

Registration number: 4521116

# DMGB Limited

Annual Report and Financial Statements

for the Year Ended 30 September 2018



## **DMGB Limited**

### **Contents**

Company Information	page 1
Directors' Report	pages 2 to 3
Strategic Report	pages 4 to 6
Statement of Directors' Responsibilities	page 7
Independent auditors' report	pages 8 to 10
Income Statement	page 11
Statement of Comprehensive Income	page 12
Statement of Changes in Equity	page 13
Statement of Financial Position	page 14
Notes to the Financial Statements	pages 15 to 26

## **DMGB Limited**

### **Company Information**

<b>Directors</b>	W R Flint P A Walsh
<b>Company secretary</b>	F L Sallas
<b>Registered office</b>	Northcliffe House 2 Derry Street London W8 5TT
<b>Bankers</b>	The Royal Bank of Scotland Corporate Services 135 Bishopsgate London EC2M 3UR
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors London WC2N 6RH

## **DMGB Limited**

### **Directors' Report for the Year Ended 30 September 2018**

The directors present their Annual Report on the affairs of the Company, together with the audited financial statements and Independent Auditors' report for the year ended 30 September 2018.

#### **Principal activity**

The principal activity of the Company is to hold investments and this is expected to continue for the foreseeable future.

The Company is a wholly owned subsidiary of Daily Mail and General Trust plc ("DMGT").

#### **Future developments**

The director expects the general level of activity of the Company to remain consistent with prior years and the Company's principal activity is not expected to change substantially.

#### **Going concern**

The director has considered the ability of the Company to continue in operational existence for the foreseeable future as well as the relevant business and financial risks. In doing this, they have considered the Company's business activities, together with the factors likely to affect its future development, performance and position, as set out in the Operating and Business Review which forms part of the Strategic Report. The financial position of the Company is showing a net current liability position, although the Company is profit making. DMGT plc has confirmed that it will provide such financial support as might be necessary to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements.

After making enquiries, the director therefore has a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

#### **Environmental matters**

The Company recognises the importance of its environmental responsibilities, monitors its impact on the environment and designs and implements policies to reduce any damage that might be caused by the Company's activities. As a member of the DMGT Group, the Company operates in accordance with DMGT Group policies, which are described in the DMGT Group Annual Report, which does not form part of this report. Initiatives designed to minimise the Company's net impact on the environment include the safe disposal of manufacturing waste, recycling and reducing energy consumption.

#### **Financial instruments**

##### ***Objectives and policies***

Derivative instruments used by the Company are forward exchange contracts. All such instruments are used for DMGT Group hedging purposes to alter the risk profile of an underlying exposure of the Company or DMGT Group in line with the Company and Group's risk management policies. The risk exposure in relation to these financial instruments is in line with that documented within the DMGT Annual Report.

#### **Financial Risk Management Objectives and Policies**

Details of the principal risks and uncertainties are included in the Strategic Report.

## **DMGB Limited**

### **Directors' Report for the Year Ended 30 September 2018 (continued)**

#### **Results and dividends**

Following dividends received in the year of £1,371,571,429 (2017: £423,400,000), the profit for the year amounted to £206,589,916 (2017: £405,091,132). A dividend of £781,843,972 (2017: £150,000,000) was paid to DMGT during the year.

#### **Directors of the Company**

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

W R Flint

A Perry (resigned 13 November 2018)

The following director was appointed after the year end:

P A Walsh (appointed 29 March 2019)

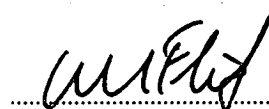
#### **Disclosure of information to the auditors**

Each of the persons who are a director at the date of approval of this report confirms that:

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

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board on 31 July 2019 and signed on its behalf by:



W R Flint  
Director

## **DMGB Limited**

### **Strategic Report for the Year Ended 30 September 2018**

The directors present their strategic report for the year ended 30 September 2018.

#### **Introduction and Strategy**

The strategy of the Company is to hold investments in subsidiary entities of the DMGT Group, with the aim of providing an adequate return to the Group.

#### **Operating and business review**

The operating loss for the year amounted to £10,025,490 against a prior year loss of £4,848,906.

Following dividends received in the year of £1,371,571,429 (2017: £423,400,000), the profit for the year amounted to £206,589,916 (2017: profit of £405,091,132).

#### **KPIs**

The director considers the profit for the financial year and the net assets of the Company to be the key performance indicators used to monitor the Company's performance. The profit for the year amounted to £206,589,916 (2017: profit of £405,091,132). The net assets of the Company at the year end amounted to £1,631,940,595 (2017: £2,207,194,651).

#### **Financial and Treasury Review**

##### **Principal risks**

The principal risks and uncertainties the Company faces vary across the different businesses it owns and are the focus of the DMGT Risk Committee. These risks are identified in the DMGT Risk Register. The materiality of each risk is assessed against a framework to determine its significance and likelihood of occurrence. The Risk Register is used to determine the agenda and activity of the Risk Committee. The most material risks identified in the Risk Register, together with the steps taken to mitigate them, are described below. Given the nature, treasury risk is considered to be the main risk for the Company.

The geographic spread and diverse portfolio of businesses owned by the Company help to dilute the impact of some of the Company's key risks. Some of these risks are interdependent and should not be considered in isolation.

##### ***Treasury risk***

The Company is exposed to credit, interest rate and currency risks arising in the normal course of business. Derivative financial instruments are used to manage exposures to fluctuations in foreign currency exchange rates and interest rates but are not employed for speculative purposes.

The policies and procedures are in place to manage these Treasury related risks are as follows :

## **DMGB Limited**

### **Strategic Report for the Year Ended 30 September 2018 (continued)**

#### **Cash and liquidity risk management**

The Company monitors its cash balances to ensure that sufficient resources are available to meet operational requirements as they fall due. Short-term money market deposits are used to manage liquidity whilst maximising the rate of return on cash resources, giving due consideration to credit risk. The Company borrows on an unsecured basis and arranges its debt to ensure an appropriate maturity profile. The DMGT Group (the "Group") is mindful of its credit rating, currently BB+ with Standard & Poor's and BBB- with Fitch and ensures it has sufficient committed bank facilities in order to meet short-term business requirements, after taking into account the Group's holding of cash and cash equivalents together with any distribution restrictions which exist. The Group aims to maximise the term and flexibility of indebtedness and retain headroom in the form of undrawn committed bank facilities of approximately £100.0 million. Additionally, the Group arranges its currency borrowings in order that they are in proportion to the ratio of earnings in that particular currency to total Group earnings.

Whilst the Group's internal target of a 12-month rolling net debt to EBITDA ratio of no greater than 2.0 times at any point, the limit imposed by its bank covenants is no greater than 3.50 times together with a minimum interest cover ratio of 3.0 times, measured in March and September. These covenants were met at the relevant testing dates during the year.

#### **Interest rate risk management**

The limit imposed by the Group's bank covenants is at least 3.0 times EBITDA to net interest. This covenant was met at the relevant testing dates during the year.

Group debt is largely comprised of floating rate sterling (GBP) and US dollar (USD) bank borrowings and fixed GBP bond debt.

The Group's interest rate exposure management policy is aimed at reducing the exposure of the consolidated businesses to changes in interest rates. Group policy is to have 70.0% to 80.0% of interest rate exposures fixed with the balance floating.

This is achieved by issuing fixed rate GBP bond debt and entering into derivative contracts that economically swap fixed rate interest into floating rate. Derivatives are used to hedge or reduce the risks of interest rate and exchange rate movements and are not entered into unless such risks exist.

To meet policy the Group:

- swaps a portion of its fixed GBP bond debt into GBP floating debt using interest rate swaps;
- swaps a portion of its fixed GBP bond debt into USD fixed bond debt by using cross-currency fixed to fixed swaps;
- buys USD caps to fix its USD debt; and
- enters forward contracts, selling USD and buying GBP to swap its GBP floating rate debt into USD floating rate debt.

## **DMGB Limited**

### **Strategic Report for the Year Ended 30 September 2018 (continued)**

#### **Foreign exchange rate risk management**

Translation exposures arise on the earnings and net assets of business operations in entities with functional currencies other than that of the parent company. The net asset exposures are economically hedged, to a significant extent, by a policy of denominating borrowings in currencies where significant translation exposures exist, most notably US dollars.

The Group also designates currency swaps, forward contracts and US dollar bank borrowings as net investment hedges, hedging the Group's overseas investments.

#### **Credit risk management**

The Group's principal credit risk relates to its trade and other receivables and non-performance by institutional counterparties to financial instrument contracts.

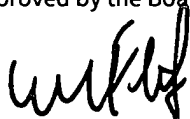
#### **Institutional counterparty risk**

The Group seeks to limit interest rate and foreign exchange risks, described above, by the use of financial instruments. As a result, credit risk arises from the potential non-performance by the counterparties to those financial instruments, which are unsecured. The amount of this credit risk is normally restricted to the amounts of any hedge gain and not the principal amount being hedged. The Group also has a credit exposure to counterparties for the full principal amount of cash and cash equivalents.

Credit risk is controlled by monitoring the credit quality of these counterparties, principally licensed commercial banks and investment banks with strong long-term credit ratings, and of the amounts outstanding with each of them.

The credit risk on cash deposits and derivative financial instruments is considered low since the counterparties are banks with high credit ratings. Group policy is to have no more than £20.0 million or 25.0% surplus cash balances deposited (or at risk) with any 'AA' or UK ring-fenced banking counterparty or £10.0 million or 10.0% surplus cash balances with 'A' rated counterparties but with no more than the higher of £50.0 million or 50.0% of surplus cash balances in aggregate. The Group has no significant concentration of risk with exposure spread over a large number of counterparties and customers.

Approved by the Board on 31 July 2019 and signed on its behalf by:



.....  
W R Flint  
Director

Date: 31 July 2019



## **DMGB Limited**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

## **DMGB Limited**

### **Independent auditors' report to the members of DMGB Limited**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion, DMGB Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 30 September 2018; the Income Statement, the Statement of Comprehensive Income, and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Independence*

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

##### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

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

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Company's trade, customers, suppliers and the wider economy.

## **DMGB Limited**

### **Independent auditors' report to the members of DMGB Limited (continued)**

#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 September 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **DMGB Limited**

### **Independent auditors' report to the members of DMGB Limited (continued)**

#### *Auditors' responsibilities for the audit of the financial statements*

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **Other required reporting**

#### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

*Neil Grimes*

.....  
Neil Grimes (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP,  
Chartered Accountants and Statutory Auditors  
London

31 July 2019

## DMGB Limited

### Income Statement for the Year Ended 30 September 2018

		Year ended 30 September 2018	Year ended 30 September 2017
	Note	£	£
Administrative expenses		(1,179)	(1,114)
Other operating expenses		<u>(10,024,311)</u>	<u>(4,847,792)</u>
Operating loss	4	<u>(10,025,490)</u>	<u>(4,848,906)</u>
Income from shares in group undertakings	5	1,371,571,429	423,400,000
Other interest receivable and similar income	6	810,646	2,048,501
Interest payable and similar charges	7	(19,196,822)	(18,889,572)
Amounts provided against investments	8	<u>(1,140,377,847)</u>	<u>-</u>
		<u>212,807,406</u>	<u>406,558,929</u>
Profit on ordinary activities before taxation		202,781,916	401,710,023
Tax credit on profit on ordinary activities	11	<u>3,808,000</u>	<u>3,381,109</u>
Profit for the financial year		<u><u>206,589,916</u></u>	<u><u>405,091,132</u></u>

The above results were derived from continuing operations.

The notes on pages 15 to 27 form an integral part of these financial statements.

**DMGB Limited**

**Statement of Comprehensive Income for the Year Ended 30 September 2018**

	<b>Year ended 30 September 2018 £</b>	<b>Year ended 30 September 2017 £</b>
Profit for the financial year	<u>206,589,916</u>	<u>405,091,132</u>
Total comprehensive income for the year	<u>206,589,916</u>	<u>405,091,132</u>

## DMGB Limited

### Statement of Changes in Equity for the Year Ended 30 September 2018

	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Retained earnings</b>	<b>Total Shareholders' funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 October 2016	<u>934,313,011</u>	<u>432,973,989</u>	<u>347,719,745</u>	<u>1,715,006,745</u>
Profit for the financial year	-	-	<u>405,091,132</u>	<u>405,091,132</u>
Total comprehensive income for the year	-	-	405,091,132	405,091,132
Dividends	-	-	(150,000,000)	(150,000,000)
New share capital subscribed	<u>237,096,774</u>	-	-	<u>237,096,774</u>
At 30 September 2017	<u>1,171,409,785</u>	<u>432,973,989</u>	<u>602,810,877</u>	<u>2,207,194,651</u>
	<b>Called up share capital</b>	<b>Share premium account</b>	<b>Retained earnings</b>	<b>Total Shareholders' funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 October 2017	<u>1,171,409,785</u>	<u>432,973,989</u>	<u>602,810,877</u>	<u>2,207,194,651</u>
Profit for the financial year	-	-	<u>206,589,916</u>	<u>206,589,916</u>
Total comprehensive income for the year	-	-	206,589,916	206,589,916
Dividends	-	-	(781,843,972)	(781,843,972)
At 30 September 2018	<u>1,171,409,785</u>	<u>432,973,989</u>	<u>27,556,821</u>	<u>1,631,940,595</u>

The notes on pages 15 to 27 form an integral part of these financial statements.

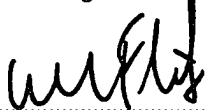
## DMGB Limited

(Registration number: 4521116)

### Statement of Financial Position as at 30 September 2018

	Note	At 30 September 2018 £	At 30 September 2017 £
<b>Non-current assets</b>			
Investments	13	2,286,722,309	2,531,792,464
<b>Current assets</b>			
Trade and other receivables less than one year	14	38,860,477	181,917,772
Group tax relief receivable	14	3,807,998	3,381,502
Cash and cash equivalents		1,597	3,015
<b>Current liabilities</b>			
Trade and other payables	15	<u>(202,051,786)</u>	<u>(54,500,102)</u>
Net current (liabilities)/assets		<u>(159,381,714)</u>	<u>130,802,187</u>
Total assets less current liabilities		<u>2,127,340,595</u>	<u>2,662,594,651</u>
<b>Non-current liabilities</b>			
Borrowings	15	<u>(495,400,000)</u>	<u>(455,400,000)</u>
<b>Net assets</b>		<u><b>1,631,940,595</b></u>	<u><b>2,207,194,651</b></u>
<b>Capital and reserves</b>			
Called up share capital	16	1,171,409,785	1,171,409,785
Share premium account		432,973,989	432,973,989
Retained earnings		<u>27,556,821</u>	<u>602,810,877</u>
<b>Total Shareholders' funds</b>		<u><b>1,631,940,595</b></u>	<u><b>2,207,194,651</b></u>

The financial statements on pages 11 to 27 were authorised for issue by the Board of Directors on 31 July 2019 and were signed on its behalf.



W R Flint

Director

The notes on pages 15 to 27 form an integral part of these financial statements.



## **DMGB Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2018**

#### **1 General information**

The Company is a private company limited by share capital incorporated in England and Wales and domiciled in England and Wales.

The address of its registered office is:

Northcliffe House  
2 Derry Street  
London  
W8 5TT  
United Kingdom

The principal activity of the Company is to hold investments and this is expected to continue for the foreseeable future.

The Company is a wholly owned subsidiary of Daily Mail and General Trust plc ("DMGT").

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The company is a wholly-owned subsidiary of DMGT plc and is included in the consolidated financial statements of DMGT plc which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The financial statements have been prepared under the historic cost modified by financial liabilities held at fair value through profit and loss, and in accordance with the Companies Act 2006. The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

## **DMGB Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)**

#### **2 Accounting policies (continued)**

##### **Summary of disclosure exemptions**

Set out below are the applicable IFRS 1 exemptions applied by the Company under FRS 101.

##### IFRS 1 exemption options

##### Standards issued but not effective

The Company has applied the exemption available under FRS 101 in relation to paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued and is not yet effective).

##### Cash Flow Statement

The Company has utilised the exemptions provided under IAS 7 'Statement of Cash Flows' and has not presented a cash flow statement. A consolidated cash flow statement has been presented in the Group's Annual Report.

##### Related Party Transactions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101: Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation) and the requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

##### Exemption from comparative information

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101: Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1.

##### **Going concern**

The directors have considered the ability of the Company to continue in operational existence for the foreseeable future as well as the relevant business and financial risks. In doing this, they have considered the Company's business activities, together with the factors likely to affect its future development, performance and position, as set out in the Operating and Business Review which forms part of the Strategic Report. The financial position of the Company is showing a net current liability position, although the Company is profit making. Daily Mail and General Trust plc ("DMGT") has confirmed that it will provide such financial support as might be necessary to ensure that the Company is a going concern for at least twelve months from the date of signing of these financial statements.

After making enquiries, the directors therefore have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the financial statements.

## **DMGB Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)**

#### **2 Accounting policies (continued)**

##### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

##### **Tax**

Tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case the tax is also recognised directly in equity.

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

##### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the company's shareholders.

##### **Investments**

Investments in subsidiaries are stated at cost, less any provision for impairment, where appropriate.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### **Trade receivables**

Trade receivables are amounts due from DMGT group companies for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

## **DMGB Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)**

#### **2 Accounting policies (continued)**

##### **Trade payables**

Trade payables are obligations to pay for services that have been acquired in the ordinary course of business from DMGT group companies. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Borrowings**

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Derivatives and hedging**

Derivative instruments used by the Company are forward exchange contracts. All such instruments are used for DMGT Group hedging purposes to alter the risk profile of an existing underlying exposure of the Company or DMGT Group in line with the Company and Group's risk management policies. Foreign exchange gains and losses on outstanding forward currency sales and purchases are accrued using applicable year end exchange rates and included in other operating expenses.

The Company is a wholly owned subsidiary of DMGT and the financial instruments of the Company are included in the accounts of DMGT. The Company has taken advantage of the exemption provided in IFRS 7, 'Financial Instruments: Disclosures', which states that disclosure in respect of financial instruments is not required in company financial statements where such disclosures are included in Group consolidated financial statements.

## **DMGB Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)**

#### **3 Critical accounting judgements and key sources of estimation uncertainty**

##### **Investment impairment**

Impairment reviews are performed when there is an indicator that the carrying value of the shares in subsidiaries could exceed their recoverable values based on their value in use or fair value less costs to sell. Value in use is calculated by discounting future expected cash flows. These calculations use cash flow projections based on Board-approved budgets and projections which reflect management's current experience and future expectations of the markets in which the subsidiary operates. Risk adjusted pre-tax discount rates used by the Company in its impairment tests range from 13.4% to 15.6%, the choice of rates depending on the risks specific to that cash generating unit (CGU). The cash flow projections consist of Board-approved budgets for the following year, together with forecasts for up to two additional years and nominal long-term growth rates beyond these periods. The nominal long-term growth rate of 3.0% and vary with management's view of the CGU's market position, maturity of the relevant market and do not exceed the long-term average growth rate for the market in which the CGU operates. The carrying value of the investment in Group undertakings is £2,286,722,309 (2017 £2,531,792,464). If the growth rate assumptions were reduced or the discount rate was increased this would result in an additional impairment charge.

## DMGB Limited

### Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

#### 4 Operating loss

Arrived at after charging

	Year ended 30 September 2018 £	Year ended 30 September 2017 £
Foreign exchange losses	8,369,561	4,348,941
Derivative interest	<u>1,654,750</u>	<u>498,851</u>

The foreign exchange losses relate to £5,266,482 of losses (2017: £4,956,984) from the revaluation of foreign currency intercompany and bank balances and £3,103,079 of foreign exchange losses (2017: £608,089 foreign exchange gains) from hedges with other DMGT group companies.

#### 5 Income from shares in group undertakings

	Year ended 30 September 2018 £	Year ended 30 September 2017 £
Income from shares in group undertakings	<u>1,371,571,429</u>	<u>423,400,000</u>

The Company received interim dividends of £703,000,000 (2017: £423,400,000) from DMG Investment Holdings Limited, £640,000,000 (2017: £nil) from DMGZ Limited and £28,571,429 (2017: £nil) from DMG Atlantic Limited.

#### 6 Other interest receivable and similar income

	Year ended 30 September 2018 £	Year ended 30 September 2017 £
Interest receivable from group companies	<u>810,646</u>	<u>2,048,501</u>

The Company received interest amounting to £810,646 (2017: £nil) from Daily Mail and General Holdings Limited, and £nil (2017: £2,048,501) from Associated Newspapers North America Inc.

## DMGB Limited

### Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

#### 7 Interest payable and similar charges

	Year ended 30 September 2018 £	Year ended 30 September 2017 £
Interest payable to group companies	<u>19,196,822</u>	<u>18,889,572</u>

Interest payable to group companies comprised of £980,822 (2017: £nil) to DMG Loanco Limited, £nil (2017: £6,261) to Fantfoot Limited, £nil (2017: £46,707) to Associated Newspapers North America Inc., £18,216,000 (2017: £594,990) to Daily Mail and General Holdings Limited, £nil (2017: £18,216,000) to DMGT plc and £nil (2017: £25,614) to White Rock Insurance Company PCC Limited.

#### 8 Amounts provided against investments

	Year ended 30 September 2018 £	Year ended 30 September 2017 £
Amounts provided against investments	<u>(1,140,377,847)</u>	<u>-</u>

During the year a provision of £661,879,591 (2017: £nil) was made against the Company's investment in DMG Investment Holdings Limited in order to write the carrying value down to equal the net assets of DMG Investment Holdings Limited following the payment of a dividend to DMGB Limited.

Following disposal of indirect group undertaking held by the Company's investment in DMG Atlantic Ltd and reduced trading outlook, provision was made of £113,000,000 (2017: £nil) against the Company's investment in DMG Atlantic Limited. The impairment charge of £321,207,690 (2017: £nil) was made against the Company's investment in DMGZ Limited due to disposal of indirect group undertaking and transfer of Euromoney to DMGZ Limited to write its carrying value down to its recoverable amount. Provision was made of £44,290,566 (2017: £nil) against the Company's investment in DMG Information Limited due to reduced trading outlook.

#### 9 Directors' remuneration

The directors did not receive any remuneration in respect of qualifying services in either the current or prior year. Other than the directors there were no other employees in either the current or the prior year.

## DMGB Limited

### Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

#### 10 Auditors' remuneration

The fees in relation to the audit of the financial statements of the Company amounted to £7,760 (2017: £7,000). The audit fee for the Company is borne by another Group Company.

The Company elected to use the exemption under SI 2008 489 reg 6 to not disclose the auditors' remuneration for non-audit fees as these fees are included in the consolidated financial statements of the DMGT Group.

#### 11 Tax on profit on ordinary activities

Tax credited in the income statement

	Year ended 30 September 2018 £	Year ended 30 September 2017 £
<b>Current taxation</b>		
UK corporation tax	(3,808,000)	(3,381,502)
UK corporation tax adjustment to prior periods	-	393
Total current tax credit	<u>(3,808,000)</u>	<u>(3,381,109)</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2017: lower than the standard rate of corporation tax in the UK) of 19% (2017: 19.5%).

The differences are reconciled below:

	Year ended 30 September 2018 £	Year ended 30 September 2017, £
Profit on ordinary activities before taxation	<u>202,781,916</u>	<u>401,710,023</u>
Corporation tax at standard rate	38,528,564	78,333,454
Increase from effect of expenses not deductible in determining taxable profit (tax loss)	218,262,008	848,044
Increase in current tax from unrecognised temporary difference from a prior period	-	393
(Decrease) from effect of dividends from UK companies	<u>(260,598,572)</u>	<u>(82,563,000)</u>
Total tax credit	<u>(3,808,000)</u>	<u>(3,381,109)</u>



## DMGB Limited

### Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

#### 12 Dividends

	Year ended 30 September 2018	Year ended 30 September 2017
	£	£
First interim dividend of £0.121 and second interim dividend of £0.546 (2017 - £0.128) per ordinary share	<u>781,843,972</u>	<u>150,000,000</u>

The dividends paid during the year were to DMGT plc.

#### 13 Investments

	Subsidiaries £	Total £
<b>Cost</b>		
At 1 October 2017	2,531,792,464	2,531,792,464
Additions	<u>895,307,692</u>	<u>895,307,692</u>
At 30 September 2018	<u>3,427,100,156</u>	<u>3,427,100,156</u>
<b>Provision</b>		
At 1 October 2017	-	-
Provision	<u>1,140,377,847</u>	<u>1,140,377,847</u>
At 30 September 2018	<u>1,140,377,847</u>	<u>1,140,377,847</u>
<b>Carrying amount</b>		
At 30 September 2018	<u>2,286,722,309</u>	<u>2,286,722,309</u>
At 30 September 2017	<u>2,531,792,464</u>	<u>2,531,792,464</u>

## DMGB Limited

### Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

#### 13 Investments (continued)

On 12 June 2018, the Company subscribed for 703 new shares in DMGZ Limited for a total cost of £703,000,000.

On 28 September 2018, the Company subscribed for 1,923,078 new shares in DMG Atlantic Limited for a total cost of US\$250,000,000 (£192,307,692).

During the year a provision of £661,879,591 (2017: £nil) was made against the Company's investment in DMG Investment Holdings Limited in order to write the carrying value down to equal the net assets of DMG Investment Holdings Limited following the payment of a dividend to DMGB Limited.

Following an impairment review at the year end provisions were made against the Company's investments in DMG Information Limited, DMG Atlantic Limited and DMGZ Limited to write their carrying values down to their recoverable amounts (see note 8).

#### Subsidiaries

Details of the subsidiaries as at 30 September 2018 is listed in Appendix A.

#### 14 Trade and other receivables

	At 30 September 2018 £	At 30 September 2017 £
Receivables from group undertakings	38,860,477	181,917,772
Group relief receivable	<u>3,807,998</u>	<u>3,381,502</u>
Total current trade and other receivables	<u>42,668,475</u>	<u>185,299,274</u>

Amounts owed by group undertakings include an amount of £36,708,353 (2017: £nil) owed by DMG Atlantic Limited, £7,768 (2017: £7,536) owed by DMG US Investments Inc., £2,144,356 (2017: £nil) owed by DMG Loanco Limited, £nil (2017: £57,084,194) owed by Associated Newspapers North America Inc and £nil (2017: £124,826,042) owed by Daily Mail and General Holdings Limited.

The amount owed by DMG Loanco Limited included an intra group derivative assets of £1,735,166 (2017: £54,950)

Amounts owed by group undertakings are agreed on individual and differing terms. Interest rate charges range from 0.75% to 3.60%.

## DMGB Limited

### Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)

#### 15 Current and non-current liabilities

	At 30 September 2018 £	At 30 September 2017 £
<b>Current liabilities</b>		
Amounts owed to group undertakings	<u>202,051,786</u>	<u>54,500,102</u>
<b>Non-current liabilities</b>		
Borrowings	<u>495,400,000</u>	<u>455,400,000</u>

Amounts due to group undertakings comprise of £55,923,828 (2017: £4,951,553) due to A&N Media Finance Services Limited, £145,812,117 (2017: £nil) due to Daily Mail and General Holdings Limited, £nil (2017: £17,585,851) due to DMG Atlantic Limited, £52,618 (2017: £52,618) due to DMG Investment Holdings Limited, £263,223 (2017: £78,744) due to DMGT plc and £nil (2017: £31,831,336) due to DMG Loanco Limited.

The total amounts owed to group undertakings included intra group derivative liabilities of £2,386,705 (2017: £89,206) due to Daily Mail and General Holdings Limited and £nil (2017: liabilities of £20,897) due to DMG Atlantic Limited.

Amounts owed to group undertakings are agreed on individual and differing terms. Interest rate charges range from 0.5% to 4%.

Non-current liabilities comprise a loan from Daily Mail and General Holdings Limited of £455,400,000 (2017: £455,400,000) which is repayable on 31 March 2023 and has interest charged on it a fixed rate of 4% and a loan from DMG Loanco Limited of £40,000,000 (2017: £nil) which is repayable on 31 March 2023 and has interest charged on it at a fixed rate of 5%.

#### 16 Called up share capital

##### Allotted, called up and fully paid shares

	At 30 September 2018		At 30 September 2017	
	Number	£	Number	£
Called up fully paid of £1 each	<u>1,171,409,785</u>	<u>1,171,409,785</u>	<u>1,171,409,785</u>	<u>1,171,409,785</u>

## **DMGB Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2018 (continued)**

#### **17 Ultimate parent company and controlling party**

The Company is controlled by Rothermere Continuation Limited (RCL), which is incorporated in Bermuda. RCL is owned by a trust ("the Trust") which is held for the benefit of Viscount Rothermere and his immediate family. The Trust represents the ultimate controlling party of the Company. The Company's immediate parent undertaking at the balance sheet date is DMGT plc.

#### **Relationship between entity and parents**

The largest and smallest group of which the Company is a member and from which group financial statements are drawn up is that of DMGT plc, incorporated in England and Wales.

Copies of the report and financial statements are available from the Company Secretary at:

Northcliffe House  
2 Derry Street  
London  
UK  
W8 5TT

#### **18 Subsequent events**

Subsequent to year end, the Company issued 2,135,412 ordinary shares at £1 nominal value each for a consideration of £213,541,200. Further, the company passed special resolutions cancelling the share premium account and cancelling 1,163,545,197 ordinary shares of £1 each, with the amounts arising on each cancellation being transferred to distributable reserves, reducing the issued share capital to £10,000,000.

On 4 March 2019 the Company's indirect investment in Euromoney Institutional Investor PLC (Euromoney) an associated undertaking, was transferred to DMGT plc from DMGZ Limited at a market value of £696.1 million.

This follows DMGT's announcement on 3 March 2019 of its intention to distribute all of the Euromoney shares owned by the Group to certain holders of DMGT's A Ordinary Non-Voting Shares (A Shares), by way of a dividend in specie (the Euromoney Distribution), as well as a £200.0 million cash distribution (the Cash Distribution). The terms were such that Fully Participating Shareholders would participate in the Euromoney Distribution and Cash Distribution whilst Rothermere Affiliated Shareholders would only participate in the Cash Distribution and on a limited basis.

The proposal was approved at a Class Meeting of the Fully Participating Shareholders on 26 March 2019. The Euromoney Distribution occurred at 8am on 2 April 2019 and the Cash Distribution on 15 April 2019.

Following the Euromoney Distribution, Euromoney has become an entirely independent company with 100.0% of its shares trading freely in the market.

# DMGB Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

.....(continued)

## Appendix A

Full list of subsidiaries and significant undertakings

Name of subsidiary	Country of incorporation and registered office / Principal place of business	Classes of shares held	Proportion of ownership interest and voting rights held
Argyll Environmental Ltd	United Kingdom, Abbey Court Eagle Way, Sowton, Exeter, Devon EX2 7HY	Ordinary	100%
Associated Newspapers North America, Inc.	Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808, United States	Common, Series A	96.3%
AVMGE GmbH	Germany, Parsevalstr. 2, 99092 Erfurt	Ordinary	89.9%
BuildFax, Inc.	42 N French Broad Ave, Asheville NC 28801, United States	Common, Series A, B, C, D, E, G Preferred Stock	90%
Commodity Vectors (Ireland) Ltd	Ireland, Business And Research Centre, National College Of Ireland, Mayor Street, Dublin, 1	Ordinary	100%
Commodity Vectors Ltd	United Kingdom, Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
Daily Mail On-Air, LLC	137 N Larchmont Blvd, #705, Los Angeles, California, 90004, United States	Ordinary	48.2%
Decision First Ltd	Cardinal House, 9 Manor Road, Leeds, West Yorkshire, LS11 9AH	Ordinary	50%
Decision Insight Hub Ltd	United Kingdom, 5-7 Abbey Court Eagle Way, Sowton, Exeter, Devon, England EX2 7HY	Ordinary	100%
Decision Insight Information Group (Europe) Ltd	United Kingdom, 5-7 Abbey Court Eagle Way, Sowton, Exeter, Devon, England EX2 7HY	Ordinary	100%
Decision Insight Information Group (Ireland) Ltd	Ireland, 39/40 Upper Mount Street, Dublin 2	Ordinary	100%
Decision Insight Information Group (UK) Ltd	United Kingdom, 5-7 Abbey Court Eagle Way, Sowton, Exeter, Devon, England EX2 7HY	Ordinary	100%
Decision Insight Packco Ltd	United Kingdom, 5-7 Abbey Court Eagle Way, Sowton, Exeter, Devon, England EX2 7HY	Ordinary	100%
Derby Telegraph Media Group Ltd	PO Box 6795, St George Street, Leicester LE1 1ZP	Ordinary	100%
Digital H2O, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
*DMG Atlantic Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
DMG Charles Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
DMG Development Co	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Ordinary	96.3%
DMG Events (USA), Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
DMG Events India Private Ltd	Unit 1, Level 2, B Wing, Times Square, Andheri Kurla Road, Andheri, Mumbai, 400059, India	Ordinary	100%
DMG India Private Ltd	402-409 4th Floor Of Square One, Saket District Centre, Delhi, South Delhi, Delhi - 110017	Ordinary	100%
DMG Information Asia Pacific Pte Ltd	8 Marina Boulevard #05-02, Marina Bay Financial Centre, Singapore 018981	Ordinary	100%
*DMG Information Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
*DMG Investment Holdings Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
*DMG Loanco Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
DMG Minor Investments Ltd	United Kingdom, Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
*DMG Oceans Ltd	Scottish Daily Mail, 20 Waterloo Street, Glasgow, G2 6DB	Ordinary	100%
DMG US Investments, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
dmgi Land & Property Europe Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Exeter, Devon, EX2 7HY	Ordinary	100%
DMGRH Finance Ltd	United Kingdom, Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
DMGT US Employee Services, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
DMGT US, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common, Series A	96.3%
*DMGZ Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
EDR Landmark Management Services Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Exeter, Devon, EX2 7HY	Ordinary	100%
EI Cap II LLC	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Membership interests	96.3%
Energy Fundamentals GmbH	Switzerland, Technoparkstrasse 1,8005, Zurich	Ordinary	100%
Energytics, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Ensura Ltd	United Kingdom, 42921, Abbey Court Eagle Way, Sowton, Exeter, Devon, EX2 7HY	Ordinary	100%
Enva Power, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Environmental Data Resources Holdings, Inc.	Corporation Services Company, 251 Little Falls Drive, Wilmington DE 19808, United States	Common	96.3%
Estate Technical Solutions Ltd	United Kingdom, c/o Landmark Information Group Ltd, 5-7 Abbey Court Eagle Way, Sowton Industrial Estate, Exeter, EX2 7HY	Ordinary A, Ordinary B, Ordinary C, Ordinary D, Ordinary E	100%
Euromoney Institutional Investor PLC	8 Bouverie Street, London EC4Y 8AX	Ordinary	49.9%
Fortress Digital Holdings, Inc.	Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808, United States	Ordinary	96.3%
Fortress Digital, LLC.	48 West 21st Street 4th Floor, New York NY 10010, United States	Ordinary	48.1%
Fucent DMG Information Technology Hong Kong Company Ltd	27/F 248 Queen's Road East, Wanchai, Hong Kong	Ordinary	23.6%

\*Direct investment held by the parent Company, DMGB Limited. All other investments are held indirectly.

# DMGB Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

.....(continued)

## Appendix A

### Full list of subsidiaries and significant undertakings

Name of subsidiary	Country of incorporation and registered office / Principal place of business	Classes of shares held	Proportion of ownership interest and voting rights held
Genscape Asia, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Genscape Belgium SA	Pegasuslaan 5, 1831 Brussels Deigern, Belgium	Ordinary	96.3%
Genscape Czech Republic s.r.o.	Empiria Na Strzi, 65/1702, 140 00 Prague 4, Prague	Ordinary	96.3%
Genscape France	6 Place De La Madeleine, 75008, Paris, France	Ordinary	96.3%
Genscape Germany GmbH	Prinzenallee 7, 40549, Dusseldorf, Germany	Ordinary	96.3%
Genscape Iberia SL	C/Conde De Aranda, 1 2 DO Izquierda, 28001, Madrid, Spain	Ordinary	96.3%
Genscape, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Genscape Intangible Holdings, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Genscape International, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Genscape Italy	Via Torino 2, 20123, Milan, Italy	Ordinary	96.3%
Genscape Natural Gas, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Genscape Netherlands	Damrak 20A, 1012 LH, Amsterdam, Netherlands	Ordinary	96.3%
Genscape Japan, K.K.	Japan, Ark Hills Sengokuyama Mori Tower 28F, 1-9-10 Roppongi, Minato, Tokyo	Ordinary	100%
Genscape Mex, S. de R.L. de C.V.	Mexico, 1140 Garvin Place, Louisville, KY 40203	Common	99%
Genscape Poland SA	Ul. Rzymowskiego, 02-697, Warsaw, Poland	Ordinary	96.3%
Genscape Slovakia s.r.o.	Kapitulska 18/A, Bratislava-Stare Mesto, 81101, Slovakia	Ordinary	96.3%
Genscape UK Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	96.3%
GP Energy Management, LLC	131 Varick Street, Suite 1006, New York 10013, United States	Membership units	96.3%
Gridfit, LLC	3500 South Dupont Highway, c/o Interstate Agent Services, LLC, Dover 19901, United States	Membership units	96.3%
Hobsons, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Hypoport On-Geo GmbH	Klosterstr. 71, 10179 Berlin, Germany	Ordinary	45.0%
Inframation GmbH	Germany, Hanauer Landstrabe 521, D60386, Frankfurt	Ordinary, Preference	100%
Instant Services AG	Peterstr. 1, 99084 Erfurt, Germany	Ordinary	44.9%
Kensington Finance Ltd	United Kingdom, Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
Kensington US Holdings, Inc.	United Kingdom, Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
Knowlura, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	48.2%
Landmark Analytics Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Exeter, Devon, EX2 7HY	Ordinary	100%
Landmark FAS Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Exeter, Devon, EX2 7HY	Ordinary	100%
Landmark Information Group Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Exeter, Devon, EX2 7HY	Ordinary, Ordinary A, Redeemable Preference	100%
Landmark International Holdings Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Exeter, Devon, EX2 7HY	Ordinary	100%
Lawlink (UK) Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Exeter, Devon, EX2 7HY	Ordinary	100%
Liases Foras Real Estate Rating and Research Private Ltd	India, Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808, United States	Equity Share, Series A Compulsory, Cumulative Convertible Preference Shares	30.5%
LineVision, Inc.	501 Boylston St, Suite 4102, Boston, MA 02116 USA	Series A	47.2%
Mail Media, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Ordinary	96.3%
Millar & Bryce Ltd	United Kingdom, 10th Floor 133 Finnieston Street, Glasgow, Scotland G3 8HB	Ordinary	100%
Naviance, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington DE 19808, United States	Common	96.3%
Ochresoft Technologies Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Exeter, Devon, EX2 7HY	Deferred, Ordinary, Ordinary A, Preference	100%
On-Geo GmbH	Germany, ParsevalstraBe 2, 99092, Erfurt	Ordinary	89.9%
On-Geo Austria GmbH	Austria, Herrengasse 1-3, 1010 Vienna Commercial	Ordinary	89.9%
Petrotranz Holdings Inc	Canada, 855 - 2 Street SW, Suite 3500, Calgary, AB T2P 4J8	Ordinary	100%
Petrotranz Inc	Canada, 855 - 2 Street SW, Suite 3500, Calgary, AB T2P 4J8	Ordinary	100%
Pico Information Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	Ordinary	100%
Point X Ltd	5-7 Abbey Court, Eagle Way, Sowton, Exeter, Devon EX2 7HY	Ordinary B	50%
Power Supply, LLC	131 Varick Street, Suite 1008-1009, New York 10013, United States	Class A membership units	96.3%
Praedicat, Inc.	Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, DE 19808, United States	Preference	24.5%
Propstak Services Private Ltd	1st & 2nd Floor, Nyay Sagar Bldg, Kalanagar, Bandra (East), Mumbai - 400 051	Ordinary	21.8%

\*Direct investment held by the parent Company, DMGB Limited. All other investments are held indirectly.

# DMGB Limited

Notes to the Financial Statements for the Year Ended 30 September 2018

.....(continued)

## Appendix A

### Full list of subsidiaries and significant undertakings

Name of subsidiary	Country of incorporation and registered office / Principal place of business	Classes of shares held	Proportion of ownership interest and voting rights held
Quest End Computer Services Ltd	United Kingdom, 5-7 Abbey Court Eagle Way, Sowton, Exeter, Devon, EX2 7HY	Ordinary	100%
Ralph US Holdings	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
Real Capital Analytics, Inc.	32 Union Square East, Suite 1100, New York, NY10003, United States	Common Preference Shares	38.2%
Richards Gray Holdings Ltd	United Kingdom, 5-7 Abbey Court Eagle Way, Sowton, Exeter, Devon, EX2 7HY	Ordinary A	100%
Richards Gray Ltd	United Kingdom, 5-7 Abbey Court Eagle Way, Sowton, Exeter, Devon, EX2 7HY	Ordinary	100%
Risk Management Solutions (Bermuda) Ltd	Milner House, 18 Parliament Street, Hamilton, HM 12 Bermuda	Ordinary	94.4%
Risk Management Solutions (Swiss)	Zweigniederlassung Zürich, Stampfenbachstrasse 85, CH-8006 Zurich, Switzerland	Ordinary	94.4%
Risk Management Solutions, Inc.	7515 Gateway Blvd, Newark, CA 94560, United States	Common	94.4%
Risk Management Solutions Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	94.4%
Risk Management Solutions Ltd (China)	12th Floor, Office 1205F, Beijing Excel Centre, No.6 Wudinghou Street, Xicheng District Beijing, 100033, PR China	Common	94.4%
RLTO Ltd	Office 7 35-37 Ludgate Hill, London EC4M 7JN	Ordinary	20%
RMS Japan KK	Akasaka Kikyo Building 4th Floor, 11-15 Akasaka 3-Chome, Minato-Ku, Tokyo, 107-0052 Japan	Ordinary	94.4%
RMS Worldwide, Inc.	7515 Gateway Blvd, Newark, CA 94560, United States	Common	94.4%
Rochford Brady Legal Services Ltd	Ireland, 39/40 Upper Mount Street, Dublin 2	Ordinary	100%
SearchFlow Ltd	United Kingdom, 5-7 Abbey Court Eagle Way, Sowton, Exeter, Devon, EX2 7HY	Ordinary	100%
Springthorpe Drake, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Ordinary	96.3%
Starfish Retention Solutions, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
The Sanborn Map Company, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Ordinary	47.2%
The Petrochemical Standard, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Ordinary	96.3%
Trepp Holdings, Inc.	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Common	96.3%
Trepp LLC	477 Madison Avenue, New York, NY 10022, United States	Membership Interests	96.3%
Trepp Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	96.3%
Trepp Port LLC	Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States	Ordinary	49.1%
Trepp UK Ltd	United Kingdom, Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%
Truffle Pig, LLC.	3411 Silverside Road, Rodney Building, Suite 104, Wilmington, New Castle, Delaware, United States	Common Units	43.3%
Vesseltracker.com GmbH	Germany, Mundsburger Damm 14, D-22087, Hamburg	Ordinary	100%
Watervale Ltd	United Kingdom, 5-7 Abbey Court, Eagle Way, Sowton Industrial Estate, Exeter, Devon, EX2 7HY	Ordinary	100%
Wellington Weekly News Ltd	The Old Court House, Union Road, Farnham, Surrey	Ordinary	20%
Young Street Holdings Ltd	Northcliffe House, 2 Derry Street, London W8 5TT	Ordinary	100%

\*Direct investment held by the parent Company, DMGB Limited. All other investments are held indirectly.