FitchRatings

Corporates
Media & Entertainment
United Kingdom

Daily Mail and General Trust plc

Ratings

Foreign Currency

Long-Term IDR	BB+
Senior Unsecured Debt - Long-Term Rating	BB+
Outlook	
Long-Term Foreign-Currency IDR	Negative

2035 Climate Vulnerability Signal: 10

Click here for the full list of ratings

Applicable Criteria

Climate Vulnerability in Corporate Ratings Criteria (July 2023)

Corporates Recovery Ratings and Instrument Ratings Criteria (October 2023)

Corporate Rating Criteria (October 2022)

Sector Navigators: Addendum to the Corporate Rating Criteria (May 2023)

Related Research

Global Corporates Macro and Sector Forecasts (September 2023)

U.S. Media, Broadcasting & Entertainment Outlook 2023 (December 2022)

Global Corporates Mid-Year Outlook 2023 (June 2023)

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Daily Mail and General Trust plc (DMGT) has a portfolio of businesses, with variable growth prospects and profitability. The company has a strong market position within traditional print and online media, property information and a growing events business that supports the rating. However, DMGT's profitability is weak for the rating level.

Fitch Ratings has maintained a Negative Outlook as we believe deleveraging will be delayed beyond FY24 (financial year ending September), as a result of a stronger decline in Fitch-defined free cash flow (FCF) and pre-dividend FCF than we had expected. We forecast DMGT's Fitch-defined EBITDA net leverage to rise to 2.2x in FY23 from 2.0x in FY22, due to the worse economic climate, before declining to 1.9x in FY24, leaving limited rating headroom.

Fitch usually gives companies 18-24 months after a corporate event to restore leverage to within our rating sensitivities through the cycle. Therefore, an improvement in profitability and FCF, which offers clear visibility of leverage trending below our downgrade threshold, will be critical for the ratings trajectory.

Key Rating Drivers

Leverage Remains Elevated: We forecast the FY23 Fitch-defined EBITDA margin to decline to 6.5% in FY23, with a negative Fitch-defined FCF margin. This is due to revenue declines in the consumer media business and from the property data provider Landmark, as well as high newsprint, distribution and general operational costs that are only partially offset by cover-price increases and a recovery in the events division (dmg events). The volume-driven nature of a large portion of DMGT's revenue coupled with fixed costs exacerbates margin volatility.

We project Fitch-defined EBITDA net leverage of 2.2x for FY23 before declining to 1.9x in FY24 driven by EBITDA margin growth (FY24: around 7.5%) and the FCF margin turning positive, supported by modestly improved trading conditions and early benefits from cost-reduction efforts and operational investments.

Difficult Advertising Market: Advertising activity has declined during 2023 in light of weak consumer demand driven by constrained discretionary incomes. Third-party research indicates that advertising in national news brands will decline by mid-single digits during 2023. We believe digital advertising has been affected the most given the flexibility of reducing advertising output at short notice. We expect a gradual recovery in 2024 although profitability is likely to be affected from Google's cookie deprecation activities.

We understand from DMGT that it is investing in its digital platform to improve user experience and data analytics capabilities to mitigate the adverse impacts of industry-wide changes.

Weak UK Property Market: Transaction volumes at Landmark have consistently remained depressed in 2023 due tighter credit conditions affecting mortgage availability. High inflation and steadily rising interest rates have introduced property market uncertainty in light of diminished affordability.

We believe high operational gearing has affected Landmark's operating margin in FY23 with lower revenue per transaction and expect volumes to remain sluggish over the next 18 months. The acquisition of online estate agent Yopa and organic investments in the Landmark platform may provide additional sources of revenue in the longer-term across the transaction lifecycle.

Fitch forecasts UK base rates to peak at 5.75% at end-2023 before falling to 4.5% by end-2024. A fall in inflation and better interest rate visibility should improve market confidence and mortgage pricing.

Events Recovery: Fitch expects dmg events to outperform pre-pandemic levels with demand for its big five energy and construction events at robust levels, showing the resilience of well-established global events. We believe further revenue uplift will be driven by new events held in emerging markets such as India, Saudi Arabia and Africa, in addition to filling spare capacity at existing events. Significant forward bookings provide good revenue visibility. However, margin recovery to pre-pandemic levels will be delayed due to continued cost pressures including continued rehiring and reskilling requirements.

Reduced Revenue and Cash Flow: Reported subscription revenue fell to 10% in FY22 from 30% in FY20. Fitch believes that less than 50% of revenue is recurring with the remaining volume-driven. Digital advertising revenue is slightly higher than print and we understand there are some minimum revenue guarantees for digital with the large tech companies. DMGT has also introduced a small subscription-based model in print. These efforts, along with steady growth in the largely subscription-based US data provider Trepp, aim to introduce some predictability to an otherwise less insulated operating model.

Decline of Print: Print media consumption is in structural decline and the long-term sustainability of the sector relies on the successful shift to a subscription-based model including online platforms for content delivery. The growth of competing news sources and changing readership habits is reflected by the significant decline in average monthly circulation of established newspapers such as the Daily Mail and The Sun (by about 67% each) and The Mirror (down 88%) since 2000.

Established Brand, Execution Risk Online: Fitch believes DMGT will benefit from the growth of online media and advertising given its established brand and wide reach. We estimate DMGT has around a 10% share of the UK's digital media market in addition to its strong market position within UK print media. However, we believe growing scale of online models poses a challenge for print businesses as online news consumption takes time to compensate for print losses and is likely to be spread across different demographics and a broader set of media platforms and competitors.

Diversification Benefits Constrained: We estimate around 60% of revenue is from the consumer media division, although a better measure, cash operating income (cash OI; a proxy for company-defined EBITDA less capex), is split equally across media and non-media (property information and events) services. However, with over 60% of revenue from the UK, we believe it has high exposure to declining, more competitive or cyclically sensitive sectors highly correlated to UK economic conditions

Financial Summary

(GBPm)	2020	2021	2022	2023F	2024F	2025F
Gross revenue	1,211	885	974	965	971	996
EBITDA	142	87	79	63	71	84
FCF margin after net acquisitions (%)	23.1	162.3	-178.9	0.6	1.1	1.9
EBITDA net leverage (x)	-1.0	-17.4	2.0	2.2	1.9	1.4
EBITDA interest coverage (x)	9.5	6.3	4.8	4.7	6.0	7.0

F — Forecast
Source: Fitch Ratings, Fitch Solutions

Rating Derivation Relative to Peers

DMGT's credit profile is supported by the group's B2B and consumer media portfolio and measured financial policy providing the flexibility to manage operational risks. However, the medium- to long-term visibility of cash flow is affected by uncertainties in the evolution of print circulation and advertising, the likely need for continued investment in new products and digital platforms. The company's active management of its asset portfolio leads to more limited visibility of the scale and scope of the business. As a result, the thresholds for DMGT have been set tighter at the rating level relative to peers.

Higher-rated larger peers with greater leverage flexibility. RELX PLC (BBB+/Stable), Informa PLC (BBB-/Stable), Adevinta ASA (BB+/Stable) and Thomson Reuters Corporation (BBB+/Stable) benefit from a combination of factors such as increased scale, a stronger operating mix driven by a higher proportion of subscription-based revenue and higher Fitch-defined EBITDA margins, little/lower exposure to print, and bigger discretionary cash flows that support higher leverage or ratings.

Other peers such as Springer Nature AG & Co. KGaA (BB-/Stable) have higher leverage that constrains their credit profiles.

Navigator Peer Comparison

Issuer		Business profile						Financial profile		
	IDR/Outlook	Operating Environment	Management and Corporate Governance	Market Position	Diversification	Revenue Visibility	Sector Environment	Profitability	Financial Structure	Financial Flexibility
Daily Mail and General Trust plc	BB+/Negative	aa-	bbb	bb+	bb	bb-	bbb	bb-	bbb+	bbb+
Informa PLC	BBB-/Stable	aa-	a-	bbb	bbb	bb	bbb+	bbb+	a-	a-
RELX PLC	BBB+/Stable	aa	a-	a	a	bbb+	a-	a-	bbb+	a
Springer Nature AG & Co. KGaA	BB-/Stable	aa	bbb	bbb+	bbb	bb+	a-	bbb+	b+	bb+
Thomson Reuters Corporation	BBB+/Stable	aa-	a+	a	bbb+	a-	a-	bbb+	bbb+	a

Source: Fitch Ratings.
Relative Importance of Factor: Higher / Moderate / Lower

Issuer		Business profile						Financial profile		
Name	IDR/Outlook	Operating Environment	Management and Corporate Governance	Market Position	Diversification	Revenue Visibility	Sector Environment	Profitability	Financial Structure	Financial Flexibility
Daily Mail and General Trust plc	BB+/Negative	+7	+2	0	-1	-2	+2	-2	+3	+3
Informa PLC	BBB-/Stable	+6	+3	+1	+1	-2	+2	+2	+3	+3
RELX PLC	BBB+/Stable	+5	+1	+2	+2	0	+1	+1	0	+2
Springer Nature AG & Co. KGaA	BB-/Stable	+10	+4	+5	+4	+2	+6	+5	-1	+2
Thomson Reuters Corporation	BBB+/Stable	+4	+3	+2	0	+1	+1	0	0	+2

Source: Fitch Ratings.
Factor Score Relative to IDR: Worse positioned than IDR / Within one notch of IDR / Better positioned than IDR

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

We do not expect positive rating action in the near-term due to the company's limited scale and diversification. However, an upgrade could occur upon the following:

- Fitch defined EBITDA net leverage sustained below 1.2x;
- Pre-dividend FCF margin above 5% on a sustained basis;
- Tangible improvement in the overall scale and/or diversification of the business, along with a strengthening and visibility of operating margins demonstrated by Fitch-defined EBITDA margin above 12.5%.

Factors that Could, Individually or Collectively, Lead to a Stable Outlook

- Fitch defined EBITDA net leverage sustained below 1.7x
- Evidence of enhanced revenue visibility or benefits from diversification driving Fitch-defined EBITDA margin above 8% and pre-dividend FCF above 3% by FY24.

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

- Fitch defined EBITDA net leverage consistently above 1.7x;
- Pre-dividend FCF margin below 3% on a sustained basis;
- Weakening consumer division operating profit trends, given the importance of the consumer transition to online in the context of a declining print news industry.

Liquidity and Debt Structure

Sufficient Liquidity: Fitch forecasts negative Fitch-defined FCF in FY23 but expects the company to generate stable low single-digit FCF margins from FY24 to FY26. Along with cash on balance sheet and an undrawn revolving credit facility (RCF), Fitch believes that DMGT has sufficient liquidity to support operations and cover short-term liabilities. The company's RCF and GBP150 million bond mature in FY27.

ESG Considerations

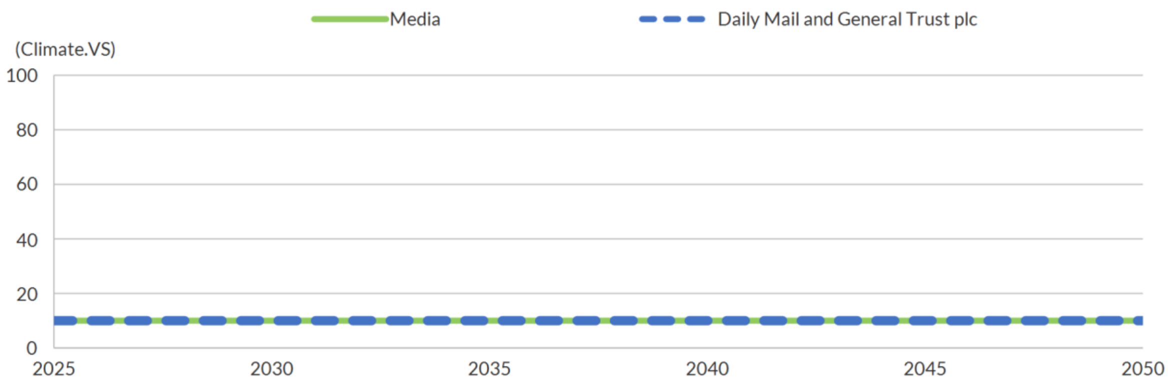
The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit https://www.fitchratings.com/topics/esg/products#esg-relevance-scores.

Climate Vulnerability Considerations

Fitch's *Climate Vulnerability in Corporate Ratings Criteria* report describes how we use Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). Click here for the criteria.

The FY22 revenue-weighted Climate.VS for DMGT for 2035 is 10 out of 100, suggesting low exposure to climate-related risks in that year. For further information on how Fitch perceives climate-related risks in the technology, media and telecommunications sector, see Technology, Media and Telecommunications - Long-Term Climate Vulnerability Signals.

Climate.VS Evolution
As of Dec. 31, 2022



Source: Fitch Ratings

Liquidity and Debt Maturities

Liquidity Analysis

(GBPm)	2023F	2024F	2025F
Available liquidity			
Beginning cash balance	53	65	75
Rating case FCF after acquisitions and divestitures	5	10	18
Other investing and financing activities	8	-1	—
Net debt movements	-3	—	—
Net equity issuance	2	—	—
Total available liquidity (A)	**65**	**75**	**94**
Liquidity uses			
Debt maturities	—	—	—
Total liquidity uses (B)	**—**	**—**	**—**
Liquidity calculation			
Ending cash balance (A+B)	65	75	94
Revolver availability	205	205	205
Ending liquidity	**270**	**280**	**298**
Liquidity score (x)	Not meaningful	Not meaningful	Not meaningful

F – Forecast.
Source: Fitch Ratings, Fitch Solutions, Daily Mail and General Trust plc

Scheduled debt maturities

(GBPm)	30 September 2022
2023	—
2024	—
2025	—
2026	—
2027	150
Thereafter	—
Total	**150**

Source: Fitch Ratings, Fitch Solutions, Daily Mail and General Trust plc

Key Assumptions

- Revenue to grow by CAGR of 2.4% in FY23-FY26 reflecting near-term pressures in the consumer business and a challenging macroeconomic outlook offset by improved growth prospects in the events and property information businesses and an economic recovery in later years;
- Fitch-defined EBITDA margin of 6.5% in FY23, rising to above 9% by FY26. Fitch-defined EBITDA includes a portion of cash exceptional costs considered operational and/or recurring;
- Slightly negative change in working capital averaging at around -0.5% of revenue per year between FY23 and FY26;
- Capex intensity of around 1.8% in FY23, declining to 1.5% in FY24-FY26;
- Dividends of around GBP20 million per year, growing steadily to GBP26 million by FY26;
- No significant M&A in FY23-FY26.

Financial Data

Daily Mail and General Trust plc

(GBPm)	2020	2021	2022	2023F	2024F	2025F
Summary income statement						
Gross revenue	1,211	885	974	965	971	996
Revenue growth (%)	-9.5	-26.9	10.0	-0.9	0.6	2.5
EBITDA before income from associates	142	87	79	63	71	84
EBITDA margin (%)	11.7	9.9	8.1	6.5	7.3	8.4
EBITDA after associates and minorities	143	88	80	64	72	85
EBITDAR	160	87	79	63	71	84
EBITDAR margin (%)	13.2	9.9	8.1	6.5	7.3	8.4
EBIT	104	64	59	43	51	64
EBIT margin (%)	8.6	7.2	6.0	4.4	5.3	6.4
Gross interest expense	-15	-12	-17	-14	-12	-12
Pretax income including associate income/loss	58	-2	-60	25	37	49
Summary balance sheet						
Readily available cash and equivalents	387	1,747	53	65	75	94
Debt	237	214	211	208	208	208
Lease-adjusted debt	377	214	211	208	208	208
Net debt	-149	-1,533	158	143	133	115
Summary cash flow statement						
EBITDA	142	87	79	63	71	84
Cash interest paid	-15	-14	-17	-14	-12	-12
Cash tax	-8	-22	-7	-9	-9	-11
Dividends received less dividends paid to minorities (inflow/outflow)	1	1	1	1	1	1
Other items before FFO	-16	-14	-15	6	11	4
FFO	113	39	42	48	62	66
FFO margin (%)	9.3	4.3	4.3	4.9	6.3	6.6
Change in working capital	-1	-16	0	-11	-3	-4
CFO (Fitch-defined)	112	23	42	37	58	62
Total non-operating/nonrecurring cash flow	2	54	-431	-10	-4	—
Capex	-18	-16	-18	—	—	—
Capital intensity (capex/revenue) (%)	1.5	1.8	1.8	—	—	—
Common dividends	-55	-55	-1,356	—	—	—
FCF	41	6	-1,763	—	—	—
FCF margin (%)	3.4	0.7	-181.0	—	—	—
Net acquisitions and divestitures	238	1,431	20	—	—	—
Other investing and financing cash flow items	-65	-179	106	8	-1	—
Net debt proceeds	-7	13	—	-3	—	—
Net equity proceeds	-20	-10	-56	2	—	—
Total change in cash	188	1,262	-1,693	12	10	19
Leverage ratios (x)						
EBITDA leverage	1.7	2.4	2.6	3.2	2.9	2.5
EBITDA net leverage	-1.0	-17.4	2.0	2.2	1.9	1.4
EBITDAR leverage	2.4	2.4	2.6	3.2	2.9	2.5
EBITDAR net leverage	-0.1	-17.4	2.0	2.2	1.9	1.4
EBITDAR net fixed-charge coverage	6.7	6.8	4.9	4.7	6.0	7.0
FFO adjusted leverage	2.8	4.2	3.6	3.4	2.8	2.7
FFO adjusted net leverage	-0.1	-29.8	2.7	2.3	1.8	1.5
FFO leverage	2.0	4.2	3.6	3.4	2.8	2.7
FFO net leverage	-1.3	-29.8	2.7	2.3	1.8	1.5
Calculations for forecast publication						
Capex, dividends, acquisitions and other items before FCF	167	1,414	-1,785	-31	-48	-44
FCF after acquisitions and divestitures	279	1,437	-1,743	5	10	19
FCF margin after net acquisitions (%)	23.1	162.3	-178.9	0.6	1.1	1.9

Daily Mail and General Trust plc

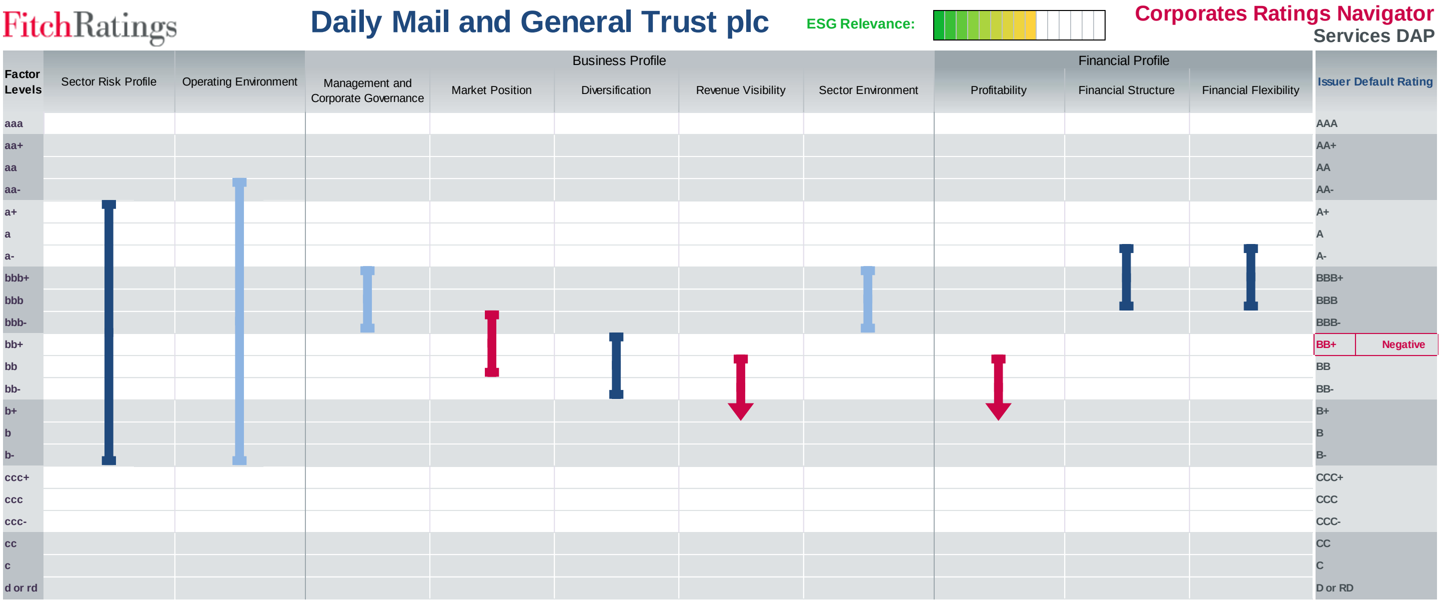
(GBPm)	2020	2021	2022	2023F	2024F	2025F
Coverage ratios (x)						
FFO interest coverage	7.9	3.7	3.5	4.5	6.1	6.5
FFO fixed-charge coverage	4.2	3.7	3.5	4.5	6.1	6.5
EBITDAR fixed-charge coverage	4.9	6.3	4.8	4.7	6.0	7.0
EBITDA interest coverage	9.5	6.3	4.8	4.7	6.0	7.0
Additional metrics (%)						
CFO-capex/debt	39.7	3.4	11.5	9.4	20.9	22.8
CFO-capex/net debt	-63.0	-0.5	15.4	13.6	32.7	41.4
CFO/capex	625.7	146.8	237.1	214.0	398.6	418.8

CFO – Cash flow from operations
Source: Fitch Ratings, Fitch Solutions

How to Interpret the Forecast Presented

The forecast presented above is based on Fitch Ratings' internally produced, conservative rating case forecast. It does not represent the forecast of the rated issuer. The forecast set out above is only one component used by Fitch Ratings to assign a rating or determine a rating outlook, and the information in the forecast reflects material but not exhaustive elements of Fitch Ratings' rating assumptions for the issuer's financial performance. As such, it cannot be used to establish a rating, and it should not be relied on for that purpose. Fitch Ratings' forecasts are constructed using a proprietary internal forecasting tool, which employs Fitch Ratings' own assumptions on operating and financial performance that may not reflect the assumptions that you would make. Fitch Ratings' own definitions of financial terms such as EBITDA, debt or free cash flow may differ from your own such definitions. Fitch Ratings may be granted access, from time to time, to confidential information on certain elements of the issuer's forward planning. Certain elements of such information may be omitted from this forecast, even where they are included in Fitch Ratings' own internal deliberations, where Fitch Ratings, at its sole discretion, considers the data may be potentially sensitive in a commercial, legal or regulatory context. The forecast (as with the entirety of this report) is produced strictly subject to the disclaimers set out at the end of this report. Fitch Ratings may update the forecast in future reports but assumes no responsibility to do so. Original financial statement data for historical periods is processed by Fitch Solutions on behalf of Fitch Ratings. Key financial adjustments and all financial forecasts credited to Fitch Ratings are generated by rating agency staff.

Ratings Navigator



Bar Chart Legend:	
Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	⇧ Positive
Higher Importance	⇩ Negative
Average Importance	⇳ Evolving
Lower Importance	☐ Stable

FitchRatings

Daily Mail and General Trust plc

Corporates Ratings Navigator
Services DAP

Operating Environment

aa	Economic Environment	a	Strong combination of countries where economic value is created and where assets are located.
aa-	Financial Access	aa	Very strong combination of issuer specific funding characteristics and of the strength of the relevant local financial market.
	Systemic Governance	aa	Systemic governance (eg rule of law, corruption; government effectiveness) of the issuer's country of incorporation consistent with 'aa'.
b-			
ccc+			

Management and Corporate Governance

a-	Management Strategy	bbb	Strategy may include opportunistic elements but soundly implemented.
bbb+	Governance Structure	bbb	Good CG track record but effectiveness/independence of board less obvious. No evidence of abuse of power even with ownership concentration.
bbb	Group Structure	a	Group structure shows some complexity but mitigated by transparent reporting.
bbb-	Financial Transparency	bbb	Good quality reporting without significant failing. Consistent with the average of listed companies in major exchanges.
bb+			

Market Position

bbb	Barriers to Entry	bbb	Moderate barriers to entry. Incumbents are generally strongly established but successful new entrants have emerged over time.
bbb-	Market Position	bbb	Strong and defensible market position within key business/segment verticals. Others may be more exposed to a competitive environment.
bb+	Scale	bb	Midsize/scale, EBITDA <USD/EUR 500m
bb	Product Strategy	bbb	Product and service innovation at times is driven by response to product introduction by competitors/peers.
bb-			

Diversification

bbb-	Asset Class/Verticals/Products	bb	Focus on a couple of verticals/sectors/business segment lines with sensitivity to the economic cycle.
bb+	Customer Base	a	No customer concentration issue noted.
bb	Exposure to Challenged Business Lines	bb	Material portion of business profile exposed to secular risks that can lead to weakening of competitive position and erosion of market share.
bb-			
b+			

Revenue Visibility

bb+	Proportion of Revenues Under Contract	bb	<60%
bb	Renewal Rate and Switching Costs	bb	Renewal rates of less than 80%. Limited or no switching costs.
bb-	Level of Recurring Transaction/Project Revenues	b	Less than 50% of total revenues may be considered recurring.
b+			
b			

Sector Environment

a-	Regulatory Environment	bbb	Moderate regulatory oversight.
bbb+	Litigation Environment	bbb	Modest.
bbb	M&A Strategy	bbb	Generally small bolt-on acquisitions. History of large acquisitions routinely pressures credit metrics. Good integration record.
bbb-			
bb+			

Profitability

bb+	EBITDA Margin	b	12.5%
bb	FFO Margin	bb	10%
bb-	FCF Margin	bb	5.0%
b+	Volatility of Profitability and Cash Flows	bb	Higher volatility of profits than industry average.
b			

Financial Structure

a	EBITDA Leverage	bbb	3.0x
a-	EBITDA Net Leverage	a	2.0x
bbb+	FFO Leverage	bbb	3.4x
bbb	(CFO-Capex)/Debt	a	20%
bbb-	FCF/Debt	bbb	11%

Financial Flexibility

a	Financial Discipline	a	Clear commitment to maintain a conservative policy with only modest deviations allowed.
a-	Liquidity	bbb	One year liquidity ratio above 1.25x. Well-spread maturity schedule of debt but funding may be less diversified.
bbb+	EBITDA Interest Coverage	a	5.5x
bbb	FFO Interest Coverage	a	7.0x
bbb-	FX Exposure	bbb	Some FX exposure on profitability and/or debt/cash flow match. Effective hedging in place.

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Credit-Relevant ESG Derivation

Daily Mail and General Trust plc has 7 ESG potential rating drivers

- Energy use (particularly in data centers or cloud service providers)
- Data security
- Impact of labor negotiations and employee (dis)satisfaction; employee recruitment and retention
- Governance is minimally relevant to the rating and is not currently a driver.

			Overall ESG
key driver	0	issues	5
driver	0	issues	4
potential driver	7	issues	3
not a rating driver	0	issues	2
	7	issues	1

For further details on Credit-Relevant ESG scoring, see page 3.

FitchRatings

Daily Mail and General Trust plc

Corporates Ratings Navigator
Services DAP

Credit-Relevant ESG Derivation

Daily Mail and General Trust plc has 7 ESG potential rating drivers

- Daily Mail and General Trust plc has exposure to energy productivity risk but this has very low impact on the rating.
- Daily Mail and General Trust plc has exposure to customer accountability risk and product quality & safety risk but this has very low impact on the rating.
- Daily Mail and General Trust plc has exposure to labor relations & practices risk and employee recruitment & retention risk but this has very low impact on the rating.
- Governance is minimally relevant to the rating and is not currently a driver.

ESG Relevance to Credit Rating

key driver	0	issues	5
driver	0	issues	4
potential driver	7	issues	3
not a rating driver	0	issues	2
	7	issues	1

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference	E Relevance
GHG Emissions & Air Quality	1	n.a.	n.a.	5
Energy Management	3	Energy use (particularly in data centers or cloud service providers)	Profitability	4
Water & Wastewater Management	1	n.a.	n.a.	3
Waste & Hazardous Materials Management; Ecological Impacts	1	n.a.	n.a.	2
Exposure to Environmental Impacts	1	n.a.	n.a.	1

How to Read This Page
ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.
The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.
The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to result in a negative impact unless indicated with a '+' sign for positive impact.
Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference	S Relevance
Human Rights, Community Relations, Access & Affordability	1	n.a.	n.a.	5
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Data security	Competitive Position; Sector Environment	4
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction; employee recruitment and retention	Competitive Position; Profitability	3
Employee Wellbeing	1	n.a.	n.a.	2
Exposure to Social Impacts	1	n.a.	n.a.	1

Governance (G) Relevance Scores

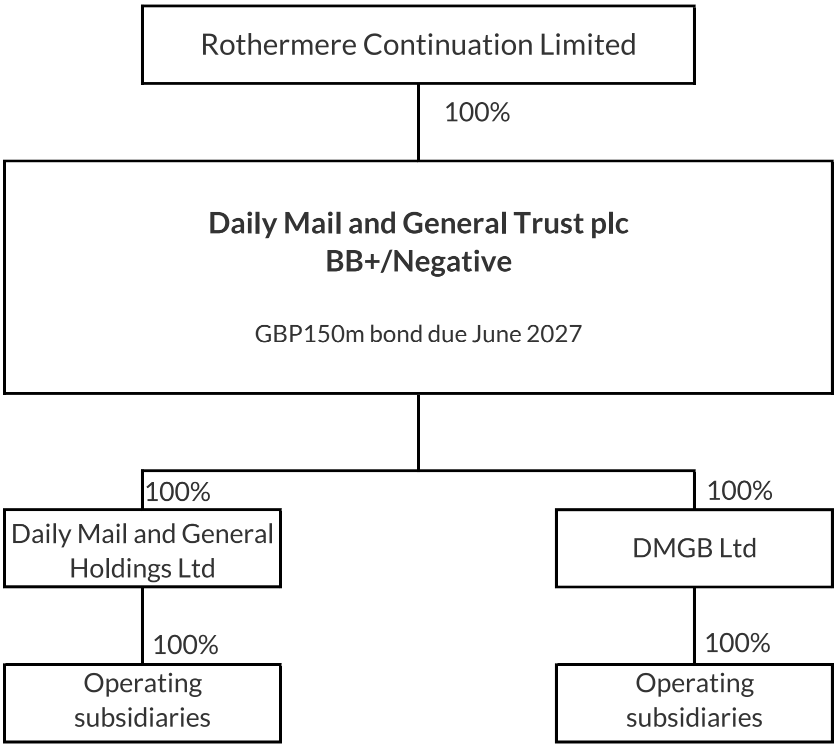
General Issues	G Score	Sector-Specific Issues	Reference	G Relevance
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance	5
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance	4
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance	3
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance	2
				1

CREDIT-RELEVANT ESG SCALE

How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

Simplified Group Structure Diagram



Source: Fitch Ratings, Fitch Solutions, Daily Mail and General Trust plc, as of October 2023

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue (GBPm)	EBITDA margin (%)	FCF margin (%)	EBITDA net leverage (x)	EBITDA interest coverage (x)
Daily Mail and General Trust plc	BB+						
	BB+	2022	974	8.1	-181.0	2.0	4.8
	BB+	2021	885	9.9	0.7	-17.4	6.3
	BBB-	2020	1,211	11.7	3.4	-1.0	9.5
Informa PLC	BBB-						
	BBB-	2022	2,262	24.2	14.4	—	6.7
	BBB-	2021	1,799	24.4	22.1	2.7	6.2
		2020	1,661	19.7	-13.9	5.6	3.3
RELX PLC	BBB+						
	BBB+	2022	8,553	35.2	11.0	2.1	18.6
	BBB+	2021	7,244	34.7	9.5	2.3	22.7
	BBB+	2020	7,110	34.1	4.1	2.7	14.7
Thomson Reuters Corporation	BBB+						
	BBB+	2022	5,491	36.6	7.3	1.5	14.4
	BBB+	2021	4,725	32.2	8.1	1.5	12.4
	BBB+	2020	4,459	32.6	7.0	1.0	12.7

Source: Fitch Ratings, Fitch Solutions

Fitch Adjusted Financials

(GBPm as of 30 September 2022)	Notes and formulas	Standardised values	Preferred dividends, associates and minorities cash adjustments	Lease treatment	Other adjustments	Adjusted values
Income statement summary						
Revenue		974	—	—	—	974
EBITDA	(a)	90	—	-15	4	79
Depreciation and amortization		-34	—	14	-0	-21
EBIT		59	—	-1	1	59
Balance sheet summary						
Debt	(b)	195	—	—	16	211
Of which other off-balance-sheet debt		—	—	—	—	—
Lease-equivalent debt		—	—	—	—	—
Lease-adjusted debt		195	—	—	16	211
Readily available cash and equivalents	(c)	53	—	—	—	53
Not readily available cash and equivalents		—	—	—	—	—
Cash flow summary						
EBITDA	(a)	90	—	-15	4	79
Dividends received from associates less dividends paid to minorities	(d)	—	—	—	1	1
Interest paid	(e)	-18	—	1	-0	-17
Interest received	(f)	0	—	—	—	0
Preferred dividends paid	(g)	—	—	—	—	—
Cash tax paid		-7	—	—	—	-7
Other items before FFO		-440	—	—	425	-15
FFO	(h)	-374	1	-14	429	42
Change in working capital		0	—	—	—	0
CFO	(i)	-374	1	-14	429	42
Non-operating/nonrecurring cash flow		—	—	—	-431	-431
Capex	(j)	-18	—	—	—	-18
Common dividends paid		-1,356	—	—	—	-1,356
FCF		-1,748	1	-14	-2	-1,763
Gross leverage (x)						
EBITDA leverage	b / (a+d)	2.2	—	—	—	2.6
(CFO-capex)/debt (%)	(i+j) / b	-200.7	—	—	—	11.5
Net leverage (x)						
EBITDA net leverage	(b-c) / (a+d)	1.6	—	—	—	2.0
(CFO-capex)/net debt (%)	(i+j) / (b-c)	-275.4	—	—	—	15.4
Coverage (x)						
EBITDA interest coverage	(a+d) / (-e)	5.1	—	—	—	4.8

CFO - Cash flow from operations
Notes: The standardised items presented above are based on Fitch's taxonomy for the given sector and region. Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly. Debt includes other off-balance-sheet debt.
Source: Fitch Ratings, Fitch Solutions, Daily Mail and General Trust plc

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.