

Mammoth Screen Limited

Strategic Report for the year ended 31 December 2023

The Directors present their Strategic Report for the year ended 31 December 2023.

Principal activity

The principal activity of Mammoth Screen Limited ("the Company") continues to be that of television production for broadcast and distribution throughout the world.

Fair review of the business

The results for the Company show a profit for the year £1,259,886 (2022: £506,014). At the statement of financial position date the Company had net assets of £24,374,902 (2022: £23,115,016).

KPI's

The Directors of the ITV plc Group manage the Group's operations on a divisional basis with this Company being included within the ITV Studios division. For this reason, the Company's Directors use the ITV plc ITV Studios division's Operating and Performance Review in managing and understanding the development, performance and position of the Company. The business review is included on pages 18 to 31 of ITV plc's 2023 Annual Report.

	2023	2022
	£'000	£'000
Revenue	45,698	40,184
Gross profit	7,288	7,431
Administrative costs	(6,121)	(7,062)
Operating profit	1,166	369

Revenue has increased year on year, driven by the range of productions. The year included further episodes of World on Fire, The Tower, McDonald & Dodds as well as new adaptation Grime Kids and our latest Agatha Christie title, Murder is Easy.

Gross profit has decreased slightly year on year as a result of cost and talent inflation and the associated pressure on production margins.

Administrative costs have decreased due to the expiry of certain long-term incentive schemes.

During the year the Company generated an increase in operating profit, as a result of the above impacts.

Future developments

The Company will continue to follow its strategy to work proactively with UK and overseas broadcasters and streamers, its international distributor and key writers to develop and sell ideas for new returning series. The external environment is expected to remain competitive in 2024 but the directors remain confident that the Company is well placed with the broadcasters to exploit opportunities that become available.

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Principal risks and uncertainties

The management of the Company and the execution of its strategy are subject to a number of risks.

The key business risks and uncertainties affecting the Company are considered to relate to competition from both broadcasters' production arms and other independent producers, change in broadcaster commissioning strategy and personnel, retention of key employees, attracting high profile writers and assuring sufficient funding in order to make commissioned programmes viable and profitable.

A comprehensive review of the Company's strategy, outlining the development, performance and position of the Company's business can be found in the Strategic Report of the group in the ITV plc Annual Report. The Annual Report of ITV plc is available to the public and may be obtained from www.itvplc.com or the Company Secretary, ITV White City, 201 Wood Lane, London, W12 7RU.

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Section 172 (1) Statement - Directors Statement in performance of their duties under section 172(1)

The Board of ITV plc are responsible for governance and oversight across the ITV Group and the duties under Section 172(1) of the Companies Act 2006 ('s172') in respect of ITV plc. As Mammoth Screen Limited (the 'Company') is part of the ITV Group, its directors (the 'Directors') believe that certain matters they are responsible for under s172 in respect of the Company have been considered to an appropriate extent by the Board of ITV plc in relation both to the ITV Group and the Company and reference to this is made below.

The Directors consider and approve relevant matters during the year. To the extent necessary for an understanding of the development, performance and position of the Company, an explanation of how the Directors have specifically considered the matters set out in s172 is set out below:

- **The long term:** The Directors are fully cognisant of the evolving landscape in which the Company operates and aware that the production environment remains highly competitive. As a part of the ITV Group strategy to be a leading creative force in global content production, the Directors' focus is to attract and retain leading talent and to continue to nurture the right creative and commercial environment to do this. The Directors are confident that the Company is well placed in its relationships with broadcasters in the UK and overseas to exploit opportunities as they arise and to continue with this strategy.

- **Employees:** The Directors know that the workforce are key to the Company's success and are dedicated to nurturing an inclusive working environment where everyone can reach their full potential and thrive. As the Company is embedded within the ITV Group governance structure it is fully aligned with ITV on workforce engagement and an explanation of how ITV plc have engaged with the workforce and taken them into consideration through its discussions and decision-making is set out on pages 94 to 95 of ITV plc's 2023 annual report. Further information on ITV's commitment to its workforce is set out on pages 40 to 41 of ITV plc's 2023 annual report, which does not form part of this report.

- **Business relationships - suppliers, customers:** The Directors are committed to fostering good working business relationships with the Company's customers and the key contract relationships it holds with the BBC, ITV Network and ITV Global Distribution are kept under regular consideration in order to maintain strong and mutually beneficial opportunities. The Directors recognise that an understanding of the issues relating to these stakeholders is fundamental to building and maintaining successful relationships, enabling the Company to take advantage of the strong and mutually beneficial opportunities needed to ensure the success of the Company. As a part of the ITV Group the Company benefits from ITV's business relationships with other broadcasters and platform owners as potential customers for its productions and seeks to align itself with the good practices fostered by ITV plc.

- **Community and environment:** The Directors are constantly striving to reduce the environmental impact of the Company's productions, both on and off screen. The Company is an affiliate member of Albert and the directors and senior management team work closely with ITV and BAFTA as they strive for Albert certification for all new and returning productions. The Directors further consider that as a result of being embedded within the ITV Group governance structure, the Directors of ITV plc have taken the lead in carrying out the duties in respect of the wider community, environmental issues, diversity and inclusion targets and further information is set out on pages 23 to 39 of ITV plc's 2023 annual report, which does not form a part of this report.

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· **High standards of business conduct:** The Directors' intention is to ensure that the Company and its subsidiaries operate in an ethical and responsible way. As a part of the ITV Group, they recognise that a healthy corporate culture is the cornerstone to ensuring high standards of business conduct and governance that also pervade business dealings with stakeholders outside of the organisation. The Directors consider that as a result of being embedded within the ITV Group governance structure, the Directors of ITV plc have taken the lead in promoting these facets and details on how it monitored and assessed culture during the year is set out on pages 96 to 97 in ITV plc's 2023 annual report, which does not form a part of this report. ITV's commitment to high standards of business conduct is also enshrined in the Code of Ethics and Conduct available on the ITV plc website. ITV's culture also pervades its business dealings with stakeholders outside of the organisation, as exemplified by its work with suppliers in relation to modern slavery and membership of the Prompt Payment Code.

Approved by the board on 28 June 2024 and signed on its behalf by:

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J D Williams
Director