)p

Summary Statement of Financial Position for the Company

	Audited **As at 31 December 2019 £'000**	***Audited*** **As at 31 December 2020 £'000**
Total assets	4,511	12,701
Total equity	4,443	3,370

Summary Statement of Cash Flows for the Company

Net cash flows from/(used in):	***Audited*** **Period ended 31 December 2019 £'000**	***Audited*** **Year ended 31 December 2020 £'000**
Operating activities	(396)	(125)
Investing activities	1	12
Financing activities	4,778	8,423
Net cash inflow	4,383	8,310
Cash and cash equivalents carried forward	4,383	12,693

JPI Group

The tables below set out summary financial information of the JPI Group for the 74-week period from incorporation on 3 August 2018 to 4 January 2020 and the 52-week period ended 2 January 2021, extracted without adjustment from the audited consolidated financial statements of the JPI Group for those periods.

Summary Statement of Comprehensive Income for the JPI Group

	Audited **74 weeks ended 4 January 2020 £'000**	***Audited*** **52 weeks ended 2 January 2021 £'000**
Revenue	131,050	88,163
Operating loss	(19,308)	(33,004)
Total comprehensive loss	(17,664)	(31,148)

Summary Statement of Financial Position for the JPI Group

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Total assets	89,558	29,321
Total equity	(17,664)	7,153

Summary Statement of Cash Flows for the JPI Group

Net cash flows from/(used in):	***Audited*** **74 weeks ended 4 January 2020 £'000**	***Audited*** **52 weeks ended 2 January 2021 £'000**
Operating activities	24,925	6,780
Investing activities	(4,042)	(937)
Financing activities	(1,831)	(24,423)
Net cash inflow	19,052	(18,580)
Cash and cash equivalents carried forward	19,052	472

***Pro forma* financial information**

The unaudited consolidated *pro forma* financial information (the "***Pro Forma* Financial Information**") has been prepared on the basis described, for illustrative purposes only, to provide financial information about how the Acquisition, the issue of a further £11,575,000 of Convertible Secured Loan Notes, the issue of £1,000,000 of Unsecured Loan Notes, the conversion of all of the resultant £20,000,000 Convertible Secured Loan Notes and the settlement of costs related to Admission (including advisers registration, listing and admission fees, printing, advertising and distribution costs and professional advisory fees, including legal fees, and any other applicable expenses) which are not expected to exceed £700,000 (excluding any applicable VAT) ("**Admission Costs**") might affect the income, expenses and net assets presented on the basis of accounting policies adopted by the Company in preparing the audited financial information for the financial year ended 31 December 2020, as if the Acquisition, the issue of the Convertible Secured Loan Notes and Unsecured Loan Notes, the conversion of the Convertible Secured Loan Notes and the settlement of Admission Costs had occurred on 31 December 2020.

The *Pro Forma* Financial Information has been prepared on the basis set out therein and in accordance with the requirement of item 18.4 of Annex 1 and in accordance with Annex 20 of the Prospectus Regulation Rules to illustrate the impact of the Acquisition and the Conversion as if they had taken place on 31 December 2020 and is given for the purpose of complying with that requirement and for no other purposes.

***Pro forma* Statement of Financial Position**

	Company as at 31 December 2020 (Note 1) £'000	***Adjustment* JPI Group as at 2 January 2021 (Note 2) £'000**	***Adjustment* Issues of Convertible Secured Loan Notes and Unsecured Loan Notes (Note 3) £'000**	***Adjustment* Conversions of the Convertible Secured Loan Notes (Note 4) £'000**	***Adjustment* Acquisition and consolidation of JPI Group (Note 5) £'000**	***Adjustment* Settlement of Admission Costs (Note 6) £'000**	***Pro forma* balances as at 31 December 2020 £'000**
Total assets	12,701	29,321	11,975	-	(6,870)	(700)	**46,427**
Equity	3,370	7,153	(600)	20,002	(7,153)	(700)	**22,072**

***Pro forma* Statement of Comprehensive Income**

	Company Year ended 31 December 2020 (Note 1) £'000	***Adjustment* JPI Group 366-day period (Note 2) £'000**	***Adjustment* Issues of Convertible Secured Loan Notes and Unsecured Loan Notes (Note 3) £'000**	***Adjustment* Conversions of the Convertible Secured Loan Notes (Note 4) £'000**	***Adjustment* Acquisition and consolidation of JPI Group (Note 5) £'000**	***Adjustment* Settlement of Admission Costs (Note 6) £'000**	***Pro forma* results year ended 31 December 2020 £'000**
Revenue	-	88,647	-	-	-	-	**88,647**
Operating loss	(1,083)	(33,185)	(600)	-	-	(149)	**(35,017)**
Income after tax	(1,073)	(31,319)	(750)	2	-	(149)	**(33,289)**

Notes:

1. Represents the audited Company financial information for the year ended 31 December 2020.
2. Represents the audited JPI Group financial information for the 52-week period ended 2 January 2021. The results for the period have been adjusted to a 366-day period to match that of the Company.
3. Represents the issue of a further £11,575,000 of Convertible Secured Loan Notes and £1,000,000 of Unsecured Loan Notes.
4. Represents the conversion of the £20,000,000 Convertible Secured Loan Notes and the adjustment of £2,308 to finance costs represents the removal of the accrued interest due on the Convertible Secured Loan Notes up to 31 December 2020.
5. Represents the acquisition and consolidation of the JPI Group.
6. Represents the settlement of the £700,000 of Admission Costs.

Brief description of any qualifications in the audit report

Not applicable. There are no qualifications in the accountant's report relating to the historical financial information.

What are the key risks that are specific to the issuer?

Brief description of the most material risk factors specific to the issuer contained in the prospectus

- The Enlarged Group may experience difficulties in realigning and restructuring the JPI Group and the Enlarged Group may not realise, or it might take the Enlarged Group longer than expected to realise, certain or all of the anticipated benefits of the Acquisition.
- The Enlarged Group may not realise the desired benefits from the Acquisition.
- The Enlarged Group may fail to retain key personnel and other employees. There can be no assurance that the JPI Group will not lose key personnel (or a significant number of personnel) or that the Acquisition will not result in the departure of management personnel and/or employees from the Enlarged Group. The departure of key or of a significant number of management personnel or employees could adversely affect National World's ability to realise the benefits and synergies of the Acquisition.
- The increasing popularity of digital media may result in newspaper sales and print advertising revenues declining faster than anticipated which may affect the larger print business of the Enlarged Group.
- Failure to successfully develop its digital businesses to compensate for declining newspaper sales and advertising revenues may adversely affect the business, results of operations, financial condition and/or prospects of the Enlarged Group.
- The Enlarged Group is reliant on certain information technology systems to support its operations (including: IT infrastructure, regulatory compliance framework, financial control environment and contracts with suppliers, in particular for the Enlarged Group's websites and printing of its newspapers) and protect against damage and system interruptions, including from cyber-attacks, and a temporary or permenant loss of any systems or networks of the Enlarged Group may cause significant distruction to its business operation.
- The operations of the Enlarged Group will be adversely impacted by issues due to the loss of key infrastructure, weaknesses in the control environment and loss of key suppliers.
- The Enlarged Group may be subject to legal claims, including actual or alleged libel, misuse of private information, infringement of copyright and breach of the UK GDPR and Data Protection Act 2018, that arise in the course of the business of the Enlarged Group in connection with the content of their publications and websites.
- Changes in tax law and practice may impact Shareholders and the Enlarged Group. Any changes may reduce the net return derived by investors from a shareholding in the Company.

KEY INFORMATION ON THE SECURITIES	
What are the main features of the securities?	
Type, class and ISIN	The securities for which Admission is sought are Ordinary Shares with a nominal value of 0.1 pence each in the capital of the Company. The Ordinary Shares are registered with ISIN GB00BJN5J635, SEDOL code BJN5J63 and TIDM NWOR.
Currency, denomination, par value, number of securities issues and the term of the securities	The Enlarged Share Capital comprises 54,000,000 Existing Ordinary Shares and 205,432,801 Conversion Shares, each with a nominal value of 0.1 pence each. The Ordinary Shares are denominated in UK Pounds Sterling. The Ordinary Shares are in registered form, may be held in either certificated or uncertificated form and title to such uncertificated shares may be transferred by means of a relevant system (as defined in the Uncertificated Securities Regulations 2001 (*SI 2001 No. 3755*) (the "**CREST Regulations**")). The term of the Ordinary Shares is perpetual. There are no shares in issue that are not fully paid.
Rights attached to the securities	The Conversion Shares will, when issued and fully paid, rank equally in all respects with the Existing Ordinary Shares. All Ordinary Shares have the following rights attaching to them: • any resolution put to the vote of a general meeting must be decided exclusively on a poll; • on a poll, every shareholder who is present in person or by proxy or corporate representative shall have one vote for each share of which they are the holder. A shareholder, proxy or corporate representative entitled to more than one vote need not, if they vote, use all their votes or cast all the votes in the same way; • if two or more persons are joint holders of a share, then in voting on any question, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the other joint holders. For this purpose, seniority is determined by the order in which the names stand in the Register; • the right to receive dividends on a *pari passu* basis; and • subject to the Companies Act, if the Company is wound up, the surplus assets after payment of all creditors are to be divided amongst all holders of Ordinary Shares, in proportion to the number of Ordinary Shares held irrespective of the amount paid or credited as paid on any share.
Relative seniority of the securities in the issuer's capital structure in the event of insolvency	Not applicable. The Company does not have any other securities in issue or liens over its assets and so the Ordinary Shares are not subordinated in the Company's capital structure.
Restrictions on the free transferability of the securities	Not applicable. The Existing Ordinary Shares are, and the Conversion Shares will be, freely transferable and tradable and there are no restrictions on transfer. Each Shareholder may transfer all or any of their Ordinary Shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each Shareholder may transfer all or any of their Ordinary Shares which are in uncertificated form by means of a 'relevant system' (i.e., the CREST System) in such manner provided for, and subject as provided in, the CREST Regulations.
Dividend or pay-out policy	To date, the Company has not declared or paid any dividends on the Ordinary Shares. Pursuant to the Acquisition Agreement, the Company has undertaken to JPIMedia that until the payment of the tranche of £2,500,000 due on 31 March 2023 is made, it will not, *inter alia*, declare, make or pay any dividend or other distribution exceeding £1,250,000 in aggregate. The Company therefore intends to pay dividends on the Ordinary Shares at such times (if any) and in such amounts (if any) as the Board determines appropriate and only to the extent legally and contractually permissible.
Where will the securities be traded?	
Application for admission to trading	Applications will be made for the Existing Ordinary Shares and the Conversion Shares to be admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that dealings in the Existing Ordinary Shares and the Conversion Shares will commence at 8:00 a.m. on 7 May 2021.
Identity of other markets where the securities are or are to be traded	Not applicable. There is currently no market for the Ordinary Shares and the Company does not intend to seek admission to trading of the Ordinary Shares on any market other than the Main Market.
What are the key risks specific to the securities?	
Brief description of the most material risk factors specific to the securities contained in the prospectus	• Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable. • Dividend payments on the Ordinary Shares are not guaranteed and the Company will only be able to pay dividends when it is generating significant revenue from its operating subsidiaries. • There may be volatility in the value of an investment in Ordinary Shares and the market price for Ordinary Shares may fluctuate. • The Standard Listing of the Ordinary Shares affords investors a lower level of regulatory protection than a Premium Listing.
KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON THE LONDON STOCK EXCHANGE	
Under which conditions and timetable can I invest in this security?	
General terms and conditions	Not applicable. This Prospectus is being published solely for the purpose of the Conversion and Admission.

Expected timetable of the offer	Publication of this Prospectus — 4 May 2021 Admission and commencement of dealings in the Enlarged Share Capital — 8:00 a.m. on 7 May 2021 CREST members' accounts credited in respect of Conversion Shares — 7 May 2021 Share certificates despatched in respect of Conversion Shares — by 21 May 2021 *All references to time in this Prospectus are to London time, unless otherwise stated. Any changes to the expected timetable will be notified by the Company through an RIS.*
Details of admission to trading on a regulated market	Applications will be made for the Enlarged Share Capital to be admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that Admission will become effective and that dealings in Enlarged Share Capital will commence at 8:00 a.m. on 7 May 2021.
Plan for distribution	Not applicable.
Amount and percentage of immediate dilution resulting from the offer	The holders of the Existing Ordinary Shares as at the date of this Prospectus will experience a 79% dilution on the issue of the Conversion Shares.
Estimate of total expenses of the issue and/or offer	The Admission Costs will be borne by the Company in full and no expenses or taxes will be charged to any investor by the Company. The Admission Costs are not expected to exceed £700,000 (excluding any applicable VAT).
Why is this Prospectus being produced?	
Reasons for the admission to trading on a regulated market	The Company has now completed the Acquisition and is seeking Admission of the Enlarged Share Capital to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange to provide liquidity to Shareholders.
Use and estimated net amount of the proceeds	The Company raised gross proceeds of £20,000,000 pursuant to the issue of the Convertible Secured Loan Notes and a further £1,000,000 of gross proceeds from the issue of interest only Unsecured Loan Notes. To date, £9.536 million of the net proceeds of the Loan Notes issued have been used to fund: • £1.0 million of the proceeds of the Loan Notes was used to fund the initial consideration for the Acquisition (£5.217 million including the repayment by the Company on behalf of JPI Group of outstanding debt due to JPIMedia (the previous vendors) at Completion of £4.717 million). The balance of the initial consideration was satisfied from existing cash resources of £4.2 million of the Company held prior to Completion and the issue of the Loan Notes; • working capital for the Enlarged Group (£5.783 million); • costs associated for the Acquisition (£0.839 million); • £1.214 million of the £1.686 million payment to JPIMedia for working capital in the JPI Group on Completion being higher than the normalised level of working capital. The balance of £0.472 million was funded by the cash left in JPI Group on Completion; and • the expenses of Admission (£0.7 million). The balance of net proceeds from the Loan Notes, will be used to fund: • the future investment and development of the Enlarged Group; and • to the extent not covered by future cash flows, £5 million deferred consideration for the Acquisition.
Indication of whether the offer is subject to an underwriting agreement	Not applicable.
Indication of the most material conflicts of interests relating to the offer or admission to trading	Not applicable.

PART II

RISK FACTORS

Any investment in the Ordinary Shares is subject to a number of risks. Prior to investing in the Ordinary Shares, you should carefully consider risks associated with any investment in securities and, in particular, the Ordinary Shares, as well as the Enlarged Group's business, its industry and the macroeconomic environment in which it operates, together with all other information contained in this Prospectus including, in particular, the risk factors described below.

The risk factors described below represent the risks that the Directors believe to be material to the Company, the Enlarged Group and/or the industry and macroeconomic environment in which the Enlarged Group operates as at the date of this Prospectus. However, these risk factors are not the only ones facing the Enlarged Group. Other risks and uncertainties relating to an investment in the Ordinary Shares and to the Enlarged Group's business, its industry and the macroeconomic environment in which it operates, that are not currently known to the Enlarged Group, or that the Directors currently deem immaterial, may individually or cumulatively also have a material adverse effect on the Enlarged Group's business, results of operations, financial condition and/or prospects. If any such risks occur, the price of the Ordinary Shares may decline, and you could lose all or part of your investment. An investment in the Ordinary Shares involves complex financial risks and is suitable only for investors who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. You should consider carefully whether an investment in the Ordinary Shares is suitable for you in light of the information in this Prospectus and your personal circumstances.

Prospective investors should note that the risks relating to the Ordinary Shares, the Enlarged Group's business and the industry and macroeconomic environment in which it operates summarised in *Part I – Summary* of this Prospectus are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Enlarged Group faces relate to events, and depend on circumstances, that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in *Part I – Summary* of this Prospectus but also, *inter alia*, the risks and uncertainties described below.

PART A – RISK FACTORS SPECIFIC AND MATERIAL TO THE COMPANY

RISKS RELATING TO THE ACQUISITION

The JPI Group may not perform in line with expectations

If the financial results and cash flows generated by the JPI Group and its future prospects are not in line with National World's expectations, a write-down may be required against the carrying value of National World's investment in the JPI Group and/or accounting goodwill and other intangible assets generated upon acquisition. Such a write-down may affect National World's and the Enlarged Group's business and may also reduce National World's ability to generate distributable reserves by the extent of the write-down and consequently affect its ability to pay dividends.

The Enlarged Group may experience difficulties in realigning and restructuring the JPI Group and the Enlarged Group may not realise, or it might take the Enlarged Group longer than expected to realise, certain or all of the anticipated benefits of the Acquisition

Effecting change at the JPI Group may involve particular challenges, some of which may not be known until after these processes are advanced. The process of implementing change at the JPI Group could potentially lead to operational interruption which could have an adverse effect on the business, financial condition and results of operations of the Enlarged Group. Any delays or difficulties encountered in connection with the implementation of change within the JPI Group's businesses could also lead to reputational damage to the Enlarged Group. National World's and the JPI Group's management teams will be required to devote significant attention and resources to integrating their respective business practices and operations and modifying operating models. There is a risk that the challenges associated with a change of management within the JPI Group's businesses will result in management distraction and that, consequently, the underlying businesses will not perform in line with expectations.

National World and the JPI Group expect to incur a number of costs in relation to the Acquisition and the integration and post-Completion strategy change, which could exceed amounts estimated. There may also be further additional and unforeseen expenses incurred in connection with the Acquisition and the subsequent adoption of new operating models. These costs could have an adverse effect on the operating results, business, financial condition and/or prospects of the Enlarged Group.

National World can offer no assurance that the Enlarged Group will realise the potential benefits of the Acquisition and subsequent adoption of new operating models, to the extent and within the timeframe contemplated or at all. If National World is unable to successfully effect change at the JPI Group, this could have a negative impact on the business, results of operations, financial condition and/or prospects of the Enlarged Group.

National World may sustain losses in excess of the limitations on JPIMedia's liability under the Acquisition Agreement and/or JPIMedia may not be in a financial position to satisfy any claims

Under the terms of the Acquisition Agreement, JPIMedia has given certain representations, warranties, and covenants in favour of National World. The liabilities of JPIMedia under the Acquisition Agreement are subject to time and value limitations and National World may sustain losses in excess of any such limitations. JPIMedia's liability under the warranties is subject to a *de minimis* of 0.5% of the purchase consideration per claim and a threshold of 3% of the purchase consideration, above which threshold JPIMedia is liable for the whole amount claimed and its liability is not limited to the amount of the excess. JPIMedia's liability for warranty claims, subject to certain exceptions, is capped at £1.25 million. JPIMedia's liability is also limited in time; warranty claims must be brought within six months of Completion (with the exception of tax claims, which must be brought within six years following Completion).

The Enlarged Group may not realise the desired targeted cost savings from the Acquisition

National World is targeting cost savings, in aggregate, of approximately £5 million annualised before tax to be achieved by headcount reduction and other efficiencies, with a significant amount of these annualised savings secured in 2021.

Realisation of these synergies and benefits will depend partly on the rapid and efficient management and co-ordination of the activities of the Enlarged Group's businesses. There is a risk that these benefits from the Acquisition may fail to materialise, or they may be materially lower than has been estimated. In addition, the cost of achieving these benefits may exceed the expected restructuring costs of approximately £4 million. Such eventualities could have a material adverse effect on the business, financial condition, operational results and/or prospects of the Enlarged Group.

The Enlarged Group, may not be able to protect intellectual property rights upon which their businesses rely and, if they lose intellectual property protection, their assets may lose value and their business may be adversely affected

A significant proportion of the value of the JPI Group relates to its intellectual property rights, in particular its valuable brands and proprietary trademarks, content, services and internally developed technology. The business of the JPI Group depends (and, the Enlarged Group will depend) on this intellectual property. The Directors believe that the ability of the Enlarged Group to protect its intellectual property rights would be important to the continued success and competitive position of the Enlarged Group.

The Enlarged Group may not be able to protect intellectual property rights upon which its business relies and, if it loses intellectual property protection, its assets may lose value and its business may be adversely affected. Unauthorised parties may attempt to copy or otherwise obtain the content, services, technology and other intellectual property of the JPI Group (or the Enlarged Group) and it cannot be certain that the steps that have been taken to protect such proprietary rights will prevent any misappropriation or confusion among consumers and merchants, or unauthorised use of such rights. Advancements in technology have exacerbated the risk by making it easier to duplicate and disseminate content.

If the JPI Group (or the Enlarged Group) has to litigate (in the United Kingdom or elsewhere) to enforce its intellectual property rights or determine the validity and scope of the proprietary rights of others, such litigation may be costly and divert the attention of the management of the JPI Group (or the Enlarged Group).

If the JPI Group (or the Enlarged Group) is unable to procure, protect and enforce its intellectual property rights, it may not realise the full value of these assets, and its business may be adversely affected. These occurrences could have a material adverse effect on the business, financial condition, operational results and/or prospects of the JPI Group (or the Enlarged Group).

RISKS RELATING TO NATIONAL WORLD, THE JPI GROUP AND THE ENLARGED GROUP FOLLOWING THE ACQUISITION

The increasing popularity of digital media may result in newspaper sales and print advertising revenue declining faster than anticipated which may affect the business of the Enlarged Group

Revenue in the newspaper industry and therefore the Enlarged Group's business operations will be dependent upon newspaper sales and advertising revenue. Competition for advertising revenue comes from national, local and regional free and paid-for newspapers, radio, broadcast and cable television, direct mail, classified directories, internet and other communications and advertising media that operate in the same markets as the Enlarged Group. Competition for circulation revenue comes from national, local, regional free and paid-for newspapers and from websites and applications for mobile devices distributing news and other content which continue to gain popularity, with relatively low barriers to entry for certain web-based businesses bringing new entrants to the markets of the Enlarged Group. As a result, audience attention and advertising spending is now spread across a more fragmented media landscape. The fragmentation of media has intensified competition for advertising and has contributed, and may continue to contribute, to a decline in print advertising and newspaper sales revenue for the JPI Group (and the Enlarged Group). Should significant numbers of customers choose to receive content using these alternative delivery sources (rather than the newspapers of the Enlarged Group), and if the Enlarged Group is not successfully able to migrate customers onto its digital distribution channels (and/or is not able to generate subscription, advertising and e-commerce revenues through such channels), the Enlarged Group may suffer greater decreases in advertising revenue than anticipated or face an accelerated decline in circulation than anticipated, which is likely to have a material adverse effect on its business, operational results, financial condition and/ or prospects.

Failure to successfully develop its digital businesses to compensate for declining newspaper sales and advertising revenues may adversely affect the business, results of operations, financial condition and/or prospects of the Enlarged Group

Newspaper sales are a significant source of revenue for the Enlarged Group. In recent years, the JPI Group's newspapers, and the newspaper industry as a whole, have experienced declining print circulation volume as a result of preferences by some customers to receive all or a portion of their news in new media formats from sources other than print media and the proliferation of those alternative formats.

The JPI Group has made significant investments in, and the Enlarged Group will continue to make efforts to build, their digital businesses and the Board believes the success and growth of the overall business of the Enlarged Group depends to a significant degree upon the combined development of its digital businesses and its ability to continue to adapt quickly to technological changes, evolving industry standards and customers' changing needs and preferences. The increasing number of digital media options available on the internet, through mobile devices and through social networking tools is expanding consumer choice significantly. Accordingly, as a result of increased competition, it may not be possible for the Enlarged Group to increase its online traffic sufficiently or to monetise this traffic sufficiently.

The ability to attract advertisers and thereby generate revenue and profits from advertising is primarily dependent upon success in attracting audience to the digital products. If traffic levels decline or stagnate, the Enlarged Group may not be able to create sufficient advertiser interest in its digital businesses and to maintain or increase rates for advertising on its digital products. Even if it maintains traffic levels, the market position of the brands of the Enlarged Group may not be sufficient to counteract the significant downward pressure on advertising rates from the shift from direct to programmatic trading that the marketplace has experienced as a result of a significant increase in the number of platforms available for distribution.

Failure to successfully develop the Enlarged Group's digital business, could have a material adverse effect on the Enlarged Group's business, results of operations, financial condition and/or prospects.

The Enlarged Group is subject to risks arising from economic conditions in the UK and from risks arising from the continuing global economic weakness, such as those associated with the UK having left the European Union

The exact impact of market risks faced by the Enlarged Group is uncertain and difficult to predict and respond to, in particular, in view of: (i) the continuing unpredictable consequences of the UK leaving the European Union (commonly referred to as "Brexit") and the terms of the Trade and Cooperation Agreement, signed on 30 December 2020 which includes an agreement on free trade between the UK and EU, the cost of newsprint from continental Europe could increase or newsprint supplies could be delayed which would adversely impact a core revenue stream of newspaper sales; and (ii) difficulties in predicting the rate at which any economic disruption may occur, and over what duration due to continuing global economic weakness. Some of the related risks, such as consumer confidence and demand, are totally, or partially, outside the control of the Enlarged Group.

The Enlarged Group may be subject to legal claims that if determined adversely could negatively affect its reputation, business, operational results, financial condition and/or prospects

The Enlarged Group has experienced legal claims in the past due to the nature of its business, in particular the publication of news content in print and online. Whilst claims have not be significant in the past and have been dealt with in the ordinary course of business, the Enlarged Group remains subject to legal claims, including actual or alleged libel, misuse of private information, infringement of copyright and breach of the General Data Protection Regulation (EU) 2016/679, as it forms part of the retained EU law as defined in the EUWA (the "**UK GDPR**") and the Data Protection Act 1998, that arise in the course of the business of the Enlarged Group in connection with the content of their publications and websites. The damages that may be claimed in future legal proceedings could be substantial, including in certain cases claims for aggravated and/or exemplary damages as well as injunctions. In addition, the Enlarged Group may incur significant costs in defending future legal actions brought against them which may not be fully recoverable, irrespective of whether they are successful in defending any claims, and they may be subject to adverse publicity or reputational harm as a result of such claims or actions. Furthermore, conditional fee arrangements, and the fact that claimants are not themselves responsible for paying costs in relation to such arrangements, may encourage the pursuit of legal action and may lead to an increase in the number of claims made against the Enlarged Group.

The Enlarged Group may also be liable to third parties if the content of its publications, websites or advertisements violates intellectual property rights of third parties. If the outcome of any legal proceedings brought against the Enlarged Group are not favourable it could have a material adverse effect on their reputations, business, operational results, financial condition and/or prospects.

The negotiating power of certain customers (e.g., advertising agencies) and suppliers (e.g., wholesalers, and printers) could adversely impact revenues and costs

The inability of the Enlarged Group to maintain the current terms for contracts with advertising agencies for national advertising, printing services and with wholesalers of newspaper and magazines for newspaper sales could materially impact revenues for the Enlarged Group and/or materially reduce the anticipated benefits of the Acquisition (or affect the timeframe within which such benefits are realised) or result in a material adverse effect on the operating results, business, financial condition and/or prospects of the Enlarged Group.

Advertising agencies contracts are negotiated through Mediaforce (Holdings) Limited ("**Mediaforce**") on a rolling annual basis. The most significant printing contracts are with dmg media Limited, which expires on 16 October 2023, and DC Thomson, which expires on 31 December 2022. The current main wholesale contracts for Menzies Distribution expire on 31 December 2021 and 31 December 2022, respectively, and for Smiths News, either on a three -month rolling notice period basis or 31 December 2022.

The Enlarged Group will depend on key personnel and their ability to attract, retain and motivate other qualified employees

The Enlarged Group will depend on their key personnel and their ability to attract, retain and hire other qualified and experienced employees. In particular, competition in the media industry for experienced senior management personnel is intense and the Enlarged Group may not be able to retain their personnel. The loss of any key personnel would require the remaining key personnel to divert immediate and substantial attention to seeking a replacement. An inability to find suitable replacements for departing key personnel could adversely affect the ability of the Enlarged Group to grow their businesses. Production and distribution of the publications of the Enlarged Group and the generation of advertising revenue also require skilled and experienced employees. A shortage of such employees, or the inability of the Enlarged Group to retain such employees, could have an adverse impact on the productivity and costs of the Enlarged Group, its ability to expand, develop and distribute new products, generate advertising sales and its entry into new markets. The cost of retaining or hiring such employees could exceed the resources of the Enlarged Group.

Industrial action by employees results in the Enlarged Group being unable to operate or grow its business in accordance with its strategy which could have an adverse impact on its business, operational results, financial condition and/or prospects

A deterioration in the relationship of the Enlarged Group with its employees resulting in industrial action may affect operational and financial performance. The Enlarged Group operates in a unionised industry. The JPI Group has, in general, good relations with their employees and unions. However, there can be no assurance that their operations will not be affected by related problems in the future such as industrial action. There can be no assurance that strikes, work stoppages, industrial action or other labour-related developments will not adversely affect the business, operational results, financial condition and/or prospects of the Enlarged Group as a consequence of the Acquisition and integration of the JPI Group.

The Enlarged Group will be reliant on certain information technology systems to protect against damage and system interruptions, including from cyber-attacks

All of the businesses of the Enlarged Group are dependent on technology to some degree and information systems are critical for the effective management and provision of services. The Enlarged Group will depend upon ongoing investments in advanced computer database and telecommunications technology as well as upon their ability to protect their telecommunications and information technology systems against damage or system interruptions from cyber-attacks, natural disasters, technical failures and other events beyond their control. In order for the Enlarged Group to compete effectively and to meet its customers' needs, it must maintain its systems in good working order as well as invest in improved technology. Information security has also become an important issue in recent years as a result of several high-profile losses of data and the growing threat and prevalence of cyber-attacks. Any future breach in the data security of the Enlarged Group could have a harmful impact on its business and reputation. A temporary or permanent loss of any of the systems or networks of the Enlarged Group could cause significant disruption to its business operation, or damage to its reputation resulting in a loss of revenue and potentially higher costs in the future, which could have an adverse effect on its business, financial condition, results of operations and/or prospects.

Further acquisitions may be reviewed under merger control legislation

The Acquisition received merger control approval from the UK Competition and Markets Authority ("**CMA**") in February 2021. Future acquisitions may, however, be reviewed by the CMA. The CMA has the power to impose on National World an order, such as an initial enforcement order (a "hold separate" order) to ensure that the business of the Enlarged Group and any further acquisitions are held as separate businesses (which could, *inter alia*, delay the integration of any acquisitions into the Enlarged Group and therefore adversely impact the synergy savings in the first year and prevent the Enlarged Group from doing anything which might impair the ability of any further acquisition's to compete independently in any markets), pending any decision being made by the CMA and the power to require remedies as a consequence of the acquisition, such as the divestment by the Enlarged Group of certain assets or businesses and/or the imposition of restrictions on the conduct of the businesses of the Enlarged Group and/or other behavioural remedies.

Any divestments, restrictions or remedies could impose sustained additional costs for the Enlarged Group and/or materially reduce the anticipated benefits (including synergy benefits) of any further acquisition (or affect the timeframe within which such benefits are realised) or result in a material adverse effect on the operating results, business, financial condition and/or prospects of the Enlarged Group.

The availability, cost and terms of debt finance may have an adverse impact on the Enlarged Group

The Enlarged Group's profitability and development are not currently impacted by the availability or cost of debt finance. However, the Enlarged Group's ability to access liquidity to fund their businesses in the longer term may be affected during periods of tight credit conditions or the absence of funds at a reasonable cost. The availability and cost of debt finance may influence the Enlarged Group's profitability and the Enlarged Group's ability to participate in development opportunities.

In addition, if National World fails to pay any amount when due, or otherwise fails to comply in any material respect with the terms of, under any of its existing (and any future) financings this may ultimately lead to an event of default under the terms of such financing which could lead to acceleration and enforcement proceedings being brought against it by its creditors.

An inability to obtain future funding on reasonable terms, restrictions on its operational flexibility contained in its financing agreements and/or a material failure to comply with the terms of its existing or future financings, could have a material adverse effect on the Enlarged Group's business, financial condition or results of operations.

The news publishing and digital media sector is a competitive market (in particular, competition from online)

It is anticipated that the Enlarged Group will invest in projects in the publishing and digital media sector and/or in associated complementary technologies, but with a particular interest in opportunities which will enable or underpin the new operating model for news publishing adopted by the Company.

Due to a competitive market for news publishing and digital media businesses, the Company may not be able to acquire appropriate assets that are competitively valued, and which are essential for the delivery of its strategy.

Impact of further declines in advertising revenue from print media/further declines in newspaper circulation revenue

Traditional print publishing companies remain structurally challenged with circulation volumes being impacted by audiences migrating to online resulting in continuing declines in the core revenue streams of newspaper circulation and print advertising. The Enlarged Group may not be successful in mitigating revenue declines in traditional publishing businesses that it acquires which could result in a material adverse impact on the valuation of the Company's equity.

Risks and costs associated with compliance with data protection regulations and privacy laws

Prospective target companies or businesses in the news publishing and digital media sector and/or in associated complementary technologies are likely to encounter certain personal data (including name, address, age, bank and other personal data) from individual contacts, journalistic sources and other people in the ordinary course of business, and will be subject to regulations in the jurisdictions in which such companies or businesses operate regarding the use of personal data. Those regulations generally impose certain requirements in respect of the collection, retention, use and processing of such personal information.

When making an acquisition, the Company will seek to ensure that, as a matter of due diligence, procedures are in place at the relevant target company or business to comply with the relevant data protection regulations by their people and any third-party service providers, and that security measures have been implemented to help prevent cyber theft, misuse or inadvertent destruction. Notwithstanding such efforts, the Enlarged Group will be exposed to the risk that such procedures could have been, are at the time of acquisition or going forward may be ineffective and such data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection laws.

The consequences of being accused or found guilty of any of these or other offences may include time-consuming and expensive investigations, fines, cease-and-desist orders and imprisonment (for individuals) or censure, fines, suspension of business or other sanctions, including revocation of licences and/or registrations with the respective regulatory agencies, criminal penalties and civil lawsuits (for companies), as well as disruption to the Enlarged Group's operations or financial systems. Moreover, the reputational damage to the Enlarged Group's business and brand from such a breach could be severe. The direct and indirect impact of such proceedings could have a material adverse effect on the Enlarged Group's business, financial condition, results of operations or prospects. Moreover, the Enlarged Group may not always be able to predict the impact of future legislation and regulation, or changes in the interpretation or operation of existing legislation or regulation. A change to a regulatory framework could lead to increased compliance costs, changes to the Enlarged Group's structure, the delay or abandonment of any proposed acquisitions or other growth opportunities.

PART B – RISK FACTORS SPECIFIC AND MATERIAL TO THE ORDINARY SHARES

RISKS RELATING TO THE NATURE OF THE ORDINARY SHARES

Dividend payments on the Ordinary Shares are not guaranteed and the Company will not be able to pay dividends until it is generating significant revenue from its operating subsidiaries

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and only to the extent legally or contractually permissible, but expects to be principally reliant upon dividends received on shares held by it in any operating subsidiaries in order to do so. Payments of such dividends will be dependent on the availability of any dividends or other distributions from such subsidiaries. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any

RISKS RELATING TO THE ADMISSION OF THE ORDINARY SHARES

The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing

Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing affords investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules.

While the Company has a Standard Listing, it is not required to comply with the provisions of, *inter alia*:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with Admission;

- Chapter 9 of the Listing Rules relating to the ongoing obligations for companies admitted to the Premium List, which therefore does not apply to the Company;

- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted that certain acquisitions (for example, the Acquisition) will not require Shareholder consent, even if Ordinary Shares are being issued as consideration for such an acquisition (subject to the Company having sufficient existing authorisation from Shareholders to issue such number of Ordinary Shares in relation to such acquisition on a non-pre-emptive basis);

- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a ‘related party transaction’ as defined in Chapter 11 of the Listing Rules without the specific prior approval of the independent Directors;

- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2.; and

- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

It should be noted that the FCA will not have the authority to (and will not) monitor the Company’s compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Prospectus are themselves misleading, false or deceptive.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares.

Compliance costs

The costs to the Company of complying with the continuing obligations under the Listing Rules, Prospectus Regulation Rules and Disclosure Guidance and Transparency Rules will be financially significant due to the Company's relatively small size and these costs might prove financially onerous.

The Company's listing might be cancelled if the Company fails to comply with its continuing obligations under the Listing Rules.

RISKS RELATING TO TAXATION

Taxation of returns from assets located outside of the UK may reduce any net return to investors

To the extent that the assets, company or business which the Company acquires is or are established outside the UK, it is possible that any return the Company receives from it may be reduced by irrecoverable foreign withholding or other local taxes and this may reduce any net return derived by investors from a shareholding in the Company.

Changes in tax law and practice may reduce any net returns for investors

The tax treatment of Shareholders of the Company, any special purpose vehicle that the Company may establish and any company which the Company may acquire are all subject to changes in tax laws or practices in England and Wales or any other relevant jurisdiction. Any change may reduce any net return derived by investors from a shareholding in the Company.

Investors should not rely on the general guide to taxation set out in this Prospectus and should seek their own specialist advice. The tax rates referred to in this Prospectus are those currently applicable and they are subject to change.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner

It is intended that the Company will structure the group, including any company or business acquired, to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Company has made certain assumptions regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

PART III

IMPORTANT INFORMATION

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Prospectus or any other offering or publicity materials in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such country or jurisdiction. Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions in relation to the Ordinary Shares and this Prospectus. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such country or jurisdiction. This Prospectus does not constitute an offer to sell or issue, or a solicitation of an offer to buy, subscribe or otherwise purchase any of, the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Prospectus has been approved by the FCA as a Prospectus which may be used to offer securities to the public for the purposes of section 85 of FSMA, and of the Prospectus Regulation. No arrangement has however been made with the competent authority in any member states of the European Economic Area ("**EEA**") (or any other jurisdiction) for the use of this Prospectus as an approved Prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Prospectus may be prohibited in Restricted Jurisdictions and in countries other than those in relation to which notices are given below.

For the attention of all investors

In deciding whether or not to invest in Ordinary Shares, prospective investors should rely only on the information contained in this Prospectus. No person has been authorised to give any information or make any representations other than as contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been authorised by the Company, the Directors or Dowgate.

Without prejudice to the Company's obligations under FSMA, the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the delivery or this Prospectus, nor any sale made under this Prospectus shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in this Prospectus is correct as at any time after its date.

In making an investment decision, prospective investors must rely on their own examination of the Company, this Prospectus, including the merits and risks involved. The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting, regulatory, investment or any other matter.

None of the Company, the Directors, Dowgate or any of their respective representatives is making any representation to any prospective investor in the Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such prospective investor under the laws applicable to such prospective investor. Prospective investors must rely upon their own representatives, including their own legal and financial advisers and accountants, as to legal, tax, financial, investment or any other related matters concerning the Company and an investment therein.

Recipients of this Prospectus are authorised solely to use this Prospectus for the purpose of considering the acquisition of the Ordinary Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not disclose any of the contents of this Prospectus or use any information herein for any purpose other than considering an investment in the Ordinary Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objective and acquisition, financing and business strategies will be achieved.

It should be remembered that the price of the Ordinary Shares and any income from such Ordinary Shares can go down as well as up.

Prior to making any decision as to whether to invest in the Ordinary Shares, prospective investors should read this Prospectus in its entirety and, in particular, *Part II – Risk Factors* of this Prospectus when considering an investment in the Company. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Company's articles of association (the "**Articles**"), which prospective investors should review. A summary of the Articles is set out in paragraph 4 of *Part XV – Additional Information* of this Prospectus and a copy of the Articles is available for inspection at the Company's registered office, 201 Temple Chambers, 3-7 Temple Avenue, London EC4Y 0DT, United Kingdom.

Selling restrictions

The distribution of this Prospectus in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. This Prospectus may not be used for, or in connection with, and does not constitute an offer to sell or issue, or the solicitation of an offer to buy, subscribe or otherwise acquire, in any jurisdiction where it would be unlawful, and in particular, subject to certain limited exceptions is not for release, publication or distribution in whole or in part, directly or indirectly, to US persons (as such term is defined under the Securities Act) or into the United States, any member state of the EEA (other than any member state of the EEA where the Ordinary Shares are lawfully marketed), Canada, Australia, Japan, the Republic of South Africa or any of their territories or possessions.

United States

The Ordinary Shares have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States.

The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States.

The Company has not been and will not be registered under the US Investment Company Act of 1940, as amended, pursuant to the exemption provided by Section 3(c)(7) thereof, and Investors will not be entitled to the benefits thereof.

The Ordinary Shares have not been approved or disapproved by the SEC, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed comment upon the adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.

European Economic Area

In relation to each member state of the European Economic Area ("**EEA**") (each, a "**Relevant State**"), no Ordinary Shares have been offered or will be offered to the public in that Relevant State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the Ordinary Shares may be offered to the public in that Relevant State at any time:

(a) to any legal entity which is a "qualified investor" as defined under Article 2 of the Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation, subject to obtaining the prior consent of Dowgate for any such offer; or
(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Ordinary Shares shall require the Company or Dowgate to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

Each person in a Relevant State who acquires any Ordinary Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company, the Directors and Dowgate that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Ordinary Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed to and with the Company, the Directors and Dowgate that the Ordinary Shares acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Relevant State to qualified investors, in circumstances in which the prior consent of Dowgate has been obtained to each such proposed offer or resale.

The Company, the Directors and Dowgate and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an "**offer to the public**" in relation to the Ordinary Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Ordinary Shares.

United Kingdom

No Ordinary Shares have been offered or will be offered to the public in the UK prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the FCA, except that the Ordinary Shares may be offered to the public in the UK at any time:

(a) to any legal entity which is a "qualified investor" as defined under Article 2 of the UK Prospectus Regulation;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of Dowgate for any such offer; or
(c) in any other circumstances falling within section 86 of FSMA.

provided that no such offer of the Ordinary Shares shall require the Company or Dowgate to publish a prospectus pursuant to section 85 of FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

Each person in the UK who acquires any Ordinary Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company, the Directors and Dowgate that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any Ordinary Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed to and with the Company, the Directors and Dowgate that the Ordinary Shares acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the UK to qualified investors, in circumstances in which the prior consent of Dowgate has been obtained to each such proposed offer or resale.

The Company, the Directors and Dowgate and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an "**offer to the public**" in relation to the Ordinary Shares in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Ordinary Shares.

Australia

This Prospectus does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) ("**Australian Corporations Act**") and does not purport to include the information required of a disclosure document under the Australian Corporations Act. This Prospectus has not been, and will not be, lodged with the Australian Securities and Investments Commission (whether as a disclosure document under the Australian Corporations Act or otherwise). Any offer in Australia of the Ordinary Shares under this Prospectus or otherwise may only be made to persons who are "sophisticated investors" (within the meaning of section 708(8) of the Australian Corporations Act), to "professional investors" (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act so that it is lawful to offer the Ordinary Shares in Australia without disclosure to investors under Part 6D.2 of the Australian Corporations Act.

Any offer for on-sale of the Ordinary Shares that is received in Australia within 12 months after their issue by the Company is likely to need prospectus disclosure to investors under Part 6D.2 of the Australian Corporations Act, unless such offer for on-sale in Australia is conducted in reliance on a prospectus disclosure exemption under section 708 of the Australian Corporations Act or otherwise. Any persons acquiring Ordinary Shares should observe such Australian on-sale restrictions.

The Company is not licensed in Australia to provide financial product advice in relation to the Ordinary Shares. Any advice contained in this Prospectus is general advice only. This Prospectus has been prepared without taking account of any investor's objectives, financial situation or needs, and before making an investment decision on the basis of this Prospectus, investors should consider the appropriateness of the information in this Prospectus, having regard to their own objectives, financial situation and needs. No cooling off period applies to an acquisition of the Ordinary Shares.

Canada

The Ordinary Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act of 1990 (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Ordinary Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), Dowgate is not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with Admission.

Japan

The Ordinary Shares have not been and will not be registered under the Financial Instruments and Exchange Law, as amended (the "**FIEL**"). This Prospectus is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the FIEL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

Republic of South Africa

This Prospectus will not be registered as a prospectus in terms of the Companies Act 1973 in South Africa and as such, any offer of Ordinary Shares in the Republic of South Africa may only be made if it shall not be capable of being construed as an offer to the public as envisaged by section 144 of such Act. Furthermore, any offer or sale of the Ordinary Shares shall be subject to compliance with South African exchange control regulations.

Information to Distributors

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each defined in paragraph 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, "distributors" (for the purposes of the UK Product Governance Requirements) should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to any contractual, legal or regulatory selling restrictions. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Dowgate will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

Forward-looking statements

This Prospectus includes statements that are, or may be deemed to be, 'forward-looking statements'. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'targets', 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'should' or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Prospectus and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, *inter alia*: (i) the Company's objective, acquisition, financing and business strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to acquisitions. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Prospectus. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review *Part II – Risk Factors* of this Prospectus for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing appearing under the heading "Forward-looking statements" constitutes a qualification of the working capital statement set out in paragraph 7 of *Part XV – Additional Information* of this Prospectus.

Forward-looking statements contained in this Prospectus apply only as at the date of this Prospectus. Subject to any obligations under the Listing Rules, the Market Abuse Regulation (EU 596/2014) as it forms part of the retained EU law as defined in the EUWA (the "**Market Abuse Regulation**"), the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

PART IV

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Prospectus	4 May 2021
Admission and commencement of dealings in Ordinary Shares	8:00 a.m. on 7 May 2021
CREST members' accounts credited in respect of Conversion Shares	7 May 2021
Share certificates despatched in respect of Conversion Shares	by 21 May 2021

All references to time in this Prospectus are to London time, unless otherwise stated. Any changes to the expected timetable will be notified by the Company through an RIS.

ADMISSION AND CONVERSION STATISTICS

Number of Existing Ordinary Shares in issue prior to the Conversion	54,000,000
Total number of Conversion Shares to be issued	205,432,801
Enlarged Share Capital following the Conversion and Admission	259,432,801
Conversion Price	£0.11
Value of converted Convertible Secured Loan Notes (plus a 10% premium and accrued interest)	£22,597,608
Market capitalisation at the Conversion Price(1)	approximately £28,500,000
Conversion Shares as a percentage of Enlarged Share Capital	79%

(1) The market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time. There can be no assurance that the market price of an Ordinary Share will equal or exceed the Conversion Price.

DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

ISIN	GB00BJN5J635
SEDOL code	BJN5J63
TIDM	NWOR
LEI	213800NL4ICLKYSYU749

PART V

DIRECTORS, AGENTS AND ADVISERS

Directors	David Montgomery	(Executive Chairman)
	Vijay Vaghela	(Chief Operating Officer)
	Mark Hollinshead	(Chief Commercial Officer)
	Daniel Cammiade	(Non-Executive Director)
	John Rowe	(Non-Executive Director)
	Steve Barber	(Non-Executive Director)
Company Secretary	One Advisory Limited	
Registered Office	201 Temple Chambers 3-7 Temple Avenue London EC4Y 0DT United Kingdom	
Financial Adviser and Broker	Dowgate Capital Limited 15 Fetter Lane London EC4A 1BW United Kingdom	
Financial Advisers	Alvarium MB (UK) Limited 10 Old Burlington Street London W1S 3AG United Kingdom	
	Stanhope Capital LLP 35 Portman Square London W1H 6LR United Kingdom	
Auditors and Reporting Accountants	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW United Kingdom	
Solicitors to the Company	Orrick, Herrington & Sutcliffe (UK) LLP 107 Cheapside London EC2V 6DN United Kingdom	
Solicitors to the Financial Adviser and Broker	CMS Cameron McKenna Nabarro Olswang LLP 78 Cannon Street London EC2N 6AF United Kingdom	
Registrar	LINK Market Services Limited The Registry 34 Beckenham Road Beckenham Kent BR3 4TU United Kingdom	
PR Advisers	Montfort Communications Limited 2nd Floor, Berkeley Square House Berkeley Square London W1J 6BD United Kingdom	

PART VI

INFORMATION ON THE ENLARGED GROUP

1 INTRODUCTION

The Company was set up by David Montgomery in May 2019 to pursue opportunities in the news publishing and digital media sector and/or in associated complementary technologies. Vijay Vaghela joined the Company in July 2019 following his retirement from Reach plc ("**Reach**").

David Montgomery and Vijay Vaghela have many years of experience in the news publishing and digital media sector. The Company intends to implement a new business model to focus on growing digital content and revenues and reducing costs by sharing services.

David Montgomery and Vijay Vaghela worked together at Local World Limited ("**Local World**"). In 2013, Local World acquired the local / regional press assets of Iliffe News and Media Limited for £14.6 million and the local / regional press assets of Daily Mail and General Trust plc ("**DMGT**") for £80 million. The acquisitions were funded by a mix of debt and the issue of £53.3 million of Local World shares for cash. Reach was an investor in Local World and Vijay Vaghela, as Finance Director of Reach, was its representative on the board of directors of Local World.

Local World increased its digital audience by approximately five times and its digital revenues increased by 20% and reduced operating costs through collaboration with other newspaper publishers and greater use of technology and automation. Local World was sold to Reach in November 2015; in the period from January 2013 to November 2015 generated an increase in its equity value of 289%.

The Company intends to repeat the commercial strategy used by Local World but on a larger scale and wider range of media assets. It will seek to acquire both historic and more recently established news brands together with the technology to change the business model for print and digital news publishing with the dual objective of combining continued cost reduction with sustained online revenue growth.

National World's Ordinary Shares started trading on the London Stock Exchange in September 2019 having raised £5.1 million in aggregate. Trading in the Ordinary Shares was suspended in December 2019 as a result of press speculation that the Company was considering acquiring JPIMedia Publishing, a major regional newspaper publisher. In December 2020, National World announced that it had entered into the Acquisition Agreement to acquire the JPI Group. The Acquisition is classified as a "reverse takeover" under the Listing Rules and completed on 2 January 2021.

The JPI Group is the third largest publisher of regional newspapers in the UK and will provide National World with a platform on which to build a multi-channel local news publishing business. The JPI Group was acquired on a debt free basis with no defined benefit pension scheme.

The Acquisition of the JPI Group and the funds to implement the Company's plans for its development were financed by the Company's cash resources of £4.2 million, the issue of £20 million of Convertible Secured Loan Notes and the issue of £1 million of Unsecured Loan Notes. The Convertible Secured Loan Notes are convertible into Ordinary Shares and the Company has received irrevocable written commitments in respect of £20 million of Convertible Secured Loan Notes (plus a 10% premium and accrued interest) to convert, conditional only on Admission.

On Admission, the Company will have in issue one class of Ordinary Shares. It is intended that all the issued Ordinary Shares will be admitted by the FCA to a Standard Listing on the Official List in accordance with Chapter 14 of the Listing Rules and to trading on the Main Market of the London Stock Exchange.

The Company was incorporated in England and Wales on 29 May 2019 as a private company with limited liability under the Companies Act with company number 12021298 and re-registered as a public limited company on 30 July 2019.

The Company's LEI is 213800NL4ICLKYSYU749.

2 ABOUT NATIONAL WORLD

National World's objective is to create a modern platform for news publishing through the implementation of a new operating model across multiple brands and platforms by acquiring a number of media and digital technology assets, and leveraging its portfolio to launch new media brands across the UK.

National World intends to assemble a group of news publishing assets and acquire or license the technology to address: online applications, content and multi-platform sales management. Where possible, cash generated from the reduction of duplicated costs will be invested to grow the online audience to a greatly increased scale.

National World will seek to create a leading position in the UK news publishing and digital media sector by implementing a strategy of consolidation of audience reach, digital focus and modernisation. National World believes that the potential exists to aggregate audiences of multiple brands and, ultimately, to establish a new operating model.

The Company intends to emulate news publishing platforms in the United States and the UK magazine market. National World's strategy involves consolidation and change by combining digital technology innovation and traditional print assets in a new industry model designed to grow revenues by aggregation of audiences and reduce costs via shared services. This will include a consolidated operating platform for multiple media brands that provides a system for content management, digital sales and content dissemination facilities capable of serving many publishers across all news segments and platforms.

The Company has acquired the JPI Group and intends to make further acquisitions or investments in companies, partnerships, special purpose vehicles, joint ventures or direct interests in new digital applications or traditional publishing media assets where the Directors believe the opportunity exists to apply the strategy and achieve improved financial returns.

In selecting acquisition opportunities, the Board will focus on:

- media assets where opportunities exist to implement the new strategy and there is the prospect of adding value; and
- new technologies to enable and accelerate implementation of the change strategy.

3 PRINCIPAL BUSINESS ACTIVITIES

3.1 History of the JPI Group

The JPI Group was once part of Johnston Press plc ("**Johnston Press**") a long-established publisher of newspapers in the UK. Johnston Press was placed in administration in November 2018 and the trading business and assets of Johnston Press and its subsidiaries were acquired from the Administrators by JPIMedia Holdings Limited in order to form the operating activities of the JPI Group. The businesses acquired comprised the i, a national newspaper, and the local newspaper publishing business. A sales process for those businesses was initiated in July 2019 and resulted in the i being sold to dmg media Limited in November 2019. Despite a number of offers, the sale of the local newspaper publishing business did not complete. In October 2020, the printing operations of the JPI Group were sold to dmg media Limited, leaving the regional newspaper publishing business, the JPI Group, which was acquired by National World on 2 January 2021.

The JPI Group is the third largest publisher of regional newspapers and websites in the UK with a portfolio of over 135 publications and websites, including thirteen regional and city daily newspapers and over one hundred other franchises in print and online.

The historic titles purchased, include the Yorkshire Post, The Scotsman, The Portsmouth News and The Sheffield Star stretch from the south of England to the north of Scotland. In addition, the Northern Ireland titles include The Belfast Newsletter, the oldest English language newspaper in the world, and The Derry Journal.

3.2 **The opportunity for the JPI Group**

National World considers that despite the disruption caused by the administration process in 2018 and the sale processes in 2019 and 2020, the JPI Group has maintained a reasonable level of scale and owns many attractive publications which National World believes can be revitalised to build a strong local news publishing business.

The two and a half years administration and the sale processes resulted in a lack of investment and distracted management from taking actions needed to address the fundamental changes in local news publishing from print to digital.

National World will deliver its vision through a clear set of strategic initiatives:

- materially reducing the size of the central infrastructure which reflected the historic size of the business that also owned the i and the print operations to a small central team with expertise in editorial, commercial, digital and back office management;
- significantly strengthen local management to prioritise producing local content and advertising supported by a focused central expertise;
- focused portfolio management to ensure the right titles on the appropriate platforms are serving the right local communities and businesses. The titles in both print and digital form need to be energised through relaunch with enhancement to content, layout and commercial appeal increasing engagement with consumers and providing advertisers with an improved response on their marketing spend;
- capitalising on opportunities to launch new products and services by leveraging the strong base of editorial and commercial expertise initially across the UK; and
- continuing to evaluate acquisitions, investments and strategic partnerships to build scale, accelerate digitisation, product enhancement and drive efficiencies.

There are significant benefits that can be gained from a change to the organisational structure and transformation of the operating model. However, these changes to the operating model alone will not deliver long-term sustainable growth and the management of National World intend to invest and implement a digital pivot whilst maximising revenue from print.

This will be achieved by:

- ensuring the appropriate technological framework exists to support the digital news sites;
- promoting premium local content and essential community information which has been efficiently sourced and published at the right time on the right platform to drive engagement and brand loyalty;
- implementing commercial and technological partnerships to build subscription revenue and drive premium advertising revenue; and
- working closely with industrial partners to:
  - achieve efficiencies by sharing back office functions;
  - effectively market national print and digital advertising; and
  - monetise data insight.

National World believes that the combination of operational change and enhancements presents an opportunity for significant returns and value creation for all investors.

In the year to 2 January 2021, the JPI Group reported revenues of £88.2 million and EBITDA (before exceptional costs) of £7.7 million. National World expects that, if it is successful in implementing the operational changes set out above, JPI Group will incur restructuring costs of approximately £4 million. These changes are intended to stimulate EBITDA margin growth, even before investment in digital websites and technologies to deliver the transformational change to the content proposition, a new subscription model for digital news websites and improvements in digital and print revenues and costs through strategic industrial partners and technology businesses.

3.3 **Activity since Completion**

In the last four months, the JPI Group has been undergoing a comprehensive overhaul in line with the

National World policy of Localise, Energise, Digitise, Monetise in pursuit of a sustainable news platform.

The centralised structure is in the process of being dismantled, transferring resources to the local franchises to bring journalists and sales staff closer to the communities and the advertisers they serve. Content and commercial responsibility has been transferred to the individual franchises grouped in seven regions.

Many titles, print and online, are in the process of being upgraded with richer and exclusive content. This accords with National World strategy to introduce payment for premium online content at an early stage, which recognises that original and unique local content is highly prized by social media platforms. Those platforms are now making payments for such content, including to the Enlarged Group, and this trend is likely to increase either through voluntary arrangements or, as seems possible, through legislative intervention.

The Company is also planning to leverage the Enlarged Group's market position and talent to launch new online products, and exploit its UK wide footprint. The Company has liberated itself from the traditional geographical restrictions of regional publishing by launching nationalworld.com as a website serving the whole of the UK. This has been facilitated by an expansion of high-quality content generated by the Enlarged Group's existing editorial team and exploiting specialist knowledge in a number of key consumer areas. nationalworld.com is edited outside London but with the authority and stance of a national newspaper and featuring an illustration of the front page on the website each day. In parallel with this, National World is expanding e-commerce operations across both its regional and national estate to take account of the attractive demographics of its quality audience that some other national mass market publishers lack.
Since Completion, the pace of change has been swift with a focus on preparing the business to deliver on the revenue potential of the country emerging from lockdown in the second quarter of 2021. The National World management team has previous experience of many of the franchises and the regions in which the Enlarged Group operates. This has been of assistance as the Acquisition and transformation to date has been conducted remotely due to COVID-19 pandemic restrictions.

3.4 **Business strategy**

National World's objective is:

"To create a modern platform for news publishing through the implementation of a new operating model across multiple brands and platforms by acquiring a number of media and digital technology assets, and leveraging its portfolio to launch new media brands across the UK."

In a world of media commoditisation and increasing domination by a handful of tech behemoths National World's strategy is to create a new publishing business model that enables it to "localise, energise, digitise and monetise" relevant and unique content:

- **Localise** – National World's publishing assets provide compelling content for local communities; both consumers and businesses. A greater sense of community awareness has also been generated during the COVID-19 pandemic as more consumers have lived their lives in a smaller locale. With this new spirit of localism, National World will ensure its journalists and commercial teams are more connected with the local communities they serve.
- **Energise** – Enhance users' experience of National World's products and services to increase engagement and provide a strong platform to leverage its unique quality content to launch new products and services across multiple platforms. While the print news-brands will be managed creatively and profitably, National World's strategic focus is on growing local, regional and national online audiences who are deeply engaged with its content.
- **Digitise** – Enhance National World's digital infrastructure to improve responsiveness, engagement, data analytics, AI content generation and user insights with a view to profitability.
- **Monetise** – Create enhanced first party data and use the latest available digital technology to more effectively define audiences to drive multiple digital revenue streams: digital display advertising - targeting growth in higher yielding video content and local digital advertising, digital subscription - targeting both consumers and businesses and e-commerce - focusing on specific categories of content.

National World will retain, recruit and develop talented people, appropriately incentivised and motivated, and provide them with the pre-requisite digital skills that will aid the execution of its strategy.

National World's strategy will involve consolidation and change by combining acquired digital technology innovation and traditional print assets in a new industry model designed to grow revenue by aggregation of audiences and maximising efficiencies.

As the operating model can be applied to many territories, the Company will not be limited to particular geographic regions. However, the initial focus will be to invest in the UK.

3.5 **Technology investments and partnerships**

National World intends to establish relationships with a number of technology companies in order to help it to deliver the digital pivot to propel online growth and enhance the digital infrastructure of the JPI Group to improve responsiveness, data analytics, drive premium advertising and artificial intelligence (AI) content generation.

National World will use technology to match content to consumers at a local level and to deliver premium advertising to a targeted audience and reduce low yield programmatic advertising which, whilst ensuring all page views can be monetised, damages user experience and weak content limits dwell time.

Axate, for instance, provides a cost-efficient subscription platform that is expected to deliver increases in subscription revenues. The new model will have at its core unique content for which the consumer will be prepared to pay. Like the television, music and streaming models, the consumer will have the choice to pay with a subscription of varying duration or for single items or packages of content

Industry partners are expected to provide opportunities to share costs, including but not limited to pre-press, finance, information technology, administration, human resources, printing and distribution, as well as offer advertisers an easier route to the markets they are targeting.

3.6 **Terms of the Acquisition**

National World completed the acquisition of JPIMedia Publishing and its subsidiaries on 2 January 2021. The Company entered into the Acquisition Agreement with JPIMedia on 31 December 2020, which was completed on 2 January 2021, pursuant to which the Company acquired the JPI Group.

The consideration payable by the Company to JPIMedia was £10,217,000 (on a debt free / cash free basis) with a normalised level of working capital. The Company and JPIMedia agreed that the consideration would be satisfied by the repayment by the Company on behalf of JPI Group of a loan of £4,717,000 due to JPIMedia by JPI Group and the balance of £5,500,000 as consideration for the issued share capital of JPI Group.

The consideration comprises three tranches:

(i) £5,217,000 paid on Completion. This amount was allocated in two parts:

- initial equity consideration of £500,000 as partial satisfaction of the consideration for the issued share capital of JPI Group; and

- £4,717,000 due to JPIMedia by JPI Group, to be paid by the Company on behalf of JPI Group directly to JPIMedia, and treated by JPI Group as discharging the outstanding debt due to JPIMedia.

(ii) the sum of £2,500,000 deferred equity consideration which is payable on 31 March 2022 as partial satisfaction of the consideration for the issued share capital of JPI Group; and

(iii) the sum of £2,500,000 deferred equity consideration which is payable on 31 March 2023 as partial satisfaction of the consideration for the issued share capital of JPI Group.

The consideration payable in the Acquisition Agreement was subject to adjustment on agreement of completion accounts as at 2 January 2021. Adjustments have been made to reflect the normalised level of working capital and for any cash or debt like items and on 31 March 2021 National World paid £1,686,000, as additional consideration, representing the cash in the business on Completion

(£472,000) and working capital in the JPI Group on Completion being higher than the normalised level of working capital.

Further details of the Acquisition Agreement between National World and JPIMedia (the vendors of the JPI Group) are set out in paragraph 13.1(a) of *Part XV – Additional Information* of this Prospectus.

4 UK LOCAL NEWSPAPER MARKET

Publishers[1]

In the UK local newspaper market here are five main types of publishers in terms of ownership model and the top five local publishers (market share for the top five only) are detailed below:

Consolidated, publicly traded companies:

- Reach: 25% market share by circulation and UK local news 112 titles;
- Newsquest (a subsidiary of US listed company Gannett Inc.): 32% market share by circulation and 129 UK local news titles; and
- National World: 17% market share by circulation and UK local news 104 titles.

Mid-size, multi-regional, privately owned publishers: 16% market share by circulation and UK local news 38 titles (this includes Archant). The type of titles published by these groups (also including Tindle) varies widely.

Family-owned, regional publishers: this includes publishers such as the MNA: 10% market share by circulation and UK local news 10 titles. This group also includes Iliffe and Bullivant Media and are largely localised in one region or part of the UK. Titles published by groups in this category tend to be more homogeneous – typically weekly in frequency, with a mix of paid and free titles.

Small, independent publishers: this includes the remaining publishers of local and regional newspapers in the UK, each of which publishes one or just a few titles, typically covering one city or small area. However, these groups account for a very small proportion of the average weekly circulation in the UK.

Trust ownership: while used extensively the past to protect local and regional titles in the event of a sale, there are now very few examples of the trust model operating in this segment (e.g., Maidenhead Advertiser).

Current dynamics in the regional and national press market

The news publishing sector has gone through a process of evolution and disruption over the past 10 years, as circulation and readership declines have led to sharply lower revenues, particularly from advertising. Users continue to migrate to new platforms; and even when they engage with news brands online, the advertising yields for publishers are much lower than in analogue print.

The news publishing sector has been much transformed from its characteristics of the pre-internet era. The pace of change has accelerated since 2007, particularly from the threat of digital, which has not only encouraged users to migrate to new online services but also diverted advertising income (classified and then display) away from traditional print.

5 REGULATORY ENVIRONMENT

Printed media and the press

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[1] Joint industry currency for Regional Media and Research (Jicreg); data for January–December 2019 for Daily and Weekly titles both paid for and free amongst the top five local publishing groups: http://www.jicreg.co.uk/.

There have been seven investigations into the UK press industry over the past seventy years. The seventh – the Leveson Inquiry – concluded in 2012. The previous investigation had led to the industry creating the Press Complaints Commission to regulate its activity under the Editors Code. But Leveson found that the Editors Code had "simply been ignored".

The conclusion of Part I of the inquiry in 2012 confirmed widespread wrongdoing within the sector, and resulted in criminal convictions and a new Royal Charter on press regulation, following which independent regulators, the Independent Press Standards Organisation ("**IPSO**") and the Independent Monitor for the Press ("**IMPRESS**") were set up.

IMPRESS is the only regulator to have applied for and achieved recognition from the Press Recognition Panel ("**PRP**"). IMPRESS has a current membership of 107 small publishers, responsible for 181 publications. The vast majority of national publishers (covering the quality, mid-market and popular titles), local publishers, including JPI Group, and magazine publishers have chosen to be regulated by IPSO.

IPSO has not sought recognition by the PRP. IPSO was established as an independent regulator for the newspaper and magazine industry in the UK, free to carry out its work free from control or interference by the press, the UK Parliament, interest groups or individuals. It aims to uphold the highest professional standards in the UK press, hold members to account for their actions, protect individual rights and help to maintain freedom of expression for the press. JPI Group publications are signed up to the Editors' Code of Practice which sets out the rules that newspapers and magazines regulated by IPSO have agreed to follow.

Social media

The *Cairncross Review: a sustainable future for journalism*, led by Dame Frances Cairncross, whose findings were published in February 2019, concluded that intervention by a state regulator "may be needed to assess the quality of online news." Dame Frances said such a regulator would not be an arbiter of news quality – a move that would be likely to draw fierce opposition from newspaper publishers – but would instead oversee adherence to a "code of conduct" that could govern commercial relationships between platforms and publishers over the distribution of news content.

In April 2019, the UK Government proposed a new set of regulations for social media companies and the setting up of a regulator to police online reforms, that might levy fines, block sites and prosecute senior management for companies that fail to protect their users.

The regulator will initially be funded by industry, but the UK Government has indicated that it is considering setting up an industry levy to make it sustainable in the long term.

Merger control

UK merger control is governed by the Enterprise Act 2002 ("**Enterprise Act**"), as amended by the Enterprise and Regulatory Reform Act 2013 ("**ERRA**"). The ERRA came into force on 1 April 2014.

The CMA took over the competition (and some consumer) functions of the Office of Fair Trading ("**OFT**") and the Competition Commission ("**CC**") on 1 April 2014.

The OFT and the CC were abolished at the same time. The CMA conducts both the initial Phase 1 examination of mergers and the more detailed Phase 2 investigation and final determination. Certain CMA decisions can be appealed to the Competition Appeal Tribunal.

A joint venture may constitute a relevant merger situation under the Enterprise Act if previously distinct business activities come under common control (that is, more than one shareholder has "control" as defined by the Enterprise Act).

There are also three broad 'public interest' areas where the appropriate Secretary of State can issue an 'Intervention Notice' so that (s)he takes the appropriate decision rather than the CMA. These include matters concerning media plurality and broadcasting standards, that is the need for:

- accurate presentation of news;
- the free expression of opinion in newspapers;
- plurality of newspaper editorial views;
- plurality of media ownership;
- high varied and high quality broadcasting; and
- media owners to be committed to attaining high broadcasting standards.

6 DETAILS OF THE UNSECURED LOAN NOTES AND CONVERTIBLE SECURED LOAN NOTES; THE CONVERSION

6.1 Unsecured Loan Notes

The Company issued £1 million of Unsecured Loan Notes on 12 February 2021.

6.2 Convertible Secured Loan Notes

The Company issued £20 million of Convertible Secured Loan Notes:

- £8.425 million on 31 December 2021;
- £5.508 million on 21 January 2021; and
- £6.067 million on 8 February 2021.

6.3 Use of net proceeds of Unsecured Loan Notes and Convertible Secured Loan Notes

To date, £9.536 million of the net proceeds of the Loan Notes issued have been used to fund:

- £1.0 million of the proceeds of the Loan Notes was used to fund the initial consideration for the Acquisition (£5.217 million including the repayment by the Company on behalf of JPI Group of outstanding debt due to the JPIMedia (the previous vendors) at Completion of £4.717 million). The balance of the initial consideration was satisfied from existing cash resources of £4.2 million of the Company held prior to Completion and the issue of the Loan Notes;
- working capital for the Enlarged Group (£5.783 million);
- costs associated for the Acquisition (£0.839 million);
- £1.214 million of the £1.686 million payment to JPIMedia for working capital in the JPI Group on Completion being higher than the normalised level of working capital. The balance of £0.472 million was funded by the cash left in JPI Group on Completion; and
- the expenses of Admission (£0.7 million).

The balance of net proceeds from the Loan Notes, will be used to fund:

- the future investment and development of the Enlarged Group; and
- to the extent not covered by future cash flows, £5 million deferred consideration for the Acquisition.

6.4 Conversion

As at 3 May 2021 (being the latest practicable date prior to the date of this Prospectus), the Company had received irrevocable written commitments from holders of the Convertible Secured Loan Notes holding all of the outstanding Convertible Secured Loan Notes to convert their Convertible Secured Loan Notes (plus a 10% premium and accrued interest), conditional only on Admission.

Following Admission, there will be no Convertible Secured Loan Notes in issue. As a result of the Conversion, the Company will issue 205,432,801 Conversion Shares.

7 DIRECTORS AND MANAGEMENT

The Directors

The Board, collectively, has significant experience in the news publishing and digital media sector, and in associated complementary technologies, and significant experience of managing public companies and risks associated with such ventures both operationally and financially.

Details of the Directors are listed below.

David Montgomery *(age 72) – Executive Chairman*

David John Montgomery has a long history in the newspaper industry. Most recently, he was chief executive of Local World, an aggregator in the regional news area which was acquired by Reach (formerly Trinity Mirror) in 2015. Local World had been formed in 2013 by a merger of regional media companies of DMGT and the Yattendon Group, publishing around 100 regional print titles and associated websites.

David served as an editor of News of the World and as an editor and managing director of Today newspaper. He founded Mecom Group in 2000 and served as its chief executive until January 2011. At Mecom Group, he worked on several acquisitions to establish one of the leading European publishing and content businesses, delivered substantial cost savings and began to develop a new, flexible operating model fit to take commercial advantage of on-going changes in consumer behaviour, which saw particular success at Edda Media in Norway.

Prior to Mecom, David was chief executive officer of Mirror Group from 1992 to 1999, where he oversaw substantial restructuring and acquisitions culminating in its merger with Trinity to become Trinity Mirror.

David served as a director at the Press Association from 1996 to 1999, RSDB (one of Europe's largest print businesses) from 2006 to 2009, Royal Wegener (a large Dutch news publisher) from 2007 to 2011, and Scottish Television from 1994 to 1998. He graduated from Queen's University, Belfast in History and Politics.

David is currently chairman of Local TV, a network of eight public service broadcasting city channels.

Vijay Vaghela *(age 54) – Chief Operating Officer*

Vijay Lakhman Vaghela was most recently group finance director of Reach (formerly known as Trinity Mirror), he held this position from May 2003 until his resignation on 1 March 2019; he also served as group company secretary. Prior to this, Vijay was director of accounting and treasury. Vijay served as the interim chief executive officer of Trinity Mirror from June 2012 to August 2012. From 1994 to 1999, Vijay held various roles at Mirror Group plc, including Head of Internal Audit and Group Treasurer.

Vijay was a non-executive director and chair of the audit and risk committee of Local World Holdings Limited between 2013 and 2015 and was a member of the audit committee of the Football Association for six years from 2011 to 2017.

Since September 2019 Vijay has been undertaking some short consultancy contracts providing advice to businesses on operational and finance structures and processes.

Vijay is a Chartered Accountant and member of the Institute of Chartered Accountants of England and Wales.

Vijay is also a non-executive director and chair of the Audit and Risk Committee of Dods Group plc.

Mark Hollinshead *(age 60) – Chief Commercial Officer*

Mark Thomas Hollinshead has been involved in media and business all his working life.

Mark was the youngest ever managing director of the Daily Record and Sunday Mail and ran that business for 14 years from 1998 to 2012. He was appointed managing director of Mirror Group Newspapers in 2008, while continuing to manage the Scottish publishing business, and subsequently took up the role of Chief Operating Officer and director of Trinity Mirror, managing all publishing activity for over 200 news brands – both digital and in print. Prior to joining Trinity Mirror, Mark was Managing Director of Midland Weekly Media, part of Midland Independent Newspapers plc and Marketing Director of Thomson Regional Newspapers. In 2015 Mark was appointed CEO of the Great Run Company, a position he held until 2017. The Great Run Company is one of the world's largest mass participation events businesses with events such as the Great North Run in the company portfolio. In 2017 Mark formed Hollicom Ltd, a media and strategic communications consultancy of which he is the Chair. Following the acquisition of Express Newspapers Ltd by Reach in February 2018 Mark was appointed Interim CEO of the acquired business during the six month "hold separate" period.

In addition to his executive positions, Mark was also chairman of Scottish Athletics from 2005 to 2008, president of the Scottish Newspaper Society from 2003 to 2005, and a non-executive director of the News Media Alliance from 2009 to 2015. From 2014 to 2020 Mark was a strategic adviser to Dentsu Aegis Network North, a division of Dentsu the world leading digital performance agency.

John Rowe *(age 64) – Non-Executive Director*

John Rowe has extensive experience in digital data insights and understanding of customer behaviour. Currently John advises and invests in a range of digital businesses including media and online retailing through the better use of data.

Until March 2020 John was chairman and chief executive officer of Clicksco and where he had been a controlling shareholder and grew the business to annual sales of over £80 million.

John began his career at PricewaterhouseCoopers in 1979 and then worked at Sainsburys from 1983 to 2001 where he finished as managing director of International Operations. John passionately believes that key to a successful business is the ability to truly understand its customers, and that the data insights available online can be used to transform the relationship between brands and customers.

Steve Barber *(age 69) – Non-Executive Director*

Stephen (Steve) David Barber has been an independent non-executive director of several listed and private companies over the past decade.

He is currently chairman of Fenwick Limited. Previously he was the chairman of the audit committee of intu Properties plc (2019-20), chairman of the audit committee of AA plc (2018-21) and a director and chairman of the audit committee of Next plc (2007-17) and served as a director and chairman of the audit committee of Domino's Pizza Group plc (2015-19).

Prior to becoming a non-executive director, Steve was a senior partner at Price Waterhouse where he led the Entertainment, Media and Communications group (1973-98), the chief financial officer of Mirror Group plc (1998-99) and subsequently a partner in Ernst & Young (2001-04).

In the private arena, Steve has been chairman of the Design Objectives Group (2013-18),a founder of AFC Energy plc, the founder of The Objectivity Partnership LLP, the chief operating officer of the Palladian Group and a director of several start-ups. Steve is a member of the steering group of the Audit Quality Forum and is a graduate of the London School of Economics.

Daniel Cammiade (*age 61*) – Non-Executive Director

Daniel (Danny) Cammiade has over 35 years' experience in the regional press sector having held senior operational and strategic roles at both company and PLC board level for Johnston Press, including seven years as Chief Operating Officer.

On leaving Johnston Press, Danny formed his own consultancy business and has held advisory positions in international and UK organisations, including being Chief Executive of Tindle Newspapers Ltd, where he oversees the Company's interests in Radio, Newspapers and Property. Danny is Chair of Isle of Man Newspapers and Channel FM (Jersey), a director at Island FM (Guernsey) and Midlands 103 in the Republic of Ireland.

He is also Independent Chair of Newsprinters, the wholly owned Printing & Logistical subsidiary of News UK.

In addition to these positions Danny has held NED roles at Precision Colour Printing and Midlands News Association.

Director appointees

Under an agreement to subscribe for £6,000,0000 in nominal value of Convertible Secured Loan Notes between the Company and Mediaforce dated 31 December 2020 (the "**Mediaforce Subscription Agreement**") (further details of which are set out in paragraph 13.1(g) of *Part XV – Additional Information* of this Prospectus), Mediaforce has the right to appoint a non-executive Director to the Board if it owns 15% or more of the issued share capital of the Company, and to appoint two non-executive Directors to the Board if it owns 20% or more of the Company's issued share capital. On Admission, Mediaforce is expected to own 23.86% of the issued share capital of the Company.

8 MANAGEMENT INCENTIVES

Prior to the Company completing the acquisition of the JPI Group, David Montgomery and Vijay Vaghela were paid a salary of £5,000 each per annum. Following the Acquisition, the salaries of David Montgomery and Vijay Vaghela were increased to £120,000 and £120,000 respectively, and Mark Hollinshead became an executive director on a salary of £120,000 per annum, a pension supplement of 10% of salary was agreed for executive directors from 1 January 2021 (2020: £nil) and the notice period for executive directors was increased from one month's notice to 12 months. No benefits or annual bonus scheme is currently provided for executive directors. A detailed review of executive director remuneration will be undertaken following Admission with any changes implemented from 1 July 2021.

Also following the Acquisition, the salaries of the non-executive directors were increased from £3,000 per annum to £20,000 per annum with a further sums of £10,000 per annum payable to Steve Barber as chairman of the audit and risk committee of the Board (the "**Audit and Risk Committee**") and £5,000 per annum payable to John Rowe as chairman of the remuneration committee of the Board (the "**Remuneration Committee**"). Non-executive directors have a three-month notice period. A detailed review of non-executive director remuneration will be undertaken following Admission with any changes implemented from 1 July 2021.

8.1 Value Creation Plan

Your attention is drawn to a section providing details on the Company's Value Creation Plan ("**VCP**"), which is set out in paragraph 14.3 of *Part XV – Additional Information* of this Prospectus.

Aside from the VCP, other long-term incentive plan will be put in place for the existing executive Directors until 19 September 2021.

The Remuneration Committee envisage the establishment of a new long-term performance share plan for executive Directors and other members of the senior management team who will join but not participate in the VCP post-September 2021.

9 CORPORATE GOVERNANCE

The Directors are responsible for carrying out the Company's objective, implementing its acquisition policy and financing and business strategies and conducting its overall supervision. Decisions regarding acquisitions, divestment and other strategic matters will all be considered and determined by the Board. David Montgomery, Vijay Vaghela and Mark Hollinshead are the Directors charged with day-to-day responsibility for the implementation of the strategy.

The Board will provide leadership within a framework of prudent and effective controls. The Board will establish the corporate governance values of the Company and will have overall responsibility for setting the Company's strategic aims, defining the business plan and strategy and managing the financial and operational resources of the Company.

The Board will schedule monthly meetings and will hold additional meetings as and when required.

The Company will observe the requirements of the UK Corporate Governance Code (so far as it is practicable). As at the date of this Prospectus, The Company does not have an independent Chairman given the executive function of the Chairman. The Executive Chairman has a significant shareholding in the Company. The Company does not have a separate CEO and, where appropriate, the Executive Chairman assumes the role of CEO. It is the Board's opinion that the current arrangements are appropriate to the Company at this stage of development and that there are sufficient compliance structures within the Company to ensure that the governance functions that would be part of an independent Chairman's responsibility are met. The Executive Chairman will meet regularly with the Senior Independent Director, Steve Barber to discuss the operation of the Board and strategy. The Board is satisfied with the balance between executive and non-executive Directors which allows it to exercise objectivity in decision making and proper control of the Company's business. The Board considers its composition appropriate in view of the size and requirements of the Company's business and the need to maintain a practical and efficient balance between executive and non-executive Directors.

The role of a non-executive Director is to act as a sounding board to the Executive Chairman and to be available to Shareholders, as and when necessary. The non-executive Directors also provide constructive input and monitor the delivery of strategy within the risk parameters set by the Board. The Board considers the non-executive Directors to be independent in character and judgement and that there are no relationships or circumstances which could materially affect or interfere with the exercise of the non-executive Directors strong, independent judgement, knowledge and experience.

It is the responsibility of the Executive Chairman and Company Secretary to ensure the Board members receive sufficient and timely information regarding corporate and business issues to enable them to discharge their duties. The Company Secretary attends Board meetings and is responsible for advising the Board on corporate governance matters. The Board is also kept informed of changes in relevant legislation and changing commercial risks with the assistance of the Company's legal counsel and auditors.

Committees of the Board

The Company has established a Remuneration Committee, a Nomination Committee and an Audit and Risk Committee with formally delegated duties and responsibilities.

The Remuneration Committee comprises John Rowe (as chair), Daniel Cammiade and Steve Barber and shall meet not less than twice each year. The Remuneration Committee shall be responsible for the review and recommendation of the scale and structure of remuneration for Directors and any senior management, including any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and other stakeholders.

The Audit and Risk Committee comprises Steve Barber (as chair), Daniel Cammiade and John Rowe and shall meet not less than twice a year. The Audit and Risk Committee shall be responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Company is properly monitored and reported. In addition, the Audit and Risk Committee shall receive and review reports from management and the auditors relating to the interim report, the annual report and accounts and the internal control systems of the Company.

The Nomination Committee shall lead the process for Board appointments and make recommendations to the Board. The Nomination Committee shall evaluate the balance of skills, experience, independence and knowledge on the board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. The Nomination Committee shall meet as and when necessary, but at least twice each year. The Nomination Committee comprises David Montgomery (as chair) and Steve Barber.

10 SHARE DEALING POLICY

The Company has adopted a share dealing policy regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on the Official List (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing policy.

11 DIVIDEND POLICY

To date, the Company has not declared or paid any dividends on the Ordinary Shares. Pursuant to the Acquisition Agreement, the Company has undertaken to JPIMedia that until the payment of the tranche of £2,500,000 due on 31 March 2023 is made, it will not, *inter alia*, declare, make or pay any dividend or other distribution exceeding £1,250,000 in aggregate. The Company therefore intends to pay dividends on the Ordinary Shares at such times (if any) and in such amounts (if any) as the Board determines appropriate and only to the extent legally and contractually permissible.

12 CURRENT TRADING

Other than as described in the paragraph below, there has been no significant change in the financial position or financial performance of the Company in the period since 31 December 2020, the end of the last financial 12-month period for which audited financial statements of the Company have been published.

Subsequent to 31 December 2020, the Company completed the Acquisition of the JPI Group on 2 January 2021 and issued in aggregate £11,575,000 of Convertible Secured Loan Notes and £1,000,000 of Unsecured Loan Notes.

Other than as described in the paragraph below, there has been no significant change in the financial position or financial performance of the JPI Group in the period since 2 January 2021, the end of the last financial 12-month period for which audited financial statements of JPI Group have been published.

Subsequent to 2 January 2021, on 4 and 5 January 2021 the Company made loans of £10.5 million in total to the JPI Group, of which £4.7 million was in respect of the repayment by the Company on behalf of JPI Group of the balance on a loan from JPIMedia (the previous vendors) to the JPI Group and £5.8 million was used as working capital by the JPI Group.

13 REASONS FOR ADMISSION

The Directors believe that Admission and will enable holders of the Convertible Secured Loan Notes to convert their Convertible Secured Loan Notes into Ordinary Shares that are traded on the Main Market of the London Stock Exchange.

Admission will also position the Enlarged Group for its next phase of development and enable it to finance acquisitions by further issues of Ordinary Shares either to the vendors of businesses it may acquire or to other investors for cash to fund any cash consideration required for any further acquisitions.

14 TAXATION

Your attention is drawn to the taxation section contained in *Part XIII – Taxation* of this Prospectus. If you are in any doubt as to your tax position, you should consult your own independent financial adviser immediately.

15 TAKEOVER CODE

The Company is a public company incorporated in England and Wales, and application will be made to the London Stock Exchange for the Enlarged Share Capital to be admitted to trading on the Main Market of the London Stock Exchange. The Takeover Code applies, amongst others, to all companies who have their registered office in the UK, Channel Islands or Isle of Man and whose securities are traded on a regulated market in the UK (such as the Main Market of the London Stock Exchange) or a multilateral trading facility or a stock exchange in the Channel Islands or Isle of Man. Accordingly, the Company is subject to the Takeover Code and therefore all Shareholders are entitled to the protections afforded by it. The Takeover Code operates principally to ensure that shareholders of the Company are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment. The Takeover Code provides an orderly framework within which takeovers are conducted and the Panel on Takeovers and Mergers has now been placed on a statutory footing. Further information on the provisions of the Takeover Code is set out in paragraph 5 of *Part XV – Additional Information* of this Prospectus. The Takeover Code governs, *inter alia*, transactions which may result in a change of control of a company to which the Takeover Code applies. Under Rule 9 of the Takeover Code, any person who acquires, whether by a series of transactions over a period of time or not, an interest in shares (as defined in the Takeover Code) which (taken together with shares in which that person is already interested or in which persons acting with him are interested) carry 30% or more of the voting rights of a company which is subject to the Takeover Code, is normally required to make a general offer to all the remaining shareholders to acquire their shares.

Similarly, Rule 9 of the Takeover Code also provides that when any person, together with persons acting in concert with him, is interested in shares which, in aggregate, carry 30% or more of the voting rights of such company but does not hold shares carrying more than 50% of such voting rights, a general offer will normally be required if any further interest in shares is acquired which increases the percentage of shares carrying voting rights in which he, together with persons acting in concert with him, are interested.

Where any person who, together with persons acting in concert with him, holds over 50% of the voting rights of a company, acquires any further shares carrying voting rights, they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares, though Rule 9 of the Takeover Code would remain applicable to individual members of a concert party who would not be able to increase their percentage interests in the voting rights of such company through or between Rule 9 thresholds without complying with the requirements of Rule 9 or the consent of the Takeover Panel. An offer under Rule 9 must be in cash and must be at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company in question during the 12 months prior to the announcement of the offer.

16 CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission and it is expected that the Ordinary Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any investor so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates for their Conversion Shares will be able to do so. Shareholders may elect to receive Conversion Shares in uncertificated form if such Shareholder is a system-member (as defined in the CREST Regulations) in relation to CREST.

17 TRANSFERABILITY

The Ordinary Shares are freely transferable and tradable and there are no restrictions on transfer.

18 FURTHER INFORMATION

You should read the whole of this Prospectus, which provides additional information on the Enlarged Group and the Conversion, and not just rely on the information contained in this *Part VI – Information on the Enlarged Group*. In particular, your attention is drawn to the risk factors in *Part II – Risk Factors* of this Prospectus and the additional information contained in *Part XV – Additional Information* of this Prospectus.

PART VII

SHARE CAPITAL, LIQUIDITY AND CAPITAL RESOURCES OF THE ENLARGED GROUP

Share capital

The Company was incorporated on 29 May 2019 as a private company with limited liability under the Companies Act with company number 12021298, and re-registered as a public company on 30 July 2019.

On 31 December 2020, National World announced via a RIS that it had entered into an Acquisition Agreement with JPIMedia to acquire the JPI Group from JPIMedia. The Acquisition is classified as a "reverse takeover" under the Listing Rules and completed on 2 January 2021. Further details of the Acquisition Agreement are set out in paragraph 13.1(a) of *Part XV – Additional Information* of this Prospectus. Details of the Existing Share Capital are set out in paragraph 3 of *Part XV – Additional Information* of this Prospectus.

The Enlarged Share Capital will comprise £259,432.80 in nominal value of Ordinary Shares, divided into 259,432,801 issued Ordinary Shares of nominal value 0.1 pence each, all of which will be fully paid up.

All of the issued Ordinary Shares are in registered form, and capable of being held in certificated or uncertificated form. The Registrar is responsible for maintaining the share Register. Temporary documents of title will not be issued. The Ordinary Shares are registered with ISIN GB00BJN5J635, SEDOL code BJN5J63 and TIDM NWOR.

Fully diluted share capital

The following table sets out the fully diluted Existing Share Capital as at the date of this Prospectus and the fully diluted Enlarged Share Capital as at the date of Admission:

	As at the date of this Prospectus	**As at the date of Admission**	**As a percentage of the Company's Enlarged Share Capital at Admission**
Existing Share Capital	54,000,000	–	21%
Enlarged Share Capital	–	259,432,801	100.0%

Save as disclosed in paragraph 14.3 of *Part XV – Additional Information* of this Prospectus, as at the date of this Prospectus and Admission, there will be no options or other dilutive instruments of the Company in issue.

Financial position

The audited financial information in respect of the Company is set out in *Part X – Selected Financial Information of the Company* of this Prospectus.

The audited financial information in respect of the JPI Group is set out in *Part XI – Selected Financial Information of JPI Group* of this Prospectus.

Liquidity and capital resources

Sources of cash and liquidity

As at the 3 April 2021, the Enlarged Group had an aggregate cash balance of £18,426,000.

Although the Company envisages that it may fund further acquisitions by issuing additional Ordinary Shares, the Enlarged Group may also choose to finance all or a portion of an acquisition with debt financing. Any debt financing used by the Enlarged Group is expected to take the form of bank financing, although no financing arrangements will be in place at Admission. The Company envisages that debt financing may be necessary if, for example, a target company has been identified but would require a certain amount of cash consideration in addition to, or instead of, share consideration.

Debt financing (if any) for an acquisition will be assessed with reference to the projected cash flow of the Enlarged Group and may be incurred at the Company level or by any subsidiary of the Company. Any costs associated with the debt financing will be paid with the proceeds of such financing. If debt financing is utilised, there will be additional servicing costs. Furthermore, while the terms of any such financing cannot be predicted, such terms may subject the Company to financial and operating covenants or other restrictions, including restrictions that might limit the Company's ability to make distributions to Shareholders.

Interest rate risks

Indebtedness may expose the Enlarged Group to risks associated with movements in prevailing interest rates. Changes in the level of interest rates can affect, *inter alia*: (i) the cost and availability of debt financing and hence the Enlarged Group's ability to achieve attractive rates of return on its assets; (ii) the Enlarged Group's ability to make an acquisition when competing with other potential buyers who may be able to bid for an asset at a higher price due to a lower overall cost of capital; (iii) the debt financing capability of the companies and businesses in which the Enlarged Group is invested; and (iv) the rate of return on the Enlarged Group's uninvested cash balances. This exposure may be reduced by introducing a combination of a fixed and floating interest rates or through the use of hedging transactions (such as derivative transactions, including swaps or caps). Interest rate hedging transactions will only be undertaken for the purpose of efficient portfolio management and will not be carried out for speculative purposes.

Hedging arrangements and risk management

The Enlarged Group may use forward contracts, options, swaps, caps, collars and floors or other strategies or forms of derivative instruments to limit its exposure to changes in the relative values of assets and liabilities that may result from market developments, including changes in prevailing interest rates and currency exchange rates, as previously described. It is expected that the extent of risk management activities by the Enlarged Group will vary based on the level of exposure and consideration of risk across the business.

The success of any hedging or other derivative transaction generally will depend on the Enlarged Group's ability to correctly predict market changes. As a result, while the Enlarged Group may enter into such a transaction to reduce exposure to market risks, unanticipated market changes may result in poorer overall performance than if the transaction had not been executed. In addition, the degree of correlation between price movements of the instruments used in connection with hedging activities and price movements in a position being hedged may vary. Moreover, for a variety of reasons, the Enlarged Group may not seek, or be successful in establishing, an exact correlation between the instruments used in a hedging or other derivative transactions and the position being hedged and could create new risks of loss. In addition, it may not be possible to fully or perfectly limit the Enlarged Group's exposure against all changes in the values of its assets and liabilities, because the values of its assets and liabilities are likely to fluctuate as a result of a number of factors, some of which will be beyond the Enlarged Group's control.

Risk management arrangements

Responsibility for risk management and internal control rests with the management of the Company. Following Completion, the Company has put in place financial policies and procedures to enable the Directors to identify and manage risks.

PART VIII

OPERATING AND FINANCIAL REVIEW OF THE COMPANY

The following operating and financial review contains financial information that has been extracted or derived, without material adjustment, from the Company Financial Information incorporated by reference in Part X – Financial Information of the Company of this Prospectus, prepared in accordance with IFRS.

The following discussion should be read in conjunction with the other information in this Prospectus and the Company Financial Information. This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward-looking statements contained on pages 22-23 of this Prospectus.

The key risks and uncertainties include, but are not limited to, those described in Part II – Risk Factors of this Prospectus.

Summary Statements of Comprehensive Income

Summarised below are the audited Statements of Comprehensive Income of the Company for period from incorporation on 29 May 2019 to 31 December 2019 and the year ended 31 December 2020:

	Audited **Period ended 31 December 2019 £'000**	***Audited*** **Year ended 31 December 2020 £'000**
Non-recurring costs to establish the Company	(88)	-
Listing expenses	(81)	-
Acquisition costs	-	(839)
Administrative expenses	(167)	(244)
Operating loss	**(336)**	**(1,083)**
Finance income	1	12
Finance expense	-	(2)
Loss before tax	**(335)**	**(1,073)**
Income tax	-	-
Loss for the period/year	**(335)**	**(1,073)**

Source: Audited financial statements

Summary Statements of Financial Position

Summarised below are the audited Statements of Financial Position of the Company as at 31 December 2019 and 31 December 2020:

	Audited **As at 31 December 2019 £'000**	***Audited*** **As at 31 December 2020 £'000**
Trade and other receivables	128	8
Cash and cash equivalents	4,383	12,693
Current and total assets	**4,511**	**12,701**
Share capital	54	54
Share premium	4,724	4,724
Accumulated losses	(335)	(1,408)
Equity	**4,443**	**3,370**
Convertible Secured Loan Notes	-	8,427
Non-current liabilities	**-**	**8,427**
Trade and other payables	68	904
Current liabilities	**68**	**904**
Total liabilities	**68**	**9,331**
Equity and liabilities	**4,511**	**12,701**

Source: Audited financial statements

Summary Statements of Cash Flows

Summarised below are the audited Statements of Cash Flows of the Company for period from incorporation on 29 May 2019 to 31 December 2019 and the year ended 31 December 2020:

	Audited **Period ended 31 December 2019 £'000**	***Audited*** **Year ended 31 December 2020 £'000**
Operating loss	(335)	(1,073)
Non-cash/non-operating items:		
Finance income	(1)	(12)
Finance expense	-	2
Changes in working capital:		
Decrease/increase in trade and other receivables	(128)	121
Increase in trade and other payables	68	897
Cash used in operating activities	**(396)**	**(125)**
Interest received	1	12
Cash from investing activities	**1**	**12**
Proceeds from the issue of Ordinary Shares *(net of issue costs)*	4,778	-

Proceeds from the issue of Convertible Secured Loan Notes	-	8,423
Cash from financing activities	**4,778**	**8,423**
Net increase in cash and cash equivalents	**4,383**	**8,310**
Cash and cash equivalents b/fwd	*-*	*4,383*
Cash and cash equivalents c/fwd	**4,383**	**12,693**

Source: Audited financial statements

Results for the period from incorporation on 29 May 2019 to 31 December 2019

Incorporation, financing and admission of the Company's share capital to a Standard Listing and to trading on the Main Market of the London Stock Exchange

The Company was incorporated on 29 May 2019, issuing 100 Ordinary Shares of £1 each at par, fully paid up. The Company had a series of financing rounds and sought admission of the Company's share capital to a Standard Listing and to trading on the Main Market of the London Stock Exchange with a stated aim of acquiring a companies or businesses in the news publishing and digital media sector and/or in associated complementary technologies.

Prior to any financing rounds, the Company performed a share sub-division on 22 July 2019 to split the existing 100 Ordinary Shares into 100,000 Ordinary Shares, following which, the new nominal value of the Ordinary Shares was £0.001. On 25 July 2019, the Company issued:

- 1,700,000 Ordinary Shares of £0.001 at £0.0264 for cash consideration of £44,900; and
- 2,200,000 Ordinary Shares of £0.001 at £0.025 for cash consideration of £55,000.

The above issues of 4,000,000 Ordinary Shares provided the Company with £100,000 of initial funding, of which £88,000 was used to settle initial establishment costs.

The Company's share capital was admitted to a Standard Listing and to trading on the Main Market of the London Stock Exchange on 19 September 2019. In conjunction with the admission, 50,000,000 Ordinary Shares of £0.001 were issued at £0.01 for cash consideration of £5,000,000. Associated costs of the admission and placing were £403,000, giving rise to net placing proceeds of £4,597,000 on admission.

Trading results

During the period, the Company recorded an operating loss of £336,000, comprising initial establishment costs of £88,000, an allocation of £81,000 of the total £403,000 admission and placing costs and administrative expenses of £167,000. After recognising £1,000 of interest receivable, the Company's recorded a loss for the period to 31 December of £335,000.

The Company's administrative expenses for the period comprised the following:

	Audited **Period ended 31 December 2019 £'000**
Professional fees	97
Other costs, including financial PR, insurance and other fees	39

Audit fees	18
Accounting fees	8
Directors’ salaries and fees	5
Administrative expenses	**167**

Finance income of £1,000 was recognised during the period in relation to interest receivable on the Company’s cash deposits.

No charge to corporation tax was recorded during the period on the basis that the Company was loss-making. As at 31 December 2019, the Company had £64,000 of corporation tax losses carried forward.

Cash flows, financing and capital reserves

During the period, the Company reported a net cash inflow of £4,383,000 from all sources, resulting in a closing cash balance of £4,383,000 as at 31 December 2019.

The principal source of cash inflow during the period was the Company’s financing cash flows, comprising a net cash inflow of £4,778,000 from the issue of 4,000,000 Ordinary Shares prior to its admission to the Standard List and the issue of a further 50,000,000 in relation to the placing undertaken on admission on 19 September 2019. This cash inflow was offset by a £336,000 net cash outflow and £60,000 increase in working capital for the period from operating activities, comprising initial establishment costs, listing fees and administrative expenses. During the period, the Company reported a net cash inflow from investing activities of £1,000, comprising interest on cash deposits.

Current and total assets

As at 31 December 2019, the Company’s current and total assets of £4,511,000 comprised cash of £4,383,000 as discussed above, VAT receivable of £86,000 and prepayments of £42,000.

Equity

As at 31 December 2019, the Company’s equity comprised share capital of £54,000, share premium of £4,724,000 and accumulated losses of £335,000. In aggregate, the Company’s equity had a carrying value of £4,443,000 at the period end.

The share capital balance of £54,000 comprises the aggregate nominal value of the 54,000,000 issued Ordinary Shares of £0.001. During the period, the Company issued:

- 100,000 Ordinary Shares on incorporation, as adjusted for the subsequent share split undertaken on the 22 July 2019;
- 3,900,000 Ordinary Shares on 25 July 2019; and
- 50,000,000 Ordinary Shares on the Company’s admission to the Standard List on 19 September 2019.

Following the above issues, the Company had 54,000,000 Ordinary Shares in issue with an aggregate nominal value of £54,000.

The share premium balance of £4,724,000 comprises the difference between the aggregate prices of issued Ordinary Shares and their aggregate nominal values. The carrying value of the share premium account increased by £4,724,000 during the period, comprising £5,046,000 arising on the issue of the 54,000,000 Ordinary Shares set out above, less £322,000 of listing fees allocated against share premium.

The accumulated losses of £335,000 is the aggregate value of all retained profits and losses of the Company since incorporation. The movement of £335,000 reflects the reported loss after tax for the period.

Current and total liabilities

As at 31 December 2019, the Company's current and total liabilities of £68,000 comprised accruals of £34,000, trade payables of £32,000, tax and social security of £1,000 and other payables of £1,000.

Net assets

As at 31 December 2019, the Company had total assets of £4,511,000 and total liabilities of £68,000 resulting in net assets of £4,443,000.

Results for the year ended 31 December 2020

Trading results

During the year, the Company recorded an operating loss of £1,083,000 (2019: loss of £336,000), comprising professional fees in relation to the Acquisition of £839,000 (2019: £nil) and administrative expenses of £244,000 (2019: £167,000). After recognising £12,000 (2019: £1,000) of interest receivable and £2,000 (2019: £nil) of interest payable on the Convertible Secured Loan Notes, the Company's recorded a loss for the period of £1,073,000 (2019: loss of £335,000).

The Company's administrative expenses for the year comprised the following:

	Audited Period ended 31 December 2019 £'000	**Audited Year ended 31 December 2020 £'000**	***% change***
Professional fees	*97*	17	*-82.5%*
Financial PR, insurance and other costs	*39*	159	*+307.7%*
Audit fees	*18*	18	-
Accounting fees	*8*	29	*+262.5%*
Directors' salaries and fees	*5*	19	*+280.0%*
Tax fees	-	2	-
Administrative expenses	***167***	**244**	***+46.1%***

Finance income of £12,000 (2019: £1,000) was recognised during the year in relation to interest receivable on the Company's cash deposits.

No charge to corporation tax was recorded during the year on the basis that the Company was loss-making (2019: £nil). As at 31 December 2020, the Company had £204,000 (2019: £64,000) of corporation tax losses carried forward.

Cash flows, financing and capital reserves

During the year, the Company reported a net cash inflow of £8,310,000 (2019: £4,383,000) from all sources, resulting in a closing cash balance of £12,693,000 as at 31 December 2020 (2019: £4,383,000). Of this amount, £6,693,000 (2019: £4,383,000) was held at bank and £6,000,000 (2019: £nil) was held in escrow by the Company's lawyers in advance of Completion on 2 January 2021.

The principal source of cash inflow during the year was the Company's financing cash flows, comprising a net cash inflow of £8,423,000 from the issue of Convertible Secured Loan Notes. This cash inflow was offset by a £125,000 (2019: £396,000) net cash outflow for the year from operating activities, comprising professional fees in relation to the Acquisition and administrative expenses. During the year, the Company reported a net cash inflow from investing activities of £12,000 (2019: £1,000), comprising interest on cash deposits.

Current and total assets

As at 31 December 2020, the Company's current and total assets of £12,701,000 (2019: £4,511,000) comprised cash of £12,693,000 (2019: £4,383,000) as discussed above, VAT receivable of £4,000 (2019: £86,000) and prepayments of £4,000 (2019: £42,000).

Equity

As at 31 December 2020, the Company's equity comprised share capital of £54,000 (2019: £54,000), share premium of £4,724,000 (2019: £4,724,000) and accumulated losses of £1,408,000 (2019: losses of £335,000). In aggregate, the Company's equity had a carrying value of £3,370,000 (2019: £4,443,000) at the year end.

The share capital balance of £54,000 (2019: £54,000) comprises the aggregate nominal value of the 54,000,000 issued Ordinary Shares of £0.001. No Ordinary Shares were issued during the year. As at 31 December 2020, the Company had 54,000,000 Ordinary Shares in issue (2019: 54,000,000).

The share premium balance of £4,724,000 (2019: £4,724,000) comprises the difference between the aggregate prices of issued Ordinary Shares and their aggregate nominal values. No Ordinary Shares were issued during the year and, as such, no movement in the carrying value of share premium occurred during the year. The carrying value of the share premium account arose on the issue of the 54,000,000 Ordinary Shares during the period ended 31 December 2019, less £322,000 of listing fees allocated against share premium during that period.

The accumulated losses of £1,408,000 (2019: losses of £335,000) is the aggregate value of all retained profits and losses of the Company since incorporation. The movement of £1,073,000 (2019: £335,000) reflects the reported loss after tax for the year.

Non-current liabilities

As at 31 December 2020, the Company's non-current liabilities of £8,427,000 (2019: £nil) comprised Convertible Secured Loan Notes of £8,425,000 issued on 31 December 2020 and £2,000 of associated accrued interest. The £8,425,000 Convertible Secured Loan Notes have a face value of £1 each with interest of 10% per annum. The Convertible Secured Loan Notes are repayable, at the Company's option on 31 December 2021, 2022 or 2023 at par or can be converted into Ordinary Shares, at the loan noteholders' option at Admission, at a rate of 1 Ordinary Share per £0.11 of Convertible Secured Loan Note plus a bonus issue equal to 10% of the nominal value of the Convertible Secured Loan Notes. The value of the liability component was determined at the date the instrument was issued to agree to the Convertible Secured Loan Notes amount, with no amount included in equity, given the 10% interest rate was deemed to be a fair market value if the Convertible Secured Loan Notes did not have a conversion feature. One day's interest of £2,000 has been accrued on the Convertible Secured Loan Notes balance of £8,425,000 as at 31 December 2020.

Current liabilities

As at 31 December 2020, the Company's current and total liabilities of £904,000 (2019: £68,000) comprised accruals of £900,000 (2019: £34,000), trade payables of £4,000 (2019: £32,000), tax and social security of £nil (2019: £1,000) and other payables of £nil (2019: £1,000).

Within the accruals balance of £900,000 as at 31 December 2020, are £900,000 of professional fees incurred in relation to the Acquisition which had yet to be invoiced at the year end.

Net assets

As at 31 December 2020, the Company had total assets of £12,701,000 (2019: £4,511,000) and total liabilities of £9,331,000 (2019: £68,000) resulting in net assets of £3,370,000 (2019: £4,443,000).

Events subsequent to 31 December 2020

Completion

On 4 January 2021 and 5 January 2021, the Company advanced £7,900,000 and £2,600,000, respectively, to the JPI Group for working capital purposes and in respect of the repayment of £4,717,000 of debt to JPIMedia repaid by the Company on behalf JPI Group at Completion.

On 31 March 2021, the Company paid £1,686,000 (including £472,000 cash retained in the business on Completion) to JPIMedia representing the amount by which the working capital in the JPI Group on Completion was greater than the normalised working capital.

Convertible Secured Loan Notes

Subsequent to 31 December 2020, the Company issued further Convertible Secured Loan Notes to the value of £11,575,000, as follows:

- £5,507,600 on 21 January 2021; and
- £6,067,400 on 8 February 2021.

Following the above issues, the Company had an aggregate £20,000,000 of Convertible Secured Loan Notes in issue.

Unsecured Loan Notes

On 12 February 2021, the Company issued £1,000,000 of Unsecured Loan Notes.

Conversion of Convertible Secured Loan Notes

As at 3 May 2021 (being the latest practicable date prior to the date of this Prospectus), the Company had received irrevocable written commitments from holders of the Convertible Secured Loan Notes holding all of the outstanding Convertible Secured Loan Notes to convert their Convertible Secured Loan Notes (plus a 10% premium and accrued interest), conditional only on Admission.

Following Admission, there will be no Convertible Secured Loan Notes in issue. As a result of the Conversion, the Company will issue 205,432,801 Conversion Shares.

PART IX

OPERATING AND FINANCIAL REVIEW OF THE JPI GROUP

The following operating and financial review contains financial information that has been extracted or derived, without material adjustment, from the JPI Group Financial Information included in Section B of Part XI – Financial Information of JPI Group of this Prospectus, prepared in accordance with IFRS.

The following discussion should be read in conjunction with the other information in this Prospectus and the JPI Group Financial Information. This discussion contains forward-looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward-looking statements contained on pages 22-23 of this Prospectus.

The key risks and uncertainties include, but are not limited to, those described in Part II – Risk Factors of this Prospectus.

Summary Statements of Comprehensive Income

Summarised below are the audited consolidated Statements of Comprehensive Income of the JPI Group for the 74-week period from incorporation on 3 August 2018 to 4 January 2020 and the 52-week period from 5 January 2020 to 2 January 2021:

	***Audited* 74 weeks ended 4 January 2020 £'000**	***Audited* 52 weeks ended 2 January 2021 £'000**
Revenue	131,050	88,163
Cost of sales	(102,225)	(72,869)
Gross profit	**28,825**	**15,294**
Operating expenses before exceptional items	(23,088)	(17,192)
Exceptional items:		
Impairment of goodwill	(13,642)	-
Impairment of intangible fixed assets	(891)	(24,521)
Write-off of fixed assets	-	(522)
Continuity of supply expenses	(6,076)	-
Restructuring, redundancy and reorganisation costs	(5,380)	(3,524)
Gain on sale of investment	1,900	-
Aborted transaction fees	(517)	(1,008)
Transition and strategic costs	(232)	-
De-recognition of restricted cash	-	(1,500)
Other	(207)	(31)
Operating loss	**(19,308)**	**(33,004)**
Finance income	161	47
Finance expense	-	(304)
Loss before tax	**(19,147)**	**(33,261)**
Tax credit	1,483	2,113
Loss for the period	**(17,664)**	**(31,148)**

Source: Audited financial statements

Summary Statements of Financial Position

Summarised below are the audited Statements of Financial Position of the JPI Group as at 4 January 2020 and 2 January 2021:

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Intangible assets	42,227	10,968
Tangible assets	2,389	1,438
Right-of-use assets	-	3,176
Trade and other receivables	-	477
Non-current assets	**44,616**	**16,059**
Trade and other receivables	17,061	12,774
Intercompany receivable	8,829	-
Inventory	-	16
Cash and cash equivalents	19,052	472
Current assets	**44,942**	**13,262**
Total assets	**89,558**	**29,321**
Share premium	-	55,978
Accumulated losses	(17,664)	(48,825)
Equity	**(17,664)**	**7,153**
Leases	-	1,826
Deferred tax liabilities	2,113	-
Long-term provisions	500	500
Non-current liabilities	**2,613**	**2,326**
Trade and other payables	16,983	18,489
Intercompany payable	87,621	-
Leases	-	1,353
Short-term provisions	5	-
Current liabilities	**104,609**	**19,842**
Total liabilities	**107,222**	**22,168**
Equity and liabilities	**89,558**	**29,321**

Source: Audited financial statements

Summary Statements of Cash flows

Summarised below are the audited consolidated Statements of Cash flows of the JPI Group for the 74-week period from incorporation on 3 August 2018 to 4 January 2020 and the 52-week period from 5 January 2020 to 2 January 2021:

	***Audited* 74 weeks ended 4 January 2020 £'000**	***Audited* 52 weeks ended 2 January 2021 £'000**
Loss for the period	(19,308)	(33,004)
Non-cash/non-operating items:		
Impairment of intangible assets	891	24,521
Impairment of goodwill	13,642	-
Write-off of tangible assets	-	522
Amortisation of intangible assets	7,491	7,276
Depreciation charges	790	2,296
Profit on disposal of property, plant and equipment	1	-
Changes in working capital:		
Movement in trade and other receivables	9,193	3,669
Movement in inventories	-	(16)
Movement in provisions	282	(5)
Movement in trade and other payables	11,943	1,521
Cash from operating activities	**24,925**	**6,780**
Interest received	161	47
Proceeds on disposal of tangible assets	-	30
Expenditure on digital intangible assets	(3,148)	(538)
Purchase of tangible assets	(1,055)	(476)
Cash used in investing activities	**(4,042)**	**(937)**
Intercompany debt settlement	(1,831)	(22,814)
Interest paid	-	(304)
Principal repayment of leases	-	(1,305)
Cash used in financing activities	**(1,831)**	**(24,423)**
Net movement in cash and cash equivalents	**19,052**	**(18,580)**
Cash and cash equivalents b/fwd	*-*	*19,052*
Cash and cash equivalents c/fwd	**19,052**	**472**

Source: Audited financial statements

JPI Group

The JPI Group consolidated financial information includes the results of JPIMedia Publishing and its wholly-owned subsidiaries, being:

- JPIMedia Publishing Limited;
- JPIMedia Scotsman Publications Limited;
- JPIMedia SWP Limited;
- JPIMedia North East Limited;
- JPIMedia North West Limited;
- JPIMedia Off Road Limited;
- JPIMedia Yorkshire Limited;
- JPIMedia NMSY Limited;
- JPIMedia Midlands Limited;

- JPIMedia South Limited; and
- JPIMedia NI Ltd.

Incorporation and acquisition of certain trade and assets from Johnston Press

JPIMedia Publishing was incorporated on 3 August 2018, issuing 1 ordinary share of £0.01 at par, fully paid up.

On 17 November 2018, JPIMedia Publishing acquired the trading business and assets of Johnston Publishing Limited (now dissolved) from the administrator of that company. The consideration paid for the assets was £43,127,000, settled indirectly via the issue of interest-free intercompany debt to JPIMedia Publishing's parent entity, JPIMedia. The identifiable net assets acquired were as follows:

	£'000
Intangible assets *(digital assets)*	9,947
Tangible assets	2,125
Trade and other receivables	26,254
Trade and other payables	(5,038)
Provisions for onerous contracts	(223)
Net identifiable assets acquired	**33,065**
Goodwill arising on consolidation	10,062
Total net assets acquired	**43,127**

Results for the 74-week period from incorporation on 3 August 2018 to 4 January 2020

Trading results

During the period, the JPI Group recorded a loss for the period of £17,664,000, comprising revenue of £131,050,000 cost of sales of £102,225,000, operating expenditure of £23,088,000, exceptional costs of £25,045,000, finance income of £161,000 and a tax credit of £1,483,000.

Revenue

- Circulation revenue

  JPI Group sells newspapers through wholesalers and distributors. Revenue is recognised, net of returns and discounts, when the JPI Group's performance obligation has been fulfilled, being when the goods have been delivered to or purchased by a reader.

- Print and digital subscriptions

  Subscriptions revenues are recognised over the duration of the subscription, with the provision of a digital newspaper edition being the single performance obligation of the JPI Group.

- Advertising revenue

  Advertising revenue, net of commission and rebates, is recognised on publication of the advertisement, which is when the JPI Group's performance obligation has been fulfilled. If an advertising campaign relates to a longer duration of time, revenue will be recognised over the period of the campaign, reflecting the pattern in which the performance obligation was fulfilled.

- Other revenue

  Other revenues include syndication, provision of leaflets, readers' offers and events and funding for local journalists. The JPI Group's performance obligation is fulfilled, and revenue is recognised on publication of the product, holding of the event, when goods have been purchased by a reader or at a point when the service is provided, depending on the nature of the other revenue.

During the 74-week period ended 4 January 2020, JPI Group's revenue of £131,050,000 was derived from the following sources:

	Audited **74 weeks to 4 January 2020 £'000**	
Newspaper sales	52,249	*39.9%*
Print advertising	49,253	*37.6%*
Digital advertising	23,228	*17.7%*
Other	6,320	*4.8%*
Revenue	**131,050**	***100.0%***

Cost of sales, gross profit and gross profit margin

Cost of sales includes direct staff costs, printing costs, transport and distribution costs and other direct sales costs. During the 74-week period ended 4 January 2020, the JPI Group recorded cost of sales of £102,225,000, giving rise to a gross profit of £28,825,000 and a gross profit margin of 22.0%. Cost of sales comprised:

	Audited **74 weeks to 4 January 2020 £'000**	
Staff costs	52,676	*51.5%*
Printing costs, transport and distribution costs and other	38,373	*37.6%*
Depreciation	8,281	*8.1%*
Leases	2,877	*2.8%*
Disposal of assets	18	-
Cost of sales	**102,225**	***100.0%***

Operating expenses before exceptional items

Operating expenses include indirect staff costs, doubtful debts and other operating costs. During the 74-week period ended 4 January 2020, the JPI Group recorded operating expenses of £23,088,000, comprising:

	Audited **74 weeks to 4 January 2020 £'000**	
Staff costs	10,884	*47.1%*
Doubtful debts	17	*0.1%*
Other operating expenses	12,187	*52.8%*
Operating expenses	**23,088**	***100.0%***

Staff costs and staff numbers

During the 74-week period ended 4 January 2020, JPI Group employed an average of 1,631 employees, for a total cost of £66,337,000. This equates to an average remuneration figure of £40,673 per employee. Staff numbers and costs for the period were as follows:

	Audited **74 weeks to 4 January 2020 £,000**	
Editorial and photographic	791	*48.5%*
Sales and distribution	631	*38.7%*
Administration	107	*6.6%*
Production	102	*6.2%*
Average number of employees	**1,631**	***100.0%***

	£'000	
Wages and salaries	55,143	*83.1%*
Social security costs	5,435	*8.3%*
Redundancy costs	2,940	*4.4%*
Other pension costs	2,819	*4.2%*
Staff costs	**66,337**	***100.0%***

Exceptional items

During the 74-week period ended 4 January 2020, JPI Group reported £25,045,000 of exceptional items, comprising:

	Audited **74 weeks to 4 January 2020 £'000**	
Impairment of goodwill	13,642	*54.4%*
Impairment of intangible fixed assets	891	*3.6%*
Continuity of supply expenses	6,076	*24.3%*
Restructuring, redundancy and reorganisation costs	5,380	*21.5%*
Gain on sale of investment	(1,900)	*(7.6)%*
Aborted transaction fees	517	*2.1%*
Transition and strategic costs	232	*0.9%*
Libel settlement costs	207	*0.8%*
Exceptional items	**25,045**	***100.0%***

- Impairment of goodwill *(£13,642,000)*

  A review of the carrying value of the JPI Group's goodwill arising on the acquisition of the assets and trade from Johnston Press of £13,642,000, concluded a full impairment to the carrying value at the reporting date.

- Impairment of intangible fixed assets *(£891,000)*

  A review of the carrying value of the JPI Group's publishing titles, included within intangible assets, concluded an impairment of £891,000 to the carrying value of these assets at the reporting date.

- Continuity of supply payments *(£6,076,000)*

  During the 74-week period ended 4 January 2020, continuity of supply payments were made to key suppliers subsequent to the 17 November 2018 acquisition, to ensure uninterrupted supplies of goods and services which the JPI Group chose to pay in order to continue normal operations and revenue generation.

- Restructuring, redundancy and reorganisation costs *(£5,380,000)*

  Restructuring and redundancy-related costs are material and incurred to transform and restructure the JPI Group's cost base, resulting in a reduction in headcount. Adjustments for redundancy costs did not include those incurred in the ordinary course of business, which are treated as operating costs, or that may lead to a direct replacement being appointed.

Restructuring and redundancy costs of £5,380,000 includes £2,940,000 of redundancy costs, £1,861,000 editorial and advertising transformation costs and £579,000 of property restructuring costs.

- Gain on sale of investment *(£1,900,000)*

  In August 2019, JPIMedia Publishing sold its investment in JPIMedia 2018 Limited to JPIMedia and recorded a £1,900,000 gain on sale.

- Aborted transaction fees *(£517,000)*

  Transaction fees include a retention bonus accrual for senior management of £330,000 and intercompany balance write-offs of £187,000. These costs are directly linked to the aborted disposal in the 74-week period ended 4 January 2020, or to disposals of former group subsidiaries by JPIMedia.

- Transition and strategic costs *(£232,000)*

  During the 74-week period ended 4 January 2020, strategic review costs of £232,000 were incurred on professional advisory fees following the acquisition of the assets and business of Johnston Press (now dissolved).

Operating loss and operating margin

After deducting operating expenses of £23,088,000 and exceptional items of £25,045,000 from the gross profit of £28,825,000, the JPI Group reported an operating loss of £19,308,000 for the 74-week period ended 4 January 2020. This equates to an operating margin of (14.7)%.

Finance income

Finance income of £161,000 was recognised during the period in relation to interest receivable on the JPI Group's cash deposits.

Tax credit

A tax credit of £1,483,000 was recorded during the period. The tax credit is the net effect of the movements in the JPI Group's deferred tax assets and liabilities during the period and does not represent a cash inflow.

Cash flows, financing and capital reserves

During the period, the JPI Group reported a net cash inflow of £19,052,000 from all sources, resulting in a closing cash balance of £19,052,000 as at 4 January 2020.

The principal source of cash inflow during the period was the JPI Group's operating cash flow of £24,925,000. This cash inflow was offset by a £4,042,000 net cash outflow for the period from investing activities and a net cash outflow of £1,831,000 from financing activities.

During the period, the JPI Group reported a net cash outflow from investing activities of £4,042,000, comprising expenditure on digital intangible assets of £3,148,000 and the purchase of tangible fixed assets to the value of £1,055,000, offset by £161,000 of interest received on cash deposits.

The net cash outflow from financing activities during the period related to the repayment of intercompany debt.

Assets, equity and liabilities

Non-current assets

As at 4 January 2020, the JPI Group had £44,616,000 of non-current assets, comprising:

	Audited **As at 4 January 2020 £'000**
Publishing titles *(regional)*	33,041
Digital assets	9,186
Intangible assets	**42,227**
Office equipment	1,808
Freehold land and buildings	320
Fixtures and fittings	260
Motor vehicles	1
Tangible assets	**2,389**
Non-current assets	**44,616**

Digital intangible assets primarily relate to the JPI Group's local websites and computer software, which form the core platform for the JPI Group's digital revenue activities and supports the Editorial and Sales functions.

On its acquisition of the trade and assets of Johnston Press on 17 November 2018, the JPI Group acquired an aggregate £49,586,000 of intangible and tangible assets, to which a further £4,203,000 of additions were added during the period. Following aggregate impairment, amortisation and depreciation charges of £9,172,000 during the period and the disposal of tangible assets with a net book value of £1,000 the carrying value of the JPI Group's non-current assets was £44,616,000 as at 4 January 2020.

Current assets

As at 4 January 2020, the JPI Group's current assets of £44,942,000 comprised cash and cash equivalents of £19,052,000, trade and other receivables of £17,061,000 and intercompany receivables of £8,829,000.

Trade and other receivables of £17,061,000 comprised trade receivables, net of allowances for doubtful debts, prepayments, other receivables and accrued income. The balance as at 4 January 2020 comprises:

	Audited **As at 4 January 2020 £'000**
Trade receivables *(gross)*	11,531
Allowance for doubtful debts	(234)
Trade receivables *(net of provision)*	**11,297**
Other receivables and accrued income	3,662
Prepayments	2,102
Trade and other receivables	**17,061**

Prior to its acquisition by the Company on 2 January 2021, JPI Group was part of the wider JPIMedia Holdings Limited group and, as such, provided and received services and finance from other companies within that group. The balance owed to the JPI Group by JPIMedia Holdings Limited group companies as at 4 January 2020 was £8,829,000. The amounts owed were unsecured, interest free and repayable on demand.

Equity

As at 4 January 2020, the JPI Group's equity comprised its accumulated losses of £17,664,000.

On 3 August 2018, the date of incorporation for the JPIMedia Publishing, 1 ordinary share with a nominal value of £0.01 was allotted. The accumulated losses of £17,664,000 is the aggregate value of all retained profits and losses of JPI Group since incorporation. The movement of £17,664,000 reflects the reported loss after tax for the period from incorporation on 3 August 2018 to 4 January 2020.

Non-current liabilities

As at 4 January 2020, the JPI Group's non-current liabilities of £2,613,000 comprised deferred tax liabilities of £2,113,000 and long-term provisions of £500,000.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the JPI Group's Financial Information and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. 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 against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised, based on tax laws and rates that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Directors expect, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. On the acquisition of the trade and assets from Johnston Press on 17 November 2018, the JPI Group recognised a deferred tax liability of £3,596,000 with respect to the intangible assets acquired. During the period, a deferred tax asset of £1,118,000 was recognised with respect to the JPI Group's taxable losses available to carry forward, a deferred tax liability of £130,000 was recognised with respect to the difference between the depreciation rates charged in the Statement of Comprehensive Income and the tax computations and a reduction of £495,000 was recognised with respect to the deferred tax liability arising on the intangible assets. The net result of these movements within the period was a net deferred tax credit of £1,483,000, which is shown as a *"tax credit"*, or income, on the Statement of Comprehensive Income for the period. Following these movements, the JPI Group had deferred tax assets of £1,118,000 and liabilities of £3,231,000, giving rise to a net deferred tax liability of £2,113,000 at 4 January 2020.

The Directors have included provisions for estimated costs that may, or may not arise, with respect to certain of the JPI Group's operations. The items estimated include:

- onerous costs associated with licence-to-occupy arrangements on under-occupied properties which have since been disposed of; and
- dilapidations to settle on the future vacation of leasehold properties, relating to the JPI Group's contractual obligations to reinstate leasehold properties to their original state at the lease expiry date.

On the acquisition of the trade and assets from Johnston Press on 17 November 2018, the JPI Group recognised a long-term provision of £223,000 with respect to its licence-to-occupy arrangements. During the period, £219,000 of this provision was utilised on vacation of certain properties and the balance of £4,000 was released, leaving a £nil balance on this particular provision as at 4 January 2020. In addition, a new provision of £500,000 was recognised by the Directors during the period in relation to future dilapidations payable by the JPI Group on its vacation of properties occupied. This amount comprises the balance of £500,000 on the Statement of Financial Position as at 4 January 2020.

Current liabilities

As at 4 January 2020, the JPI Group's current liabilities of £104,609,000 comprised intercompany amounts payable of £87,621,000, trade and other payables of £16,983,000 and short-term provisions of £5,000.

As discussed above, the JPI Group provided and received services and finance from other companies within the JPIMedia Holdings Limited group companies prior to its acquisition by the Company on 2 January 2021. As at 4 January 2020, the balance owed to JPIMedia Holdings Limited group companies by JPI Group was £87,621,000. The amounts owed are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Net indebtedness to the JPIMedia Holdings Limited group companies as at 4 January 2020 was £78,792,000.

Trade and other payables of £16,983,000 as at 4 January 2020 comprised:

	Audited **As at 4 January 2020 £'000**
Trade payables	2,591
Accruals	5,829
VAT	1,651
Social security and PAYE	1,338
Deferred revenue	2,230
Other payables	1,144
Working capital contributions payable to JPIMedia Publications Limited	2,200
Trade and other receivables	**16,983**

In addition to the long-term provisions discussed above, the Directors have estimated future costs to exit short-term onerous IT licence contracts arising from business reorganisations. During the period, a new provision was estimated by the Directors at £138,000, of which £133,000 was utilised during the period. The balance of £5,000 represents the carrying value of the short-term provision as at 4 January 2020.

Total liabilities

As at 4 January 2020, the JPI Group had non-current liabilities of £2,613,000 and current liabilities of £104,609,000, resulting on total liabilities of £107,222,000.

Net assets

As at 4 January 2020, the JPI Group had total assets of £89,558,000 and total liabilities of £107,222,000, resulting in net liabilities of £17,664,000.

Results for the 52-week period from 5 January 2020 to 2 January 2021

Trading results

During the period, the JPI Group recorded a loss of £31,148,000 (74 weeks to 4 January 2020: loss of £17,664,000), comprising revenue of £88,163,000 (74 weeks to 4 January 2020: £131,050,000) cost of sales of £72,869,000 (74 weeks to 4 January 2020: £102,225,000), operating expenditure of £17,192,000 (74 weeks to 4 January 2020: £23,088,000), exceptional costs of £31,106,000 (74 weeks to 4 January 2020: £25,045,000), finance income of £47,000 (74 weeks to 4 January 2020: £161,000), finance expense of £304,000 (74 weeks to 4 January 2020: £nil) and a tax credit of £2,113,000 (74 weeks to 4 January 2020: £1,483,000).

Revenue

The JPI Group's revenue streams are described in the review of the prior period above. During the 52-week period ended 2 January 2021, the JPI Group's revenue of £88,163,000 (74 weeks to 4 January 2020: £131,050,000) was derived from the following sources:

	Audited 74 weeks to 4 January 2020 £'000		***Audited*** **52 weeks to 2 January 2021 £'000**	
Newspaper sales	*52,249*	*39.9%*	37,930	*43.0%*

Print advertising	*49,253*	*37.6%*	28,105	*31.9%*
Digital advertising	*23,228*	*17.7%*	17,225	*19.5%*
Other	*6,320*	*4.8%*	4,903	*5.6%*
Revenue	***131,050***	***100.0%***	**88,163**	***100.0%***

Cost of sales, gross profit and gross profit margin

Cost of sales includes direct staff costs, printing costs, transport and distribution costs and other direct sales costs. During the 52-week period ended 2 January 2021, the JPI Group recorded cost of sales of £72,869,000 (74 weeks to 4 January 2020: £102,225,000), giving rise to a gross profit of £15,294,000 (74 weeks to 4 January 2020: £28,825,000) and a gross profit margin of 17.3% (74 weeks to 4 January 2020: 22.0%). Cost of sales comprised:

	Audited 74 weeks to 4 January 2020 £'000		***Audited* 52 weeks to 2 January 2021 £'000**	
Staff costs	*52,676*	*51.5%*	41,025	*56.3%*
Printing costs, transport and distribution costs and other	*38,373*	*37.6%*	20,976	*28.8%*
Depreciation	*8,281*	*8.1%*	9,572	*13.1%*
Leases	*2,877*	*2.8%*	1,298	*1.8%*
Disposal of assets	*18*	-	(2)	-
Cost of sales	***102,225***	***100.0%***	**72,869**	***100.0%***

Operating expenses before exceptional items

Operating expenses include indirect staff costs, doubtful debts and other operating costs. During the 52-week period ended 2 January 2021, the JPI Group recorded operating expenses of £17,192,000 (74 weeks to 4 January 2020: £23,088,000) comprising:

	Audited 74 weeks to 4 January 2020 £'000		***Audited* 52 weeks to 2 January 2020 £'000**	
Staff costs	*10,884*	*47.1%*	8,937	*52.0%*
Doubtful debts	*17*	*0.1%*	400	*2.3%*
Other operating expenses	*12,187*	*52.8%*	7,855	*45.7%*
Operating expenses	***23,088***	***100.0%***	**17,192**	***100.0%***

Staff costs and staff numbers

During the 52-week period ended 2 January 2021, the JPI Group employed an average of 1,466 (74 weeks to 4 January 2020: 1,631) employees, for a total cost of £53,416,000 (74 weeks to 4 January 2020: £66,337,000). This equates to an average remuneration figure of £36,437 (74 weeks to 4 January 2020: £40,673) per employee during the period. Staff numbers and costs for the period were as follows:

	Audited 74 weeks to 4 January 2020 #		***Audited* 52 weeks to 2 January 2020 #**	
Editorial and photographic	*791*	*48.5%*	755	*51.5%*
Sales and distribution	*631*	*38.7%*	512	*34.9%*
Administration	*107*	*6.6%*	101	*6.9%*
Production	*102*	*6.2%*	98	*6.7%*
Average number of employees	***1,631***	***100.0%***	**1,466**	***100.0%***

	£'000		£'000	
Wages and salaries	*55,143*	*83.1%*	43,717	*81.8%*
Social security costs	*5,435*	*8.3%*	4,209	*7.9%*
Redundancy costs	*2,940*	*4.4%*	3,024	*5.7%*
Other pension costs	*2,819*	*4.2%*	2,466	*4.6%*
Staff costs	***66,337***	***100.0%***	**53,416**	***100.0%***

Exceptional items

During the 52-week period ended 2 January 2021, the JPI Group reported £30,263,000 (74 weeks to 4 January 2020: £25,045,000) of exceptional items, comprising:

	Audited 74 weeks to 4 January 2020 £'000		**Audited 52 weeks to 2 January 2021 £'000**	
Impairment of intangible fixed assets	*891*	*3.6%*	24,521	*78.8%*
Restructuring, redundancy and reorganisation costs	*5,380*	*21.5%*	3,524	*11.4%*
De-recognition of restricted cash	-	-	1,500	*4.8%*
Aborted transaction fees	*517*	*2.1%*	1,008	*3.2%*
Write-off of fixed assets	-	-	522	*1.7%*
Libel settlement costs / other credits	*207*	*0.8%*	31	*0.1%*
Impairment of goodwill	*13,642*	*54.4%*	-	-
Continuity of supply expenses	*6,076*	*24.3%*	-	-
Gain on sale of investment	*(1,900)*	*(7.6)%*	-	-
Transition and strategic costs	*232*	*0.9%*	-	-
Exceptional items	***25,045***	***100.0%***	**31,106**	***100.0%***

- Impairment of intangible fixed assets *(£24,521,000)*

  A review of the carrying value of the JPI Group's publishing titles, included within intangible assets, concluded an impairment of £24,521,000 (74 weeks to 4 January 2020: £891,000) to the carrying value of these assets at the reporting date.

- Restructuring, redundancy and reorganisation costs *(£3,524,000)*

  Restructuring and redundancy-related costs are material and incurred to transform and restructure the JPI Group's cost base, resulting in a reduction in headcount. Adjustments for redundancy costs did not include those incurred in the ordinary course of business, which are treated as operating costs, or that may lead to a direct replacement being appointed.

  Restructuring and redundancy costs of £3,524,000 (74 weeks to 4 January 2020: £5,380,000) includes £3,192,000 (74 weeks to 4 January 2020: £2,940,000) of redundancy costs, £332,000 (74 weeks to 4 January 2020: £1,861,000) editorial and advertising transformation costs and £nil (74 weeks to 4 January 2020: £579,000) of property restructuring costs.

- De-recognition of restricted cash *(£1,500,000)*

  Under the terms of the share purchase agreement between JPIMedia and the Company, £1,500,000 of restricted cash held by JPIMedia Publishing on account with Barclays Bank PLC has an undertaking by Barclays Bank PLC upon release of the security by Barclays Bank PLC, or 18 months following Completion on 2 January 2021, it is repayable to JPIMedia. Therefore, the cash balance was de-recognised as an asset as at 2 January 2021.

- Aborted transaction fees *(£1,008,000)*

  Transaction fees include a retention bonus accrual for senior management of £608,000 (74 weeks to 4 January 2020: £330,000) and intercompany balance write-offs of £400,000 (74 weeks to 4 January 2020: £187,000). These costs are directly linked to the aborted disposal in the 74-week period ended 4 January 2020, or to disposals of former group subsidiaries by JPIMedia.

- Write-off of fixed assets *(£522,000)*

  A review of the carrying value of the JPI Group's freehold land and buildings and its fixtures and fittings, included within tangible assets, concluded an aggregate write down of £522,000 (74 weeks to 4 January 2020: £nil) to the carrying value of these assets at the reporting date. The write downs with respect to freehold land and buildings and fixtures and fittings of £312,000 and £210,000 respectively, brought their carrying values down to £nil as at 2 January 2021.

Operating loss and operating margin

After deducting operating expenses of £17,192,000 (74 weeks to 4 January 2020: £23,088,000) and exceptional items of £31,106,000 (74 weeks to 4 January 2020: £25, 045,000) from the gross profit of £15,294,000 (74 weeks to 4 January 2020: £28,825,000), the JPI Group reported an operating loss of £33,004,000 for the 52-week period ended 2 January 2021 (74-week period ended 4 January 2020: loss of £19,308,000). This equates to an operating margin of (37.4)% (74 weeks to 4 January 2020: (14.7)%).

Finance income

Finance income of £47,000 (74 weeks to 4 January 2020: £161,000) was recognised during the period in relation to interest receivable on JPI Group's cash deposits.

Finance expense

A finance expense of £304,000 (74 weeks to 4 January 2020: £nil) was recognised during the period in relation to interest expenses from the JPI Group's leasing arrangements. A £nil charge was recorded in the prior period as FRS16 *"Leases"* was adopted as an accounting policy by the JPI Group effective from the start of the current period (5 January 2020) in accordance with IFRS.

Tax credit

A tax credit of £2,113,000 (74 weeks to 4 January 2020: £1,483,000) was recorded during the period. The tax credit is the net effect of the movements in the JPI Group's deferred tax assets and liabilities during the period and does not represent a cash inflow.

Cash flows, financing and capital reserves

During the period, the JPI Group reported a net cash outflow of £18,580,000 (74 weeks to 4 January 2020: inflow of £19,052,000) from all sources, resulting in a closing cash balance of £472,000 as at 2 January 2021 (4 January 2020: £19,052,000).

A cash inflow from operating activities of £6,780,000 was reported during the period (74 weeks to 4 January 2020: inflow of £24,925,000). This cash inflow was offset by a net cash outflow of £24,423,000 (74 weeks to 4 January 2020: outflow of £1,831,000) from financing activities and a net cash outflow for the period from investing activities £937,000 (74 weeks to 4 January 2020: outflow of £4,042,000).

During the period, the JPI Group reported a net cash outflow from financing activities of £24,423,000 (74 weeks to 4 January 2020: outflow of £1,831,000), comprising the repayment of intercompany debt of £22,814,000 (74 weeks to 4 January 2020: £1,831,000), principal repayments of leases of £1,305,000 (74 weeks to 4 January 2020: £nil) and the payment of related interest on those leases of £304,000 (74 weeks to 4 January 2020: £nil).

During the period, the JPI Group reported a net cash outflow from investing activities of £937,000 (74 weeks to 4 January 2020: outflow of £4,042,000), comprising expenditure on digital intangible assets of £538,000 (74 weeks to 4 January 2020: £3,148,000) and the purchase of tangible fixed assets to the value of £476,000 (74 weeks to 4 January 2020: £1,055,000), offset by £47,000 (74 weeks to 4 January 2020: £161,000) of interest received on cash deposits and £30,000 (74 weeks to 4 January 2020: £nil) of proceeds on the disposal of tangible assets.

Assets, equity and liabilities

Non-current assets

As at 2 January 2021, the JPI Group had of non-current assets of £16,902,000 (4 January 2020: £44,616,000), comprising:

	Audited As at 4 January 2020 £'000	**Audited As at 2 January 2021 £'000**
Publishing titles *(regional)*	*33,041*	5,347
Digital assets	*9,186*	5,621
Intangible assets	***42,227***	**10,968**
Office equipment	*1,808*	1,438
Freehold land and buildings	*320*	-
Fixtures and fittings	*260*	-
Motor vehicles	*1*	-
Tangible assets	***2,389***	**1,438**
Property and buildings	-	2,633
Motor vehicles	-	543
Right-of-use assets	**-**	**3,176**
Trade and other receivables	**-**	**477**
Non-current assets	***44,616***	**16,059**

As at 4 January 2020, the JPI Group had intangible assets of £42,227,000, comprising publishing titles of £33,041,000 and digital assets of £9,186,000. During the 52-week period ended 2 January 2021, the Directors undertook an impairment review of the JPI Group's publishing titles and recorded an impairment charge of £24,521,000 (4 January 2020: £891,000) against these assets which, after an amortisation charge of £3,173,000 (4 January 2020: £3,582,000), resulted in a carrying value of £5,347,000 as at 2 January 2021. With respect to the JPI Group's digital assets, £538,000 (4 January 2020: £3,148,000) of additions were purchased during the period and an amortisation charge of £4,103,000 (4 January 2020: £3,909,000) applied, following which the digital assets had a carrying value of £5,621,000 as at 2 January 2021.

As at 4 January 2020, the JPI Group had tangible assets of £2,389,000, comprising office equipment of £1,808,000, freehold land and buildings of £320,000, fixtures and fittings of £260,000 and motor vehicles of £1,000. During the 52-week period ended 2 January 2021, additions to office equipment of £463,000 were purchased and existing assets with a carrying value of £30,000 were transferred to former JPIMedia Holdings Limited group companies. Following a depreciation charge of £803,000 during the period, office equipment had a carrying value of £1,438,000 as at 2 January 2021. With respect to both JPI Group's freehold land and buildings and fixtures and fittings, all assets were fully written down to £nil during the period. During the period, the JPI Group's motor vehicles having a carrying value of £1,000 at the beginning of the period, were disposed of as at 2 January 2021, the JPI Group's tangible assets of £1,438,000 represented its office equipment only.

Right-of-use assets relate to assets previously accounted for as operating leases prior to the adoption of IFRS 16 *"Leases"* on 5 January 2020. On adoption of IFRS 16 *"Leases"*, assets held and used under operating leases were valued at the at the present value of the remaining lease payments, discounted using JPI Group's incremental borrowing rate as of 5 January 2020. The resulting value was used as the carrying value of the assets within *"right-of-use assets"* within *"non-current assets"* on the Statement of Financial Position and as equal and opposite liabilities, split between non-current and current liabilities. The assets affected were JPI Group's rental properties and leased motor vehicles. Following the adoption of IFRS 16 *"Leases"* at the start of the period, property and buildings with a carrying value of £3,730,000 and motor vehicles with a carrying value of £807,000 were recognised as right-of-use assets. During the period, £60,000 of additional motor vehicles were acquired which, after a depreciation charge of £1,421,000, resulted in a carrying value of £3,176,000 as at 2 January 2021. As IFRS 16 *"Leases"* was adopted at the start of the period, there were no assets or amortisations charges recorded in the comparative period.

Non-current trade and other receivables of £477,000 as at 2 January 2021 (4 January 2020: £nil) comprises deposits on leasehold properties of £277,000 (4 January 2020: £nil) and supplier deposits of £200,000 (4 January 2020: £nil).*Current assets*

Current assets

As at 2 January 2021, the JPI Group's current assets of £13,262,000 (4 January 2020: £44,942,000) comprised trade and other receivables of £12,774,000 (4 January 2020: £17,061,000), cash and cash equivalents of £472,000 (4 January 2020: £19,052,000), inventory of £16,000 (4 January 2020: £nil) and intercompany receivables of £nil (4 January 2020: £8,829,000).

Trade and other receivables of £12,774,000 (4 January 2020: £17,061,000) comprised trade receivables, net of allowances for doubtful debts, prepayments, other receivables and accrued income. The balances as at 4 January 2020 and 2 January 2021 comprised:

	Audited As at 4 January 2020 £'000	**Audited As at 2 January 2021 £'000**
Trade receivables *(gross)*	*11,531*	8,636
Allowance for doubtful debts	*(234)*	(523)
Trade receivables *(net of provision)*	***11,297***	**8,113**
Other receivables and accrued income	*3,662*	3,057
Prepayments	*2,102*	1,604
Trade and other receivables	***17,061***	**12,774**

Inventory of £16,000 (4 January 2020: £nil) comprised newspaper and print consumables.

Equity

As at 2 January 2021, the JPI Group's equity comprised share premium of £55,978,000 (4 January 2020: £nil) and its accumulated losses to date of £48,825,000 (4 January 2020: losses of £17,664,000).

On 3 August 2018, the date of incorporation for the JPIMedia Publishing, 1 ordinary share with a nominal value of £0.01 was allotted. On 2 January 2021, 1,000 ordinary shares with a nominal value of £0.01 each were allotted as part of the Acquisition of JPIMedia Publishing by the Company. This resulted in a share premium balance of £55,978,000.

The accumulated losses of £48,825,000 (4 January 2020: £17,664,000) represents the aggregate value of all retained profits and losses of the JPI Group since incorporation. The movement of £31,161,000,000 reflects the reported loss after tax for the 52-week period ended 2 January 2021 of £31,148,000 (74-weeks ended 4 January 2020: loss of £17,664,000) and a net charge of £13,000 arising on the first-time adoption of IFRS 16 *"Leases"* at the start of the period (74-weeks ended 4 January 2020: £nil).

Non-current liabilities

As at 2 January 2021, the JPI Group's non-current liabilities of £2,326,000 (4 January 2020: £2,613,000) comprised lease liabilities of £1,826,000 (4 January 2020: £nil) and long-term provisions of £500,000 (4 January 2020: £500,000).

As set out in the review of non-current assets in the current period, the JPI Group adopted IFRS 16 *"Leases"* on 5 January 2020. On adoption, lease liabilities were recorded to the value of the right-of-use assets recognised on the Statement of Financial Position. On adoption of IFRS 16 *"Leases"*, aggregate lease liabilities of £4,424,000 were recognised, comprising £3,588,000 with respect to land and buildings and £836,000 with respect to motor vehicles. In compliance with IFRS 16 *"Leases"*, an interest charge of £304,000 was recorded during the 52-week period ended 2 January 2021 on the Statement of Comprehensive Income. Following actual cash lease payments of £1,609,000 during the period, the carrying value of the lease liabilities was £3,179,000 as at 2 January 2021, comprising £2,597,000 with respect to land and buildings and £582,000 with respect to motor vehicles. Of the aggregate lease liability of £3,179,000 as at 2 January 2021, £1,826,000 was non-current and £1,353,000 was current.

As set out in the review of the prior year, the Directors have included a provision for estimated costs in relation to future dilapidations payable by the JPI Group on its vacation of properties occupied. As at 4 January 2020, the provision was £500,000. As at 2 January 2021, the Directors reviewed their assumptions and carrying value of this provision and deemed that no amendments were required.

As at 4 January 2020, the JPI Group had net deferred tax liabilities of £2,113,000 recorded within non-current liabilities. During the period, the deferred tax assets and liabilities unwound such that, together with a change to the underlying tax rate assumption from 17% to 19%, the carrying value of deferred tax assets and liabilities equated to £nil at the period end. The movements in the deferred tax assets and liabilities during the period were as follows:

	Audited As at 4 January 2020 £'000	***Credit/charge to the Statement of Comprehensive Income £'000***	***Increase in the deferred tax rate assumption from 17% to 19% £'000***	**Audited As at 2 January 2021 £'000**
Tax losses	*1,118*	(733)	132	517
Accelerated tax depreciation	*(130)*	120	(15)	(25)
Intangible assets	*(3,101)*	2,974	(365)	(492)
Net deferred tax liability	***(2,113)***	**2,361**	**(248)**	**-**

Current liabilities

As at 2 January 2021, the JPI Group's current liabilities of £19,842,000 (4 January 2020: £104,609,000) comprised trade and other payables of £18,489,000 (4 January 2020: £16,983,000) and the current portion of the JPI Group's lease liabilities of £1,353,000 (4 January 2020: £nil).

Trade and other payables of £18,489,000 as at 2 January 2021 (4 January 2020: £16,983,000) comprised:

	Audited As at 4 January 2020 £'000	**Audited As at 2 January 2021 £'000**
Trade payables	*2,591*	1,761
Accruals	*5,829*	5,440
VAT	*1,651*	2,379
Social security and PAYE	*1,338*	1,151
Deferred revenue	*2,230*	2,734
Other payables	*1,144*	307
JPIMedia	*-*	4,717
JPIMedia Publications Limited	*2,200*	-
Trade and other receivables	***16,983***	**18,489**

The balance payable to JPIMedia of £4,717,000 as at 2 January 2021 represents the balance which was outstanding at the time of the Company's purchase of the JPI Group. This balance was repaid by the Company on behalf of JPI Group on 4 January 2021.

As discussed in the review of non-current liabilities at the period end, the JPI Group adopted IFRS 16 *"Leases"* on 5 January 2020. The subsequent lease liabilities as at 2 January 2021 comprised non-current and current elements, with £1,353,000 being the current portion as at the reporting date.

As at 4 January 2020, the JPI Group owed the JPIMedia Holdings Limited group companies £87,621,000 and was owed £8,829,000 in return. The net liability of £78,792,000 was settled in full as part of the Acquisition of the JPI Group by the Company on 2 January 2021.

As at 4 January 2020, the Directors had estimated future costs to exit short-term onerous IT licence contracts arising from business reorganisations at £5,000, and recorded such future estimated costs as short-term provisions on the Statement of Financial Position. During the period, the full £5,000 was utilised and no further provision was deemed necessary by the Directors. As such, the carrying value of short-term provisions as at 2 January 2021 was £nil.

Total liabilities

As at 2 January 2021, the JPI Group had non-current liabilities of £2,326,000 (4 January 2020: £2,613,000) and current liabilities of £19,842,000 (4 January 2020: £104,609,000), resulting in total liabilities of £22,168,000 (4 January 2020: £107,222,000).

Net assets

As at 2 January 2021, the JPI Group had total assets of £29,321,000 (4 January 2020: £89,558,000) and total liabilities of £22,168,000 (4 January 2020: £107,222,000), resulting in net assets of £7,153,000 (4 January 2020: net liabilities of £17,664,000).

Events subsequent to 2 January 2021

In January 2021, the Company provided a working capital facility to the JPI Group of £10,500,000 which included £4,717,000 for the loan from JPIMedia to JPI Group that was repaid by the Company on behalf of JPI Group and for working capital.

PART X

FINANCIAL INFORMATION OF THE COMPANY

The information set out below is incorporated by reference into this Prospectus in relation to the Company and relevant to Admission. The various sections of the documents detailed below which are incorporated by reference into this Prospectus provide are included to provide the information required under the Prospectus Regulation Rules and to ensure that Shareholders and others are aware of all information which, according to the particular nature of Company and of the Ordinary Shares, is necessary to enable Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company.

Any non-incorporated parts of the documents detailed below are either not relevant for the investor or the relevant information is included elsewhere in this Prospectus. Any documents themselves incorporated by reference or referred or cross-referred to in the documents referred to below shall not form part of this Prospectus.

Audited financial information for the period from incorporation on 29 May 2019 to 31 December 2019

The Company's audited financial information for the period from incorporation on 29 May 2019 to 31 December 2019 can be viewed on the Company's website at:

https://www.nationalworldplc.com/sites/national-world/files/pdf/nwor-ara-19.pdf

The audited financial information available includes the following:

- Company Information (page 2);
- Chairman's Statement (page 3);
- Strategic Report (page 4);
- Board of Directors (page 11);
- Directors' Report (page 12);
- Directors' Remuneration Report (page 15);
- Governance Report (page 20);
- Nomination Committee Report (page 24);
- Audit and Risk Committee Report (page 25);
- Independent Auditors' Report (page 26);
- Statement of Comprehensive Income (page 30);
- Statement of Financial Position (page 31);
- Statement of Changes in Equity (page 32);
- Statement of Cash Flows (page 33); and
- Notes to the Financial Statements (page 34).

Audited financial information for the year ended 31 December 2020

The Company's audited financial information for the year ended 31 December 2020 can be viewed on the Company's website at:

https://www.nationalworldplc.com/sites/national-world/files/pdf/nwor-fy20.pdf

The audited financial information available includes the following:

- Company Information (page 2);
- Chairman's Statement (page 3);
- Strategic Report (page 4);
- Board of Directors (page 12);
- Directors' Report (page 14);
- Directors' Remuneration Report (page 17);
- Governance Report (page 22);
- Nomination Committee Report (page 26);
- Audit and Risk Committee Report (page 27);
- Independent Auditors' Report (page 29);
- Statement of Comprehensive Income (page 33);
- Statement of Financial Position (page 34);
- Statement of Changes in Equity (page 35);
- Statement of Cash Flows (page 36); and
- Notes to the Financial Statements (page 37).

PART XI

FINANCIAL INFORMATION OF JPI GROUP

SECTION (A) ACCOUNTANT'S REPORT ON THE FINANCIAL INFORMATION OF JPI GROUP

Crowe U.K. LLP
Chartered Accountants
Member of Crowe Global
55 Ludgate Hill
London EC4M 7JW, UK
Tel: 020 7842 7100
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DX: 0014 London Chancery Lane
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4 May 2021

The Directors
National World plc
201 Temple Chambers
3-7 Temple Avenue
London EC4Y 0DT

Dear Sirs,

We report on the audited consolidated historical financial information of JPIMedia Publishing Limited and its subsidiaries (together, the "**JPI Group**") for the 74-week period from incorporation on 3 August 2018 to 4 January 2020 and the 52-week period from 5 January 2020 to 2 January 2021 (together, the "**JPI Group Financial Information**").

Opinion on financial information

In our opinion, the JPI Group Financial Information gives, for the purpose of the National World plc's (the "Company") prospectus dated 4 May 2021 (the "**Prospectus**"), a true and fair view of the state of affairs of the JPI Group as at 4 January 2020 and 2 January 2021 and of its profits, cash flows, statement of comprehensive income and changes in equity for the periods then ended in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union ("**IFRS**").

Responsibilities

The directors of the Company (the "**Directors**") are responsible for preparing the JPI Group Financial Information in accordance with IFRS.

It is our responsibility to form an opinion on the JPI Group Financial Information, and to report our opinion to you.

Basis of preparation

The JPI Group Financial Information has been prepared for inclusion in *Section (B) – Financial Information of JPI Group* of *Part XI – Financial Information of JPI Group* of the Prospectus, on the basis of the accounting policies set out in note 2 to the JPI Group Financial Information. This report is required by item 18.3.1 of Annex 1 to the UK version of Regulation number 2019/980, supplementing Regulation number 2017/1129, of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (together, the "**Prospectus Regulation**") and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. We are independent of JPI Group in accordance with the FRC's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the JPI Group Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the JPI Group Financial Information and whether the accounting policies are appropriate to JPI Group's circumstances consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the JPI Group Financial Information is free from material misstatement whether caused by fraud or other irregularity or error.

Conclusions relating to going concern

We have not identified a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the ability of the Group to continue as a going concern for a period of at least 12 months from 4 May 2021. We therefore conclude that the Directors' use of the going concern basis of accounting in the preparation of the financial information is appropriate.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this report as part of this Prospectus and we declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 to the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP

Chartered Accountants

SECTION (B)

FINANCIAL INFORMATION OF JPI GROUP

Consolidated statements of comprehensive income

The audited consolidated statements of comprehensive income of JPI Group for the 74-week period from incorporation on 3 August 2018 to 4 January 2020 and the 52-week period from 5 January 2020 to 2 January 2021 are set out below:

	Notes	*Audited* 74 weeks to 4 January 2020 £'000	*Audited* 52 weeks to 2 January 2021 £'000
Continuing operations			
Revenue	4	131,050	88,163
Cost of sales		(102,225)	(72,869)
Gross profit		**28,825**	**15,294**
Operating expenses before exceptional items		(23,088)	(17,192)
Exceptional items:			
Impairment of goodwill	10	(13,642)	-
Impairment of intangible fixed assets	11	(891)	(24,521)
Write off of fixed assets	12	-	(522)
Continuity of supply expenses	5	(6,076)	-
Restructuring, redundancy and reorganisation costs	5	(5,380)	(3,524)
Gain on sale of investment	5	1,900	-
Aborted transaction fees	5	(517)	(1,008)
Transition and strategic costs	5	(232)	-
De-recognition of restricted cash	5	-	(1,500)
Other	5	(207)	(31)
Total operating expenses		**(48,133)**	**(48,298)**
Operating loss		**(19,308)**	**(33,004)**
Financing			
Interest receivable	8	161	47
Finance costs	8	-	(304)
Total net finance (expense)/income		161	**(257)**
Loss before tax		**(19,147)**	**(33,261)**
Tax credit	9	1,483	2,113
Loss from continuing operations		**(17,664)**	**(31,148)**
Total other comprehensive income for the period		**-**	**-**
Total comprehensive loss for the period		**(17,664)**	**(31,148)**

Consolidated statements of financial position

The audited consolidated statements of financial position of JPI Group as at 4 January 2020 and 2 January 2021 are set out below:

	Notes	*Audited As at 4 January 2020 £'000*	*Audited As at 2 January 2021 £'000*
Non-current assets			
Intangible assets	**11**	42,227	10,968
Tangible assets	**12**	2,389	1,438
Right-of-use assets	**17**	-	3,176
Trade and other receivables	**14**	-	477
		44,616	**16,059**
Current assets			
Trade and other receivables	**14**	17,061	12,774
Intercompany amounts receivable	**16**	8,829	-
Inventory	**13**	-	16
Cash and cash equivalents	**14**	19,052	472
		44,942	**13,262**
Total assets		**89,558**	**29,321**
Current liabilities			
Trade and other payables	**14**	(16,983)	(18,489)
Intercompany payable	**16**	(87,621)	-
Leases	**17**	-	(1,353)
Short-term provisions	**20**	(5)	-
		(104,609)	**(19,842)**
Non-current liabilities			
Leases	**17**	-	(1,826)
Deferred tax liabilities	**19**	(2,113)	-
Long-term provisions	**20**	(500)	(500)
		(2,613)	**(2,326)**
Total liabilities		**(107,222)**	**(22,168)**
Net (liabilities) / assets		**(17,664)**	**7,153**
Equity			
Share premium	**21**	-	55,978
Retained losses	**22**	(17,664)	(48,825)
Total shareholders' funds		**(17,664)**	**7,153**

Consolidated statements of changes in equity

The audited consolidated statements of changes in equity of JPI Group for the 74-week period from incorporation on 3 August 2018 to 4 January 2020 and the 52-week period from 5 January 2020 to 2 January 2021 are set out below:

	Notes	Share capital £'000	Share Premium £'000	Retained losses £'000	Total £'000
Opening balances at 3 August 2018 on incorporation		**–**	**–**	**–**	**–**
Loss for the period		–	–	(17,664)	(17,664)
Other comprehensive loss for the period		–	–	–	–
Total comprehensive loss for the period		–	–	(17,664)	(17,664)
Equity as at 4 January 2020		**–**	**–**	**(17,664)**	**(17,664)**
Change of accounting policy – application of IFRS16	27	–	–	(13)	(13)
Equity as at 5 January 2020		**–**	**–**	**(17,677)**	**(17,677)**
Loss for the period		–	–	(31,148)	(31,148)
Other comprehensive loss for the period		–	–	–	–
Total comprehensive loss for the period		**–**	**–**	(31,148)	(31,148)
Issue of Shares	21	–	55,978	–	55,978
Equity as at 2 January 2021		**–**	**55,978**	**(48,825)**	**7,153**

Consolidated statements of cash flows

The audited consolidated statements of cash flows of the JPI Group for the 74-week period from incorporation on 3 August 2018 to 4 January 2020 and the 52-week period from 5 January 2020 to 2 January 2021 are set out below:

	Notes	*Audited* 74 weeks to 4 January 2020 £'000	*Audited* 52 weeks to 2 January 2021 £'000
Cash flow from operating activities			
Cash generated from operations	23	24,925	6,780
Net cash inflow from operating activities		**24,925**	**6,780**
Investing activities			
Interest received	8	161	47
Proceeds on disposal of tangible assets	12	-	30
Expenditure on digital intangible assets	11	(3,148)	(538)
Purchases of tangible assets	12	(1,055)	(476)
Net cash outflow from investing activities		**(4,042)**	**(937)**
Financing activities			
Intercompany debt settlement		(1,831)	(22,814)
Interest paid	8	-	(304)
Principal repayment of leases	17	-	(1,305)
Net cash used in financing activities		**(1,831)**	**(24,423)**
Net increase in cash and cash equivalents		**19,052**	**(18,580)**
Cash and cash equivalents at the beginning of period		-	19,052
Cash and cash equivalents at the end of the period	14	**19,052**	**472**

Notes to the JPI Group Financial Information

1. Basis of preparation

General information

JPIMedia Publishing is a private limited company domiciled and incorporated in England and Wales under the Companies Act 2006. The registered office is 107 Cheapside, London EC2V 6DN, United Kingdom. The principal activities of JPI Group are to provide news and information services in the United Kingdom through a portfolio of multimedia publications and websites.

The JPI Group Financial Information comprises the 74-week period from the incorporation of JPIMedia Publishing on 3 August 2018 to 4 January 2020 and the 52-week period from 5 January 2020 to 2 January 2021. It comprises the JPIMedia Publishing and its subsidiaries (together referred to as "JPI Group").

The JPI Group was acquired on 2 January 2021 by the Company from JPIMedia, a subsidiary of JPIMedia Holdings Limited. Previously JPI Group's results have been reported as part of the consolidated results of the JPIMedia Holdings Limited group. With the disposal at period end, the Directors thought it appropriate to prepare consolidated JPI Group Financial Information, including prior year comparatives. The comparative financial information for the 74-week period ended 4 January 2020 has been prepared on the same basis as the financial information for the 52-week period ended 2 January 2021, with the exception of the adoption of IFRS 16 *"Leases"* on 5 January 2020, being the first accounting period to commence post 1 January 2019.

The JPI Group uses 52/53-week accounting periods and has drawn up its financial information for the 52 weeks to Saturday, 2 January 2021. The comparative period comprises 74 weeks (of which 15 weeks are non-trading) to Saturday, 4 January 2020.

Basis of preparation

The JPI Group Financial Information has been prepared in accordance with International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

The JPI Group Financial Information is presented in British pounds, which is the functional currency of all entities in the JPI Group. All financial information has been rounded to the nearest thousand except when otherwise indicated.

The JPI Group Financial Information has been prepared under the historical cost basis.

Going concern

Note 2 *"Significant accounting policies"* to the JPI Group Financial Information includes the Directors objectives, policies and processes for managing the JPI Group's capital, their financial risk management objectives, details of the JPI Group's financial instruments and JPI Group's exposure to credit risk, liquidity risk and cash flow risk.

The JPI Group Financial Information has been prepared on a going concern basis. The Directors consider the use of the going concern basis of accounting to be appropriate, despite facing revenue declines due to the coronavirus pandemic. The Directors have partly mitigated the impact of revenue declines on cash flows through reduced operating costs and participated in the UK Government Furlough scheme. The Directors have seen advertising and circulation revenues improve when the restrictions due to lockdown have been eased however a high degree of uncertainty continues to exist.

The JPI Group has sufficient cash resources and operating headroom to support the activities of the business. Positive net operating cash flow predictions are expected to support the JPI Group's ability to meet its obligations as and when they fall due for the foreseeable future.

In assessing the longer-term viability of the JPI Group, the Directors believe sufficient cash flows will be generated by the JPI Group in order to meet the obligations required. Although the Company has no external debt, the Acquisition of JPI Group which completed on 2 January 2021 was funded from existing cash resources and the issue of £20 million in value of Convertible Secured Loan Notes and £1 million in value of Unsecured Loan Notes. The Company provided working capital facilities of £10.5 million to the JPI Group. The Directors will continue to review the operations and capital structure of the Group. The Company has confirmed that it will provide financial support as might be necessary to ensure that the JPI Group is a going concern for at least 12 months from the date of signing these financial statements.

After making enquiries, the Directors have a reasonable expectation that the JPI Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the JPI Group Financial Information.

Changes in accounting policies and disclosures

The JPI Group has adopted IFRS 16 *"Leases"* in the JPI Group Financial Information for the period ended 2 January 2021. The adoption of IFRS 16 *"Leases"* had a material impact on the JPI Group Financial Information, and resulted in adjustment to opening balances as at 5 January 2020. The impact of the adoption is disclosed in Note 28 *"Effects of changes in accounting policies"* to the JPI Group Financial Information. Other standards that became applicable in the year did not materially impact the JPI Group's accounting policies and did not require retrospective adjustments.

2. Significant accounting policies

New and revised IFRS Standards in issue but not yet effective

At the date of authorisation of the JPI Group Financial Information, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by JPI Group. The Directors anticipate that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current period have not been disclosed as they are not expected to have a material impact on the JPI Group Financial Information.

Basis of consolidation

The JPI Group Financial Information consolidates the financial information of JPIMedia Publishing and all its subsidiary undertakings as at 2 January 2021.

Subsidiaries are included in the JPI Group Financial Information using the acquisition method of accounting. The results of subsidiaries acquired or disposed of during the period are consolidated from the effective date of acquisition or up to the effective date of disposal, as appropriate. Purchase consideration is allocated to the assets and liabilities on the basis of their fair value at the date of acquisition. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by JPI Group.

Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by JPI Group in exchange for control of the acquiree. Acquisition-related costs are recognised in the Statement of Comprehensive Income as incurred.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 *"Business Combinations"*, including publishing titles, are recognised at their fair value at the acquisition date, except for:

- deferred tax assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *"Income Taxes"* and IAS 19 *"Employee Benefits"*, respectively; and

- non-current assets (or disposal groups) that are classified as *"held-for-sale"* in accordance with IFRS 5 *"Non-Current Assets Held for Sale and Discontinued Operations"*, are recognised and measured at fair value less costs to sell.

Revenue recognition

The JPI Group recognises revenue when goods/services are provided and the performance obligation is fulfilled. The JPI Group recognises revenue from the following major sources:

Circulation revenue

The JPI Group sells newspapers through wholesalers and distributors. Revenue is recognised, net of returns and discounts, when the performance obligation has been fulfilled being when the goods have been delivered to or purchased by a reader. A receivable is recognised by the JPI Group when the wholesaler and distributor confirms the number of copies sold as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Print and digital subscriptions

Subscriptions revenues are recognised over the duration of the subscription with the provision of a digital newspaper edition being the single performance obligation.

Advertising revenue

Advertising revenue, net of commission and rebates, is recognised on publication of the advertisement, which is when the performance obligation has been fulfilled. If an advertising campaign relates to a longer duration of time, revenue will be recognised over the period of the campaign, reflecting the pattern in which the performance obligation was fulfilled.

Other revenue

Other revenues include syndication, provision of leaflets, readers' offers and events and funding for local journalists. The performance obligation is fulfilled, and revenue is recognised on publication of the product, holding of the event, when goods have been purchased by a reader or at a point when the service is provided, depending on the nature of the other revenue.

Accrued income

Where the performance obligation has been fulfilled, but the customer has not yet been billed, an accrued income asset is recognised. The accrued income balance is released once the sales invoice has been issued.

Deferred income

Sales invoices are raised in line with the contract terms, and reported in deferred income until the performance obligations identified in the contract are fulfilled and revenue can be recognised. The deferred income balance is released once the performance obligation has been fulfilled.

Exceptional items

Exceptional items are non-recurring items that are considered significant enough to require disclosure on the face of the Statement of Comprehensive Income. See further details in Note 5 *"Loss for the period"* to the JPI Group Financial Information.

Pension costs

JPIMedia Publishing participates in a JPI Group-operated defined contribution scheme.

The costs of JPIMedia Publishing's contributions to the defined contribution scheme are charged to the profit or loss account as they become due under the rules of the scheme. Further details regarding pension costs are provided in Note 18 *"Retirement benefit obligation"* to the JPI Group Financial Information.

Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to the JPI Group's cash-generating unit (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets

The JPI Group's principal intangible assets are regional publishing titles. The JPI Group does not capitalise internally generated publishing titles. Titles are recorded at fair value at the date of acquisition. These publishing titles have a finite life and consequently are amortised over their useful economic life. The carrying value of the titles is reviewed when there are indicators that an impairment has occurred with testing undertaken to determine any diminution in the recoverable amount below carrying value. The recoverable amount is the higher of the fair value less costs to sell and the value in use which is based on the net present value of estimated future cash flows. The discount rate is post-tax and reflects current market assessments of time value of money and risks specific to asset for which estimates of future cash flows have not been adjusted. Any impairment loss is recognised as an expense immediately. A reversal of an impairment loss is recognised immediately in the Statement of Comprehensive Income given these assets are not carried at revalued amounts.

For the purpose of impairment testing, regional publishing titles are considered one cash generating unit. Cash-generating units are determined by grouping assets at the lowest levels for which there are separately identifiable cash flows. Cash generating units are tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of goodwill, then to reduce the carrying value of tangible and intangible assets and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Digital intangible assets

Digital intangible assets relate to the JPI Group’s local websites and computer software, which form the core platform for the JPI Group’s digital revenue activities and support the Editorial and Sales functions. These assets are being amortised using the straight-line method over the expected life, of three to five years. Amortisation for the period has been charged through cost of sales. Digital intangible assets are tested for impairment only when there is an indication that the recoverable amount is less than the carrying amount. Costs incurred in the development of websites are only capitalised if the criteria specified in IAS 38 *“Intangible Assets”* are met.

Tangible assets

Tangible asset balances are shown at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible assets, excluding land, at varying rates calculated to write-off cost over the useful lives. The principal rates employed are:

Freehold land	Nil
Freehold property	2.5% reducing balance
Fixtures and fittings (leasehold properties)	Over the term of lease
Office equipment	6.67% to 33% straight-line
Motor vehicles	25% straight-line

A tangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Inventories

Inventories, largely paper, are stated at the lower of cost and net realisable value. Costs incurred in bringing materials to their present location and condition comprises purchase cost on a first-in first-out basis. Net realisable value comprises selling price less any further costs expected to be incurred to completion and disposal.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets is approximately equal to their fair value. Cash and cash equivalents at the end of the reporting period as shown in the Statement of Cash Flows can be reconciled to the related items in the consolidated reporting position.

Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when JPI Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Trade receivables

Trade receivables do not carry any interest. Conversion to a readily known amount of cash occurs over a short period and is subject to an insignificant risk of changes in value. Therefore, balances are initially recognised at fair value and subsequently at amortised cost.

The JPI Group recognises a loss allowance for expected credit losses on trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition.

The JPI Group recognises lifetime expected credit losses for trade receivables, lease receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the JPI Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or past due event;
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

Write-off policy

The JPI Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g., when the debtor has been placed in liquidation or has entered into bankruptcy proceedings. Financial assets written-off may still be subject to enforcement activities under the JPI Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the Statement of Comprehensive Income.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e., the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The expected credit loss is estimated as the difference between all contractual cash flows that are due to the JPI Group in accordance with the contract and all the cash flows that the JPI Group expects to receive.

The JPI Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Trade payables

Trade payables are not interest bearing. Payments occur over a short period and are subject to an insignificant risk of changes in value. Therefore, balances are stated at their nominal value.

Leases

The JPI Group has applied IFRS 16 *"Leases"* with effect from 5 January 2020, being the first accounting period commencing post 1 January 2019.

At inception, the Directors assess whether a contract is, or contains, a lease. This assessment involves the exercise of judgement about whether it depends on a specified asset, whether the JPI Group obtains substantially all the economic benefits from the use of that asset, and whether JPI Group has the right to direct the use of the asset. The JPI Group recognises a right-of-use asset and lease liability at the commencement of the lease.

The JPI Group has elected not to recognise right-of-use assets and lease liabilities for leases where the total lease term is less than, or equal to, 12 months, or for leases of assets with a value less than

£4,000. The payments for such leases are recognised in the Statement of Comprehensive Income on a straight-line basis over the lease term. Fees for components such as property taxes, maintenance, repairs and other services which are either variable or transfer benefits separate to the JPI Group's right-of-use assets, are separated from lease components based on their relative standalone selling price.

Lease liabilities are initially measured at the present value of future lease payments at the commencement date. Lease payments are discounted using the interest rate implicit in the lease, or where this cannot be readily determined, the lessee's incremental borrowing rate. Lease payments include the following payments due within the non-cancellable term of the lease, as well as the term of any extension options where these are considered reasonably certain to be exercised:

- fixed payments;
- variable payments that depend on an index or rate; and
- the exercise price of purchase or termination options if it is considered reasonably certain these will be exercised.

Subsequent to the commencement date, the lease liability is measured at the initial value, plus an interest charge determined using the incremental borrowing rate, less lease payments made. The interest expense is recorded within *"finance costs"* on the Statement of Comprehensive Income. The liability is re-measured when future lease payments change, when the exercise of extension or termination options becomes reasonably certain, or when the lease is modified.

The right-of-use asset is initially measured at cost, being the value of the lease liability, plus the value of any lease payments made at or before the commencement date, initial direct costs and the cost of any restoration obligations, less any incentives received.

The right-of-use asset is subsequently measured at cost, less accumulated depreciation and impairment losses. The right-of-use asset is adjusted for any re-measurement of the lease liability. The right-of-use asset is subject to testing for impairment where there are any impairment indicators.

Policy prior to 5 January 2020

Rentals payable under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Provisions

Provisions are recognised when the JPI Group has a present obligation as a result of a past event and it is probable that the JPI Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in profit or loss as it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. JPI Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the JPI Group, supported by previous experience in respect of such activities and, in certain cases, based on specialist independent tax advice.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the JPI Group Financial Information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. 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 against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the JPI Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and 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. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the JPI Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of JPIMedia Publishing after deducting all of its liabilities. Equity instruments issued by JPIMedia Publishing are recorded at the proceeds received net of direct issue costs.

Ordinary shares are classified as equity.

The share capital account represents the nominal value of the shares issued.

The share premium account represents premiums received on the initial issuing of the share capital. Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds, net of tax.

Accumulated losses include all current period results as disclosed in the Statement of Comprehensive Income.

3. Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying JPI Group’s accounting policies

In applying the JPI Group's accounting policies, which are described in Note 2 *"Significant accounting policies"*, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Impairment of publishing titles

Key areas of judgement in the value in use calculation include the identification of appropriate cash generating units. The Directors have identified one cash generating unit, being the regional business. This is considered to be the lowest level at which cash inflows generated are largely independent of the cash inflows from other groups of assets and has been consistently applied across the JPI Group.

Key sources of estimation uncertainty

Impairment of publishing titles

The Directors are required to test whether intangible and tangible assets have suffered any impairment, based on the recoverable amount of the JPI Group's cash generating units, when there are indicators for impairment. Determining whether the regional business is impaired requires an estimation of the value in use of the cash generating unit to which these assets are allocated. Key sources of estimation uncertainty in the value-in-use calculation include the estimation of future cash flows of the cash generating unit affected by expected changes in underlying revenues and direct costs, as well as corporate and central cost allocations through the forecast period, the long-term growth rates and a suitable discount rate to apply to the aforementioned cash flows in order to calculate the net present value. The discount rate selected for the regional business cash generating unit was 17%, using the Capital Asset Pricing Method ("CAPM") with a long-term decline rate in perpetuity of 1.0%.

Valuation judgements

Intangible assets

Intangible assets are required to be assessed for potential impairment on an annual basis or if there is a trigger for impairment. In a transactional based situation, given the acquisition by the Company on the period end date, the valuation of intangibles should be the higher of the consideration paid or the value-in-use of the cash generating unit. The value-in-use has been assessed using consistent methodologies to that applied in the prior period. With regard to the methodologies applied in the valuation, the intangible assets of the JPI Group were assessed using an income approach-based method. The income approach is suitable for assets which generate the majority of their value from their income-generating capacity. It operates under the premise that the value of that asset can be accurately derived from the value of the future net cash inflows or cost savings which will be generated by it over time, discounted back to their present value at an appropriate discount rate.

4. Revenue

The analysis of the JPI Group's contracted revenue from continuing operations is as follows:

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Newspaper sales	52,249	37,930
Print advertising	49,253	28,105
Digital advertising	23,228	17,225
Other[1]	6,320	4,903

Total revenue	**131,050**	**88,163**

The description and revenue recognition criteria (timing and performance obligations) for each revenue stream is contained within the accounting policies, in Note 2 *"Significant accounting policies"* to the JPI Group Financial Information. The Directors do not consider there to be a significant judgment with respect of recognising revenue under IFRS 15 *"Revenue from Contracts with Customers"*. The reconciliation for contract assets and liabilities associated with contracted revenue can be found in Note 15 *"Contract assets and liabilities"* to the JPI Group Financial Information.

[1] *Includes Local Democracy Reporting Service funding from the BBC to support news coverage of top-tier local authorities and other public service organisations of £1,500,000 (74 weeks to 4 January 2020: £1,400,000).*

5. Loss for the period

	Notes	***Audited*** **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Operating loss from continuing operations is shown after charging/(crediting):			
Depreciation of tangible fixed assets	12	790	875
Amortisation of intangible assets	11	7,491	7,276
Depreciation of right of use assets	17	-	1,421
Staff costs	7	66,337	53,416
Operating lease charges:			
Property		1,133	-
Motor vehicles		855	-
Short term and low value leases	17	-	602
Rental costs under licence to occupy agreements	23	2,015	696
Dilapidations provision expense	20	500	-
Exceptional items:			
Impairment of goodwill	10	13,642	-
Impairment of intangibles	11	891	24,521
Write off of tangible fixed assets	12	-	522
Continuity of supply payments		6,076	-
Restructuring, redundancy and reorganisation costs		5,380	3,524
Gain on sale of investment		(1,900)	-
Transaction fees		517	1,008
Strategic review		232	-
De-recognition of restricted cash		-	1,500
Other		207	31

Impairment of intangibles

A review of the carrying value of intangible assets concluded an impairment of £24,521,000 to the carrying value of intangible assets and the release of £2,113,000 deferred tax liability. Refer to Note 11 *"Intangible assets"* and Note 19 *"Deferred tax"* to the JPI Group Financial Information for further details.

Continuity of supply payments

During the 74-week period ended 4 January 2020, continuity of supply payments were made to key suppliers subsequent to the 17 November 2018 acquisition, to ensure uninterrupted supplies of goods and services which management chose to pay in order to continue normal operations and revenue generation.

Restructuring and redundancy costs

Restructuring and redundancy-related costs are material and incurred to transform and restructure the business cost base resulting in a reduction in headcount. Adjustments for redundancy costs do not include those incurred in the ordinary course of business, which are treated as operating costs, or that may lead to a direct replacement being appointed.

Restructuring and redundancy costs of £3,524,000 includes £3,192,000 of redundancy costs and £332,000 editorial and advertising transformation costs (74 weeks to 4 January 2020: £5,380,000 total comprises £2,940,000 of redundancy costs, £1,861,000 of editorial and advertising transformation costs and £579,000 of property restructuring costs).

De-recognition of restricted cash

Under the terms of the Share Purchase Agreement between JPIMedia and the Company, £1,500,000 restricted cash held by JPIMedia Publishing on account with Barclays Bank PLC has an undertaking by Barclays Bank PLC upon release of the security by Barclays Bank PLC, or 18 months following Completion on 2 January 2021, it is repayable to JPIMedia. Therefore, the cash balance has been de-recognised as an asset as at the period-end.

Gain on sale of investment

In August 2019, JPIMedia Publishing sold its investment in JPIMedia 2018 Limited to JPIMedia and recorded a £1,900,000 gain on sale in the Statement of Comprehensive Income.

Transaction fees

Transaction fees include a retention bonus accrual for senior management of £608,000 (74 weeks to 4 January 2020: £330,000), and intercompany balance write-offs of £400,000 (74 weeks to 4 January 2020: £187,000). These costs are directly linked to the aborted disposal in the 74-week period ended 4 January 2020, or to disposals of former group subsidiaries by JPIMedia.

Strategic review

During the 74-week period ended 4 January 2020, strategic review costs of £232,000 were incurred on professional advisory fees following the acquisition of the principal assets and business of Johnston Press (now dissolved).

Other exceptional costs

Other costs include £242,000 of libel settlement costs (74 weeks to 4 January 2020: £172,000), offset by minor credit adjustments relating to the prior period of £210,000 (74 weeks to 4 January 2020: £nil).

6. Auditors' remuneration

The analysis of the auditors' remuneration is as follows:

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Fees payable for the audit of JPIMedia Publishing's annual accounts	20	50

Fees payable for other services: audit of subsidiary accounts	75	75
Fees payable relating to prior year audit of JPIMedia Publishing *(paid to former auditors)*	-	41
Total audit fees	**95**	**166**

Non-audit services		
Tax compliance services	21	20
Tax advisory services	-	61
Total non-audit services	**21**	**81**
Total audit and non-audit service fees	**116**	**247**

Crowe U.K. LLP has been appointed auditors for the 52-week period ended 2 January 2021. The JPIMedia Publishing audit fee reflects the requirement to prepare consolidated JPI Group accounts, following the acquisition by the Company on 2 January 2021. For the prior period, PricewaterhouseCoopers LLP were auditors of the former ultimate parent, JPIMedia Holdings Limited and its subsidiaries, and the audit fees were allocated from the parent.

All non-audit services have been provided by PricewaterhouseCoopers LLP.

7. Employees and directors

The average number of employees, including directors, for the continuing operations, was:

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Editorial and photographic	791	755
Sales and distribution	631	512
Production	102	98
Administration	107	101
Average number of employees	**1,631**	**1,466**

Their remuneration comprised of:

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Wages and salaries	55,143	43,717
Social security costs	5,435	4,209
Other pension costs	2,819	2,466
Redundancy costs	2,940	3,024
Total staff costs	**66,337**	**53,416**

£3.9 million of furlough funding was claimed from HMRC in the period by JPIMedia Publishing for the total PAYE group. This included £3.5 million relating to JPI Group, and £0.4 million for the Print business (sold to dmg media Limited on 17 October 2020). The £3.5 million credit is reported in cost of sales for the Group.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

Key management personnel compensation comprises senior management of JPI Group:

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Short-term employee benefits	1,136	916
Total key management personnel compensation	**1,136**	**916**

During the period, no director received remuneration from the JPI Group or payment for services specifically for the JPI Group as payment was made by the ultimate parent, JPIMedia Holdings Limited (74 weeks to 4 January 2020: £nil).

8. Financing

Finance income

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Interest income on bank balances	161	47
Total finance income	**161**	**47**

Finance costs

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Interest expense from leasing arrangements	-	304
Total finance costs	**-**	**304**

9. Tax

The tax on loss comprises:

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Current tax		
Credit for the period	-	**-**
Total current tax credit	**-**	**-**

Deferred tax (Note 19)		
Credit for the period	(1,483)	(3,787**)**
6Increase in deferred tax rate to 19%	-	248
Deferred tax derecognised	-	1,426
Total deferred tax credit	(1,483)	(2,113)
Total tax credit for the period	**(1,483)**	**(2,113)**

The standard rate of UK corporation tax applied to the reported loss is 19%. The difference between the total tax credit shown above and the amount calculated by applying the standard rate of UK corporation tax of 19% to the loss before tax is as follows:

	Audited **74 weeks to 4 January 2020 £'000**	*%*	***Audited*** **52 weeks to 2 January 2021 £'000**	*%*
Loss before tax	**(19,147)**		**(33,261)**	
Tax at 19.0%	(3,638)	*19.0*	(6,319)	*19.0*
Tax effect of expenses that are not (deductible)/assessable in determining taxable loss	65	*(0.3)*	388	*(1.2)*
Tax effect of income not taxable in determining taxable profit	(361)	*1.9*	-	-
Tax effect on goodwill impairment not deductible	2,592	*(13.5)*	-	-
Accelerated capital allowances	36	*(0.2)*	58	*(0.2)*
Unrecognised deferred tax assets	88	*(0.5)*	3,943	*(11.9)*
Imputed interest	(703)	*3.7*	(431)	*1.3*
Corporate interest restriction	248	*(1.3)*	-	-
Effect of increase in deferred tax rate to 19%	-	-	248	*(0.8)*
Effect of difference between deferred and current tax rate	190	*(1.0)*	-	-
Total tax credit for the period	**(1,483)**	***7.8***	**(2,113)**	***6.3***

Note 19 *"Deferred tax"* to the JPI Group Financial Information provides further details on deferred tax.

10. Goodwill

	Goodwill
Cost	
Opening balance	-
On acquisition of subsidiaries	13,642
As at 4 January 2020	**13,642**
Accumulated impairment losses	
Opening balance	-
Impairment losses for the period	(13,642)

As at 4 January 2020	(13,642)
Carrying value as at 4 January 2020 and 2 January 2021	**-**

Goodwill was written off following the impairment review of the JPI Group's identifiable cash generating unit. Note 11 *"Intangible assets"* to the JPI Group Financial Information provides further information.

11. Intangible assets

Cost	**Publishing titles (regional) £ '000**	**Digital intangible assets £'000**	**Total £'000**
On incorporation	-	-	-
Acquired on 17 November 2018	37,514	9,947	47,461
Additions	-	3,148	3,148
As at 4 January 2020	**37,514**	**13,095**	**50,609**
Additions	-	538	538
Write off	-	(103)	(103)
As at 2 January 2021	**37,514**	**13,530**	**51,044**
Accumulated impairment losses and amortisation			
On incorporation	-	-	-
Amortisation for the period	3,582	3,909	7,491
Impairment for the period	891	-	891
As at 4 January 2020	**4,473**	**3,909**	**8,382**
Amortisation for the period	3,173	4,103	7,276
Impairment for the period	24,521	-	24,521
Write off	–	(103)	(103)
As at 2 January 2021	**32,167**	**7,909**	**40,076**
Carrying value as at 4 January 2020	**33,041**	**9,186**	**42,227**
Carrying value as at 2 January 2021	**5,347**	**5,621**	**10,968**

The write off of digital intangible assets in the period relates to website development costs for assets no longer in use.

Impairment assessment

The Directors test the carrying value of the JPI Group's cash generating unit held within the JPI Group for impairment annually, or more frequently, if there are indications that the carrying value is less than the recoverable amount. If an impairment charge is required, this is allocated first to reduce the carrying amount of any goodwill allocated to the cash generating unit and then to the other assets of the cash generating unit, but subject to not reducing any asset below its recoverable amount.

The JPI Group has one identifiable cash generating unit, being the regional business which includes intangible publishing titles, digital intangible assets, goodwill, property, plant and equipment, trade and other receivables and trade and other payables.

In assessing the valuation of the intangible assets, consideration has been given to both the JPIMedia Publishing's acquisition price and to the value-in-use of the cash generating unit, with the intangibles impaired to the higher of these values, as required by IFRS.

The table below provides the summary of the impairment:

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Value-in-use	41,587	11,399
Carrying amount	56,120	35,920
Impairment	(14,533)	(24,521)
Impairment of component parts:		
Goodwill	13,642	N/A
- JPIMedia Publishing	*10,062*	*N/A*
- JPIMedia Publishing subsidiaries	*3,580*	*N/A*
Intangible publishing rights	891	24,521

The Directors consider that publishing titles have finite lives varying from 5 to 16 years. The publishing brands are grouped as one cash generating unit, being the lowest level for which there are separately identifiable cash flows independent of the cash inflows from other assets.

The recoverable amounts of the cash generating unit is determined from value in use calculations. The key assumptions for the value in use calculations are:

- expected changes in underlying revenues and direct costs during the period;
- corporate and central cost allocations;
- growth rates; and
- discount rate.

The key assumptions are presented in the following table:

	Audited **As at 4 January 2020**	***Audited*** **As at 2 January 2021**
Discount rate (WACC)	16.0%	17.0%
Long-term decline rate	(1.0%)	(1.0%)

Based on the existing modelling:

- an increase in the long-term decline rate of 1.0% (which has the effect of increasing the decline from 1% to 2% beyond 2025), would result in a further impairment of £1,000,000; and
- an increase in the discount rate of 1% from 17.0% to 18.0% would result in an additional impairment of £500,000 within the regional business.

The Directors prepare discounted cash flow forecasts using:

- the approved budget for 2021, and projections up to 2025 which reflects management's current experience and future expectations of the markets the cash generating unit operates in, based on information known at the reporting date. This is then forecast into perpetuity from 2025. Changes in underlying revenue and direct costs are based on past practices and expectations of future changes in the market by reference to JPI Group's own experience and, where appropriate, publicly available market estimates. These include changes in demand for print and digital, circulation, cover prices, advertising rates as well as movement in newsprint and production costs and inflation;

- capital expenditure cash flows to reflect the cycle of capital investment required;

- net cash inflows for future years are extrapolated beyond 2025, based on the Directors' view of the estimated annual long-term performance. A long-term decline rate of 1% reflecting the markets view of the long-term decline of the newspaper industry; and

- the Directors' estimates of discount rates that reflect current market assessments of the time value of money, the risks specific to the cash generating unit and the risks that the regional media industry is facing.

The impairment review is highly sensitive to reasonable possible changes in key assumptions used in the value in use calculations. A combination of reasonably possible changes in key assumptions, such as digital growth being slower than forecast or the decline in print revenues, could lead to a further impairment.

Digital intangible assets

Digital intangible assets primarily relate to the JPI Group's local websites and computer software, which form the core platform for JPI Group's digital revenue activities and supports the Editorial and Sales functions. These assets are being amortised using the straight-line method over the expected life, of 3 to 5 years. Amortisation for the period has been charged through cost of sales in the JPI Group, and administration expenses in JPIMedia Publishing. Digital intangible assets are tested for impairment only when there is an indication that the recoverable amount is less than the carrying amount. Costs incurred in the development of websites are only capitalised if the criteria specified in IAS 38 *"Intangible Assets"* are met.

12. Tangible assets

Cost	**Freehold land and buildings £'000**	**Fixture and fittings £'000**	**Office equipment £'000**	**Motor vehicles £'000**	**Total £'000**
On incorporation	-	-	-	-	-
Acquired on 17 November 2018	300	-	1,813	12	2,125
Additions	29	264	762	-	1,055
Disposals	-	-	-	(3)	(3)
As at 4 January 2020	**329**	**264**	**2,575**	**9**	**3,177**
Additions	-	13	463	-	476
Transfers to former group company	-	-	(43)	-	(43)
Write-down	(329)	(277)	-	-	(606)
Disposals	-	-	(110)	(5)	(115)
As at 2 January 2021	**-**	**-**	**2,885**	**4**	**2,889**
Accumulated impairment losses and depreciation					
On incorporation	-	-	-	-	-
Depreciation for the period	9	4	767	10	790
Disposals	-	-	-	(2)	(2)
As at 4 January 2020	**9**	**4**	**767**	**8**	**788**
Depreciation for the period	8	63	803	1	875
Transfers to former group company	-	-	(13)	-	(13)
Write-down	(17)	(67)	-	-	(84)
Disposals	-	-	(110)	(5)	(115)
As at 2 January 2021	**-**	**-**	**1,447**	**4**	**1,451**
Carrying value as at 4 January 2020	**320**	**260**	**1,808**	**1**	**2,389**
Carrying value as at 2 January 2021	**-**	**-**	**1,438**	**-**	**1,438**

Freehold land and buildings and fixture and fittings balances have been fully written off in the current period. Transfer of office equipment were made during the year to the print business which was sold to dmg media Limited on 17 October 2020.

13. Inventories

	Audited As at 4 January 2020 £'000	*Audited* As at 2 January 2021 £'000
Consumables	-	16

Inventories consist of newsprint held at outsourced locations for contract printing of publishing titles. No stock was held in the prior period as supply of newsprint was accounted for within JPIMedia Print Holding Limited, which was sold as part of the print business to dmg media Limited on 17 October 2020.

14. Other financial assets and liabilities

Trade and other receivables

	Audited As at 4 January 2020 £'000	*Audited* As at 2 January 2021 £'000
Trade receivables	11,531	8,636
Allowance for doubtful debts	(234)	(523)
	11,297	**8,113**
Prepayments	2,102	1,604
Other debtors and accrued income	3,662	3,057
	5,764	**4,661**
Current trade and other receivables	**17,061**	**12,774**
Non-current receivables	**-**	**477**
Total trade and other receivables	**17,061**	**13,251**

Net trade receivables

Trade receivables net of credit loss allowance is £8,113,000 (4 January 2020: £11,297,000). The average credit period taken on sales is 35 days (4 January 2020: 38). No interest is charged on the receivables. The Directors measure the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit loss on trade receivables are estimated using a provision matrix by reference to past default experience of the customer and analysis of the customer's current financial position, adjusted for factors that are specific to the customer, general economic conditions of the industry (including the impact of COVID-19) in which the customer operates, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Before accepting any new credit customer, the Directors obtain a credit check from an external agency to assess the potential customer's credit quality, and then define credit terms and limits on a by-customer basis. These credit terms are reviewed regularly. In the case of one-off customers or low value purchases, pre-payment for the goods is required under the JPI Group's policy. The Directors review trade receivables past due but not impaired on a regular basis and consider, based on past experience, that the credit quality of these amounts at the period end date has not deteriorated since the transaction was entered into, and so consider the amounts recoverable.

Movement in the allowance for doubtful debts	*Audited* As at 4 January 2020 £'000	*Audited* As at 2 January 2021 £'000
Balance at the beginning of the period	400	234
Bad debts provided for	17	400
Utilisation	(132)	(101)
Transfer to former group company	(125)	(10)
Credit note provision transfer	74	-
Movement in the period	(166)	290
Balance at the end of the period	**234**	**523**

Ageing of impaired receivables

	Audited As at 4 January 2020 £'000	*Audited* As at 2 January 2021 £'000
Current	11	109
<30 days	17	25
30 – 60 days	29	9
60 – 90 days	41	145
90 – 150 days	64	52
150+ days	72	183
	234	**523**

In determining the recoverability of a trade receivable, the Directors consider any change in the credit quality of the customer from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated, with the exception of the Mediaforce companies who following the Acquisition by the Company are now related parties. Accordingly, the Directors believe that there is no further credit provision required in excess of the allowance for doubtful debts.

Non-current receivables include £0.3 million of deposits on leasehold properties (4 January 2020: £nil) and £0.2 million of supplier deposits of (4 January 2020: £nil).

Cash and cash equivalents

	Audited As at 4 January 2020 £'000	*Audited* As at 2 January 2021 £'000
Cash and cash equivalents	16,552	472
Restricted cash[1]	2,500	-
Total cash and cash equivalents	**19,052**	**472**

[1] The £2,500,000 of cash was held in a separate Lloyds Bank Plc account secured under a "Deposit Agreement" as security for the BACS facility. This was repaid in December 2020. £1,500,000 of cash was held in a separate Barclays Bank Plc account in the name of JPIMedia Publishing at Completion Date but has been de-recognised as an asset as described in Note 24 "Commitments, guarantees and contingent liabilities" to the JPI Group Financial Information.

Trade and other payables

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Trade payables	2,591	1,761
Accruals	5,829	5,440
VAT	1,651	2,379
Social security and PAYE	1,338	1,151
Deferred revenue	2,230	2,734
Other payables	1,144	307
JPIMedia[1]	-	4,717
Working capital contributions payable to JPIMedia Publications Limited	2,200	-
Total trade and other payables	**16,983**	**18,489**

[1] Balance payable to the former parent company, JPIMedia, represents the amount outstanding at 2 January 2021 and was repaid on 4 January 2021.

Trade payables and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

VAT includes £1,245,000 of deferred VAT due to UK Government concessions in relation to COVID-19, which JPIMedia Publishing will commence repaying to HMRC from March 2021.

The Directors consider that the carrying amounts of trade and other payables at the reporting date approximate to their fair value.

15. Contract assets and liabilities

Contract assets (accrued income) primarily relate to JPIMedia Publishing's right to consideration for work completed but not billed at the reporting date. Contract liabilities (deferred income) primarily relate to the consideration received from customers in advance of transferring a good or service. The following table presents the significant movements in the period for both contract assets and liabilities:

	Contract asset £'000	**Contract liability £'000**
At acquisition of trading business	3,052	(2,622)
Decrease due to balance transferred to trade receivables	(3,052)	-
Increases due to revenue recognised in period	1,980	-
Decreases due to revenue recognised in the period	-	2,542
Increase due to cash received	-	(2,150)
As at 4 January 2020	**1,980**	**(2,230)**
Decrease due to balance transferred to trade receivables	(1,980)	-
Increases due to revenue recognised in period	1,989	-
Decreases due to revenue recognised in the period	-	1,571
Increase due to cash received	-	(2,075)
As at 2 January 2021	**1,989**	**(2,734)**

For instances where the performance obligation has been fulfilled, but the customer has not yet been billed, revenue is recognised and a contract asset is recognised. The contract asset is released once a sales invoice has been issued. The largest accrued income balance is with regards to newspaper circulation revenue for the last week of the period, which was billed after the period end.

Where a performance obligation has not been fulfilled, revenue is deferred and a contract liability is recognised. Once the performance obligation has been fulfilled, the contract liability is released and the revenue is recognised.

16. Intercompany balances

The JPI Group was part of the JPIMedia Holdings Limited group until 2 January 2021 (Note 26 *"Related party transactions"* to the JPI Group Financial Information provides further details).

As at 2 January 2021, the JPI Group and JPIMedia Publishing had the following intercompany balances payable. Amounts owed are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Intercompany balances at 2 January 2021

	JPI Group £'000	JPIMedia Publishing £'000
JPIMedia Off Road Limited	-	(10)
Total intercompany amounts payable	**-**	**(10)**

Intercompany balances at 4 January 2020

	JPI Group £'000	JPIMedia Publishing £'000
Intercompany receivable	8,829	8,829
Intercompany payable	(87,621)	(50,125)
Net intercompany liability	**(78,792)**	**(41,294)**

17. Leases

The JPI Group leases office buildings and motor vehicles to be used in its operations. Leases of offices generally have terms between 2 and 10 years, with longer period leases having a break clause after year 5. Vehicles generally have a term of 4 years and are principally utilised by the sales, editorial and IT departments. With the exception of short-term leases and leases of low value underlying assets, each lease is reflected on the Statement of Financial Position as a right-of-use asset and a lease liability.

Carrying value of right-of-use assets

The carrying value of right-of-use assets recognised and the movements during the period are set out below:

	Property and buildings £'000	Motor Vehicles £'000	Total £'000
At 4 January 2020	-	-	-
Change in accounting policy – initial application of IFRS 16	3,730	807	4,537
As at 5 January 2020	3,730	807	4,537
Additions	-	60	60
Depreciation charge	(1,097)	(324)	(1,421)
As at 2 January 2021	**2,633**	**543**	**3,176**

Carrying value of lease liabilities

The carrying amounts of lease liabilities and the movements during the period are set out below:

	Property and buildings £'000	Motor Vehicles £'000	Total £'000
At 4 January 2020	-	-	-
Change in accounting policy – initial application of IFRS 16	3,588	836	4,424
At 5 January 2020	3,588	836	4,424
New leases	-	60	60
Interest charge	246	58	304
Lease payments	(1,237)	(372)	(1,609)
At 2 January 2021	**2,597**	**582**	**3,179**

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Current liabilities	1,245	1,353
Non-current liabilities	3,179	1,826
Total	**4,424**	**3,179**

The Directors have elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less) or for leases of low value assets (less than £4,000). Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not recognised, as lease liabilities and are expensed as incurred.

Amounts recognised in profit and loss

The following amounts are recognised in the loss for the period:

	Audited **52 weeks to 2 January 2021 £'000**
Depreciation of right of use assets	1,421
Interest expense	304
Expenses relating to short term and low value assets not included in lease liabilities	602
Total	**2,327**

18. Retirement benefit obligation

The JPI Group contributes to two defined contribution schemes:

- the JPIMedia Retirement Savings Plan, a defined contribution master trust; and
- Scotsman Stakeholder Pension plan.

Both plans are administered by Scottish Widows. In the period, employer contributions range from 3% of qualifying earnings for employees statutorily enrolled, through to 12% of basic salary for Senior Executives. The amount due to be paid into these schemes at the reporting date is £315,000 (4 January 2020: £381,000). Note 7 *"Employees and directors"* to the JPI Group Financial Information provides employee salary details.

19. Deferred tax

In compliance with IFRS, deferred tax is calculated at the tax rate that has been enacted or substantively enacted at the reporting date. The corporation tax rate of 19%, substantively enacted by parliament and applicable for the year beginning 1 April 2020, has been used to calculate the deferred tax liability for the period ending 2 January 2021. The rate of 17% was used to calculate the deferred tax liability for the prior period, as this was the enacted rate applicable for that reporting period.

The following are the major deferred tax assets and liabilities recognised by the JPI Group, and movements thereon, during the current and prior reporting periods.

	Tax losses £'000	**Accelerated tax depreciation £'000**	**Intangible assets £'000**	**Total £'000**
Opening balance	-	-	(3,596)	(3,596)
Credit to Statement of Comprehensive Income	1,118	(130)	495	1,483
As at 4 January 2020	**1,118**	**(130)**	**(3,101)**	**(2,113)**
Credit to Statement of Comprehensive Income	(733)	120	2,974	2,361
Increase in deferred tax rate to 19%	132	(15)	(365)	(248)
As at 2 January 2021	**517**	**(25)**	**(492)**	**-**

Certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances (before offset) for financial reporting purposes:

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Deferred tax liabilities	(3,231)	(517)
Deferred tax assets	1,118	517
Net deferred tax liability	**(2,113)**	**-**

As at 2 January 2021, a £517,000 deferred tax asset has been recognised, regarding carry forward tax losses. No deferred tax asset has been recognised in respect of the net accumulated amounts carried forward, totalling £3,810,000 (4 January 2020: £nil), (available for offset against future taxable profits) as there is uncertainty regarding the timing of when these amounts will be recovered and agreement with former parent to utilise losses for the JPI Group:

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Tax losses – unrecognised deferred tax asset	-	3,887
Total	**-**	**3,887**

20. Provisions

	Onerous IT contracts £'000	Licence to occupy arrangements £'000	Dilapidations £'000	Total £'000
Acquired on 17 November 2018	–	223	–	223
Additional provision in the period	138	–	500	638
Utilisation of provision	(133)	(219)	–	(352)
Release of provision	–	(4)	–	(4)
As at 4 January 2020	5	–	500	505
Release of provision	(5)	-	-	(5)
As at 2 January 2021	**-**	**-**	**500**	**500**
Non-current provisions	–	–	500	500
Total provisions	**-**	**–**	**500**	**500**

Onerous IT contracts

Short-term onerous IT licence provisions arising from business reorganisations. The provision has been released in full during the current period.

Licence to occupy arrangements

This provision related to onerous costs associated with licence to occupy arrangements on under occupied properties which have since been disposed of.

Leasehold property dilapidations provision

The provision for leasehold dilapidations relates to the contractual obligations to reinstate leasehold properties to their original state at the lease expiry date. JPIMedia Publishing has assessed the entire portfolio and made provisions depending on the state of the property and the duration of the lease and likely rectification requirements. During the 52-week period ended 2 January 2020, there were no changes to the property portfolio that would require additional or a change to the dilapidations provision. No new IFRS 16 *"Leases"* leases or other licence to occupy agreements have been entered into that require an end of lease/licence dilapidation provision to be made. There were also no changes of circumstances in the properties that have an existing dilapidation provision that have changed the Directors' view on the level of the current provision held.

21. Share capital and share premium

	Number of shares '000	Ordinary Shares £'000	Share premium £'000
Authorised, issued and fully paid up			
At incorporation			
Shares issued	–	–	–
As at 4 January 2020	–	–	–
Shares issued	1	–	55,978
As at 2 January 2021	**1**	**–**	**55,978**

On 3 August 2018, the date of incorporation for JPIMedia Publishing, 1 ordinary share with a nominal value of £0.01 was allotted.

On 2 January 2021, 1,000 ordinary shares with a nominal value of £0.01 each were allotted as part of the Acquisition of JPIMedia Publishing by National World. This resulted in a share premium balance of £55,978,000.

The ordinary shares are not redeemable. Each ordinary share ranks equally for any dividend declared and distributions made on winding up of JPIMedia Publishing. Each ordinary shareholder is entitled to one vote for one share held and shares rank equally for voting purposes.

JPIMedia Publishing has one class of ordinary shares which carry no right to fixed income. No dividends were paid during the period (74 weeks to 4 January 2020: £nil).

22. Reserves

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Share capital account	-	-
Share premium account	-	55,978
Retained losses	(17,664)	(48,825)
Total	**(17,664)**	**7,153**

The retained losses represent cumulative losses.

23. Notes to the Cash Flow Statement

	Notes	***Audited*** **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Loss for the period		(19,308)	(33,004)
Adjustments for:			
Impairment of intangible assets	11	891	24,521
Impairment of goodwill	10	13,642	-
Write-off of tangible assets	12	-	522
Amortisation of intangible assets	11	7,491	7,276
Depreciation charges	12 & 17	790	2,296
Profit on disposal of property, plant and equipment		1	-
		3,507	**1,611**
Movement in provisions		282	(5)
Increase in inventories		-	(16)
Decrease in receivables		9,193	3,668
(Decrease)/increase in payables		11,943	1,522
Cash generated from operations		**24,925**	**6,780**

Cash and cash equivalents (which are presented as a single class of assets on the face of the Statement of Financial Position) comprise cash at bank.

24. Changes in liabilities arising from financing activities

The table below details changes in the JPI Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the JPI Group's consolidated Statement of Cash Flows as *"cash flows from financial activities"*:

	Note	***Audited*** **As at 4 January 2020 £'000**	**Cash inflow from issue of debt £'000**	**Cash outflow on repayment of debt £'000**	**Non-cash movements £'000**	***Audited*** **As at 2 January 2021 £'000**
Leases	17	-	-	(1,609)	4,788	3,179
Total liabilities from financing activities		**-**	**-**	**(1,609)**	**4,788**	**3,179**

There were no liabilities from financing activities during the prior period.

25. Commitments, guarantees and contingent liabilities

Licence to occupy

On 17 November 2018, the JPIMedia Holdings Limited group purchased the trading business and assets of Johnston Press. As part of the acquisition, JPIMedia Publishing entered into Licence to Occupy arrangements with the administrators of Johnston Press for various leased or licenced properties. Several of the properties were significantly under occupied and their licences to occupy were terminated. Of the remaining properties, several were converted to operating leases (now classified as leases under IFRS 16 *"Leases"*), however the majority are simple short-term leases (ending within 12 months) or with short-break notices available and do not meet the requirements to be classified under IFRS 16 *"Leases"*. The rent payable for these properties is expensed as incurred. During the 52-week period ended 2 January 2021, £696,000 was expensed (74 weeks to 4 January 2020: £2,015,000).

The licence to occupy future committed spend is as follows:

	<12 months £'000
Licence to occupy future commitments	**98**

Contingent liabilities and securities

JPIMedia Publishing is subject to a registered charge by Barclays Bank PLC, relating to £1,500,000 of funds held by Barclays Bank PLC. These funds are not held on the JPI Group Statement of Financial Position as the terms of the Acquisition Agreement with the Company dated 2 January 2021 specify these funds are held for the ultimate benefit of JPIMedia. Funds are repayable to JPIMedia on the earlier of either the release of the security by Barclays Bank PLC or 18 months from JPI Group's acquisition by the Company.

On 17 November 2018, the former parent undertaking, JPIMedia Holdings Limited together with its subsidiaries entered into a Note Purchase Agreement with Global Loan Agency Services Limited (as Agent), GLAS Trust Corporation Limited (as Security Agent) and various institutions, as a condition of which it (and each relevant member of its group) granted security over all of its assets (subject to certain specified exceptions). As part of the Acquisition by the Company, which completed on 2 January 2021, the charges over the assets held be GLAS Trust Corporation Limited (as Security Agent) for the JPI Group were released.

The JPI Group has no known material contingent liabilities as at 2 January 2021.

26. Related party transactions

JPI Group formed part of the JPIMedia Holdings Limited group until 2 January 2021, when it was acquired by National World. Transactions between members of the JPIMedia Holdings Limited Group, up to the date of the disposal, are not disclosed where the transactions were between two wholly owned subsidiaries. JPI Group has trade with related parties in the normal course of operations.

The Company

On 2 January 2021, the Company acquired the JPI Group from JPIMedia Publishing's former ultimate parent entity, JPIMedia Holdings Limited. The Company now holds 100% of the issued ordinary shares of JPIMedia Publishing. There were no transactions with the Company during the 52-week period ended 2 January 2021 (74 weeks to 4 January 2020: £nil). In January 2021, the Company provided a working capital facility of £10,500,000 to enable JPI Group to fund the repayment of £4,717,000 due by JPI Group to the former parent undertaking, JPIMedia, at Completion and for working capital.

Transactions with former JPIMedia Holdings Limited group subsidiaries

On 17th October 2020, JPIMedia Holdings Limited disposed of JPIMedia Print Holdings Limited and its subsidiaries to dmg media Limited. As part of the sale, a business services agreement was entered into between JPIMedia Publishing and JPIMedia Print Holdings Limited to ensure that JPIMedia Publishing would provide certain services to JPIMedia Print Holdings Limited on a transitional basis, initially for a six-month period. JPIMedia Publishing processed the payroll for JPIMedia Print Holdings Limited until 1 January 2021. Sundry income of £55,000 has been recognised by the JPI Group regarding this agreement (74 weeks to 4 January 2020: £nil). The JPI Group had a £55,000 receivable as at 2 January 2021, in relation to cost recharges, which has been recovered from JPIMedia Print Holdings Limited post period-end (4 January 2020: £nil).

On 29 November 2019, JPIMedia disposed of the JPIMedia Publications Limited to dmg media Limited. A business services agreement was entered into between JPIMedia Publishing and JPIMedia Publications Limited to ensure that JPIMedia Publishing would provide certain services to JPIMedia Publications Limited on a transitional basis. The business services agreement ended in June 2020. In the 52-week period ended 2 January 2021, £306,000 of sundry income was recognised by the JPI Group relating to this agreement (74 weeks to 4 January 2020: £51,000). The JPI Group had a £106,000 payable as at 2 January 2021 in relation to newspaper subscription cash collections, which has been remitted to JPIMedia Publications Limited post year-end (4 January 2020: £nil).

Director related transactions

The aggregated transactions which are considered to be material are:

	Audited **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**
Sales	-	-
Purchases	610	404

JPIMedia Holdings Limited paid £404,000 (74 weeks to 4 January 2020: £610,000) in consultancy fees to a company, in which a director (who resigned on 2 January 2021) has an interest, for services rendered to JPIMedia Holdings Limited, the former parent of JPIMedia Publishing Limited. Under the terms of the agreement, amounts paid were as follows:

- £242,000 success fee for the completion of the disposal of JPIMedia Print Holdings Limited and JPIMedia Publishing (74 weeks to 4 January 2020: £430,000 success fee for the completion of JPIMedia Publications Limited disposal); and

- £162,000 in relation to support on strategic and operational matters to address structural challenges, paid as a monthly retainer (74 weeks to 4 January 2020: £180,000).

As at 2 January 2021, the balances outstanding in relation to these related parties amounted to £nil (4 January 2020: £15,000).

The remuneration of the directors of JPIMedia Publishing is set out in aggregate in Note 7 *"Employees and directors"* to the JPI Group Financial Information.

Other related parties

Following the Acquisition of the JPI Group by the Company, which completed on 2 January 2021, the Mediaforce companies are a related party as Mediaforce (Holdings) Limited holds £6.0 million of Convertible Secured Loan Notes issued by the Company.

27. Financial instruments

Capital risk management

The capital structure of the JPI Group consists of cash and cash equivalents (Note 14 *"Other financial assets and liabilities"* to the JPI Group Financial Information) and equity attributable to equity holders of JPIMedia Publishing, comprising issued share capital, reserves and retained earnings as disclosed in Note 21 *"Share capital and share premium"* and Note 22 *"Reserves"* to the JPI Group Financial Information and in the Statement of Changes in Equity.

Categories of financial instruments

	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Financial assets (current and non-current)		
Trade and other receivables	14,959	11,647
Cash and cash equivalents	19,052	472
Financial liabilities (current and non-current)		
Trade and other payables	(14,753)	(11,038)

Each of the financial instruments identified are measured at amortised cost.

The component parts of trade and other receivables is presented in Note 14 *"Other financial assets and liabilities"* to the JPI Group Financial Information but excludes prepayments.

The component parts of trade and other creditors are presented in Note 14 *"Other financial assets and liabilities"* to the JPI Group Financial Information, but excludes deferred income and amounts payable to JPIMedia.

Financial risk management objectives

The JPI Group's treasury function supports the business and with the JPI Group's finance department, monitors and manages the financial risks relating to the operations of the JPI Group through assessment of the exposures by degree and magnitude of risk. These risks include market risk, credit risk, and liquidity risk.

Market risk

The JPI Group is not exposed to interest rate risk as it has no external borrowings and funding by its parent, the Company, is interest free. The JPI Group's activities do expose it to the financial risk of changes in foreign currency exchange, but this is not considered to be material.

At a group and company level, market risk exposures are assessed using sensitivity analyses.

Foreign currency risk management

The JPI Group undertakes certain operational transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise.

The carrying amounts of the JPI Group's foreign currency-denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		**Assets**	
	Audited **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**	***Audited*** **As at 4 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Euro				
Trade receivables	–	–	10	6
Cash and cash equivalents	–	–	116	6
Trade payables	(16)	(10)	–	–
US dollar				
Cash and cash equivalents	–	–	106	1
Trade payables	(100)	(31)	–	–

Foreign currency sensitivity

The following table details the JPI Group's sensitivity to a 5% change in pounds sterling against the Euro and a 5% change in pounds sterling against the US dollar. These percentages are the rates used by the Directors when assessing sensitivities internally and represent the Directors' assessment of the possible change in foreign currency rates.

The JPI Group does not hedge the Euro income or deposits or trade payables because the risk of foreign exchange movements is not deemed to be significant.

The sensitivity analysis of the JPI Group's exposure to foreign currency risk at the reporting date has been determined based on the change taking place at the beginning of the financial period and held constant throughout the reporting period. A positive number indicates an increase in profit or loss and other equity, where pounds sterling strengthens against the respective currency. For a 5% weakening of the sterling against the relevant currency, there is an equal and opposite impact on profit or loss and other equity, and the balances below reverse signs.

	Euro currency impact		**US dollar currency impact**	
5% strengthening of pounds sterling (£)	***Audited*** **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**	***Audited*** **74 weeks to 4 January 2020 £'000**	***Audited*** **52 weeks to 2 January 2021 £'000**

(Loss)/profit	(5)	-	-	2

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the JPI Group. The JPI Group has adopted a policy of only dealing with creditworthy counterparties as a way of mitigating the risk of financial loss from defaults. The JPI Group's policy on dealing with trade customers is described in Note 14 *"Other financial assets and liabilities"* to the JPI Group Financial Information.

The JPI Group's exposure and the credit ratings of its counterparties are continuously monitored. As far as possible, the aggregate value of transactions is spread across a number of approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The JPI Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics, the latter being defined as connected entities, other than with some of the larger advertising agencies. In the case of the latter, a close relationship exists between the JPI Group and the agencies and appropriate allowances for doubtful debts are in place. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The following table shows the total estimated exposure to credit risk for all of the JPI Group's financial assets, excluding trade receivables which are discussed in Note 14 *"Other financial assets and liabilities"* to the JPI Group Financial Information:

		Audited **As at 4 January 2020**		***Audited*** **As at 2 January 2021**
	Carrying value £'000	**Exposure to credit risk £'000**	**Carrying value £'000**	**Exposure to credit risk £'000**
Cash and cash equivalents	**19,052**	**–**	**472**	**–**

Liquidity risk management

Liquidity risk results from having insufficient financial resources to meet day-to-day fluctuations in working capital and cash flow. Ultimate responsibility for liquidity risk management rests with the Directors. The Directors manage the JPI Group's liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. Additionally, the Company is committed to providing funding to the JPI Group as necessary, and as described in Note 29 *"Events after the reporting period"* to the JPI Group Financial Information.

28. Effects of changes in accounting policies

The JPI Group adopted IFRS 16 *"Leases"* with a transition date of 5 January 2020, but has chosen not to restate comparatives for the prior reporting period as permitted under the specific transitional provisions in the standard. The reclassifications and adjustments arising from the new standard are recognised in the opening balances on the Statement of Financial Position as at 5 January 2020.

Impact on the Statement of Financial Position

The new standard has been applied using the modified retrospective approach, with the cumulative effect of adopting IFRS 16 *"Leases"* being recognised in equity as an adjustment to the opening balance of retained earnings for the current period. The change in accounting policy affected the following items on the Statement of Financial Position as at 5 January 2020:

	Increase/ decrease	**£'000**
Right of use assets	Increase	4,537
Prepayments	Decrease	(141)
Payables	Decrease	15
Lease liabilities	Increase	(4,424)

The net impact on retained earnings on 5 January 2020 was a decrease of £13,000.

Lease liabilities

On adoption of IFRS 16 *"Leases*", the JPI Group recognised lease liabilities in relation to leases previously classified as *"operating leases"* under the principles of IAS 17 *"Leases"*. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 5 January 2020.

The lease liabilities as at 2 January 2021 and 5 January 2020 were as follows:

	Audited **As at 5 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Current liabilities	1,245	1,353
Non-current liabilities	3,179	1,826
Total	**4,424**	**3,179**

Lease liabilities recorded as at 5 January 2020 can be reconciled to operating lease disclosures as at 4 January 2020 as follows:

	£'000
Operating lease commitments as at 4 January 2020	**6,276**
(Less) Short-term and low value leases recognised on a straight-line basis as expense	(403)
(Less) Licence to occupy costs recognised on a straight-line basis as expense	(566)
(Less) Variable expenses relating to leases and prepayments	(276)
Operating lease liabilities before discounting	**5,031**
Effect of discounting	(638)
Recognition of lease extension options	31
Lease liability recognised as at 5 January 2020	**4,424**

Right-of-use assets

Right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of prepaid or accrued lease payments relating to leases and dilapidations assets recognised on the Statement of Financial Position as at 4 January 2020. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets relate to the following types of assets:

	Audited **As at 5 January 2020 £'000**	***Audited*** **As at 2 January 2021 £'000**
Property and buildings	3,730	2,633
Motor vehicles	807	543
Total	**4,537**	**3,176**

Impact on the Statement of Comprehensive Income

For the 52-week period ended 2 January 2021, operating loss was £188,000 higher as a result of applying IFRS 16 *"Leases"* due to a portion of the lease expense now being recorded as interest expense. Profit before tax was £116,000 lower due to interest expenses being higher at the beginning of the lease term. EBITDA has been positively impacted as lease expenses previously classified as operating expenses are now recognised as a combination of depreciation and interest costs. During the period, £1,421,000 of depreciation and £304,000 of interest expense on IFRS 16 *"Leases"* leases has been recognised, instead of a £1,610,000 charge for operating lease expenses.

Impact on the Statement of Cash Flows

Payments in respect of leases which were previously recognised within *"cash flows from operating activities"* are now recorded within *"cash flows from financing activities"*, separated between payment of interest and payment of principal elements. This has increased *"net cash generated from operations"* and *"increased net cash used in financing activities"* by £1,483,000.

Judgements and estimates

Extension and termination options are included in a number of property leases. These terms are used to maximise operational flexibility in terms of managing contracts. The extension and termination options held are exercisable only by the JPI Group and not by the respective lessor. In determining the lease term, the Directors consider all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential gross future cash flows of £4,179,000 have not been included in the lease liability as it is not reasonably certain that the leases will be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee. During the 52-week period ended 2 January 2021, there were no leases where this assessment was changed.

29. Events after the reporting period

In January 2021, the Company, the new ultimate parent, provided a working capital facility of £10,500,000 to fund the repayment of £4,717,000 due to the former parent undertaking, JPIMedia, and for working capital.

30. Ultimate controlling party

On 2 January 2021, the Company acquired the JPI Group from JPIMedia Publishing's former ultimate parent entity, JPIMedia Holdings Limited. The Company now holds 100% of the issued ordinary shares of JPIMedia Publishing.

31. Nature of the JPI Group Financial Information

The JPI Group Financial Information presented above does not constitute statutory financial statements for the periods under review.

PART XII

PRO FORMA FINANCIAL INFORMATION

SECTION (A) – ACCOUNTANT'S REPORT ON THE *PRO FORMA* FINANCIAL INFORMATION

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4 May 2021

The Directors
National World plc
201 Temple Chambers
3-7 Temple Avenue
London EC4Y 0DT

Dear Sirs,

Introduction

We report on the unaudited *pro forma* statement of financial position of National World plc (the "**Company**") as at 31 December 2020 and on the unaudited *pro forma* statement of comprehensive income for the year then ended (together, the "***Pro Forma* Financial Information**") set out in *Section (B) – Unaudited Pro Forma Financial Information* of *Part X – Financial Information of the Company* in the Company's prospectus dated 4 May 2021 (the "**Prospectus**").

Opinion

In our opinion:

- the *Pro Forma* Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the directors of the Company (the "**Directors**") to prepare the *Pro Forma* Financial Information in accordance with Section 1 and Section 2 of Annex 20 of the UK version Regulation number 2019/980, supplementing Regulation number 2017/1129, of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**Prospectus Regulation**").

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 of the Prospectus Regulation, as to the proper compilation of the *Pro Forma* Financial Information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the *Pro Forma* Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of preparation

The *Pro Forma* Financial Information has been prepared on the basis described, for illustrative purposes only, to provide information about how:

- the acquisition of JPIMedia Publishing Limited on 2 January 2021;
- the issue of the additional certain Convertible Secured Loan Notes on 21 January 2021 and 8 February 2021 with an aggregate value of £11,575,000;
- the issue of the Unsecured Loan Notes on 12 February 2021 with an aggregate value of £1,000,000;
- the conversion of £20,000,000 of Convertible Secured Loan Notes into ordinary shares of the Company; and
- settlement of the admission costs,

might have affected the assets, liabilities, equity and earnings presented on the basis of the accounting policies adopted by the Company in preparing the audited financial information for the year ended 31 December 2020. This report is required by Section 3 of Annex 20 of the Prospectus Regulation and is given for the purpose of complying with that requirement and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company and JPIMedia Publishing Limited in accordance with the Financial Reporting Council's Ethical Standard, as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the *Pro Forma* Financial Information with the Directors.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with reasonable assurance that the *Pro Forma* Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Declaration

For the purpose of Prospectus Regulation Rule 5.3.2R(2)(f), we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex 1 of the Prospectus Regulation.

Yours faithfully,

Crowe U.K. LLP

Chartered Accountants

SECTION (B) – *PRO FORMA* FINANCIAL INFORMATION

Set out below is the unaudited *pro forma* Statement of Financial Position of the Company as at 31 December 2020 and the unaudited *pro forma* Statement of Comprehensive Income for the year then ended (together, the "***Pro Forma* Financial Information**"). The *Pro Forma* Financial Information has been prepared on the basis of the accounting policies adopted by the Company in preparing its audited financial information for the year ended 31 December 2020 incorporated by reference in *Part X – Financial Information of the Company* of this Prospectus and on the basis set out in the notes below, to illustrate the effects of:

- the Acquisition;
- the issue of Convertible Secured Loan Notes between 21 January 2021 and 8 February 2021 with an aggregate value of £11,575,000;
- the issue of the £1,000,000 Unsecured Loan Notes on 12 February 2021;
- the conversion of £20,000,000 Convertible Secured Loan Notes into Ordinary Shares; and
- settlement of the Admission Costs,

on the assets, liabilities and equity of the Company had the Acquisition, the issue of the balance of the Convertible Secured Loan Notes, the issue of the Unsecured Loan Notes, the conversion of the Convertible Secured Loan Notes and settlement of the Admission Costs occurred on 31 December 2020 and on its earnings for the year then ended had the Acquisition, the issue of the balance of the Convertible Secured Loan Notes, the issue of the Unsecured Loan Notes, the conversion of the Convertible Secured Loan Notes and settlement of the Admission Costs occurred on 1 January 2020.

The *Pro Forma* Financial Information has been prepared for illustrative purposes only. Due of its nature, the *Pro Forma* Financial Information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position as at 31 December 2020 or of its earnings for the year then ended. It is based on:

- the Company Financial Information incorporated by reference in *Part X – Financial Information of the Company* of this Prospectus; and
- the JPI Group Financial Information included in *Part XI – Financial Information of JPI Group* of this Prospectus.

Users should read the whole of this Prospectus and not rely solely on the *Pro Forma* Financial Information contained in this *Section (B) – Pro Forma Financial Information* of *Part XII – Pro Forma Financial Information* of this Prospectus.

The report on the *Pro Forma* Financial Information is set out in *Section (A) – Accountant's Report on the Pro Forma Financial Information* of *Part XII – Pro Forma Financial Information* of this Prospectus.

Unaudited *pro forma* Statement of Financial Position

	Company as at 31 December 2020 (Note 1) £'000	*Adjustment* JPI Group as at 2 January 2021 (Note 2) £'000	*Adjustment* Issue of the balance of Convertible Secured Loan Notes and Unsecured Loan Notes (Note 3) £'000	*Adjustment* Conversions of the Convertible Secured Loan Notes (Note 4) £'000	*Adjustment* Acquisition and consolidation of JPI Group (Note 5) £'000	*Adjustment* Settlement of Admission Costs (Note 6) £'000	*Pro forma* balances as at 31 December 2020 £'000
Intangible assets	-	10,968	-	-	33	-	**11,101**
Tangible assets	-	1,438	-	-	-	-	**1,438**
Right-of-use-assets	-	3,176	-	-	-	-	**3,176**
Trade and other receivables	-	477	-	-	-	-	**477**
Non-current assets	**-**	**16,059**	**-**	**-**	**33**	**-**	**16,092**
Trade and other receivables	8	12,774	-	-	-	-	**12,782**
Inventory	-	16	-	-	-	-	**16**
Cash and cash equivalents	12,693	472	11,975	-	(6,903)	(700)	**17,537**
Current assets	**12,701**	**13,262**	**11,975**	**-**	**(6,903)**	**(700)**	**30,335**
Total assets	**12,701**	**29,321**	**11,975**	**-**	**(6,870)**	**(700)**	**46,427**
Share capital	54	-	-	200	-	-	**254**
Share premium	4,724	55,978	-	21,802	(55,978)	(551)	**25,975**
Accumulated losses	(1,408)	(48,825)	(600)	(2,000)	48,825	(149)	**(4,157)**
Equity	**3,370**	**7,153**	**(600)**	**20,002**	**(7,153)**	**(700)**	**22,072**
Leases	-	1,826	-	-	-	-	**1,826**
Convertible Secured Loan Notes	8,427	-	11,575	(20,002)	-	-	**-**
Unsecured Loan Notes	-	-	1,000	-	-	-	**1,000**
Long-term provisions	-	500	-	-	-	-	**500**
Deferred acquisition liabilities	-	-	-	-	5,000	-	**5,000**
Non-current liabilities	**8,427**	**2,326**	**12,575**	**(20,002)**	**5,000**	**-**	**8,326**
Trade and other payables	904	18,489	-	-	(4,717)	-	**14,676**
Leases	-	1,353	-	-	-	-	**1,353**
Current liabilities	**904**	**19,842**	**-**	**-**	**(4,717)**	**-**	**16,029**
Total liabilities	**9,331**	**22,168**	**12,575**	**(20,002)**	**283**	**-**	**24,355**
Equity and liabilities	**12,701**	**29,321**	**11,975**	**-**	**(6,870)**	**(700)**	**46,427**

Unaudited *pro forma* Statement of Comprehensive Income

	Company Year ended 31 December 2020 (Note 1) £'000	***Adjustment*** JPI Group 366-day period (Note 2) £'000	***Adjustment*** Issue of the balance of Convertible Secured Loan Notes and Unsecured Loan Notes (Note 3) £'000	***Adjustment*** Conversions of the Convertible Secured Loan Notes (Note 4) £'000	***Adjustment*** Acquisition and consolidation of JPI Group (Note 5) £'000	***Adjustment*** Settlement of Admission Costs (Note 6) £'000	***Pro forma*** results year ended 31 December 2020 £'000
Revenue	-	88,647	-	-	-	-	**88,647**
Cost of sales	-	(73,269)	-	-	-	-	(73,269)
Gross profit	**-**	**15,378**	**-**	**-**	**-**	**-**	**15,378**
Acquisition costs	(839)	-	(600)	-	-	-	(1,439)
Administrative expenses	(244)	(17,286)	-	-	-	(149)	(17,679)
Exceptional items:							
Impairment of intangible assets	-	(24,656)	-	-	-	-	(24,656)
Write-off of fixed assets	-	(525)	-	-	-	-	(525)
Restructuring, redundancy and reorganisation costs	-	(3,543)	-	-	-	-	(3,543)
Aborted transaction fees	-	(1,014)	-	-	-	-	(1,014)
De-recognition of restricted cash	-	(1,508)	-	-	-	-	(1,508)
Other	-	(31)	-	-	-	-	(31)
Operating loss	**(1,083)**	**(33,185)**	**(600)**	**-**	**-**	**(149)**	**(35,017)**
Finance income	12	47	-	-	-	-	59
Finance costs	(2)	(306)	(150)	2	-	-	(456)
Loss before taxation	**(1,073)**	**(33,444)**	**(750)**	**2**	**-**	**(149)**	**(35,414)**
Taxation	-	2,125	-	-	-	-	2,125
Loss after taxation	**(1,073)**	**(31,319)**	**(750)**	**2**	**-**	**(149)**	**(33,289)**

Notes

1. The financial information of the Company as at 31 December 2020 and for the 52-week period then ended has been extracted, without adjustment, from audited Company Financial Information incorporated by reference in *Part X – Financial Information of the Company* of this Prospectus.

2. The adjustment to the *pro forma* Statement of Financial Position represents the addition of the audited assets, equity and liabilities of JPI Group as at 2 January 2021, as extracted, without adjustment from *Section (B) – Financial Information of JPI Group* of *Part XI – Financial Information of JPI Group* of this Prospectus.

   The adjustment to the *pro forma* Statement of Comprehensive Income represents the addition of the results of JPI Group for a 366-day period, as extracted from *Section (B) – Financial Information of JPI Group* of *Part XI – Historical Financial Information of the Group* of this Prospectus and adjusted to time-apportion the results for the 52-week period to a 366-day period to match the reporting period of the Company, being the year ended 31 December 2020 (a 366-day period). The time-apportionment adjustment adds 2 days of results from the 364 days included in the results for the 52-week period ended 2 January 2021, resulting in adjusted results for a 366-day period. The adjustment is as follows:

	Audited **JPI Group 52 weeks to 2 January 2021 £'000**	***Adjustment*** **Addition of 2 days' results £'000**	***Adjustment*** **JPI Group 366-day period £'000**
Revenue	88,163	484	88,647
Cost of sales	(72,869)	(400)	(73,269)
Gross profit	**15,294**	**84**	**15,378**
Administrative expenses	(17,192)	(94)	(17,286)
Exceptional items:			
Impairment of intangible assets	(24,521)	(135)	(24,656)
Write-off of fixed assets	(522)	(3)	(525)
Restructuring, redundancy and reorganisation costs	(3,524)	(19)	(3,543)
Aborted transaction fees	(1,008)	(6)	(1,014)
De-recognition of restricted cash	(1,500)	(8)	(1,508)
Other	(31)	-	(31)
Operating loss	**(33,004)**	**(181)**	**(33,185)**
Finance income	47	-	47
Finance costs	(304)	(2)	(306)
Loss before taxation	**(33,261)**	**(183)**	**(33,444)**
Taxation	2,113	12	2,125
Loss after taxation	**(31,148)**	**(171)**	**(31,319)**

3. The adjustment to cash and cash equivalents of £11,975,000 represents the issue of the balance of the £11,575,000 Convertible Secured Loan Notes, less associated issue costs of £600,000, and the issue of the £1,000,000 Unsecured Loan Notes. The adjustment to accumulated losses represents the £600,000 costs arising on the issue of the Convertible Secured Loan Notes. Within non-current liabilities, the adjustments to Convertible Secured Loan Notes of £11,575,000 represents the issue of the balance of the £11,575,000 Convertible Secured Loan Notes and the adjustment to Unsecured Loan Notes of £1,000,000 represents the issue of the £1,000,000 Unsecured Loan Notes.

   The adjustment to acquisition costs represents the £600,000 costs arising on the issue of the Convertible Secured Loan Notes. The adjustment of £150,000 to finance costs represents the interest charge for the year due on the £1,000,000 15% Unsecured Loan Notes.

4. The adjustment of £200,000 to share capital and £21,802,287 to share premium represents the issue of 200,020,982 Ordinary Shares at £0.11 each, for total value of £22,002,308. Of this amount,

£20,000,000 represents the aggregate value of the Convertible Secured Loan Notes, £2,000,000 represents the the Conversion Premium of 10% and £2,308 represents the conversion of the interest already charged up to 31 December 2020 and due under the terms of the Convertible Secured Loan Note Agreement.

The adjustment of £2,308 to finance costs represents the removal of the accrued interest due on the Convertible Secured Loan Notes up to 31 December 2020.

5. The adjustment represents the acquisition by the Company of JPIMedia Publishing for cash consideration of £10,217,000, completed on 2 January 2021, and the additional £1,686,000 consideration to reflect the cash left on Completion and the normalised level of working capital arising following the agreement of the completion accounts. Of the aggregate £11,903,000 cash due, £5,217,000 (including a loan to JPI Group to enable the repayment of £4,717,000 of debt due by JPI Group to JPIMedia) was paid in January 2021 and £1,686,000 was paid in March 2021. The two deferred tranches of £2,500,000 each are due in March 2022 and March 2023.

   As at 2 January 2021, the net assets of the JPI Group were £7,153,000. Included within intangible assets were publishing titles with a carrying value of £5,347,000 and digital intangible assets of £5,621,000. The Directors have assessed the fair value of these publishing titles and have concluded that their carrying value is £10,968,000. Taking into account the £7,186,000 cash payable on acquisition, goodwill arising on acquisition is £33,000.

   The adjustment to intangible assets of £33,000 represents the goodwill on acquisition.

   The adjustment to cash and cash equivalents of £6,903,000 represents the payment of the initial £500,000 for the equity consideration for Acquisition, plus the payment by JPI Group of the outstanding amount due to JPIMedia Limited (the previous vendors) on Completion of £4,717,000, plus the payment of the £1,686,000 for cash left on Completion and working capital in the JPI Group on Completion being higher than the normalised level of working capital.

   The adjustment of £55,978,000 to share premium and £48,825,000 to accumulated losses represents the cancelation of these balances on consolidation.

   The adjustment of £5,000,000 to deferred acquisition liabilities represents the aggregate value of the two deferred cash payments of £2,500,000 each payable in March 2022 and March 2023 in relation to the Acquisition.

   The adjustment of £4,717,000 to trade and other payables represents the advance to the JPI Group by the Company to fund the repayment of the outstanding amount due by JPI Group to JPIMedia Limited (the previous vendors) at the date of the Acquisition.

6. The adjustment to cash of £700,000 represents the settlement of the Admission Costs. Of this amount, £551,000 has been allocated against share premium and £149,000 to administrative expenses in the *pro forma* Statement of Comprehensive income, in accordance with UK IFRS.

7. The *Pro Forma* Financial Information does not reflect any changes in the trading position, or any other changes arising from other transactions, since 31 December 2020 in respect of the Company or since 2 January 2021 with respect to JPI Group.

8. With respect to the adjustments to the unaudited *pro forma* Statement of Comprehensive Income, Note 3 will have a continuing impact on the Company.

PART XIII

TAXATION

Taxation in the United Kingdom

The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10%, of any of the classes of shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £2,000 per annum dividend tax allowance. Dividend receipts in excess of £2,000 per annum will be taxed at 7.5% for basic rate taxpayers, 32.5% for higher rate taxpayers, and 38.1% for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary shares by basic rate taxpayers is 10%, and for upper rate and additional is 20%.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19%. In the Budget on 3 March 2021, it was announced that the rate would increase to 25% after 1 April 2023 for certain companies.

Further information for Shareholders subject to UK income tax and capital gains tax

"Transactions in securities"

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel *"tax advantages"* derived from certain prescribed *"transactions in securities"*.

Stamp Duty and Stamp Duty Reserve Tax

No UK stamp duty or stamp duty reserve tax will be payable on the allotment and issue of the Conversion Shares.

Most investors will purchase existing Ordinary Shares using the crest paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5%. Where Ordinary Shares are acquired using paper (i.e., non-electronic settlement), stamp duty will become payable at 0.5% if the purchase consideration exceeds £1,000.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THIS SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS PROSPECTUS AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

PART XIV

CONSEQUENCES OF A STANDARD LISTING

As the Acquisition constituted a Reverse Takeover, upon Completion, the Standard Listing of the Existing Share Capital will be cancelled and an application will be required to be made for the immediate admission of the Enlarged Share Capital to a Standard Listing (pursuant to Chapter 14 of the Listing Rules) and to trading on the Main Market of the London Stock Exchange. Listing Principles 1 and 2 as set out in Listing Rule 7.2.1 of the Listing Rules also apply to the Company, and the Company must comply with such Listing Principles. Premium Listing Principles 1 to 6 as set out in Listing Rule 7.2.1AR of the Listing Rules do not apply to the Company.

However, while the Company has a Standard Listing, it is not required to comply with the provisions of, *inter alia*:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with Admission;

- Chapter 9 of the Listing Rules relating to the ongoing obligations for companies admitted to the Premium List, which therefore does not apply to the Company;

- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted that certain acquisitions (for example, the Acquisition) will not require Shareholder consent, even if Ordinary Shares are being issued as consideration for such an acquisition (subject to the Company having sufficient existing authorisation from Shareholders to issue such number of Ordinary Shares in relation to such acquisition on a non-pre-emptive basis);

- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a 'related party transaction' as defined in Chapter 11 of the Listing Rules without the specific prior approval of the independent Directors;

- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2.; and

- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

It should be noted that the FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Prospectus are themselves misleading, false or deceptive.

PART XV

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Directors, whose names appear on page 25, and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

2. THE COMPANY

2.1 The Company was incorporated on 29 May 2019 as a private company with limited liability under the Companies Act. The Company re-registered as a public company on 30 July 2019.

2.2 The Company is not regulated by the FCA or any financial services or other regulator. With effect from Admission, the Company will be subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the FCA), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules.

2.3 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the Companies Act and the regulations made thereunder. The Company operates in conformity with its constitution.

2.4 The Company's registered office is at 201 Temple Chambers, 3-7 Temple Avenue, London EC4Y 0DT, United Kingdom. The Company's telephone number is 020 7583 8304. The Company's website is https://www.nationalworldplc.com. Information that is on the Company's website does not form part of this Prospectus unless that information is incorporated by reference to this Prospectus.

2.5 The Company is the holding company of the Enlarged Group. As at the date of this Prospectus and Admission, the Company has one wholly-owned subsidiary, JPIMedia Publishing, which in turn has 10, wholly-owned subsidiaries:

Enlarged Group company name	*Jurisdiction of incorporation*	*Company number*
JPIMedia Publishing Limited	England and Wales	11499982
JPIMedia Scotsman Publications Limited	England and Wales	11573101
JPIMedia SWP Limited	England and Wales	11573425
JPIMedia North East Limited	England and Wales	11573145
JPIMedia North West Limited	England and Wales	11573442
JPIMedia Off Road Limited	England and Wales	11573449
JPIMedia Yorkshire Limited	England and Wales	11573483
JPIMedia NMSY Limited	England and Wales	11573508
JPIMedia Midlands Limited	England and Wales	11573568
JPIMedia South Limited	England and Wales	11573583
JPIMedia NI Ltd	England and Wales	11573599

2.6 On incorporation of the Company, David Montgomery subscribed for 100 ordinary shares of nominal value £1.00 in the capital of the Company at a price of £1 per share.

2.7 On 22 July 2019, a special resolution was passed to sub-divide every existing ordinary share of nominal value £1.00 in the capital of the Company into 100,000 shares of nominal value 0.1 pence each in the capital of the Company.

2.8 On 25 July 2019, the Company allotted, in aggregate, 3,900,000 Ordinary Shares to David Montgomery, Vijay Vaghela and Nigel Spray at a price of approximately 2.5 pence per Ordinary Share to raise £99,900.

2.9 On 19 September 2019, the Company allotted, in aggregate, 50,000,000 Ordinary Shares to participants in a placing at a price of 10 pence per Ordinary Share to raise £5,000,000.

2.10 On 4 May 2021, the Company allotted, in aggregate, 205,432,801 Conversion Shares in connection with the Conversion, conditional only on Admission.

3. SHARE CAPITAL

The following table shows the issued and fully paid shares of the Company at the date of this Prospectus:

Class	**Number**	**Amount paid**
Ordinary Shares	54,000,000	£5,100,000

3.1 On completion of the Conversion, the issued and fully paid shares of the Company immediately following Admission is expected to be as shown in the following table:

Class	**Number**	**Amount paid**
Ordinary Shares	259,432,801	£259,432.80

The Company has only Ordinary Shares in issue and no shares which do not represent capital.

No Ordinary Shares are held by or on behalf of the Company or by any subsidiary of the Company.

Other than the Options described in paragraph 14.3, no person has any option nor has the Company agreed conditionally or unconditionally to grant any option over any Ordinary Shares.

3.2 Pursuant to an ordinary resolution of the Shareholders passed at the General Meeting of the Company held on 18 March 2021 the Directors were authorised for the period ending on the date of the Company's annual general meeting in 2022, the authority and power conferred on the directors by the Company's articles of association ("**Articles**") to allot relevant securities up to an aggregate nominal amount equal to the Section 551 of the 2006 Act amounts of: (a) up to £216,000 in respect of the conversion of the outstanding loan notes and accrued interest thereon (the "**Conversion**"); and (b) £180,000 representing the aggregate nominal value of two thirds of the ordinary shares of nominal value 0.1 pence each in the capital of the Company (the "**Ordinary Shares**") following the Conversion, provided that in relation to any allotment of relevant securities in excess of £90,000, representing the aggregate nominal value of one third of the Ordinary Shares, such authority shall only be used if the relevant securities are equity securities (as defined in Section 560(1) of the 2006 Act and they are allotted in connection with a rights issue or other pre-emptive issues of equity shares which satisfies the conditions and may be subject to all or any of the exclusions specified in (b)(i) of Resolution 2, provided that the Company may before such expiry, variation or revocation make an offer or agreement which would or might require such relevant or equity securities to be allotted after such expiry, variation or revocation and the directors of the Company may allot relevant or equity securities pursuant to such an offer or agreement as if the authority conferred hereby had not expired or been varied or revoked.

3.3 Pursuant to a special resolution of the Shareholders passed at the General Meeting of the Company held on 18 March 2021 the Directors were authorised, and empowered pursuant to Section 570 of the 2006 Act to allot securities (as defined by Section 560 of the 2006 Act) for cash as if Section 561 of the 2006 Act did not apply to any such allotment provided that such power:

(a) shall, subject to the continuance of the authority conferred by this Resolution 2, expire at the conclusion of the Company's annual general meeting in 2022, but may be previously revoked or varied from time to time by special resolution but so that the Company may before such expiry, revocation or variation make an offer or agreement which would or might require equity securities to be allotted after such expiry, revocation or variation and the directors of the Company may allot equity securities in pursuance of such offer or agreement as if such power had not expired or been revoked or varied; and

(b) shall be limited to:

(i) the allotment of equity securities of up to an aggregate nominal amount of £216,000 pursuant to the Conversion;

(ii) the allotment of equity securities of up to an aggregate nominal amount of £90,000 pursuant to a rights issue, open offer, scrip dividend scheme or other pre-emptive offer or scheme which is in each case in favour of holders of Ordinary Shares and any other persons who are entitled to participate in such issue, offer or scheme where the equity securities offered to each such holder and other person are proportionate (as nearly as may be) to the respective numbers of Ordinary Shares held or deemed to be held by them for the purposes of their inclusion in such issue, offer or scheme on the record date applicable thereto, but subject to such exclusions or other arrangements as the directors of the Company may deem fit or expedient to deal with fractional entitlements, legal or practical problems under the laws of any overseas territory, the requirements of any regulatory body or stock exchange in any territory, shares being represented by depositary receipts, directions from any holders of shares or other persons to deal in some other manner with their respective entitlements or any other matter whatever which the directors of the Company consider to require such exclusions or other arrangements with the ability for the directors of the Company to allot equity securities and sell relevant shares not taken up to any person as they may think fit; and

(iii) the allotment of equity securities for cash otherwise than pursuant to sub-paragraph (i) up to an aggregate maximum nominal amount of £54,000.

3.4 Save as disclosed in this Prospectus:

(a) no Ordinary Share or loan capital of the Company has been issued or is proposed to be issued;

(b) no person has any preferential subscription rights for any Ordinary Shares in the Company;

(c) no Ordinary Share or loan capital of the Company is unconditionally to be put under option; and

(d) no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company.

3.5 All Ordinary Shares in the capital of the Company are in registered form.

4. ARTICLES

4.1 The Articles of the Company were adopted by a special resolution of the Shareholders passed on 30 June 2020. A summary of the terms of the Articles is set out below. The summary below is not a complete copy of the terms of the Articles.

4.2 The Articles contain no specific restrictions on the Company's objects and therefore, by virtue of section 31(1) of the Companies Act, the Company's objects are unrestricted.

4.3 The Articles contain, *inter alia*, provisions to the following effect:

(a) ***Share capital***

The Company's Existing Share Capital currently consists of Ordinary Shares. The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution, including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares.

(b) ***Voting***

The Shareholders have the right to receive notice of, and to vote at, general meetings of the Company. All voting at general meetings of shareholders shall be held on a poll. On a poll, every shareholder who is present in person or by proxy or corporate representative shall have one vote for each share of which they are the holder. A shareholder, proxy or corporate representative entitled to more than one vote need not, if they vote, use all their votes or cast all the votes in the same way.

(c) ***Variation of rights***

Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class and may be so varied and abrogated whilst the Company is a going concern or during or in contemplation of a winding up.

(d) ***Liquidation***

In the event of the liquidation, dissolution or winding up of the Company, the assets of the Company available for distribution to members shall be distributed amongst all holders of Ordinary Shares, in proportion to the number of Ordinary Shares held irrespective of the amount paid or credited as paid on any share.

(e) ***Dividends***

The Company may, subject to the provisions of the Companies Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to members not exceeding the amount recommended by the Directors. Subject to the provisions of the Companies Act in so far as, in the Directors' opinions, the Company's profits justify such payments, the Directors may pay interim dividends on any class of shares.

Any dividend unclaimed after a period of 12 years from the date such dividend was declared or became payable shall, if the Directors resolve, be forfeited and shall revert to the Company. No dividend or other moneys payable on or in respect of a share shall bear interest as against the Company.

(f) ***Transfer of Ordinary Shares***

Each member may transfer all or any of their shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each member may transfer all or any of their shares which are in uncertificated form by means of a 'relevant system' (i.e., the CREST System) in such manner provided for, and subject as provided in, the CREST Regulations.

The Board may, in its absolute discretion, refuse to register a transfer of certificated shares unless:

(i) it is for a share which is fully paid up;
(ii) it is for a share upon which the Company has no lien;
(iii) it is only for one class of share;
(iv) it is in favour of a single transferee or no more than four joint transferees;
(v) it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty; and
(vi) it is delivered for registration to the registered office of the Company (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution of the transfer or renunciation by them or, if the transfer or renunciation is executed by some other person on their behalf, the authority of that person to do so.

The Directors may refuse to register a transfer of uncertificated shares in any circumstances that are allowed or required by the CREST Regulations and the CREST System.

(g) ***Allotment of shares and pre-emption rights***

Subject to the Companies Act and to any rights attached to existing shares, any share may be issued with or have attached to it such rights and restrictions as the Company may by ordinary resolution determine, or if no ordinary resolution has been passed or so far as the resolution does not make specific provision, as the Directors may determine (including shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder of such shares).

In accordance with section 551 of the Companies Act, the Directors may be generally and unconditionally authorised to exercise all the powers of the Company to allot shares up to an aggregate nominal amount equal to the amount stated in the relevant ordinary resolution authorising such allotment. The authorities referred to in paragraph 3.2 were included in the ordinary resolution passed on 18 March 2021 and remain in force at the date of this Prospectus.

The provisions of section 561 of the Companies Act (which confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are paid up in cash) apply to the Company except to the extent disapplied by special resolution of the Company. Such pre-emption rights have been disapplied to the extent referred to in paragraph 3.2 pursuant to the special resolution passed on 18 March 2021.

(h) ***Alteration of share capital***

The Company may by ordinary resolution consolidate or divide all of its share capital into shares of larger nominal value than its existing shares, or cancel any shares which, at the date of the ordinary resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the nominal amount of shares so cancelled or sub-divide its shares, or any of them, into shares of smaller nominal value.

The Company may, in accordance with the Companies Act, reduce or cancel its share capital or any capital redemption reserve or share premium account in any manner and with and subject to any conditions, authorities and consents required by law.

(i) ***Directors***

Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two, and no more than 15 Directors.

Subject to the Articles and the Companies Act, the Company may by ordinary resolution appoint a person who is willing to act as a Director and the Board shall have power at any time to appoint any person who is willing to act as a Director, in both cases either to fill a vacancy or as an addition to the existing Board but the total number of Directors shall not exceed 15.

At each AGM of the Company all Directors shall retire from office except any Director appointed by the Board after the notice of that annual general meeting has been given and before that annual general meeting has been held. Subject to the provisions of the Articles, the Board may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors.

The quorum for a Directors' meeting shall be fixed from time to time by a decision of the Directors, but it must never be less than two and unless otherwise fixed, it is two.

Questions and matters requiring resolution arising at a meeting shall be decided by a majority of votes of the participating Directors, with each director having one vote. In the case of an equality of votes, the chair will only have a casting vote or second vote when an acquisition has been completed. The entering into any acquisition requires the consent of at least 75% of the Directors present and entitled to vote.

The Directors shall be entitled to receive such remuneration as the Directors shall determine for their services to the Company as directors and for any other service which they undertake for the Company provided that the aggregate fees payable to the Directors must not exceed £2,000,000 per annum. The Directors shall also be entitled to be paid all reasonable expenses properly incurred by them in connection with their attendance at meetings of Shareholders or class meetings, board or committee meetings or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

The Board may, in accordance with the requirements in the Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching their duty under the Companies Act to avoid conflicts of interests.

A Director seeking authorisation in respect of such conflict shall declare to the Board the nature and extent of their interest in a conflict as soon as is reasonably practicable. The Director shall provide the Board with such details of the matter as are necessary for the Board to decide how to address the Conflict together with such additional information as may be requested by the Board.

Any authorisation by the Board will be effective only if:

(i) to the extent permitted by the Companies Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of the Articles;

(ii) any requirement as to the quorum for consideration of the relevant matter is met without counting the conflicted Director and any other conflicted Director; and

(iii) the matter is agreed to without the conflicted Director voting or would be agreed to if the conflicted Director’s and any other interested Director’s vote is not counted.

Subject to the provisions of the Companies Act, every Director, secretary or other officer of the Company (other than an auditor) is entitled to be indemnified against all costs, charges, losses, damages and liabilities incurred by them in the actual purported exercise or discharge of their duties or exercise of their powers or otherwise in relation to them.

(j) ***General meetings***

The Company must convene and hold AGMs in accordance with the Companies Act.

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chair of the meeting which shall not be treated as part of the business of the meeting. Save as otherwise provided by the articles, two Shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes.

(k) ***Borrowing powers***

Subject to the Articles and the Companies Act, the Board may exercise all of the powers of the Company to:

(i) borrow money;

(ii) indemnify and guarantee;

(iii) mortgage or charge;

(iv) create and issue debentures and other securities; and

(v) give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

(l) ***Capitalisation of profits***

The Directors may, if they are so authorised by an ordinary resolution of the Shareholders, decide to capitalise any undivided profits of the Company (whether or not they are available for distribution), or any sum standing to the credit of the Company’s share premium account or capital redemption reserve. The Directors may also, subject to the aforementioned ordinary resolution, appropriate any sum which they so decide to capitalise to the persons who would have been entitled to it if it were distributed by way of dividend and in the same proportions.

(m) ***Uncertificated shares***

Subject to the Companies Act, the Directors may permit title to shares of any class to be issued or held otherwise than by a certificate and to be transferred by means of a ‘relevant system’ (i.e., the CREST System) without a certificate.

The Directors may take such steps as it sees fit in relation to the evidencing of and transfer of title to uncertificated shares, any records relating to the holding of uncertificated shares and the conversion of uncertificated shares to certificated shares, or *vice versa*.

The Company may by notice to the holder of an uncertificated share, require that share to be converted into certificated form.

The Board may take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertified share or otherwise to enforce a lien in respect of it.

5. OTHER RELEVANT LAWS AND REGULATIONS

5.1 ***Mandatory bid***

(a) The Takeover Code applies to the Company. Under the Takeover Code, where:

(i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which such person is already interested, and in which persons acting in concert with such person are interested) carry 30% or more of the voting rights of a company; or

(ii) any person who, together with persons acting in concert with such person, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company but does not hold shares carrying more than 50% of such voting rights and such person, or any person acting in concert with such person, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which such person is interested;

such person shall, except in limited circumstances, be obliged to extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the Takeover Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

(b) An offer under Rule 9 of the Takeover Code must be in cash and at the highest price paid for any interest in the shares by the person required to make an offer or any person acting in concert with such person during the 12 months prior to the announcement of the offer.

(c) Under the Takeover Code, a ‘concert party’ arises where persons acting together pursuant to an agreement or understanding (whether formal or informal and whether or not in writing) actively co-operate, through an acquisition by them of an interest in shares in a company, to obtain or consolidate control of the company. ‘Control’ means holding, or aggregate holdings, of an interest in shares carrying 30% or more of the voting rights of the company, irrespective of whether the holding or holdings give *de facto* control.

5.2 ***Squeeze-out***

(a) Under sections 979 to 982 of the Companies Act, if an offeror were to acquire 90% of the Ordinary Shares it could then compulsorily acquire the remaining 10% It would do so by sending a notice to outstanding Shareholders telling them that it will compulsorily acquire their shares, provided that no such notice may be served after the end of: (a) the period of three months beginning with the day after the last day on which the offer can be accepted; or (b) if earlier, and the offer is not one to which section 943(1) of the Companies Act applies, the period of six months beginning with the date of the offer.

(b) Six weeks following service of the notice, the offeror must send a copy of it to the Company together with the consideration for the Ordinary Shares to which the notice relates, and an instrument of transfer executed on behalf of the outstanding Shareholder(s) by a person appointed by the offeror.

(c) The Company will hold the consideration on trust for the outstanding Shareholders.

5.3 ***Sell-out***

(a) Sections 983 to 985 of the Companies Act also give minority Shareholders in the Company a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer relating to all the Ordinary Shares is made at any time before the end of the period within which the offer could be accepted and the offeror held or had agreed to acquire not less than 90% of the Ordinary Shares, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror is required to give any Shareholder notice of their right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority Shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period, or, if longer a period of three months from the date of the notice.

(b) If a Shareholder exercises their rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

5.4 ***Shareholder notification and disclosure requirements***

(a) Shareholders are obliged to comply with the shareholding notification and disclosure requirements set out in Chapter 5 of the DTRs. A Shareholder is required pursuant to Rule 5 of the DTRs to notify the Company if, as a result of an acquisition or disposal of shares or financial instruments, the Shareholder's percentage of voting rights of the Company reaches, exceeds or falls below, 3% of the nominal value of the Company's share capital or any 1% threshold above that.

(b) The DTRs can be accessed and downloaded from the FCA's website at https://www.handbook.fca.org.uk/handbook/DTR/. Shareholders are urged to consider their notification and disclosure obligations carefully as a failure to make a required disclosure to the Company may result in disenfranchisement.

6. DIRECTORS' AND OTHER INTERESTS

6.1 As at the date of this Prospectus and immediately following Admission, the Directors will have the following interests in the Ordinary Shares of the Company:

	As at the date of this Prospectus		**On Admission**	
Name	**Number of Ordinary Shares**	**Percentage of Existing Share Capital**	**Number of Ordinary Shares***	**Percentage of Enlarged Share Capital***
David Montgomery[1]	18,200,000	33.70%	19,231,631	7.41%
Vijay Vaghela	3,350,000	6.20%	4,381,631	1.69%
Daniel Cammiade	-	-	513,200	0.20%
Mark Hollinshead	500,000	0.93%	757,907	0.29%
Steve Barber	500,000	0.93%	1,531,631	0.59%
John Rowe[2]	500,000	0.93%	1,531,631	0.59%

1 Mr. Montgomery's Ordinary Shares are held by Montgomery Media Limited, a private company controlled by him.

2 Mr. Rowe's Ordinary Shares are held by his wife, Lesley Ann Rowe.

** This assumes that £20,000,000 in principal amount of Convertible Secured Loan Notes (plus a 10% premium and accrued interest) are converted into Ordinary Shares at the Conversion Price.*

David Montgomery, Vijay Vaghela and Mark Hollinshead will also have a contingent interest in the Company's share capital via the VCP described in paragraph 14.3.

6.2 The Directors have not held any directorships of any company (other than the Company and its subsidiaries) or partnerships within the last five years, except as set forth below:

Director	Current	Past
David Montgomery	Local TV Limited Made in Birmingham Limited Made in Liverpool 2016 Limited Made in Bristol TV Ltd Local Faces Limited Made Television Limited Montgomery Media Limited	Carno Capital Limited Euro-Media Assets Limited
Vijay Vaghela	Dods Group plc	International Distribution 2018 Limited Echo Building (Liverpool) Limited Express Newspapers TM Leasing Limited Trinity Mirror Media Limited Broughton Printers Limited Reach Printing Services (West Ferry) Limited TM Titles Limited Reach Network Media Limited West Ferry Leasing Limited Reach Magazines Worldwide Limited Reach Magazines Publishing plc Trinity Mirror Finance Limited TM Media Holdings Limited Reach Magazines Limited TM North America Limited Reach Magazines Distribution Limited TM Mobile Solutions Limited Local World Holdings Limited Reach Publishing Services Limited MGL2 Limited Reach Regionals Limited Trinity Mirror Digital Limited Trinity Mirror Cheshire Limited Reach Midlands Media Limited Reach Publishing Group Limited Reach Regionals Media Limited Amra Limited Reach Shared Services Limited Trinity Mirror Distributors Limited Trinity Mirror Merseyside Limited Trinity Mirror North Wales Limited Reach Printing Services (Midlands) Limited Trinity Mirror Huddersfield Limited Reach Printing Services Limited Reach Work Limited MGN Limited Reach Secretaries Limited Scottish Daily Record and Sunday Mail Limited Reach Directors Limited Job Search Limited Sunday Brands Limited

Director	Current	Past
		Fish4Cars Limited This Is Britain Limited Fish4 Limited Fish4 Trading Limited Fish4Jobs Limited Trinity 102 Limited Surrey & Berkshire Media Limited Manchester Morning News Limited Lancashire & Cheshire County Newspapers Limited Men Investment Limited MG6 Limited MG Guarantee Co Limited Totallyfinancial.com Ltd The Career Engineer Limited TIH (Trustee) Limited Totallylegal.com Limited 08000 Recruit Limited Aberdonian Publications Limited R.E. Jones Graphic Services Limited Micromart (UK) Limited Midland Weekly Media (Birmingham) Limited Midland United Newspapers Limited Mirror Group Music Limited TIH (Chester) Limited Northern Print Services Limited North Wales Weekly News Mirror Financial Services Limited Enterprise Magazines Limited Live TV Limited Trinity Publications Limited Trinity Newspapers Southern Limited Parkside Consulting Limited Trinity Mirror Printing (Newcastle) Limited Legionstyle Limited Websalvo.com Limited I.T. Trade Publishing Limited Wood Lane Two Limited Wood Lane One Limited Ad-Mag (North East) Limited Official Starting Prices Ltd. Advertiser North London Limited People Limited (The) Trinity Newspaper Group Limited Arrow Interactive Limited Trinity Mirror Digital Media Limited Associated Catholic Newspapers (1912) Limited (The) Mayfair Celebs Limited The Hinckley Times Limited Media Wales Limited Huddersfield Newspapers Limited Chargestake Limited Denitz Investments Limited

Director	Current	Past
		Mercury Distribution Services Limited Meilin Limited Trinity Mirror Printing (Blantyre) Limited Wandsworth Independent Limited Mirror Colour Print Services (London) Limited Mirrorad Limited Advertiser North London Group (Holdings) Limited Jobsfinancial Limited Mirror Colour Print (London No. 1 Plant) Limited The Hotgroup Limited Scene Printing Web Offset Limited Birmingham Boat Shows Limited (The) Parkside Accountancy Limited Glaswegian Publications Limited Mirror Colour Print Services Limited Sunday People Limited Trinity Shared Services Limited R.E. Jones Newspaper Group Limited Scottish and Universal Newspaper Limited Syndication International (1986) Limited Odhams Newspapers Limited Syndication International Limited Midland Leaflet Services Limited Midland Newspapers Limited Hot Exchange Limited Gisajob Limited Hot Flights Limited Anderston Quay Printers Limited Mirror Group Newspapers North (1986) Limited Net Recruit UK Limited Scotfree Limited Southnews Trustees Limited Mirror Colour Print (London) Limited Western Mail & Echo Limited MGN (AW) Limited NCJ Media Limited Men Media Limited The Birmingham Post & Mail Limited Echo Press Limited (The) Chester Chronicle and Associated Newspapers Limited (The) The Graduate Group Ltd 0800 Recruit Limited Charles Elphick Limited Echo Press (1983) Limited Icscotland Limited

Director	Current	Past
		Conrad & Partners Limited Daily Post Investments Limited Vibrant Limited Trinity Mirror Marketing Direct Limited Camberry Limited Llandudno Advertiser Limited Kent Regional Newspapers Limited London and Westminster Newspapers Limited Medpress Limited London Newspaper Group Limited Workthing Limited Midland Independent Magazines Limited Jobsin Limited Scene Printing (Midlands) Limited Smart Media Services Limited Scene Magazines Limited Mirror Colour Print (North) Limited Wire TV Limited Merseymart Limited Buy Sell Limited First Press Publishing Limited Midland Newspapers Printers Limited Mirror Projects Limited Midland Weekly Media Limited Mirrornews Limited Mirror Group Newspapers Limited Vivid Group Limited Metropolitan Free Newspapers Limited Kennyhill Limited TIH (Properties) Limited Vivid Limited Vectis Innovations Limited Midland Independent Newspaper & Media Sales Limited Middlesex County Press Limited RH1 Limited TIH (Cardiff) Limited Quids-In (North West) Limited TIH (Belfast) (Nominees) Limited Trinity Mirror (L I) Limited TIH (Newcastle) Limited TM Regional New Media Limited Saltire Press Limited Hot Flats Limited Coventry Newspapers Limited Daily Mirror Newspapers Limited (The) Blackmore Vale Publishing Company Limited Dundonian Publications Limited Planet Recruitment Limited Trinity Mirror Regional Newspapers Limited Liverpool Web Offset Limited

Director	Current	Past
		TIH (Teesside) Limited MirrorAir Limited MG Estates Limited Markstead Limited MGN Property Developments Limited MirrorTel Limited Nunews Limited Midland Independent Weekly Newspapers Limited Trinity Weekly Newspapers Limited PlanetRecruit Limited Isle of Wight Newspapers Limited MGN (Services) Ltd Birmingham Post & Mail (Exhibitions) Limited Channel One Liverpool Limited Just London Jobs Limited Welshpool Web-Offset Co. Limited North Eastern Evening Gazette Limited Trinity Mirror Printing (Liverpool) Limited Mainjoy Limited Reach Southern Media Limited Trinity Limited Liverpool Weekly Newspaper Group Limited Birmingham Post & Mail Trustees Limited Gimmejobs Limited Internet Recruitment Solutions Limited Community Magazines Limited High Street Direct Limited Scene Newspapers Limited Midland Weekly Media (Wolverhampton) Limited Jobsinlaw Limited Jobsinuk Limited CDE Services Limited Gazette Media Company Limited Century Communications Ltd. Trinity 100 Limited The Liverpool Daily Post and Echo Limited Birmingham Live Limited City Television Network Limited Jobsinhrsolutions Limited Examiner News & Information Services Limited Huddersfield Examiner Limited Newsday Limited The Edinburgh and Lothians Post Limited R.E. Jones Bros. Limited Reach Printing Services (Teessde) Limited MGN (Canada) Square) Limited

Director	Current	Past
		Newcastle Chronical and Journal Limited Midland Weekly Newspapers Limited Hotrecruit Limited Reliant Distributors Limited Daily Post Overseas Limited Informer Publications Limited Trinity Mirror Printing (Cardiff) Limited Welsh Universal Holdings Limited Joseph Woodhead & Sons Limited Financial Jobs Online Limited MGN (86) Limited Reach Nationals Limited North Wales Independent Press Limited Reach Printing Services (Oldham) Limited Reach Printing Services (Watford) Limited Reach Printing Services (Saltire) Limited BPM Media (Midlands) Limited Media Scotland Limited The Adscene Group Limited Reach plc Trinity Mirror Acquisitions Limited Fish4Homes Limited Mirrorgroup Limited Trinity Mirror Acquisitions (2) Limited Insider Group Limited Wirral Newspapers Limited Whitbread Walker Limited Insider Publications Limited The Advertiser Limited TM Tower Management Services Limited Export Magazine Distributors Limited O K Magazines Trading Co Limited Beaverbrook Newspapers Limited Blackfriars Leasing Ltd. Daily Express Limited Daily Star Limited Express Newspapers Properties Limited Express Printers Manchester Limited Express Property Management Limited Sunday Express Limited United Magazines Publishing Services Limited Burginhall 677 Limited OK! Magazine Holdings Limited Trinity Mirror Videos Limited Tower Magazines Limited

Director	Current	Past
		O.K. Magazines Limited Sightline Publications Limited Trinity Mirror Digital 1 Limited The Green Magazine Company Limited Scottish Express Newspapers Limited Trinity Mirror Limited The Communicator Corporation Limited Timewith Limited Rippleffect Studio Ltd
Mark Hollinshead	Hollicom Limited Classic Run Events Limited MH60 Consulting Ltd	Nova Holdings Limited Athletics Weekly Limited Filmnova Scotland Limited
John Rowe	Media Quest Group Limited Glam Holdings Limited SevDotCom Limited (BVI)	IDM Software Jersey Limited IDM Software Limited Clicksco Labs Limited Social 360.com Limited Travel Junction Limited Clicksco Jersey Limited Clicksco Digital Limited Clicksco FZ LLC (Dubai) My Expert Holdings Limited Distinctive Online Investments Limited (BVI) Eden Star FZE
Steve Barber	Fenwick Limited Fenwick (Jersey) Limited Fenwick NBS Limited Fenwick 63 Limited Fenwick 55 Limited Design Objectives (Holdings) Limited Fitzroy Park Residents Limited The Objectivity Partnership LLP Kirbybrook Limited	AA plc Eleuthera Limited Steve Barber and Partners LLP intu Properties plc Domino's Pizza Group plc Sense Products Limited Highgate Labs Limited Next plc DO Acquisition Limited Design Objectives Worldwide Limited Design Objectives Newco Limited
Daniel Cammiade	Abergavenny Chronicle Limited Biggin Hill News Limited Brecon And Radnor Express And Powys County Times Limited(The) Cambrian News Limited Chew Valley Gazette Publishing Limited Cornish And Devon Post,Limited Counties & Capital Newspapers Limited Crathorne Home Services Limited	Community Newspapers Limited County Echo Newspapers Limited Goldcrest Broadcasting Limited Free Admart Limited Internet-Today(Tindle).Co.Uk. Ltd Local Community Newspapers Limited Mercury Local Newspapers Limited North Cornwall Post & Diary Limited P M Publications Limited Post Dispatch Limited Property Weekly Series Limited Pulmans Weekly News Limited

Director	Current	Past
	Crathorne Property Services Limited Crediton Country Courier Limited	Princes Weekly Newspapers Limited
	Dawlish Newspapers Limited	South Devon Newspapers Limited
	Faringdon Newspapers Limited	Surrey On Sunday Limited
	Forester Newspapers Limited	The Bridgend And District Recorder Limited
	Glamorgan Gem Limited	The Diary (South West) Limited
	Goldcrest Publishing Ltd	The Purbeck Gazette Limited
	Ldds Series Of Newspapers Limited	Torbay News Limited
	Leigh Times Series Limited	Provincial Weekly Newspapers Ltd
	Meon Valley News Limited	Channel Radio Limited (Jersey)
	Monmouthshire Beacon Company Limited	Island FM Limited (Guernsey)
	New Life Magazines Limited	Midland Community Radio Services Limited (Republic of Ireland)
	North Cornwall Advertiser Limited	Isle Of Man Newspapers Ltd Midlands News Association Limited(The)
	North London & Herts Newspapers Limited	Precision Colour Printing Limited
	Petersfield Post Limited	London Cyrenians Housing Limited
	Radio Ceredigion 2000 Cyfyngedig	Tavy Typesetting Limited
	Review And Forester Newspapers Limited	Tindle Advertising Directorate Limited
	Ross Gazette.Limited(The)	Tindle Community Newspapers Limited
	South Hams Newspapers Limited	Tindle Distribution Centre Limited
	Surrey & Hants News Limited	Tindle Muxco Channel Islands Limited
	Tavistock Newspapers Limited	Yellow Advertiser Limited
	Tenby Observer Limited	
	Tindle Ci Broadcasting Limited	
	Tindle Newspapers Cornwall Limited	
	Tindle Newspapers Devon Limited	
	Tindle Newspapers Essex & Kent Limited	
	Tindle Newspapers Limited	
	Tindle Newspapers Surrey & Hampshire Limited	
	Tindle Newspapers Wales And The Borders Limited	
	Tindle Newspapers West Country Limited	
	Tindle Radio Holdings Limited	
	The Newspaper Organisation Limited	
	Town And Country Admart Limited	
	Valley Community News Limited	
	Wellington Weekly News Limited	
	West Country Community Newspapers Limited	
	West Somerset Free Press Limited	

6.3 Save as disclosed in paragraph 6.4, as at the date of this Prospectus none of the Directors:

(a) has any convictions in relation to fraudulent offences for at least the previous five years;

(b) has been associated with any bankruptcy, receivership or liquidation or company put into administration while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company for at least the previous five years; or

(c) has been subject to any official public incrimination and/or sanction of them by any statutory or regulatory authority (including any designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

6.4 Steve Barber was a director of intu Properties plc when an administrator was appointed on 26 June 2020, and John Rowe was a director of Clicksco (Jersey) Limited when an administrator was appointed in April 2020.

6.5 None of the Directors has any potential conflicts of interest between their duties to the Company and their private interests or other duties they may also have.

6.6 In so far as it is known to the Company as at the date of this Prospectus, the following persons will, on Admission, be directly or indirectly, interested (within the meaning of the Companies Act) in 3% or more of the Company's issued share capital (being the threshold for notification of interests that will apply to Shareholders as of Admission pursuant to Chapter 5 of the Disclosure Guidance and Transparency Rules):

	As at the date of this Prospectus		**On Admission**	
Shareholder	**Number of Ordinary Shares**	**Percentage of Existing Share Capital**	**Number of Ordinary Shares***	**Percentage of Enlarged Share Capital***
David Montgomery[1]	18,20,000	33.70%	19,231,631	7.41%
Alasdair Locke	5,000,000	9.26%	25,632,627	9.88%
Canaccord Genuity	4,750,000	8.80%	4,750,000	1.83%
Vijay Vaghela	3,350,000	6.20%	4,381,631	1.69%
George House Holdings Ltd	2,695,000	4.99%	2,695,000	1.04%
David Poutney	2,495,000	4.62%	3,213,481	1.24%
Lorna Tilbian	1,850,000	3.43%	1,850,000	0.71%
Mediaforce (Holdings) Ltd	-	-	61,897,882	23.86%
Aberforth Partners	-	-	53,139,725	20.48%
Trium Capital Management Ltd	-	-	12,316,812	4.75%
Gresham House Strategic plc	-	-	12,263,014	4.73%

1 Mr. Montgomery's Ordinary Shares are held by Montgomery Media Limited, a private company controlled by him.

** This assumes that £20,000,000 in principal amount of Convertible Secured Loan Notes (plus a 10% premium and accrued interest) are converted into Ordinary Shares at the Conversion Price.*

6.7 As at 3 May 2021 (being the latest practicable date prior to the publication of this Prospectus), the Company was not aware of any person or persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

6.8 Those interested, directly or indirectly, in 3% or more of the issued Ordinary Shares of the Company (as set out in paragraph 6.6) do not now, and, following the Conversion and Admission, will not, have different voting rights from other holders of Ordinary Shares.

6.9 In accordance with Listing Rule 14.2.2, at Admission at least 25% of the listed class of Ordinary Shares will be in public hands (as defined in the Listing Rules).

7. WORKING CAPITAL

The Company is of the opinion that the working capital available to the Enlarged Group is sufficient for the present requirements of the Enlarged Group, that is, for at least 12 months from the date of this Prospectus.

8. CAPITALISATION AND INDEBTEDNESS

Capitalisation

Company

The following table shows the Company's capitalisation as at 31 December 2020 and has been extracted without material adjustment from the audited Company Financial Information incorporated by reference in *Part X – Financial Information of the Company* of this Prospectus:

	Audited **As at 31 December 2020** ***£'000***
Total current debt	
Guaranteed	-
Secured	-
Unguaranteed/unsecured	-
Total non-current debt	
Guaranteed	-
Secured	8,427
Unguaranteed/unsecured	-
Shareholders' equity	
Share capital	54
Share premium	4,724
Accumulated losses	(1,408)
Total	**3,370**

There has been no material change in the capitalisation of the Company since 31 December 2020, save for:

(a) the issue on the 21 January 2021 of £5.508 million of Convertible Secured Loan Notes. The effect of the issue was to increase secured non-current debt by £5.508 million from £8.427 million to £13.935 million;

(b) the issue on the 8 February 2021 of £6.067 million of Convertible Secured Loan Notes. The effect of the issue was to further increase secured non-current debt by £6.067 million from £13.935 million as set out in paragraph (a) above to £20.002 million;

(c) the issue on the 12 February 2021 of £1.0 million of Unsecured Loan Notes. The effect of the issue was to increase unguaranteed/unsecured non-current debt by £1.0 million from £nil to £1.0 million;

(d) the associated additional accrued interest of £0.411 million on the Convertible Secured Loan Notes up to 3 April 2021, being the date of the Enlarged Group's indebtedness statement set out below. The effect of the additional accrued interest was to increase secured non-current debt by £0.411 million from £20.002 million as set out in paragraph (b) above to £20.413 million; and

(e) the associated additional accrued interest of £0.021 million on the Unsecured Loan Notes up to 3 April 2021, being the date of the Enlarged Group's indebtedness statement set out below. The effect of the additional accrued interest was to increase unguaranteed/unsecured non-current debt by £0.021 million from £1.0 million as set out in paragraph (c) above to £1.021 million.

JPI Group

The following table shows the JPI Group's capitalisation as at 2 January 2021 and has been extracted without material adjustment from the audited JPI Group Financial Information included in *Section (B) – Financial Information of the JPI Group* of *Part X – Financial Information of the JPI Group* of this Prospectus:

	Audited* As at 2 January 2021 *£'000
Total current debt	
Guaranteed	-
Secured	1,386
Unguaranteed/unsecured	4,717
Total non-current debt	
Guaranteed	-
Secured	1,826
Unguaranteed/unsecured	-
Shareholders' equity	
Share premium	55,978
Accumulated losses	(48,825)
Total	**7,153**

There has been no material change in the capitalisation of the JPI Group since 2 January 2021, save for:

(a) the receipt in January 2021 of a £10.5 million working capital facility from the Company. The effect of the receipt was to increase unguaranteed/unsecured current debt by £10.5 million from £4.717 million to £15.217 million; and

(b) the repayment in January 2021 by the Company on behalf of JPI Group of the £4.717 million due to the former parent undertaking, JPIMedia. The effect of the repayment was to decrease unguaranteed/unsecured current debt by £4.717 million from £15.217 million as set out in paragraph (a) above to £10.5 million.

Indebtedness

The following table shows the Enlarged Group's indebtedness as at 3 April 2021 and has been extracted, without material adjustment, from the Enlarged Group's unaudited management information as at that date:

		***Unaudited* As at 3 April 2021 £**
A.	Cash	18,426
B.	Cash equivalent	-

C.	Trading securities	-
D.	**Liquidity (A) + (B) + (C)**	**18,426**
E.	Current financial receivable	-
F.	Current bank debt	-
G.	Current portion of non- current debt	1,386
H.	Other current financial debt	-
I.	**Current Financial Debt (F) + (G) + (H)**	1,386
J.	**Net Current Financial Indebtedness (I) - (D) + (E)**	**(17,040)**
K.	Non-current Bank loans	-
L.	Bonds Issued	-
M.	Other non-current loans	27,884
N.	**Non-current Financial Indebtedness (K) + (L) + (M)**	27,884
O.	**Net Financial Indebtedness (J) + (N)**	**10,844**

As at 3 April 2021, there was no indirect or contingent indebtedness in relation to the Company.

As at 3 April 2021, there was no indirect or contingent indebtedness in relation to the JPI Group.

There has been no material change in the indebtedness of the Enlarged Group since 3 April 2021.

9. SIGNIFICANT CHANGE

9.1 Other than as described in paragraph 9.2 below, there has been no significant change in the financial position or financial performance of the Company in the period since 31 December 2020, the end of the last financial 12-month period for which audited financial statements of the Company have been published.

9.2 Subsequent to 31 December 2020, the Company completed the Acquisition of the JPI Group on 2 January 2021 and issued in aggregate £11,575,000 of Convertible Secured Loan Notes and £1,000,000 of Unsecured Loan Notes.

9.3 Other than as described in paragraph 9.4 below, there has been no significant change in the financial position or financial performance of the JPI Group in the period since 2 January 2021, the end of the last financial 12-month period for which audited financial statements of JPI Group have been published.

9.4 Subsequent to 2 January 2021, on 4 and 5 January 2021 the Company made loans of £10.5 million in total to the JPI Group, of which £4.7 million reflects the repayment by the Company on behalf of JPI Group of the balance on a loan from JPIMedia (the previous vendors) to the JPI Group and £5.8 million was used as working capital by the JPI Group.

10. CURRENT INVESTMENTS

The Company has no current investments.

11. INVESTMENTS IN PROGRESS

The Company has no investments in progress.

12. LITIGATION

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering at least the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the Company's and/or the Enlarged Group's financial position or profitability.

13. MATERIAL CONTRACTS

13.1 The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company since the Company's incorporation which: (i) are, or may be, material to the Company; or (ii) contain obligations or entitlements which are, or may be, material to the Company as at the date of this Prospectus.

(a) ***Acquisition Agreement***

The Company entered into the Acquisition Agreement with JPIMedia on 31 December 2020, which was completed on 2 January 2021, pursuant to which the Company acquired the JPI Group.

The consideration payable by the Company to JPIMedia was £10,217,000 (on a debt free / cash free basis) with a normalised level of working capital. The Company and JPIMedia agreed that the consideration would be satisfied by the repayment of a loan of £4,717,000 due to JPIMedia by JPI Group and the balance of £5,500,000 as consideration for the issued share capital of JPI Group.

The consideration payable was subject to adjustment on agreement of completion accounts as at 2 January 2021. Adjustments have been made to reflect the normalised level of working capital and for any cash or debt like items and on 31 March 2021 National World paid £1,686,000, as additional consideration, representing the cash in the business on Completion (£472,000) and working capital in the JPI Group on Completion being higher than the normalised level of working capital.

The consideration comprises three tranches:

(i) £5,217,000 paid on Completion. This amount was allocated in two parts:
- initial equity consideration of £500,000 as partial satisfaction of the consideration for the issued share capital of JPI Group; and
- £4,717,000 due to JPIMedia by JPI Group, to be paid by the Company on behalf of JPI Group directly to JPIMedia, and treated by JPI Group as discharging the outstanding debt due to JPIMedia.

(ii) the sum of £2,500,000 deferred equity consideration which is payable on 31 March 2022 as partial satisfaction of the consideration for the issued share capital of JPI Group; and

(iii) the sum of £2,500,000 deferred equity consideration which is payable on 31 March 2023 as partial satisfaction of the consideration for the issued share capital of JPI Group,

as set out in the table below.

	£'000
Equity value (initial and deferred)	5,500
JPI Group intercompany loan payable to JPIMedia	4,717
Total Acquisition price	**10,217**
Satisfied by:	
Equity consideration (paid on 4 January 2021)	500
Debt repayment to the vendor, JPIMedia (paid on 4 January 2021)*	4,717
Paid to date	***5,217***
Deferred consideration payable on 31 March 2022	2,500
Deferred consideration payable on 31 March 2023	2,500
Total	**10,217**

** From the loans made by the Company to JPI Group to date.*

The consideration payable in the Acquisition Agreement was subject to adjustment on agreement of completion accounts as at 2 January 2021. Adjustments have been made to reflect the normalised level of working capital and for any cash or debt like items and on 31 March 2021 National World paid £1,686,000, as additional consideration, representing the cash in the business on Completion (£472,000) and working capital in the JPI Group on Completion being higher than the normalised level of working capital. The Acquisition Agreement also provides for a working capital adjustment to reflect working capital in excess of normalised working capital left in the business at Completion.

At Completion, JPIMedia Publishing held £1,500,000 restricted cash on account with Barclays Bank PLC. Barclays Bank PLC has an undertaking that upon release of the security by Barclays Bank PLC, or 18 months following Completion on 2 January 2021, it is repayable directly to JPIMedia. Therefore, the cash balance was de-recognised as an asset in JPI Group as at 2 January 2021. Barclays Bank PLC hold the security to support the exposure under payment services facilities. If the Company ceases to use these services, Barclays Bank PLC must release the security or should Barclays Bank PLC (in its discretion) be satisfied that the corporate credit rating is strong enough to justify no continuing security, it may agree to release it.

The Company has undertaken to JPIMedia that until the payment of the tranche of £2,500,000 due on 31 March 2023 is made, it will not: (i) dispose of any interest in the shares or assets of the JPI Group unless 50% of the sale proceeds are paid to JPIMedia; (ii) declare, make or pay any dividend or other distribution exceeding £1,250,000 in aggregate; or (iii) allow any member of the JPI Group to be wound up. JPIMedia has given warranties to the Company in respect of the JPI Group and its business and assets, and an indemnity in respect of pre-Completion tax liabilities of the JPI Group. The aggregate liability of JPIMedia in respect of any and all claims under these warranties and indemnities is limited (save in the event of fraud or wilful non-disclosure) to £1,250,000, to be satisfied by way of deduction from the payment of deferred consideration due on 31 March 2023. Any such claims must be notified to JPIMedia by 2 July 2021. JPIMedia has also given an indemnity to the Company in respect of any and all losses the Group may suffer as a result of any personal data breach occurring within the JPI Group prior to Completion.

(b) ***Intra-group loan***

The Company provided JPI Group an intra-group loan of £10,500,000 (£7,700,000 on 4 January 2021 and £2,800,000 on 5 January 2021), of which £4,717,000 was in respect of the debt due by JPI Group to JPIMedia paid by the Company on behalf of JPI Group at Completion (as referred to in paragraph 13.1 (a)(i) above) and £5,783,000 to provide on going working capital for the JPI Group.

(c) ***Upstream guarantee***

On 2 January 2021, each of the companies in the JPI Group entered into a deed of guarantee with JPIMedia pursuant to which each member of the JPI Group agreed to guarantee to JPIMedia each of the payments required to be made by JPIMedia Publishing to JPIMedia pursuant to the Acquisition Agreement following Completion.

(d) ***Admission agreement***

An agreement dated 4 May 2021, between the Company and Dowgate, pursuant to which the Company appointed Dowgate as its financial adviser in connection with this Prospectus and Admission. Pursuant to the agreement, the Company has agreed to pay to Dowgate a retainer fee of £25,000 per month (plus VAT, if applicable), with effect from 1 February 2021, for work undertaken in relation to Admission, capped at £75,000 (plus VAT, if applicable), and a fee £75,000 (plus VAT, if applicable) payable at the time of Admission. The agreement contains certain warranties, indemnities and undertakings from the Company in favour of Dowgate.

(e) ***Stanhope and Alvarium engagement letter***

An engagement letter dated 17 July 2019 between the Company, Stanhope and Alvarium, pursuant to which the Company appointed Stanhope and Alvarium as financial advisers to the Company for the purposes of its initial public offering and in relation to future acquisitions.

The Stanhope and Alvarium engagement letter is terminable by either party on three months' notice, or on the basis of a material breach of the terms of the Stanhope and Alvarium engagement letter by the Company, as adjudged by Stanhope and Alvarium acting together, reasonably and in good faith, and in the circumstances that it is so terminated, the Company has agreed to account to Stanhope and/or Alvarium, as applicable, for the success fees which would have otherwise been payable under (d) below for one year "tail period". Pursuant to the Stanhope and Alvarium engagement letter the Company has agreed to pay, *inter alia,* a corporate finance advisory fee, which shall be apportioned 50%:50% as between Stanhope and Alvarium, based on Enterprise Value (defined below):

(i) for post-IPO acquisitions up to £10,000,000 Enterprise Value – 3% (plus VAT, if applicable) of the Enterprise Value for each acquisition completed by the Company subject to a minimum fee of £100,000 for each acquisition;

(ii) for post-IPO acquisitions between £10,000,000 and £20,000,000 Enterprise Value – 2% (plus VAT, if applicable) of the Enterprise Value for each acquisition completed by the Company subject to a minimum fee of £300,000 for each acquisition;

(iii) for post-IPO acquisitions between £20,000,000 and £200,000,000 Enterprise Value – 1.25% (plus VAT, if applicable) of the Enterprise Value for each acquisition completed by the Company subject to a minimum fee of £400,000 for each acquisition; and

(iv) for post-IPO acquisitions above £200,000,000 Enterprise Value – 1% (plus VAT, if applicable) of the Enterprise Value for each acquisition completed by the Company subject to a minimum fee of £2,500,000 for each acquisition,

where "**Enterprise Value**" shall not include pension deficits or any upfront funding of pensions schemes, but shall include any deferred considerations which are not contingent.

(f) ***Registrar Agreement***

The Company and the Registrar entered into an agreement dated 31 July 2019 pursuant to which the Registrar agreed to act as registrar to the Company and to provide transfer agency services and certain other administrative services to the Company in relation to its business and affairs (the "**Registrar Agreement**").

The Registrar is entitled to receive the annual fee for creation and maintenance of the share Register will be £1 per holder of Ordinary Shares appearing on the Register during the fee year, with a minimum charge per annum of £5,000 for the provision of its services under the Registrar Agreement.

In addition to the annual fee, the Registrar is entitled to reimbursement for all out-of-pocket expenses incurred by it in the performance of its services.

The Registrar Agreement shall continue for an initial period of three years and thereafter will automatically renew for successive periods of 12 months unless and until terminated upon written notice by either party, by giving not less than six months' written notice. In addition, the agreement may be terminated as soon as reasonably practicable if either party (i) commits a material breach of the agreement which has not been remedied within 45 days of a notice requesting the same; (ii) goes into liquidation (except voluntary) or becomes bankrupt or insolvent.

(g) ***Mediaforce Subscription Agreement***

Under an agreement to subscribe for £6,000,0000 in nominal value of Convertible Secured Loan Notes between the Company and Mediaforce dated 31 December 2020, the Company granted the right to Mediaforce: if it beneficially owns Ordinary Shares carrying, or controls, directly or indirectly, the exercise of 20% or more of the total voting rights of the Company (on an undiluted basis), it shall procure that the Board appoints up to two Directors as nominated by Mediaforce to the Board, each as a non-executive Director from time to time; and if it beneficially owns Ordinary Shares carrying, or controls, directly or indirectly, the exercise of 15% or more of the total voting rights of the Company (on an undiluted basis), it shall procure that the Board appoints up to one Director as nominated by Mediaforce to the Board, as a non-executive Director from time to time.

Pursuant to the Mediaforce Subscription Agreement, the Company must, *inter alia*, use all reasonable endeavours to ensure that the number of Directors appointed to the Board, and the composition of the Board, shall at all times be appropriate (in size and number) for the stock exchange on which the Company is admitted and any applicable corporate governance regime which the Company has chosen to comply with.

For so long as Mediaforce beneficially owns Ordinary Shares carrying, or controls, directly or indirectly, the exercise of 20% or more of the total voting rights of the Company (on an undiluted basis), immediately prior to a new issue of Ordinary Shares, if the Company intends to offer equity securities to any person, then the Company shall, subject to customary carve-outs, provide notice to Mediaforce and: (i) if the Company proposes to issue new equity securities for cash otherwise than by way of a *pro rata* offer to existing shareholders, offer the right to be issued such new equity securities to Mediaforce on the same terms and conditions as nearly as practicable to Mediaforce's proportion of equity securities held by it immediately prior to such issue; and (ii) if the Company proposes to issue new equity securities for non-cash consideration, other than to solely to fund a *bona fide* acquisition of a company, business or other asset, it will provide Mediaforce with a right to participate on a cash equivalent basis in any new issue of equity securities on a *pro rata* basis, in each case, so Mediaforce may maintain its *pro rata* holding after the issue is complete.

(h) ***Charge Over Shares***

On 2 January 2021, the Company and Mediaforce entered into a charge over shares (the "**Share Charge**") pursuant to which the Company granted security to Mediaforce (as security trustee for the holders of the Convertible Secured Loan Notes) over the shares in the capital of JPIMedia Publishing. The Share Charge secures all present and future liabilities of the Company in respect of the Convertible Secured Loan Notes owed to Mediaforce and each other holder of Convertible Secured Loan Notes.

The Company has agreed that it will not grant security over, dispose of, or grant any other interest in the shares of JPIMedia Publishing or any dividends, distributions or other rights or property accruing in relation to such shares, without the consent of Mediaforce. The Share Charge will become immediately enforceable if an event of default occurs under the instrument constituting the Convertible Secured Loan Notes.

The Share Charge will be released if on Conversion and/or repayment of all of the outstanding Convertible Secured Loan Notes.

(i) ***Security Trust Deed***

Under a security trust deed dated 2 January 2021 and entered into between Mediaforce, David Montgomery, Vijay Vaghela, Mark Hollinshead, Steve Barber, John Rowe and Alasdair Locke, as original noteholders, and (3) the Company (the "**Security Trust Deed**"), Mediaforce will act as the security trustee and will hold the secured property (being the Share Charge) on trust for the benefit of (i) itself, (ii) the noteholders from time to time, and (iii) any receiver or delegate that is appointed by Mediaforce (the "**Beneficiaries**").

The Security Trust Deed will be terminated, and all security over the secured property released, provided Mediaforce, with the approval of the relevant secured party, determines that (i) all of the secured liabilities and all other obligations secured by the Share Charge have been fully and finally discharged, and (ii) none of the Beneficiaries are under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to the Company pursuant to any transaction document.

(j) ***Convertible Secured Loan Notes***

The Company issued £20 million of Convertible Secured Loan Notes (£8,425,000 on 31 December 2020, £5,507,600 on 21 January 2021 and £6,067,400 on 8 February 2021). The Convertible Secured Loan Notes are fully repayable on 31 December 2023 and accrue interest at 10% per annum (payable on 30 June and 31 December) and the holders of the Convertible Secured Loan Notes have an option to convert their Convertible Secured Loan Notes (plus a 10% premium) and accrued interest to equity on Admission at 11 pence per share.

(k) ***Unsecured Loan Notes***

On 12 February 2021, the Company issued £1,000,000 of Unsecured Loan Notes. The Unsecured Loan Notes accrue interest at 15% per annum and are repayable on 31 December 2023. The Company has an option to fully redeem the Unsecured Loan Notes on 31 December 2021 and 31 December 2022, subject to a make whole payment representing 10% interest for the remaining term of the Unsecured Loan Notes.

13.2 The following is the only contract (not being a contract entered into in the ordinary course of business) that has been entered into by the JPI Group since the incorporation of JPIMedia Publishing and its subsdiaires (which comprise the JPI Group) which: (i) are, or may be, material to the Enlarged Group; or (ii) contain obligations or entitlements which are, or may be, material to the Enlarged Group as at the date of this Prospectus.

On 3 December 2020, JPIMedia Publishing granted a fixed and floating charge over a bank account in its name to Barclays Bank PLC containing the sum of £1.5 million (the "**Charged Account**"). The Charged Account was created as security for certain payment services facilties, comprising BACS, cheques and online payments, provided by Barclays Bank PLC to JPIMedia Publishing. For the avoidance of doubt, as at the date of this Prospectus there are no financing facilities or other forms of indebtedness provided by Barclays Bank PLC to the Enlarged Group. At Completion, and pursuant to the terms of the Acquistion Agreement (described at paragraph 13.1(a) above), National World and JPIMedia Publishing delivered an undertaking to Barclays Bank PLC that upon release of the security by Barclays Bank PLC, or 18 months following Completion on 2 January 2021, the contents of the Charged Account are to be repaid directly to JPIMedia. Therefore, the cash balance was de-recognised as an asset by JPI Group as at 2 January 2021.

14. RELATED PARTY TRANSACTIONS

14.1 ***Non-executive Directors' letters of appointment***

Each of John Rowe, Steve Barber and Daniel Cammiade have entered into a non-executive Director's letter of appointment dated 31 July 2019, 31 July 2019, and 30 December 2020, respectively, with the Company in respect of their appointment as a Director.

Under the terms of the appointment letters, a fee of £20,000 per annum is payable to each of the non-executive Directors. Steve Barber also receives a fee of £10,000 per annum as chair of the audit and risk committee and John Rowe a fee of £5,000 per annum as chair of the remuneration committee.

Each of the Directors appointments as a non-executive director of the Company, shall (subject to limited exceptions) be subject to termination by either party on three months' written notice.

14.2 ***Service Agreements***

(a) David Montgomery entered into a service agreement with the Company in 1 August 2019 which was amended on 2 January 2021 with respect to his appointment as Executive Chairman of the Company and Director jointly responsible for implementation of an acquisition strategy. Mr. Montgomery's service agreement provides for him to be employed on a full-time basis by the Company.

Mr. Montgomery's service agreement is capable of termination by either party giving 12 months' notice in writing. Mr. Montgomery is entitled to a salary of £120,000 per annum and a pension contribution equal to 10% of his salary.

(b) Vijay Vaghela entered into a service agreement with the Company in 1 August 2019 which was amended on 2 January 2021 with respect to his appointment as Chief Operating Officer of the Company and Director jointly responsible for implementation of an acquisition strategy. Mr. Vaghela's service agreement provides for him to be employed on a full-time basis by the Company.

Mr. Vaghela's service agreement is capable of termination by either party giving twelve months' notice in writing. Mr. Vaghela is entitled to a salary of £120,000 per annum and a pension contribution equal to 10% of his salary.

(c) Mark Hollinshead entered into a service agreement with the Company on 2 January 2021 with respect to his appointment as Chief Commercial Officer of the Company. Mr Hollinshead's service agreement provides for him to be employed on a full-time basis by the Company.

Mr Hollinshead's service agreement is capable of termination by either party giving twelve months' notice in writing. Mr Hollinshead is entitled to a salary of £120,000 per annum and a pension contribution equal to 10% of his salary.

14.3 ***Value Creation Plan***

The Company's remuneration policy seeks to provide a strong and clear link between business strategy and incentive arrangements.

Set out below is a summary of the principal features of the VCP.

(a) *Overview*

The VCP is a discretionary share plan which was put in place on 19 September 2019.

It is intended to support the delivery of the Company's strategy, to retain the lead executives and reward them for driving its successful delivery. The VCP operates over a performance period commencing on 19 September 2019 and ending on the date of publication of the Company's results for the financial year ending 31 December 2022 (the "**Performance Period End Date**").

The VCP is intended to give plan participants an entitlement to a percentage share in a pool of returns delivered to Shareholders above a hurdle rate of return to be awarded as nominal cost options ordinarily vesting on the 21st dealing day following the Performance Period End Date ("**Vesting Date**") over a number of Ordinary Shares determined immediately prior to the Vesting Date. The initial base Ordinary Share price for the VCP was 10p per Ordinary Share. A two-year holding period will apply to vested awards if the Company is admitted to a Premium Listing at the Vesting Date.

The overall effect of the VCP is that the participants together will be able to earn Ordinary Shares equivalent in value to 10% of any equity value created above an 8% compound annual growth rate based on the measurement of absolute total shareholder return generated over the VCP performance period. In other words, until shareholders receive an 8% p.a. return, the VCP will not pay out. Beyond that, participants may in aggregate receive 10% of any further equity value created subject to a cap of 10% of issued Ordinary Share capital. The equity value created is calculated under the plan as the market capitalisation of the Company at the end of the VCP performance period less the net invested capital in the Company. The net invested capital in the Company is the equity value of the Company on 19 September 2019 plus the any additional Ordinary Shares issued multiplied by the price per Ordinary Share at which they are issued increased by the compound annual hurdle of 8% from the date of issuance up to the end of the VCP performance period and less all amounts paid by the Company by way of dividends or other distributions in respect of the Ordinary Shares over the relevant period.

Under the VCP, the Remuneration Committee may, within certain limits, grant to eligible employees (i) conditional awards (i.e., a conditional right to acquire Ordinary Shares) ("**Conditional Awards**") and/or (ii) options over Ordinary Shares ("**Options**") which will allow the participant to acquire Ordinary Shares (together, the "**Awards**").

(b) *Eligibility*

Participation in the VCP is only available to employees of the Enlarged Group ("**Participants**").

(c) *Grant of Awards*

Participants will be granted an Award giving them a right to acquire a number of Ordinary Shares, which shall be calculated using a formula based on the equity value created for shareholders over the VCP performance period. The initial VCP performance period comprises the period commencing on Admission and ending on the date of publication of the Company's results in respect of the Company's financial year ending 31 December 2022 ("**Performance Period**").

(d) *Structure of Awards*

The VCP will provide Participants with a pool of ordinary shares with a value equal to 10% of any cumulative shareholder value created above a compound hurdle rate of 8% per annum (the "**Formula**"). This will be measured from a base share price equal to the Placing Price.

Entitlements of participants in the pool of returns are split as follows:

- David Montgomery – up to a maximum of 35%
- Vijay Vaghela – up to a maximum of 35%
- Mark Hollinshead – up to a maximum of 30%*

**30%, which was initially unallocated, has been allocated to Mark Hollinshead following his appointment as Chief Commercial Officer following the acquisition of JPIMedia on 2 January 2021.*

Shareholder value created will be tested by reference to the Company's average share price over the 20 dealing days commencing on the final date in the Performance Period, and Awards will vest on the 20th such dealing day.

(e) *Performance and other conditions*

The Formula may be varied or substituted if the Remuneration Committee considers it appropriate, provided the Remuneration Committee considers that the new performance conditions underlying the new formula are reasonable and are not materially more or less difficult to satisfy than the original conditions.

The Remuneration Committee may also impose other conditions on the vesting of Awards.

(f) *Malus*

The Remuneration Committee may decide, at any time prior to the vesting of Awards, that the number of ordinary shares subject to an Award shall be reduced (including to nil) on such basis that the Remuneration Committee in its discretion considers to be fair and reasonable, where the Remuneration Committee determines that one or more of the following trigger events have occurred:

(i) the discovery of a material misstatement resulting in an adjustment in the audited accounts of the Company or any Enlarged Group company; and/or

(ii) the gross misconduct of the Participant; and/or

(iii) fraud effected by or with the knowledge of the Participant.

(g) *Clawback*

The Remuneration Committee may require a Participant to transfer to the Company all or some of the ordinary shares acquired, or pay certain amounts to the Company, in the period of two years following the vesting of an Award or an Option in the same circumstances as apply to malus (above).

(h) *Vesting and exercise*

Awards will normally vest, and Options will normally become exercisable, on the 20th day following the end of the Performance Period subject to the application of the Formula. The Remuneration Committee will have the discretion to settle Awards in cash. Options will normally remain exercisable for two years following the vesting date.

If the Company is admitted to a Premium Listing on the vesting date, a two-year holding period (running from the vesting date) will apply to shares acquired or to be acquired pursuant to Awards, save that sufficient shares may be sold to satisfy the Participant's liability to income tax and UK National Insurance contributions, and to pay the applicable exercise price (which is expected to be equal to the nominal value of a share).

(i) *Cessation of employment*

Except in certain circumstances, set out below, an Award will lapse immediately upon a Participant ceasing to be employed by or holding office with the Enlarged Group.

If a Participant so ceases because of his death, ill-health, injury, disability, redundancy, retirement with the agreement of his employer, the Participant being employed by a company which ceases to be an Enlarged Group company or being employed in an undertaking which is transferred to a person who is not a Enlarged Group company or in other circumstances at the discretion of the Remuneration Committee (each, a "**Good Leaver Reason**"), his Award will ordinarily vest on the date when it would have vested if he had not so ceased to be a Enlarged Group employee or Director (or such earlier date as the Remuneration Committee determines), subject to: (x) the application of the Formula over the original Performance Period (or such shorter period as is applicable); and (y) pro rating to reflect the reduced period of time between Admission and the Participant 's cessation of employment as a proportion of the normal vesting period.

To the extent that Options vest for a Good Leaver Reason, they may be exercised for a period of three months following vesting (or such longer period as the Remuneration Committee determines) (12 months in the case of death) and will otherwise lapse at the end of that period.

(j) *Corporate events*

In the event of a takeover, scheme of arrangement, demerger or winding-up of the Company, Awards will vest in full and Options will become immediately exercisable on the date of the corporate event, subject to the application of the Formula over the period to the change of control. Alternatively, Participants may be allowed to exchange their Awards and/or Options for options over shares in the acquiring company.

(k) *Awards not transferable*

Awards granted under the VCP are not transferable other than to the Participant's personal representative in the event of his death.

(l) *Limits*

The VCP may operate over new issue ordinary shares, treasury ordinary shares or ordinary shares purchased in the market. Under the VCP, the maximum aggregate number of ordinary shares in the company that can be issued to satisfy awards under the VCP to all participants is limited to 10 of the company's issued share capital at the relevant time.

(m) *Variation of capital*

If there is a variation of share capital of the Company or in the event of a demerger or other distribution, special dividend or distribution, the Remuneration Committee may make such adjustments to Awards granted under the VCP including the number of Ordinary Shares subject to Awards and the Option exercise price (if any), as it considers to be fair and reasonable.

(n) *Dividends*

No dividends or dividend equivalents shall be paid prior to vesting of an Award. Dividend equivalents shall accrue from the vesting date of an Option until the date on which it is exercised.

(o) *Rights attaching to shares*

Ordinary shares issued and/or transferred under the VCP will not confer any rights on any Participant until the relevant Award has vested or the relevant Option has been exercised and the Participant in question has received the underlying ordinary shares. Any ordinary shares allotted when an Option is exercised or an Award vests will rank equally with ordinary shares then in issue (except for rights arising by reference to a record date prior to their issue).

(p) *Amendments*

The Remuneration Committee may amend the provisions of the VCP in any respect. Shareholder approval must be obtained in the case of any amendment to the advantage of Participants which is made to the provisions relating to eligibility of individual or overall limits, the adjustments that may be made In the event of any variation to the share capital of the Company and/or the rule relating to such prior approval. The Company may make minor amendments to benefit the administration of the VCP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Participants, the Company and/or its other Enlarged Group companies. Amendments may not adversely affect the rights of Participants except where Participants are notified of such amendment and the majority of Participants (by number of ordinary shares held under subsisting Awards) approve such amendment.

(q) *Benefits not pensionable*

The benefits received under the VCP are not pensionable.

14.4 ***National World plc Employee Benefit Trust***

The National World Employee Benefit Trust ("**EBT**") has been established by the Company as a discretionary employee benefit trust. The trustee of the EBT is Estera Trust (Jersey) Limited. The class of beneficiaries of the EBT includes employees and former employees of the Enlarged Group and their dependants. The EBT does not currently hold any Ordinary Shares.

It is proposed that, going forward, Ordinary Shares will be acquired by the EBT using funds loaned to it by the Company which may be used to satisfy awards granted under the VCP.

14.5 ***Other related party transactions***

Save as set out in paragraphs 2.6, 2.8, 14.1, 14.2, 14.3 and 14.4, from 29 May 2019 (being the Company's date of incorporation) up to and including the date of this Prospectus, the Company has not entered into any related party transactions.

15. ACCOUNTS

The Company's annual report and accounts are made up to 31 December in each year, with the first annual report and accounts covering the period from incorporation on 29 May 2019 to 31 December 2019. The Company makes public its annual report and accounts within four months of each financial year end (or earlier if possible) and copies of the annual report and accounts are sent to Shareholders within six months of each financial year end (or earlier if possible). The Company has prepared audited historical financial information for the period from incorporation on 29 May 2019 to 31 December 2019 and the year ended 31 December 2020.

16. GENERAL

16.1 On 29 July 2019, Crowe U.K. LLP whose address is Crowe U.K. LLP of 55 Ludgate Hill, London EC4M 7JW, United Kingdom were appointed as the first auditor of the Company. Crowe U.K. LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales and the Financial Reporting Council.

16.2 Crowe U.K. LLP has given and has not withdrawn its consent to the inclusion of its accountant's reports on the financial information of the JPI Group included in *Section (A) – Accountant's Report on the Financial Information of JPI Group* of *Part XI – Financial Information of JPI Group* and the *Pro Forma* Financial Information included in *Section (A) – Accountant's Report on the Pro Forma Financial Information* of *Part XII – Pro Forma Financial* of this Prospectus, and has authorised the contents of those reports as parts of this Prospectus for the purposes of item 1.3 of the UK version of Commission Delegated Regulation (EU) 2019/980, as it forms part of UK law by virtue of the EUWA.

16.3 Dowgate Capital Limited has given and not withdrawn its written consent to the inclusion in this Prospectus of its name and reference thereto in the forms and contexts in which it appears.

16.4 Alvarium MB (UK) Limited has given and not withdrawn its written consent to the inclusion in this Prospectus of its name and reference thereto in the forms and contexts in which it appears.

16.5 Stanhope Capital LLP has given and not withdrawn its written consent to the inclusion in this Prospectus of its name and reference thereto in the forms and contexts in which it appears.

16.6 As at 22 April 2021 (being the latest practicable date prior to the date of this Prospectus), the Enlarged Group has 1,440 employees (of which approximately 1,271 are full-time and 169 are part-time.

16.7 The total expenses incurred (or to be incurred) by the Company in connection with Admission are approximately £700,000 (excluding any applicable VAT).

16.8 The Company is not dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Company's business or profitability.

17. THIRD PARTY SOURCES

The Company confirms that information sourced from third parties has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by those third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

18. NO INCORPORATION OF WEBSITES

The contents of the Company's website (https://www.nationalworldplc.com) unless specifically incorporated by reference, any website mentioned in this Prospectus or any website directly linked to these websites have not been verified and do not form part of this Prospectus, and prospective investors should not rely upon them.

19. AVAILABILITY OF DOCUMENTS

19.1 Copies of the following documents may be inspected at the registered office of the Company at 201 Temple Chambers, 3-7 Temple Avenue, London EC4Y 0DT, United Kingdom during usual business hours on any Business Day, unless the registered office has been closed as a result of the circumstances surrounding the COVID-19 pandemic, from the date of this Prospectus until Admission and completion of the Conversion:

(a) the Articles; and

(b) this Prospectus.

19.2 In addition, this Prospectus and the other documents referred to in paragraph 19.1 above will be published in electronic form and be available on the Company's website at https://www.nationalworldplc.com.

Date: 4 May 2021

PART XVI

DEFINITIONS

The following definitions apply throughout this Prospectus (unless the context requires otherwise):

"**Acquisition**"	the acquisition of JPIMedia Publishing by the Company pursuant to the Acquisition Agreement.
"**Acquisition Agreement**"	the agreement for the sale and purchase of the entire issued share capital of JPIMedia Publishing between (1) the Company and (2) JPIMedia, dated 27 December 2020.
"**Admission**"	admission of the Ordinary Shares to the standard listing segment of the Official List and to trading on the Main Market of the London Stock Exchange.
"**Admission Costs**"	the £700,000 (excluding any applicable VAT) of costs associated with Admission.
"**Affiliate**" or "**Affiliates**"	an affiliate of, or person affiliated with, a person; a person that, directly or indirectly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.
"**AGM**"	an annual general meeting of the Company.
"**AIM**"	AIM, the market of that name operated by the London Stock Exchange.
Alvarium	Alvarium MB (UK) Limited, an appointed representative of Alvarium Re Limited.
"**Articles**"	articles of association of the Company in force from time to time.
"**Audit and Risk Committee**"	the audit and risk committee of the Board.
"**Brexit**"	the formal exit from the EU by the UK on 31 January 2020, which was followed by a transition period ending on 31 December 2021.
"**BBC**"	British Broadcasting Corporation.
"**Business Day**"	any day on which the London Stock Exchange is open for business and banks are open for business in London; excluding Saturdays and Sundays.
"**CC**"	the Competition Commission.
"**certificated**" or "**in certificated form**"	in relation to, as the case may be, a share, warrant or other security, a share, warrant or other security, title to which is recorded in the relevant register of the share, warrant or other security concerned as being held in certificated form (i.e., not in CREST).
"**Change of Control**"	an acquisition of Control of the Company by any person or party (or by any group of persons or parties who are acting in concert).
"**CMA**"	the UK Competition and Markets Authority.
Companies Act"	the Companies Act 2006.
"**Company**" or "**National World**"	National World plc, a company incorporated in England and Wales with company number 12021298.
"**Company Financial Information**"	the audited historical financial information of the Company for the period from incorporation on 29 May 2019 to 31 December 2019 and the year ended 31 December 2020, incorporated by reference in *Part X – Financial Information of the Company* of this Prospectus.
"**Completion**"	completion of the Acquisition on 2 January 2021, pursuant to the terms of the Acquisition Agreement.
"**Control**"	(i) the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to: (a) cast, or control the casting of, more than 50% of

the maximum number of votes that might be cast at a general meeting of the Company; or (b) appoint or remove all, or the majority, of the Directors or other equivalent officers of the Company; or (c) give directions with respect to the operating and financial policies of the Company with which the Directors or other equivalent officers of the Company are obliged to comply; and/or (ii) the holding beneficially of more than 50% of the issued shares of the Company (excluding any issued shares that carry no right to participate beyond a distribution of either profits or capital), but excluding in the case of each of (i) and (ii) above any such power or holding that arises as a result of the issue of Ordinary Shares by the Company in connection with an acquisition.

"**Conversion**"	the conversion of the Convertible Secured Loan Notes, plus a 10% premium and accrued interest, into Conversion Shares, conditional only on Admission.
"**Convertible Secured Loan Notes**"	£20 million of 10% convertible secured loan notes issued by the Company between 27 December 2020 and 12 February 2021, which accrue interest and a 10% premium on Conversion.
"**Conversion Shares**"	the 205,432,801 new Ordinary Shares to be issued at Admission on the Conversion.
"**CREST**" or "**CREST System**"	the system for the paperless settlement of trades in securities and the holding of uncertified securities operated by Euroclear in the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations.
"**CREST Regulations**"	the Uncertificated Securities Regulations 2001 (*SI 2001 No. 3755*).
"**Directors**" or "**Board**"	the directors of the Company, whose names appear in paragraph 7 of *Part VI – Information on the Enlarged Group* of this Prospectus, or the board of directors from time to time of the Company, as the context requires, and "Director" is to be construed accordingly.
"**Disclosure Guidance and Transparency Rules**" or "**DTRs**"	the disclosure guidance and transparency rules of the FCA made in accordance with section 73A of FSMA.
"**Dowgate**"	Dowgate Capital Limited.
"**DMGT**"	Daily Mail and General Trust plc.
"**EBT**"	National World plc Employee Benefit Trust.
"**EEA**"	the European Economic Area, comprising the EU, Iceland, Norway and Liechtenstein.
"**Enlarged Group**"	the Company together with the JPI Group.
"**Enlarged Share Capital**"	the issued share capital of the Company following Admission.
"**Enterprise Act**"	Enterprise Act 2000, as amended by the ERRA.
"**ERRA**"	Enterprise and Regulatory Reform Act 2013.
"**EU**" or "**European Union**"	the European Union first established by the treaty made at Maastricht on 7 February 1992.
"**Euroclear**"	Euroclear UK & Ireland Limited, a company incorporated in England and Wales with company number 02878738, being the operator of CREST.
"**EUWA**"	the European Union (Withdrawal) Act 2018.

"**Existing Share Capital**"	the issued share capital of the Company as at the time of this Prospectus.
"**Existing Ordinary Shares**"	54,000,000 Ordinary Shares of nominal value 0.1 pence each in the capital of the Company in issue as at the date of this Prospectus.
"**FCA**"	the UK Financial Conduct Authority.
"**Finance Act**"	Finance Act 1986.
"**FSMA**"	the UK Financial Services and Markets Act 2000.
"**general meeting**"	a meeting of the Shareholders of the Company or a class of Shareholders of the Company (as the context requires).
"**Group**"	the Company and its subsidiaries from time to time.
"**HMRC**"	Her Majesty's Revenue & Customs.
"**IFRS**"	International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.
"**IMPRESS**"	the Independent Monitor for the Press.
"**IPSO**"	the Independent Press Standards Organisation.
"**JPI Group**"	JPIMedia Publishing and its subsidiaries.
"**JPI Group Financial Information**"	the audited, consolidated historical financial information of the JPI Group for the 74-week period from incorporation on 3 August 2018 to 4 January 2020 and the 52-week period ended 2 January 2021, extracted without adjustment from the audited consolidated financial statements of the JPI Group for those periods and included in *Section (B)* of *Part XII – Financial Information of the JPI Group* of this Prospectus.
"**JPIMedia**"	JPIMedia Limited, a company registered in England and Wales with company number 11573611.
"**JPIMedia Publishing**"	JPIMedia Publishing Limited, a company which was registered in England and Wales with company number 11499982.
"**Johnston Press**"	Johnston Press plc, a company registered in Scotland with company number SC015382.
"**LEI**"	legal entity identifier.
"**LINK Asset Services**"	the trading name of LINK Market Services Limited.
"**Listing Rules**"	the listing rules made by the FCA under section 73A of FSMA.
"**Loan Notes**"	together the Unsecured Loan Notes and the Convertible Secured Loan Notes.
"**Local World**"	Local World Limited.
"**London Stock Exchange**"	London Stock Exchange plc.
"**Main Market**"	main market for listed securities of the London Stock Exchange.
"**Mediaforce**"	Mediaforce (Holdings) Limited.
"**Mediaforce Subscription Agreement**"	an agreement to subscribe for £6,000,0000 in nominal value of Convertible Secured Loan Notes between the Company and Mediaforce dated 31 December 2020.
"**Money Laundering Regulations**"	the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.
"**Official List**"	the official list maintained by the FCA.

"**OFT**"	the Office of Fair Trading.
"**Order**"	the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
"**ordinary resolution**"	a resolution of Shareholders requiring a simple majority of not less than 50%.
"**Ordinary Shares**"	the ordinary shares of nominal value 0.1 pence each in the capital of the Company including, if the context requires, the Conversion Shares.
"**Performance Period End Date**"	the date of the publication of the Company's results for the financial year ending 31 December 2022.
"**Premium Listing**"	a premium listing under Chapter 6 of the Listing Rules.
"***Pro Forma* Financial Information**"	the unaudited *pro forma* statement of financial position as at 31 December 2020 and the unaudited *pro forma* statement of comprehensive income for the year then ended, included in *Section (B) – Pro Forma Financial Information* of *Part XII – Pro Forma Financial Information* of this Prospectus.
"**Prospectus**"	this document.
"**Prospectus Regulation**"	Regulation (EU) 2017/1129.
"**Prospectus Regulation Rules**"	the prospectus regulation rules of the FCA made in accordance with section 73A of FSMA.
"**PRP**"	Press Recognition Panel.
"**QIB**"	a qualified institutional buyer as defined in, and in reliance on, the exemption from the registration requirements of the Securities Act provided in Rule 144A under the Securities Act.
"**Qualified Investors**"	persons who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation.
"**Reach**"	Reach plc.
"**Register**"	the register of holders of Ordinary Shares to be maintained by the Registrar.
"**Registrar**"	Link Market Services of The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU or any other registrar appointed by the Company from time to time.
"**Registrar Agreement**"	the registrar agreement dated 31 July 2019 between the Company and the Registrar.
"**Relevant State**"	a member state of the EEA which has implemented the Prospectus Regulation.
"**Remuneration Committee**"	the remuneration committee of the Board.
"**Restricted Jurisdiction**"	the United States, Australia, Canada, Japan, and the Republic of South Africa.
"**Reverse Takeover**"	a reverse takeover as defined in the Listing Rules.
"**RIS**"	a Regulatory Information Service that is on the list of regulatory information services maintained by the FCA.
"**Rule 144A**"	Rule 144A under the Securities Act.
"**SEC**"	US Securities and Exchange Commission.
"**Securities Act**"	US Securities Act of 1933, as amended.
"**SEDOL**"	Stock Exchange Daily Official List, a list of security identifiers used in the United Kingdom and Ireland for clearing purposes.

"**Shareholder**"	a holder of Ordinary Shares.
"**special resolution**"	a resolution of Shareholders requiring a majority of not less than 75%.
"**Standard Listing**"	a standard listing under Chapter 14 of the Listing Rules.
"**Takeover Code**"	the City Code on Takeovers and Mergers.
"**Takeover Panel**"	the UK Panel on Takeovers and Mergers.
"**TIDM**"	Tradable Instrument Display Mnemonics.
"**UK Corporate Governance Code**"	the UK Corporate Governance Code issued by the Financial Reporting Council in the UK from time to time.
"**UK GDPR**"	the General Data Protection Regulation (EU) 2016/679, as it forms part of the retained EU law by virtue of the EUWA.
"**UK Prospectus Regulation**"	The UK version of the Prospectus Regulation as it forms part of retained EU law by virtue of the EUWA.
"**uncertificated**" or "**uncertificated form**"	in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST.
"**United Kingdom**" or "**UK**"	the United Kingdom of Great Britain and Northern Ireland.
"**United States**" or "**US**"	the United States of America, its possessions or territories, any State of the United States of America and the district of Columbia or any area subject to its jurisdiction or any political subdivision hereof.
"**Unsecured Loan Notes**"	£1,000,000 in aggregate principal amount of unsecured loan notes issued by the Company on 12 February 2021.
"**VAT**"	(i) within the EU, any tax imposed by any EU member state in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC), and (ii) outside the EU, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (i) of this definition.
"**VCP**"	the Company's value creation plan.
"**Vesting Date**"	the 21st dealing day following the Performance Period End Date.

References to a "**company**" in this Prospectus shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.

All references to legislation or regulation in this Prospectus are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, supplement, re-enactment or extension thereof. Words importing the singular shall include the plural and *vice versa*, and words importing the masculine gender shall include the feminine or neutral gender.

For the purpose of this Prospectus, "**subsidiary**" and "**subsidiary undertaking**" have the meanings given by the Companies Act.

In this Prospectus any reference to any EU directive, EU regulation, EU decision, EU tertiary legislation or provision of the EEA agreement (an "**EU Matter**") which forms part of domestic law by application of the EUWA shall be read as a reference to that EU Matter as it forms (by virtue of the EUWA) part of retained EU law and as modified by domestic law from time to time. For the purposes of this paragraph, (i) "**domestic law**" shall have the meaning given in the EUWA; and (ii) any other words and expressions shall, unless the context otherwise provides, have the meanings given in the EUWA.