

16 January 2020

Digitalbox plc
("Digitalbox" or "the Company")

Pre-close Trading Update & Notice of Results

Digitalbox plc (AIM: DBOX), the mobile-first digital media business, which owns Entertainment Daily and The Daily Mash, today issues a trading update in respect of its year ended 31 December 2019. This is Digitalbox's first year as a digital media business, following the acquisitions of Entertainment Daily and The Daily Mash in the first quarter of 2019.

The Company is pleased to announce that trading for the year ended 31 December 2019 has delivered better operating margins than forecast, with adjusted profit before tax (1) being ahead of market expectations, and revenue slightly ahead.

The progress has been led by Entertainment Daily, which produces and publishes online UK entertainment news covering TV, showbiz and celebrity news. Entertainment Daily has seen average monthly users continue to grow, and in December, historically its peak month, it had over six million unique users visiting its site. This success has been driven by Digitalbox's Insights programme, which provides a detailed analysis of user behaviour to better inform content strategy.

During the year, the Company has sought to broaden the sources of its users, and in doing so, Entertainment Daily has seen growth of 127% (compared with the equivalent period last year) in its Google-sourced traffic. The site's highly engaging and mobile-optimised content has flourished within the Discover feed. Discover is Google's system which presents relevant content to users based on their behaviour before performing a search on a mobile device.

The Daily Mash, which the Company acquired in March 2019, has been successfully integrated into Digitalbox's technology platform, Graphene. The site is now benefitting in terms of increased revenue from advertising. Audience levels increased year-on-year by 15% in the second half of 2019 with ['Six phrases that instantly single you out as an absolute b*llend'](#) being the most viewed story, with c 560,000 views. Furthermore, there has been another successful series of the BAFTA-nominated The Mash Report on the BBC.

The results for the year ended 31 December 2019 are expected to be announced on 26 March 2020.

James Carter, CEO, Digitalbox plc, said: "The success of the Insights programme and our focus on mobile-optimised content has meant 2019 has been a record year for Entertainment Daily. Our editorial team has carefully curated stories from across the world of celebrity, TV and the Royal family, and these have dominated the most-viewed content. The list of the site's biggest stories demonstrates the popularity of news featuring UK TV personalities, and the UK's enduring love of celebrity gossip, and stories about soaps, and big stars like Ant & Dec being continually popular from year to year. As well as recent royal news keeping the audience engaged, the biggest single story of last year was the BBC's Matt Baker emotionally quitting the One Show live on air after nine years fronting the programme.

"The completion of the integration of the Daily Mash has seen further growth in revenue as it benefits from our proprietary technology platform. We are continuing to evaluate opportunities to acquire more digital publishing assets. As 2019 has demonstrated, we can generate increased revenue from them with our technology and expertise."

Note 1 – profit before tax adjusted for listing costs, amortisation and a share option scheme charge

ENDS

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About Digitalbox plc

Based in Bath, UK, Digitalbox is a 'pure-play' digital media business with the aim of profitable publishing at scale on mobile platforms. The company's operating model has been developed and refined since publishing operations began in December 2015.

Digitalbox operates two trading brands, "Entertainment Daily" and "The Daily Mash". Entertainment Daily produces and publishes online UK entertainment news covering TV, showbiz and celebrity news. Entertainment Daily has averaged c. 2.2 million unique users per month over H1 2019, with 13 million monthly UK sessions. In March 2019, Digitalbox acquired leading online satirical website, The Daily Mash. The Daily Mash has over 4 million visits per month, and more than 900,000 Facebook followers.

Digitalbox generates revenue from the sale of advertising in and around the content it publishes. The Company's optimisation for mobile enables it to achieve revenues per session significantly ahead of market norms for publishers on mobile.