Enabling the capture and sharing of exceptional content

Videndum

Annual Report and Accounts 2024

Capture.
Share.

Our purpose is to enable the capture and sharing of exceptional content.

We are a leading global provider of premium branded hardware products and software solutions to the content creation market.

videndum.com

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2024 financial summary

Revenue from continuing operations†

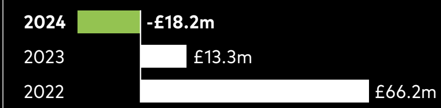
£283.6m

Down 8% ↓

Adjusted operating profit* from continuing operations†

-£18.2m

Down 237% ↓



Net debt*

£133.0m

Up 4% ↑

Statutory operating loss

-£96.5m

Down £31.3m ↓

Adjusted operating margin* from continuing operations†

-6.4%

Down 1070 bps ↓

Statutory operating margin

-34.0%

Down 1330 bps ↓

Basic Loss Per Share

-155.8p

Up 1.7p ↑

Adjusted basic Earnings Per Share* from continuing operations†

-17.9p

Down 27.4p ↓

2024 financial summary

- 2024 result was in line with the 16 December 2024 Trading Update guidance.
- Revenue 8% lower than 2023 against a challenging macroeconomic backdrop.
- Adjusted operating loss* of £18.2 million. Before £18.3 million of H2 one-off charges, the result was break-even.
- Statutory operating loss before tax of £96.5 million includes a £51.3 million asset impairment charge, £12.0 million of losses of previously discontinued operations, and £11.3 million of restructuring costs.
- Adjusted operating cash flow up 45% to £16.8 million (2023: £11.6 million).
- Free cash flow £28.3 million higher at £4.5 million inflow.
- Net debt* at 31 December 2024 was £133.0 million (2023: £128.5 million) representing leverage of 5.3x (2023: 3.3x). December 2024 covenant leverage and interest cover tests met.
- Multicurrency Revolving Credit Facility ("RCF") covenants successfully reset in April 2025 through to the end of the facility in August 2026.
- Refinancing of the RCF launched April 2025 and expected to be completed pre H1 FY 25 results in September.
- Gross equity of £8 million raised on 30 April 2025, adding to liquidity headroom.

Key achievements

- Restructuring initiatives expected to deliver annualised cost savings of £18 million with a £15 million benefit in 2025.
- Discretionary spending curtailed across the Group from Q4.
- Pricing discipline and discounting controls put in place.
- New product development programmes reinvigorated with major product launches scheduled for 2025.
- Successful delivery of the Summer 2024 Olympic Games contract worth £8 million.
- Amimon sold in April 2025 for gross cash consideration of £2.6 million, with the additional benefit of avoiding operational and restructuring cash out flows that would have otherwise been required.

† Amimon was held for sale at 31 December 2023 and reported as discontinued operations, however reclassified to continuing operations for 2024. Discontinued operations also includes the operation at Syrp (the Media Solutions' motion controls R&D centre in New Zealand), which was wound down in H2 2023. Results of discontinued operations can be found in notes 2 and 13 to the condensed financial statements. 2023 also includes Lightstream in discontinued operations, which was sold on 2 October 2023.

* In addition to statutory reporting, Videndum plc reports alternative performance measures from continuing operations ("APMs") which are not defined or specified under the requirements of International Financial Reporting Standards ("IFRS"). The Group uses these APMs to aid the comparability of information between reporting periods and Divisions, by adjusting for certain items which impact upon IFRS measures and excluding discontinued operations, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and management for performance analysis, planning, reporting and incentive purposes. A summary of APMs used and their closest equivalent statutory measures is given in the Glossary from pages 181.

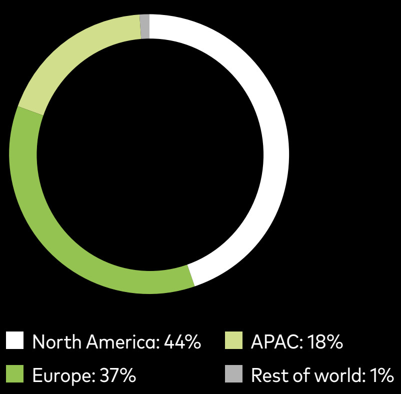
Our global footprint

We employ around 1,500 people in ten different countries.

Where we operate

- → Sites in ten countries; sell into 100+ countries
- → Well-invested manufacturing facilities in Italy, Costa Rica and US
- → R&D centres in Italy, UK and US
- → Far East Procurement Centre in Shenzen, China
- → Distribution centres in UK, Germany, China, Australia, Singapore and Japan

2024 revenue



People and culture

Our employees are key to our success. Their experience, market knowledge and commitment create a culture of innovation, operational excellence, creativity and integrity.

The Group reacts quickly to customer, market and technological changes, constantly innovating to make our products the best in industry. This, together with our entrepreneurial culture, enables focused decision making and minimised bureaucracy.

We work to ensure that we have consistent policies and processes in place across the Group. We have comprehensive operating guidelines and internal communications plans which keep our employees informed, and our manufacturing teams ensure stringent health and safety protocols. We are a responsible business, focused on reducing our impact on the environment.

Read more on page 27

Understanding Videndum

About us

We design and manufacture a portfolio of market-leading, premium brands – from traditional mechanically engineered products through to electronics and software.

Videndum's purpose is to enable our customers, in a full range of creative industries, to capture and share content through a wide variety of media.

Videndum's success is dependent on our ability to understand and respond to our customers' needs.

Our core values

We have a clear purpose that is founded on a set of core values that form the Videndum Mindset: "Enabling the capture and sharing of exceptional content".

Exceptional product performance

We set the highest standards of technical performance

Customer focus

We are nothing without our customers

Leading a fast-changing market

We apply our creativity and harness our diversity to engineer innovative new products and solutions

Global capability

We share knowledge, pool resources, test ideas and learn from each other

Transparency, integrity, respect

We hold to the highest professional and corporate standards

Environmental consciousness

We seek to limit our impact on the environment and create long-term business sustainability

For more information visit our website: videndum.com/about-us/our-brands

Our brands

Our brands are leaders in the niche markets we serve, in terms of premium products, technology innovation and/or market share. Our products typically attach to, or support, a camera – primarily for broadcast, cinematic, video, photographic, audio and smartphone applications – and are offered as a cohesive package.

Audio capture
→ Rycote

Distribution, rental & services
→ Camera Corps
→ The Camera Store

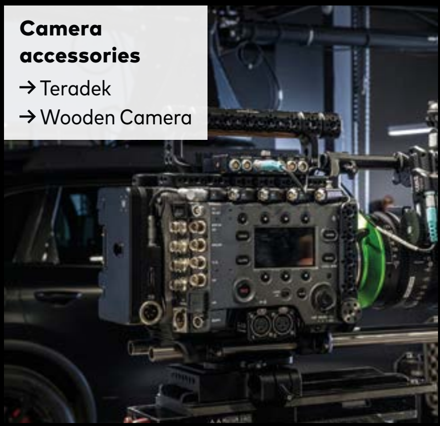
IP video
→ Teradek

Mobile power
→ Anton/Bauer

Monitors
→ SmallHD

Backgrounds
- → Colorama
- → Savage
- → Superior

Camera accessories
- → Teradek
- → Wooden Camera



Carrying solutions
- → Gitzo
- → Lowepro
- → Manfrotto
- → Sachtler

Lens control systems
- → Teradek

Lighting and lighting control
- → Avenger
- → Litepanels
- → Manfrotto
- → Quasar Science

Prompters
- → Autocue
- → Autoscript

Robotic camera systems
- → Camera Corps
- → Vinten

Supports and stabilisers
- → Avenger
- → Gitzo
- → Manfrotto
- → OConnor
- → Sachtler
- → Vinten

Video transmission systems
- → Teradek

Strategic review

Videndum's purpose is to enable our customers to capture and share exceptional content, and this is what guides us. Our strategy is to focus on the professional end of the content creation market.

Core competencies

We believe that our core competencies differentiate us from the competition.

1. Technology leadership
Designing innovative solutions to make our customers' lives easier is what drives us.

2. Worldwide channel strength
The breadth of our product portfolio and strong brand heritage mean that our ability to access channels to our customers is unrivalled in the niche markets we serve.

3. Sourcing and manufacturing excellence
We believe that control of the manufacturing process gives us a competitive advantage.

4. Operational efficiency
Disciplined focus on our operational efficiency programme to drive performance and cost saving.

1. Technology leadership

Track record of innovative new product development through customer-led R&D

We invest strategically in new products, technologies, markets and talent to keep our award-winning brands at the forefront of the industry. By gathering customer and market insights, our specialist engineers develop high quality, high-performance solutions that enhance productivity, reduce setup time and lower costs. Our innovative products, protected by patents and trademarks, are rigorously tested to ensure the highest quality and safety standards. Sustainability is integrated into our brand strategies through Product Life Cycle Assessment practices, evaluating materials, manufacturing, waste and packaging. While we manufacture most products in-house, we work closely with leading partners for specialist solutions.

2. Worldwide channel strength

Global leader in specialist niche markets, reflected by the scale and depth of Videndum's network of channel partners

We market and sell our products globally via multiple distribution channels. The majority of sales are conducted via a global network of distributors, rental houses, systems integrators, resellers, retailers and e-tailers who sell on to customers.

Our Media Solutions Division operates its own distribution company covering the US, UK, EU, China, Japan and Australia through an integrated logistics network. We engage with a number of leading logistics partners to ensure responsive and timely delivery of our products to the relevant geography, and remain conscious of the impact of our distribution channels on the environment.

3. Sourcing and manufacturing excellence

Well-invested, highly automated, lean and environmentally friendly factories, with a continuous improvement culture

We manufacture the majority of our products in-house ensuring greater control over technology, stronger margins and a stronger competitive position. Our major manufacturing sites are ISO 9001, ISO 14001, and ISO 45001 certified. We source materials from reputable suppliers and insource where feasible to improve our carbon footprint. Our low-volume, small-batch processes benefit from a culture of continuous improvement, lean manufacturing, and automation, enhancing quality, efficiency and cost control. Our vertically integrated factories produce key components in-house, supported by our Global Sourcing Office in Shenzhen, which manages vendor relationships, quality control and product development across APAC.

4. Operational efficiency

A dedicated programme designed to improve operational efficiency

Operational efficiency is a fundamental part of our strategy, ensuring we remain competitive, resilient and well positioned for recovery and sustainable growth moving forward. At the end of 2024, we announced a comprehensive operational efficiency programme designed to enhance performance and create long-term value. This programme focuses on four key areas: reinstating pricing discipline, improving operational efficiency, driving gross margin, and reducing discretionary spend. By embedding these principles across the Group, we are reinforcing our commitment to financial discipline, operational excellence and delivering returns for our stakeholders.

Market opportunity

Videndum is positioned at the heart of the global content creation market, with market-leading, premium brands in defensible niches.

Over the past few years, the content creation market has faced multiple unprecedented challenges including COVID-19, writers' and actors' strikes and destocking. These challenges have now passed, and the market is forecast to return to growth. Videndum is well positioned to capitalise on the market recovery, leveraging its leadership across all product segments and its unique ability to serve a broad range of market verticals with a comprehensive premium product portfolio.

Videndum's portfolio addresses three key segments across the content creation market:

1. Independent Content Creator ("ICC")

Representing c.44% of revenue

Products used by professional and high-end amateur photographers/videographers to capture high quality photographs or videos in a range of settings.

- Expected to return to stable growth.
- Total Served Markets ("TSM") Growth Compound Annual Growth Rate ("CAGR") (2024-29) c.3%.

Key market drivers:

- Demand for photo services and growing amateur interest have now stabilised.
- Minimal impact from Artificial Intelligence ("AI") on Videndum products.
- Return to regular upgrade cycles supported by New Product Development.
- Channel inventory normalised.

2. Cine and scripted TV

Representing c.26% of revenue

Products used in the production and filming of feature films and scripted prestige TV for streaming platforms, pay TV and/or theatrical release.

- Expected to return to growth.
- TSM Growth CAGR (2024-29) c.6%.

Key market drivers:

- False dawn at the start of 2024 following completion of paused productions.
- Growth in North America yet to resume.
- Continued growth in cameras and monitors per set driving volumes.
- Return to regular upgrade cycles with destocking over.

3. Broadcast

Representing c.20% of revenue

Products used in production of non-scripted TV content, filmed in studio and outdoor settings, including sports, news and other non-scripted content (entertainment, factual etc.)

- Growth driven by New Product Development and next-generation prompters.
- TSM Growth CAGR (2024-29) c.3%.

Key market drivers:

- Strong growth in sports and entertainment content creation.
- Continued automation driving growth in robotics.
- Increasing use of robotics in outside broadcasting.

Revenue splits exclude markets which contribute <10% of revenue – including audio and live production.

Chairman's review

Stephen Harris

Chairman

2024 was another extremely challenging year for Videndum but we have taken decisive actions to significantly reduce the Group's fixed cost base. With our employees' continuing commitment, passion and knowledge I expect to see Videndum recover from its current situation.

Full year commentary

2024 was another extremely challenging year for Videndum with revenue down 8% to £283.6 million and an adjusted operating loss of £18.2 million. Before H2 one-off charges predominantly in relation to an additional stock provision and intangible asset write offs, the result was break-even, compared to a profit of £13.3 million in 2023.

The ICC segment, representing c.40-50% of Group revenue, remained subdued, impacted by macroeconomic factors including high interest rates, inflation and weak consumer confidence. Recovery across other key sectors was also slower than anticipated, particularly in the Cine and Scripted TV market, which accounts for c.30% of Group revenue. While demand in this market started the year strongly (albeit not at pre-strike levels) as paused productions from 2023 were completed, demand thereafter declined, and recovery is now expected to materialise in Q2/Q3 2025.

The first half of 2024 was therefore stronger than the second half driven by both the post-strike 'false dawn' and the drive to overstock distribution channels across the business through aggressive discounting to distributors as an incentive. This approach to discounting was curtailed in the second half and reduction in channel inventories has been evident in both H2 2024 and Q1 2025.

We experienced a soft start to Q1 2025 but this is improving month by month. Channel 'sell in' data is now broadly in line with 'sell out' data implying the overstocking from H1 2024 has been extinguished. Those channels that had been resistant to purchasing without the incentive of the prior steep discounts have now resumed buying as at the end of Q1.

Negotiations over discounts are always an ongoing feature of the business, but the new reduced discount levels are no longer the restraint on volume that we have seen in recent months.

We have started to see signs of gradual improvement in end user demand in the Cine and Scripted TV markets (outside of North America) in late Q1 2025 and most industry commentators believe that production volumes in 2025 will exceed 2024. However, consensus is that the market will take a number of years to recover fully and that it will be at a level below the highs of 2022, at least in the medium term.

The decline in demand for our products in the ICC market that has been ongoing for several years now seems to have bottomed and the replacement, upgrade and camera attachment rate patterns are returning to more normal levels. The exciting new product launches in 2025 will help drive growth and, as a result, we expect to see a return to mid-single digit growth in this segment.

Broadcast, which is the smallest of our target markets at c.20% of Group revenue, remains subdued. We launched a number of new products in this market which have been well received, and we wait to see meaningful growth from this market.

Board and governance

2024 saw significant change for the Board. Having become Chairman on 1 May 2024, succeeding Ian McHoul, I became Executive Chairman on 25 October 2024 following the departure of Stephen Bird as Chief Executive Officer. Given the deteriorating situation facing the business, the Board felt that this change was essential for the long-term best interests of Videndum.

We have commenced a search for a new permanent Chief Executive. Whilst this search is ongoing, I shall lead the Company in an executive capacity. Whilst the UK Corporate Governance Code says that the roles of Chairman and Chief Executive should not typically be exercised by the same individual, the Board has determined that, given the Company's current situation, significant changes to the leadership of the Company were necessary to navigate the challenges the Company is facing, and that I am best suited to do this for a short period whilst a detailed and thorough search for a new permanent Chief Executive is coordinated by the Board. Accordingly, the Board believes that this remains in the best interests of the Company and its shareholders. The Board nevertheless appreciates the position in the UK Corporate Governance Code, and once we have identified and appointed a new permanent Chief Executive, I will revert to my former role as Non-Executive Chairman.

On the same date, Andrea Rigamonti ceased to be Chief Financial Officer and Sean Glithero joined the Company as Interim Chief Financial Officer.

At the Company's AGM on 19 June 2024, Ian McHoul, Erika Schraner and Teté Soto ceased to be directors of the Company, not seeking reappointment by shareholders. Polly Williams joined the Board as an independent Non-Executive Director and Chair of the Audit Committee with effect from 1 July 2024.

Following the end of 2024, we have further appointed Eva Lindqvist as an independent Non-Executive Director with effect from 1 April 2025. Eva Lindqvist will succeed Richard Tyson as Senior Independent Director at the conclusion of the 2025 AGM, with Richard remaining as an independent Non-Executive Director on the Board. Caroline Thomson, independent Non-Executive Director and Chair of the Remuneration Committee will not stand for reappointment at the Company's AGM to be held on 16 June 2025. She will cease to be a Director of the Company at the conclusion of the AGM. With effect from then, Anna Vikström Persson will succeed Caroline as Chair of the Remuneration Committee and Eva Lindqvist will succeed Caroline as the independent Non-Executive Director with responsibility for employee engagement.

The Company's 2025 AGM will be held on Monday 16 June 2025 at Hilton London, Syon Park TW8 8JF. The Notice of Meeting and explanatory notes for the AGM's business will accompany the 2024 Annual Report that will be published in mid-May 2025 and the Board looks forward to the opportunity to meet with shareholders at the AGM.

Operational actions

During the year, we have taken decisive actions to significantly reduce the Group's fixed cost base. The restructuring, simplification and efficiency improvement had relatively little net impact in 2024 but the actions announced so far are expected to deliver annualised cost savings of £18 million with a £15 million benefit in 2025.

The Group is consolidating manufacturing operations to get greater utilisation, reduce capital expenditure and improve operating efficiencies. This included the difficult but necessary decision to close our Bury St Edmunds, UK manufacturing site, with production transitioning to our facilities in Feltre, Italy and Cartago, Costa Rica. Offices in both Italy and the US have undergone significant rationalisation, and we are also reducing our global warehouse footprint.

In 2024, a Group-wide project commenced to optimise external spend and strengthen our approach to procurement and supply chain management. This was part of our drive to expand gross margins and reduce inventories including through rationalisation of SKUs. Procurement has been fragmented across sites with no real coordination. This is now being centralised and enhanced which will drive significant savings in the future as volumes grow.

As announced in December, we are simplifying the Company structure by moving from three Divisions to two, eliminating duplicated overheads and operations, and dramatically constraining discretionary spending. The new reporting structure is expected to be fully in place by 1 January 2026.

Outlook

While 2025 had a soft start, conditions have been improving month by month. We anticipate that H1 2025 revenue will decline compared to H1 2024 as we lap the Q1 2024 spike in the Cine and Scripted TV market post-strike, along with deep discounting that pulled sales forward from H2 2024. H2 2025 is expected to be stronger due to the normalisation of content creation markets and reductions in channel overstocking created in 2024, with FY 2025 revenues flat compared to 2024.

Adjusted operating profit margins* are expected to improve to low-single-digit levels, benefiting from the extensive restructuring activities announced so far, most of which are now complete and which will have a more pronounced impact in the second half of 2025.

In 2026 and beyond, revenues will benefit from both a return to market growth and a resumption of new product introductions. Longer-term expectations for the business are to achieve mid-double-digit adjusted operating profit margins* from a combination of operating leverage on revenue growth, structural simplification and continued focus on operational efficiencies.

With our premium products, market-leading brands and improving cost base, the Board is confident that the Group is well positioned for the future.

Summary

To conclude I would like to thank our employees for their continuing commitment during an extremely challenging year and period of significant change for Videndum. With our employees' continuing commitment, passion and knowledge, the Board and I expect to see Videndum recover from its current situation.

Stephen Harris
Chairman
30 April 2025

Operational and financial review

There is growing appetite for high quality content, and we expect demand for, and investment in, original content to remain positive. Videndum is well positioned at the heart of this market.

Sean Glithero

Interim Chief Financial Officer

Videndum's purpose is to "enable our customers to capture and share exceptional content", and this is what guides us. We focus on the professional end of the content creation market, operating in defensible niches where our premium brands have strong share.

There is growing appetite for high quality content, and we expect demand for, and investment in, original content to remain positive (e.g. live news, broadcast sport, reality and scripted TV shows, films, digital visual content for e-commerce etc).

Videndum is well positioned at the heart of this market and our strategic priorities remain unchanged. However, we are focusing more tightly on our core markets where we have market-leading product offerings in addition to a focus on driving operational efficiency. Our long-term strategy is to invest in areas where we can grow organically, while improving our margins.

Media Solutions

The Media Solutions Division designs, manufactures and distributes premium branded equipment for photographic and video cameras, and smartphones. It provides dedicated solutions to professional and amateur photographers and videographers, independent content creators, vloggers/influencers, enterprises, governments and professional musicians. These include camera supports (tripods and heads), smartphone and vlogging accessories, lighting supports and controls, LED lights, audio capture and noise reduction equipment, carrying solutions and backgrounds. Media Solutions represents c.50% of Group revenue.

	Adjusted*			Statutory from continuing and discontinued operations	
Media Solutions	**2024**	**2023**	**change**	**2024**	**2023**
External revenue	**£132.7m**	£153.7m	(14)%	**£132.7m**	£153.7m
Operating (loss)/profit*	**£(6.9)m**	£11.4m	£(18.3)m	**£(33.8)m**	£(4.8)m
Operating margin	**(5.2)%**	7.4%	(12.6) pts	**(25.5)%**	(3.1)%

* For Media Solutions, before adjusting items of £26.9 million (2023: £12.8 million) and operating loss from discontinued operations of £nil (2023: £3.4 million loss).

Market conditions continued to be tough for Media Solutions, with demand in the consumer and ICC segments declining, albeit at a lower rate than that seen in 2023.

Cassa Integrazione Guadagni Ordinaria ("CIGO") continued to be applied at the Feltre factory, which allowed us to flex manufacturing output to prevent excess inventory being built. The Division also benefited from the 2023 restructuring actions.

Excluding an H2 2024 one-off stock provision charge of £7.4 million and £2.7 million write-off of previously capitalised development spend and fixed assets, adjusted operating profit margin* was 2.4% (2023: 7.4%) reflecting adverse operating leverage on the 14% revenue decline.

Statutory operating loss was £33.8 million (2023: £4.8 million loss) which reflects £26.9 million of adjusting items from continuing operations (2023: £12.8 million) and a £nil million from discontinued operations (2023: £3.4 million loss).

Production Solutions

The Production Solutions Division designs, manufactures and distributes premium branded and technically advanced products and solutions for broadcasters, film and video production companies, independent content creators and enterprises. Products include video fluid heads, tripods, LED lighting, batteries, prompters and robotic camera systems. It also supplies premium services including equipment rental and technical solutions. Production Solutions represents c.30% of Group revenue.

	Adjusted*			Statutory	
Production Solutions	**2024**	**2023**	**change**	**2024**	**2023**
External revenue	**£90.7m**	£101.2m	(10)%	**£90.7m**	£101.2m
Operating profit*	**£1.6m**	£12.6m	£(11.0)m	**£(34.4)m**	£9.5m
Operating margin	**1.8%**	12.5%	(10.7) pts	**(37.9)%**	9.4%

* For Production Solutions, before adjusting items of £36.0 million (2023: £3.1 million).

Production Solutions' revenue was 10% lower than in 2023 despite the successful delivery of the Olympics contract for the Paris Summer Games. Conditions remained challenging across all end markets including the Cine and Scripted TV segment which itself fell significantly, now representing c.15% of Divisional sales. Launches of the Vinten Versine 360 fluid head and Litepanels Astra IP have both been well received, with advance orders placed for fulfilment in 2025.

Excluding a H2 2024 one-off stock provision charge of £4.6 million and £0.7 million write-off of previously capitalised development spend, the adjusted operating profit margin* was down to 7.6% (2023: 12.5%) reflecting adverse operating leverage on the 10% revenue decline.

Statutory operating loss was £34.4 million (2023: £9.5 million profit) after £36.0 million of adjusting items (2023: £3.1 million).

Creative Solutions

The Creative Solutions Division develops, manufactures and distributes premium branded products and solutions for film and video production companies, independent content creators, enterprises and broadcasters. Products include wired and wireless video transmission systems, lens control systems, monitors and camera accessories for the cine, scripted TV and live production segments. Creative Solutions represents c.20% of Group revenue.

	Adjusted*			Statutory from continuing and discontinued operations	
Creative Solutions	**2024**	**2023**	**change**	**2024**	**2023**
External revenue**	**£60.2m**	£52.0m	16%	**£60.2m**	£60.1m
Operating profit*	**£0.5m**	£0.8m	£(0.3)m	**£(11.3)m**	£(58.0)m
Operating margin	**0.8%**	1.5%	(0.7) pts	**(18.8)%**	(96.5)%

* For Creative Solutions, before adjusting items from continuing operations of £11.8 million (2023: £1.7 million) and operating loss from discontinued operations of £nil (2023: £57.1 million loss).

** Revenue includes revenue from Amimon of £2.9 million (2023: £nil)

The strikes had the largest effect on Creative Solutions in 2023, where the majority of products are used in cine and scripted TV. Accordingly, revenue up 16% was against a depressed base in 2023. Demand in the cine and scripted TV market started the year strongly (albeit not at pre-strike levels) as paused productions from 2023 resumed. However, thereafter demand declined as these productions were finished off. Resumption in demand growth is now expected in Q2/Q3 2025.

Excluding an H2 2024 one-off stock provision charge of £0.9 million and £1.6 million write-off of previously capitalised development spend and software purchases, the adjusted operating profit margin* was up to 5.0% (2023: 1.5%) reflecting positive operating leverage on the 16% higher revenue.

Statutory operating loss was £11.3 million (2023: £58.0 million loss), including £11.8m of adjusting items from continuing operations (2023: £1.7 million) and a £nil million loss from discontinued operations (2023: £57.1 million loss).

Corporate costs

Corporate costs include charges relating to the Long Term Incentive Plan ("LTIP") and Restricted Share Plan ("RSP") used to incentivise and retain employees across the Group. They also include payroll and bonus costs for the Executive Directors and the head office team, professional fees, property costs, and travel costs.

	Adjusted*			Statutory	
Corporate costs	**2024**	**2023**	**% change**	**2024**	**2023**
Adjusted operating margin	**£(13.4)m**	£(11.5)m	17%	**£(17.0)m**	£(11.9)m

*For corporate costs, before adjusting items of £3.6 million (2023: £0.4 million).

Corporate costs were higher than those in 2023 largely due to the non-repeat of the £1.4 million reversal of certain LTIP charges in 2023. £3.6 million of adjusting items (2023: £0.4 million) primarily reflects restructuring actions taken in H2 2024.

Operational and financial review continued

2024 financial overview

Income and expense

The numbers below are presented on a continuing basis (unless otherwise stated). In 2023 three operations were reported as discontinued: Lightstream and Syrp, which were sold and closed down respectively; and Amimon, which was held for sale in 2023 but for 2024 is included in continuing operations and was sold in April 2025.

	Adjusted[1]			Statutory from continuing and discontinued operations	
	2024	**2023**	**change**	**2024**	**2023**
Revenue[2]	**£283.6m**	£306.9m	(8)%	**£283.6m**	£315.0m
Operating (loss)/profit	**£(18.2)m**	£13.3m	£(31.5)m	**£(96.5)m**	£(65.2)m
(Loss)/profit before tax	**£(25.0)m**	£1.8m	£(26.8)m	**£(103.4)m**	£(79.7)m
(Loss)/earnings per share	**(17.9)p**	9.5p	(27.4)p	**(155.8)p**	(157.5)p

1 For the Group, before adjusting operating items of £78.3 million (2023: £18.0 million), adjusting interest items of £0.1m (2023: £2.6 million) and operating loss from discontinued operations of £nil (2023: £60.9 million loss).

2 Revenue includes revenue from Amimon of £2.9 million (2023: £nil).

Revenue declined by 8% on a reported basis (including the effects of FX and Amimon restated as a continuing operation). Declining demand across our three core markets of ICC, Cine and Scripted TV, and Broadcast drove a 5% decrease in revenue on a constant currency basis.

Demand in the Cine and Scripted TV market started the year strongly (albeit not at pre-strike levels) as paused productions from 2023 were completed. Thereafter, demand declined, and recovery is now expected to materialise in Q2/Q3 2025.

The Broadcast market declined year-on-year other than the uplift in revenue from the Paris Summer Olympics. The decline was a result of news budgets being redirected to war coverage or cut significantly. In H2 the demand uptick from the US Presidential election was much less pronounced than anticipated.

The ICC segment was sluggish throughout the year, impacted by macroeconomic factors including high interest rates, inflation and weak consumer confidence. This led to a decline in revenue, particularly in H2 2024 after a drive to secure more revenue in H1 2024 through discounting was reversed in H2 through better price discipline.

Adjusted gross profit margin* fell from 38.5% in 2023 to 32.9% in 2024 with most of the fall attributable to £12.9 million of H2 one-off inventory provision charges and £0.2 million fixed asset write-off, following management review of inventory levels compared to future demand expectations.

Adjusted operating expenses* increased by £6.9 million to £112.4 million (2023: £105.5 million) including £4.8 million from extra write-off of intangible assets that arose from past capitalised internal development spend and software purchases. Similar to the additional inventory provision, this resulted from scrutiny of intangible asset carrying balances compared to expectations of future sales. Excluding these items, adjusted operating expenses* were £107.6 million, broadly flat compared to 2023 (£105.5 million) and 15% lower than in 2022 (£127.2 million).

An adjusted operating loss* of £18.2 million included £13.1 million of extra H2 charges within cost of sales and £5.2 million within operating expenses. Excluding these, adjusting operating profit* was £0.1 million.

We have moved at pace with our operational improvement programme, progressing well with both operating model enhancements and cost saving initiatives. As part of our drive to expand gross margins and reduce inventories we have strengthened our approach to procurement and supply chain management and are rationalising SKUs. Pricing discipline has been reinstated. We are also consolidating manufacturing operations to get greater utilisation, reduce capital expenditure and improve operating efficiencies. A significant part of this consolidation is the closure of our manufacturing operations in Bury St Edmunds, UK, moving these to our existing sites in Feltre, Italy and Cartago, Costa Rica.

We are simplifying the Company structure in 2025 by moving from three Divisions to two, eliminating duplicated overheads and operations, and dramatically constraining discretionary spending. We expect this structural change to be complete by the beginning of 2026.

The cost savings that result from these initiatives started in 2024 but had little impact in the year. At full run-rate they will achieve an annualised saving of c.£18 million, of which c.£15 million will be achieved in 2025.

The cash cost of the restructuring is expected to be c.£15 million with £3 million spent in 2024 and the remainder to be incurred in 2025.

Adjusted net finance expense* of £6.8 million was £4.7 million lower than in 2023 (£11.5 million). This was the result of lower borrowings, following the equity raise at the end of 2023 and despite higher interest rates on borrowings. In 2024, an average of c.55% of our borrowings was fixed through swaps at an average rate of c.5% (including margin). These swaps matured in September 2024 ($40.0 million) and January 2025 (£37.0 million). Our floating debt currently has an average interest rate of c.9% (including margin). Net finance expense also includes interest on lease liabilities, income from the accounting surplus of the defined benefit pension scheme, amortisation of loan fees, and net currency translation gains or losses.

Adjusted loss before tax* was £25.0 million compared to a £1.8 million profit in 2023.

Statutory loss before tax from continuing and discontinued operations of £103.4 million (2023: £79.7 million loss) includes adjusting items from continuing operations of £78.3 million (2023: £20.6 million) and a £nil loss from discontinued operations after adjusting items (2023: £60.9 million loss). The adjusting items from continuing operations primarily relate to the impairment of assets (£51.3 million), losses of previously discontinued operations (£12.0 million), and restructuring costs (£11.3 million) – see "Adjusting items" section for further detail.

The Group's effective tax rate ("ETR") was a 32% credit on the £25.0 million adjusted loss before tax* (2023: 161% on £1.8 million profit before tax*). Statutory ETR from continuing and discontinued operations was a 42% debit on £103.4 million loss (2023: 3% credit on £79.7 million loss before tax) reflecting the write-off of the majority of deferred tax assets previously held.

Adjusted basic loss per share* was 17.9 pence (2023: 9.5 pence earnings per share). Statutory basic loss per share from continuing and discontinued operations was 155.8 pence (2023: 157.5 pence loss per share).

Cash flow and net debt

Cash generated from operating activities was £22.5 million (2023: £9.8 million) and net cash from operating activities was £12.7 million (2023: £16.1 million outflow).

Free cash flow* at £4.5 million was a £28.3 million improvement over 2023, reflecting stronger adjusted operating cash flow* combined with lower interest and restructuring spend. Adjusted operating cash flow* at £16.8 million was £5.2 million higher than in 2023 as working capital inflows offset higher operating losses.

£m	2024	2023	Variance
Statutory operating loss from continuing and discontinued operations	**(96.5)**	(65.2)	(31.3)
Add back discontinued operations statutory operating loss	–	60.5	(60.5)
Add back adjusting items from continuing operations	**78.3**	18.0	60.3
Adjusted operating (loss)/profit*	**(18.2)**	13.3	(31.5)
Depreciation[1]	**24.0**	20.5	3.5
Adjusted trade working capital (inc)/dec*	**21.3**	(1.1)	22.4
Adjusted non-trade working capital (inc)/dec*	**2.2**	(6.8)	9.0
Adjusted provisions inc/(dec)*	**(0.1)**	–	(0.1)
Capital expenditure[2]	**(15.4)**	(15.3)	(0.1)
Other[3]	**3.0**	1.0	2.0
Adjusted operating cash flow*	**16.8**	11.6	5.2
Cash conversion*	**n/a**	87%	n/a
Interest and tax paid	**(9.4)**	(25.7)	16.3
Earnout and retention bonuses	**(1.2)**	(3.6)	2.4
Restructuring, integration costs and sale of property	**(1.2)**	(5.3)	4.1
Transaction costs	**(0.5)**	(0.8)	0.3
Free cash flow*	**4.5**	(23.8)	28.3

1 Includes depreciation, and amortisation/impairment of purchased software and capitalised development costs

2 Purchase of Property, Plant & Equipment ("PP&E") and capitalisation of software and development costs

3 Includes share-based payments charge (excluding retention) and other reconciling items to adjusted operating cash flow*

Net cash from operating activities of £12.7 million (2023: -£16.1 million outflow) comprises £4.5 million free cash flow from continuing operations* (2023: -£23.8 million outflow) plus £15.4 million capital expenditure from continuing operations (2023: £15.3 million), less £2.7 million from sale of PP&E and software from continuing operations (2023: £0.3 million), less £0.2 million interest received from continuing operations reported within net cash used in investing activities (2023: £nil), plus net cash from operating activities from previously discontinued operations of -£4.3 million (2023: -£7.3 million outflow).

Adjusted trade working capital* decreased by £21.3 million in 2024 (2023: £1.1 million increase); £12.9 million due to the H2 one-off inventory provision, and £8.4 million from timing of trade receivables collections and trade payables. Inventory decreased by £0.1 million in 2024 excluding the additional H2 inventory provision. Trade receivables decreased by £7.2 million and trade payables increased by £1.1 million.

Capital expenditure of £15.4 million (2023: £15.3 million) included:

- £7.8 million of Property Plant and Equipment ("PP&E") compared with £4.6 million in 2023. This reflected spend to deliver the Paris Olympics contract in H2, and investment in machinery and tooling for new products being launched in 2025;
- £7.3 million capitalisation of development costs (2023: £10.0 million) and software of £0.3 million (2023: £0.7 million). Gross R&D was slightly lower than in 2023, which included investment in developing the new, AI-driven talent tracking, Vinten Vega product. The percentage of revenue (6.6%) was higher year-on-year (2023: 6.3%) following the decline in revenue, as the level of R&D investment has largely been maintained.

Interest and tax paid decreased by £16.1 million compared to 2023, due to the timing of tax payments and refunds (£11.1 million lower), in addition to £5.2 million lower interest costs following lower average borrowings throughout the year.

£m	2024	2023	Variance
Gross R&D	18.7	19.3	(0.6)
Capitalised	(7.3)	(10.0)	2.7
Amortisation and impairment losses	10.1	5.6	4.5
Income Statement Impact	21.5	14.9	6.6

Earnout and retention bonuses relate to AUDIX, Savage and Quasar. The sale of a property in the Production Solutions Division yielded £2.5 million and restructuring and integration costs totalled £3.7 million.

December 2023 closing net debt* (£m)	**(128.5)**
Free cash flow from continuing operations*	4.5
Free cash flow from previously discontinued operations	(4.4)
Upfront loan fees, net of amortisation	0.6
Employee incentive shares	(0.5)
Net lease additions	(3.9)
FX	(0.8)
December 2024 closing net debt* (£m)	**(133.0)**

Net debt* at 31 December 2024 of £133.0 million was £4.5 million higher than at 31 December 2023 (£128.5 million). Net lease additions of £3.9 million include the addition of a £1.8 million lease liability for a new Production Solutions Division property following the sale of the existing site, and £0.9 million in relation to Amimon which returned to continuing operations. The £0.8 million unfavourable impact from FX arose primarily from the translation of our US dollar debt, following the strengthening of the US dollar against Sterling across 2024.

At 31 December 2024, leverage[1] was 5.2x (31 December 2023: 3.3x) and interest cover[2] was 1.4x (31 December 2023: 2.0x).

Liquidity at 31 December 2024 totalled £47.6 million, comprising £34.7 million unutilised RCF (total facility of £150 million which matures in August 2026) and net cash of £12.9 million. Gross cash of £57.3 million is stated before a £44.4 million overdraft due to operational cash pooling arrangements.

1 Leverage is calculated as net debt before arrangement fees and after leases of discontinued operations, divided by covenant EBITDA for the applicable 12-month period (being adjusted EBITDA*, before share-based payment charges, and after interest on employee benefits, interest related net currency translation gains, and the amortisation of loan arrangement fees).

2 Interest cover is calculated as covenant EBITA for the applicable 12-month period (being adjusted EBITDA* less depreciation of PP&E) divided by adjusted net finance expense* (before interest on employee benefits and FX movements, and the amortisation of arrangement fees).

Operational and financial review continued

Adjusting items from continuing operations

Adjusting items from continuing operations in 2024 primarily relate to an impairment of assets charge of £51.3 million, losses of previously discontinued operations of £12.0 million, and restructuring and other costs of £11.3 million.

The impairment of assets mainly reflects a £31.1 million impairment of goodwill within the Production Solutions Division (2023: £nil), a £14.9 million impairment of goodwill within the Media Solutions Division (2023: £nil), and a £4.6 million impairment of land and buildings (2023: £1.5 million). Trading conditions have been challenging for the last two years and, given the revised outlook on future demand, there was a resulting impairment of some of the goodwill accumulated from historic acquisitions.

The £12.0 million loss of previously discontinued operations reflects both the operational loss in the year and a £5.9 million impairment of assets. Amimon accounted for £11.5 million of this loss.

Restructuring and other costs reflect Group -wide restructuring projects commissioned in 2024, which resulted in a number of employees leaving in 2024, for which costs were recognised in 2024. Future employee-related costs were recognised where an announcement of restructuring activity in 2025 was made prior to the end of 2024. Further detail on restructuring can be found in note 2.2.

£m	2024	2023
Impairment of assets	(51.3)	(7.3)
Operating loss of previously discontinued operations	(12.0)	–
Integration, restructuring, and other costs	(11.3)	(5.4)
Amortisation of intangible assets that are acquired in a business combination	(3.5)	(4.0)
Acquisition related charges	(0.2)	(1.3)
Finance expense – amortisation of loan fees on borrowings for acquisitions	(0.1)	(2.6)
Adjusting items	**(78.4)**	**(20.6)**

Discontinued operations

The Group is focusing more tightly on high-end professional content creation, where it has high market share, sales channel expertise and more compelling growth opportunities. Consequently, in 2023 the Board decided to exit loss-making operations in non-core markets, specifically medical and gaming, to concentrate R&D investment on the content creation market. As a result, whilst the Creative Solutions Division as a whole remains core going forward, Amimon was held for sale at 31 December 2023 and Lightstream was sold on 2 October 2023. Both were reported as discontinued operations in 2023. In addition, Syrp (the Media Solutions' motion controls R&D centre in New Zealand) was wound down in H2 2023, which is also reported within discontinued operations. With no sale taking place in 2024, Amimon was reclassified to continuing operations and accordingly there were no discontinued operations in 2024.

£m	2024	2023
Revenue	–	8.1
Adjusted loss before tax*	–	(6.4)
Adjusting items	–	(54.5)
Statutory loss before tax	–	(60.9)

Post year end, the Amimon business was sold in April 2025 together with a licence to use Teradek related intellectual property for products that do not compete with those of Videndum. In 2025, for the period up until disposal, Amimon will be treated as a discontinued operation. The Board will consider further potential disposals, as appropriate.

Borrowing facilities and financial position at 31 December 2024 and at April 2025

The Group has a committed £150 million Multicurrency RCF with a syndicate of lenders and a term until 14 August 2026 (see note 4.1 "Net debt"). Previously the RCF had been committed at £200 million with maturity at 14 February 2026, but in the second quarter of 2024, a six-month extension was negotiated for a £50 million reduction in commitment and improved lending covenants.

Whilst June 2024 and September 2024 covenant thresholds were met, the slower pace of recovery in the second half of 2024 led to the request for an amendment to the December 2024 covenants. This was granted on 13 December 2024 with leverage raised to less than 5.5x (originally <3.25x) and interest cover reduced to more than 1.25x (originally >3.0x). Certain additional conditions were placed on the Group during this process including the introduction of a new February 2025 covenant and the requirement for lender consent to increase drawn RCF above £129 million.

Subsequent to the end of 2024 the amended December covenant tests were met and both the February 2025 and March 2025 covenant tests waived. The Group has successfully negotiated amended covenants ("the Amended Covenants") through to the end of the facility in August 2026. Leverage and interest cover will be tested only for December 2025, March 2026 and June 2026 with, at each test date, leverage (net debt:EBITDA) to be no higher than 6x and interest cover (EBITA:net interest) of at least 1x.

A trailing last twelve month ("LTM") EBITDA covenant will apply for two quarters with LTM EBITDA to be at least £5 million at the end of June 2025 and at least £6 million at the end of September 2025. In addition, throughout the remaining term of the RCF, a weekly tested minimum liquidity covenant will be put in place, starting at £7.5 million, before falling to £5 million from 1 September 2025. Minimum liquidity has been defined as cash at bank, net of overdrafts, plus available undrawn RCF up to the cap at which lender consent is required. This cap has been raised from the £129 million introduced through the December 2024 amendment process, to £139 million for the remaining term of the RCF. The Amended Covenants are conditional on the Company raising at least £6 million in net proceeds from a fully underwritten placing of new ordinary shares, which was announced separately on 30 April 2025. Shareholders are encouraged to read that announcement alongside the FY24 results announcement.

The Group is actively seeking to fully or partially refinance its RCF, most likely by accessing private credit funds, before its first half 2025 results are announced at the end of September. The intention is to secure funding that stabilises the Group's borrowing position and ensures sufficient long-term liquidity to enable the business to execute its strategy and return to growth. As part of the Amended Covenants, existing RCF lenders have a right to exert more influence over the Group, including in the extreme, triggering an event of default, should the Group fail to complete the refinancing or agree an alternative deleveraging plan with lenders by October 2025. These and previous amendments to the RCF preclude the Board from declaring a dividend and restrict factoring to £15 million. Costs incurred to date in 2025 in preparation for the planned refinancing, in addition to costs to restructure the RCF, total £5.4 million.

Going concern – material uncertainty

The Group's financial statements have been prepared on a going concern basis. The Board has considered the future trading and cash flow forecasts over a period of 12 months from the approval date of the financial statements and believes that available liquidity will be sufficient to enable the Group to meet its liabilities as they fall due. Furthermore, the Board believes that the Amended Covenants will be met and that the business will successfully refinance prior to the end of September 2025.

The Board has conducted a thorough evaluation of the going concern assumption and has modelled both a base case and a severe but plausible downside scenario that reflects a prolonged period of weak demand. Notwithstanding the planned refinance, both financial projections reflect current borrowings and related terms, the Amended Covenants and net proceeds from the share placing.

Whilst there is headroom over the covenants linked to trading in the base case, the Group must, in all scenarios, complete its planned refinancing or satisfy lenders with an alternative deleveraging plan by October 2025, in order to avoid triggering an event of default. The Board is confident based on preparations and progress to date that either a refinance will be completed or a satisfactory deleveraging plan will be agreed.

As a result of the financial projections, under the severe but plausible scenario, multiple breaches of the Group's covenants are forecast within 12 months from the approval of these financial statements. Furthermore, without additional sources of funding or new measures to improve the liquidity situation the business would have insufficient liquidity to operate from the first quarter of 2026.

If a covenant breach occurred, or additional liquidity beyond the liquidity cap be required, the Group would enter into negotiation with lenders as it has done in the past. However, as would be the case in any liquidity or covenant amendment request, funding to the Group could be withdrawn and additional liquidity or covenant relief not granted.

Should the severe but plausible scenario come to pass, and absent additional management mitigation actions, it could jeopardise the ability for the Group to successfully complete its planned refinancing prior to the end of September 2025. This could potentially mean the lenders exercising their right to default the RCF in October 2025 if a satisfactory agreement could not be reached to deleverage the Group.

In April 2025 a series of significant, additional tariffs to be applied to goods entering the United States were announced. A number of countries applied retaliatory tariff increases on the US who subsequently suspended application of some of the additional tariffs. The Group sells its market-leading products throughout the world, including in the US, with components sourced from around the world, including from China. It also has US based manufacturing and assembly plants that serve countries outside of the United States and faces competition from Chinese origin products. Given the uncertain nature of the situation and not least the potential for a negative impact on the world economy from globally higher tariffs, the financial projections have not been adjusted for the latest tariff developments. Nevertheless, it is recognised by the Board that both risk and opportunity exist.

The Board has concluded that these financial projections together with the risk of a negative tariff-related outcome and the inherent difficulty in predicting the terms and timing of a refinance, or deleveraging plan should a refinance not occur, do indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as going concern. The financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

The results for the full year 2023 and half year 2024 also indicated the existence of a material uncertainty.

Viability statement

In line with the UK Corporate Governance Code, the Directors have assessed the prospects of the Group over a longer period than that required by the 'going concern' provision. The Directors have assessed the viability of the Group over a three-year period. The three-year viability period coincides with the Group's strategic review period. The Plan assumes the successful recovery from the challenges faced in both 2023 and 2024, implementing cost savings and operational efficiency measures, and returning the Group to historic profit margins whilst delivering long-term growth. However, the Directors recognise that the prevailing conditions make it challenging to forecast future outcomes.

The Directors believe that a three-year period is an appropriate period over which a reasonable expectation of the Group's longer-term viability can be evaluated and is aligned with the Group's business and strategic planning time horizon. It reflects the nature of the Group's key markets, its businesses and products and its limited order visibility.

While the Directors have no reason to believe that the Group will not be viable over a longer period, they believe that the three-year period presents readers of the Annual Report with a reasonable degree of confidence.

The viability assessment has considered the potential impact of the principal risks on the business, in particular future performance (including the success of the strategy and the broader economic recovery) and liquidity over the duration of the Plan. Refer to the Principal risks and uncertainties section for further detail. The issue of tariffs is fast moving and recent but has ramifications in different risk areas, and is reflected where applicable (demand for products, cost pressure, supply chain dependency). Our approach is to carefully monitor the developments in this area, and Videndum will rely on its strong position in the markets in which it operates to implement price increases as necessary to pass on the additional cost of tariffs. The Group may be at an advantage relative to its competitors, the vast majority of which are Chinese. However, there is a risk that a prolonged tariff war increases the risk of a global recession impacting demand.

In making this statement, the Directors have considered the resilience of the Group under various market conditions, the principal risks facing the Group, together with the effectiveness of any mitigating actions and the availability of financing facilities. Further detail has been provided below on the key principal risks impacting the three-year period.

Principal risk 1, "Treasury, including going concern" has the most fundamental influence on the Directors' assessment of the Group's long-term viability. Liquidity and covenant impacts have been carefully modelled across all forecast scenarios. The Directors are confident that appropriate mitigating actions are being implemented to manage this risk effectively. Key measures include active working capital management, cost savings from restructuring initiatives, and the commencement of long-term private lending arrangements.

Principal risk 2, "Demand for Videndum's products" and Principal risk 3, "Cost pressure", have also specifically been incorporated into each modelled scenario. The declining demand and cost pressures are key factors within each scenario. A further decline of revenue, and the associated demand of products, has been factored into the severe but plausible scenarios.

The assessment has been made, at the date of signing these accounts, with reference to:

- The Group's financial position at the year ended 31 December 2024 including the current and forecast funding position and the Directors' expectation that a refinancing will be completed before the maturity in August 2026 of the Group's £150 million Revolving Credit Facility;
  - The Group's strategy and business plan;
  - The Board's risk appetite;
  - The Group's principal risks and uncertainties and how these are identified, managed and mitigated;
  - The Group's going concern assessment; and
  - The external environment that the Group operates within.

The Directors have reviewed the forecasted scenarios, including the severe but plausible scenarios modelled and took first quarter 2025 trading into account in forming their view of the Group's viability expectation. Refer to section 1 of the going concern disclosure for further detail on the scenarios considered. In the short term, the viability of the Group is impacted by the recovery from the challenges faced in 2024 and the material uncertainty highlighted in the going concern section. The Group is expected to grow its profit margins over the course of the Plan. Based on this assessment, the Directors have a reasonable expectation that the Group will have sufficient resources to continue in operation and meet its liabilities as they fall due through to 31 December 2027, taking into account the need to resolve the material uncertainty. However, a significant sustained downturn would threaten the viability of the business over this three-year assessment period.

Dividend

The Board recognises the importance of dividends to the Group's shareholders and intends to resume payment of a progressive and sustainable dividend when appropriate to do so. The existing terms under the RCF preclude the Board from declaring a dividend.

Sean Glithero
Interim Chief Financial Officer
30 April 2025

Operational and financial review continued

Key Performance Indicators (continuing operations†)

Health and safety: accident record

Number of accidents resulting in greater than three days' absence.

Performance

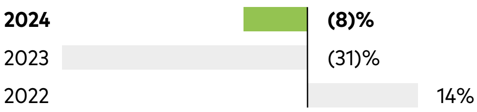
2024 update

Our target is zero accidents.

Revenue

Change in revenue.

Performance



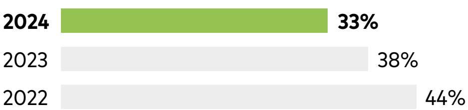
2024 update

Decline driven by challenging macroeconomic environment.

Adjusted gross margin*

Adjusted gross profit* divided by revenue.

Performance



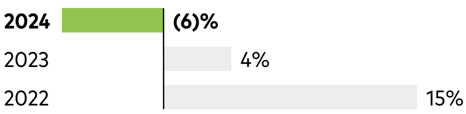
2024 update

Decline driven by H2 one-off stock provision charge.

Adjusted operating profit margin*

Adjusted operating profit* divided by revenue.

Performance



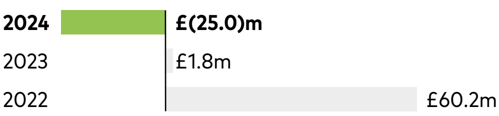
2024 update

Decline driven by lower volumes and H2 one-off charges.

Adjusted profit before tax*

Adjusted profit before tax*.

Performance



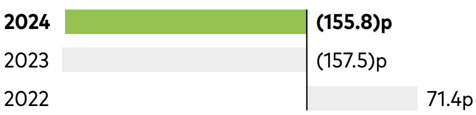
2024 update

Decline driven by lower volumes and H2 one-off charges.

Basic earnings per share

Statutory profit after tax* from continuing and discontinued operations, divided by weighted average number of shares during the period.

Performance



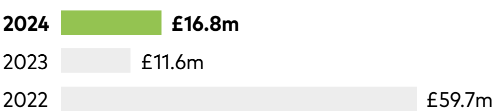
2024 update

Higher number of shares following December 2023 equity raise offset by higher loss after tax.

Adjusted operating cash flow*

Adjusted operating cash flow*

Performance



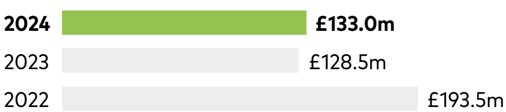
2024 update

Working capital inflows offset higher operating losses.

Net debt*

Net borrowings and lease liabilities.

Performance



2024 update

Free cash flow from continuing operations offset by discontinued operations cash outflow. Increase from additional lease liabilities.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Principal risks and uncertainties

The Group has an established framework for reviewing and assessing risks and has appropriate processes and procedures to mitigate against them.

Overview

To achieve its strategic objectives, Videndum recognises that it will take on certain business risks.

The Group aims to take business risks in an informed and proactive manner, such that the level of risk after mitigating action is aligned with the potential business rewards. Management regularly reviews risk exposures against current business risk level tolerances.

Videndum aims to be a sustainable business, minimising its impact upon the environment, supporting and working to improve the societies in which it operates and with a rigorous governance framework ensuring the longevity of the business and minimising risks around its operations.

The risk management framework includes formal risk reviews and risk registers maintained at Divisional level and for Group functions (IT, Tax and Treasury, Central processes).

Our approach is underpinned by a commitment to fairness and honesty in our relationships with our customers, suppliers, our people and all our stakeholders. The Group is risk averse with respect to risks that could negatively affect the safety of our employees and products, our brands or reputation, or risks that could lead to breaches of laws and regulations.

We have a disciplined financial management approach and in particular we seek to minimise the impact of short-term currency fluctuations on our business. The Group is committed to full compliance with all statutory obligations and full disclosure to tax authorities.

To support our strategic priorities, we have several business objectives which influence the way in which we proactively manage risks. These include: being a strong innovator and investing in research and development; optimising supply chain efficiency and operational excellence; robust HR processes for resourcing and talent development; and longer-term identification of acquisition opportunities.

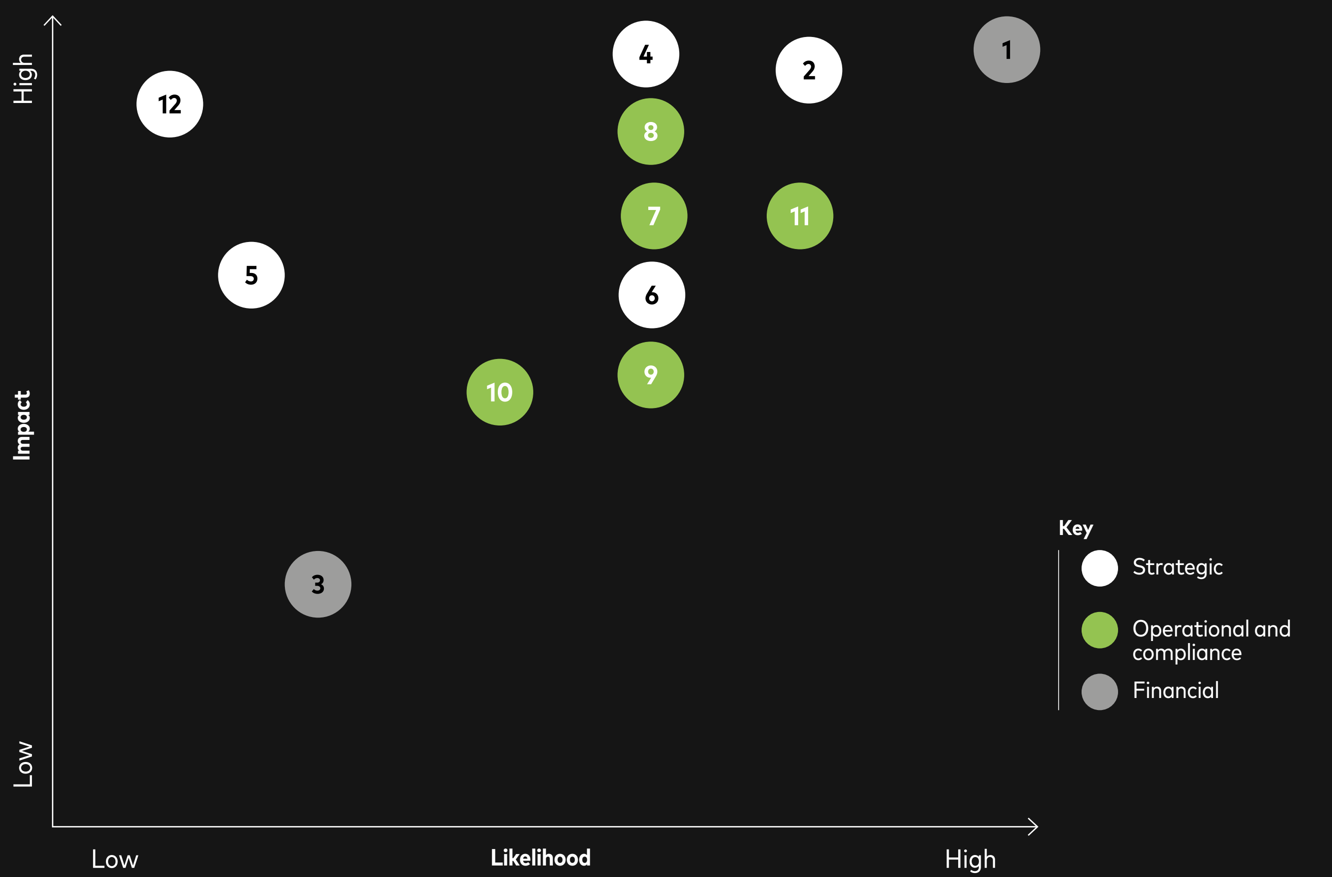
Update since 2023

- The "Treasury" risk remains high as it encompasses risks relating to going concern, funding, cash management and foreign exchange. While borrowings remain stable, Revolving Credit Facility ("RCF") covenants from December 2024 onwards were not expected to be met, and the Group has worked closely with the lending syndicate to seek amendment or waiver of these covenants ahead of testing. The Group has initiated steps to refinance the business through long-term private lending. The Treasury risk is also heightened as a result of increased pressure on cash management due to: 1) The Videndum Pension Scheme Trustee may compel the Company to increase payment into the defined benefit pension scheme due to concerns about long-term funding in the context of going concern material uncertainty and pending finalisation and agreement of the valuation; 2) Additional challenges in managing inventory levels due to demand being less than planned.
- The risk relating to "Demand for Videndum's products" remains high due to the challenging macroeconomic and market environment. However we are seeing improving signs, particularly in cine and broadcast, in terms of quantity and quality of projects and enquiries. In addition, the Group continues to innovate, and we believe the long-term fundamentals for the content creation industry remain strong. The risk will be further mitigated by ongoing structural cost saving initiatives.
- The risk relating to dependence on key suppliers has increased and been exacerbated by the reliance on several key single source suppliers. This applies to specific supplies, in particular glass panels used for SmallHD monitors, wireless transmission modules, and other specialist components.
- The "People" risk is higher due to the increased pressure linked to restructuring initiatives and measures to contain costs given pressures on the business, including short time working. This may affect morale and lead to greater employee turnover. Headcount freezes place higher demands on existing employees which, alongside salary increases being frozen and bonuses not having been paid this year, may lead to increased dissatisfaction.
- The risk relating to "restructuring and disposals" continues to increase given that the Group is executing several important restructuring activities including a consolidation of manufacturing activities and centralisation of central functions.
- The overall cost pressure has reduced somewhat in 2024. Commodity and energy costs have stabilised, and inflationary pressures and availability of critical components have improved. Considering geopolitical uncertainty, in particular conflict in the Middle East, we monitor closely the impact this may have on energy costs and cost of logistics. The increase in trade barriers in 2025 and the impact this may have on sourcing of products will need to be carefully monitored. The risk in relation to reputation has reduced, but remains elevated, after a very challenging two years.
- The likelihood of any acquisition is very low in the short term, so the risk is correspondingly low.

The issue of tariffs is fast moving and recent but has ramifications in different risk areas, and is reflected where applicable (demand for products, cost pressure, supply chain dependency). Our approach is to carefully monitor the developments in this area, and Videndum will rely on its strong position in the markets in which it operates to implement price increases as necessary to pass on the additional cost of tariffs. The Group may be at an advantage relative to its main competitors, the majority of which are Chinese. However, there is a risk that a prolonged tariff war increases the risk of a global recession impacting demand.

Principal risks

Relative positioning at the end of 2024



Key Increased Stable Reduced

1.	Treasury including going concern	Increased	**7.**	Laws and regulations	Stable
2.	Demand for Videndum's products	Stable	**8.**	Reputation of the Group	Reduced
3.	Cost pressure	Reduced	**9.**	Business continuity including cyber security	Stable
4.	Dependence on key suppliers	Increased	**10.**	Climate change	Stable
5.	Dependence on key customers	Stable	**11.**	Restructuring and disposals	Increased
6.	People	Increased	**12.**	Acquisitions	Stable

All risks are measured in terms of their financial impact. The categorisation above is based on risk type.

Principal risks and uncertainties continued

Principal risk	Mitigation	Strategic priority*
1. Treasury including going concern		
The Treasury risk encompasses risks relating to going concern, funding, cash management and foreign exchange. The risk has increased due to the number of going concern material uncertainties identified, including those linked to funding and the planned refinancing of the Groups' RCF. While borrowings remain stable, earnings were lower in the year and this led to a December 2024 covenant amendment and related covenant waivers post year end. The April 2025 covenant reset is dependent on the Group refinancing as planned or providing lenders with an alternative deleveraging plan that is acceptable to them. The Trustee of the UK Defined Benefit scheme may seek from the Group an increased payment into the defined benefit scheme due to concerns about long-term funding in the context of going concern material uncertainty. The Treasury risk is also heightened as a result of increased pressure on cash management, in particular the additional challenges in managing inventory levels due to demand being less than planned.	– The Group reset covenants in April 2025 through to the end of the facility. – The Group is undertaking steps to refinance the business through long-term private lending, though the quantum, tenure, pricing and conditions are yet to be determined. Should this not occur an alternative deleveraging plan will be prepared that may include significant disposals or another equity issue. – The UK Defined Benefit scheme is well funded and the Group is in active dialogue with the Trustees who are supportive of the planned refinance. – The Group is actively managing working capital focusing mainly on reducing inventory. Significant reductions have been achieved so far in 2025. – Several cost saving and other restructuring activities have been launched. Savings are already being generated. – Use of appropriate hedging activities on forecast foreign exchange net exposures – Overseas investments partly financed using foreign currency borrowings to provide a net investment hedge over the foreign currency risk that arises on translation.	1 2 3 4
2. Demand for Videndum's products		
The risk relating to "Demand for Videndum's products" remains high due to challenging macroeconomic conditions and the market environment. Geopolitical issues including increased trade barriers and tariffs between countries increases the risk of a global recession. Global recessionary and inflationary pressures have reduced consumers' disposable income and impacted demand for consumer-oriented products. We recognise that Artificial Intelligence may create additional risks and opportunities for the content creation sector. Recovery following the end of the strikes has been slower than expected, however there are improving signs.	– Close monitoring of target markets and user requirements including those of key customers. – Monitoring of geopolitical developments and adapting plans accordingly, particular with respect to tariffs. – The fundamentals of the content creation industry remain strong which has been reaffirmed though extensive commercial due diligence. – The Group continues to invest in new product development and marketing, phasing out replaced or old products as required. – The operational footprint and build plans for our manufacturing plants are adjusted to respond to changes in demand. – Continued focus on operational efficiencies to offset the risks relating to slower demand. – A diversified approach to channels and markets helps to mitigate long-term risks.	1 2

Key: Increased / Stable / Reduced

Principal risk	Mitigation	Strategic priority*
3. Cost pressure (Reduced)		
Absent recent and fluctuating changes in the tariffs landscape, overall cost pressure has reduced some-what in 2024. Commodity and energy costs have stabilised, and inflationary pressures and availability of critical components have improved. The increase in trade barriers and tariffs in 2025 and the impact this may have on sourcing of products and their landed cost will need to be carefully monitored. Considering geopolitical uncertainty, in particular conflict in the Middle East, we monitor closely the impact this may have on energy costs and cost of logistics. The risk in relation to reputation has reduced, but remains elevated, after a very challenging two years.	– Pricing, and the ability to pass on any additional costs, are carefully monitored. – The closure of our manufacturing operations in Bury St Edmunds, UK, moving these to our existing sites in Feltre, Italy and Cartago, Costa Rica. – Careful monitoring of all costs versus budgets with production and sourcing activities continually reviewed for cost-saving opportunities. – Key supplier agreements regularly retendered to achieve optimal value. – Labour efficiency improvements through initiatives such as Lean Principles. – Salaries and benefits are regularly benchmarked. – Reduced reliance on direct energy consumption through installation of solar panels and other energy saving measures.	3 4
4. Dependence on key suppliers (Increased)		
We source materials and components from many suppliers in various locations and in some instances are more dependent on a limited number of suppliers for particular items. If any of these suppliers or subcontractors fail to meet the Group's requirements, we may not have readily available alternatives, thereby impacting our ability to provide an appropriate level of customer service. The risk is increased and exacerbated by the reliance on several key single source suppliers including for wireless transmission modules and glass panels for SmallHD. The risk is further exacerbated by geopolitical tensions and increased trade barriers and tariffs.	– Where possible, dual sourcing is in place for all materials and components, using suppliers in different territories. – Monitoring of service levels against pre-defined Key Performance Indicators ("KPIs"). Strong relationships are maintained. – In-sourcing opportunities have been identified to improve margins and reduce key supplier dependencies. – Maintenance of buffer stock for the most significant dependencies, to mitigate the impact of supply chain issues. – Formalised sales and operations planning in pace, which enables us to anticipate requirements for raw materials and other components. – Business interruption insurance (within deductible limits) provides coverage for named key suppliers.	1 3
5. Dependence on key customers (Stable)		
While the Group has a wide customer base, the loss of a key customer, or a significant worsening in their success or financial performance, could result in a material impact on the Group's results. Videndum's largest customer accounted for more than 10% of the Group's total turnover in 2024. The business also works with a variety of customers on large sporting events and the extent of these activities varies year-on-year.	– Development of strong relationships and dedicated account management teams for key accounts. – Strict monitoring of receivable balances. Credit insurance schemes in place covering approximately 50% of total trade debtor balance. – Continued focus on multiple channels of distribution. The Group has already agreed its participation in large projects for the next two years including the 2026 Winter Olympics and the 2026 FIFA World Cup.	2

* Our core competencies as outlined in our strategic review on page 6 are: 1. Technology leadership; 2. Worldwide channel strength; 3. Sourcing and manufacturing excellence; 4. Operational efficiency

Principal risks and uncertainties continued

Principal risk	Mitigation	Strategic priority*
6. People		
"People" risk is higher due to the increased pressure linked to restructuring initiatives and measures to contain costs given pressures on the business, including short time working. This may affect morale and lead to greater employee turnover. Headcount freezes place higher demands on existing employees which, alongside salary increases being frozen and bonuses not having been paid this year, may lead to increased dissatisfaction. This risk also incorporates employee health and safety and risks affecting employee wellbeing.	– Increased change management activities and employee engagement are implemented as part of the restructuring programmes. – Attrition rates are carefully monitored throughout this transition period. No major concerns noted at this point. – Employees' health and safety is taken very seriously and risks and issues are carefully monitored. – Employees are rewarded fairly with competitive remuneration packages. The Group is currently working to harmonise and improve consistency of remuneration and benefits across the Group.	1 3 4
7. Laws and regulations		
We are subject to a comprehensive range of legal obligations in all countries in which we operate. As a result, we are exposed to many forms of legal risk. These include, without limitation, regulations relating to government contracting rules, sanctions regimes, environment and climate change, taxation, data protection regimes, anti-bribery provisions, competition, and health and safety laws in numerous jurisdictions around the world. Failure to comply with such laws could significantly damage the Group's reputation and could expose Videndum to fines and penalties.	– Dedicated legal and regulatory compliance resources supported by external advice where necessary. – Monitoring of developments in the regulatory environment in which our companies operate, including the effect of tax changes. – We enhance our controls, processes and employee knowledge to maintain good governance and to comply with laws and regulations. Our Code of Conduct sets out the standards expected of Videndum and our employees. – Intellectual Property is actively protected, and Videndum seeks to enforce its intellectual property rights. – A compliance search engine is used to monitor and vet third parties, including for possible issues relating to sanctions regimes.	1 3
8. Reputation of the Group		
Damage to our reputation and our brand names can arise from a range of events such as poor product performance, unsatisfactory customer service, and other events either within or outside our control. We are mindful of the increasing levels of regulatory and stakeholder scrutiny of companies' affairs, coupled with the widespread impact of social media. The societal impact of our brands and the sustainability of our operations are increasingly important to consumers of Videndum products and our investor community.	– Strong standards of product quality and customer service are enforced. – Business is managed in a safe and professional way, in accordance with our corporate values. – All employees and stakeholders are expected to abide by Videndum's Code of Conduct which was relaunched in early 2024 with additional training provided. – A whistleblowing facility is in place for employees to escalate any concerns. – Third party due diligence framework includes compliance searches and inspections, and consideration of reputational issues.	1 3

Key: Increased / Stable / Reduced

Principal risk	Mitigation	Strategic priority*
9. Business continuity including cyber security (Stable)		
There are risks relating to business continuity resulting from specific events such as natural disasters including earthquakes, floods, fires, or pandemic flu, and climate change induced disasters. These may impact our manufacturing plants or supply chain, particularly where these account for a significant amount of our trading activity. We are also dependent on our IT platforms continuing to work effectively to support our business and therefore there is a cyber security risk for the Group. Cyber risk more broadly remains a major concern in view of the high number of cyber security breaches affecting the corporate sector, and new/emerging threats such as Deepfake.	– Business Continuity Plans and Disaster Recovery plans are mandated for key sites and systems. – Global insurance in place which provide cover for certain business interruption events. Coverage is re-viewed annually to determine whether adjustments are needed. We have increased the indemnity period to 18 months for several sites. – Significant investments made in implementing new security tools and processes. Ongoing integration of IT infrastructure and systems will strengthen security in the long-run. – An online cyber awareness training programme is in place. This includes a phishing simulation.	1 4
10. Climate change (Stable)		
We understand the serious nature of the challenges relating to climate change and the implications this may have on our operations and business model. We consider the physical risks to people, assets and supply operations based on a projected increase in the frequency of natural disasters caused by climate change, and the impact of gradual changes such as increasing temperature. Additional resource is needed to manage this issue and meet additional reporting requirements. Additional costs may arise, with regards to: property and business continuity insurance; carbon tax; and meeting product regulation.	– A climate change risk management framework has been established, in compliance with reporting requirements including CFD. – The Group continues to reduce reported emissions for scopes 1, 2 and 3. – Several energy savings initiatives have been implemented such as solar roof panels at the main manufacturing sites, conversion of lighting to LED lighting, Electric vehicles, etc. – Other initiatives in place to maximise efficiency and reduce the environmental footprint of the Group.	1 3
11. Restructuring and disposals (Increased)		
The risk relating to "restructuring and disposals" continues to be high given that the Group is in the process of executing several important restructuring activities including a consolidation of manufacturing activities and centralisation of certain key functions. There is a risk that such restructuring initiatives do not achieve the desired benefits, soon enough, or have adverse impacts such as disruption to the operations.	– The restructuring roadmap, objectives and financial savings have been defined with progress actively tracked. – The status of all restructuring projects is carefully managed and regularly reported to the Executive Committee and the Board. – The main projects are underpinned by robust project management principles.	4
12. Acquisitions (Stable)		
The risk impact is currently low due to lack of availability of funds.	– Not applicable.	1

* Our core competencies as outlined in our strategic review on page 6 are: 1. Technology leadership; 2. Worldwide channel strength; 3. Sourcing and manufacturing excellence; 4. Operational efficiency

Our stakeholders

Videndum's stakeholders are important and understanding their needs and listening to their views are crucial to Videndum's strategic planning and operational delivery. Our key stakeholders are set out below:

Customers

Our success is dependent on our ability to understand and respond to our customers' needs. They include broadcasters, film studios, photographers, ICCs, vloggers, influencers, professional sound crews and enterprises.

2024 outcomes

- 2024 continued to be challenging for Videndum.
- Our main customers and end users were impacted by the continued challenges from 2023.
- We kept in close contact with key customers and continued to collaborate with end users to develop new products to meet their needs.

Our Section 172 statement, which sets out how the Board takes stakeholder interests into account when making decisions, can be found on page 55

Chairman's review on page 8

Suppliers

We have a large number of suppliers globally, as the majority of our operations are relatively low-volume, small batch processes. We source materials from suppliers close to our manufacturing facilities where possible.

2024 outcomes

- 2024 saw further pressure on our supply chains due to macroeconomic headwinds, however our businesses managed this via solid working relationships with key suppliers.
- Videndum continues to develop a Group-wide methodology for evaluating suppliers as part of our ESG programme.

Responsible business from page 26

Employees

Our employees are the best in the sector, our single greatest asset and critical to our success. We aim to offer a safe, inclusive and engaging work environment.

2024 outcomes

- Due to the strikes and the challenging market conditions, the business is undergoing significant restructuring and changes to its operating model.
- We kept our employees informed via Town Hall and team meetings and internal emails.
- All permanent employees were offered an opportunity to join the Videndum Sharesave Scheme in May 2024.
- In 2024 we relaunched our Code of Conduct to all employees with online training to support their understanding of the detail of the Code of Conduct.

Employee engagement on page 27
Diversity information on page 27
Health and safety at Videndum on page 27
Whistleblowing service on page 28

Communities

We have a number of manufacturing and office facilities around the world. We aim to support the communities we work in, limiting any negative impact on the environment and protecting natural resources to create long-term sustainability for the business.

2024 outcomes

- ESG Committee oversees our Environmental, Social and Governance programme.
- By implementing smarter ways of working and investing in infrastructure, we have already achieved a c.60% reduction (market based approach) across the Group's Scope 1 and 2 emissions since 2019 (excluding the impact of newly acquired businesses). Our formal baseline for measuring Scope 1, 2 and 3 emissions is 2021 when the methodology was fully rolled out. We have reviewed progress against 2019 in order to analyse year-on-year trends, although 2019 is not technically the baseline year.
- In 2024, our key focus areas included energy reduction pathways, enhanced tracking of waste, and the development of new/sustainable products.

More information on our community and environmental initiatives can be found in the Responsible business report from page 26

Shareholders

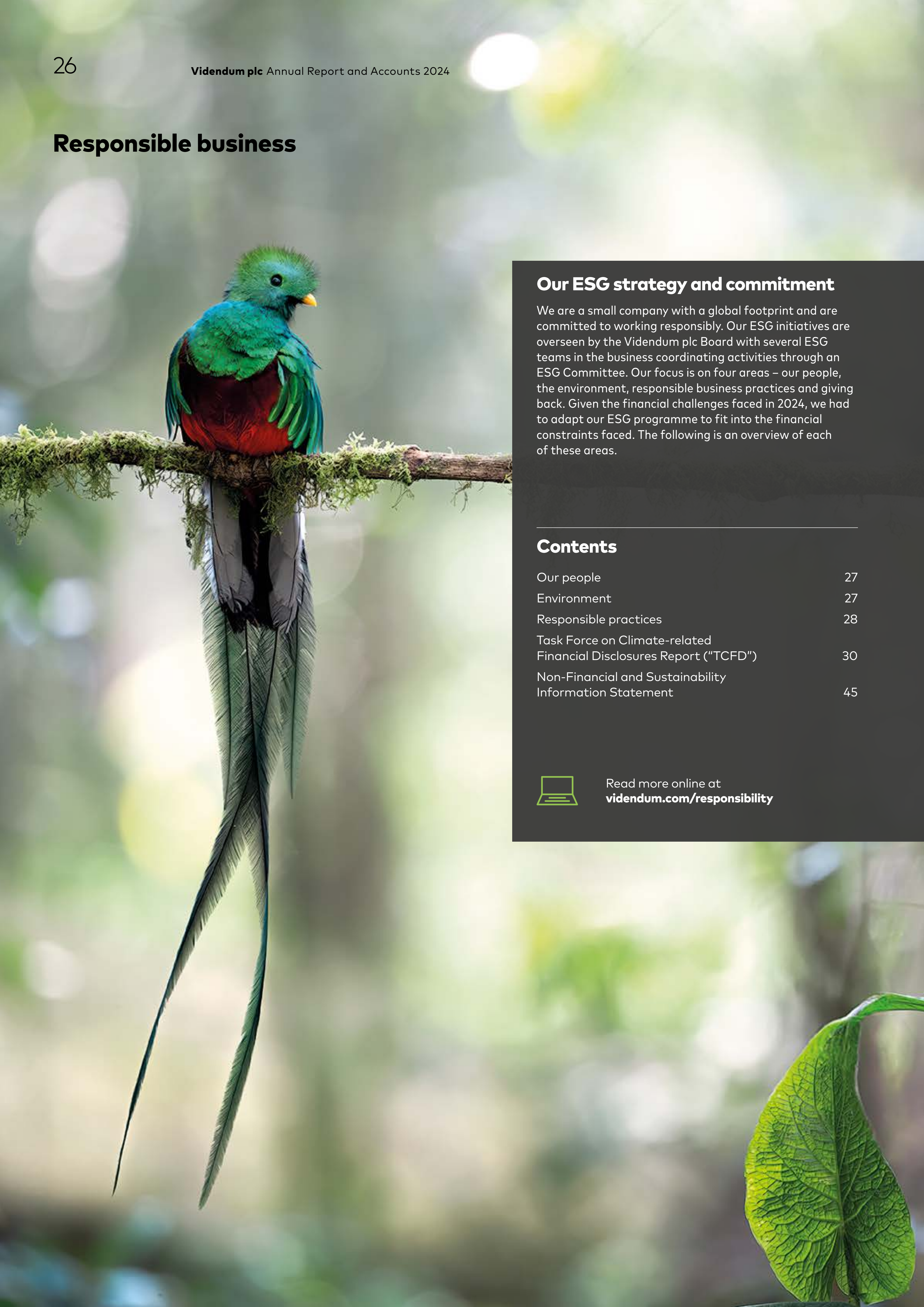
Videndum maintains open and regular contact with our shareholders. Shareholders play an important role in helping to shape our strategy and monitor governance.

2024 outcomes

- Proactive engagement with investors and analysts.
- Regular updates given to the market on business performance.
- Annual Report, results presentations, investor roadshows and meetings held virtually or in person.
- Annual General Meeting held in June 2024.

Further information on page 56

Responsible business

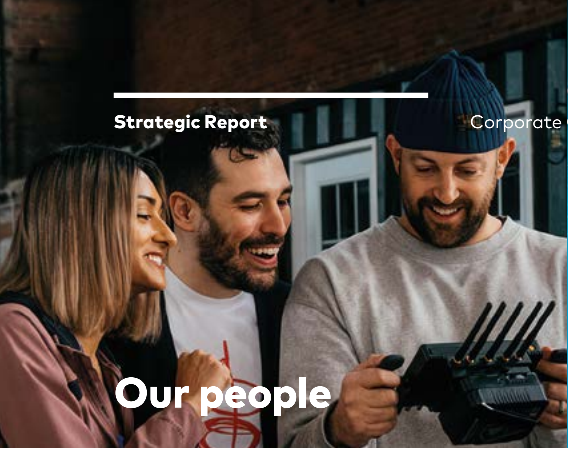


Our ESG strategy and commitment

We are a small company with a global footprint and are committed to working responsibly. Our ESG initiatives are overseen by the Videndum plc Board with several ESG teams in the business coordinating activities through an ESG Committee. Our focus is on four areas – our people, the environment, responsible business practices and giving back. Given the financial challenges faced in 2024, we had to adapt our ESG programme to fit into the financial constraints faced. The following is an overview of each of these areas.

Contents

Read more online at
videndum.com/responsibility



Our people

Overview

We are committed to building a diverse and talented workforce, providing equal opportunities that attract, develop and retain skilled individuals.

Employee engagement

We actively engage employees through regular virtual and in-person meetings led by Divisional CEOs, with senior leadership also participating. In 2024, Non-Executive Director Caroline Thomson held an engagement session with our Creative Solutions Division. Employees are also kept informed via newsletters, email updates, and Town Hall meetings throughout the year.

Employee wellbeing

The wellbeing of our employees is an important area of focus. Initiatives focusing on healthcare, the working environment, employee benefits and training are in place.

Learning and development

Our commitment to investing in our employees' growth remains despite the market challenges in 2024. Videndum provides career development opportunities aligned with individual and organisational needs, integrating them with performance reviews to support growth.

Diversity and inclusion

Our Diversity and Inclusion ("D&I") Strategy is built on clear, actionable goals to create meaningful change. Our policy is displayed on our website, demonstrating our commitment. Our Code of Conduct reinforces our strategy, prohibiting any form of discrimination.

Gender diversity

The Board continues to monitor progress on equality and the Group's gender breakdown at the end of 2024 can be seen in the table below.

	Female		Male	
		%		%
Group Board of Directors	3	50%	3	50%
Executive Committee	1	17%	5	83%
Senior Leadership Team	2	11%	17	89%
Rest of Organisation	434	29%	1048	71%

Health and safety

The Group adheres to rigorous health and safety standards across all our sites, creating a safe and healthy working environment for all our employees. Our Health and Safety policy is readily accessible on our website, reflecting our commitment to transparency and accountability. Videndum prioritises ongoing training for all staff, tailored to the specific safety requirements of their roles and remains committed to continuing this trend and creating an ongoing safe workspace for our employees.

Environment

Overview

At Videndum, we are working to minimise our impact on the environment and safeguarding natural resources, ensuring long-term sustainability for our business.

Our targets

Table 1: The Group's 2024 Environmental targets and progress

Targets	Progress in 2024
Reduce carbon emissions	Videndum aims to annually reduce scope 1, 2 and 3 emissions across operations and our value chain. Please see page 40 of the report for more information on the Group's emissions reduction progress.
Reduce packaging and waste	**Media Solutions:** – 4.5% of the total Media Solutions waste generated goes to waste-to-energy, with 0% going to landfill. – 50% of Media Solutions' main plastic packaging comes from recycled materials. Internally, Media Solutions is redesigning its packaging to eliminate plastics wherever possible and working closely with suppliers for further improvements in sourcing sustainable packaging materials. – 80% of Media Solutions' main paper and cardboard packaging has been replaced by sustainable, Forest Stewardship Council ("FSC") certified cardboard. **Creative Solutions:** – Achieved the single use plastic target of 50% reduction by the end of 2024; a 65% reduction year-on-year has occurred. – 55% of Creative Solutions cardboard is FSC. **Production Solutions:** – FSC cardboard is now used at the Bury St Edmunds site. – The newly acquired cardboard supplier at our Cartago site has plans to be FSC certified in 2025.
Embed sustainability into our product life cycle	– Videndum continues to work to embed sustainability into new product development and is undertaking Product Lifecycle Assessments ("PLCA") where appropriate and feasible. – Media Solutions conducted a PLCA to determine the environmental impact of three products (two photo tripods and one microphone). – The Anton Bauer Sharkfin PLCA project was completed at the end of 2024. During 2025 the New Product Introduction ("NPI") process will include PLCA criteria in the decision making of each stage of the development process.

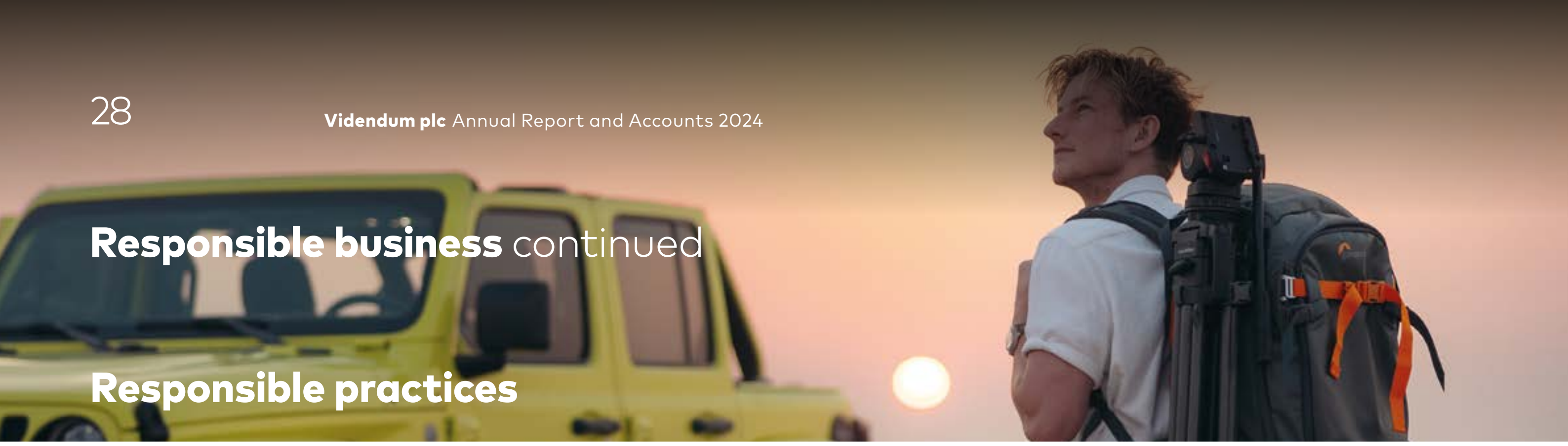
Carbon emissions

As a business, Videndum is dedicated to reducing our environmental impact through reducing the carbon emissions associated with our direct operations.

Water stewardship

Videndum recognises the importance of water as a natural resource and understands that our operations impact this. Therefore, Videndum is committed to actively contributing to its conservation. While our water use is relatively low — primarily for domestic use — our Divisions are committed to minimising consumption where feasible.

Read more online at
videndum.com/responsibility



Responsible business continued

Responsible practices

Overview

Cultivating an ethical business environment is fundamental at Videndum. All employees must understand our expectations of their conduct and follow our workforce policies.

Our values, integrity and purpose drive our business values and decisions, ensuring that the impact on all our stakeholders is considered. Integrity is central to Videndum's identity.

Policies, procedures and training

Videndum places great emphasis on maintaining a responsible and ethical workplace. The Board and Executive Committee are closely involved in reviewing and approving key policies that shape the conduct and behaviour of our workforce. To ensure these policies are effectively understood and embedded, regular training sessions are organised for employees and key compliance policies are published on Divisional intranets and the Group's website, with some included in the employee handbook.

Code of Conduct

Our Code of Conduct sets clear expectations for employee behaviour, emphasising integrity in anti-bribery and ethical decision-making. The Code of Conduct is translated into multiple languages to ensure global accessibility and is supported by training for all employees. Senior management is required to complete an online training module covering topics such as conflicts of interest, share dealing, legal duties, and reputational risks. To reinforce our commitment, Videndum relaunched the Code and its associated training modules in early 2024 for all employees. Videndum holds our business partners to the same high standards, expecting them to adhere to the principles outlined in our Code of Conduct.

Anti-bribery and corruption

Videndum operates with zero tolerance towards bribery and corruption. The Group understands that bribery and corruption is illegal and negatively impacts the Company, community, and environment. Our anti-bribery and corruption policy is available on our website. This policy clearly states this commitment, with annual employee training reinforcing this culture. To safeguard against bribery and corruption, Videndum screens all major third parties using third-party software, NAVEX RiskRate. This screening process covers over 1,100 entities and evaluates factors such as reputational risk, sanctions, politically exposed persons and adverse media reports. Employees involved in partner selection are trained to use this system before engaging with any new third party. At least annually, updates on anti-bribery measures are provided to both the Board and the Audit Committee to ensure compliance.

Sustainable procurement

Videndum takes ethical procurement seriously and uses NAVEX RiskRate to screen new suppliers and conduct ongoing audits of existing partners. Our procurement process integrates environmental and ethical considerations at every stage. Standard questionnaires have been developed to assess suppliers, and a detailed site inspection is mandatory for critical partners. These audits review both operational efficiency and responsible supply chain practices. Any failure to meet our vetting criteria results in the termination of the partnership.

Whistleblowing service

In pursuit of high standards of transparency and integrity, Videndum provides an independent whistleblowing service, in collaboration with NAVEX, that allows employees and third parties to report any suspected misconduct confidentially. To achieve this, all reports are forwarded directly to the Chairman, the Group Company Secretary, the HR Director, and the Chair of the Audit Committee. Each investigation is carried out independently by senior management uninvolved with the reported matter, ensuring a fair and impartial process. Videndum protects anyone who raises concerns in good faith from retaliation.

Conflicts of interest

The Group take conflicts of interest seriously, and our Conflicts of Interest Policy outlines the processes for reporting and managing any potential conflicts. Central to this policy is our register, which documents all declared conflicts of interest. Each Director is required to disclose any conflict of interest that arises in connection with their duties. The Company's Articles of Association provide a framework for managing these conflicts, permitting the Board to authorise a conflicted Director to participate in discussions and decisions on the matter once it has been declared. Videndum confirms that no conflicts were reported throughout 2024, reflecting our commitment to transparency and ethical governance.

Workforce remuneration policies

Our remuneration policy ensures that Videndum attracts, retains and motivates top talent. Approved by shareholders and overseen by the Remuneration Committee, this policy aligns employee rewards with strategic objectives and corporate values. Further details are available in our Remuneration report from page 69.

Political donations

Videndum made no political donations in the year ended 31 December 2024. The Company's policy is not to make political donations. Whilst we make no political donations, we are seeking to renew an enabling resolution to cover political donations at our 2025 AGM. This is to protect the Company and Directors in the case of an inadvertent political donation. Refer to the 2025 AGM Notice of Meeting for further details.

Information systems and technology

At Videndum, our IT systems are critical in supporting operational objectives while safeguarding against cyber threats and data breaches. To maintain these high standards, our Interim Chief Financial Officer oversees the governance of all IT functions, ensuring they are aligned with both business needs and security protocols. Our IT policy outlines employee, contractor and third-party expectations when accessing and using the Group's systems. It provides essential guidelines on data confidentiality, General Data Protection Regulation ("GDPR") compliance, cyber security, and the appropriate use of technology. Videndum conducts regular vulnerability assessments and penetration tests with specialist providers, implementing key controls such as patch management, multi-factor authentication, and user access controls to mitigate risks. The Board and Audit Committee are also regularly updated on emerging cyber threats and protective measures. The Group has moved to standard certification and accreditation, using the government-backed Cyber Essentials framework and will work towards the IASME certification.

Read more online at
videndum.com/responsibility

Responsible business continued

Task Force on Climate-related Financial Disclosures Report ("TCFD")

In 2024, we continued to develop our TCFD reporting, further embedding the recommendations and latest guidance into our existing processes.

We aim to continuously improve our TCFD reporting as guidance evolves and our responsible business programme progresses. We are committed to providing information about climate-related risks and opportunities relevant to our business. In 2024, Videndum ("the Group") was consistent with the requirements of the Listing Rule ("LR") 6.6.6R(8) by including climate-related financial disclosures consistent with the TCFD recommendations and recommended disclosures. Videndum is producing this statement to be consistent with the mandatory climate-related financial disclosure ("CFD") requirements under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. As a Main Market listed company with more than 500 employees, Videndum is captured by CFD regulations. We are consistent with all 11 TCFD recommendations and all eight CFD recommendations for 2024.

The Board has considered the TCFD additional guidance (2021 TCFD Annex) in preparing the disclosures.

Governance

We have a robust governance framework designed to ensure the continued success of our business while minimising risks to our operations and supply chains. We have a coordinated Group-wide approach to ESG, focusing on the material issues affecting the business and its stakeholders.

The Board provides oversight and has overall responsibility for the Group's ESG programme and climate-related risks and opportunities. The Board delegates authority for monitoring and managing climate-related topics to the ESG Committee, comprising senior executives from across the Group. The ESG Working Group meets bi-weekly and is facilitated by our third-party ESG consultants, Inspired ESG, to ensure TCFD and CFD consistency across the Group. The Working Group's progress was reported to the ESG Committee at every meeting in FY 2024, of which there were two. The ESG Committee is responsible for monitoring and managing climate-related topics and driving ESG performance. The ESG Committee provides climate data to our ESG consultants, Inspired ESG, to identify the climate-related risks and opportunities.

The ESG Divisional Leads are provided with regular updates on climate-related matters from the relevant departments, and this is communicated in the ESG Working Group, ensuring all climate-related risks are monitored. The Head of Group Risk Assurance, who has been delegated the responsibility for identifying and assessing climate risks and opportunities, attended all climate risk management workshops in 2024, which were supported by Inspired ESG. The Head of Group Risk Assurance also leads the climate change risk management and regularly reviews mitigation plans on behalf of the ESG Committee, providing updates at all ESG Committee meetings. The Head of Group Risk Assurance provides updates on TCFD, including emissions by site, to the Audit Committee at least once a year to track progress towards achieving emission reduction targets. The Board received training on climate-related issues and ESG matters through updates from ESG Committee meetings. This ensures that the Board had oversight of climate change throughout 2024 and remained informed on the developing mitigation measures for climate-related risks. Inspired ESG also provided an overview of upcoming and existing climate legislation, including the Corporate Sustainability Reporting Directive ("CSRD") at each ESG Committee meeting in 2024. Key ESG Committee discussion points, included CSRD progress, a review of emission reduction progress and the implementation and success of energy efficiency initiatives. Such points were distributed to the Board after each ESG Committee meeting.

ESG and climate governance have been integrated into the Group's risk management processes. The Board considers climate change when reviewing and guiding business strategy, for example, the Board incorporates the financial planning of future compliance costs relating to climate change into strategies including costs of CSRD consistency and the need to purchase Renewable Energy Certificates ("RECs") to help meet targets. RECs were purchased for aspects of the business, including SmallHD, Wooden Camera and Creative Solutions Los Angeles sites. In addition, to ensure the Board can effectively guide the Group's ESG targets, regular updates on progress to achieve the emission reduction targets are provided to the Board, at the ESG Committee meetings. Inspired ESG supports the Group in Scope 1, 2 and 3 emissions calculations and advise on any changes to targets where necessary.

The Audit Committee continues to review financial and non-financial risks outlined in the Group Risk Register, including climate change. Although climate change is classified as a principal risk, the impact is considered minimal and manageable in the short to medium term as we have integrated climate-related mitigation measures to address climate-related risks. The Head of Group Risk Assurance provides updates on TCFD to the Audit Committee at least once a year.

We have used a range of scenarios to assess the impact of climate change on our business, including warming pathways as adopted by the Intergovernmental Panel of Climate Change ("IPCC").

Table 1. Scenario warming pathways used in 2024.

Scenarios warming pathways		
Below 2°C ("proactive") scenario:	**Between 2–3°C ("reactive") scenario:**	**Above 3°C ("inactive") scenario:**
The proactive scenario is mapped in alignment with the Paris Agreement and the UK's net zero target of 2050. International and national governments are expected to systemically implement strict environmental mandates, which drive investment in low-carbon emissions to promote innovative solutions to reducing emissions. Markets are expected to shift to low-carbon and sustainable alternatives, increasing the need for such products. Videndum is seeking to adapt to the potential climate risks under this scenario through annual reviews of climate-related risks and mitigations, and fostering an innovative culture throughout the Group. Capitalising on the identified opportunities (Table 4) will further support a transition to a low-carbon economy and build operational resilience.	Under the reactive scenario, government policies are likely to be introduced in an uncoordinated and staggered approach, leaving little time for companies to comply. Global strategies and agreements such as COP29 are likely to influence decision-making. Funding for climate action is likely to be delayed or minimal, promoting a lack of incentive for companies to implement or invest in low-emission technology. The impact of physical risks is likely to be exacerbated as many climate tipping points are exceeded, leading to an unpredictable climate where businesses face many climate-related disruptions across the supply chain and operations. To enhance resilience, Videndum will conduct annual reviews to ensure mitigations remain appropriate, continue to improve energy efficiency across the portfolio and strengthen relations with key stakeholders.	The inactive scenario will likely occur under a "business as usual" approach, where governments fail to enact climate policy, and organisations fail to reduce emissions. In this scenario, few organisations are expected to set net zero targets, resulting in little investment into low-emission technology, hindering a smooth transition. Most climate tipping points are reached, creating a volatile climate with severe physical risks. Significant operational disruption is expected as supply chains collapse in some regions. Videndum will prioritise climate mitigations and adaptations to build resilience under this scenario. This includes building and reviewing contingency plans for disruptions and working with suppliers to drive climate-resilient strategies.

We conducted the analysis using three timeframes that align with the UK's net zero target by 2050:

- **Short term** (2024–2029) aligns with the Group's short-term financial planning for 2025.
- **Medium term** (2030–2039) is consistent with the Group's net zero target by 2035.
- **Long term** (2040–2051) is consistent with the UK Government's net zero pledge by 2050.

We work closely with Inspired ESG, to assess the potential climate-related risks across all sites and selected supply chain operations, analysing the impact of both physical risks (the physical impact of climate change), which can be acute (event-driven) or chronic (longer-shifts in climate patterns) and transition risks (risks associated with the transition to a decarbonised economy such as the increased cost of raw materials and energy, and increase in carbon pricing). See page 44 for our risk-scoring methodology.

Since 2021, climate change has been considered a principal risk for the business. The aforementioned timeframes align with the Group's business and strategic planning horizon. We modelled our climate scenarios using several established models, such as the International Energy Agency's World Energy Models ("WEM") and the Shared Socioeconomic Pathways ("SSPs"). Climate scenarios make projections on hypothetical futures and come with a degree of uncertainty, such as projected discrepancies between potential and actual conditions. Variables can be overestimated or underestimated, leading to some unreliable predictions. There have been no significant changes in our methodology compared to previous years, only updates to improve accuracy for best practice reporting.

Climate scenario analysis: results

We identified 18 climate-related risks and eight opportunities that could impact the Group. Transition risks were analysed at the Group level, and physical risks were assessed at the site level. Tables 2 and 3 summarise these risks, forming our climate change principal risk and uncertainty classification. These risks were considered to have the greatest potential impact on the Group's financial performance, with a potential financial impact of more than £1 million. The potential financial impact for each risk is shown in Tables 2 and 3, and the Group's opportunities are shown in Table 4.

Due to the expected increase in future reporting obligations, transition risks were identified as the most significant to the Group. These risks are expected to grow as the global economy decarbonises, especially in scenarios below 2°C or 2–3°C, with governments imposing stricter climate reporting requirements and expanding carbon pricing mechanisms. The maximum annuity impact of climate change was included in the Group's long-term financial modelling for cash-generating units ("CGUs"), showing no material impact on available headroom. The 2025 budget already accounts for compliance and consultancy costs, such as CSRD reporting. Cross-industry metrics, including greenhouse gas ("GHG") emissions, risks, opportunities, and carbon pricing, were used to estimate the financial impact of climate-related factors, as per TCFD guidance. Details are on pages 30 to 44. We will continue to develop these metrics as our climate reporting evolves. Transition risks are most prevalent in the short to medium term, under a 2°C warming scenario. In contrast, physical risks are expected to significantly impact the business in the long-term, across a more than 3°C warming scenario.

Responsible business continued

TCFD continued

Videndum has an emission reduction transition plan covering the short, medium and long term. This plan will support the Group in the transition to a low-carbon economy, reducing emissions across operations and the value chain to reach the established net zero targets (Table 5). The initiatives detailed in the plan have been investigated and trialled where necessary and will support the mitigation of the material climate risks shown below. This transition plan also allows for more accurate financial planning for each emission reduction and climate risk mitigation initiative, contributing to the Group's overall financial planning process and creating value and climate resilience over time.

The future impacts of climate change are expected to impact the business. However, with our annual assessment and risk mitigations, the climate change impact is considered minimal and manageable in the short to medium term. Despite climate change being a principal risk, no climate-related material impacts were experienced by the Group in 2024. We prioritise building business resilience under each scenario to promote business continuity, demonstrated through annual reviews of our risk register and developing mitigations for arising risks.

Table 2: Climate-related transition risks that could have a greater potential impact on the Group than other climate risks, and the mitigations.

Risk description	Timeline	Financial impact	Magnitude of impact	Risk response
Policy and legal – Increased reporting requirements due to climate change in the <2°C and 2–3°C scenarios. As the UK aims to be net zero by 2050, enhanced regulation may be introduced over time to encourage businesses to reduce energy usage and emissions. Videndum has already seen an increase in regulation in the UK, such as Streamlined Energy and Carbon Reporting ("SECR") and TCFD. The EU's CSRD will impact the Group's Media Solutions Division in 2025, and reporting in 2026. There will be a financial cost associated with achieving consistency. The EU could also ban the use of climate claims like "climate neutral" or "eco" based solely on carbon removals and ban the use of green labels that are not from an approved sustainability scheme. Increased regulation requirements will increase third-party consultancy fees and the need for internal resources. Failing to prepare or meet the enhanced regulations may result in litigation and reputational damage.	Short/Long term (2024–2051)	Expenditures/ Increased operating costs (higher compliance costs).	Medium/ High	Videndum is exposed to a growing number of legal and regulatory compliance requirements and has developed a governance process to ensure compliance. Videndum engages with third-party specialists to support data capture and reporting in line with requirements. Internal resources have been allocated to support this. The Group also has strong engagement with suppliers to drive environmental leadership. Videndum's ESG Committee, supported by the ESG Working Group, ensures Videndum is well prepared for any new or upcoming climate regulation. The Audit Committee regularly assesses changes in the regulatory environment. **Related metrics and targets:** Scope 1, 2 and 3 emissions, and net zero target.

Risk description	Timeline	Financial impact	Magnitude of impact	Risk response
Policy and legal – Increase in carbon/GHG pricing in the <2°C, 2–3°C and >3°C scenarios. Carbon pricing, or carbon taxing, would put a price on Videndum's direct emissions, therefore increasing operational and compliance spending. Carbon pricing is a variable cost that will fluctuate with changes in emissions and government mandates. Using projected carbon tax values across each scenario, the cost could be most significant for Videndum in the reactive scenario in the long term. Carbon pricing mechanisms may capture companies in Videndum's supply chain, with their increased costs reflected in the price of commodities produced by the Group. The EU's Carbon Border Adjustment Mechanism ("CBAM") will put a carbon price on manufactured products imported from outside the EU. Materials, such as aluminium and iron will be captured in the definitive regime, which will be mandatory in 2026 and could impact the cost of materials Videndum imports. The UK is planning to introduce a similar carbon border taxation scheme that will likely be made mandatory from 2027.	Short/Long term (2024–2051)	Expenditures – Increased direct costs.	Medium/ High	Videndum's target is to be a net zero business by 2035 for Scope 1 and 2 and 2045 for Scope 3. Videndum will reduce carbon emissions year-on-year mitigating the risk of carbon pricing. Videndum aims to monitor the impact of carbon pricing on its business and update pricing models with accurate Scope 1 and 2 carbon emissions annually. Videndum is not currently subject to a carbon tax. Carbon emissions will likely decrease year-on-year as Videndum works towards understanding and reducing our carbon footprint. **Related metrics and targets:** Scope 1 and 2 and reduction target.
Market – Increased costs of raw materials in the <2°C, 2–3°C and >3°C scenarios. As the push for net zero continues, there becomes a greater emphasis on moving away from fossil fuels. This could come in the form of carbon taxation, sanctions or restrictive policies. The unit cost of renewable electricity is more constant than that of electricity from fossil fuel sources, but it can be more expensive, resulting in increased energy costs for Videndum. Increased energy costs can also arise due to more businesses competing for RECs and Renewable Energy Guarantees of Origin ("REGOs"). High-impact materials captured under CBAM will see an added carbon cost to account for embedded emissions. High-impact products will be forced to decarbonise. As a result, new processes and technology may be introduced increasing the cost of the raw material. Rising costs of raw materials will increase Videndum's operational spend and may decrease profitability. Material alternatives can be sourced. However, they may not be suitable for the Group.	Short/Long term (2024–2051)	Expenditures – Increased indirect (operating) costs.	Medium	Videndum aims to implement energy efficiency technologies and renewable power generation to reduce the impact of this risk on the Group (see Table 10 for information on energy-efficiency measures). These measures will likely reduce the impact of rising energy costs. Videndum's close supplier relationships support the monitoring of potential increases in costs of raw materials. **Related metrics and targets**: Scope 1, 2 and 3 emissions, and net zero target.

Responsible business continued

TCFD continued

Risk description	Timeline	Financial impact	Magnitude of impact	Risk response
Technology – Costs to transition to lower emissions technology in the <2°C, 2–3°C and >3°C scenarios. To reach net zero Scope 1 and 2 by 2035, Videndum must invest in technology to shift away from fossil fuel use. Low-emission technology can be more expensive compared with traditional alternatives, resulting in high capital costs. Payback periods for some technologies can be years, which may affect profit and loss forecasts. In addition, early retirement of existing technology may be required (write-off of existing assets).	Short / Long term (2024–2051)	Expenditures/ Increased capital costs.	Medium/ High	Videndum has already invested a significant amount of capital for energy efficiency technologies across the Group, including LED lighting and other energy management systems (see Table 10 for information on energy-efficiency measures). These investments will support Videndum in achieving the net zero target shown in our transition plan (Table 5). The return on investment typically outweighs the cost of investing in new low-emission technology. Technology is introduced in a staggered approach to spread costs across a necessary period. Videndum is planning several site rationalisations, which will deliver progress on achieving our net zero target. Related metrics and targets: Scope 1 and 2 and Scope 3 emissions (Category 1 – Purchased Goods and Services, Category 12 – Use of Sold Products).

Table 3: Climate-related physical risks that could have a greater potential impact on the business other than climate risks, and the mitigations.

Risk type	Risk description	Timeline	Financial impact	Magnitude of impact	Risk response
Acute	**Heatwaves/extreme heat in the 2–3°C and >3°C scenarios.** All Videndum sites will experience heatwaves in the short to long term in the reactive and inactive scenarios. Extreme heat/heatwaves may adversely impact staff, causing a decrease in productivity. Governments impose restrictions on work in extreme heat, especially for manual labour. To maintain optimal temperatures for staff, there may be an increased demand for cooling through air-conditioning units, leading to an increase in energy costs and Scope 1 and 2 emissions. Certain construction materials and their properties may change under extreme heat conditions. Electrical efficiency also decreases as temperature rises, resulting in an increased demand for energy at potentially a higher cost.	Short/ Long term (2024 –2051)	Expenditures /Increased direct and indirect costs.	Medium	We continue implementing energy efficiency initiatives (Table 10) and technology to reduce reliance on energy supplied from the grid, such as solar panels. Our facilities are modern with appropriate air conditioning and working practices to enable employees to work safely during heatwaves and extreme heat.

Risk type	Risk description	Timeline	Financial impact	Magnitude of impact	Risk response
Acute	**Increased severity of flooding in the 2–3°C and >3°C scenario.** Several Videndum sites have potential risk of flooding in the event of sea levels rising and localised flooding from rivers. Flood events could lead to a closure of sites and damage properties and equipment, which will result in revenue loss. Building standards such as Building Research Establishment Environmental Assessment Method ("BREEAM") may be introduced to mitigate flood risks, which will increase capital costs. Indirect impacts of flooding could also impact Videndum. Transport networks may be impacted, preventing employees from reaching the site, resulting in reduced revenue as well as disruptions to supply chains.	Medium/ Long term (2030–2050)	Expenditures /Increased direct and indirect costs.	Medium	Across the Group, a number of sites have high standard drainage systems, such as soakaways which are well maintained and serviced. The risk of flooding is monitored and assessed across the Group, and for key suppliers annually. However, no sites in Videndum's portfolio were flooded in 2024. **Related metrics and targets:** Scope 1, 2 and 3 emissions.
Acute	**Increased frequency of wildfires in the >3°C scenario.** Several sites have a moderate risk of being impacted by wildfires, most importantly the Irvine site in California. Wildfires can affect commercial activity, for example the fires in Los Angeles in early 2025 temporarily disrupted the film industry. While wildfires are not expected to have direct impacts on all sites, their occurrence is expected to increase across all territories. Should a wildfire reach an operating site, it can damage buildings, equipment and stock. This will require capital spend to repair any damage. Insurance coverage may decrease for sites known to be impacted by frequent wildfires. Transport networks such as roads and railways around a site may be closed in the event of a wildfire, leading to supply disruptions and employees being unable to reach sites.	Long term (2040–2050	Expenditures /Increased direct and indirect costs.	Medium	No direct impacts from wildfires occurred in 2024. In January 2025, the LA wildfires however impacted Hollywood productions and indirectly impacted our businesses. Fire safety measures are in place. Fire drills, assembly points, and detection systems exist across the Group. Evacuation routes are mapped along with infrastructure for fire detection. Business continuity plans are in place for key sites. **Related metrics and targets:** Scope 1, 2 and 3 emissions.
Chronic	**Sea level rise in the >3°C scenario.** Several Videndum sites have potential risk of flooding in the event of sea levels rising and localised flooding from rivers. Sea level rise could directly impact operating sites through flooding or subsidence. It could lead to a closure of sites and damage to properties, stock and machinery which will result in a loss of revenue. Sea level rise can also have indirect impacts, such as reduced insurance coverage, disrupted transport networks and closure of seaports.	Long term (2040 – 2051)	Expenditures /Increased direct and indirect costs.	Medium	Videndum engages with suppliers and conducts analysis on the potential impact of key suppliers annually. Annual climate scenario analysis is also conducted on our operating sites to monitor the potential impact. Where possible, we can utilise dual sourcing as a number of our suppliers operate in multiple locations. **Related metrics and targets:** Scope 1, 2 and 3 emissions.

Responsible business continued

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Table 4: Opportunities identified for 2024.

Opportunity description	Timeline	Impact
Resource efficiency – Use of energy-efficient technology in the <2°C and 2–3°C scenario. While the technology may have a high capital cost, improved process efficiency, along with reduced energy bills and operating costs will help offset the initial investment. Related metrics and targets: Scope 1, 2 and 3 emissions.	Short / Medium Term (2024–2039)	Reduction in operating expenses because of increased efficiency (e.g., energy costs).
Energy source – Use and installation of low-emission energy technology in the <2°C and 2–3°C scenarios. Low-emission energy technology, such as installing additional solar panels, allows for further electricity generation onsite and transition away from grid reliance, as well as reducing our emissions. We will also monitor financing schemes and investment opportunities to help subsidise the upfront costs of low-emission technology. There is potential for reputational benefits as well. Related metrics and targets: Scope 1, 2 and 3 emissions.	Short / Medium Term (2024–2039)	Self-generated electricity can be used in business operations and excess sold to the grid, increasing savings as the cost of energy is reduced.
Products and services – New low-emission product and service lines in the <2°C and 2–3°C scenarios. Videndum has the opportunity to innovate and develop new low-emission products and services which may improve its competitive position to capitalise on shifting consumer and producer preferences. This relates mainly to opportunities to support customers in reducing their emissions. Related metrics and targets: Scope 1, 2 and 3 emissions.	Short / Medium Term (2024–2039)	New revenue streams.
Markets – New emerging low-emission markets in the <2°C and 2–3°C scenarios. Videndum may be able to capitalise on new markets, should it proactively seek out opportunities to diversify its activities to better position itself for the transition to a lower-carbon economy. Opportunities exist for organisations to access new markets through collaborating with small-scale local businesses and community groups in developed and developing countries as they work to shift to a lower-carbon economy. New opportunities can also be captured through green investment in low-emission technology and infrastructure (e.g. low-emission energy production, energy efficiency, grid connectivity). Related metrics and targets: Scope 1, 2 and 3 emissions.	Short / Medium Term (2024–2039)	New revenue streams.
Resilience – The business is well adapted and positioned to deal with climate change in the <2°C and 2–3°C scenarios. Videndum has an adaptive strategy to respond to climate change, better managing the associated risks and seizing opportunities, including the ability to respond to transition risks and physical risks. Videndum has already allocated capital to develop this strategy, such as installing solar panels, engaging with a third-party ESG consultancy, and developing a net zero strategy. To increase resilience, the Group has set environmental targets (see page 38). Progress towards these targets will be reported on annually, demonstrating our commitment to reducing our carbon footprint. Related metrics and targets: Scope 1, 2 and 3 emissions.	Short / Medium Term (2024–2039)	Developing an adaptive strategy, and capitalising on the identified opportunities will promote new revenue streams.
Resource efficiency – Opportunity to rationalise site portfolio in the <2°C and 2–3°C scenarios. Videndum is proactively reducing its property portfolio. This will not only support the journey to reduce emissions but also reduce costs significantly. In recent years, several sites were disposed of including Chatsworth, Stroud, Videndum Production Solutions France, New Zealand and Dallas. In 2025, we expect further site rationalisation. Related metrics and targets: Scope 1, 2 and 3 emissions.	Short / Medium Term (2024–2039)	Developing an adaptive strategy and capitalising on the identified opportunities will reduce operational costs.

Opportunity description	Timeline	Impact
Resource efficiency – Digital carbon footprint reductions in the <2°C and 2–3°C scenarios. Our Media Solutions Division uses the 5S approach to optimise workplace organisation and data efficiency. The 5S's are sort, straighten, shine, standardise, and sustain. This includes eliminating unnecessary items and establishing consistent practices, which can reduce data storage costs. Our Production Solutions Division is also adopting this approach. Related metrics and targets: Scope 1, 2 and 3 emissions.	Short / Medium Term (2024–2039)	Reduced data storage costs.
Markets – Access to green finance in the <2°C and 2–3°C scenarios. Possible access to finance for certain green initiatives, such as the Salt-E Dog battery, which uniquely uses 100% recyclable sodium cells, which have a lower Global Warming Potential than lithium-based counterparts. This will be monitored going forward to capitalise on opportunities where possible. Related metrics and targets: Scope 1, 2 and 3 emissions.	Short / Medium Term (2024–2039)	Cheaper financing.

Climate risk management

We have a well-developed process and framework for identifying, assessing and managing our climate-related risks and capitalising on opportunities where possible, for which the Board has ultimate responsibility. We followed four interconnected steps:

Step 1 – Identification – This is our fourth year identifying the climate-related risks and opportunities that may potentially impact Videndum. The Head of Group Risk Assurance, in partnership with Inspired ESG, identify the climate-related risks and opportunities for all our sites and our top 49 suppliers. Analysing the potential impact of a number of physical risks, such as flooding, on our supplier locations and supply routes, allows us to forecast potential disruptions to our supply chain. In July 2024, supported by Inspired ESG, we held a climate risk workshop which covered transition risks at a Group level. In September 2024, we held three additional climate risk workshops on the physical risks for each of our Divisions at a site level. Conducting these workshops allows us to identify any new risks and opportunities for the business and understand if those previously identified are still relevant. In total, 18 climate-related risks and eight opportunities were identified in 2024.

Step 2 – Assessment – At the climate risk workshops, stakeholders assessed the potential likelihood and impact of each climate risk across three global warming pathways and three different timeframes (see page 31 for more information). This allowed us to identify which transition and physical risks and opportunities were most material to the Group (see Tables 2, 3 and 4). Members of the ESG Committee continuously monitor emerging and changing climate-related regulatory requirements, which are reviewed at least annually with Inspired ESG. Stakeholders who attended the workshops include the Head of Group Risk Assurance and the ESG Coordinators for each Division. The Head of Group Risk Assurance finalised the impact scores for each climate-related risks based on these workshops, considering the potential financial impact. Risks were scored according to the Group's Risk Register methodology for impact:

- Low (Moderate): Risks with a potential financial impact lower than £1 million.
- Medium (Major): Risks with a potential financial impact between £1 million and £5 million.
- High (Critical): Risks with a potential financial impact greater than £5 million.

Existing mitigation measures were considered as part of the risk assessment process (net risk). Risks scored as medium or high for impact were considered material (Tables 2 and 3) and will have mitigation measures prioritised. Risks that were not deemed to be material will be monitored and transferred for re-evaluation in 2025 to understand whether additional mitigation measures are needed.

Step 3 – Appraisal – We continue to appraise our risk management options, ensuring the response remains relevant and most effective. In 2024, we assessed the effectiveness of existing risk mitigation options and discussed plans for developing and implementing future measures. Where necessary, we also investigated potential options to manage the impact of risks and opportunities within our supply chain, including further supplier engagement and monitoring.

Step 4 – Management – Finally, in 2024, following the climate risk workshops, the stakeholders who attended, discussed the management strategies for each risk, ensuring effective frameworks and actions were in place for all risks and opportunities. Controls were implemented to prevent, reduce or mitigate risks or increase the likelihood of opportunities (Tables 2, 3 and 4). For example, Videndum has already invested significant capital expenditures for energy efficiency technology across the Group, including LED lighting and other energy management systems (Table 10). The Head of Group Risk Assurance and Inspired ESG ensures the Board is updated on key developments throughout the year, such as at the two ESG Committee meetings held in 2024. Discussions focused on existing emissions and waste reduction targets, as well as updates on emerging legislation that will impact the Group, such as CSRD. We recognise that residual risks will remain and will communicate this across the Group as appropriate. Our management teams and the Head of Group Risk Assurance will annually review climate risk exposure against business risk level tolerances. Climate-related risk identification and management processes are integrated into the Group's general risk management process, with climate change identified as a principal risk. The Group's climate-related strategy is developed annually based on the material climate-related risks identified and the implementation of additional mitigation measures where necessary. Increasing legislation, such as CSRD, is a prime example of a climate risk being strategically important for the business. Throughout this process, Videndum has evaluated the current resilience of our business model and strategy under each climate scenario and timeframe, assessing the potential impacts and deemed that they are resilient to the three climate scenarios. We will review this annually to ensure that our resilience is maintained. Videndum is currently monitoring the latest CSRD omnibus changes to determine if our Media Solutions Division will still be captured under these regulations.

Responsible business continued

TCFD continued

Metrics and targets

In 2024, we continued to make progress on our journey to net zero (minimum 90% absolute reduction, with residual emissions neutralised using permanent carbon removals) for Scope 1 and 2 by 2035 and Scope 3 by 2045, from a 2021 baseline year. The 2035 targets for Scope 1 and 2 differ from the 2045 objectives for Scope 3, due to the complexities associated with data collection and mitigating emissions beyond direct operational control. We have set several ambitious targets to manage and mitigate the climate-related risks described in Tables 2 and 3, and to reduce our impact on the environment. Videndum's other environmental indicators, such as energy efficiency measures (Table 10), waste reduction, product sustainability and supply chain integrity, contribute towards mitigating some transition and physical risks and capitalise on the potential opportunities in substituting products to lower-emission alternatives. We use a wide variety of metrics to measure climate-related impacts. These metrics consist of Videndum's greenhouse gas inventory, including the Group's Scope 1, 2 and 3 carbon emissions and our emissions reduction pathway, aligned with the Paris Agreement 1.5°C warming scenario. No third-party verification has been provided for emissions calculations.

Table 5: Videndum's transition plan – a roadmap to net zero.

Scope	Area	Short term (up to 2025)	Medium term (2025–2035)				Long term
		2024	2025	2027	2030	2035	2045
Scope 1 and 2	Near-term target	38% reduction since 2021 using the market-based approach to measuring emissions from electricity. Not achieved. Further reductions are expected in 2025 to help achieve a 42% reduction by the end of 2025.	42% reduction since 2021 using the market-based approach to measuring emissions from electricity. We expect that emissions will be further reduced through gas substitution measures that are at an evaluation stage.	50% absolute reduction from 2021.	60% absolute reduction from 2021.	90% absolute reduction from 2021. Neutralise residual emissions through permanent carbon removals.	
	Key actions	Improve energy efficiency of electricity and gas – measurable actions have been identified to further reduce emissions for Scope 1 and 2. This includes: further solar panel projects (Feltre, Italy); increased LED lighting coverage; investment in more energy-efficient machinery; site rationalisation and continued conversion of company cars to electric or hybrid as and when leases expire. We are working to ensure that all electricity contracts are based on renewable energy so as to reduce Scope 2 emissions under the market-based method.					
	Electricity	Second installation of solar panels at Feltre, Italy. LED system implemented in Phoenix, US.	Reduction in the size of the property portfolio (under-utilised sites) will reduce annual emissions by at least 500 tCO_2e per annum against the 2021 baseline.				

Scope	Area	Short term (up to 2025) 2024	Medium term (2025–2035) 2025	2027	2030	2035	Long term 2045
	Natural gas and other fuels	Evaluate the investment required to convert heating systems to air source pumps. Evaluate the cost of substituting gas used by paint shops. Initial costs and feasibility studies have been completed.	Convert 100% of company cars to electric or hybrid, when leases expire.			Implement heat recovery systems for all Media Solutions manufacturing sites and replace all paint ovens with electric alternatives.	
	Net zero target					2035	
Scope 3	Near-term target		Identify the percentage of Group suppliers that have provided emissions data.			58.8% absolute reduction in Purchased Goods and Services Emissions by 2034, from 2021.	90% reduction
	Key actions	Implement measures to reduce Scope 3 emissions from business travel, supply chain, transportation of goods and employee commute. This includes: – Conduct PLCAs (cradle to grave) for key product lines. – Work with our top five biggest suppliers by revenue to request supplier-specific data on products by 2025. – Insource production to our energy-efficient manufacturing processes to reduce the emissions associated with bought-in finished goods. – Expand the use of carpooling. – Monitor flights for business, encourage alternative forms of travel (e.g. rail) where possible.					
	Net zero target						2045
		– 90% absolute reduction from 2021. – Neutralise residual emissions through permanent carbon removals.					

Responsible business continued

TCFD continued

Reducing our greenhouse gas emissions

We understand that data quality and improvements are an important part of reducing our emissions footprint. In 2024, we expanded the ESG Supplier Questionnaire, with our Videndum Creative Solutions Division engaging with an additional ten suppliers based on spend, covering topics such as carbon emissions, energy usage, reduction targets and wider ESG programmes. Media Solutions has incorporated ESG as one of the criteria in our vendor rating system, and in 2024, as a result of closely working with suppliers on ESG topics, six have now obtained the Global Recycled Standard certificate, and four have achieved ISO 14001 Environmental Management Standard certification. We will use the information from suppliers to improve the accuracy of our Scope 3 Category 1: Purchased Goods and Services and Category 2: Capital Goods data. We deem this approach to be effective and will widen the scope of this approach over time. In 2024, we worked with Inspired ESG to further refine our data collection methods across the Group and make appropriate restatements, where required. Under the GHG Protocol, there are 15 Scope 3 reporting categories, of which 11 apply to Videndum. The following categories do not apply: upstream leased assets (Category 8), selling goods which require further processing (Category 10), franchises (Category 14), and any significant applicable investments (Category 15). Annually, we aim to introduce measures to improve the accuracy of our data collection. We will continue to utilise the GHG Protocol in all our emissions calculations.

In 2023, we set a goal of reducing our year-on-year Scope 1 and 2 (market-based emissions) by 38.0% compared to the 2021 baseline. While we have achieved a reduction of over 17.5%, we did not meet the overall goal. However, this has helped get the Group back on track to meet its 2035 net zero target. To meet this target, an annual reduction of 8.0% is required, from 2024 up to and including 2035. One of the key measures of reducing our Scope 2 emissions is incorporating renewable energy contracts. As some renewable energy contracts were implemented later than expected, we expect further reductions in 2025 from our already completed actions. To sit alongside the renewable energy contracts, we are constantly looking to reduce overall energy consumption from the grid. This has been showcased in the 89.2% increase in onsite renewable energy production from 2023 to 2024. 2025 will also see rationalisation of sites to ensure existing spaces are being used as efficiently as possible. Previously, the Group had planned to be carbon neutral (offsetting total Scope 1 and 2 emissions, without a minimum reduction requirement) by 2025. Due to current business conditions, we are focusing our financial resources on actual decarbonisation efforts towards achieving our net zero target. Therefore, Videndum will not be looking to achieve a carbon neutral status, instead net zero Scope 1 and 2 by 2035, will be the primary focus.

For Scope 3, we aim to reduce our Purchased Goods and Services emissions by 58.8% by 2034. The Group is well on track to meet this target, having achieved a 52.7% reduction to date. The reduction in Scope 3 emissions has largely been driven by a decrease in spend on Goods and Services. Beyond the near-term target, it is important to continually work towards additional reductions. In 2024, a continued focus was placed on both Upstream and Downstream transportation and distribution. Each business within the Group is making annual improvements to data quality to enable informed decision-making geared towards efficiencies and emission reductions. Our progress in all Scopes is demonstrated in Table 6.

Table 6: Group emissions from 2021 to 2024 and emission reduction targets.

Emissions Scope	2024 Gross emissions (tCO_2e)	2023 Gross emissions[1] (tCO_2e)	2022 Gross emissions[1] (tCO_2e)	2021 Gross emissions (tCO_2e)	Interim target	Net zero target year	Progress to meet target
Scope 1	**1,068**	1,155	1,336	1,231	50% reduction by 2030.	2035	16% reduction from 2021 to 2024.
Scope 2 (Market-based)	**748**	1,064	1,304	971		2035	
Scope 3	**84,931**	103,147	176,299	164,737	58.8% absolute reduction in purchased goods and services by 2034, from 2021.	2045	We have reduced our Scope 3 emissions by 48.4% from a 2021 baseline. Purchased Goods and Services have reduced by 52.7%.
Total	**86,747**	**105,366**	**178,939**	**166,939**	–	–	**We have reduced our total footprint by 48.4% since our 2021 baseline assessment, showcasing the positive steps we have taken to achieve net zero by 2045.**

1 All previous year's Scope 3 emissions figures have been restated in 2024. This is a result of the Department for Environment, Food & Rural Affairs (UK) restating conversion factors. Additional restatements have occurred as improved data quality has been achieved to ensure methodologies align across all years. The decrease in Scope 2 emissions using a market-based approach is due to energy saving measures. In addition, the Group enters renewable energy electricity contracts where available. Scope 3 has significantly reduced in 2024 mainly as a result of reduced business activity.

Streamlined Energy and Carbon Reporting

This section summarises the energy usage, associated emissions, energy efficiency actions and energy performance for the Group, under the government policy Streamlined Energy and Carbon Reporting (SECR), as implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. Carbon emissions are categorised as follows:

Scope 1: Consumption and emissions related to direct combustion of natural gas, fuels utilised for transportation operations, such as company vehicle fleets, refrigerant gases, and any other fuels.

Scope 2: Consumption and emissions from indirect emissions, relating to the consumption of purchased electricity, heat, and steam in daily business operations.

Scope 3: Energy and emissions from business travel conducted in vehicles not owned or operated by the business, otherwise known as grey fleet mileage.

Table 7: Total consumption (kWh) figures for energy supplies reportable by the Group.

	UK (kWh) 2024	UK (kWh) 2023	UK (kWh) 2022	UK (kWh) 2021	Global (excluding UK) (kWh) 2024	Global (excluding UK) (kWh) 2023	Global excluding UK) (kWh) 2022	Global excluding UK) (kWh) 2021	Total kWh 2024	Total kWh 2023	Total kWh 2022	Total kWh 2021
Scope 1 – gaseous and other fuels (voluntary)	**752,858**	783,283	872,109	945,124	4,395,143	4,624,549	5,112,471	4,053,757	5,148,001	5,407,832	5,984,580	4,998,881
Scope 1 – transport (Company fleet)	**105,884**	195,019	275,041	236,608	430,120	506,567	669,388	1,093,729	536,004	701,585	944,429	1,330,337
Scope 2 – grid electricity	**1,292,762**	1,208,408	1,322,599	1,716,613	6,874,583	7,506,194	8,940,700	8,709,990	8,167,345	8,714,602	10,263,299	10,426,603
Scope 2 – Self-generated renewable electricity*	**371,077**	396,273	379,612	–	1,131,794	397,860	359,599	–	1,502,871	794,133	739,211	–
Scope 2 – transport (Company fleet)	**28,265**	19,857	5,448	6,473	346	–	1,727	–	28,611	19,857	7,175	6,473
Scope 2 – purchased heat, steam and cooling	**1,239**	2,475	2,675	9,148	0	–	–	–	1,239	2,475	2,675	9,148
Scope 3 – grey fleet	**154,266**	124,765	35,880	51,642	12,582	63,154	69,097	49,342	166,848	187,919	104,977	100,984
Total energy use – all Scopes	**2,706,351**	**2,730,080**	**2,893,364**	**2,965,608**	**12,844,568**	**13,098,324**	**15,152,982**	**13,906,818**	**15,550,919**	**15,828,403**	**18,046,346**	**16,872,426**

* Self-generated electricity is being reported for the first time as data has now become available. This represents solar PV electricity being generated and directly consumed across our sites.

Responsible business continued

TCFD continued

Table 8: The Total Carbon Emissions (tCO_2e) figures for Group.

	UK (tCO_2e) 2024	UK (tCO_2e) 2023	UK (tCO_2e) 2022	UK (tCO_2e) 2021	Global (excluding UK) (tCO_2e) 2024	Global (excluding UK) (tCO_2e) 2023	Global excluding UK) (tCO_2e) 2022	Global excluding UK) (tCO_2e) 2021	Total (tCO_2e) 2024	Total (tCO_2e) 2023	Total (tCO_2e) 2022	Total (tCO_2e) 2021
Scope 1 Total	**164**	**189**	**224**	**228**	**904**	**966**	**1,112**	**1,002**	**1,068**	**1,155**	**1,336**	**1,231**
Scope 1 – gaseous and other fuels (voluntary)	**139**	143	159	173	806	847	938	745	945	990	1,097	919
Scope 1 – transport (Company fleet)	**25**	46	65	55	98	119	159	257	123	165	224	312
Scope 1 – refrigerants	**1***	–	–	–	1*	–	15	–	1*	–	15	–
Scope 2 Total	**274**	**255**	**258**	**367**	**2,131**	**2,301**	**2,645**	**2,167**	**2,405**	**2,556**	**2,903**	**2,535**
Scope 2 – grid electricity	**268**	250	256	364	2,131	2,301	2,645	2,167	2,399	2,551	2,901	2,532
Scope 2 – transport (Company fleet)	**6**	4	1	1	1*	–	1	–	6	4	1	1
Scope 2 – purchased heat, steam and cooling	**1***	1	1	2	–	–	–	–	1	1	1	2
Scope 3 – grey fleet	**35****	29	8	12	2	15	16	12	37	43	25	24
Total energy use – all Scopes	**473**	**473**	**490**	**607**	**3,038**	**3,282**	**3,773**	**3,181**	**3,510**	**3,754**	**4,264**	**3,790**

*These values are less than 0.5 tCO_2e and have been rounded up.

** The increase in the UK grey fleet emissions from 29 to 35 tCO_2e is down to an increase in expensed mileage. Production Solutions accounts for a majority of the UK expense mileage and had an increase in 2024.

Table 9: Intensity metric of tCO_2e per £million turnover applied for the annual total consumption.

	UK Intensity Metric 2024	UK Intensity Metric 2023	UK Intensity Metric 2022	UK Intensity Metric 2021	Global (excluding UK) Intensity Metric 2024	Global (excluding UK) (Intensity Metric 2023	Global excluding UK) Intensity Metric 2022	Global excluding UK) Intensity Metric 2021	Total Global Intensity Metric 2024	Total Global Intensity Metric 2023	Total Global Intensity Metric 2022	Total Global Intensity Metric 2021
Intensity Metric	18.85	18.19	12.72	16.36	11.74	11.35	9.14	8.90	12.37	11.92	9.45	9.61

Energy efficiency improvements

The Group is committed to year-on-year improvements in our operational energy efficiency. A register of energy efficiency measures has been compiled and will be implemented within five years. Reducing the Group's emissions mitigates certain climate risks stated in Table 3.

Table 10: Energy efficiency improvements that will reduce Group emissions in 2024 and planned for 2025 onwards.

Category	Measures undertaken in 2024	Measures planned for 2025 onwards
Renewable energy contracts and sustainable energy sourcing	– Creative Solutions moved SmallHD, Wooden Camera and the Los Angeles site to RECs. The Agreement is for 755MW of solar power, comprised of three solar farm sites. – Media Solutions Ashby site is sourcing 100% renewable energy and biogas that produces lower carbon emissions compared to fossil fuel equivalent.	– Creative Solutions will look to renew the REC agreement for the 2025 calendar year, for the three sites.
Energy efficient transportation	– Creative Solutions technology repair truck is still in operation, with solar panels installed on the vehicle roof. – Production Solutions have one plug-in hybrid and three electric vehicles representing 50% of the Divisions fleet. – At Production Solutions Cartago site, the carpooling scheme remained in use, with four groups of people commuting (10 people in total). – A programme called Cyclescheme is still in place at Production Solutions, Bury St Edmunds, UK site, to finance conventional and electric bicycles for our employees. Two additional applicants requested to join the scheme during the year, with 80 applicants since 2014. – Media Solutions continued to transition the fleet to hybrid and electric. The Division has 66 vehicles, with 82% being hybrid or electric.	– Assess the Group's fleet to understand where it would be possible to further convert our vehicle fleet to EV and Hybrid. – Continue the Cartago carpooling scheme. – Continue the Bury St. Edmunds Cyclescheme. – Media Solutions has set a target for 85% of the vehicle fleet to be hybrid and 15% fully electric by the end of 2025.
LED lighting	– Media Solutions extended the LED light conversion project at the Savage site in Phoenix. This initiative is projected to save 119.828 MWh, representing 58% of the site's total electricity consumption. To date, the exterior conversion has been completed, achieving a 6% reduction in electricity usage. The project will continue into 2025 to complete the full transition to LED lighting.	– Complete the full LED lighting transition for our site at Phoenix.

Responsible business continued

TCFD continued

Methodology

Scope 1 and 2 consumption and CO_2e emission data for UK sites have been calculated in accordance with the 2019 UK Government environmental reporting guidance and the Greenhouse Gas Protocol ("GHG Protocol"). The current kWh gross calorific value ("CV") and $kgCO_2e$ emissions factors for the reporting year from 1 January to 31 December 2024, were applied. Scope 3 emissions have been calculated based on the GHG Protocol Corporate Value Chain (Scope 3) Standard.

Scope 1 emissions

Direct emissions from our operations, such as fuel combustion, are categorised under Scope 1. To convert Scope 1 natural gas usage in the UK, the UK DESNZ 2024 emissions factors database was used. For the US, the United States Environmental Protection Agency GHG Emissions Factors Hub 2024 was used. For Australia, the Australia National GHG Account Factors 2024 database was used. For remaining countries, we default to the UK DESNZ 2024 emissions factors database.

Scope 2 emissions

Indirect emissions generated from purchased electricity, heat and steam. Scope 2 emissions are calculated based on both the "location-based" and "market-based" methods outlined in the GHG Protocol.

Location-based methodology

Methodology to calculate Scope 2 emissions using the average electricity grid emission conversion factor of a region. We applied country-specific factors for all sites.

Market-based methodology

Methodology to calculate Scope 2 emissions using electricity conversion factors specific to the contractual instruments in place for procured electricity (REGOs and RECs). Where contract-specific data was not available, location-specific residual factors were used, except for sites within the USA. For our American sites, US eGrid factors have been applied. Where neither is present, the location-based factor was used.

Scope 3 emissions

All applicable Scope 3 categories were identified based on an operational control boundary. Emissions were calculated following methodologies outlined in the GHG Protocol "Technical Guidance for Calculating Scope 3 Emissions", with further guidance taken from the GHG Protocol's detailed methodology chapters for each applicable Scope 3 category. Most conversion factors were sourced from UK Government GHG Conversion Factors for Company Reporting, v1.1 2024. In addition, conversion factors were taken from the University of Leeds and Department for Environment, Food and Rural Affairs' "UK Footprint Results (1990 – 2018)" study or the Department for Environment, Food and Rural Affairs' "Indirect emissions for the supply chain" database when a spend-based approach was used. Scope 3 emissions include Well to Tank and Transmission & Distribution ("T&D") losses.

Non-Financial and Sustainability Information Statement

Videndum complies with the requirements of sections 414CA and 414CB of the Companies Act 2006, the 2018 Non-Financial Reporting Directive and other key compliance areas by including certain non-financial information within the Strategic report. The table below, and the information it refers to, is intended to help stakeholders understand our position on key non-financial matters:

Reporting requirement	Further information	Related Principal Risk	Page(s)
Climate-related financial disclosures and environmental matters	– The Responsible business section outlines our commitment to operating responsibly in all our dealings with our stakeholders. – Our ESG targets sets out a roadmap towards becoming a sustainable business. – Videndum discloses its climate-related risks in line with TCFD requirements.	10	26 to 44
Employees	– Videndum has a Code of Conduct which outlines the Group's expectation and commitment to maintaining the highest standards of ethical conduct and behaviour in business practice. The Code is reviewed annually and in early 2024 the Code of Conduct was recommunicated to all employees. – We are committed to diversity and inclusion at all levels of our business and we do not discriminate on any basis. – Videndum has a well-established employee engagement and feedback programme with Caroline Thomson, the Non-Executive Director responsible for employee engagement.	7	27 and 56
Social matters	– The Responsible business section and our stakeholders sets Videndum's approach to supporting our employees, customers and suppliers.	1, 9 and 10	24 and 28
Anti-bribery and corruption	– Videndum's Code of Conduct sets out the expectations towards the highest standards of ethical conduct and behaviour in business practice. – Videndum has an anti-bribery and corruption policy that has been reviewed by the Board annually and sets out the responsibilities and expectations of our employees for the prevention, detection and reporting of bribery and other forms of corruption. – Employees receive training on the anti-bribery and corruption policy, including gifts and hospitality. – Suppliers are made aware of our zero-tolerance approach to bribery and we undertake due diligence on all suppliers using the NAVEX Risk Rate system.	5, 6 and 7	28
Human rights and modern slavery	– Videndum's Code of Conduct outlines our stance on human rights and modern slavery. – A separate Slavery and Human Trafficking statement is published on our website annually and underlines our commitment to ensuring that slavery and human trafficking does not exist in our business operations or our supply chain.	6, 7, 8	28
Business model and strategy	– Details of how we do what we do, why, where and for whom.	2, 5, 8, 12	3 to 44
Principal risks	– Videndum's principal risks set out the business risks and the mitigating actions that are taken to help reduce the impact of any of these risks across the Group.		18 to 23

The Strategic Report, including pages 2 to 45, was approved by a duly authorised Committee of the Board of Directors on 30 April 2025 and signed on its behalf by:

Stephen Harris
Chairman
30 April 2025

Compliance statement

During the year ended 31 December 2024, we have reported against the UK Corporate Governance Code 2018 ("2018 Code") issued by the Financial Reporting Council. The Code can be found at frc.org.uk. A new Code ("2024 Code") has been published and comes into effect for accounting periods beginning on or after 1 January 2025. We will report on compliance with the 2024 Code in the 2025 Annual Report.

We applied each principle and complied with provisions of the 2018 Code throughout 2024 as required by the Listing Rules aside from Code provision 9 and Code provision 36. Code provision 9 outlines that the roles of the chair and chief executive should not be exercised by the same individual. Due to exceptional circumstances facing the Company, Stephen Harris succeeded as Executive Chairman with effect from 25 October 2024. Stephen Harris will lead the Company while a search for a new permanent Chief Executive is carried out. Upon the appointment of a new Chief Executive, Stephen Harris will revert to his former role as Chairman of the Company. To mitigate any risks associated with this position, the Board has increased the frequency of its meetings and communication.

Code provision 36 guides that share awards should be subject to a total vesting and holding period of five years or more. Due to exceptional circumstances, Stephen Harris received an LTIP award on 18 December 2024 that has a vesting period of two years. The structure of this award was made due to the exceptional circumstances of Stephen Harris becoming Executive Chairman while the search for a permanent Group Chief Executive is conducted. A longer performance period over two years would not be reasonable in the circumstances. Upon vesting, Stephen Harris will also be required to comply with the Company's policy on shareholding requirements necessitating that the vested award is held for a minimum of two years post vesting.

The Board agrees that the Annual Report taken as a whole is fair, balanced and understandable and gives all stakeholders the information necessary to assess the Group's business model, strategy and performance. The full report provides the information required for shareholders to assess the Group's overall performance against its strategy.

The following table outlines where shareholders can find and evaluate how the Company has applied the principles of the 2018 Code and where key content can be found in this report:

Board leadership and Company purpose

	Page(s)
Code principle A – Effective and entrepreneurial board	
Section 172 statement	55
Board of Directors	48 to 49
Code principle B – Company's purpose, values and strategy	
About Videndum – what we do and for whom	4 to 7
Section 172 statement	55
Purpose, values and culture	49 to 50
Code principle C – Necessary resources to meet objectives and prudent and effective controls	
Strategic Report	4 to 45
Audit, risk and internal control	64 to 68
Code principle D – Effective engagement with stakeholders	
Section 172 statement	55
Our stakeholders	24 to 25
Code principle E – Workforce policies and practices	
Employee engagement	56
Workforce policies	27 and 28
Whistleblowing	28

Division of responsibilities

	Page(s)
Code principle F – Chairman's leadership	
Board governance	52
Division of Board responsibilities	57 to 58
Code principle G – Division of responsibilities	
Board governance	52
Board of Directors	48 to 49
Division of responsibilities	57 to 58
Code principle H – Non-Executive Directors	
Section 172 statement	55
Time commitments	63
Code principle I – Role of the Company Secretary	
Effective resources and controls	51
Board governance	52

Composition, succession and evaluation

	Page(s)
Code principle J – Director appointment process	
Nominations Committee report – Board appointments and succession	59 to 64
Code principle K – Board skills, experience and knowledge	
Nominations Committee report – Board of Directors' skills, experience and knowledge	59
Code principle L – Board annual evaluation	
Nominations Committee report – Board evaluation	63

Audit, risk and internal control

	Page(s)
Code principle M – Policies around internal and external audit functions	
Audit Committee report – effectiveness of internal and external audit functions	64 to 68
Code principle N – Fair, balanced and understandable reporting	
Fair, balanced and understandable assessment of the Company's position and prospects	68
Code principle O – Management of risk	
Principal risks of the Company	18 to 23
Audit Committee report	64 to 68

Remuneration

	Page(s)
Code principle P – Remuneration policies and practices aligned to strategy	
Remuneration report – remuneration policies and practices	69 to 96
Code principle Q – Determination of remuneration	
Remuneration report – policy on executive remuneration	72 to 80
Code principle R – Independent judgement on remuneration	
Remuneration report – independence around remuneration outcomes	69

Board of Directors

Stephen Harris

N F

Role: Chairman and Chairman of the Nominations Committee

Appointed to the Board as a Non-Executive Director on 9 November 2023 and on 1 May 2024 became Chairman of the Company. On 25 October 2024 became Executive Chairman
– tenure of 1 year 5 months

Nationality: British

Skills and experience: Stephen was formerly Chief Executive Officer at Bodycote plc until 30 May 2024. Between 1984 and 1995, Stephen held several senior management positions at APV Inc., following which he was appointed to the Board of Powell Duffryn plc as an Executive Director. He then joined Spectris plc as an Executive Director between 2003 and 2008, and has also been a Non-Executive Director of Brixton plc from 2006 to 2009 and of Mondi plc from 2011 to 2021. Stephen holds an MA in Engineering from Cambridge University and an MBA from the University of Chicago Booth School of Business.

Richard Tyson

A N R

Role: Independent Non-Executive Director and Senior Independent Director. At the 2025 AGM, Richard will cease to be the Senior Independent Director but will remain an independent Non-Executive Director.

Appointed: 2 April 2018
– tenure of 7 years

Nationality: British

Skills and experience: Richard is Chief Executive Officer of Oxford Instruments plc. He was previously Chief Executive Officer of TT Electronics plc, holding that position from 2014 to September 2023. He was formerly President of the Aerospace & Security Division of Cobham plc from 2008 to 2014 and a member of its Executive Committee. He was previously responsible for TRW Aeronautical Systems' (formerly part of Lucas Industries) European aftermarket business before joining Cobham plc in 2003 to run its Flight Refuelling Division. Richard is a fellow of the Royal Aeronautical Society and a Governor of St Swithun's Independent School for Girls in Hampshire.

Polly Williams

A N R F

Role: Independent Non-Executive Director and Chair of Audit Committee

Appointed: 1 July 2024
– tenure of 9 months

Nationality: British

Skills and experience: Polly is the Senior Independent Director at XP Power Limited, having joined that board in January 2016. She is a chartered accountant and a former Partner at KPMG LLP, having resigned her partnership in 2003 and since then, has held several non-executive directorship roles. Polly is also a non-executive director at Royal Bank of Canada Europe Ltd, senior independent director and audit chair at The Rugby Football Union and chair of the board for RBC Brewin Dolphin Limited.

Key to Committee membership

- A Audit Committee
- N Nominations Committee
- R Remuneration Committee
- ◯ Chairman of the Board / Committee
- F Finance Committee

Graham Oldroyd

A N R F

Role: Independent Non-Executive Director and Chair of the Finance Committee

Appointed: 12 October 2023
– tenure of 1 year and 6 months

Nationality: British

Skills and experience: Graham is the Senior Independent Director of The Global Smaller Companies Trust PLC listed on the London Stock Exchange. He holds director positions in unlisted companies, including as a non-executive director at Tunstall Integrated Healthcare Holdings Ltd, and Chair at MCF Limited. Formerly, Graham was a Chairman at Ideal Standard International NV, non-executive director of PHS Group Investments Ltd, Nobina AB and Henderson Alternative Strategies Trust plc (where he was Chair of the Audit Committee from 2014 – 2020). He was a partner with 23 years' service at European private equity fund manager Bridgepoint until June 2013. A graduate in Engineering from Cambridge University, Graham also holds an MBA from INSEAD Business School. He is a Chartered Engineer, a Fellow of the Institution of Mechanical Engineers, and a Member of the Chartered Institute for Securities & Investment.

Anna Vikström Persson

A N R

Role: Independent Non-Executive Director

Appointed: 1 May 2023
– tenure of 1 year and 11 months

Nationality: Swedish

Skills and experience: Anna is a non-executive director and Chair of the ESG Committee at Bytes Technology Group plc. Between 2018 and 2021, Anna was Chief Human Resources Officer for Pearson plc, and between 2011 and 2016 Executive Vice President, Head of Human Resources at Sandvik AB. Between 2009 and 2014 Anna was an independent non-executive director for Knowit AB, a public listed IT consultancy group in the Nordics and Baltics. Between 2006 and 2011 she was Executive Vice President, Head of Human Resources at SSAB AB and prior to that worked at Ericsson Group AB in various HR roles culminating as Vice President, Human Resources & Organisation, Sweden. Anna was born in South Korea, raised in Sweden and studied in the US and Germany. Anna holds a Masters in Law from Lund University as well as professional HR qualifications from both London Business School and Michigan Business School. Anna will succeed Caroline Thomson as Chair of the Remuneration Committee at the conclusion of the 2025 AGM.

Caroline Thomson

A N R

Role: Independent Non-Executive Director, Chair of Remuneration Committee and Responsible for Employee Engagement

Appointed: 1 November 2015 – tenure of 9 years and 5 months

Nationality: British

Skills and experience: Caroline is currently a Fellow of the Royal Television Society, a non-executive director at the BBC, having been appointed to that role on 3 April 2025 and a trustee of the National Gallery Trust and of Tullie House Gallery in Cumbria. She was formerly Executive Director of English National Ballet where she is now a trustee. Until 1 March 2023 Caroline was Chair of Digital UK (Now Everyone TV), and a non-executive director of UKGI and Chair of its Remuneration Committee. Until September 2012 Caroline was Chief Operating Officer at the BBC, serving 12 years as a member of the Executive Board. Caroline received an honorary doctorate from York University in 2013 and was made an honorary Fellow of the University of Cumbria in 2015. From 2016 to 2019 she was Chair of Oxfam. Caroline is a Deputy Lieutenant for Cumbria. Caroline will not seek re-appointment at the 2025 AGM and will cease to be a Director at the conclusion of that meeting.

Eva Lindqvist

A N R

Role: Independent Non-Executive Director

Appointed: 1 April 2025 – tenure of 1 month

Nationality: Swedish

Skills and experience: Eva was at Ericsson for 20 years focused on strategy, production development and international sales and held positions in Sweden, Australia, USA and Japan. In 2000 she joined the Scandinavian telecommunications company Telia and served as Senior Vice President of Telia Equity before becoming Chief Executive of TeliSonera International Carrier in 2002. Eva has wide corporate experience having served on the Board of companies including Acast AB, Bodycote plc, Assa Abloy AB, Mr Green & Co AB, Sweco AB, Tarsier AB and Keller Group plc. Eva is currently Senior Independent Director at Vesuvius plc, and a non-executive director at Greencoat Renewables plc. Eva is also currently a non-executive director and chair of audit committee at Tele2 AB but will be standing down from this role at Tele2 AB's AGM in May 2025. Eva is a member of the Royal Swedish Academy of Engineering Sciences. Eva will succeed Caroline Thomson as the independent Non-Executive Director with responsibility for employee engagement and Richard Tyson as Senior Independent Director at the conclusion of the 2025 AGM.

Leadership, purpose, values and culture

Videndum's purpose is to support our customers by designing and providing premium branded hardware products and software solutions to the content creation market. Our values and culture underpin the sustainable delivery of this purpose.

1. Purpose

Why we do what we do

Our purpose is to enable our customers to capture and share exceptional content by being the leading provider of premium hardware and software solutions to the content creation market.

Our core customers include broadcasters, film studios, production and rental companies, photographers/videographers, independent content creators, vloggers/influencers, professional sound crews and enterprises. Our product portfolio includes camera supports, video transmission systems and monitors, live streaming solutions, smartphone accessories, robotic camera systems, prompters, LED lighting, mobile power, carrying solutions and backgrounds, audio capture and noise reduction equipment.

2. Values

The qualities that define us and what we try to achieve

Videndum provides world-class product performance with a keen eye for being customer focused. We lead in fast-changing markets and have global reach and capability. We always do business the right way, with transparency, integrity and respect and in line with our Code of Conduct.

3. Culture

Who we are as an organisation

Our employees have a real passion for our products. Employees are encouraged to be forward-thinking, collaborative and supportive with an inclusive approach.

Leadership, purpose, values and culture continued

Alignment of culture with purpose, values and strategy

The Board reinforces our culture and values through the way it collectively makes decisions, including decisions made on strategy, operations, governance and conduct. The culture of the Group is monitored and assessed by the Board via:

- Regular meetings with senior management, including attendance at Board and Committee meetings as appropriate.
- Discussing the outcomes of employee surveys and acting on any findings.
- Employee engagement sessions with a member of the Board with insights from these sessions.
- Consideration of feedback from key investors and wider stakeholders when shaping Group-wide policies, procedures and practices.
- Reviewing the Company's whistleblowing service and any cases or investigations from the service.
- Payment to suppliers in accordance with contractual terms.
- Training records for Board members.
- Internal and external auditor's reviews and findings.
- Regular risk and compliance reports from the Head of Group Risk Assurance.
- Assessing cultural indicators such as:
  - Management's attitude to risk and the Group's overall risk appetite;
  - Compliance with the Group's policies including communication and training on our Code of Conduct; and
  - Key Performance Indicators including health and safety performance.

Further information on how the Board factors stakeholders into its decisions can be found on page 56.

2024 saw a period of significant change for the Group and its Board. This will continue into 2025 and the Group's culture and governance framework will be aligned with its new structure.

Videndum refreshed and recommunicated its Code of Conduct to all employees in early 2024. This was supported with online training and testing to embed the Code of Conduct and the right behaviours with all our employees. The Code of Conduct sets out expectations on behaviours in all aspects of how employees conduct themselves. As well as employees, this is also available to all stakeholders including customers and suppliers. The Code of Conduct is published in all languages commonly spoken in the Group and is available on our website.

More information on Videndum's culture can be found at:

Videndum's governance framework and governance practices on pages 51 to 53

Videndum's approach to people, leadership and succession in the Nominations Committee report on pages 59 to 63

Videndum's risk and internal controls in the Audit Committee report on pages 64 to 68

The focus on health and safety, the environment and sustainability across the Group in the Responsible business report on pages 26 to 45

Videndum's approach to executive remuneration in the Remuneration report on pages 69 to 96

The role of the Board

Our Board, outlined on pages 48 and 49, is made up of individuals who bring a diverse range of skills, perspectives and industry knowledge to our boardroom. In accordance with the Code, the role of the Board is to work to ensure the long-term sustainable success of the Company as well as undertake actions to generate value for shareholders. With the change that the business is going through, the Board's skillset is continually being reviewed to ensure it has the right balance of experience that Videndum needs in the areas of finance, technology, strategy and operations, people management and global commerce.

Changes to the Board during 2024 included the following:

Stephen Harris succeeded Ian McHoul as Chairman of the Company on 1 May 2024.

Ian McHoul, Erika Schraner and Teté Soto did not stand for re-election at the Company's AGM on 19 June 2024 and ceased to be directors of the Company at the end of that meeting.

Polly Williams joined the Board as an independent Non-Executive Director and Chair of the Audit Committee with effect from 1 July 2024 and became a member of the Remuneration and Nominations Committees.

On 25 October 2024, Stephen Bird and Andrea Rigamonti ceased to be Directors and in their roles as Group Chief Executive and Group Chief Financial Officer respectively. Stephen Harris with effect from the same date became Executive Chairman. The Board has commenced a detailed search for a new permanent Group Chief Executive for the business.

Eva Lindqvist joined the Board as an independent Non-Executive Director on 1 April 2025. She will become Senior Independent Director at the conclusion of the 2025 AGM.

All Directors of the Company aside from Caroline Thomson, in accordance with the Company's Articles of Association, will stand for reappointment as Directors at the Company's AGM to be held on 16 June 2025 and further details can be found in the AGM Notice.

Caroline Thomson will cease to be a Director at the conclusion of the 2025 AGM. She will be succeeded as Chair of the Remuneration Committee by Anna Vikström Persson and as the independent Non-Executive Director in charge of employee engagement by Eva Lindqvist. At the conclusion of the 2025 AGM, Richard Tyson will cease to be the Senior Independent Director and will remain on the Board as an independent Non-Executive Director. Eva Lindqvist will succeed Richard as Senior Independent Director.

Until 25 October 2024, the roles of Chairman and Chief Executive were exercised by Stephen Harris and Stephen Bird respectively. However, with effect from that date, Stephen Harris was appointed to the position of Executive Chairman with Sean Glithero joining as Interim Chief Financial Officer. A search for a permanent Group Chief Executive has commenced. While the 2018 Code has a provision that the roles of Chairman and Chief Executive should not be exercised by the same individual, this change was necessitated by the challenging markets the Company is experiencing, with recovery in those markets slower than expected. Stephen Harris has significant experience, most recently leading FTSE 250 Bodycote plc for over 15 years as its Chief Executive. The combination of the roles with Stephen Harris as Executive Chairman is an interim measure to see the Company through this challenging period and while the search for a new Group Chief Executive is carried out. We will report on progress with this search over the coming months to ensure that shareholders remain informed.

Together with the Group Company Secretary, the Executive Chairman ensures that all Directors:

- Receive accurate, timely and clear information.
- Actively participate in the decision-making process at Board meetings.
- Are kept informed of all key business developments across the Group.

Board meeting agendas are agreed in advance of meetings by the Executive Chairman facilitated by the Group Company Secretary to ensure each Board meeting is as effective as possible. Agendas and supporting papers are circulated to all Board members in advance of meetings. All Board members provide constructive input to any strategic decisions proposed by executive management. Apart from the remuneration of Directors there were no instances when a Director had to abstain from voting on a matter due to a conflict of interest during 2024. The Board has a defined policy for dealing with conflicts or potential conflicts of interest as set out in the Company's articles of association. At the start of every Board meeting all Directors are reminded about their duties under Section 172 of the Companies Act 2006 including the need to disclose any conflicts of interest.

The Group Company Secretary maintains a record of any declared conflicts of interest.

Effective resources and controls

The Board has satisfied itself that the Company's purpose is aligned with business practices through a variety of resources, including regular updates from senior management as appropriate. These strategic and operational updates are discussed by the Board in scheduled Board meetings and short notice Board meetings as necessary.

The Board governance arrangements support the development and delivery of strategy by ensuring accountability and responsibility for decisions from within the organisation and also by leveraging the skills, knowledge and experience from all Board members. Further information on the skills and experience of all Board members can be found on pages 48 to 49 and 59. Board members are expected to openly express their views and opinions on the business, the strategy, the operation of the Group or a proposed course of action.

Information on Board performance and effectiveness can be found on page 63.

The role of the Board continued

Board governance

The Board has overall responsibility for governance in the Group, led by the Executive Chairman and supported by the Group Company Secretary.

The Board has delegated certain responsibilities to its Nominations, Audit and Remuneration Committees.

Finance Committee

During 2024, the Board established the Finance Committee, chaired by Graham Oldroyd and with Stephen Harris, Polly Williams and Sean Glithero as its members. The Finance Committee has clear Terms of Reference approved by the Board, including the provision of management, oversight, effective governance and control for:

- The execution of the agreed funding strategy, capital structure and liquidity management for the Group;
- Funding transactions and loans for the Group;
- The ongoing relationship with existing lenders under the Revolving Credit Facility Agreement including covenant tests and waivers thereof;
- The renewal of the Group's Revolving Credit Facility Agreement or other alternative long-term finance arrangements; and
- Other major financial matters for the Group including, but not limited to, tax, treasury, pensions and the Group's insurance programme.

Meetings of the Finance Committee are minuted and reported to the full Board.

Further details of the work, composition, role and responsibilities of the Nominations, Audit and Remuneration Committees are provided in separate reports on pages 59, 64 and 69, respectively. Each of these Committees has Terms of Reference which are reviewed annually by the Committees and the Board during the year. These are available on the Group's website: videndum.com/investors/corporate-governance/governance-framework/. The performance of each Committee is assessed annually as part of the evaluation process, and the results of the internal Board and Committee evaluations carried out in late 2024 are outlined on pages 61 and 63.

The Board has a schedule of matters reserved to it which is reviewed annually and can be viewed on the Group's website: videndum.com/investors/corporate-governance/governance-framework/. The schedule of matters reserved to the Board includes matters such as acquisitions and divestment of businesses, appointments of new Directors and approval of financial results including budgets and capital expenditure as well as any declaration of dividends. Further information on the matters reserved for the Board can be found on page 58. The Board delegates certain of its powers to the Executive Chairman to run the business and operations.

Executive Committee

The Chairman has established the Executive Committee comprising the Executive Chairman, Interim Chief Financial Officer, Chief People Officer, Divisional Chief Executive Officers and the Group Company Secretary. Other members of the senior management team attend by invitation of the Chairman. The Executive Committee meets monthly and provides in depth working knowledge of current performance and operational matters. Minutes of all Board and Committee meetings, including the Executive Committee, are prepared by the Group Company Secretary following each meeting.

The Chairman reports on the work of the Executive Committee to each Board meeting to keep the Board fully informed on operational matters.

Where possible, Board and Committee meetings are held in person. In some instances, short notice Board and Committee meetings can be held via video conference. The Board also holds pre-Board meeting dinners which enable Directors to informally discuss current business matters. The Board appreciates this informal environment, which creates an opportunity for members of the Executive Committee, other senior management or external advisors to attend to give updates on the business.

The Directors make use of electronic Board packs, providing fast and secure access to all Board and Committee papers, alongside any other key and confidential updates to enable the running of the business. The Chairman and the Chairs of each of the Committees set the agendas for all Board and Committee meetings with support from the Group Company Secretary.

The information contained within the Board and Committee packs includes current business performance, detailed budgets, forecasts, strategy papers, corporate development opportunities and operational performance, and annual and half yearly reports. A detailed monthly report is prepared and circulated to all Directors from the Chairman, Interim Chief Financial Officer, Group Company Secretary and Group General Counsel, plus a Health and Safety report. The Board receives further information from time to time as and when necessary.

Videndum's governance structure is as follows:

Videndum plc
The Board of Directors

Chaired by Stephen Harris

Membership:
Chairman and independent Non-Executive Directors

Purpose: Approve all financial results, dividends and financial matters for the Group and tracks progress of the business against the strategy and budgets

Engagement with the Group's key stakeholders

Approval of the financing for the Group

Oversight of the Group's operations

Nominations Committee

Chaired by
Stephen Harris

Membership:
Chairman and the independent Non-Executive Directors

Purpose:
Reviews the composition of the Board

Succession planning of the Board

Oversees the leadership skills requirements and succession planning of key senior management for the Group

Read more on page 59

Audit Committee

Chaired by
Polly Williams

Membership:
The independent Non-Executive Directors

Purpose:
Responsible for the integrity of narrative reporting, financial statements and financial controls

Oversees risk management and control systems including internal audit progress and effectiveness

Reviews external auditor's effectiveness

Read more on page 64

Remuneration Committee

Chaired by
Caroline Thomson

Membership:
The independent Non-Executive Directors

Purpose:
Reviews the framework and policy on Executive Director and senior management remuneration and benefits to ensure alignment with strategy and performance

Reviews and benchmarks incentive arrangements and ensures they fit with the Group's strategy and culture

Ensures Executive Director remuneration takes into account remuneration across the wider employee base

Read more on page 69

Terms of reference for each of the Nominations, Audit and Remuneration Committee are available on our website – videndum.com/investors/corporate-governance

Executive Committee

The Executive Committee, established in November 2024, is led by the Chairman and comprises the Chief Financial Officer, Divisional CEOs, Group Company Secretary and Chief People Officer. Other members of management attend from time to time. The Executive Committee's purpose is to oversee the management of the business and the implementation of the Group's strategy.

Finance Committee

The Board established the Finance Committee in November 2024, comprising Graham Oldroyd (Chair), Stephen Harris, Polly Williams and Sean Glithero. The Finance Committee's purpose is to oversee the Group's funding strategy , capital structure and liquidity management.

ESG Committee

Videndum's ESG initiatives are overseen by the Board with several ESG teams in the businesses coordinating activities through an ESG Committee.

Group Company Secretary

All Directors have access to the advice and services of the Group Company Secretary and any Director may initiate an agreed procedure to seek independent professional advice sought at the Company's expense. Clearance to such advice being sought must be given in advance by the Chairman. The Group Company Secretary's role is to support the Chairman, the Board, its Committees and individual Directors in discharging their duties effectively including governance matters. In accordance with the UK Corporate Governance Code, the Group Company Secretary's appointment and removal is a matter to be considered by the whole Board.

Board activity in 2024

During 2024 the Board covered a range of issues at its scheduled and short notice meetings including:

Strategy

Throughout 2024 multiple updates were provided to the Board on Divisional financial and operational performance including restructuring measures.

Operational

During 2024, the Board received regular updates on operational performance from the Divisional CEOs. In October 2024, the Board visited the Company's operations at its Bury St Edmunds site to meet with employees and see operations first-hand. The Board further considered and approved major investment in new products.

Financial reporting and ESG

The Board approved the 2023 financial results, the 2023 Annual Report and Accounts as well as the 2024 AGM Notice, going concern and the viability statement in April 2024. The Board received regular updates on the Group's ESG initiatives and approved standalone ESG and TCFD reports in April 2024. The Board also considered and approved the Company's 2024 half year at its September 2024 meeting.

Restructuring

In response to challenging market conditions, in 2024, the Board considered and approved significant restructuring steps. This included the transfer of manufacturing operations from Bury St Edmunds to Feltre in Italy; the simplification of the organisational structure moving from three divisions to two; and site rationalisation.

Financial

The Board considered and secured several covenant amendments tied to its Revolving Credit Facility in 2024.

Attendance at 2024 Board and Committee meetings

The Board and its Committees have a scheduled programme of meetings and also hold meetings at short notice to meet business demands and to discuss important or pending issues. The table below sets out scheduled and short notice meetings and directors attendance throughout 2024.

	Board		Audit		Remuneration		Nominations	
	Scheduled	Short notice	Scheduled	Short notice	Scheduled	Short notice	Scheduled	Short notice
Number of meetings	**6**	**10**	**4**	**4**	**2**	**3**	**2**	**1**
Directors:								
Stephen Harris	6 (6)	10 (10)	–	–	–	–	2 (2)	1 (1)
Richard Tyson[6]	6 (6)	9 (10)	4 (4)	3 (4)	2 (2)	3 (3)	2 (2)	1 (1)
Polly Williams (appointed 1 July 2024)	3 (3)	5 (5)	2 (2)	1 (1)	1 (1)	2 (2)	1 (1)	1 (1)
Caroline Thomson	6 (6)	10 (10)	4 (4)	4 (4)	2 (2)	3 (3)	2 (2)	1 (1)
Graham Oldroyd	6 (6)	10 (10)	4 (4)	4 (4)	2 (2)	3 (3)	2 (2)	1 (1)
Anna Vikström Persson[7]	6 (6)	10 (10)	4 (4)	4 (4)	2 (2)	2 (3)	2 (2)	1 (1)
Ian McHoul[1] (left 19 June 2024)	3 (3)	5 (5)	–	–	–	–	1 (1)	0 (0)
Erika Schraner[2] (left 19 June 2024)	3 (3)	5 (5)	2 (2)	3 (3)	1 (1)	1 (1)	1 (1)	0 (0)
Teté Soto[3] (left 19 June 2024)	3 (3)	4 (5)	2 (2)	3 (3)	1 (1)	1 (1)	1 (1)	0 (0)
Stephen Bird[4] (left 25 October 2024)	5 (5)	7 (7)	–	–	–	–	1 (1)	0 (0)
Andrea Rigamonti[5] (left 25 October 2024)	5 (5)	7 (7)	–	–	–	–	–	–

The number shown in brackets denotes the number of meetings the Director could have attended during 2024. Where a Director was unable to attend a meeting, their input to the business of the meeting was given in advance of the meeting to the Chairman or Chair of the Committee as appropriate.

1 Ian McHoul did not seek re-election at the Company's 2024 AGM and ceased to be a Director from 19 June 2024.

2 Erika Schraner did not seek re-election at the Company's 2024 AGM and ceased to be a Director from 19 June 2024.

3 Teté Soto did not seek re-election at the Company's 2024 AGM and ceased to be a Director from 19 June 2024. Teté Soto could not attend one short notice meeting in January 2024 due to a prior commitment.

4 Stephen Bird ceased to be a Director on 25 October 2024.

5 Andrea Rigamonti ceased to be Director on 25 October 2024.

6 Richard Tyson could not attend one short notice Board meeting and one short notice Audit Committee meeting in April 2024 due to a prior commitment.

7 Anna Vikström Persson could not attend one short notice Remuneration Committee meeting in December 2024 due to a prior commitment.

Section 172 statement

The Board confirms that during the year ended 31 December 2024, it has acted in good faith to promote the long-term success of the Company for the benefit of its key stakeholders that have been identified on pages 24 to 25 as its shareholders, employees, customers, suppliers and the communities and environments in which we operate all while having due regard to the matters set out under Section 172 (a) to (f) of the Companies Act 2006:

	Relevant Disclosure(s)		**Page(s)**
A	The likely consequence of any decision in the long term	Purpose and values	Page 49 and 50
		Strategic framework/Market opportunity	Page 4 to 7
		Dividends	Page 15
		Our stakeholders	Page 42 to 43
B	The interests of the Company's employees	Our people	Page 27
		Employee engagement	Page 56
		Employee health and wellbeing	Page 27
		Diversity and inclusion	Page 27
C	The need to foster the Company's business relationships with suppliers, customers and others	Customer engagement	Page 24
		Supplier engagement and relationships	Page 24
		Anti-bribery and corruption and modern slavery	Page 28
D	The impact of the Company's operations on the community and the environment	Responsible business	Page 26
		Environment	Page 27
E	The desirability of the Company maintaining a reputation for high standards of business conduct	Values and culture at Videndum	Page 49
		Code of Conduct and whistleblowing service	Page 28
		Workforce policies	Page 28
F	The need to act fairly as between members of the Company	Shareholder engagement	Page 56
		AGM	Page 100
		Rights attached to shares	Page 97

How the Board considers Section 172 matters

Methods used by the Board to perform their duties under the Companies Act 2006 include:

- The Board considers the Group's purpose, values and corporate culture when reviewing the Company's policies, particularly relating to business conduct.
- The Audit Committee has oversight of the Company's risk assurance and management framework, internal controls, and the actions that are in place, or that will be put in place, to mitigate risk (including any emerging risks where appropriate) in the short, medium and long term.
- Detailed Divisional and Group strategy reviews held where senior management present updates to the Board, and the Board discuss mid to long-term strategy for all Divisions, including cross-Divisional synergy possibilities.
- The Board considers ESG matters as it remains cognisant of the need to continue its ESG programme across the Group.
- Members of the Board engage directly with employees and shareholders and receive feedback from the Chairman and Interim Chief Financial Officer on meetings with investors and analysts, as well as regular updates and reports from the Executive Committee and external advisers on engagement with other stakeholders such as customers, suppliers and the wider communities in which Videndum operates.

The Board considers all input and feedback from all stakeholders in its decision-making, what is right for the proper operation of the business and its overall strategy. The Board remains focused on the Group's restructuring into 2025 and ensuring it is well positioned in the future for recovery in its markets.

The Board and our stakeholders

Shareholder engagement

Meeting with shareholders

Videndum has an active and open dialogue with shareholders and their views are regularly sought on key issues such as strategy, governance and financial performance. They have been supportive and are an important source of capital. The Board receives a monthly shareholder analysis report from our corporate broker which records movements in the shareholder register and also notes when investor engagement has occurred and any notable views expressed.

There is an investor relations programme in place to provide all shareholders with regular updates on operational and financial performance, including regular market announcements, presentations, face-to-face meetings with investors, roadshows, the AGM and the upkeep of an investor relations section on the Group website. This programme is led by the Executive Chairman.

Throughout 2024, the Board communicated extensively with investors to ensure they remained informed and supportive of all key business decisions.

Investor meetings and roadshows

During 2024, the Board continued to engage with numerous institutional investors. These were centred around major events such as the 2023 full year results, 2024 half year results and changes in executive management and were attended by the Executive Chairman and Interim Chief Financial Officer.

The Chairman additionally met numerous times with several shareholders during 2024 to hear their views and discuss business progress.

Annual General Meeting ("AGM")

The Company's AGM was held on 19 June 2024. All resolutions at the 2024 AGM were passed with a majority of votes in favour. The detailed outcome of resolutions at the 2024 AGM is available on our website under "Corporate Governance". The 2025 AGM will be held at Hilton Syon Park, Park, Road, Isleworth, TW8 8JF on Monday, 16 June 2025 at 2.00pm. Voting at the AGM is carried out by way of a poll. Shareholders are encouraged to submit their votes by proxy ahead of the AGM to ensure their views are received in advance.

In the event of a 20% or more vote against a resolution at a General Meeting of shareholders, the Board would consider that a material level and would seek to engage with shareholders to understand the nature of concerns raised by the against votes and what actions, if any, should be taken to address such concerns. No such vote against or concerns were raised during 2024.

Annual Report

The Annual Report is available to all shareholders. Through electronic communication initiatives, we aim to make our Annual Report as accessible as possible. Shareholders can opt to receive a hard copy in the post or can download PDF copies via email or from our website. Additionally, if a shareholder holds their shares via a nominee account and encounters difficulty receiving the Annual Report via their nominee provider, they are welcome to contact the Group Company Secretary to request a copy.

Corporate website

The Videndum website, videndum.com, has a dedicated investor section which includes all of our Annual Reports, results presentations, and our financial calendar. The website also outlines our business strategy and model, product portfolio and Company announcements, and has a section covering our ESG activities.

Senior Independent Director

If shareholders have any concerns, which the normal channels of communication to the Group Chief Executive or Chairman have failed to resolve, or for which contact is inappropriate, then our Senior Independent Director, Richard Tyson, is available to address them. He can be contacted via email at info@videndum.com or via the Group Company Secretary. Following the conclusion of the 2025 AGM, Richard Tyson will cease to be the Senior Independent Director and will be succeeded by Eva Lindqvist.

Employee engagement

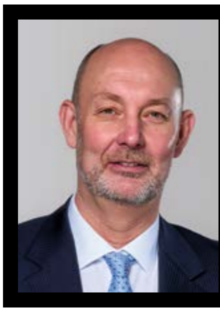
The Board uses a combination of formal and informal methods to engage with employees. This includes all-employee emails from the Executive Chairman updating on important business matters including the financial performance of the business. Face-to-face townhall style meetings are held at our sites including senior Divisional management with employees either joining in person or via video conference. In previous years we have conducted all employee surveys asking a range of questions including on health & safety, culture and values, communications and satisfaction working for Videndum. While we did not conduct a survey in 2024 due to pressures on the business, we will look to carry out employee surveys in the future. The Board in 2024 visited our Bury St Edmunds site, meeting with employees and seeing and hearing first-hand from employees. Upon the appointment of a new Director, a tailored induction programme is organised involving site visits to see operations and to hear from our employees. In line with the 2018 Code, the Board has appointed Caroline Thomson as the designated Non-Executive Director for engagement with the workforce. Caroline has performed this role since 2019, annually holding face-to-face sessions with a selection of employees from our operations around the world. Despite the challenges in 2024, Caroline held an employee engagement session in October 2024 with employees from our Creative Solutions Division based in SmallHD, North Carolina. Feedback from the session, which was centred around benefits, the Company's strategy and markets and future goals, was shared with Divisional senior management and the Board. Caroline will not stand for reappointment at the 2025 AGM and will be succeeded by Eva Lindqvist for the role as the designated Non-Executive Director for employee engagement.

Should employees feel that engagement is not effective and to provide an independent means to communicate concerns, the Company has in place an established whistleblowing process administered by an independent third party. Details on this are set out on page 28.

The Board continues to review the way it engages with employees to ensure it is effective.

Board roles and the division of responsibilities

While the UK Corporate Governance Code contains a provision that the roles of Chairman and Chief Executive should not be exercised by the same individual, the Board determined that given the challenges faced by the Company that change to the leadership of the Company was necessary. With effect from 25 October 2024, Stephen Harris became Executive Chairman as he was best suited to lead the Company whilst a thorough search for a new permanent Chief Executive was undertaken by the Board.



Stephen Harris
Chairman of the Board and Chairman of the Nominations Committee

- Responsible for the effective operation of the Board and ensuring it is well-balanced to deliver the Group's strategic objectives.
- Encourages an ethical culture that promotes transparency, open debate and challenge.
- Ensures that the Board plays a part in the development of strategy and offers constructive challenge.
- Ensures effective engagement between the Board and all stakeholders.
- As Chairman of the Nominations Committee, leads the work of the Committee in connection with Board composition and succession planning.
- Provides executive leadership across the Group.
- Informs the Board of strategic and operational issues facing the Group.

Richard Tyson
Senior Independent Director

- Acts as a "sounding board" for the Chairman in all matters of governance and serves as an intermediary for the other Directors and shareholders, as well as leads the evaluation of the Chairman's performance.
- Acts as the Chairman if the Chairman's position is in any way conflicted.
- Available to shareholders if they have concerns that have not been resolved through normal channels of communication with the Company.
- Richard Tyson will cease to be Senior Independent Director at the conclusion of the 2025 AGM and will be succeeded in that role by Eva Lindqvist.

Caroline Thomson
Non-Executive Director tasked with employee engagement and Chair of the Remuneration Committee

- Attends key employee and business events.
- Monitors the effectiveness of employee engagement programmes and surveys.
- Provides updates to the Board on employee engagement matters and any employee issues.
- As Chair of the Remuneration Committee, guides the work of the Committee in connection with Directors' remuneration.
- Caroline Thomson will not seek re-appointment at the 2025 AGM and will be succeeded in the role as Chair of the Remuneration Committee by Anna Vikström Persson and by Eva Lindqvist for employee engagement.

Polly Williams
Chair of the Audit Committee

- Acts as an independent point of contact in the Group's whistleblowing procedures.
- As Chair of the Audit Committee, leads the work of the Committee in connection with the integrity of narrative reporting, internal controls, oversight of the internal audit function and work of the external auditors.

Independent Non-Executive Directors – Graham Oldroyd, Anna Vikström Persson and Eva Lindqvist.

- Provide constructive challenge and advice to Executive management assisting in development of Group-wide strategy and monitoring financial and operational performance.
- Act with the highest levels of integrity and governance and help to ensure this culture is promoted within the Group.

Board roles and the division of responsibilities continued

Divisional CEOs

- Support the Chairman in developing and executing strategy.
- Lead the Divisional operational and financial performance.
- Manage, motivate and develop employees.
- Develop business plans in collaboration with the Board.
- Oversee daily activities throughout the Group.
- Ensure that the policies and procedures developed and set by the Board are communicated and adopted across the Group.
- Help to foster the Group's culture throughout the organisation.

Sean Glithero
Interim Chief Financial Officer

- Supports the Chairman in developing and implementing strategy.
- Provides financial and risk control leadership to the Group and guides the Group's business and financial strategy.
- Responsible for financial planning and analysis, financial reporting, and tax and treasury as well as IT.
- Oversees the capital structure of the Group.
- Engages with shareholders alongside the Chairman.

Jon Bolton
Group Company Secretary

- Secretary to the Board and its Committees.
- Ensures compliance with Board procedures.
- Provides advice on regulatory and governance matters to the Board and senior management.
- Oversees the Company's governance framework.

Role and independence of Non-Executive Directors

All Non-Executive Directors bring their unique experience and skillset to Videndum's strategy, which in turn strengthens the stewardship of the Company and overall performance of the Group. The Board considers that Anna Vikström Persson, Graham Oldroyd, Polly Williams, Caroline Thomson, Richard Tyson and Eva Lindqvist are independent in accordance with the recommendations of the 2018 UK Corporate Governance Code. Except for Caroline Thomson and Richard Tyson, each of these Non-Executive Directors' tenure on the Board is less than six years and as outlined on page 62. Caroline Thomson has been on the Board since November 2015 and Richard Tyson since April 2018. Whilst Caroline's tenure on the Board now exceeds nine years, the Board considers her to remain independent particularly given the change in executive management in 2024. Caroline's service beyond her ninth anniversary on the Board has been essential in supporting through this period of transition. Caroline will not seek re-election at the 2025 AGM. The Chairman annually leads the process of objectively evaluating the performance of each Director. The 2024 internal Board evaluation as detailed on page 63 covers the performance assessment of each Director. That evaluation determined that each Director was performing to the highest standard and demonstrated the right level of commitment to the role.

Relationship between the Board and Executive Committee

The following diagram illustrates the dynamic between the Board and Executive Committee and the responsibilities they are each tasked with:

Board and the Executive Committee

The Board currently comprises the Chairman and independent Non-Executive Directors who lead the business and safeguard the interests of shareholders and other stakeholders. The Board is currently in the process of a search for a new Group Chief Executive to lead the business in the long-term and will report on this regularly to shareholders. The Board has overall responsibility for setting the Group's strategy, setting risk appetite and setting objectives for the business. It delegates overall delivery of the strategy and the running of the business to the Executive Chairman who is supported by the Executive Committee.

The Executive Committee, led by the Chairman, is responsible for running the business. The Executive Committee meets on a monthly basis and individual members of the Executive Committee attend Board meetings on a regular basis to provide updates on their businesses. The Board currently delegates all operational matters to the Chairman except for those matters reserved to the Board. The Chairman in turn uses the Executive Committee to help deliver on operational matters. The Executive Committee comprises the Chairman, Divisional CEOs, Interim Chief Financial Officer, Chief People Officer and Group Company Secretary. Other individuals attend by invitation of the Chairman.

Matters reserved for the Board

The Board has a schedule of matters reserved for its approval which includes:

- Setting the Group's strategy, objectives, and review and approval of annual budgets.
- Reviewing of progress against strategy and budgets.
- Approval of financial results.
- Changes in Board composition including any key roles on advice from the Nominations Committee.
- Consideration of mergers, acquisitions and disposals.
- Approval of material litigation.
- On advice of the Audit Committee, the operation and maintenance of the Group's risk appetite and profile.
- Setting the Group's purpose, values and culture.
- Oversee restructuring initiatives for the Group.

Executive Committee activities during 2024

- Collectively responsible for the daily operation of the Group's Divisions.
- Developed the Group's strategy and budget for approval by the Board.
- Reviewed the financial positions of all key areas of the business.
- Monitored operational and financial results against plans and budgets.
- Reviewed regulatory and legal developments.
- Reviewed and approved capital expenditure within the delegated authority's framework.
- Oversaw the Group's HR policies and practices.
- Monitored and measured the effectiveness of risk management and various control procedures.
- Oversight of the Group's health and safety performance.

Composition, succession and evaluation

Overview

The Nominations Committee is responsible for monitoring Videndum's Board, its Committees and senior management to ensure that they have the appropriate breadth and balance of skills, knowledge and experience to lead the Group effectively, both now and in the future.

Nominations Committee

The Nominations Committee comprises the following members:

Stephen Harris (Chairman)

Caroline Thomson, Richard Tyson, Anna Vikström Persson, Graham Oldroyd, Polly Williams and Eva Lindqvist (appointed 1 April 2025).

Role of the Nominations Committee
Ensure the right balance and composition of the Board, which includes size of the Board, skills, knowledge, experience and diversity, ensuring that it remains relevant and appropriate and making any recommendations to the Board regarding any changes.
Lead the process with respect to appointments to the Board, including the role of the Chairman.
Succession planning for the Board, including Committee Chairs, and senior management including recruitment, talent development and identification of potential candidates internally or externally and making such recommendations to the Board.

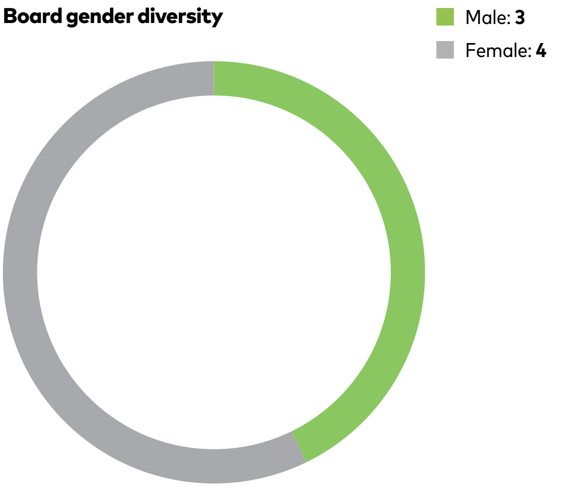
The Videndum Board comprises individuals that collectively have a range of skills and experience including the following:

- International commercial experience
- Technology and e-commerce
- B2B and B2C markets
- Broadcast and photographic experience
- Marketing/digital marketing
- Finance and accounting
- Manufacturing
- Listed company best practice
- Corporate development and private equity
- People and culture
- ESG

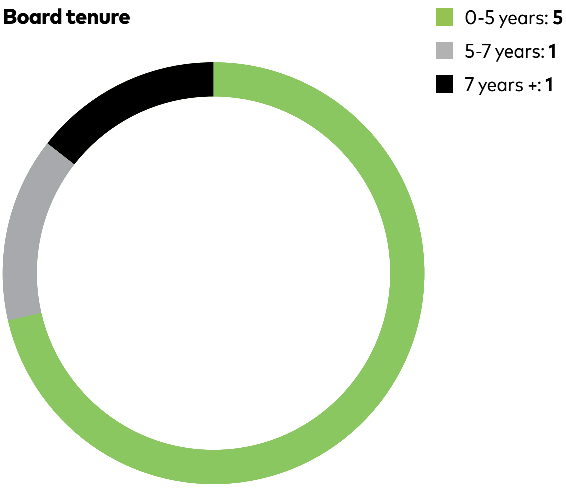
Each Director brings separate skills and experience to the Board, having served in companies of varying size, complexity and market sector. When combined, these skills give the Board a rounded and comprehensive set of skills and experience. The Nominations Committee continues to monitor Board structure and succession plans, including internal talent development and succession plans of senior management below Board level.

As at the date of signing of this Report, the Board's composition and tenure is as follows:

Board gender diversity



Board tenure



Nominations Committee Chairman's letter

Stephen Harris

Chairman of the Nominations Committee

Dear Shareholder

The Nominations Committee is responsible for setting and monitoring the Board's balance of skills, experience and knowledge in order to provide the diversity of thinking and perspective required to provide effective leadership. The Nominations Committee operates under terms of reference that are available on our website.

Succession planning and Director appointments

An important area of work for the Nominations Committee under my Chairmanship is succession planning around the Board and senior management across the Company. Significant and important change took place in 2024 as we continue the need to have a management team with the right skills and experience to operate the business. In 2024, the Committee considered Board composition and made recommendations on this to the Board.

As Chairman of the Nominations Committee, I lead the Committee in the process of reviewing the structure, size and composition (including skills, knowledge, experience and diversity) of the Board and in making recommendations to the Board with regard to any changes. This covers succession planning for Directors and senior executives in the Group. Currently, the main priority for the Committee is the search for a new Group Chief Executive. I am leading that process with the support of an external executive search consultant and the Committee will in due course make a recommendation to the Board.

Once the Board has identified the need for a new Director, I as Chairman, engage the support of an external executive search consultant to facilitate the search. A clear brief on the role is drafted with the skills and personal attributes that the Board is looking for and taking into account Board diversity. This is followed up with a search process to identify suitable candidates. Initial candidate interviews are held with myself as Chairman, and the Non-Executive Directors, where appropriate. Following this, a shortlist is created, taking into account the skills of each candidate and perceived cultural fit with the Board and senior management. Following further meetings a preferred candidate would be chosen and each member of the Board would then meet with, or speak to, the preferred candidate individually to ensure that a person with the right skills, diversity and dynamic fit with the Board was appointed. This same process would occur whether the role was Executive or Non-Executive in nature. However, if the search was for the role of Chairman, the search would be conducted by the Senior Independent Director with the support of the Board. Subject to the outcome of each search, a formal recommendation on an appointment is made by the Nominations Committee to the Board for approval.

The Nominations Committee used the services of Russell Reynolds in 2024 and followed the process above for the recruitment of Polly Williams. Polly Williams joined the Board on 1 July 2024 as an independent Non-Executive Director and Chair of the Audit Committee.

Polly Williams has undertaken an induction to the Group, involving site visits and meeting with senior management and advisors.

We announced on 19 March 2025 the appointment of Eva Lindqvist as a new Non-Executive Director who joined the Board on 1 April 2025. Eva's recruitment followed the same process as that outlined above.

The Nominations Committee oversaw the change in Executive management, which saw the departure of Stephen Bird as Group Chief Executive and Andrea Rigamonti as Group Chief Financial Officer, both with effect from 25 October 2024.

Sean Glithero joined Videndum with effect from 28 October 2024 to lead the finance function as the Interim Chief Financial Officer. Sean's selection and appointment was overseen by the Nominations Committee and follows a similar process as outlined earlier.

Diversity and inclusion

The Nominations Committee and the Board consider the issue of diversity for every appointment. The objective is to ensure that the Board appoints the best person for every role and to optimise the collective Board strength. As part of this, the Board has adopted the following policy on diversity and inclusion, which is the same for the Board and all its Committees.

Videndum recognises the importance of a fully diverse and inclusive workforce in the successful delivery of its strategy. The effective use of all the skills and talents of our employees is encouraged and this extends to potential new employees. It is essential that the best person for the job is selected regardless of race, gender, religion, age, sexual orientation, physical ability or nationality. Videndum is fully committed to equal opportunity where talent is recognised. The Board keeps under regular review the issue of diversity including at Board and senior management level and throughout the entire workforce, taking into account, among other things, Lord Davies' review, Women on Boards, the Hampton-Alexander review, FTSE Women Leaders and the Parker and McGregor-Smith reviews on ethnic diversity. We report upon this issue annually in our Annual Report. Our Diversity and Inclusion Policy is available on our website: videndum.com/responsibility/our-people/.

Our Diversity and Inclusion (D&I) Strategy is built on clear, actionable goals to create meaningful change. Our policy is displayed on our website, demonstrating our commitment. Our Code of Conduct reinforces our strategy, prohibiting any form of discrimination.

Under the Listing Rules, there is a requirement to disclose gender and ethnic diversity at Board and executive management level. The following tables set out the gender and ethnic diversity of both the Board and the Executive Committee as at 31 December 2024.

As at 31 December 2024, the roles of Chairman, Senior Independent Director and Chief Financial Officer are occupied by men. While the Listing Rules set an expectation that one of these roles is to be occupied by women, that at least 40% of individuals on the Board of Directors are women and that at least one individual on the Board of Directors is from a minority ethnic background. The Board and Nominations Committee has to plan succession over a period of time and to appoint the best person for the role, irrespective of gender, race or any other characteristic. The Board, as at the signing of this Report, comprises 57% women. This follows the appointment of Polly Williams in July 2024 and Eva Lindqvist on 1 April 2025. One Director – Anna Vikström Persson – identifies as being from a minority ethnic background.

The Chairs of both the Remuneration and Audit Committees are currently occupied by women – Caroline Thomson and Polly Williams, respectively. The Board and Nominations Committee will have this issue in mind when planning succession around roles on the Board going forward. The Board comprises a diverse mix of international backgrounds including UK and Swedish nationals.

The information set out in the tables below was collected by the Group Company Secretary requiring each member of the Board and Executive Committee to complete forms identifying their gender and ethnicity in accordance with the Listing Rules as at 31 December 2024.

Engagement with key stakeholders

During 2024, we engaged with several major shareholders on Board succession matters. We used the feedback received to help shape our succession planning.

Committee performance

The performance of the Nominations Committee was considered through the annual Board evaluation process, which in 2024 was the subject of an internal review. From the responses provided, it was found that the Committee was well-managed and effectively covered Board and senior executive succession plans. In conclusion, it was found that the Nominations Committee was operating effectively.

Stephen Harris
Chairman of the Board and Nominations Committee Chairman

30 April 2025

Reporting table on gender representation

	Number of Board members	% of the Board	Number of senior positions on the Board (Chair, CEO, SID, CFO)	Number in Executive management	% of Executive management
Men	3	50%	3	5	83%
Women	3	50%	0	1	17%

Reporting table on ethnicity representation

	Number of Board members	% of the Board	Number of senior positions on the Board (Chair, CEO, SID, CFO)	Number in Executive management	% of Executive management
White British or other White (inc. minority-white groups)	5	86%	3	6	100%
Mixed/Multiple ethnic groups	0	0%	0	0	0%
Asian/Asian British	1	14%	0	0	0%
Black/African/Caribbean/ Black British	0	0%	0	0	0%
Other ethnic group	0	0%	0	0	0%

Nominations Committee report

Key activities of the Nominations Committee

Appointments

Under the Company's Articles, the Board has the power at any time, and from time to time, to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Board, subject to a maximum number of 15 Directors. Any Director so appointed holds office only until the next AGM and shall then put themselves forward to be reappointed by shareholders. As at the date of the signing of this Report, the current Board comprises an Executive Chairman and six independent Non-Executive Directors. Details of their appointments are set out below:

Chairman or Non-Executive Director	Appointment date	First renewal of term	Second renewal of term	Subsequent renewal of term
Stephen Harris (Chairman)	9 November 2023	9 November 2026	9 November 2029	Annually from 9 November 2030 onwards
Caroline Thomson (will not seek reappointment at the 2025 AGM)	1 November 2015	1 November 2018	1 November 2021	Annually from 1 November 2022 onwards
Richard Tyson	2 April 2018	2 April 2021	2 April 2024	Annually from 2 April 2025 onwards
Anna Vikström Persson	1 May 2023	1 May 2026	1 May 2029	Annually from 1 May 2030 onwards
Graham Oldroyd	12 October 2023	12 October 2026	12 October 2029	Annually from 12 October 2030 onwards
Polly Williams	1 July 2024	1 July 2027	1 July 2030	Annually from 1 July 2031 onwards
Eva Lindqvist	1 April 2025	1 April 2028	1 April 2031	Annually from 1 April 2032 onwards

The Chairman and the other Non-Executive Directors are appointed for an initial period of three years which, with the approval of the Nominations Committee and the Board, would normally be extended for a further three years. If it is in the interests of the Company to do so, appointments of the Chairman and Non-Executive Directors may be extended beyond six years, with the approval of the Nominations Committee, the Board and the individual Director concerned, subject to annual reappointment by shareholders.

Under the Company's Articles, each Director is required to stand for annual reappointment at every AGM. The annual renewal of terms for a Non-Executive Director will take into account ongoing performance, continuing independence and the needs and balance of the Board as a whole. The explanatory notes in the AGM Notice state the reasons why the Board believes that the Directors proposed for re-election should be reappointed.

Caroline Thomson will not be seeking reappointment at the Company's 2025 AGM and will cease to be a Director at the conclusion of the 2025 AGM.

Director induction

Upon appointment, each Director is provided with a tailored induction to the Group. This includes meeting with senior Head Office and Divisional management, meeting the Company's main external advisors as well as the external auditors, and visits to operational facilities in the Group. The Group Company Secretary coordinates this induction process.

Board training

Ongoing training for new and existing Directors is available on request. Directors receive details of relevant training and development courses from both the Group Company Secretary and from the Company's advisors. Any requests for training are discussed at Board or Committee meetings and we ensure that each Director has the required skills and knowledge to enable them to operate efficiently on the Board. The Group Company Secretary maintains a register of training undertaken by Directors to facilitate this discussion. During 2024, the Board collectively received training sessions on product technology, cyber security, investor relations, ESG matters and the broadcast and photographic markets as well as accounting and legal updates from the Company's external auditors and legal advisor. The Board also receives regular written updates on governance, regulatory and financial matters as they are published.

Time commitments

All Directors demonstrated strong time commitment to their roles on our Board and Committees and their attendance at meetings is set out on page 54 of this report. Due to the pressures on the business in 2024, there were a number of short notice Board and Committee meetings and all Directors accommodated these meetings where possible.

The Directors have also given careful consideration to their external time commitments to confirm they are able to devote an appropriate amount of time to their roles on our Board and Committees. The Nominations Committee reviews on an ongoing basis Directors' time commitments and confirms that they are fully satisfied with the amount of time each Director devoted to the business.

Board and Committee evaluation 2024

In 2024, an internal Board evaluation was conducted and consisted of the following:

- Evaluation of the performance of the Board;
- Evaluation of the performance of the Audit, Remuneration and Nominations Committees; and
- Evaluation of the Chairman.

The evaluation was carried out by way of Directors completing a series of questionnaires coordinated by the Chairman and Group Company Secretary and the following points came out of the evaluation:

Performance and strategy:

- Challenges in 2024 put the Board and business under increased stress which continued to impact performance and progress.
- Further work around strategy, particularly emerging market dynamics (including artificial intelligence ("AI")) is needed.
- The Board felt that strong action was to be taken to restructure the business with a more resilient and lower cost base, sustainable against lower revenues.

Governance:

- Governance is satisfactory, but further work is needed around risk management particularly at macro market levels and risk around cyber security.
- The Board remained informed about the views of employees notably through the Non-Executive Director responsible for employee engagement.

Priorities for 2025:

- Restructure the business with a more resilient and lower cost base.
- Undertaking a detailed review of Group strategy in light of market dynamics and shaping the business accordingly.
- The recruitment of new executive leadership.
- Deliver a stable and strong management team and business environment.
- Develop a stronger controls framework.

The last externally facilitated evaluation was in 2021 and the Chairman will consider the next opportune time to carry out a future externally facilitated evaluation.

Audit, risk and internal control

Overview

The Audit Committee plays a pivotal role in the Group's governance framework, providing sound independent oversight of the Group's financial reporting mechanisms, system of internal controls to safeguard shareholders' investments and the Company's assets and employees. Furthermore, it manages the relationship with the external auditors to assess their effectiveness and to annually assess their independence and objectivity.

Audit Committee

The Audit Committee comprises solely independent Non-Executive Directors of the Company namely:

Polly Williams (Chair). Polly was appointed as Chair of the Audit Committee upon her joining the Company on 1 July 2024.

Richard Tyson, Caroline Thomson, Anna Vikström Persson, Graham Oldroyd and Eva Lindqvist.

Other members of the Board, Interim Chief Financial Officer, Executive Committee and other senior management including the Head of Group Risk Assurance, the Group Head of Tax, the Group Head of IT and Cyber Security, and the Company's external auditors, PwC, attend meetings of the Audit Committee by invitation only.

Role of the Audit Committee

Financial reporting

- Ensures the financial integrity of the Group through the regular review of its financial processes and performance.
- Reviews and approves the financial statements in the Annual Report and Accounts, and that the Annual Report, taken as a whole, is fair, balanced and understandable and complies with all applicable UK legislation and regulation as necessary.
- Advises the Board on the Group's viability and going concern status.
- Reviews the appropriateness of accounting policies and practices.
- Ensures that the Group has appropriate risk management and internal controls, through the oversight of the internal audit function.
- Oversees the preparation of TCFD disclosures.

External audit

- Manages the relationship with the external auditors, reviewing the scope and terms of its engagement and monitors its performance through regular effectiveness reviews.
- Reviews and monitors the objectivity and independence of the external auditor, including provision of non-audit services.

Role of the Audit Committee

Financial risks

- Oversees and reviews controls relating to financial risks and risks relating to finance IT systems including cyber security.
- Reviews the operational effectiveness of key controls in place to manage financial risks.

Governance and best practice

- Keeps up to date with developments regarding control environment through updates from the external auditors.
- Keeps in touch with shareholders' sentiments through updates and advice from the Company's brokers.
- Ensures that an appropriate whistleblowing service is in place for employees and third parties.
- Oversees third-party reputational risks and anti-bribery procedures.

Audit Committee Chair letter

Polly Williams
Audit Committee Chair

Dear Shareholder

I am pleased to present our report for the year ended 31 December 2024 and my first as Chair of the Audit Committee. I would like to thank my predecessor, Erika Schraner, for her leadership of the Audit Committee through some challenging times for the business.

Unfortunately those challenges have continued and the Audit Committee has been very active in a number of areas over the last 12 months. Clearly the Audit Committee maintains a critical role in ensuring the integrity and transparency of the Group's financial reporting, as well as overseeing the effectiveness of the Group's internal control and risk management systems. This year has also seen the change of external auditors as well as a change in the Interim Chief Financial Officer with the appointment of Sean Glithero.

This report will provide shareholders with the following information:

- The Audit Committee's principal responsibilities and its governance;
- Key activities of the Audit Committee, including regular or annual review items and current areas of focus;
- The change in external auditors, their induction and the level of fees proposed, including any non-audit work;
- Review of the significant estimates and judgements;
- Review of the internal audit process; and
- Review of the risk management framework and compliance therewith.

The Audit Committee has completed a thorough review of all the key accounting judgements and estimates and has supported the amendments proposed by the Interim Chief Financial Officer and the finance team to those key assessments, including reviewing the key assumptions underlying the base case and the severe but plausible downside case. These are set out clearly on page 68. This has been a challenging process and required significant input from the Committee as well as input from the external auditors. However, the Committee and Board have also concluded that a material uncertainty remains in relation to Going Concern and that is discussed further in the body of the report.

The Audit Committee maintained strong oversight of the Group's internal controls and risk management framework throughout the year ensuring that these critical processes operated effectively and provided a sound basis for financial reporting. However, whilst these controls may have been sufficient in prior years, the current financial position has required additional granularity of information and the creation of additional financial reporting and metrics. When testing of the internal controls had identified remedial action, the Audit Committee has monitored the completion of those actions. The Audit Committee also considered, on a regular basis, the potential for fraud in revenue recognition, scope for management override of controls and compliance with legislation and regulations.

The Audit Committee has also reviewed the disclosure within the Annual Report and recommended to the Board that Annual Report represents a true and fair view, is compliant with applicable accounting standards and legislation and, taken as a whole is fair, balanced and understandable.

Deloitte LLP ceased to act as external auditors of the Group at the conclusion of the 2024 AGM on 19 June 2024. As previously reported, the Audit Committee, on behalf of the Board, conducted a formal audit tender process, which included gathering information, and receiving presentations and technical demonstrations of audit techniques and processes from various audit firms during 2023. The Audit Committee and the Board unanimously agreed that PricewaterhouseCoopers LLP (PwC) should become the successor external audit firm and they were duly appointed by shareholders at the 2024 AGM. Jennifer Dickie is the lead PwC engagement partner. PwC were able to observe the 2023 year end process and the Committee have worked with PwC to ensure a smooth transition through reporting on the half year results for 2024 and now the 2024 Annual Report.

Any cases of whistleblowing in the Group are notified to me, as well as the Chairman and Group Company Secretary unless they are mentioned. All cases are investigated thoroughly internally or with the support of independent third party service providers as necessary. Outcomes are reported to me and remedial actions taken as appropriate. The Board is kept abreast of any whistleblowing reports and outcomes of any investigations while recognising the confidential nature of the process and the need to protect the individual's right to anonymity. There were six whistleblowing reports during 2024.

The performance of the Audit Committee was considered through the annual Board evaluation process, which in 2024 was the subject of an internal review. From the responses provided, I am pleased to report that the Audit Committee was found to be operating effectively with rigorous challenge from the Audit Committee members. Significant time had been given to debate on risk assurance throughout the Group, including controls, cyber security and required improvements.

I would welcome questions from shareholders on the Committee's activities and if shareholders wish to discuss any aspect of this report, they can do so via the Group Company Secretary. I will be present at the Company's 2025 AGM and will be happy to answer any questions from our shareholders at that meeting or informally at any other time.

Polly Williams FCA
Audit Committee Chair
30 April 2025

Audit Committee report

How the Committee operates

The Audit Committee is composed solely of independent Non-Executive Directors who collectively have a wide range of skills and experience including finance and accounting, leadership, and technology. The Board is satisfied that Polly Williams has appropriate recent and relevant financial experience.

The schedule of Audit Committee meetings is built around the key dates in the financial reporting and audit cycle. During 2024, the Audit Committee met on four scheduled occasions, in February, June, August and December. There were four additional short notice Audit Committee meetings also held during the year to consider and recommend to the Board for approval the delayed 2023 full-year financial results, engagement of PwC, the review and recommendation to the Board for the approval of the half-year financial statements following a delay from the scheduled August 2024 meeting and audit planning ahead of the 2024 year-end.

The Chair reviews the agenda for every meeting with relevant executives and advisors, together with the annual programme to ensure that all aspects of the Terms of Reference are covered within an appropriate timeframe. Papers are circulated in advance of the Audit Committee meeting and regular attendees included the Chairman, Interim Chief Financial Officer, Group Financial Controller, Heads of IT, Risk and Tax and the Group and Deputy Company Secretary.

The Audit Committee meets privately with the external auditors at least annually.

Meetings of the Audit Committee are held in advance of the main Board meetings to allow the Committee Chair to provide a report on the key matters discussed to the Board, and for the Board to consider any recommendations made. All of this, along with ongoing challenge, debate and engagement, allows the Audit Committee to discharge its responsibilities effectively.

Risk management and control

The Audit Committee formally reviews the effectiveness of the Group's internal controls twice a year including controls over prevention and detection of fraud. The review encompasses both the design and evidence of operating effectiveness of those controls.

The Audit Committee and subsequently the Board, have completed a robust assessment of the Company's emerging and principal risks and has adopted a risk-based approach to establishing the system of internal controls. The application and process followed by the Board in reviewing the effectiveness of the system of internal controls during the year were as follows:

- Each Division is charged with the ongoing responsibility for identifying the existing and emerging risks it faces and for putting in place procedures to monitor and manage those risks. This includes climate change risks identified at a site level.
- The responsibilities of senior management in each Division to manage existing and emerging risks within their businesses are periodically reinforced by the Executive Committee.
- Major strategic, operational, financial, regulatory, compliance and reputational risks are assessed during the annual long-term business planning process around mid-year. These plans and the attendant risks to the Group are reviewed and considered by the Board.
- Large financial capital projects, property leases, product development projects, significant restructuring and all acquisitions and disposals require advance Board approval.
- The process by which the Board reviews the effectiveness of internal controls has been agreed by the Board and is documented in line with FRC guidance. This involves regular reviews by the Board via recommendations presented by the Audit Committee of the major business risks of the Group, including emerging risks, together with the controls in place to mitigate those risks. In addition, each Division conducts a self-assessment of its internal controls. Every year, the results of these assessments are reviewed by the Head of Group Risk Assurance who provides a report on the status of internal controls and internal controls self-assessment to the Interim Chief Financial Officer and the Chair of the Audit Committee. The Board is made aware of any significant matters arising from the self-assessments. The risk and control identification and certification process is monitored and periodically reviewed by Group financial management.
- A register of risks facing the Group, as well as each individual business, and an evaluation of the impact and likelihood of those risks is maintained and updated regularly by the Head of Group Risk Assurance. The Group's principal risks and uncertainties and mitigation for them are set out on pages 18 to 23 of this Annual Report.
- At the end of 2023 the Group implemented an IT software solution to track specific risks and mitigating controls/actions. This is used to enable a continuous review of risks throughout the year.

The Board has established a control framework within which the Group operates. This contains the following key elements:

- Strategic planning process, including horizon scanning, identifying key actions, initiatives and risks, including emerging risks and opportunities, to deliver the Group's long-term strategy. This involves a comprehensive review of macroeconomic , social and political trends. The Group has identified artificial intelligence as an emerging risk and opportunity, which may also affect demand for specific products within the Group. This risk is being monitored proactively. The threat of geopolitical instability was also identified as an emerging risk, in particular the issue of tariffs which is fast moving and recent and affects several risk areas. There is a risk that a prolonged trade war increases the risk of recession. The Group is carefully monitoring developments in this area, and has identified and already started to implement some mitigating strategies, in order to proactively respond to this emerging issue.
- Organisational structure with clearly defined lines of responsibility, delegation of authority and reporting requirements.
- Defined expenditure authorisation levels.
- Operational review process covering all aspects of each business conducted by the Executive Committee on a regular basis throughout the year.
- Comprehensive system of financial reporting including weekly flash reports, monthly reporting, quarterly forecasting and an annual budget process. The Board approves the Group budget, forecasts and strategic plans. Monthly actual results are reported against prior year, budget and latest forecasts, and are circulated to the Board. These forecasts are revised where necessary but formally once every quarter. Significant changes and adverse variances are reviewed by the Chairman and Executive Committee and remedial action is taken where appropriate. Group tax and treasury functions are coordinated centrally. There is regular cash and treasury reporting to Group financial management and monthly reporting to the Board on the Group's tax and treasury position.
- The Group has continued to place significant emphasis on the Company's liquidity position and cash flow forecasting processes. The Audit Committee acknowledges the importance of robust cash flow monitoring to maintain sufficient liquidity to meet its operational and future covenant obligations. In January 2025, management commenced a weekly process of preparing a rolling 13-week cash flow forecast to provide management with enhanced visibility. The Audit Committee challenged management over the preparation, review, and approval of cash flow forecasts. These forecasting mechanisms support prudent liquidity management and enhance financial resilience. This system has been in place for the year under review and to the date of approval of the Annual Report.

The Audit Committee is satisfied that an adequate framework is in place to manage risks and internal controls, however some further improvements will be made in 2025 as the Group responds to the 2024 UK Corporate Governance Code, and further strengthens its risk management processes.

The Board carries out a periodic assessment of the Group's risk appetite, which includes the identification of the risk thresholds against each organisational objective. Key elements of the risk appetite (for example, our commitment to innovation, compliance and sustainability practices) are summarised in the overview section of the Principal risks and uncertainties.

Accounting policy review

The Group Finance team oversees the application of the accounting policy. To strengthen the process, the controls around financial reporting were enhanced in that a formal Group dispensation is required to be obtained by business units, at interim and year-end, for any deviations from the accounting policy. This includes, inter alia, instances where the standard methodology for calculating provisions is not adhered to for any reason.

The Group accounting policy is regularly reviewed and some changes were made at the end of 2024 to improve consistency between the divisions. Significant amendments have been made to the accounting estimates and judgements including the carrying value of goodwill and other intangible assets as set out in the table below. The Audit Committee has reviewed these in detail and the relevant disclosures including the use and prominence of alternative performance measures.

The Group Financial Controller performs a review of revenue recognition and revenue-cut off across the Group at interim and year-end. This further enhances the controls relating to financial reporting.

Internal audit

Internal audit is independent of management and has a reporting line to the Chair of the Audit Committee, providing independent and objective assurance and advice on the adequacy and effectiveness of governance and risk management. An internal audit plan for 2024 was prepared and agreed with the Audit Committee at its March 2024 meeting and progress against the internal audit plan was tracked throughout the year.

The Head of Group Risk Assurance conducted several internal audits and additional assurance reviews during 2024, the details of which were presented to the Audit Committee. The internal audits included reviews of the appropriateness and effectiveness of controls within the Group including, but not limited to purchasing and payments, sales and cash collection, inventory management, accounting and reporting, human resources, and IT systems and processes. Internal audit findings, including control improvement observations, and the status thereof, are reported to the Audit Committee.

The internal audit plan is based on a review of the Group's key risks which are considered high risk or have not been subject to a recent audit. During the internal and external audits, a number of control findings were identified.

The Audit Committee reviews the output of the internal audit function to assess the quality of deliverables and breadth of assurance provided. In early 2024, resource in the internal audit function was expanded by one headcount and through the use of an internal audit co-source provision.

External audit

As noted previously, after a thorough tender process, PwC were appointed external auditors at the 2024 AGM.

Audit independence and fees

The Audit Committee reviews reports on the audit firm's own internal quality control procedures together with the policies and processes for maintaining independence and monitoring compliance with relevant requirements. PwC have confirmed its independence as external auditors of the Company in a letter addressed to the Directors.

The fees payable for 2024 and previous years are as follows:

	2024	2023	2022	2021	2020
Fees payable to external auditors for the audit of the Company's financial statements	£1.2m	£1.4m	£0.9m	£0.5m	£0.2m
Fees payable to external auditors for audit of subsidiaries	£1.2m	£1.0m	£0.8m	£0.8m	£0.5m
Fees related to corporate finance transactions	£nil	£0.9m	£nil	£nil	£nil
Fees related to non-audit services	£0.3m	£0.5m	£0.1m	£0.1m	£0.1m
Total fees payable to external auditors	£2.7m	£3.8m	£1.8m	£1.4m	£0.8m

The primary drivers for the incremental audit work resulted from enhanced work around going concern and the associated disclosure, extended work on adjusted items, enhanced procedures around revenue following its elevation to a key audit matter, and a lower materiality and threshold being applied by Deloitte to perform their testing. Additionally, non-audit fees were paid to Deloitte for their role as the Reporting Accountant in 2023.

Non-audit services

As required by the Code, the Audit Committee has a formal policy governing the engagement of our external auditors, PwC, to supply non-audit services and to assess the threats of self-review, self-interest, advocacy, familiarity and management. Written permission must be obtained from the Chair of the Audit Committee and Interim Chief Financial Officer before the external auditors are engaged for any non-audit work. There is a cap on permissible non-audit services of a maximum of 70% of the average of the fees paid in the last three consecutive financial years for the external audit services. The policy ensures that any non-audit work provided by PwC does not impair their independence or objectivity and is divided into two parts:

During 2024, the non-audit services policy was followed with no exceptions. During 2024, £0.3 million (2023: £0.5 million) was paid to PwC and Deloitte (2023) respectively in relation to the non-audit work compared to an audit fee of £2.4 million (2023: £2.4 million). This non-audit work mainly comprised the review of the half yearly financial statements and additional assurance-related services.

External auditor's effectiveness

The effectiveness of the external auditors and the audit process is assessed by the Audit Committee, which meets the audit partner and senior audit managers regularly through the year. Annually, the Audit Committee assesses the qualifications, expertise, resources and independence of the Group's external auditors, as well as the effectiveness of the audit process through discussion with the Executives. The Chair of the Audit Committee also meets with the PwC engagement partner.

The Audit Committee is satisfied that the external audit process for 2024 was effective in meeting governance requirements and fully addressing audit risk areas.

2024 Annual Report and Accounts – fair, balanced and understandable

The Audit Committee provides assurance to the Board that the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position, financial performance, business model and strategy. The Audit Committee concentrated its review of the full year results on

Audit Committee report continued

the financial statements only and the process which underpinned the drafting of the Going Concern and Viability statement. The Board understands the Audit Committee's review process and reviews the Annual Report to ensure that it is fair, balanced and understandable. The contents of the financial statements and the Going Concern and Viability statements were reviewed by the Audit Committee at the 23 April 2025 meeting. The Board as a whole is responsible for preparing the Annual Report and Accounts. The Audit Committee reported to the Board that, based on its review of the evidence, it was satisfied that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

Significant accounting issues

Significant accounting issues and judgements are identified by the finance team, or through the external audit process and are reviewed by the Audit Committee. The significant issues considered by the Audit Committee in respect of the year ended 31 December 2024 are set out below:

Significant accounting issue	How it was addressed
Going concern	The Audit Committee considered whether it was appropriate to prepare the financial statements on a going concern basis. Management prepared a number of severe but plausible downside scenarios. Management presented and discussed the forecasts with the Audit Committee and noted that there is a possibility under certain scenarios whereby the Group's covenants are breached. The material uncertainty relates to the fact that, as a result of the financial projections, under the severe but plausible scenario, multiple breaches of the Group's covenants are forecast within 12 months from the approval of these financial statements. Furthermore, without additional sources of funding or new measures to improve the liquidity situation the business would have insufficient liquidity to operate from the first quarter of 2026. If a covenant breach occurred, or additional liquidity beyond the liquidity cap be required, the Group would have the opportunity to renegotiate the terms of the RCF or obtain a covenant waiver. However, as would be the case in any liquidity or covenant amendment request, funding to the Group could be withdrawn and additional liquidity or covenant relief not granted. Should the severe but plausible scenario come to pass, it would jeopardise the ability for the Group to successfully complete its planned refinancing prior to the end of September 2025. This could potentially mean the lenders exercising their right to default the RCF in October 2025 if a satisfactory agreement could not be reached to deleverage the Group. The Board has concluded that these financial projections, and risk of a negative tariff related outcome, do indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as going concern. The financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern. Refer to section 1 on page 116 for further information. The forecast was performed through to 2026. The Board concluded that it is was appropriate to prepare the financial statements on a going concern basis.
Goodwill and acquired intangibles	The Audit Committee critically reviewed management's assessment of goodwill and acquired intangible assets tested for impairment. The challenge was around management's assessment, including the forecast and key drivers such as the discount rate and long-term growth rate. Further information that they have challenged on is disclosed in Note 3.1 Intangible assets on page 136. The external auditors also presented their assessment. During 2024, goodwill was impaired by £46.0 million (2023: £nil). There were no impairments recorded against acquired intangibles (2023: £15.8 million). The Audit Committee concurred with management's assessment.
Capitalisation of development costs	The Audit Committee considered whether the development costs capitalised during the year complied with IAS 38. Management presented a list of the key projects that had been capitalised, along with an assessment of future profitability to support the value on the Balance Sheet. The external auditors also presented their findings. The Audit Committee agreed with management's accounting treatment and related disclosures.
Deferred tax	The Audit Committee critically reviewed management's derecognition of deferred tax assets. During 2024, the Group fully derecognised the deferred tax asset of £62.6 million. Management considered the FRC Thematic review published in September 2022 in relation to IAS 12 and has increased disclosures surrounding the deferred tax asset derecognition. The external auditors also presented their assessment. The Audit Committee concurred with management's assessment.
Working capital valuation	The Audit Committee critically reviewed the carrying value of the Group's working capital. This took into account management's assessment of the appropriate level of provisioning including collectability of receivables and inventory obsolescence throughout the year and with special emphasis on the 2023 year-end process. With regard to inventory, the gross levels held by inventory type, the provisions recorded against obsolescence, and inventory days analysis were also presented to the Audit Committee. In addition, the external auditors presented their findings with regard to the key audit testing over working capital covering all the major locations. The Audit Committee concurred with management's assessment of the Group's working capital position. Refer to section 3.3 on page 141 for further disclosure and quantification around working capital.
Provisions and liabilities	The Audit Committee considered the judgemental issues relating to the level of provisions and other liabilities. The more significant items include restructuring, tax-related, and grant repayment provisions, and taxation. For each area management presented to the Audit Committee the key underlying assumptions and key judgements and, where relevant, the range of possible outcomes. The external auditors also presented on each of these areas and their assessment of these judgements. The Audit Committee has used this information to review the position adopted in terms of the amounts charged and recorded as provisions, acknowledging the level of subjectivity that needs to be applied. The Audit Committee has agreed with the conclusions reached by management and the associated disclosure in the financial statements. The provision has increased from £5.5 million in 2023 to £11.9 million at the end of 2024, which is largely driven by restructuring activities. Refer to section 3.5 on page 146 for further detail.
Adjusting items	The Audit Committee considered the validity of adjusting items that were reported in 2024. Adjusting items are impacted by the 2024 restructuring activities, which includes corresponding impairments of assets. Adjusting items relate to the amortisation of intangibles assets that are acquired in a business combination (£3.5 million), restructuring and other costs (£11.3 million), impairment of assets (£51.3 million), acquisition related charges (£0.2 million). In December 2024, the decision was made to no longer proceed with the disposal of Amimon as no credible offers were received at the time. Instead, the decision was made in 2024 to close the business through 2025 and sell Amimon's zero delay technology intellectual property to the Teradek business, also part of the Creative Solutions Division. Amimon, therefore, no longer meets the definition of a disposal group held for sale as at 31 December 2024, and as a result, is reclassified from held for sale and discontinued operation, to held for continuing operations in 2024. On 9 April 2025 the Group sold its Amimon business, part of the Creative Solutions Division, for a gross cash consideration of $1.0 million (£0.8 million). In addition, Teradek LLC, also part of the Creative Solutions Division, received $2.3 million (£1.8 million) for entering into an agreement to grant Amimon a licence to use certain Licenced Technology. Within the Consolidated Statement of Profit or Loss, the 2024 results of Amimon are included in adjusting items as a continuing operation while the 2023 results were reported in loss from discontinuing operations. See 3.4 "Discontinued operations and non-current assets classified as held for sale". The Audit Committee challenged management around certain adjusting items. Refer to section 2.2 on page 125 for further detail. The external auditors presented their findings with regard to key audit testing over adjusting items. The Audit Committee agreed with management's accounting and disclosures.

Remuneration report

Annual statement

Caroline Thomson

Remuneration Committee Chair

Dear Shareholder

Videndum's Directors' Remuneration report for 2024 comprises three separate sections:

- Section 1 – my annual statement setting out the work of the Remuneration Committee in 2024 and priorities for 2025.
- Section 2 – the Directors' Remuneration Policy ("the Policy"). For reasons explained later in my statement, we will be putting a new Policy to shareholders for approval at the 2025 AGM. The details of the new Policy are set out on pages 72 to 80 and if approved, is intended to apply through to the Company's AGM in 2028.
- Section 3 – the 2024 Annual Report on Remuneration sets out the remuneration paid to Directors in 2024 as well as details of how the Committee intends to implement our Policy for 2025.

2024 proved to be a very challenging year for Videndum, surpassing 2023. End markets remained subdued with little or no recovery following the US writers' and actors' strikes in 2023. This overhang from the strikes was compounded by continuing weak consumer confidence and interest rates remaining high. Despite the £126.4 million equity raise that completed in December 2023, Videndum was unable to grow the business in 2024. It became apparent, as 2024 progressed, that the Group's structure and cost base was not sustainable and this culminated in the Board, in October 2024, determining that a change in executive management was necessary. Stephen Harris became Executive Chairman on 25 October 2024, following the departure of Stephen Bird, and Sean Glithero joined as Interim Chief Financial Officer on 28 October 2024 to lead the Company during this period of change. The Nominations Committee is leading the search for a new permanent Chief Executive.

In light of the search for a new permanent Chief Executive Officer, the Remuneration Committee has considered how the Directors' Remuneration Policy can support the successful recruitment. Ordinarily, the Remuneration Committee would have carried out a review of the Policy in 2025 with the aim to put a new Policy to the AGM in 2026 coinciding with the third anniversary of the approval of the current Directors' Remuneration Policy.

These are not, however, ordinary circumstances and it has become evident to the Board and the Committee that approval for a specific change to the Directors' Remuneration Policy is required at the 2025 AGM to be held on 16 June 2025 to enable the successful recruitment of a new Chief Executive Officer. In the opinion of the Board and the Committee it would be imprudent to wait until 2026 to renew the Policy.

Videndum is an international design and manufacturing company spanning high technology, creation and media. The candidates for the role of Chief Executive Officer are expected to reflect our international reach and the hubs we have in the US and Europe.

The objective of the proposed change to the Policy is to provide the Committee with additional flexibility as we design the remuneration arrangements of the new Chief Executive Officer. The Remuneration Committee is keen to maintain the emphasis of total remuneration on variable rather than fixed pay. The uncertainty surrounding the timing of the turnaround of the Company makes setting reliable, stretching but realistic targets extremely difficult. We are concerned that capable candidates with the right skills to lead the business to recovery may be deterred from accepting an offer given the current situation at Videndum.

We also foresee that candidates will be aware of the vesting history of awards under the LTIP. In six of the last ten years, shares under award have lapsed in full and the average vesting level over the period is 29% of maximum. We expect that the value of Videndum's incentive pay will be devalued by candidates and that this could place considerable upward pressure on fixed pay.

At the 2025 AGM we are seeking approval to change the Policy to permit not only the award of shares that vest subject to the fulfilment of performance conditions and continued service but also the award of shares that vest subject only to continued service. This is likely to involve an increase in the level of long term share based awards permissible under the Policy providing the new Chief Executive is prepared to coinvest and to buy shares in Videndum.

To enable this, we shall also seek shareholder approval for the Videndum plc Restricted Share Plan ("RSP") which was first approved by the Board in 2019 and has been used to make awards over shares over the last five years to employees other than the Executive Directors.

The recovery of the share price is a key objective for the Board and for the new Chief Executive Officer. Restricted shares offer some additional certainty at a very uncertain time which could help us to attract and retain the right candidate and will help to counterbalance the significant discount that we expect them to apply to performance shares, particularly in the early period after their joining Videndum.

The scope to offer restricted shares could make the difference, as we see it, between the successful recruitment of the new Chief Executive Officer to lead the recovery of Videndum and failure to do so.

Remuneration report continued

We envisage, in the longer term, that performance share awards under the LTIP will continue to be the primary and preferred approach to long-term remuneration for Videndum. Nevertheless, in the short to medium term, we need flexibility, particularly but not only in cases of recruitment, to be able to reduce the level of performance shares and supplement or substitute the annual award with time-vested restricted shares. Our approach may be influenced by the timing of the appointment of the new Chief Executive Officer, the provenance of the candidate and the visibility of Videndum's longer-term performance when the new Chief Executive Officer has joined the Board. We expect that the long-term share-based element of the package offered to the new Chief Executive Officer will comprise wholly restricted shares. Once the new Chief Executive Officer has become established and the new strategy has been set, our expectation is that we shall return to performance shares as long as reliable target setting is once again feasible.

We understand that some investors take the view that restricted shares are not sufficiently performance-linked and may lead to high pay outcomes for poor performance. The recovery of the share price is one of our primary objectives and hence we take the view that restricted shares allow us to both attract the right candidate and reward them for share price growth. The Remuneration Committee retains full discretion in the Policy, and will continue to amend the vesting outcome upwards or downwards if, in its opinion, any calculation or payout does not produce a fair result for either the individual or the Company, taking into account the overall business performance of the Company.

We also draw your attention to the following:

- When determining annual levels of share awards, the Committee will normally deem the value of a restricted share to be twice the value of a performance share i.e. one restricted share is the equivalent of two performance shares.
- For the purposes of recruitment, the Remuneration Committee will assess the number of restricted shares under award as if the share price were £2.50.
- For the purposes of recruitment, an award of shares under the RSP above 100% of salary will be contingent on the incumbent purchasing and retaining Videndum shares during the vesting period.
- For the purposes of recruitment, depending on the level of co-investment that the new Chief Executive Officer is prepared to make, the award of shares under the RSP could be up to 400% of salary.
- Other than for the purposes of recruitment, the maximum long-term share award in respect of a year will be 150% of salary (200% of salary in exceptional circumstances) where the award is made in performance shares and 100% of salary where the award comprises restricted shares.
- As is the case now, the share price, the face value of the award and the impact of any awards on share dilution will all be taken into account before any awards are made.
- Restricted shares will normally vest at least three years after awards have been made and will be subject to the Remuneration Committee's discretion referred to above taking into account, for example, the underlying financial performance of the Company, the progress made to turn round the business and any other factors the Committee deems to be relevant. The usual two-year post vesting holding period will apply so the minimum period from the date of award to the date on which the executive can dispose of the shares is five years, noting that shareholding guidelines will continue to operate.
- The usual malus and clawback provisions will apply.
- We recognise that although this is the only change, it is a material change to our existing Remuneration Policy. The Committee is strongly of the view that it is necessary given the challenging and exceptional circumstances the Company is facing and will help to support a recovery of the business enabling the recruitment of the right talent to lead this.

Remuneration outcomes for 2024 performance and activity

During 2024, the Committee dealt with the following matters:

- The 2021 LTIP award which had a three-year performance period ending on 31 December 2023 failed to achieve the threshold performance targets tied to Total Shareholder Return and adjusted Earnings Per Share and lapsed in full on 4 March 2024.
- The 2022 LTIP award with a three-year performance period ending on 31 December 2024 failed to achieve threshold for either Total Shareholder Return or adjusted Earnings Per Share and lapsed on the third anniversary of the award on 11 March 2025.
- The grant of LTIP awards to Executive Directors on 2 May 2024 with associated performance conditions tied to the Company's adjusted Earnings Per Share and Total Shareholder Return over a three-year performance period. RSP awards were also made with effect from the same date to senior managers tied to the same vesting period as the LTIP award but only subject to continued employment with Videndum on the third anniversary of the award.
- At the 19 June 2024 AGM, shareholders approved the 2023 Remuneration Report with over 98% support.
- With effect from 1 July 2024, Stephen Bird, former Group Chief Executive Officer, received a salary increase of 4% which was aligned with the wider workforce salary increase. With effect from the same date, Andrea Rigamonti, former Group Chief Financial Officer, received a salary increase of 10% reflecting that his salary at the time of his appointment in 2022 was set below his predecessor's salary and to reflect his increasing experience in the role.
- Approved settlement agreements for Stephen Bird, former Chief Executive Officer and Andrea Rigamonti, former Chief Financial Officer. Details of both are set out on page 85 and 86.
- Approved remuneration and incentive arrangements for Stephen Harris as executive Chairman following Stephen taking on this role with effect from 25 October 2024. The Committee approved that Stephen's base salary be increased to £250,000 per annum from this date reflecting the increased time commitment for the role and that he would receive an LTIP award of 200,000 shares in 2024 and 2025. Stephen also receives a car allowance of £25,000 per annum and provision of private healthcare in this role. This structure aligns Stephen Harris' remuneration with long-term shareholders' interests and demonstrates his dedication to fostering sustainable growth and shareholder value.
- The Committee made a further award of Restricted Shares to senior managers in December 2024 which will vest subject to remaining employed with Videndum at 1 July 2026. The Committee granted this award given the need to stabilise and motivate senior management following a significant period of change and uncertainty.
- Due to the challenging business environment in 2024, no bonus plan was approved and no payout is due.

Governance and performance of the Remuneration Committee in 2024

The Remuneration Committee during 2024 comprised the following:

Caroline Thomson – Chair

Richard Tyson, Anna Vikström Persson, Graham Oldroyd, Polly Williams (from 1 July 2024), Erika Schraner (until 19 June 2024) and Tete Soto (until 19 June 2024). Upon joining the Board on 1 April 2025, Eva Lindqvist became a member of the Remuneration Committee.

All members of the Remuneration Committee are independent Non-Executive Directors of the Company.

The Remuneration Committee has been delegated by the Board responsibility to set the remuneration framework for Executive Directors and members of the Executive Committee. As Chair of the Committee, I lead this process with the support of the other Committee members. During 2024, we invited the Chairman, Group Chief Executive and Group Company Secretary, to attend meetings and to give input unless they were conflicted on a particular matter. To further support the Committee in its duties, the Committee uses the advice and services of FIT Remuneration Consultants who provide independent advisory services on executive remuneration and wider market remuneration issues.

In my role as Chair of the Remuneration Committee, I have been available to shareholders to discuss matters relating to Directors, and senior executive remuneration. During 2024 I engaged with several large shareholders in connection with the Chairman's remuneration following changes in management for the business. I have also consulted with our major shareholders in early 2025 in connection with the proposed new Remuneration Policy that is being put to the 2025 AGM. I am grateful for the input from shareholders, who have been supportive. Notably, shareholders have sought reassurance that the vesting of the restricted shares will take into account the business performance of the Company. The Board gives its reassurance to shareholders on this.

Having served as an independent Non-Executive Director and Chair of the Remuneration Committee since 2015, I will not be standing for reappointment at the 2025 AGM. The Board has decided that I shall be succeeded by Anna Vikström Persson as Chair of the Remuneration Committee from the conclusion of the 2025 AGM. Anna has served on the Board since May 2023. It has been a privilege to serve on the Board of Videndum and as Chair of the Remuneration Committee and I wish Anna every success in this role going forward.

The Remuneration Committee held two scheduled meetings in 2024 and three short notice meetings. All members of the Committee attended all meetings in 2024 except for the short notice meeting held on 13 December 2024 which Anna Vikström Persson due to a pre-existing commitment was unable to attend. Despite this, Anna Vikström Persson gave feedback in advance of the meeting on the meeting's business. Apart from normal business such as Directors' duties and conflicts of interest, minutes of previous meetings, matters arising the following specific business was covered at each meeting:

11 March 2024 – approved the 2023 Annual Remuneration report submitted to the 2024 AGM; approved the outcome of the 2023 Annual Bonus Plan including an assessment of Executive Directors' personal objectives for 2023 with no payout achieved; determined the outcome of 2021 LTIP awards against performance measures with no payout achieved; considered the structure of 2024 LTIP awards and associated performance conditions; and discussed the proposed structure of the 2024 Annual Bonus Plan with a decision deferred until later in 2024.

1 May 2024 – short notice meeting – considered and approved LTIP and RSP awards to participants for 2024 with associated performance conditions.

25 September 2024 – short notice meeting – discussed proposed structure of 2024 annual bonus plan.

27 November 2024 – considered and approved exit agreements for Stephen Bird and Marco Pezzana; considered and approved in principle a Restricted Share Plan award to senior executives; and potential remuneration package for Stephen Harris in the role as executive Chairman.

13 December 2024 – short notice meeting – considered and approved the remuneration package for Stephen Harris in the role as executive chairman.

Minutes of each meeting are prepared by the Group Company Secretary and circulated to Committee members following each meeting.

The Remuneration Committee was subject in 2024 to an internal evaluation led by the Chairman and Group Company Secretary. The internal evaluation involved a questionnaire to each Committee member. The output from the 2024 Remuneration Committee evaluation included:

- The Remuneration Committee has high standards in terms of governance.
- Remuneration Committee meetings are well run with a rigorous cycle of business followed and the Committee Chair effectively leads the Committee.
- Remuneration outcomes in 2024 were aligned with the interests of shareholders.
- The Directors' Remuneration Policy is appropriately structured and delivered outcomes in 2024 in line with performance of the business.
- The performance of the Committee's advisor, FIT Remuneration Consultants, was appropriate and supported the Committee on executive remuneration during 2024.

Implementation of the Policy and priorities for 2025

Given the significant challenges facing the business in 2025, the Committee will work with the Board to use the new Remuneration Policy to structure remuneration arrangements including both fixed and variable remuneration to drive a recovery of the business and to secure recruitment of a new executive leadership team. Seeking shareholder approval for a new Directors' Remuneration Policy at the AGM in June 2025 with the ability to award executive directors restricted shares will form an important part of this.

The Committee in 2025 will focus on the following matters:

- Securing shareholder approval at the 2025 AGM for the 2024 Annual Report on Remuneration.
- Securing shareholder approval at the 2025 AGM for a new Directors' Remuneration Policy allowing for Executive Directors to be awarded Restricted Shares with vesting subject to continued service but with no performance targets tied to them. In addition, seeking shareholder approval at the 2025 AGM in respect of the rules of the Restricted Share Plan.
- Ensuring that remuneration arrangements for 2025 including variable and non-variable elements support the recovery of the business and ensure the retention of key talent.
- Supporting the Nominations Committee and Board on the successful recruitment and remuneration packages for a new Group Chief Executive Officer.
- Succession planning for the Committee with Anna Vikström Persson succeeding as Chair of the Remuneration Committee.

Annual General Meeting

Several resolutions relating to Directors' remuneration will be put to shareholders for approval at the 2025 AGM. Firstly, shareholders will be asked to approve a new Directors' Remuneration Policy enabling the award of restricted shares with no performance conditions tied to them to Executive Directors. Secondly, an advisory vote on the Directors' Remuneration Report, other than the part containing the Directors' Remuneration Policy. Thirdly, shareholders will be asked to approve the rules for the Restricted Share Plan. Details on each resolution are set out in the AGM Notice accompanying this Annual Report. I strongly encourage all shareholders to vote in favour of these resolutions as we consider them fundamental to the recovery of the business. I will attend the AGM and be available to answer questions on remuneration issues either at the meeting itself or ahead of the AGM should any shareholder wish to contact me at info@videndum.com.

Caroline Thomson
Remuneration Committee Chair
30 April 2025

Directors' Remuneration Policy

2025 Directors' Remuneration Policy ("the Policy")

We are seeking approval at the 2025 AGM to be held on 16 June 2025 for a new Remuneration Policy. The current Policy was approved by shareholders at the 2023 AGM and while it could remain in place until the 2026 AGM, the Directors consider that it is in the Company's best interests to renew it earlier to include flexibility to award restricted shares to Executive Directors under the Company's Restricted Share Plan. The 2025 Policy other than the inclusion of restricted shares does not have any other changes to it from the Policy approved in 2023. Subject to shareholder approval at the 2025 AGM, the 2025 Policy is intended to cover Directors' remuneration until the 2028 AGM.

Should there be a need to change the Company's 2025 Policy ahead of the 2028 AGM, shareholders will be asked to approve a revised Policy.

This report contains further information required under the Listing Rules and the 2018 UK Corporate Governance Code.

2025 Remuneration Policy table for Executive Directors

Base salary

Base salary is set at a level to secure the services of talented Executive Directors with the ability to develop and deliver a growth strategy.

Operation	Maximum opportunity	Performance measures
Fixed contractual cash amount usually paid monthly in arrears. Normally reviewed annually, with any increases taking effect from 1 July each year, although the Committee may award increases at other times of the year if it considers it appropriate. This review is dependent on continued satisfactory performance in the role of an Executive Director. It also includes a number of other factors, including experience, development and delivery of Group strategy and Group profitability, as well as external market conditions and pay awards across the Company.	The Committee has not set a maximum level of salary and the Committee will usually award salary increases in line with average salary increases awarded across the Company. Larger increases may, in certain circumstances, be awarded where the Committee considers that there is a genuine commercial reason to do so, for example: – Where there is a significant increase in the Executive Director's role and duties. – Where an Executive Director's salary falls significantly below market positioning. – Where there is significant change in the profitability and/or size of the Company or material change in market conditions. – Where an Executive Director was recruited on a lower than market salary and is being transitioned to a more market standard package as he or she gains experience.	Not applicable

Benefits

To provide Executive Directors with ancillary benefits to assist them in carrying out their duties effectively.

Operation	Maximum opportunity	Performance measures
Executive Directors are entitled to a range of benefits including car allowance, private health insurance and life assurance. Other ancillary benefits may also be provided where relevant, such as income protection, expatriate travel or accommodation allowances. Executive Directors are entitled to participate on the same terms as all employees in the Sharesave Plan or any other relevant all-employee share plan.	There is no maximum level of benefits set, given that the cost of certain benefits will depend on the individual's particular circumstances. However, benefits are set at an amount which the Committee considers to be appropriate, based on individual circumstances and local market practice. Executive Directors' participation in the UK all-employee Sharesave Plan is capped by the rules of the Sharesave Plan (currently £500 per month maximum). An International Sharesave Plan also operates for non-UK employees.	Not applicable

Annual bonus

To provide a material incentive to drive Executive Directors to deliver stretching strategic and financial performance and to grow long-term sustainable shareholder value.

Half of any earned annual bonus (after tax) is deferred into the Deferred Bonus Plan held in the form of shares and focuses the Executive Director on long-term value delivery and growth.

Operation	Maximum opportunity	Performance measures
Paid annually based on performance in the relevant financial year. The amount is determined based on published full year results after the financial year end. Award levels and performance measures are reviewed annually. The Committee ensures that performance measures remain aligned to the Company's business objectives and strategic priorities for the year. Up to half of the annual bonus paid (after tax) is deferred into awards under the Deferred Bonus Plan for a period of three years on a mandatory basis unless the Committee determines an alternative deferral period is appropriate. Awards may be granted in the form of conditional awards, nil-cost options, forfeitable shares or similar rights. After a period of three years, the awards vest in the form of shares in the Company. The Committee retains full discretion to amend the bonus payout (upwards or downwards), if in its opinion any calculation of payout does not produce a fair result for either the individual or the Company, taking into account the overall business performance of the Company. Any such use of discretion will be clearly reported in the next published Remuneration report. Participants may also receive the value of any dividends which would have been paid on shares in respect of which the award vests, which may be calculated assuming reinvestment of the dividends in the Company's shares on a cumulative basis. Such dividends are paid out in the form of additional shares in the Company. In the event of any material misstatement of the Company's financial results, serious reputational damage to the Company caused by a breach of the Company's Code of Conduct or otherwise, a miscalculation or an assessment of any performance conditions that was based on incorrect information, or the occurrence of an insolvency or administration event, malus and clawback provisions may apply for three years from the date of payment of any bonus or the grant of any deferred bonus share award permitting the Committee to reduce, cancel or impose further conditions on awards.	An absolute maximum of 125% of base salary to be paid in each year.	Measures and targets for the annual bonus are set annually by the Committee. Annual bonus measures may be based on the achievement of annual targets set against the Group's adjusted profit before tax*, cash conversion and/or strategic or personal objectives. The majority of any bonus will be based on financial performance measures. The Committee reserves the right to change measures or introduce new metrics for each financial year to ensure alignment with the short-term priorities of the business. The Committee reviews targets and objectives annually to ensure the annual bonus remains appropriate and challenging. Targets are typically measured over a one-year period. Payments range between 0% for threshold and 125% of base salary for maximum performance. Awards granted under the Deferred Bonus Plan are not subject to any further performance conditions.

Directors' Remuneration Policy continued

Long Term Incentive Plan ("LTIP")

To provide a long-term performance and retention incentive for the Executive Directors involving the Company's shares.

To link long-term rewards to the creation of long-term sustainable shareholder value by way of delivering on the Group's agreed strategic objectives.

Operation	Maximum opportunity	Performance measures
Under the LTIP, awards are made over a fixed number of shares, which will vest based on the achievement of performance conditions over a performance period of, typically, at least three years. The performance conditions are set by the Committee at the start of the performance period. Awards can take the form of a conditional award of shares, a nil-cost option or similar rights. Awards may be settled in cash (for participants in territories that prohibit settlement in shares). Participants may also receive the value of any dividends which would have been paid on shares in respect of which the award vests, which may be calculated assuming reinvestment of the dividends in the Company's shares on a cumulative basis. The Committee retains full discretion to amend the vesting outcome upwards or downwards if, in its opinion, any calculation or payout does not produce a fair result for either the individual or the Company, taking into account the overall business performance of the Company. Any such use of discretion will be clearly reported in the next published Remuneration report. For Executive Directors, awards are normally subject to a mandatory two-year holding period for any shares that vest. In the event of any material misstatement of the Company's financial results or serious reputational damage to the Company caused by a breach of the Company's Code of Conduct or otherwise, a miscalculation of an assessment of any performance conditions that was based on incorrect information, or the occurrence of an insolvency or administration event, malus and clawback provisions may apply for up to three years from the vesting of an award permitting the Committee to reduce or impose further conditions on awards.	The maximum value of shares over which awards may be granted in respect of each year is 150% of base salary. 200% is permitted in exceptional circumstances determined by the Committee.	LTIP awards may be based on financial, non-financial and/or share price-based performance conditions as determined from time to time by the Committee. The Committee will determine the choice of measures and their weighting prior to each grant and reserves the right to change the balance of the measures as it deems appropriate, such that no measure accounts for less than 25% of the total award. Historically, 33% of the award has been subject to the Company's Total Shareholder Return ("TSR") compared to a comparator group measured over a three-year performance period. 67% of the award has historically been subject to targets set against growth (adjusted by the Committee as it considers appropriate) in the Company's adjusted basic Earnings Per Share* ("EPS") over the same three-year performance period. The Remuneration Committee additionally adopts a discretionary underpin on vesting of the LTIP, whereby the Committee will assess the Group's underlying performance in finalising vesting outcomes. In particular, the Committee will assess the Group's ROCE* performance when approving outcomes under the EPS element of awards. At threshold, up to 25% of the award will vest, increasing on a straight-line basis up to 100% for performance in line with maximum. Below threshold none of the award will vest. There is no retesting of any performance measure.

Restricted Share Plan ("RSP")

To provide a long term performance and retention incentive for Executive Directors in addition to the LTIP involving the Company's shares. The RSP can be used by the Remuneration Committee in addition to or in substitution to the LTIP.

Operation	Maximum opportunity	Performance measures
Under the RSP, awards are made over a fixed number of shares, which will normally vest at the end of a period of time, typically three years. There are no performance conditions tied to a RSP although the Remuneration Committee at the point of vesting may take into account the underlying performance of the business. RSP awards may be settled in cash (for participants in territories that prohibit settlement in shares). Participants may also receive the value of any dividends which would have been paid on shares in respect of which the award vests, which may be calculated assuming reinvestment of the dividends in the Company's shares on a cumulative basis. The Committee retains full discretion to amend the vesting outcome upwards or downwards if, in its opinion, any calculation or payout does not produce a fair result for either the individual or the Company, taking into account the overall business performance of the Company. Any such use of discretion will be clearly reported in the next published Remuneration report. For Executive Directors, awards are normally subject to a mandatory two-year holding period for any shares that vest. In the event of any material misstatement of the Company's financial results or serious reputational damage to the Company caused by a breach of the Company's Code of Conduct or otherwise, a miscalculation of an assessment of any relevant additional condition that was based on incorrect information, or the occurrence of an insolvency or administration event, malus and clawback provisions may apply for up to three years from the vesting of an award permitting the Committee to reduce or impose further conditions on awards.	The maximum value of an RSP award in respect of each year is 100% of salary, other than in the event of recruitment of an Executive Director, where awards will be capped at 400% of salary. For the purposes of recruitment, an award of shares under the RSP above 100% of salary (and up to 400% of salary) will be contingent on the Executive Director purchasing and retaining shares in Videndum during the vesting period of the RSP award.	The vesting of the RSP is not linked to performance conditions and normally vest after three years subject to the participant remaining an employee of the Company. The Remuneration Committee at the point of vesting will look at the underlying financial performance of the Company to determine that a vesting award is fair and reasonable against the Company's performance.

Pension contribution

To provide a benefit comparable with market rates, helping with the recruitment and retention of talented Executive Directors able to deliver a long-term growth strategy.

Operation	Maximum opportunity	Performance measures
Usually paid monthly in arrears. Executive Directors may receive a contribution into the Company's Defined Contribution Plan, a personal pension arrangement and/or a payment as a cash allowance.	All Executive Directors receive a pension contribution of 8% of base salary which is in line with pension contributions provided to the wider UK employee workforce. Salary is the only pensionable element of Executive Director remuneration.	Not applicable.

Directors' Remuneration Policy continued

Notes to the Directors' Remuneration Policy table for Executive Directors

- Under the Company's share plans the Committee may: (1) in the event of any variation of the Company's share capital, demerger, delisting, special dividend or other event which may affect the price of shares, adjust or amend awards in accordance with the terms of the plan; and (2) amend a performance condition if an event occurs which causes it to consider an amended condition would be more appropriate and not materially less difficult to satisfy. Any such amendment would be reported in a subsequent Remuneration report.
- When determining Executive Director remuneration policy and practices, the Remuneration Committee takes into account a range of factors as follows:
- Clarity – remuneration arrangements are transparent, as set out in the policy table above. The Committee has taken into account the views of shareholders consulting on the content of the policy and further considered remuneration arrangements amongst the wider Videndum workforce. An example of this includes aligning the Executive Directors pension contribution with that of the wider UK employee workforce and also that no bonus was payable in 2023 and 2024 for the Executive Directors.
- Simplicity – the remuneration structure for the Executive Directors is simple and clearly explained, comprising a mix of short-term and long-term incentives aligned to the Company's strategic objectives. As detailed in the illustrative remuneration performance scenarios on page 78, a significant proportion of Executive Directors' remuneration is tied to the achievement of annual and long-term financial performance for the Company.
- Risk – remuneration arrangements are structured to avoid excessive risk taking – both reputational and other risks. Malus and clawback provisions operate on the Annual Bonus Plan, LTIP and RSP and Executive Directors are required to defer a significant proportion of annual bonuses for three-years and to hold shares vesting under the LTIP and RSP for a further two-year holding period, thereby aligning their interests with the long-term interests of shareholders.
- Predictability – Videndum's Policy sets out a range of outcomes for Executive Directors, only rewarding for significant growth in the Company. The illustrative remuneration performance scenarios in the table on page 78 sets this out and when determining remuneration outcomes, the Committee ensures to consider that they are aligned to the Company's performance and the experience of shareholders and other stakeholders. The remuneration outcome for 2024 shows that remuneration is significantly reduced reflecting the weak financial performance of Videndum.
- Proportionality – Videndum's Policy and outcomes for Executive Directors' remuneration are proportionate and do not reward poor performance. Notably, bonus deferral and the requirement to hold shares vesting under the LTIP and RSP for a further two-year holding period from vesting, as well as building up share interests in the Company representing at least 200% of base salary ensure that Executive Directors are focused on the long-term performance of the Company.
- Alignment to culture – the Company's incentive schemes are structured to be aligned with the Company's culture, driving the right behaviours. Malus and clawback provisions operate over the Annual Bonus Plan, LTIP and RSP. Performance conditions also reflect long-term performance being delivered.

Legacy plans

The Committee reserves the right to make any remuneration payments and payments for loss of office notwithstanding that they are not in line with the Policy set out above where the terms of the payment were agreed: (1) before the Policy came into effect; or (2) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company. For these purposes payments include the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are agreed at the time the award is granted. Andrea Rigamonti, who was appointed an Executive Director on 13 December 2022, had an RSP award given to him on 16 November 2021 before he became a Director of the Company. This award vested to him on 1 March 2024 ahead of Andrea Rigamonti ceasing to be a Director of the Company on 25 October 2024. The exercise of this award was held over until 1 October 2024. Details of this legacy award for Andrea Rigamonti are set out on page 85.

Shareholding requirements (including after-employment ceases)

Executive Directors during their tenure are expected to build a shareholding in the Company representing 200% or more of their base salary. All net of tax vested LTIP and RSP awards, DBP awards and exercised Sharesave options should be retained by the Executive Director until this requirement has been met. This level of shareholding aligns Executive Directors with the interests of shareholders and ensures that Executive Directors are focused on long-term shareholder value.

Post-employment, Executive Directors are expected to maintain a material level of shareholding in the Company for at least two years from the date of departure made up of the following elements:

- Awards held under the DBP will only vest on their normal vesting dates and will not be accelerated to the date of departure. Upon vesting, such shares are to be retained until at least the second anniversary of the departure date.
- For an Executive Director who is a good leaver, LTIP and RSP awards will ordinarily vest on their normal vesting date and be subject to relevant performance testing, pro rata treatment to the date of leaving and be subject to a two-year holding period (subject to that two-year holding period not being beyond two years from when the individual ceased to be an Executive Director).
- Awards that have already vested under the LTIP and RSP are normally subject to a two-year holding period following vesting (but not longer than two years from the date of departure).
- For the avoidance of doubt, any shares purchased by an Executive Director using their own personal funds will not be subject to this post-employment shareholding policy.

The Chairman and Non-Executive Directors are not subject to any such shareholding requirement. However, they are encouraged to hold shares in the Company. Details of Directors' shareholdings are set out on page 87 of this report.

Performance measures

The Annual Bonus Plan is based on both personal and Group financial measures. Typically, the majority of the bonus will be based on financial measures such as Group adjusted profit before tax*. The measures have been chosen to provide a balance between incentivising the delivery of the Group's key financial priorities in any particular year and important individual strategic objectives. The Committee may vary the specific measures and targets year-on-year to ensure that they reflect the key financial and strategic priorities for the Company in any given year. The selection of measures and the setting of targets takes into account the Company's business priorities and risk appetite.

LTIP awards traditionally are based on adjusted basic Earnings Per Share* growth and on TSR performance against a specific comparator group. The Committee considers these to be important measures of performance for the Company over the longer term. While TSR links a portion of the LTIP to the creation of value for shareholders, adjusted basic Earnings Per Share* growth is a Key Performance Indicator for the Group with the combination providing an appropriate balance between growth and returns. The Committee has also adopted a discretionary underpin on vesting of the LTIP, whereby the Committee will assess the Group's underlying performance in finalising vesting outcomes. In particular, the Committee will assess the Group's ROCE* performance when approving outcomes under the EPS element of awards. While the Committee does not disclose a formulaic target in advance, the Committee will ensure that it provides full retrospective disclosure around its decision-making process, including a summary of the ROCE* trajectory over the performance period. Any changes to these measures will be aligned with the long-term strategy of the Group. Under the LTIP, the Committee however retains full discretion to vary performance conditions to set conditions that reflect the business circumstances and that the Committee deems appropriate. While awards under the RSP do not have performance conditions attached to them, discretionary underpins may also apply in respect of RSP awards. The Committee is mindful that unmerited windfall gains must be avoided.

Provisions for the withholding and recovery of sums from the Directors (malus and clawback) are as set out on page 95.

Remuneration Policy for the Chairman and Non-Executive Directors

The Non-Executive Directors do not participate in any Annual Bonus Plan or the Company's share plans.

The Chairman, who became executive Chairman on 25 October 2024, does not participate in the Annual Bonus Plan. Under a service agreement dated 17 December 2024 during his tenure as executive Chairman, while a new Group Chief Executive is recruited, the Chairman will participate in the Company's Long Term Incentive Plan. An award under the Long Term Incentive Plan was made to the Chairman on 18 December 2024 and 6 January 2025 and details are set out on pages 84. As executive Chairman, Stephen Harris also receives an annual car allowance and private healthcare coverage. Upon the recruitment of a new permanent Chief Executive, Stephen Harris will revert to his former role as an independent Non-Executive Chairman.

Role	Purpose	Operation
Chairman	To recruit and retain an independent Non-Executive Chairman reflecting the responsibilities and time commitment for the role. To lead an effective Board enabling delivery on the Group's growth strategy and creation of long-term sustainable shareholder value.	While the Board has not set a maximum level of fee payable to the Chairman, the Board will review the level of fee paid usually on an annual basis and determine whether that is sufficient in terms of market conditions and also the time commitment for the role. The Chairman's fee is an all-inclusive consolidated amount. It is paid in cash, not shares, usually on a monthly basis in arrears. Fees are benchmarked against FTSE-listed companies of a similar size and complexity to Videndum. Any future increases will take into account the need to ensure that the fee remains competitive and reflects the time commitment for the role. The Chairman's remuneration also covers his chairmanship of the Nominations Committee.
Non-Executive Directors	To recruit and retain independent Non-Executive Directors reflecting the responsibilities and time commitment for the role to contribute to an effective Board and to deliver on the Group's growth strategy and creation of long-term sustainable shareholder value.	Fees paid to Non-Executive Directors of the Company consist of the following: – A base fee. – An additional fee for the role of the Senior Independent Director. – An additional fee for chairing the Audit and Remuneration Committee or for the designated Non-Executive Director tasked with oversight of employee engagement. Fees are usually reviewed annually and are benchmarked against FTSE-listed companies of a similar size and complexity to Videndum. All fees are paid in cash, not shares, usually on a monthly basis in arrears.
Benefits	To reimburse the Chairman and Non-Executive Directors for reasonable expenses incurred and bear any costs associated with tax, where relevant.	Expenses are reimbursed as and when incurred relating to the Company's business (including travel and hotel accommodation).

Directors' Remuneration Policy continued

Illustrative remuneration performance scenarios

The following charts set out scenarios for the remuneration of Stephen Harris, as executive Chairman, in 2025 in line with the Policy. This includes scenarios for full vesting of LTIP awards for Stephen Harris with one chart showing no share price appreciation and one chart showing a 50% share price appreciation. Currently there is no other Executive Director on the Board.

Stephen Harris

Basic remuneration

Minimum base salary	£250,000 (82.5%)
Benefits	£53,072 (17.5%)
Pension	£0 (0%)
Total fixed pay (minimum)	**£303,072**

On-target performance:

Fixed pay	£303,072 (67.5%)
Annual bonus	£0 (0%)
LTIP	£146,000 (32.5%)
Total on target pay	**£449,072**

Maximum pay:

Fixed pay	£303,072 (34%)
Annual bonus	£0 (0%)
LTIP	£584,000 (66%)
Total maximum pay	**£887,072**

Maximum pay (including 50% share price appreciation for LTIP award):

Fixed pay	£303,072 (26%)
Annual bonus	£0 (0%)
LTIP	£876,000 (74%)
Total maximum pay	**£1,179,072**

Notes to illustrative remuneration performance scenarios:

- Fixed pay – base salary as at 1 January 2025 for Stephen Harris.
- The total value of benefits received in the year ended 31 December 2024 which included car allowance and annualised private healthcare.
- Stephen Harris under the terms of his service agreement is not entitled to any pension contribution from the Company.
- Stephen Harris does not have an annual bonus plan arrangement.
- LTIP
  - The illustrative scenarios above reflect the cumulative award of 400,000 shares made under the LTIP to Stephen Harris on 18 December 2024 and 6 January 2025 respectively.
  - At minimum – nil.
  - On target – 25% vesting under the LTIP and calculated using the Company's share price at 31 December 2024 of £1.46, with no share price growth.
  - At maximum – 100% of the maximum payout and set out at the Company's share price at 31 December 2024 of £1.46, with no share price growth or dividend assumptions.
  - At maximum with share price appreciation – 100% of the maximum payout and showing a 50% appreciation in the share price over the LTIP vesting period.

Consideration of employment conditions elsewhere in the Company

The Committee, when determining Executive Directors' remuneration, takes into account remuneration and employment terms and conditions, including levels of pay for all employees of the Company. The Committee is kept informed of:

- Salary increases for the general employee population.
- Company-wide benefits including pensions, share incentives, bonus arrangements and other ancillary benefits.
- Overall spend on annual bonus.
- Participation levels and outcomes in the Annual Bonus Plan, LTIP and RSP.

When setting the remuneration of the Executive Directors, the Committee has regard to general employment terms and conditions within the Company as set out above. However, it is recognised that the roles and responsibilities of Executive Directors are such that different levels of remuneration apply, with a greater proportion of remuneration tied to the financial performance of the Company. The Committee did not consult with the Company's employees when drawing up the Directors' Remuneration Policy set out in this report. Caroline Thomson is the Non-Executive Director with responsibility for employee engagement, and as part of that role holds regular staff engagement sessions through which she is informed on remuneration issues for the wider Group workforce and keeps the Board fully updated. The detail of this role is given on page 56 of this Annual Report.

Policy on outside appointments

The Committee believes it is beneficial both for the individual and the Company for an Executive Director to take up one external non-executive appointment. Remuneration received by an Executive Director in respect of such an external appointment would be retained by the Director. This policy is reflected within the employment contract of an Executive Director. Stephen Harris is executive Chairman and under a service agreement dated 17 December 2024 is able to take up to two external directorships, subject to the written consent of the Senior Independent Director. As at the date of this report, Stephen Harris has not taken up any other external directorships.

Remuneration Policy for senior managers and other employees of the Group

The Remuneration Policy for senior managers in the Company is similar to that of the Executive Directors although the incentive potential is lower as are salary levels in accordance with levels of responsibility and complexity. They participate in the Annual Bonus Plan with the same structure as the Executive Directors, as well as the LTIP or participation in a RSP, and therefore a significant element of their remuneration is also dependent upon the financial performance of the Company and the Company's share price in addition to individual performance.

Remuneration for all other employees is set taking into account local market conditions to ensure that pay and benefits attract and retain employees in those local markets and help deliver the Group's agreed strategy. A large proportion of employees are able to participate in bonus plans that are tied to Company, Divisional and business unit financial performance as well as individual performance against personal objectives. The structure of bonus plans varies across the employee workforce to achieve different objectives.

Full-time employees of the Company in the UK, US, Italy, Costa Rica and several other countries are able to participate in an all-employee Sharesave Plan granting employees an option to save and purchase a limited number of shares in the Company at a discount to the market price at the time an offer of the Plan is made. Further information on this Plan is given on page 88. Senior managers participate in a RSP. The RSP awards shares to key employees over a vesting period of up to three years and helps retain and motivate key talent to deliver on the Group's strategic growth objectives.

All full-time employees are also offered membership of a pension scheme upon joining the Company which is compliant with local legal requirements. In the UK, employees are able to join a defined contribution pension plan with the employer making an 8% of salary contribution and the employee required to make a minimum contribution of 4% of salary. The pension contribution is based on base salary only.

The Remuneration Committee is kept informed on Remuneration Policy and arrangements for the wider employee population with regular updates to enable it to stay informed and to assist in setting Executive Directors' remuneration.

Approach to recruitment remuneration

The Committee's Policy is to seek to recruit Directors with the requisite skill and experience to lead the business and grow the value of the Company over the long term. Generally, pay on recruitment will be consistent with the Policy for Executive Directors as set out in the Policy table and set at a level to reflect overall responsibilities.

The Committee has the flexibility to set the salary of a new Executive Director at a lower level initially, with a series of planned increases implemented over the following years to bring the salary to the desired level. Consistent with the regulations, any cap on base salary does not apply. Benefits will be consistent with the Remuneration Policy. Certain additional benefits may be provided such as relocation expenses or allowances. The pension contribution for an Executive Director will be in line with the UK workforce contribution rate (currently 8% of base salary).

However, the Committee may, in its absolute discretion, include remuneration components or awards which are not specified in the Policy table, subject to the maximum level of variable pay set out in the following paragraph, where this facilitates the hiring of candidates of an appropriate calibre and skillset to deliver on the Group's strategy. The Committee will ensure this is only done where there is a genuine commercial need, and where this is in the best interests of the Company and its shareholders. The Committee does not intend to use this discretion to make a non-performance related payment (for example a "golden hello" payment).

The absolute maximum level of variable pay upon recruitment will be 525% of base salary (excluding any buy-out awards) which is in line with the Remuneration Policy set out earlier. This comprises up to 125% of base salary under the Annual Bonus Plan and up to 400% of base salary under the Company's Restricted Share Plan depending on the level of co-investment made by the new recruit.

In certain circumstances, the Committee may need to make payments or awards to an executive in respect of buying out remuneration arrangements relinquished on leaving a previous employer. When doing so, the Committee will aim to do so broadly on a like-for-like basis with a fair value no higher than the awards foregone. It will take a number of relevant factors into account which may include any performance conditions attached to these awards and the time at which they would have normally vested. These payments or awards are excluded from the maximum level of variable remuneration referred to above.

In the event of any such treatment, the Committee will explain in the next Annual Report on Remuneration the rationale for the relevant arrangements.

Executive Directors' service contracts

The Executive Chairman's service contract is as follows:

Role	Date of contract	Notice period from the Company to the Executive	Notice period from the Executive to the Company
Stephen Harris, Executive Chairman – appointed on 25 October 2024 as Executive Chairman	17 December 2024	1 month (or upon the appointment of a new permanent CEO)	1 month (or upon the appointment of a new permanent CEO)

The terms of the service contracts for the Executive Chairman (and for Executive Directors) do not provide for predetermined amounts of compensation in the event of early termination by the Company. The Remuneration Committee's policy in the event of early termination of employment is set out below.

For future appointments of Executive Directors, we anticipate that notice periods will be up to 12 months either way between the Executive and the Company.

Policy on payment for loss of office

- Executive Directors' notice periods under service contracts are summarised above. The Committee believes that the Company's policy on payment for loss of office and the structure of notice periods is sufficient to ensure that the Executive Director has security of tenure and also that the Company has sufficient retention and notice periods to enable an orderly process for succession planning. In the Committee's opinion, any shorter notice period would not be in the Company's best interests and would risk the stable running of its operations. The Committee, however, will not give any Executive Director a service contract of greater than 12 months' notice.
- In the event of termination of office, the Committee will consider the circumstances including notice period contained within the service contract, the circumstances surrounding the termination notably including the individual's performance and what is considered to be in the Company's best interests. The terms of service contracts do not provide for predetermined amounts of compensation in the event of early termination of employment. The Committee maintains full discretion as how to treat each such termination upon its merits when trying to mitigate the cost of termination but ultimately honouring contracted terms. Dealing with each specific element of remuneration for an Executive Director this would mean the following:
- Base salary, pension and other benefits (including legal fees and outplacement costs) – these will be paid for the notice period, subject to being mitigated if the Executive Director finds other suitable employment. This means that each element will continue to be paid on a monthly basis in arrears during the notice period either to the end of the notice period or if earlier to the point at which the Executive Director finds other suitable employment or a mutually agreed date within the notice period. Although not covered by the service contract, the Company will pay reasonable legal expenses and any recruitment outplacement costs to assist the Executive Director in their exit. The Committee will determine the reasonableness of such costs keeping in mind shareholders' best interests.

Directors' Remuneration Policy continued

- Annual Bonus Plan – as a general rule, Executive Directors have no entitlement to a bonus payment in the event that they cease to be employed. However, they may be considered for a bonus payment in certain good leaver circumstances. In such cases the Committee will generally prorate an annual bonus to the date of termination and the payment of the annual bonus will usually be dependent upon the satisfaction of financial performance conditions and an assessment of the achievement of personal objectives up to the point of leaving the Company. The Committee reserves an absolute discretion in circumstances which it considers appropriate to enable a full year's annual bonus to be paid in full to an Executive Director in accordance with the limits and rules of the Annual Bonus Plan applying to the Executive Director.
- Long Term Incentive Plan and Restricted Share Plan – awards granted under the Company's LTIP and RSP are generally treated as follows: if a participant ceases office or employment with the Group his/her award will lapse unless he/she is deemed to be a good leaver or dies in service. An individual is a good leaver if he/she ceases employment because of ill-health, injury, disability, the sale of the employing company or business out of the Group or for any other reason at the Committee's discretion, for example early retirement, but expressly not for where a participant is summarily dismissed. Except in the case of death (where awards vest following death, unless the Committee determines otherwise), awards will normally vest on the normal vesting date, unless the Committee determines that awards should vest at the time the individual ceases employment. The Committee, when determining the level of an award to vest, will take into account satisfaction of relevant performance conditions tied to the award and the period of time that has elapsed since the award was granted until the date of cessation of employment.
- Deferred Bonus Plan – awards under the DBP will vest on their normal vesting date (unless the Committee determines that awards should vest on the individual's cessation of employment) except in the case of: (1) death – when awards will vest following an individual's death; and (2) gross misconduct – when awards will lapse.

When negotiating the exit package of an Executive Director, the Committee will ultimately aim to mitigate the cost of any termination payment while also treating fairly the Executive Director, honouring the terms of a service contract and acting in the Company's best long-term interests. The Committee will, upon reaching an agreement with an Executive Director on the terms of termination, publish details both with an announcement and with details published in the subsequent Remuneration report and this will include an explanation of any use of discretion. Details on the exit packages for Stephen Bird and Andrea Rigamonti who ceased to be Group Chief Executive and Group Chief Financial Officer on 25 October 2024 are set out on pages 85 and 86.

Change of control

In the event of a change of control of the Company, LTIP, RSP and DBP awards will vest, with the Committee taking into account, in the case of LTIP and RSP awards, the extent to which the relevant performance conditions have been satisfied and, unless the Committee determines otherwise, the period of time that has elapsed since grant. In the event of a winding-up of the Company, demerger, delisting, special dividend or other event that may affect the share price, the Committee may also allow awards to vest on the same basis.

Non-Executive Directors

Non-Executive Directors do not have service contracts but serve under letters of appointment.

The initial period of their appointments is three years but their appointments may, by mutual consent and with the approval of the Nominations Committee and the Board, be extended for a further three years. Appointments may be extended beyond six years by mutual consent and with the approval of the Nominations Committee and the Board, if it is in the interest of the Company to do so. Under the letters of appointment, notice can be given by either party upon one month's written notice. Apart from the disclosure under the Policy table for the Chairman and Non-Executive Directors there are no further obligations which could give rise to a remuneration or loss of office payment under the letters of appointment. All Directors are subject to annual reappointment by the shareholders at the AGM.

The Executive Chairman's service contract and each Non-Executive Director's letters of appointment can be viewed by way of contacting the Group Company Secretary.

Consideration of shareholder views

In late 2024, the Committee Chair engaged with several major shareholders on proposals for the remuneration structure for the Executive Chairman following Stephen Harris' appointment to that role on 25 October 2024. Details of Stephen Harris' remuneration structure are set out on pages 94. This engagement helped to shape the remuneration package for Stephen Harris to incentivise recovery of the business.

The Company received over 98% support for the 2023 Annual Report on Remuneration at the 2024 AGM. This indicates a strong level of support from shareholders to the Company's Remuneration Policy and operation of that Policy.

The Committee would engage with major shareholders ahead of any material change to the Policy for the Company relating to its Directors and in accordance with the UK Corporate Governance Code engages with shareholders should there be a material level of dissatisfaction from shareholders with Directors' remuneration. A material level of dissatisfaction from shareholders would be more than 20% of shareholders voting against, or abstaining on, a vote related to Directors' remuneration. The Committee engaged with major shareholders in February and March 2025 regarding the proposed new Remuneration Policy and enabling Executive Directors to participate in the Restricted Share Plan.

Caroline Thomson, Remuneration Committee Chair, remains available to discuss the Company's Remuneration Policy and implementation of it with shareholders.

Annual Report on Remuneration

Directors' single figure of total remuneration (audited)

The following table sets out the single figure of total remuneration for Directors for the financial years ended 31 December 2024 and 2023.

	Salary/ fees £	Benefits[1] £	Pension[2] £	Annual bonus[3] £	LTIP[4] £	Total £	Total fixed remuneration £	Total variable remuneration £
Executive Directors								
Stephen Harris (Chairman)								
2024	**166,826**	**32,018**	**0**	**0**	**0**	**198,844**	**198,844**	**0**
2023 (from 9 November 2023)	7,974	0	0	0	0	7,974	7,974	0
Stephen Bird								
2024 (left 25 October 2024)	**426,852**	**28,953**	**34,148**	**0**	**0**	**489,953**	**489,953**	**0**
2023	507,199	35,653	40,576	0	0	583,428	583,428	0
Andrea Rigamonti								
2024 (left 25 October 2024)	**264,043**	**24,687**	**21,123**	**0**	**26,820**	**336,673**	**309,853**	**26,820**
2023	310,000	25,670	24,800	0	0	360,470	360,470	0
Non-Executive Directors								
Caroline Thomson								
2024	**75,400**	**0**	**0**	**0**	**0**	**75,400**	**75,400**	**0**
2023	69,738	0	0	0	0	69,738	69,738	0
Richard Tyson								
2024	**68,400**	**0**	**0**	**0**	**0**	**68,400**	**68,400**	**0**
2023	62,738	0	0	0	0	62,738	62,738	0
Graham Oldroyd								
2024	**60,400**	**0**	**0**	**0**	**0**	**60,400**	**60,400**	**0**
2023 (from 12 October 2023)	12,171	0	0	0	0	12,171	12,171	0
Polly Williams								
2024 (from 1 July 2024)	**37,700**	**0**	**0**	**0**	**0**	**37,700**	**37,700**	**0**
2023	0	0	0	0	0	0	0	0
Anna Vikström Persson								
2024	**60,400**	**0**	**0**	**0**	**0**	**60,400**	**60,400**	**0**
2023 (from 1 May 2023)	36,933	0	0	0	0	36,933	36,933	0
Erika Schraner								
2024 (left 19 June 2024)	**30,793**	**0**	**0**	**0**	**0**	**30,793**	**30,793**	**0**
2023	64,738	0	0	0	0	64,738	64,738	0
Teté Soto								
2024 (left 19 June 2024)	**26,084**	**0**	**0**	**0**	**0**	**26,084**	**26,084**	**0**
2023	54,738	0	0	0	0	54,738	54,738	0
Ian McHoul								
2024 (left 19 June 2024)	**68,951**	**0**	**0**	**0**	**0**	**68,951**	**68,951**	**0**
2023	181,750	0	0	0	0	181,750	181,750	0
Total								
2024	**1,285,849**	**85,658**	**55,271**	**0**	**26,820**	**1,453,598**	**1,453,598**	**26,820**
2023	1,307,979	61,323	65,376	0	0	1,434,678	1,434,678	0

Notes:
1 Taxable benefits comprise car allowance, healthcare cover, income protection and discount on Sharesave option.
2 Pension contributions for Executive Directors are set at 8% of salary. Under Stephen Harris' service agreement as Executive Chairman he is not provided with a pension contribution or a cash payment in lieu.
3 For the 2024 Annual Bonus Plan, Stephen Bird's and Andrea Rigamonti's bonus potential was 125% of base salary. Further details are set out in the "Further notes" section on the following page.
4 The LTIP gain for Andrea Rigamonti related to the vesting of a Restricted Share Plan award made to him prior to his appointment as a Director of the Company. The award was exercised on 1 October 2024 and the value in the table reflects the gain made by Andrea Rigamonti at the exercise date. The ordinary share price value at the maturity date of 1 March 2024 was £3.26.

Annual Report on Remuneration continued

Each current Director has confirmed in writing to the Company that the information in the single figure remuneration table is correct and that they have not received from the Company any other items of remuneration other than disclosed.

Further notes to the Directors' single figure of total remuneration table (audited)

(1) Base salary

The table below shows base salaries paid for each Executive Director in 2024.

Executive Director	2024 salary
Stephen Harris (appointed as Executive Chairman on 25 October 2024)	£250,000 (from 1 May 2024 to 25 Oct 2024 paid £210,000) Prior to 1 May 2024, Stephen Harris was paid the base fee as a Non-Executive Director
Stephen Bird (left 25 October 2024)	£513,310 (from 1 Jan 2024 to 30 Jun 2024) £533,800 (from 1 July 2024 to date of leaving)
Andrea Rigamonti (left 25 October 2024)	£310,000 (from 1 Jan 2024 to 30 Jun 2024) £342,000 (from 1 July 2024 to date of leaving)

(2) Benefits

The single figure of total remuneration table sets out the total value of benefits received by each Executive Director in 2024. Details are as follows:

Executive Director	Car allowance	Healthcare cover[1]	Income protection	Other (Sharesave)	Total
Stephen Harris (appointed as Executive Chairman on 25 October 2024)	£25,000	£7,018	£0	–	£32,018
Stephen Bird (left 25 October 2024)	£19,503	£3,074	£4,800	£1,576	£28,953
Andrea Rigamonti (left 25 October 2024)	£15,237	£3,074	£4,800	£1,576	£24,687

1 Stephen Harris' healthcare benefit represents three months' healthcare cover in line with his service agreement dated 17 December 2024.

(3) Pension allowance

The table below sets out the value of the cash payment in lieu of pension for each Executive Director in 2024.

Executive Director	Pension allowance
Stephen Bird (representing 8% of base salary) (left 25 October 2025)	£34,148
Andrea Rigamonti (representing 8% of base salary) (left 25 October 2025)	£21,123

The level of 8% of base salary is in line with pension contributions to the wider UK employee workforce in the Group.

Stephen Harris is not entitled to any pension under his service agreement dated 17 December 2024.

(4) Annual bonus

In 2024, due to challenges facing the business no annual bonus plan was formally agreed and launched to the Executive Directors as it was not possible to set meaningful financial targets. No bonus was therefore payable to Executive Directors in connection with 2024. The Remuneration Committee is currently reviewing the structure and operation of an annual bonus plan for 2025 within the parameters of the Directors' Remuneration Policy and details will be set out in the 2025 Remuneration report.

Prior to 2024, each Executive Director was eligible to receive, subject to performance, a maximum bonus of up to 125% of base salary, half of which is deferred into the DBP. The structure of the 2023 Annual Bonus Plan for information only was as follows:

- The financial elements of the Annual Bonus Plan for each Executive Director were based upon actual financial results achieved for Group adjusted profit before tax* and Group conversion of adjusted operating profit* into adjusted operating cash flow* (over a half year and full year average target) measured against financial targets set by the Board. The Group adjusted profit before tax* financial element represented 50% of the maximum bonus that could be earned and the Group conversion of adjusted operating profit* into adjusted operating cash flow* represented 25% of the maximum bonus that could be earned (with one-third based on half year 2023 performance and two-thirds based on the full year 2023 performance).
- Under the rules of the 2023 Annual Bonus Plan, each of the above financial performance metrics were assessed independently of one another so that should threshold not be achieved for one performance condition, that bonus could still be earned for the other financial performance condition.
- The Remuneration Committee considered that these two financial performance conditions were key financial measures for the Group driving the right behaviour in terms of achieving adjusted operating profit* and adjusted operating cash flow* generation and had the most direct impact upon shareholder value for the year ended 31 December 2023. The financial targets were set by the Board and Remuneration Committee at the beginning of 2023.
- The personal objective element of the 2023 Annual Bonus Plan for each Executive Director, representing 25% of the maximum bonus that could be earned, was based upon individual performance measured against stretching personal objectives set by the Board and Remuneration Committee.
- As reported in the 2023 Annual Report, no bonus was payable to the Executive Directors for 2023.

(5) Long-term incentives – Long Term Incentive Plan ("LTIP"), Restricted Share Plan ("RSP") and Deferred Bonus Plan ("DBP")

The long-term incentive awards value shown in the single figure of total remuneration table relate to the following awards:

LTIP awards made in 2021 and vesting in respect of performance to 31 December 2023

For awards made in 2021, 33% of an award was subject to TSR with the Company's TSR performance ranked against the constituents of the FTSE 250 Index (excluding financial services companies and investment trusts) over a three-year performance period. Threshold performance for the TSR performance condition was at the median point of the comparator group and resulted in 25% of an award vesting. Full vesting for the TSR element was set at the upper quartile point of the comparator group. A straight-line sliding scale operated between each of the above points. Below threshold performance none of the award vested.

67% of the award was subject to adjusted Earnings Per Share* growth over a three-year performance period ended 31 December 2023. The threshold for adjusted basic Earnings Per Share* vesting was set at 60 pence per share and full vesting for adjusted basic Earnings Per Share* was set at 100 pence per share with a straight-line progression between each point. Below threshold performance, none of the adjusted basic Earnings Per Share* element vested.

Vesting was underpinned by Remuneration Committee discretion that took into account, in particular, ROCE performance over the performance period for the EPS* element of the award.

The Company's adjusted basic EPS* for the year ended 31 December 2023 was 8.5 pence and the Company's TSR for the three-year performance period ended 31 December 2023 was -56% and with the Company ranked at the 8th percentile against the comparator group. Neither the TSR performance condition or EPS* performance condition achieved threshold performance and the 2021 award did not vest and lapsed in full on 4 March 2024.

LTIP award made in 2022 and vesting in respect of performance to 31 December 2024.

For awards made in 2022, 33% of an award was subject to TSR with the Company's TSR performance ranked against the constituents of the FTSE 250 Index (excluding financial services companies and investment trusts) over a three-year performance period. Threshold performance for the TSR performance condition was set at the median point of the comparator group and would result in 25% of an award vesting. Full vesting for the TSR element was set at the upper quartile point of the comparator group. A straight-line sliding scale operated between each of the above points. Below threshold performance none of the award vested. 67% of the award was subject to adjusted Earnings Per Share* growth over a three-year performance period ending 31 December 2024. The threshold for adjusted basic Earnings Per Share* vesting was set at 100 pence per share and full vesting for adjusted basic Earnings Per Share* was set at 130 pence per share with a straight-line progression between each point. Below threshold performance, none of the adjusted basic Earnings Per Share* element vested. Vesting would be underpinned by Remuneration Committee discretion taking into account, in particular, ROCE performance over the performance period for the EPS* element of the award. The Company's adjusted basic EPS* for the year ended 31 December 2024 was -17.9 pence and the Company's TSR for the three-year performance period ended 31 December 2024 was -82.1% and with the Company ranked at the 2nd percentile against the comparator group. Neither the TSR performance condition or EPS* performance condition achieved threshold performance and so the 2022 award did not vest and lapsed in full on 11 March 2025.

Annual Report on Remuneration continued

LTIP awards – 2023

The Committee would normally make an LTIP award to the Executive Directors following the announcement of the prior year financial results in March/April each year. This would be on the basis of an award representing 150% of salary for the Group Chief Executive and 125% for the Group Chief Financial Officer.

Given the significant impact of macroeconomic events coupled with the writers' and actors' strikes, the Committee made no LTIP awards in 2023 on grounds that it was not possible to set meaningful performance conditions at such a turbulent time for the Group.

LTIP awards – 2024

Given that no LTIP award was made in 2023, the Committee took this into account when considering the need to make an LTIP award in 2024 for both retention and incentivisation purposes. As a consequence, the Committee made an LTIP award to the Executive Directors on 2 May 2024. The following table provides details of the LTIP award made on 2 May 2024. The Remuneration Committee set challenging performance conditions as set out below.

The 2024 LTIP Award is to be measured over the three financial years from 1 January 2024 to 31 December 2026. Awards are split in performance conditions so that 33% is based on the Company's TSR performance and 67% is based on adjusted EPS performance. Vesting of the 2024 LTIP award will be as follows:

For the TSR element, the Company's TSR performance is compared against the constituents of the FTSE 250 Index (excluding financial services companies and investment trusts) over the three-year performance period.

Threshold performance for the TSR element is at the median point of the comparator group and results in 25% of an award vesting. Full vesting of the TSR element is at the upper quartile of the comparator group. A straight-line sliding scale operates between each of the above points. Below threshold performance, none of the TSR element vests. 67% of the award is subject to adjusted basic EPS* growth over the same three-year period. Threshold for adjusted basic Earnings Per Share* vesting was set at 38 pence per share and full vesting for adjusted basic Earnings Per Share* was set at 50 pence per share with a straight-line progression between each point. Below threshold performance, none of the adjusted basic Earnings Per Share element will vest.

Vesting of the 2024 award will be underpinned by Remuneration Committee discretion that will take into account, in particular, ROCE performance over the three-year performance period for the EPS element of the award.

Dividends that would have been paid on shares vesting under the LTIP during the performance period are reinvested in additional shares. There is no retesting of any performance condition under any LTIP award.

TSR is calculated on the basis of growth in the Company's share price over a three-year performance period plus dividends paid during that period and expressed as a percentage of average compound annual growth. Share price performance is averaged over three months at the start and end of the performance period to eliminate volatility that may result in an anomalous outcome. The TSR performance is independently verified by FIT Remuneration Consultants on behalf of the Committee and is ranked against the comparator group companies' TSR performance to determine the outcome.

LTIP award to Executive Directors made on 2 May 2024

Director	Type of award	Award date	Number of shares awarded	Face value	Face value % of salary	Threshold vesting %	Maximum vesting %	End of performance period
Stephen Bird (left 25 October 2024)	Performance shares	2 May 2024	286,817	£800,219	150%	25%	100%	31 Dec 2026
Andrea Rigamonti (left 25 October 2024)	Performance shares	2 May 2024	153,134	£427,243	125%	25%	100%	31 Dec 2026

The face value has been calculated using the three-day average share price from 26 to 30 April 2024 prior to the award being made on 2 May 2024. This was £2.79.

Stephen Harris LTIP 2024 LTIP award

Following Stephen Harris becoming Executive Chairman with effect from 25 October 2024, an LTIP award was made to him in 2024 on the following basis:

On the 18 December 2024, Stephen Harris received an LTIP conditional share award over 200,000 ordinary shares. At the date of the award this represented 153.7% of salary using a share price of £1.922 per share (the two-day average closing mid market share price) of 16 and 17 December 2024. Subject to satisfaction of performance conditions, the LTIP award to Stephen Harris will vest on 18 December 2026. A further LTIP conditional share award was made to Stephen Harris on 6 January 2025 over 200,000 shares and subject to satisfaction of performance conditions will vest on 18 December 2026. The 6 January 2025 award represented 116.4% of salary using a share price of £1.455 per share (based on the two-day average closing mid-market share price of 2 and 3 January 2025). Performance conditions for both LTIP awards are considered to be commercially sensitive and as such, will be disclosed at the vesting of the award. Upon vesting, Stephen Harris will be required to hold the net vested shares for a further two-year period. While the UK Corporate Governance Code provision 36 guides that share awards should have a total vesting and holding period of five years or more, the Committee did not feel this was appropriate given the critical need for Stephen Harris to lead the Company as Executive Chairman while the search for a new Group Chief Executive is conducted.

Deferred Bonus Plan 2024 awards

Executive Directors did not earn any bonus for 2023 that would normally be paid in March 2024 and therefore there was no deferral into the Deferred Bonus Plan in 2024. Normally, Executive Directors are required to defer 50% of the after tax bonus to be held through the Employee Trust in the form of shares in the Company for a three-year period. Details of Executive Directors' holding of shares through the Deferred Bonus Plan are set out on page 89.

RSP Award – Andrea Rigamonti

The value shown in the single figure of total remuneration table on page 81 for Andrea Rigamonti relates to a Restricted Share Plan award made to him prior to his appointment as a Director on 13 December 2022. The award was made to him on 16 November 2021 and the final tranche vested on 1 March 2024. The Ordinary share price on the 1 March 2024 was £3.36. Due to a closed period, the award was exercised on 1 October 2024. There were no performance conditions tied to the award, with vesting subject to continued employment.

Payments for loss of office (audited)

On 25 October 2024 Stephen Bird and Andrea Rigamonti ceased to be Chief Executive Officer and Chief Financial Officer respectively. As part of the negotiated settlement agreements for each the following payments were agreed:-

Stephen Bird – settlement agreement signed on 20 November 2024

Salary and benefits (including pension) – Stephen Bird will receive his salary and benefits in the normal way until the expiry of his notice period on 25 October 2025. He remains on garden leave until this date. Stephen Bird will receive a payment in lieu of accrued but untaken holiday as at the termination date of his employment (25 October 2025).

Long Term Incentive Plan – Stephen Bird's outstanding LTIP award granted on 11 March 2022 lapsed on 11 March 2025 having failed to achieve the performance conditions set. The LTIP award granted on 2 May 2024 will lapse in full when Stephen Bird's employment terminates on 25 October 2025.

Date of grant	Number of shares under award	Normal Vesting Date
11 March 2022	55,722 (lapsed in full)	11 March 2025
2 May 2024 (award will lapse in full on 25 October 2025)	286,817	2 May 2027

Deferred Bonus Plan – Stephen Bird's outstanding DBP awards are expected to vest in full in accordance with their normal vesting dates in 2025 and 2026, as set out in the table below:

Date of grant	Number of shares under award	Normal Vesting Date
4 April 2022	11,115	4 April 2025
3 April 2023	9,093	3 April 2026

Professional Costs – Stephen Bird received a capped contribution towards outplacement support of £30,000 (plus VAT) and a capped contribution towards his legal fees in connection with his departure of up to £20,000 (plus VAT).

The following payments were made to Stephen Bird following his departure on 25 October 2024 until 31 December 2024 in accordance with the terms of his settlement agreement:

- Salary: £96,703
- Car allowance: £4,835
- Pension supplement: £7,736

Stephen Bird will not receive any other remuneration payment or payment for loss of office.

Andrea Rigamonti – settlement agreement signed on 19 December 2024

Salary and benefits (including pension) – Andrea Rigamonti will receive his salary and benefits in the normal way until the expiry of his notice period on 20 December 2025. He remains on garden leave until this date. A severance payment of £30,000 will be paid on the expiry of his notice.

Long Term Incentive Plan – Andrea Rigamonti's outstanding LTIP award granted on 11 March 2022 lapsed on 11 March 2025 having failed to achieve the performance conditions set. The LTIP award granted on 2 May 2024 has been pro-rated to the termination date of 20 December 2025 and subject to satisfaction of performance conditions remains capable of vesting.

Date of grant	Number of shares under award	Normal Vesting Date
11 March 2022	13,388 (lapsed in full)	11 March 2025
2 May 2024*	83,629 (pro rata award to termination date)	2 May 2027

* It is noted that the performance conditions tied to this LTIP award (set out on page 83) are not likely to be achieved.

Annual Report on Remuneration continued

Deferred Bonus Plan – Andrea Rigamonti's outstanding DBP award is expected to vest in full in accordance with the normal vesting date in 2026 , as set out in the table below:

Date of grant	Number of shares under award	Normal vesting date
3 April 2023	317	3 April 2026

Professional costs – Andrea Rigamonti received a capped contribution towards his legal fees in connection with his departure of up to £2,750 (plus VAT).

Andrea Rigamonti will not receive any other remuneration payment or payment for loss of office.

The following payments were made to Andrea Rigamonti following his ceasing to be a Director on 25 October 2024 until 31 December 2024 in accordance with the terms of his settlement agreement:

- Salary: £61,957
- Car allowance: £3,452
- Pension supplement: £4,957

Other than as disclosed above, no other payments were made in 2024 to past Directors of the Company.

Non-Executive Directors

The Non-Executive Directors were paid the following fees in 2024:

Role	2024 annual fee	Comment
Chairman	£210,000 (£250,000 with effect from 25 October 2024	Stephen Harris' fee as Chairman upon his appointment to the role on 1 May 2024 was set at £210,000 per annum (increased from his predecessor's fee (Ian McHoul) of £184,000. With effect from 25 October 2024, Stephen Harris became Executive Chairman and his remuneration in that role increased to £250,000 per annum. Prior to 1 May 2024, Stephen Harris was paid the base fee as a Non-Executive Director.
Non-Executive Director	£65,400	Base fee increased to £65,400 per annum with effect from 1 July 2024 from £55,400 reflecting market data for non-executive directors of similar sized listed companies and the significant time commitment for the role
Chair of Audit Committee	£10,000	Fee was last increased on 1 January 2014
Chair of Remuneration Committee	£10,000	Fee was last increased on 1 January 2019
Senior Independent Director	£8,000	Fee was last increased on 1 January 2019
Employee Engagement Non-Executive Director	£5,000	Fee introduced with effect from 1 January 2019

The above fees are reviewed annually by the Board with the support of FIT Remuneration Consultants providing market data to ensure that fees remain appropriate given the size of the Company, time commitment and the need to attract the right experience for the role. The Non-Executive Directors do not receive any other benefits from the Company.

Directors' shareholding requirements and share interests (audited)

The Board has determined that Executive Directors of the Company are required to build up, over a reasonable period of time, a substantial shareholding in the Company. This shareholding requirement is to represent at least two times base salary. The Executive Chairman, since his role is an interim role, is not subject to this requirement, however any new Executive Directors who are appointed in the future will be required to comply with this requirement.

The Chairman and Non-Executive Directors of the Company have no such shareholding requirement and have discretion as to whether to hold shares in the Company or not. The tables below set out the interests in the ordinary shares of the Company held by each Director (or connected persons) of the Company during the year ended 31 December 2024.

Under the UK Corporate Governance Code there is a requirement for the Company to develop a post-employment shareholding policy, encompassing vested and unvested shares for Executive Directors. The detail of this post-employment shareholding policy is as follows:

Directors' shareholding requirements and share interests (audited) continued

Upon the departure of an Executive Director, the post-employment shareholding policy will operate as follows:

- Shares held in the Employee Benefit Trust under the DBP will continue to be held in trust and will be released to the former Executive Director in accordance with their normal vesting dates. The former Executive Director will be expected to hold any vested DBP shares at least until the second anniversary of their departure date.
- Shares that have vested to an Executive Director under the LTIP and are subject to the two-year post vesting holding period will continue to be required to be held by the former Executive Director until the expiry of the two-year post vesting holding period.
- In the event that an Executive Director is treated as a "good leaver" under the LTIP, then any outstanding LTIP awards that have not vested will be prorated to the date of leaving and remain subject to satisfaction of performance conditions. Subject to those conditions being achieved at the normal vesting date, shares will typically be released at the earlier of the expiry of the normal two-year post vesting holding period and the second anniversary of their departure date.
- Shares purchased by an Executive Director using their own personal funds shall not be subject to this post-employment shareholding policy.
- Stephen Bird and Andrea Rigamonti who both ceased to be Directors on 25 October 2024 are subject to this post-employment shareholding policy.

Directors' shareholding tables as at 31 December 2024 (audited):

Executive Director	Share ownership requirement (% of salary)	Number of shares owned outright (including connected persons)	Number of shares beneficially owned (DBP award shares)	Number of shares unvested and subject to performance (LTIP shares)	Number of shares under option (Sharesave)	Number of shares under Restricted Share Plan (RSP)	Ownership requirements met (based on shares owned outright and DBP award shares)
Stephen Harris	Not applicable	133,392	0	200,000	0	0	Not applicable
Stephen Bird (left 25 October 2024)	200%	309,621	20,208	342,914	0	0	90%
Andrea Rigamonti (left 25 October 2024)	200%	57,789	317	83,629	2,865	0	25%

Chairman and Non-Executive Directors' shareholdings as at 31 December 2024 (audited)

Director	1 January 2024 or date of appointment if later	31 December 2024 (or date of leaving if earlier)
Polly Williams (appointed 1 July 2024)	0	0
Caroline Thomson	15,897	15,897
Richard Tyson	6,399	6,399
Graham Oldroyd	37,453	37,453
Anna Vikström Persson	26,217	26,217
Ian McHoul (left 19 June 2024)	38,726	38,726
Erika Schraner (left 19 June 2024)	7,550	7,550
Teté Soto (left 19 June 2024)	5,436	5,436

- The closing mid-market share price on 31 December 2024 (the last trading day of the year) was £1.46.
- The shares shown in the beneficial holdings table above were acquired by the Directors using their own funds, or in the case of Stephen Bird and Andrea Rigamonti, also through share incentive schemes or similar.
- During the year ended 31 December 2024 Stephen Harris had the following share dealings:
  - On 27 September 2024 acquired 21,033 ordinary shares.
- There has been no change to the Directors' shareholdings described in the table above in the period from 31 December 2024 to 30 April 2025, the date of signing of this report other than the following:
  - On 6 January 2025 Stephen Harris was awarded a further 200,000 shares under the Long Term Incentive Plan. Details of this award are set out on page 84.
  - Eva Lindqvist was appointed as an independent Non-Executive Director on 1 April 2025. As at the date of her appointment, she held 20,000 ordinary shares in the Company.

Annual Report on Remuneration continued

Sharesave

The Group operates an all-employee savings-related share option scheme in the UK ("Sharesave") and a similar international plan in respect of overseas employees in certain countries (US, Italy, Costa Rica and several other countries). The Scheme and Plan are open to all the Group's employees in those countries, including the Executive Directors. No current Director as at 31 December 2024 participates in the Sharesave scheme. Stephen Bird and Andrea Rigamonti, as at the date of ceasing to be Directors of the Company on 25 October 2024, participated in the Sharesave scheme as follows:

Director	Date of grant	At 1 January 2024 (shares)	Options exercised during the year	Options lapsed during the year	Options granted during the year	At 31 December 2024 (shares)	Exercise price	Market price of date of grant (pence)	Date from which exercisable	Expiry Date
Stephen Bird[1] (left 25 October 2024)	12 June 2024	0	0	2,865	2,865	0	£2.24	278.8*	1 August 2027	28 February 2028
Andrea Rigamonti (left 25 October 2024)	12 June 2024	990	0	990	2,865	2,865	£2.24	278.8*	1 August 2027	28 February 2028

* The market price for the grant of shares under option was calculated on the basis of the three day average of the closing mid-market share price from 3 May to 8 May 2024 inclusive. A 20% discount was applied to this price under this HMRC approved Sharesave Plan.
1 Stephen Bird cancelled his 12 June 2024 Sharesave Plan before 31 December 2024.

Long Term Incentive Plan

The following table sets out the outstanding awards under the LTIP as at 31 December 2024 for the Executive Directors (or as at the date of their leaving). No LTIP awards were made in 2023 due to challenging market conditions.

Director	Date of award	Awards at 1 January 2024	Awards exercised during the year	Associated dividend shares with the exercised award	Awards lapsed during the year	Awards made during the year[3]	At 31 December 2024	Market price on which award made (pence)	Market price at exercise date (pence)	Face value of award	Percentage of interest that vests if threshold performance achieved	End of performance period
Stephen Harris[3]	18 Dec 2024	0	0	0	0	200,000	200,000	192.2	–	153%	0%	18 Dec 2026
Total		**0**	**0**	**0**	**0**	**200,000**	**200,000**					
Stephen Bird (left 25 October 2024)	3 March 2021[1]	96,921	0	0	96,921	0	0	986	–	200% of annual salary	25%	31 December 2023
	11 March 2022[2]	56,097	0	0	0	0	56,097	1097	–	125% of salary	25%	31 December 2024
	2 May 2024[4]	0	0	0	0	286,817	286,817	279	–	150% of salary	25%	31 December 2026
Total		**153,018**	**0**	**0**	**96,921**	**286,817**	**342,914**					
Andrea Rigamonti (left 25 October 2024)	11 March 2022[2]	13,388	0	0	0	0	13,388	1097	–	n/a	25%	31 December 2024
	2 May 2024[4]	0	0	0	69,505	153,134	83,629	279	–	125%	25%	31 December 2026
Total		**13,388**	**0**	**0**	**69,505**	**153,134**	**97,017**					

1 The LTIP award made on 3 March 2021 failed to achieve its performance conditions and lapsed in full on its third anniversary of 3 March 2024.
2 The LTIP award made on 11 March 2022 has failed to achieve its performance conditions and lapsed in full on its third anniversary of 11 March 2025.
3 On 6 January 2025, Stephen Harris received a further award of 200,000 shares under the LTIP. Subject to satisfaction of performance conditions these will vest on 18 December 2026.
4 Stephen Bird's 2024 LTIP award will lapse in full on 25 October 2025. Andrea Rigamonti's 2024 LTIP award has been prorated to the employment termination date of 20 December 2025 and 83,629 shares remain capable of exercise subject to satisfaction of performance conditions.

Deferred Bonus Plan

Each year, Executive Directors are required to defer a proportion of any earned annual bonus into the DBP representing 50% of any after tax bonus. As explained on page 84 of this report, no bonus was payable to the Executive Directors for 2023 or 2024. The following table sets out the outstanding awards under the DBP as at 31 December 2024 for the Executive Directors (or as at their date of leaving in 2024). Stephen Harris does not participate in the annual bonus plan or Deferred Bonus Plan in accordance with the terms of his service agreement.

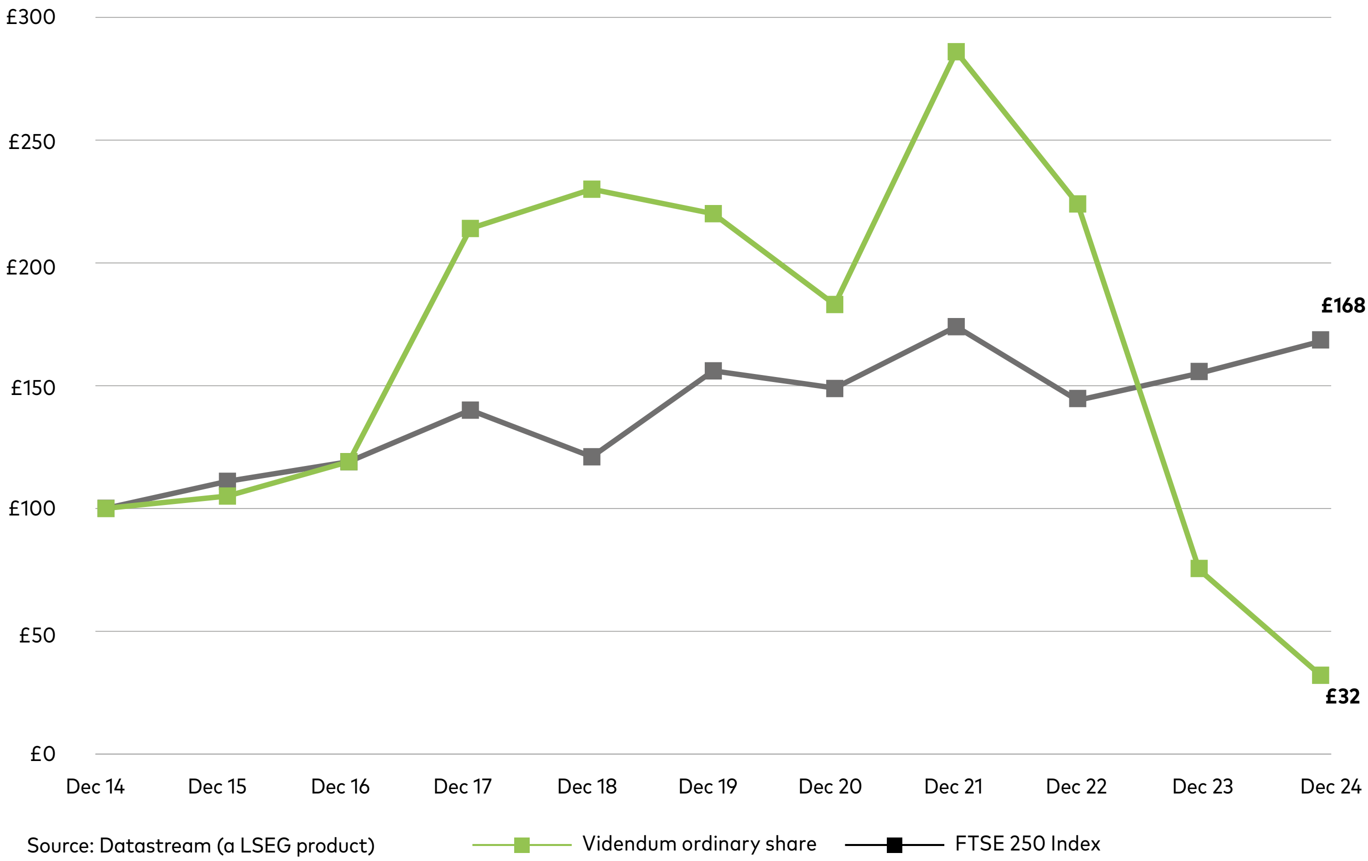
Director	Date of award	Awards at 1 January 2024 (shares)	Awards exercised during the year	Associated dividend shares with the exercised awards	Awards lapsed during the year	Awards made during the year	At 31 December 2024	Market price on which award made (pence)	Market price at exercise date (pence)	Face value of award	Percentage of interest that vests if threshold performance achieved	End of performance period
Stephen Bird (left 25 October 2024)	13 May 2021[1]	2,537	2,537	720	0	0	0	1394	280	50% of annual bonus	Not applicable	Shares held in Employee Trust to third anniversary of award date
	4 April 2022[2]	11,115	0	0	0	0	11,115	1351	–	50% of annual bonus	Not applicable	Shares held in Employee Trust to third anniversary of award date
	3 April 2023[3]	9,093	0	0	0	0	9,093	885	–	50% of annual salary	Not applicable	Shares held in Employee Trust to vest on third anniversary of the award
Total		**22,745**	**2,537**	**720**	**0**	**0**	**20,208**					
Andrea Rigamonti (left 25 October 2024)	3 April 2023[3]	317	0	0	0	0	317	885	–	50% of annual salary	Not applicable	Shares held in Employee Trust to vest on third anniversary of the award
Total		**317**	**0**	**0**	**0**	**0**	**317**					

1 The DBP award made to Stephen Bird on 13 May 2021 vested on 13 May 2024.
2 The DBP award made on 4 April 2022 to Stephen Bird covered 50% of the bonus earned in respect of the financial year ended 31 December 2021. The award will vest on its third anniversary.
3 The DBP award made on 3 April 2023 to Stephen Bird covered 50% of the bonus earned in respect of the financial year ended 31 December 2022. Andrea Rigamonti's DBP award on 3 April 2023 represented a proportion of his bonus earned in 2022 and is tied to his appointment as a Group Chief Financial Officer on 13 December 2022. The award will vest on its third anniversary of 3 April 2026.
4 Under the terms of their respective termination agreements, Stephen Bird and Andrea Rigamonti's DBP shares will only vest on their normal vesting date which is the third anniversary of each award.

Annual Report on Remuneration continued (unaudited)

Ten-year performance graph of the Company's ordinary shares compared to comparator group

The Company is required to include a line graph showing the Company's ordinary share performance compared to an appropriate index over a ten-year performance period ending 31 December 2024. The graph below illustrates the Company's annual TSR (share price growth plus dividends that have been declared, paid and reinvested in the Company's shares) relative to the FTSE 250 for the preceding ten-year period ending 31 December 2024, assuming an initial investment of £100. This index has been chosen since it is the comparator group (excluding financial services companies and investment trusts) for one of the performance conditions tied to awards under the LTIP. The Committee notes that the FTSE 250 Index is a recognised broad market equity index, relatively complex and international in nature and is comparable to the Company's business operations where approximately 90% of revenues are generated outside the UK. TSR data is taken from Datastream.



Source: Datastream (a LSEG product)

Performance table setting out the total remuneration of the Group Chief Executive

The following table sets out the single figure of total remuneration paid and the amount vesting under short-term and long-term incentives (as a percentage of the maximum that could have been achieved) to the Group Chief Executive (or Executive Chairman in respect of Stephen Harris) for each of the ten years ended 31 December 2024.

Year (ended 31 December)	Group Chief Executive	CEO single figure of total remuneration	Annual bonus payout against maximum opportunity % (including actual amount paid)	Long-term incentive vesting rates against maximum opportunity %
2024	Stephen Bird (until 25 October 2024) Stephen Harris (from 25 October 2024)	£575,812	0% £0	0%
2023	Stephen Bird	£583,428	0% £0	0%
2022	Stephen Bird	£1,150,877	50.4%	46.9%
			£307,987	
2021	Stephen Bird	£1,166,196	95.5%	0%
			(£566,588)	
2020	Stephen Bird	£701,744	22.5%	0%
			(£133,489)	
2019	Stephen Bird	£1,151,858	21.5%	72.06%
			(£124,445)	
2018	Stephen Bird	£2,280,723	66.9%	100%
			(£377,925)	
2017	Stephen Bird	£1,596,214	88.4%	67.5%
			(£486,771)	
2016	Stephen Bird	£962,299	77.9%	0%
			(£418,450)	
2015	Stephen Bird	£636,374	20%	0%
			(£104,876)	

Annual Report on Remuneration continued

Percentage change in remuneration of the Directors and employees

The table below shows the year-on-year percentage change in salary, benefits and annual bonus earned between the year ended 31 December 2024 and the years ended 31 December 2023, 2022, 2021 and 2020 for the Directors, compared to the average of earnings of the parent Company employees. The Remuneration Committee has selected this comparator group on the basis that each of the Directors is UK based and this provides a local market reference, is a sizeable population and a fair representation of the Group's employee base.

2019/20 Annual salary	2019/20 Taxable benefits	2019/20 Annual bonus	2020/21 Annual salary	2020/21 Taxable benefits	2020/21 Annual bonus	2021/22 Annual salary	2021/22 Taxable benefits	2021/22 Annual bonus	2022/23 Annual salary	2022/23 Taxable benefits	2022/23 Annual bonus	2023/24 Annual salary	2023/24 Taxable benefits	2023/24 Annual bonus
Stephen Harris, Executive Chairman (appointed as a Director on 9 November 2023 and as Executive Chairman on 25 October 2024)														
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	19%	n/a	n/a
Stephen Bird, Group Chief Executive (left 25 October 2024														
2.5%	2.5%	-7%	0%	0%	324%	3%	3%	-45%	5%	5%	-100%	4%	4%	0%
Andrea Rigamonti, Group Chief Financial Officer (left 25 October 2024)														
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	10%	4%	0%
Caroline Thomson, Non-Executive Director														
2.5%	n/a	n/a	0%	n/a	n/a	3%	n/a	n/a	5%	n/a	n/a	18%	n/a	n/a
Richard Tyson, Non-Executive Director														
2.5%	n/a	n/a	0%	n/a	n/a	3%	n/a	n/a	5%	n/a	n/a	18%	n/a	n/a
Anna Vikström Persson, Non-Executive Director														
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	18%	n/a	n/a
Graham Oldroyd, Non-Executive Director														
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	18%	n/a	n/a
Polly Williams, Non-Executive Director (appointed 1 July 2024)														
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0%
Ian McHoul, Chairman (left 19 June 2024)														
0%	n/a	n/a	0%	n/a	n/a	3%	n/a	n/a	5%	n/a	n/a	0%	n/a	n/a
Erika Schraner, Non-Executive Director (left 19 June 2024)														
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5%	n/a	n/a	0%	n/a	n/a
Teté Soto, Non-Executive Director (left 19 June 2024)														
n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5%	n/a	n/a	0%	n/a	n/a
Parent Company employees														
2.5%	2.5%	-36%	2.2%	2.2%	2.92%	3%	3%	-42%	5%	5%	-100%	4%	4%	0%

Group Chief Executive's pay ratio disclosure

In accordance with Option C as set out in the Companies (Miscellaneous Reporting) Regulations 2018, the following table sets out Stephen Bird's (Group Chief Executive until 25 October 2024) and Stephen Harris' (Executive Chairman from 25 October 2024 to 31 December 2024) total remuneration for the year ended 31 December 2024 compared with all UK employees of the Group at the 25th percentile, 50th percentile and 75th percentile. The data has been compiled from available data as at 31 December 2024 for all UK-based employees and no element of remuneration has been excluded from the calculation. We have used the combined total remuneration for Stephen Harris and Stephen Bird for 2024 in their respective roles leading the Company. This table will build up over a ten-year period. We have chosen Option C as it reflects all our UK workforce and is more complete in showing the Group Chief Executive's remuneration compared to the entire UK workforce. It uses bonus information usually paid in the March following a year end as bonus information is not calculated until the March following a year end for many UK employees. No bonus was earned in 2023 or 2024. The Company believes the median ratio is consistent with the Company's wider policies on employee pay, reward and progression. We seek to pay all employees including the Group Chief Executive fairly for the roles they perform and taking into account a range of factors including the relevant role, their performance and internal and external measures including pay rates and pay gaps.

Year	Method	25th percentile	50th percentile	75th percentile
2019	Option C	82:1	57:1	35:1
		£27,833	£40,002	£64,086
2020	Option C	44:1	31:1	19:1
		£25,866	£36,965	£61,245
2021	Option C	28:1	19:1	12:1
		£26,361	£37,726	£58,866
2022	Option C	52:1	37:1	22:1
		£29,804	£42,020	£69,610
2023	Option C	22:1	14:1	8:1
		£26,901	£42,172	£69,489
2024	Option C	£32,404	£44,550	£69,628
		18:1	14:1	8:1

The actual salaries paid for each UK employee at the respective quartiles for 2024 were: 25th percentile – £30,618; 50th percentile – £41,112; and 75th percentile – £64,519. The change in the pay ratios from 2019 to 2024 has been impacted by COVID-19 as well as the impact of actors' and writers' strikes in 2023. In 2020, the Company implemented short-time working and other measures such as salary waivers in response to the pandemic. In 2021, Executive Directors did not receive any pay increase in contrast to the wider UK employee population and long-term incentives for the Executive Directors did not vest due to performance conditions not being achieved. As the Company recovered from the impact of the pandemic in 2023 and the Group had delivered a record profit in 2022 leading to a higher proportion of variable remuneration being delivered to the Group Chief Executive, the pay ratio gap widens where annual bonuses and long-term incentives are payable. The impact of challenging macroeconomic factors in 2023 coupled with the writers' and actors' strikes in 2023 have significantly impacted the Group's performance in 2023 and into 2024 with the result that variable remuneration has been significantly reduced. The change in executive management in October 2024 has further impacted the pay ratio disclosure. We consider that the use of Option C and the percentiles shown for UK employees are reasonably representative.

Annual Report on Remuneration continued

Relative importance of spend on pay

The following table sets out for the year ended 31 December 2024 compared to the year ended 31 December 2023 the actual expenditure of the Company in terms of remuneration paid to or receivable by all employees of the Group and distributions to shareholders by way of dividends. There have been no other significant distributions and payments required to be disclosed that would assist in understanding the relative importance of spend on pay.

	Year ended 31 December 2024	Year ended 31 December 2023	% change
Total remuneration paid to all Videndum employees	£90.9m	£95.8m	-5.1%
Total dividends paid to shareholders	£0m	£0m	0%

Statement of implementation of Directors' Remuneration Policy in the year ending 31 December 2025

This section provides an overview of how the Committee is proposing to implement the Remuneration Policy in 2025. It is noted that Stephen Harris is currently serving as Executive Chairman under a service agreement dated 17 December 2024 while a search for a new Chief Executive Officer is carried out. Subject to progress with that search, the Remuneration Committee will look to put in place a remuneration package for a new Chief Executive Officer in line with the Policy Report as approved by shareholders.

(1) Base salary

The table below sets out the 2025 base salary for the Executive Chairman in line with a service agreement dated 17 December 2024.

Executive Director	2025 salary
Stephen Harris	£250,000

(2) Benefits

Under his service agreement dated 17 December 2024, Stephen Harris will receive a car allowance of £25,000 in 2025 and the Company will also pay for his private healthcare. Details of the premium for this will be disclosed in the 2025 Annual Report on Remuneration.

(3) Pension allowance

Executive Directors normally receive a pension contribution of 8% of base salary which is in line with pension contributions provided to the wider UK employee workforce. Stephen Harris who became Executive Chairman on 25 October 2024 and has a service agreement dated 17 December 2024 does not receive any pension allowance.

(4) Annual bonus

Executive Directors normally have a maximum opportunity at 125% of base salary. Half of any net after tax annual bonus earned is to be deferred into the DBP for a period of three years and held in the form of shares in the Company. There will be no matching award that can be earned on this deferred bonus. Given the current challenges facing the business, no bonus plan for 2025 has been set.

Performance measures selected for the annual bonus plan in the future will reflect the strategic and operational objectives of the Group. The Committee considers that the specific targets and personal objectives tied to the Annual Bonus Plan are commercially sensitive until after the end of the accounting year that they apply to and therefore does not disclose them while inflight. The Committee will disclose these targets and objectives once a bonus has been paid and subject to the Committee considering that they are no longer commercially sensitive. Stephen Harris who became Executive Chairman on 25 October 2024 under the terms of his service agreement dated 17 December 2024, does not participate in an annual bonus plan.

(5) Long Term Incentive Plan

Stephen Harris on 6 January 2025 received an LTIP award of 200,000 shares in the Company. This award subject to satisfaction of performance conditions will vest on 18 December 2026. Full details are set out on page 84.

The Committee will consider the need to make further LTIP awards in 2025. The performance conditions for any such LTIP award will be determined at that time to ensure that they are appropriate and in line with the Policy Report. Should an LTIP award be made, details will be announced to the market, including the specific performance targets. Any awards vesting under the LTIP 2025, after deduction of taxes, will be subject to a further two-year holding period, thereby more closely aligning the participants' interests with the long-term interests of shareholders.

(6) Executive Chairman and Non-Executive Directors' remuneration

The fee structure for the Non-Executive Directors for 2025 is set out in the following table.

Role	2025 fee	2024 fee
Executive Chairman	£250,000	£250,000 (£210,400)[4]
Non-Executive Directors' base fee	£65,400	£65,400 (£55,400)[1]
Chair of Audit Committee	£10,000[2]	£10,000[2]
Chair of Remuneration Committee	£10,000[2]	£10,000[2]
Senior Independent Director	£8,000[2]	£8,000[2]
Employee Engagement Non-Executive Director	£5,000[3]	£5,000[3]

1 Following a review of Non-Executive Directors' fees based on an assessment of time commitments and market data, it was agreed that the fee for 2024 was increased with effect from 1July 2024.

2 The fees of the Chair of the Remuneration Committee and Senior Independent Director were last increased to their current level in 2019 to take account of the nature of each role, the time commitment, performance of the respective individuals, market rates for the complexity of the roles and the calibre of individuals. The Audit Committee Chair's fee upon review was considered to be in line with market rates and appropriate for the demands of the role and complexity of the Company.

3 The Company appointed Caroline Thomson as the Non-Executive Director with responsibility for employee engagement in accordance with the 2018 UK Corporate Governance Code. Given the responsibility of this role and additional work associated with it, the Board approved that a fee of £5,000 per annum be payable to Caroline Thomson for that role. This fee will be paid to any other successor Non-Executive Director in future years. A full description of the activity involved with this role is given on page 56 of the Annual Report.

4 Upon his appointment as Chairman on 1 May 2024, Stephen Harris' fee was increased to £210,000 per annum. Prior to that date, Stephen Harris received the Non-Executive Directors' base fee. Upon Stephen Harris' appointment as Executive Chairman on 25 October 2024 Stephen Harris under a service agreement receives an annual salary of £250,000 per annum. His remuneration for 2024, as Executive Chairman, is shown on page 82.

The Board has agreed that fees will typically be reviewed annually to ensure that they remain appropriate.

Malus and clawback

Under the rules of the Annual Bonus Plan, LTIP, RSP and DBP, awards are subject to a malus rule whereby the Remuneration Committee has the power to reduce, cancel or impose further conditions upon a bonus or award in circumstances that the Committee determines such action is appropriate, including circumstances where a material misstatement of the Company's audited financial results has occurred, or serious reputational damage to the Company has occurred as a result of a participant having breached the Company's Code of Conduct, a miscalculation or an assessment of any performance conditions that was based on incorrect information, or the occurrence of an insolvency or administration event. In addition, under the above plans, a clawback provision exists where in the same circumstances as for malus, any future award that is paid out can be clawed back from a participant for a period of up to three years from it vesting or being paid out. The Committee did not exercise the power of malus and clawback in the year ended 31 December 2024 and up to the date of signing this report.

Voting at Annual General Meeting

At the Company's AGM held on 19 June 2024, shareholders were asked for an advisory vote on the Directors' Annual Report on Remuneration for the year ended 31 December 2023. The resolution was approved by shareholders on a poll at the 2024 AGM and the table below sets out the proxy votes voted for, against and withheld for the resolution.

Resolution	For proxy votes and % of votes cast	Against proxy votes and % of votes cast	Withheld proxy votes
Advisory vote on the Annual Report on Remuneration for the year ended 31 December 2023	80,439,270	1,506,743	1,307,966
	98.16%	1.84%	

As at the date of the Company's AGM on 19 June 2024 the Company had 94,201,206 ordinary shares in issue. The current Directors' Remuneration Policy was approved by shareholders at the 11 May 2023 AGM with 99.2% of votes in favour and 0.8% of votes against. The detail of the 2023 Policy Report vote is as follows:

Resolution	For proxy votes and % of votes cast	Against proxy votes and % of votes cast	Withheld proxy votes
To approve the Directors' Remuneration Policy – to cover Directors remuneration for the period from the 2023 AGM through to the 2026 AGM	38,446,561	310,248	14,099
	99.2%	0.8%	

The Remuneration Committee, in line with guidance, considers that an against vote of 20% or more of the votes cast is deemed to be significant in connection with a resolution on Directors' remuneration. In the event that a significant level of concern is raised at future AGMs, both the Chairman of the Board and the Chair of the Remuneration Committee will contact the Company's major shareholders following an AGM to understand the precise detail of the concern being raised. Subject to that, the Committee and the Board as a whole will consider how best to address the concern being raised. This may involve a revision to the Company's Policy on Directors' remuneration at a subsequent AGM or some other change which can be implemented without further shareholder consultation. The Committee and the Board are committed to an open and transparent dialogue with shareholders on material matters of concern.

Annual Report on Remuneration continued

The Remuneration Committee

The Remuneration Committee comprised the following members during 2024: Caroline Thomson – Chair, Richard Tyson, Graham Oldroyd, Anna Vikström Persson, Polly Williams (from 1 July 2024), Erika Schraner (until 19 June 2024) and Teté Soto (until 19 June 2024).

All of the Committee members are independent Non-Executive Directors. Upon her appointment to the Board on 1 April 2025, Eva Lindqvist became a member of the Remuneration Committee.

The Committee, on behalf of the Board, determines the Policy, base salaries, annual cash bonus arrangements, participation in incentive schemes, pension arrangements and all other benefits received by the Executive Directors including any exit packages.

The Committee also oversees the framework of remuneration for the Executive Committee, including terms of service, pay structure, annual cash bonus, pensions, share incentive arrangements and all other benefits and also has regard to wider employee remuneration within the Group.

The Committee invites individuals to attend meetings, as it deems necessary, to assist with consideration of remuneration matters. During 2024 the following individuals attended meetings of the Committee: Ian McHoul (Board Chairman – until he stepped down), Stephen Bird (Group Chief Executive – until his departure on 25 October 2024), Stephen Harris (Chairman Designate/Chairman) and Jon Bolton (Group Company Secretary). Representatives of the Committee's remuneration advisor, FIT Remuneration Consultants, also attended meetings in 2024.

The Executive Directors or members of the Executive Committee are not present when their own remuneration is being considered.

The remuneration of the Chairman and the Non-Executive Directors is determined by the Board as a whole, with the Chairman or the relevant Non-Executive Director abstaining when his or her remuneration is considered.

For further information regarding governance for the Remuneration Committee see pages 70 and 71 of this Annual Report.

External advisors

The Committee appointed FIT Remuneration Consultants as its external remuneration advisor in 2019. Their appointment involved the Committee Chairman reviewing several potential advisors including written proposals and interviews. Following this process, the Remuneration Committee selected FIT Remuneration Consultants. FIT Remuneration Consultants charge for their time given in providing a service to the Company and during 2024 the level of fees paid to remuneration advisors totalled £32,982 (2023: £60,060) and was charged on a time basis. This fee covered advice relating to disclosures in the 2023 Directors' Remuneration report, measurement of performance conditions associated with long-term incentive arrangements, negotiation of exit agreements and general remuneration advice including recruitment and retention packages. FIT Remuneration Consultants do not provide any other services to the Company. FIT Remuneration Consultants are a member of the Remuneration Consultants Group and operate under that Group's voluntary code of practice for remuneration consultants in the UK. The Committee is satisfied that the advice it received from FIT Remuneration Consultants during 2024 was objective and independent. The Company or any of its individual Directors has no other connection with FIT Remuneration Consultants other than as acting as the Committee's external remuneration advisor. The Committee also received advice and administrative support during 2024 from the Group Company Secretary, Jon Bolton.

This Directors' Remuneration report has been approved by the Remuneration Committee and signed on its behalf by:

Caroline Thomson
Remuneration Committee Chair
30 April 2025

Directors' report

Directors

The Directors who held office at 31 December 2024 and up to the date of this report are set out on pages 48 and 49 along with their biographies.

Ian McHoul, Erika Schraner and Teté Soto did not seek re-election at the Company's 2024 Annual General Meeting and ceased to be directors of the Company at the end of that meeting on 19 June 2024. Stephen Harris succeeded Ian McHoul as Chairman with effect from 1 May 2024.

Polly Williams joined the Board as an independent Non-Executive Director and Chair of the Audit Committee with effect from 1 July 2024.

Stephen Bird and Andrea Rigamonti ceased to be Directors on 25 October 2024 and with effect from the same date, Stephen Harris became Executive Chairman.

Eva Lindqvist was appointed as an independent Non-Executive Director with effect from 1 April 2025.

Caroline Thomson will not seek re-election at the Company's 2025 AGM on 16 June 2025 and will be standing down as Chair of the Remuneration Committee and from the Board from the close of that meeting. Caroline will be succeeded as Chair of the Remuneration Committee by Anna Vikström Persson and by Eva Lindqvist as the independent non-executive director with responsibility for employee engagement.

At the conclusion of the Company's AGM on 16 June 2025, Richard Tyson will stand down as Senior Independent Director and be replaced by Eva Lindqvist in that role. Richard will remain on the Board as an independent Non-Executive Director.

All Directors of the Company, with the exception of Caroline Thomson as outlined, will stand for reappointment as Directors at the Company's 2025 AGM and further details can be found in the AGM Notice.

The remuneration of the Directors including their respective shareholdings in the Company is set out in the Remuneration report on pages 69 to 96.

Directors' and Officers' liability insurance and indemnification of Directors

The Company maintains Directors' and Officers' liability insurance which gives appropriate cover for any legal action brought against its Directors. The Company has also granted indemnities to each of its Directors to the extent permitted by law. Qualifying third-party indemnity provisions (as defined in Section 234 of the Companies Act 2006) have been adopted for each Director and indemnify in relation to certain losses and liabilities which the Directors may incur to third parties in the course of acting as Directors of the Company.

Shareholder rights

The Company's shareholders have a series of rights in connection with the governance of the Company. These are contained in statute, principally the Companies Act 2006, regulations such as the UKLA's Listing Rules and in the Company's Articles of Association. A shareholder, or shareholders acting together, can use procedures set out in the Companies Act 2006 to requisition a general meeting of the Company. The Directors are required to call such a general meeting once the Company has received requests to do so from shareholders representing at least 5% of the paid-up capital of the Company as carries the right of voting at general meetings of the Company (excluding any paid-up capital held as treasury shares).

Under the Companies Act 2006, either (i) a member or members representing at least 5% of the total voting rights of all the members having a right to vote on the resolution at the AGM (excluding voting rights attached to any treasury shares); or (ii) at least 100 members with the right to vote on the resolution at the AGM and each holding, on average, at least £100 of paid-up share capital, may require the Company to give members of the Company entitled to receive notice of the next AGM, notice of a resolution which may properly be moved at that meeting. Such a resolution may be properly moved unless it is defamatory, frivolous or vexatious or if it would be ineffective for any reason.

Such a request may be in hard copy or electronic form and must identify the resolution of which notice is to be given or the matter to be included in the business, must be authorised by the person or persons making it and must be received by the Company not less than six weeks before the meeting. A request for a matter to be included in the business of the meeting must also be accompanied by a statement setting out the grounds for the request.

Shareholders have an express right to vote annually on the Directors' Remuneration Report and at least every three years they have the right to vote on the policy governing Directors' remuneration. Under the Company's Articles of Association, shareholders have the right to vote on the re-election of all Directors of the Company annually at the AGM.

It is also confirmed that under the Company's governance arrangements, including the Articles of Association, there are no anti-takeover devices or provisions to prevent a takeover of the ownership of the Company through the normal ways permitted under UK law and regulation. There are no limitations on share ownership and the issuance of new capital, subject to shareholder approval, would be to address funding needs and is not a tool for an anti-takeover measure.

Share capital and powers for the Company issuing or buying back its own shares

The Company was authorised by shareholders at the 2024 AGM to purchase in the market up to 10% of the Company's issued share capital, as permitted under the Company's Articles of Association. During 2024, the Company purchased and cancelled 7,922 ordinary shares as part of a small buy back programme to eliminate new issue shares tied to a US Sharesave plan over which options were exercised in 2024. The Company has only ordinary shares of 20 pence nominal value in issue and does not have any shares held in treasury. Note 4.3 to the consolidated financial statements on page 160 summarises the rights of the ordinary shares as well as the number issued during 2024. An analysis of shareholdings is shown on page 188. The closing mid-market price of a share of the Company on 31 December 2024, together with the range during the year, is also shown on page 188. For details of own shares held by the Company see note 4.3 to the consolidated financial statements.

This standard authority is renewable annually and the Directors will seek to renew it at the 2025 AGM.

The Directors were granted authority at the 2024 AGM to allot ordinary shares up to a nominal amount of £1,884,024, which, at the time represented 9,420,120 ordinary shares of 20 pence each (10% of the Company's issued share capital). This authority will apply until the conclusion of the 2025 AGM. At the 2025 AGM, shareholders will be asked to grant a new authority authorising the Directors to be able to allot ordinary shares up to £12,560,098 representing approximately 66.66% of the Company's issued ordinary share capital, 33.33% of which is restricted to a fully pre-emptive offer. Further details are set out in the 2025 AGM Notice.

At the 2024 AGM, a special resolution was passed to authorise the Directors to allot ordinary shares for cash without first offering them to existing shareholders in proportion to their existing shareholdings. At the 2025 AGM, shareholders will be asked to renew this authority – in line with the latest institutional shareholder guidelines and market practice– to make non-pre-emptive issues for cash only and otherwise up to a nominal amount of £1,884,014 (representing 10% of the Company's issued share capital).

A special resolution will also be proposed at the 2025 AGM to renew the Directors' authority to repurchase up to 10% of the Company's issued

Directors' report continued

ordinary shares in the market. While the Directors have no present intention of exercising the authority to make market purchases, the authority provides the flexibility to allow them to do so in the future and any shares purchased pursuant to this authority may be held in treasury or may be cancelled.

Dividends

No final dividend has been recommended by the Board given the current financial performance of the business. The Board will look to resume dividend payments when appropriate to do so.

Substantial shareholdings

The Company had been advised under the Disclosure Guidance and Transparency Rules, or had ascertained from its own analysis, that the following held notifiable interests in the voting rights in the Company's issued share capital, as at 30 April 2025:

Shareholder	Number of voting rights	% of voting rights
Alantra Asset Management	22,603,060	23.99%
Aberforth Partners	17,668,340	18.76%
M&G Investments	6,474,435	6.87%
Royal London Asset Management	6.395,006	6.79%
Artemis Investment Management	4,062,827	4.31%
BGF Investments	3,227,700	3.43%

Committees of the Board

The Board has established Audit, Nominations and Remuneration Committees. Details of these Committees, including membership, governance and their activities during 2024, are contained in the Governance section of this Annual Report and in the Remuneration report.

Stakeholder engagement

The Board's engagement with various stakeholders is outlined on pages 24 to 25 and page 56.

Companies Act 2006 disclosures

In accordance with Section 992 of the Companies Act 2006 the Directors disclose the following information:

- The Company's capital structure and voting rights are summarised in note 4.3, and there are no restrictions on voting rights nor any agreement between holders of securities that result in restrictions on the transfer of securities or on voting rights.
- The Company purchased and cancelled 7,922 of its own shares on 5 November 2024 and the Company holds no ordinary shares in treasury.
- There exist no securities carrying special rights with regard to the control of the Company.
- Details of the substantial shareholders holding over 3% of the issued share capital and their shareholdings in the Company are listed in the table on the left.
- Shares awarded under the Company's DBP are held in a nominee capacity by the Employee Benefit Trust ("EBT"). The Trustees of the EBT do not seek to exercise voting rights on shares held in the EBT. No voting rights are exercised in relation to shares unallocated to individual beneficiaries.
- The rules concerning the appointment and replacement of Directors, amendment to the Articles of Association and powers to issue or buy back the Company's shares are contained in the Articles of Association of the Company and the Companies Act 2006.
- There exist no agreements to which the Company is party that may affect its control following a takeover bid.
- There exist no agreements between the Company and its Directors providing for compensation for loss of office that may occur because of a takeover bid.

Articles of Association

The Company's Articles of Association set out the rights of shareholders including voting rights, distribution rights, attendance at general meetings, powers of Directors, proceedings of Directors as well as borrowing limits and other governance controls. A copy of the Articles of Association can be requested from the Group Company Secretary.

Conflicts of interest

During the year no Director held any beneficial interest in any contract significant to the Company's business, other than a contract of employment. The Company has procedures set out in the Articles of Association for managing conflicts of interest. Should a Director become aware that they, or their connected parties, have an interest in an existing or proposed transaction with the Group, they are required to notify the Board as soon as reasonably practicable.

Political donations

Further to shareholder approval at the 2021 AGM empowering the Directors to make political donations, it is confirmed that no such donations were made in the year ended 31 December 2024. The Company's policy is not to make political donations. A resolution is put to shareholders at the 2025 AGM requesting to renew this existing authority that expires in May 2025.

Reporting requirements

The following sets out the location of additional information which forms part of the Directors' report:

Reporting requirement	Comprising	Location
Strategic report	– An indication of the Group's likely future business developments. – An indication of the Group's research and development activities. – Information on the Group's policies for the employment of disabled persons and employee involvement. – The Group's disclosures regarding greenhouse gas emissions.	Pages 2 to 45.
Non-financial information statement	– Environmental matters, employees, social matters, respect for human rights, anti-corruption and anti-bribery matters. – Business model. – Policies. – Principal risks. – Non-financial KPIs.*	Page 45.
Statement on corporate governance	– Review of the Board's governance arrangements during the year. – Review of the Board's Committee's arrangements during the year.	Pages 52 to 68.
Financial instruments	– Financial risk management objectives and policies of the Group. – The exposure of the Group to foreign currency risk, interest rate risk, and liquidity risk.	Page 153.
Responsible business	– Explanation of our approach to business ethics, employees, community and the environment.	Pages 26 to 44.
Employee engagement statement	– Explanation of how the Directors have engaged with employees and taken them into account when making principal decisions.	Employee engagement and Stakeholder engagements section on page 56.
Statement regarding fostering relationships with suppliers, customers and others	– Explanation of how the Directors have fostered the Company's business relationships with suppliers, customers, employees and others, and taken each group into account when making principal decisions.	Section 172 statement on page 55.

Going concern

The Board has, as at the date of signing these financial statements determined that a material uncertainty exists over the going concern assumption, that may cast significant doubt on the Group's ability to continue as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The full going concern and viability statement is outlined on pages 14 and 15.

* The Group uses APMs to aid the comparability of information between reporting periods and Divisions, by adjusting for certain items which impact upon IFRS measures, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and Management for performance analysis, planning, reporting and incentive purposes. Where relevant, further information on specific APMs is provided in the Glossary on page 181. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information and enable an alternative comparison of performance over time.

Directors' report continued

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and Accounts and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the parent company 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, 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 group and parent company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- Select suitable accounting policies and apply them consistently.
- State whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the parent company financial statements, subject to any material departures disclosed and explained in the financial statements;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the Parent Company will continue in business.

The Directors are responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the parent company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Post Balance Sheet events

On 9 April 2025 the Group sold its Amimon business, part of the Creative Solutions Division, for a gross cash consideration of \$1.0 million (£0.8 million). In addition, Teradek LLC, also part of the Creative Solutions Division, received \$2.3 million (£1.8 million) for entering into a licence agreement to grant Amimon a licence to use certain technology.

The Group obtained a covenant waiver for the February and March 2025 covenant tests. See section 1 "Basis of preparation" for updates in relation to Amended Covenants and borrowing facilities.

There were no other events after the Balance Sheet date that require disclosure.

Disclosure of information to the auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information (as defined in Section 418(2) of the Companies Act 2006) of which the Company's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Responsibility Statement of the Directors in respect of the Annual Report and Accounts

Each of the Directors, whose names and functions are listed on page 48 and 49 of the Annual Report and Accounts, confirm that, to the best of their knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation taken as a whole; and
- the Strategic report and Directors report (including the Governance report) include a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

Annual General Meeting ("AGM")

The 2025 AGM will be held at 2.00pm on Monday, 16 June 2025 at Hilton Syon Park, Park Road , Isleworth, TW8 8JF.

The Company will be making use of the electronic voting facility provided by its registrars, Equiniti Limited. The facility includes CREST voting for members holding their shares in uncertificated form. For further information, please refer to the section on online services and electronic voting set out in the notes to the Notice of Meeting.

The notice of the AGM and an explanation of the resolutions to be put to the meeting are set out in the Notice of Meeting accompanying this Annual Report. The Board fully supports all the resolutions set out in the Notice and encourages shareholders to vote in favour of each of them as they intend to in respect of their own shareholdings. Voting at the AGM will be conducted by way of a poll and shareholders are encouraged to submit a completed proxy form in line with the Notice of AGM.

Auditor

PricewaterhouseCoopers LLP has expressed its willingness to continue in office as auditors and separate resolutions will be proposed at the 2025 AGM concerning the reappointment of PricewaterhouseCoopers LLP and to authorise the Board to agree their remuneration.

The Directors' report was approved and authorised for issue by the Board of Directors on 30 April 2025 and signed on its behalf by

Jon Bolton
Group Company Secretary
30 April 2025

Independent auditors' report to the members of Videndum plc

Report on the audit of the financial statements

Opinion

In our opinion:

- Videndum plc's Group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the company's affairs as at 31 December 2024 and of the Group's loss and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements 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 Accounts 2024 (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheet as at 31 December 2024; the Consolidated Statement of Profit or Loss, the Consolidated Statement of Comprehensive Income/(Loss), the Consolidated and Company Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

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 Group 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, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in the Audit Committee Report, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Section 1 to the financial statements concerning the Group's and the company's ability to continue as a going concern.

The company relies on the overall performance of the Group to fulfil its liabilities and obligations in the foreseeable future. The Group has a Revolving Credit Facility ending in August 2026. The Group's lenders have agreed to covenant amendments through to the end of the facility and to raise the RCF cap from the £129 million introduced through the December 2024 amendment process to £139 million for the remaining term of the RCF. This increase and the covenant amendments are conditional on the company raising at least £6 million in net proceeds from a fully underwritten share placing to existing and new shareholders on 30 April 2025.

In both base case and severe but plausible scenarios, the Group must complete its planned refinancing or satisfy lenders with alternative deleveraging plan by October 2025 to avoid triggering an event of default. Under the severe but plausible scenario, multiple breaches of the Group's covenants are forecast within 12 months from the approval of these financial statements, with limited headroom forecast in June 2025. Furthermore, under this scenario, without additional sources of funding or new measures to improve the liquidity situation the Group would have insufficient liquidity to operate from the first quarter of 2026.

These conditions, along with the other matters explained in Section 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's and the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group and the company were unable to continue as a going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the Group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the base case scenario for the Group and company going concern assessment, including the directors' assumptions over the Group's ability to increase profitability as a result of achieving operational efficiencies across several areas including obtaining the benefits from restructuring activities.
- Considered the Group's short term cashflow forecasts and how these compare to the 2025 base case;
- Verifying the approach and calculations used by the directors to determine the assumptions used in the severe but plausible downside scenario, in particular over whether the assumptions over reduced sales were sufficiently severe and that operating profit margins were achievable.
- Reviewed the Group's amended debt facility agreements and share placing agreement and considered the Group's overall liquidity position and covenant compliance during the going concern period under both base and severe but plausible downside cases.

Independent auditors' report to the members of Videndum plc continued

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, other than the material uncertainty identified in Section 1 to the financial statements, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting, or in respect of the directors' identification in the financial statements of any other material uncertainties to the Group's and the company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our audit approach

Overview

Audit scope

- We conducted full scope audits at 4 components for Group reporting purposes. In addition, we performed an audit of one or more financial statement line items at a further 16 components.
- The components on which audit procedures were performed together account approximately for 87% of Group revenue.
- As part of the Group audit supervision process, the Group engagement team met with and discussed the approach and results of audit procedures with component teams and reviewed a selection of audit files and final deliverables. In-person site visits to components in Italy and the US were also performed.
- The Group engagement team audited the company and other central functions including those covering the Group treasury operations, corporate taxation, post-retirement benefits, and certain goodwill and intangible asset impairment assessments. The Group engagement team also performed audit procedures over the Group consolidation and financial statements disclosures and performed Group level targeted risk assessment procedures over out of scope components.
- The Group engagement team performed substantive procedures over all of the material balances and transactions of the parent company.

Key audit matters

- Material uncertainty related to going concern (Group and parent)
- Impairment of goodwill and other intangible assets (Group)
- Deferred tax asset recoverability (Group)
- Inventory obsolescence provision – deviations from the standard calculation under Group accounting policies (Group)
- Recoverability of investment in subsidiary undertakings (parent)

Materiality

- Overall Group materiality: £1.1 million based on approximately 0.4% of revenue.
- Overall company materiality: £0.5 million based on 1% of total assets limited by the application of component materiality.
- Performance materiality: £0.7 million (Group) and £0.3 million (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to going concern, described in the Material uncertainty related to going concern section above, we determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Impairment of goodwill and other intangible assets (Group) Refer to Section 1 "Critical accounting judgements and key sources of estimation uncertainty" and note "3.1 Intangible assets". The Group has significant goodwill arising from the acquisition of businesses and the carrying value is dependent on the financial performance of the cash generating units (CGUs) to which it relates. Goodwill allocated to each CGU is assessed for impairment annually and whenever there is a specific indicator of impairment. The carrying value of goodwill is required to be supported by the recoverable amount, the higher of value in use or the fair value less costs of disposal. The value in use model requires estimation of projected future cash flows and a number of estimates including discount rates, long-term growth rates and expected changes to revenue and operating margins during the forecast periods. In making such future assumptions, there is an inherent level of estimation uncertainty to consider. We determined there to be a significant audit risk that the carrying value of goodwill may not be supportable when compared to its recoverable amount. Management's assessment concluded that the carrying value of the Media Solutions CGU and Production Solutions CGU exceeded their value in use by £14.9 million and £31.1 million respectively.	We obtained management's impairment assessment which uses a value in use model. We tested the integrity of the Group's model and assessed the allocation of goodwill and acquired intangibles, ensuring calculations were mathematically accurate. We challenged the key assumptions used in the model to which the value was most sensitive, including the revenue growth and profit margin for each of the three CGUs. We compared future cash flow performance to historic levels, as well as to industry forecasts as part of our assessment as to whether the planned performance was considered achievable. We challenged the assumption within the forecasts that the business's cash flows would be earned into perpetuity. We reviewed management's sensitivity analysis and considered our own sensitivities to changes in key assumptions and underlying cash flows. With respect to the CGUs where goodwill was impaired, we considered management's assessment of the fair value less costs of disposal model to ensure we agreed that the recoverable amount should be taken from the value in use calculations. We used our valuations auditor's experts to assist us in our audit of the discount rate and long term growth rate used. We considered the adequacy of management's disclosures with respect to the impairment assessment and the key sensitivities to their estimates. Based on the procedures performed, we noted no material issues arising from our work.
Deferred tax asset recoverability (Group) Refer to Section 1 "Critical accounting judgements and key sources of estimation uncertainty" and note "2.4 Tax". The Group recognises deferred tax assets relating to carried forward losses and other tax attributes in accordance with IAS 12 Income Taxes. Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available against which the unused tax losses, unused tax credits and deductible temporary differences can be utilised. The recovery of the losses is dependent on the future profitability of Group entities based in the jurisdictions with those carried forward tax losses, most significantly in the United States of America. Management applied the same assumptions in the value in use impairment model to evaluate whether sufficient taxable profits are projected. Based on these forecasts the Group has released £62.6 million of deferred tax assets in the period.	We obtained the Group's recoverability assessment for the deferred tax asset and checked the mathematical accuracy of the model. We utilised our tax specialists to test that the quantum of tax losses and other timing differences available was accurately determined, particularly in the United States of America where rules are more complex. We tested management's forecasts supporting recoverability of amounts recognised as a deferred tax asset, ensuring consistency with the assumptions used in management's other forecasts within the going concern assessment and impairment models and that any differences were adequately explained. We considered in our review of disclosures whether the release was presented in the correct period. Based on the procedures performed we noted no material issues arising from our work.

Independent auditors' report to the members of Videndum plc continued

Key audit matter	How our audit addressed the key audit matter
Inventory obsolescence provision – deviations from the standard calculation under Group accounting policies (Group) Refer to Section 1 "Critical accounting judgements and key sources of estimation uncertainty" and note "3.3 Working capital". At 31 December 2024, the Group held gross inventories of £126 million (FY23: £123.3 million) against which a provision of £43.5 million (FY23: £28.8 million) had been recorded. During the year the Group has experienced additional challenges in managing inventory levels due to demand being less than planned. Certain areas of inventory provisioning under the Group's accounting policy are more judgemental. These judgemental areas include items subject to return, current forecasts supporting significantly different sales compared with historic data, safety stock and other significant events which might make historic data unrepresentative of expected future sales. The quantum of the total inventory balance and the level of judgement involved to ensure that inventories are stated at the lower of cost and net realisable value made this an area of focus.	We obtained management's inventory provision calculation and tested the mathematical accuracy of the provision based upon the provision methodology in place for that component. We assessed the appropriateness of the Group's policy and challenged any manual adjustments to the provision made under the judgemental areas permitted by Group policy and tested a sample of these. We obtained management's analysis and challenged the feasibility of the plans supporting the assumptions behind any manual adjustments. We considered the adequacy of the Group's disclosures in relation to the value of inventory. Based on the procedures performed, we noted no material issues arising from our work.
Recoverability of investment in subsidiary undertakings (parent) In the Notes to the company financial statements refer to note "h) Investments in subsidiary undertakings". The parent company holds material investments in subsidiaries. Due to the Group's trading performance in the period and market capitalisation, there was an indicator that these balances might be impaired Management assessed the carrying value of these investments using value in use models and concluded that an impairment of £364.3m should be recognised. Due to this assessment including assumptions about future performance which are judgemental in nature, we determined this to be a key area of focus.	We obtained management's impairment assessment which uses a value in use model. We tested the integrity of the Group's model ensuring calculations were mathematically accurate. We challenged the key assumptions used in the model to which the value was most sensitive, including the revenue growth and profit margin. We compared future cash flow performance to historic levels, as well as to industry forecasts as part of our assessment as to whether the planned performance was considered achievable. We challenged the assumption within the forecasts that the business's cash flows would be earned into perpetuity. We used our valuations auditor's experts to assist us in our audit of the discount rate and long term growth rate used. We considered the adequacy of management's disclosures with respect to the impairment assessment. Based on the procedures performed, we noted no material issues arising from our work.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the company, the accounting processes and controls, and the industry in which they operate. The Group is structured across three divisions: Media Solutions, Production Solutions and Creative Solutions.

Based on our risk and materiality assessments, we determined which components required an audit of their complete financial information having considered the relative significance of each entity to the Group, locations with significant inherent risks and the overall coverage obtained over each material line item in the consolidated financial statements. We identified 4 components which, in our view, required an audit of their complete financial information, due to size or risk characteristics. In addition to the business units in full scope, we performed an audit of one or more account balances, classes of transactions or disclosures at 16 components, including revenue, cost of sales, expenses, trade and other receivables, other creditors, cash, inventory, property, plant and equipment, capitalised development costs and tax. We also tested manual journal entries. This ensured that appropriate audit procedures were performed to achieve sufficient coverage over these financial statement line items.

We used our local teams based in the United States and Italy to perform the relevant audit procedures over the overseas components that we have determined require audit procedures to be performed.

The Group consolidation, financial statement disclosures and corporate functions were audited by the Group audit team. This included our work over the consolidation, centrally recognised tax balances, goodwill, acquired intangibles, post-retirement benefits, share based payments, earnings per share and treasury related balances. We have also performed targeted risk assessment analytics over certain smaller and lower risk components that were not directly included in our Group audit scope. Our audit of the parent company financial statements was undertaken by the Group audit team and included substantive procedures over all material balances and transactions.

Our audit of the parent company financial statements was undertaken by the Group audit team and included substantive procedures over all material balances and transactions.

The impact of climate risk on our audit

Climate change is expected to present both risks and opportunities for the Group. Disclosure of the impact of climate change risk based on management's current assessment is incorporated in the Task Force on Climate-related Financial Disclosures ('TCFD') section of the Annual Report. As part of our audit, we made enquiries of management to understand the extent of the potential impact of climate change on the Group's business and the financial statements, including reviewing management's climate change risk assessment which was prepared with the assistance of an external expert. Our procedures did not identify any material impact on our audit for the year ended 31 December 2024. We confirmed with management and the Audit Committee that the estimated financial impacts of climate change will be reassessed prospectively and our expectation is that climate change disclosures will evolve as the understanding of the actual and potential impacts on the Group's future operations is established with greater certainty.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – company
Overall materiality	£1.1 million.	£0.5 million.
How we determined it	approximately 0.4% of revenue	1% of total assets limited by the application of component materiality
Rationale for benchmark applied	We considered different benchmarks based on a number of profit measures and revenue. We considered revenue to better reflect the size of the business given the continued challenging performance of the Group in 2024 and decline in profitability against initial forecasts. Based on our professional judgement, we concluded that an amount of £1.1 million was appropriate representing approximately 0.4% of the Group's revenue.	The company primarily holds intercompany receivables, investments in subsidiaries and debt. Accordingly we considered that total assets is the primary measure for shareholders when assessing the financial statements of the ultimate holding company of the Group.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was approximately £0.2 million to £0.6 million.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 62.5% of overall materiality, amounting to £0.7 million for the Group financial statements and £0.3 million for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount in the middle of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £56,700 (Group audit) and £56,700 (company audit) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Independent auditors' report to the members of Videndum plc 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 our work undertaken in the course of the audit, the Companies Act 2006 requires 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 31 December 2024 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 Group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration

In our opinion, the part of the Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and, except for the matters reported in the section headed 'Material uncertainty related to going concern', we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

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 in respect of the financial statements, 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 Group's and 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 Group or the company or to cease operations, or have no realistic alternative but to do so.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety at work requirements, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006, listing rules and tax legislation in relevant jurisdictions. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the manipulation of reported results through the posting of inappropriate journal entries and management bias in accounting for key estimates and judgements. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:

- Discussions with management, Internal Audit and internal legal counsel, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Assessment of matters reported to the Board, including those raised through the Group's whistleblowing helpline;
- Challenging management's significant judgements and estimates, in particular those relating to the carrying value of goodwill and other intangible assets, the inventory obsolescence provision, the value of the parent company investment in subsidiaries and the valuation of the deferred tax asset;
- Reviewing minutes of meetings of those charged with governance including the Board and Audit Committee meetings; and
- Identifying and testing journals, in particular journal entries posted with unexpected account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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. 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.

Independent auditors' report to the members of Videndum plc continued

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 obtained 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 company financial statements and the part of the Annual Report on Remuneration to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 19 June 2024 to audit the financial statements for the year ended 31 December 2024 and subsequent financial periods. This is therefore our first year of uninterrupted engagement.

Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Jennifer Dickie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

30 April 2025

Introduction and table of contents

Each section sets out the accounting policies applied in producing these financial statements together with any critical accounting judgements and key sources of estimation uncertainty used. Text boxes provide an introduction to each section.

Consolidated Statement of Profit or Loss

For the year ended 31 December 2024

	Notes	**2024 £m**	2023 £m
Continuing operations			
Revenue	2.1	**283.6**	306.9
Cost of sales		**(189.1)**	(193.0)
Gross profit[1]		**94.5**	113.9
Other income[1]		**0.9**	0.7
Operating expenses	2.1/2.2	**(191.9)**	(119.3)
Operating loss	2.1	**(96.5)**	(4.7)
Comprising			
– Adjusted operating (loss)/profit		**(18.2)**	13.3
– Adjusting items in operating loss	2.2	**(78.3)**	(18.0)
Finance income		**3.3**	2.4
Finance expense		**(10.2)**	(16.5)
Net Finance expense	2.3	**(6.9)**	(14.1)
Loss before tax		**(103.4)**	(18.8)
Comprising			
– Adjusted (loss)/profit before tax		**(25.0)**	1.8
– Adjusting items in loss before tax	2.2	**(78.4)**	(20.6)
Taxation	2.4	**(43.6)**	6.7
Loss for the year from continuing operations		**(147.0)**	(12.1)
Loss for the year from discontinued operations	3.4	**–**	(66.0)
Loss for the year attributable to owners of the parent		**(147.0)**	(78.1)
Earnings per share from continuing operations			
Basic earnings per share	2.5	**(155.8)p**	(24.4)p
Diluted earnings per share	2.5	**(155.8)p**	(24.4)p
Earnings per share from total operations			
Basic earnings per share	2.5	**(155.8)p**	(157.5)p
Diluted earnings per share	2.5	**(155.8)p**	(157.5)p

1 For the year ended 31 December 2023, other income of £0.7 million was included within gross profit.

Consolidated Statement of Comprehensive Income/(Loss)

For the year ended 31 December 2024

	Notes	**2024 £m**	2023 £m
Loss for the year		**(147.0)**	(78.1)
Other comprehensive income/(loss):			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit obligation, net of tax	5.2	**(0.3)**	0.1
Items that are or may be reclassified subsequently to profit or loss:			
Currency translation differences on foreign currency subsidiaries		**(1.5)**	(12.2)
Net investment hedges – net loss		**(2.0)**	–
Fair value of cash flow hedges reclassified to the Income Statement		**(4.6)**	(4.2)
Effective portion of changes in fair value of cash flow hedges		**1.2**	2.9
Tax associated with changes in cash flow hedges		**0.9**	0.3
Other comprehensive loss, net of tax		**(6.3)**	(13.1)
Total comprehensive loss for the year attributable to owners of the parent		**(153.3)**	(91.2)

Consolidated Balance Sheet

As at 31 December 2024

	Notes	2024 £m	2023 £m
Assets			
Non-current assets			
Intangible assets	3.1	**99.7**	152.6
Property, plant and equipment	3.2	**48.6**	56.4
Employee benefit asset	5.2	**4.1**	4.2
Trade and other receivables	3.3	**4.5**	5.2
Derivative financial instruments	4.2	**–**	2.3
Non-current tax assets	2.4	**–**	3.1
Deferred tax assets	2.4	**0.7**	55.4
Total non-current assets		**157.6**	279.2
Current assets			
Inventories	3.3	**82.5**	94.5
Contract assets	3.3	**0.5**	1.8
Trade and other receivables	3.3	**38.7**	47.3
Derivative financial instruments	4.2	**0.8**	1.8
Current tax assets	2.4	**8.9**	5.7
Cash and cash equivalents	4.1	**57.3**	8.7
Total current assets		**188.7**	159.8
Assets of the disposal group classified as held for sale	3.4	**–**	12.3
Total assets		**346.3**	451.3
Liabilities			
Current liabilities			
Bank overdrafts	4.1	**44.4**	4.0
Interest-bearing loans and borrowings	4.1	**0.2**	0.2
Lease liabilities	4.1	**8.2**	5.6
Contract liabilities	3.3	**4.2**	2.1
Trade and other payables	3.3	**43.7**	42.8
Derivative financial instruments	4.2	**0.3**	0.1
Current tax liabilities	2.4	**6.6**	7.8
Provisions	3.5	**11.2**	3.1
Total current liabilities		**118.8**	65.7
Non-current liabilities			
Interest-bearing loans and borrowings	4.1	**114.2**	99.0
Lease liabilities	4.1	**23.3**	28.4
Other payables	3.3	**0.8**	1.2
Employee benefit liabilities	5.2	**2.5**	2.9
Provisions	3.5	**0.7**	0.8
Deferred tax liabilities	2.4	**0.1**	11.2
Total non-current liabilities		**141.6**	143.5
Liabilities of the disposal group classified as held for sale	3.4	**–**	4.6
Total liabilities		**260.4**	213.8
Net assets		**85.9**	237.5
Equity			
Share capital		**18.9**	18.9
Share premium		**133.7**	133.7
Translation reserve		**(16.5)**	(13.0)
Capital redemption reserve		**1.6**	1.6
Cash flow hedging reserve		**0.4**	2.9
Retained earnings		**(52.2)**	93.4
Total equity	4.3	**85.9**	237.5

Approved and authorised for issue by the Board of Directors on 30 April 2025 and signed on its behalf by:

Stephen Harris
Chairman

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Notes	Share capital £m	Share premium £m	Translation reserve £m	Capital redemption reserve £m	Cash flow hedging reserve £m	Retained earnings £m	Total equity £m
Balance at 1 January 2023		**9.4**	**24.3**	**(0.8)**	**1.6**	**3.9**	**185.3**	**223.7**
Loss for the year		–	–	–	–	–	(78.1)	(78.1)
Other comprehensive (loss)/income for the year		–	–	(12.2)	–	(1.0)	0.1	(13.1)
Total comprehensive loss for the year		**–**	**–**	**(12.2)**	**–**	**(1.0)**	**(78.0)**	**(91.2)**
Contributions by and distributions to owners								
Dividends paid	4.3	–	–	–	–	–	(11.6)	(11.6)
Own shares purchased		–	–	–	–	–	(3.7)	(3.7)
Own shares sold		–	–	–	–	–	1.2	1.2
New shares issued, net of costs		9.5	109.4	–	–	–	(0.8)	118.1
Share-based payment charge, net of tax		–	–	–	–	–	1.0	1.0
Balance at 31 December 2023 and 1 January 2024		**18.9**	**133.7**	**(13.0)**	**1.6**	**2.9**	**93.4**	**237.5**
Loss for the year		**–**	**–**	**–**	**–**	**–**	**(147.0)**	**(147.0)**
Other comprehensive loss for the year		**–**	**–**	**(3.5)**	**–**	**(2.5)**	**(0.3)**	**(6.3)**
Total comprehensive loss for the year		**–**	**–**	**(3.5)**	**–**	**(2.5)**	**(147.3)**	**(153.3)**
Contributions by and distributions to owners								
Own shares purchased		**–**	**–**	**–**	**–**	**–**	**(0.5)**	**(0.5)**
Share-based payment charge, net of tax		**–**	**–**	**–**	**–**	**–**	**2.2**	**2.2**
Balance at 31 December 2024		**18.9**	**133.7**	**(16.5)**	**1.6**	**0.4**	**(52.2)**	**85.9**

Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	Notes	2024 £m	2023 £m
Cash flows from operating activities			
Loss for the year		**(147.0)**	(78.1)
Adjustments for:			
Net finance expense		**6.9**	14.5
Taxation		**43.6**	(2.6)
Depreciation		**13.2**	14.4
Impairment of fixed assets	3.1/3.2	**61.1**	53.8
Amortisation of intangible assets		**11.6**	14.0
Net loss on disposal of property, plant and equipment and software		**0.3**	0.3
Fair value losses/(gains) on derivative financial instruments		**0.1**	(0.2)
Foreign exchange losses		**0.1**	–
Share-based payment charge		**2.2**	1.5
Retention bonuses		**0.2**	1.7
Loss on disposal of business before tax		**–**	1.0
Cash (used in)/from operating activities before changes in working capital, including provisions		**(7.7)**	20.3
Decrease in inventories		**12.5**	7.6
Decrease in trade receivables		**8.2**	16.3
Decrease in other receivables and contract assets		**2.9**	0.7
Increase/(decrease) in trade payables		**1.2**	(20.5)
Decrease in other payables and contract liabilities		**(0.9)**	(12.3)
Increase/(decrease) in provisions		**6.3**	(2.3)
Cash generated from operating activities		**22.5**	9.8
Interest paid[1]		**(10.3)**	(15.4)
Tax received/(paid)		**0.5**	(10.5)
Net cash from/(used in) operating activities		**12.7**	(16.1)
Cash flows from investing activities			
Interest received		**0.2**	–
Proceeds from sale of property, plant and equipment and software		**2.7**	0.2
Purchase of property, plant and equipment		**(7.9)**	(4.8)
Purchase of software and payment of development costs		**(7.6)**	(13.7)
Acquisition of businesses, net of cash acquired	3.7	**–**	(1.6)
Disposal of business	3.4	**–**	(0.9)
Net cash used in investing activities		**(12.6)**	(20.8)
Cash flows from financing activities			
Proceeds from the issue of shares, net of costs		**–**	118.1
Proceeds from the sale of own shares		**–**	1.2
Own shares purchased		**(0.5)**	(3.7)
Principal lease repayments[1]		**(6.1)**	(6.7)
Repayment of interest-bearing loans and borrowings		**(231.1)**	(313.9)
Borrowings from interest-bearing loans and borrowings		**244.7**	240.0
Dividends paid		**–**	(11.6)
Net cash from financing activities		**7.0**	23.4
Increase/(decrease) in cash and cash equivalents	4.1	**7.1**	(13.5)
Cash and cash equivalents at 1 January		**4.7**	15.8
Effect of exchange rate fluctuations on cash held	4.1	**1.1**	2.4
Cash and cash equivalents and overdrafts at 31 December	4.1	**12.9**	4.7

1 Total cash outflow for leases is £7.6 million (2023: £8.2 million) of which £1.5 million (2023: £1.5 million) relates to interest and £6.1 million (2023: £6.7 million) to principal lease repayments.
For the year ended 31 December 2023, the statement of cash flows of discontinued operations is presented in note 3.4 “Discontinued operations and non-current assets classified as held for sale”.

Section 1

Basis of Preparation

This section sets out the Group's accounting policies that relate to the consolidated financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates.

Videndum plc ("the Company") is a public company limited by shares incorporated in the United Kingdom under the Companies Act. The Company is registered in England and Wales and its registered address is William Vinten Building, Easlea Road, Bury St Edmunds, IP32 7BY, United Kingdom. The registered address was changed from Bridge House, Heron Square, Richmond, TW9 1EN on 20 December 2024. The consolidated financial statements of the Company as at and for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as "the Group").

The Group's consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, and have been approved by the Directors.

The consolidated financial statements are principally prepared on the basis of historical cost. Areas where other bases are applied are identified in the accounting policy outlined in the relevant note.

Climate change risks and opportunities, as detailed in TCFD on pages 30 to 45, were considered together with the Board approved budget, the strategy, and Management cash flow projections. The budget and cash flow projections have been utilised in the assessment of the carrying value of assets, impairment of CGUs and goodwill, and the going concern and viability assessment.

In reporting financial information, the Group presents Alternative Performance Measures ("APMs") which are not defined or specified under the requirements of International Financial Reporting Standards ("IFRS"). The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information and enable an alternative comparison of performance over time. A glossary on pages 181 to 186 provides a comprehensive list of APMs that the Group uses, including an explanation of how they are calculated, why they are used and how they can be reconciled to a statutory measure where relevant.

The Company has elected to prepare its parent company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

Going concern

Background and context

As outlined in the 2023 Annual Report the financial year ended 31 December 2023 was an exceptionally challenging year for Videndum. This operating environment continued into the first half of 2024 as market conditions remained difficult, albeit with some sign of improvement, with some post-strike recovery in the cine and scripted TV market. Against this backdrop, the business continued to take robust actions, focusing on managing costs tightly, controlling expenditure and working capital in addition to renegotiating its committed RCF (as outlined below).

At the end of first half 2024 there was an expectation of recovery in the second half across all three primary markets of independent content creator, cine and scripted TV and broadcast, but this recovery has been much slower than anticipated. The ICC segment was sluggish throughout the year, impacted by macroeconomic factors including high interest rates, inflation and weakened consumer confidence. Cine revenues grew but were lapping the strike impacted period in the previous year and in the Broadcast market where, other than the uplift in revenue from the Paris Summer Olympics, revenue declined year-on-year through a combination of news budgets being redirected to war-coverage or cut significantly, with the demand uptick from the US Presidential election being much less pronounced than anticipated.

In the final quarter of 2024 and in response to the weaker macroeconomic environment the business prioritised actions within its control, focusing on an operational efficiency programme to drive performance cost saving. This was focused on four key areas (i) reinstating pricing discipline; (ii) improving operational efficiency; (iii) driving gross margin expansion; and (iv) reducing discretionary spend. A number of restructuring and cost saving actions were announced including headcount reductions associated with reducing divisional management and regional head office structures as well as the relocation of assembly and manufacturing from the UK Bury St Edmonds site to the Feltre site in Northern Italy and Cartago, Costa Rica. A review of procurement, purchasing and supply chain structures also identified savings. Together this led to the business increasing its stated aim of £10 million of cost savings to c.£15 million in 2025 with the annualised impact rising to c.£18 million. After failing to secure a credible offer for the Amimon research operation in Israel during 2024, the business was to be closed in 2025, but subsequently was sold in April 2025, with the intellectual property moved to the US Teradek business. Gross cash proceeds of £2.6 million were realised together with savings from the avoidance of operating and closure costs. Linked to these initiatives, headcount, on a full-time equivalent basis, fell from 1,641 at the end of 2023 to 1,507 at the end of 2024 and, with most of the restructuring activities completing in 2025, is forecast to fall to c.1.380 by the end of 2025, a reduction of 16% over two years.

Borrowing facilities and financial position at 31 December 2024 and at April 2025

The Group has a committed £150 million Multicurrency Revolving Credit Facility ("RCF") with a syndicate of lenders and a term until 14 August 2026 (see note 4.1 "Net Debt"). Previously the RCF had been committed at £200 million with maturity at 14 February 2026, but in the second quarter of 2024, a six-month extension was negotiated for a £50 million reduction in commitment and improved lending covenants.

Whilst June 2024 and September 2024 covenant thresholds were met, the slower pace of recovery in the second half of 2024 led to the request for an amendment to the December 2024 covenants. This was granted on 13 December 2024 with leverage raised to less than 5.5x (originally <3.25x) and interest cover reduced to more than 1.25x (originally >3.0x). Certain additional conditions were placed on the Group during this process including the introduction of a new February 2025 covenant and the requirement for lender consent to increase drawn RCF above £129 million.

Subsequent to the end of 2024 the amended December covenant tests were met and both the February 2025 and March 2025 covenant tests waived. The Group has successfully negotiated amended covenants ("the Amended Covenants") through to the end of the facility in August 2026. Leverage and interest cover will be tested only for December 2025, March 2026 and June 2026 with, at each test date, leverage (net debt:EBITDA) to be no higher than 6x and interest cover (EBITA:net interest) of at least 1x.

A trailing last twelve month ("LTM") EBITDA covenant will apply for two quarters with LTM EBITDA to be at least £5 million at the end of June 2025 and at least £6 million at the end of September 2025. In addition, throughout the remaining term of the RCF, a weekly tested minimum liquidity covenant will be place, starting at £7.5 million, before falling to £5 million from 1st September 2025. Minimum liquidity has been defined as cash at bank, net of overdrafts, plus available undrawn RCF up to the cap at which lender consent is required. This cap has been raised from the £129 million introduced through the December amendment process, to £139 million for the remaining term of the RCF. The Amended Covenants are conditional on the Company raising at least £6 million in net proceeds from a fully underwritten placing of new ordinary shares which was announced on 30 April 2025.

The Group is actively seeking to fully or partially refinance its RCF, potentially by accessing private credit funds, before its first half 2025 results are announced at the end of September. The intention is to secure funding that stabilises the Group's borrowing position and ensures sufficient long-term liquidity to enable the business to execute its strategy and return to growth. As part of the Amended Covenants, existing RCF lenders have a right to exert more influence over the Group, including in the extreme, triggering an event of default, should the Group fail to complete the refinancing or agree an alternative deleveraging plan with lenders by October 2025. These and previous amendments to the RCF preclude the Board from declaring a dividend and restrict factoring to £15 million. Costs incurred to date in 2025 in preparation for the planned refinancing, in addition to costs to restructure the RCF, total £5.4 million.

Trading update for the first quarter of 2025

Notwithstanding order demand at the start of the calendar year is seasonally lower than in other months of the year, 2025 has had a soft start and was slower than expected. In part this was due to the cine market in the US being impacted by the Los Angeles fires and some further de-stocking in the distribution channels. Order demand, on a constant currency basis for the first quarter was slightly below expectations, at 5% below Budget, albeit strengthening month by month. Due to a higher proportion of orders than normal being received close to the end of the quarter, it was not possible to fulfil and recognise revenue on these orders before the quarter close. Accordingly, the first quarter revenue and operating profit shortfall to Budget was greater than that for orders.

Going Concern Assessment

These Financial Statements have been prepared on a going concern basis. The Board has considered the future trading and cash flow forecasts over a period of 12 months from the approval date of these Financial Statements and believes that available liquidity will be sufficient to enable the Group to meet its liabilities as they fall due. Furthermore, the Board believes that the Amended Covenants will be met and that the business will successfully refinance prior to the end of September 2025.

The Board has conducted a thorough evaluation of the going concern assumption and has modelled both a base case and a severe but plausible downside scenario that reflects a prolonged period of weak demand. Notwithstanding the planned refinance, both financial projections reflect current borrowings and related terms, the Amended Covenants and net proceeds from the share placing.

Base Case

The base case includes the Board approved 2025 Budget and forecast for the four months ended April 2026 adjusted downwards to reflect trading through to the end of March 2025 and the expectation of April 2025 performance. Representing a year-on-year revenue decline of 5% in 2025, the base case is weaker than the management's target of flat year-on-year revenue. In the first four months of 2026 revenue growth rises to high single digit as a slow start to demand in 2025 is lapped.

The Base Case incorporates a modest recovery in the cine and scripted TV segment, but with activity levels that fall considerably short of the those seen in 2022. Demand for Videndum products in this segment are forecast to exhibit low single-digit growth. Whereas in the Broadcast market headwinds from a declining news sector are expected to be matched by growth in sports broadcasting such that for Videndum revenues, excluding the Olympics impact, are set to be initially flat before benefiting in the latter period of the forecast from new product introductions. For the ICC market, demand is expected to recover to low single digit growth through the assessment period.

Base case gross margin is set to rise to c.40% for 2025, benefiting from additional volumes, improved pricing, realisation of restructuring benefits from announced initiatives and procurement savings. For the remaining four month period of the forecast period gross margin is set to fall marginally compared to the 2025 average due to seasonally lower volumes impacting operating leverage of indirect costs.

Throughout the assessment period the Group has headroom over covenants and sufficient liquidity with the lowest point being in April 2026, with steadily improving headroom thereafter. Headroom over leverage and interest cover covenants is limited following their reintroduction in December 2025.

Severe but plausible downside assessment

In this scenario, the Board has modelled a slower than expected recovery in the cine and scripted TV market combined with lower growth and weaker take-up rates for new product introductions. The net impact on forecast revenue being a reduction versus the base case of 8% in 2025 such that revenue is 13% lower than that achieved in 2024. Revenue in the first four months of 2026 growing mid-single digit including both the benefit of fulfilling Winter Olympic contracts and a subdued 2025 comparative.

The loss of operational leverage from lower volumes combined with an assumed reduced benefit from pricing and procurement savings leads to gross margin c.300bps weaker across the forecast period under the severe but plausible downside case.

The mitigations modelled in this scenario beyond the restructuring activity anticipated in the base case are limited to targeting discretionary spend that can be stopped quickly and with negligible impact on revenue in the assessment period. Cost savings would be achieved through a recruitment freeze on backfilling vacancies, and lower variable pay in line with lower financial performance. Further permanent headcount restructuring has not been considered given the time required to consult with employees and unions and the time necessary for cash benefits to exceed the cost of implementation.

Considering the above assumptions and judgements, the severe but plausible scenario foresees a series of covenant breaches. The June 2025 LTM covenant has limited headroom and the September 2025 LTM EBITDA covenant would be breached, as would the December 2025, March 2026 and June 2026 leverage and interest cover covenants. Additional liquidity would be required from January 2026 in order to meet the minimum liquidity covenant and for the period to February 2026 this additional liquidity requirement would be within the £11 million headroom between the liquidity cap and maximum borrowings under the RCF. For the period March 2026 onwards the liquidity requirement would exceed amounts committed under the RCF such the business would need to seek alternative sources of funding to meet both the minimum liquidity covenant as well as having sufficient liquidity to enable the Group to meet its liabilities as they fall due.

Section 1 continued

Basis of Preparation continued

Material Uncertainty

Whilst there is headroom over the covenants linked to trading in the base case, the Group must, in all scenarios, complete its planned refinancing or satisfy lenders with an alternative deleveraging plan by October 2025, in order to avoid triggering an event of default under its RCF. The Board is confident based on preparations and progress to date that either a refinancing will be completed or a satisfactory de-leveraging plan will be agreed with lenders.

As a result of the financial projections, under the severe but plausible scenario, multiple breaches of the Group's covenants are forecast within 12 months from the approval of these financial statements. Furthermore, without additional sources of funding or new measures to improve the liquidity situation the business would have insufficient liquidity to operate from the first quarter of 2026.

If a covenant breach occurred, or additional liquidity beyond the liquidity cap be required, the Group would enter into negotiation with lenders as it has done in the past. However, as would be the case in any liquidity or covenant amendment request, funding to the Group could be withdrawn and additional liquidity or covenant relief not granted.

Should the severe but plausible scenario come to pass, and absent additional management mitigating actions, it could jeopardise the ability for the Group to successfully complete its planned refinancing prior to the end of September 2025. This could potentially mean the lenders exercising their right to default the RCF in October 2025 if a satisfactory agreement could not be reached to deleverage the Group.

In April 2025 a series of significant, additional tariffs to be applied to goods entering the United States were announced. A number of countries applied retaliatory tariff increases on the US who subsequently suspended application of some of the additional tariffs. The Group sells its market leading products throughout the world, including in the US, with components sourced from around the world, including from China. It also has US based manufacturing and assembly plants that serve countries outside of the United States and faces competition from Chinese origin products. Given the uncertain nature of the situation and not least the potential for a negative impact on the world economy from globally higher tariffs, the financial projections have not been adjusted for the latest tariff developments. Nevertheless, it is recognised by the Board that both risk and opportunity exist.

The Board has concluded that these financial projections together with the risk of a negative tariff related outcome and the inherent difficulty in predicting the terms and timing of a refinance, or deleveraging plan should a refinance not occur, do indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as going concern. The Financial Statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

The results for the full year 2023 and half year 2024 also indicated the existence of a material uncertainty.

Basis of consolidation

Subsidiaries are entities that are controlled by the Group. Control exists when the Group has the rights to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. The results of subsidiaries sold or acquired during the year are included in the consolidated financial statements up to, or from, the date that control exists.

Foreign currencies

The consolidated financial statements are presented in Sterling which is the functional currency of Videndum Plc. The functional currency of the Group's subsidiaries are generally that of the local country.

Foreign currency transactions are usually translated into the functional currency using the exchange rates at the dates of the transactions. For practical reasons, if exchange rates do not fluctuate significantly, a rate that approximates the actual rate at the date of the transaction may be used for all transactions in each foreign currency occurring during that period.

Foreign currency monetary assets and liabilities are translated at the year-end exchange rate.

Where there is a movement in the exchange rate between the date of the transaction and the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates, a currency translation gain or loss may arise. Any such differences are recognised in Profit or Loss.

Non-monetary assets and liabilities measured at historical cost are translated at the exchange rate on the day of the transaction, unless they are stated at fair value in which case they are translated at the exchange rate on the day the fair value was determined.

The assets and liabilities of overseas subsidiaries, including goodwill and fair value adjustments arising on consolidation, are translated at the year-end exchange rate. The revenues and expenses of these subsidiaries are translated at the weighted average exchange rate for the year. Where differences arise between these rates, they are recognised in the translation reserve within equity and other comprehensive income ("OCI").

The cash flows of these companies are typically translated at the weighted average exchange rate for the year.

In the consolidated financial statements, currency translation gains and losses on external loans and borrowings which are designated as net investment hedges and on long-term inter-company loans that form part of the net investment in a foreign operation are deferred in the translation reserve within equity and OCI.

In respect of all overseas companies, only those translation differences arising since 1 January 2004, the date of transition to IFRS, are presented as a separate component of equity. On disposal of such a company, the related translation reserve is released to the Income Statement as part of the gain or loss on disposal.

Critical accounting judgements and key sources of estimation uncertainty

The following provides information on those policies that the Directors consider critical because of the level of judgement and estimation required which often involves assumptions regarding future events which can vary from what is anticipated. The Directors review the judgements and estimates on an ongoing basis with revisions to accounting estimates recognised in the period in which the estimates are revised and in any future periods affected. The Directors believe that the consolidated financial statements reflect appropriate judgements and estimates and provide a true and fair view of the Group's performance and financial position.

Key sources of estimation uncertainty in applying the Group's accounting policies

The following are the key sources of estimation uncertainty that the Directors have made in the process of applying the Group's accounting policies and that have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Impairment of goodwill and acquired intangibles

The critical judgement around the impairment assessment of acquired intangibles is dependent on the internal indicator analysis. The impairment of goodwill involves making assumptions. The most critical assumptions include determination of the discount rates and terminal growth rates. All assumptions are reviewed at each reporting date. Further details about the assumptions used and sensitivities are set out in note 3.1 "Intangible assets".

The goodwill recognised by the Group has all arisen as a result of acquisitions and is stated at cost less any accumulated impairment losses. Goodwill is allocated on acquisition to cash-generating unit ("CGU"), or groups of CGUs, which are anticipated to benefit from the combination. The CGUs are assessed to be the three segments of the Group. Goodwill is not subject to amortisation but is tested for impairment annually or if there is an indicator triggering the impairment assessment. Impairment is determined by assessing the recoverable amount of the CGU to which the goodwill is allocated. This estimate of recoverable amount is determined at each assessment date. The estimate of recoverable amount requires significant assumptions to be made and is based on a number of factors such as the near-term business outlook for the segment, including both its operating profit and operating cash flow performance, Terminal growth rates beyond 2029 and discount rates applied. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised in the statement of profit or loss. All acquisitions are accounted for by applying the acquisition method. Goodwill on these acquisitions represents the excess of the fair value of the acquisition consideration over the fair value of the identifiable net assets acquired, all measured at the acquisition date. Subsequent adjustments to the fair values of net assets acquired can be made within 12 months of the acquisition date where original fair values were determined provisionally. These adjustments are accounted for from the date of acquisition. Further details about the assumptions used and sensitivities are set out in note 3.1 "Intangible assets".

During the year ended 31 December 2023, the impairment of acquired intangibles involved making assumptions. The most judgemental assumptions include determination of future trading performance, the weighted average cost of capital ("WACC"), growth rates, operating leverage and operating cash conversion. All assumptions are reviewed at each reporting date. At 31 December 2024, these have been considered as part of the goodwill impairment.

Inventory

Provisions are required to write down slow-moving, excess and obsolete inventory to its net realisable value. Management assessed the level of inventory provisioning by category and judgements and estimates were made in determining if a provision was required and at what level. The key estimates relate to supply chains and their lead times, future selling price, anticipated future sales of products over particular time periods, the susceptibility of the underlying product to obsolescence and current year trading performance. The anticipated level of future sales is determined primarily based on actual sales over a specified historic reference period of six to 24 months, which is determined by Management and is deemed appropriate to the type of inventory. Further details about the sensitivities are set out in note 3.3 "Working capital".

Pension benefits

The actuarial valuations associated with the pension schemes involve making assumptions about discount rates and life expectancy. All assumptions are reviewed at each reporting date. Further details about the assumptions used and sensitivities are set out in note 5.2 "Pensions".

Tax

The Group is subject to income taxes in a number of jurisdictions. Management is required to make estimates in determining the provisions for income taxes and deferred tax assets and liabilities recognised in the consolidated financial statements. Tax benefits are recognised to the extent that it is probable that sufficient taxable income will be available in the future against which temporary differences and unused tax losses can be utilised. The most significant estimates made are in relation to the recognition of deferred tax assets arising from carried forward tax losses. The recovery of those losses is dependent on the future profitability of Group entities based in the jurisdictions with those carried forward tax losses, most significantly in the United States. The assumptions used in the measurement of the deferred tax assets are consistent with those as disclosed in note 3.1 "Intangible assets" in relation to the impairment tests of cash-generating units ("CGUs") containing goodwill. See note 2.4 "Tax" for further details of the carrying amounts of deferred tax assets and sensitivities on tax losses.

Impairment of discontinued and previously discontinued operations

Non-current assets held of sale are measured at the lower of carrying amount and fair value less costs to sell. There was estimation and assumptions applied by management in determining the recoverable amount of these assets. See note 3.4 "Discontinued operations and non-current assets classified as held for sale".

Critical accounting judgements in applying the Group's accounting policies

The following are critical accounting judgements that the Group makes, apart from those involving estimations (which are dealt with above), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Section 1 continued

Basis of Preparation continued

Development costs

The Group capitalises development costs which meet the criteria under IAS 38 "Intangible Assets" and discloses the amount capitalised in note 3.1 "Intangible assets". The Group makes significant judgements in the application of IAS 38, particularly in relation to its requirements regarding the technical feasibility of completing the asset and the Group's ability to sell and generate future economic benefits from the intangible asset.

Going concern assessment

There were material judgements made by the Board to determine if the Group is a going concern. These judgements are disclosed under "going concern" in Section 1 "Basis of Preparation".

Asset held for sale and discontinued operations

In 2023, the critical judgement was in relation to determining if the assets held for sale met the criteria to be classified as a discontinued operation under IFRS 5 "Non-current assets held for sale and discontinued operations", particularly if they represented either a separate major line of business or a geographical area of operations. Management had deemed that these requirements had been met. See note 3.4 "Discontinued operations and non-current assets classified as held for sale".

Alternative performance measures ("APMs")

In reporting financial information, the Group presents APMs which are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information and enable an alternative comparison of performance over time. The "Glossary of Alternative Performance Measures ("APMs")" provides a comprehensive list of APMs that the Group uses, including an explanation of how they are calculated, why they are used and how they can be reconciled to an IFRS measure where relevant.

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants;
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements; and
- Amendments to IFRS 16: Lease liability in sale and leaseback.

New standards and interpretations effective for future periods and not yet adopted

Amended standards and interpretations not yet effective are not expected to have a significant impact on the Group's consolidated financial statements.

At the date of authorisation of these financial statements, the Group has not applied any new or revised IFRS Accounting Standards that have been issued but are not yet effective. The standards applicable to the Group are shown below:

- Amendments to IAS 21: Lack of Exchangeability (effective 1 January 2025)
- IFRS 18: Presentation and disclosure in Financial Statements (effective 1 January 2027)
- IFRS 19: Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)
- Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments (effective 1 January 2026)
  IFRIC update on IFRS 8 – Operating segments (No effective date)

Section 2

Results for the Year

This section focuses on the profitability of the Group. On the following pages you will find disclosures relating to the following:

2.1 Loss before tax (including segmental information)

This shows the analysis of the Group's loss before tax by reference to its three Divisions. Further segmental information and an analysis of key operating expenses are also shown here.

Material accounting policies

Government grants

For government assistance which meets the definition of a government grant under IAS 20, the Group applies the income approach to account for the grants received. As such, the grant is recognised in the Income Statement as a reduction of the related costs incurred.

Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised when the Group sells a product to a customer (distributors, dealers, retailers, e-tailers and intermediaries) and control has passed. This is either once the product has been shipped or delivered to the customer, depending on the terms and conditions of the sale. Payment terms vary by Division and customer but where credit terms are given, payments are due generally 30 days after control of the goods has passed to the customer. Revenue is recognised at the transaction price exclusive of sales tax, adjusted for the expected level of returns, trade discounts and volume rebates. For the products expected to be returned, both a refund liability and a right to the returned goods are recognised using an expected value method based on past history.

Some contracts include multiple deliverables, such as the sale of the product and its installation. If material, distinct goods and services are accounted for as separate performance obligations. The transaction price is allocated to each performance obligation based on their standalone selling prices.

Service contracts

Revenue from rental service contracts which are fulfilled using the Group's equipment and operators is recognised in the accounting period in which the services are rendered. Payment terms vary and there can be small advance payments but generally payments are due as services are rendered.

Generally, contracts with customers are for periods of one year or less. As a result, the transaction price allocated to any unsatisfied contracts is not disclosed, as permitted by IFRS 15.

Licences

Software licences are sold by the Group on a standalone basis and together with a tangible product. If the licence is considered distinct, the revenue recognition pattern is based on whether the licence is a right-to-use intellectual property (revenue recognised at a point in time) or a right-to-access intellectual property (revenue recognised over time). The majority of the licences granted by the Group represent a right-to-use intellectual property for which payments are generally in advance. From a right-to-access intellectual property, payments are normally on a monthly basis with a credit period of 30 days.

Financing components

The Group generally does not have contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year.

Section 2 continued

Results for the Year continued

Segment reporting

	Media Solutions		Production Solutions	
	2024 £m	2023 £m	**2024 £m**	2023 £m
Analysis of revenue from external customers				
Sales	**132.7**	153.7	**70.7**	90.0
Licences	**–**	–	**3.5**	2.1
Services	**–**	–	**16.5**	9.1
Total revenue from external customers	**132.7**	153.7	**90.7**	101.2
United Kingdom	**10.1**	11.9	**10.9**	11.0
The rest of Europe	**44.6**	51.7	**25.1**	21.9
North America	**48.4**	52.3	**40.3**	47.3
Asia Pacific	**24.0**	31.8	**9.7**	13.1
The rest of the World	**5.6**	6.0	**4.7**	7.9
Total revenue from external customers, by location of customer	**132.7**	153.7	**90.7**	101.2
Inter-segment revenue[1]	**0.3**	0.1	**1.8**	1.1
Total revenue	**133.0**	153.8	**92.5**	102.3
Other income	**–**	–	**0.9**	0.7
Adjusted operating (loss)/profit[2]	**(6.9)**	11.4	**1.6**	12.6
Amortisation of intangible assets that are acquired in a business combination	**(3.5)**	(3.9)	**–**	(0.1)
Restructuring and other costs[2]	**(6.0)**	(3.4)	**(1.7)**	(1.0)
Impairment of assets	**(16.8)**	(4.5)	**(34.2)**	(1.7)
Operating loss of previously discontinued operations	**(0.5)**	–	**–**	–
Acquisition related charges	**(0.1)**	(1.0)	**(0.1)**	(0.3)
Adjusting items in operating (loss)/profit	**(26.9)**	(12.8)	**(36.0)**	(3.1)
Operating (loss)/profit	**(33.8)**	(1.4)	**(34.4)**	9.5
Net finance expense	**(1.2)**	(1.5)	**–**	(0.4)
Loss before tax	**(35.0)**	(2.9)	**(34.4)**	9.1
Taxation				
Loss on disposal of discontinued operation after tax				
Loss for the year				
Segment assets	**167.2**	206.8	**69.7**	112.7
Unallocated assets				
Cash and cash equivalents				
Non-current tax assets				
Current tax assets				
Deferred tax assets				
Total assets				
Segment liabilities	**52.6**	47.2	**23.8**	26.5
Interest-bearing loans and borrowings	**0.4**	0.6	**–**	–
Unallocated liabilities				
Bank overdrafts				
Current tax liabilities				
Deferred tax liabilities				
Total liabilities				
Non-current assets, by location				
United Kingdom[3]	**7.4**	10.0	**14.4**	33.7
The rest of Europe	**24.9**	38.9	**0.2**	0.3
North America[3]	**74.0**	75.2	**4.3**	14.8
Asia Pacific	**0.7**	0.4	**0.6**	1.0
The rest of the World	**–**	8.3	**5.1**	8.6
Total non-current assets[4]	**107.0**	132.8	**24.6**	58.4
Cash flows from operating activities	**16.2**	14.7	**11.2**	4.3
Cash flows from investing activities	**(5.5)**	(7.3)	**(3.2)**	(5.1)
Cash flows from financing activities	**(3.1)**	(2.9)	**(1.7)**	(2.1)
Capital expenditure				
Property, plant and equipment	**3.5**	2.6	**4.2**	1.9
Software and development costs	**2.1**	3.2	**1.6**	3.4

1 Inter-segment pricing is determined on an arm's length basis. These are eliminated in the Corporate column.

2 For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets. See note 2.2 "Adjusting items".

3 In the Production Solutions Division, land and buildings which were classified as assets held for sale in 2023 have been reclassified from non-current assets held in the United Kingdom to North America. The carrying value as at 31 December 2023 was £2.5 million. These were sold for £2.5 million in 2024, as part of sale and lease back agreement.

Creative Solutions		Corporate and unallocable		Total		Discontinued operations		Continuing and discontinued operations	
2024 £m	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m
60.2	52.0	**–**	–	**263.6**	295.7	**–**	8.1	**263.6**	303.8
–	–	**–**	–	**3.5**	2.1	**–**	–	**3.5**	2.1
–	–	**–**	–	**16.5**	9.1	**–**	–	**16.5**	9.1
60.2	52.0	**–**	–	**283.6**	306.9	**–**	8.1	**283.6**	315.0
3.9	3.1	**–**	–	**24.9**	26.0	**–**	–	**24.9**	26.0
11.5	7.1	**–**	–	**81.2**	80.7	**–**	0.5	**81.2**	81.2
36.4	34.5	**–**	–	**125.1**	134.1	**–**	6.7	**125.1**	140.8
6.7	6.4	**–**	–	**40.4**	51.3	**–**	0.8	**40.4**	52.1
1.7	0.9	**–**	–	**12.0**	14.8	**–**	0.1	**12.0**	14.9
60.2	52.0	**–**	–	**283.6**	306.9	**–**	8.1	**283.6**	315.0
0.2	0.3	**(2.3)**	(1.5)	**–**	–	**–**	–	**–**	–
60.4	52.3	**(2.3)**	(1.5)	**283.6**	306.9	**–**	8.1	**283.6**	315.0
–	–	**–**	–	**0.9**	0.7	**–**	–	**0.9**	0.7
0.5	0.8	**(13.4)**	(11.5)	**(18.2)**	13.3	**–**	(6.3)	**(18.2)**	7.0
–	–	**–**	–	**(3.5)**	(4.0)	**–**	(2.2)	**(3.5)**	(6.2)
(0.3)	(0.6)	**(3.3)**	(0.4)	**(11.3)**	(5.4)	**–**	(0.7)	**(11.3)**	(6.1)
–	(1.1)	**(0.3)**	–	**(51.3)**	(7.3)	**–**	(50.2)	**(51.3)**	(57.5)
(11.5)	–	**–**	–	**(12.0)**	–	**–**	–	**(12.0)**	–
–	–	**–**	–	**(0.2)**	(1.3)	**–**	(1.1)	**(0.2)**	(2.4)
(11.8)	(1.7)	**(3.6)**	(0.4)	**(78.3)**	(18.0)	**–**	(54.2)	**(78.3)**	(72.2)
(11.3)	(0.9)	**(17.0)**	(11.9)	**(96.5)**	(4.7)	**–**	(60.5)	**(96.5)**	(65.2)
(0.2)	(0.1)	**(5.5)**	(12.1)	**(6.9)**	(14.1)	**–**	(0.4)	**(6.9)**	(14.5)
(11.5)	(1.0)	**(22.5)**	(24.0)	**(103.4)**	(18.8)	**–**	(60.9)	**(103.4)**	(79.7)
				(43.6)	6.7	**–**	(4.1)	**(43.6)**	2.6
				–	–	**–**	(1.0)	**–**	(1.0)
				(147.0)	(12.1)	**–**	(66.0)	**(147.0)**	(78.1)
41.4	40.2	**1.1**	6.4	**279.4**	366.1	**–**	12.3	**279.4**	378.4
		57.3	8.7	**57.3**	8.7	**–**	–	**57.3**	8.7
		–	3.1	**–**	3.1	**–**	–	**–**	3.1
		8.9	5.7	**8.9**	5.7	**–**	–	**8.9**	5.7
		0.7	55.4	**0.7**	55.4	**–**	–	**0.7**	55.4
				346.3	439.0	**–**	12.3	**346.3**	451.3
12.6	7.8	**5.9**	5.5	**94.9**	87.0	**–**	4.6	**94.9**	91.6
–	–	**114.0**	98.6	**114.4**	99.2	**–**	–	**114.4**	99.2
		44.4	4.0	**44.4**	4.0	**–**	–	**44.4**	4.0
		6.6	7.8	**6.6**	7.8	**–**	–	**6.6**	7.8
		0.1	11.2	**0.1**	11.2	**–**	–	**0.1**	11.2
				260.4	209.2	**–**	4.6	**260.4**	213.8
–	–	**0.1**	1.4	**21.9**	45.1	**–**	–	**21.9**	45.1
–	–	**–**	–	**25.1**	39.2	**–**	–	**25.1**	39.2
20.7	21.6	**–**	–	**99.0**	111.6	**–**	2.5	**99.0**	114.1
–	–	**–**	–	**1.3**	1.4	**–**	–	**1.3**	1.4
0.4	–	**–**	–	**5.5**	16.9	**–**	7.1	**5.5**	24.0
21.1	21.6	**0.1**	1.4	**152.8**	214.2	**–**	9.6	**152.8**	223.8
3.3	4.0	**(18.0)**	(31.8)	**12.7**	(8.8)	**–**	(7.3)	**12.7**	(16.1)
(4.1)	(4.3)	**0.2**	–	**(12.6)**	(16.7)	**–**	(4.1)	**(12.6)**	(20.8)
(1.3)	(0.9)	**13.1**	29.7	**7.0**	23.8	**–**	(0.4)	**7.0**	23.4
0.2	0.1	**–**	–	**7.9**	4.6	**–**	0.2	**7.9**	4.8
3.9	4.1	**–**	–	**7.6**	10.7	**–**	3.0	**7.6**	13.7

4 Non-current assets exclude employee benefit asset, derivative financial instruments and non-current tax assets.
The Group's operations are located in several geographical locations, and sell products and services on to external customers throughout the world.
In 2023, the £60.5 million operating loss of discontinued operations comprises £3.4 million in the Media Solutions Division and £57.1 million in the Creative Solutions Division.
One customer (2023: one) accounted for more than 10% of external revenue. The total revenue from this customer, which was recognised in all three continuing segments, was £41.2 million (2023: £38.9 million).

Section 2 continued

Results for the Year continued

Operating expenses

	2024 £m	2023[1] £m
Analysis of operating expenses		
Adjusting items in operating loss[2]	**78.3**	18.0
Adjusting items in revenue	**2.9**	–
Adjusting items in cost of sales	**(1.7)**	(4.2)
– Adjusting items in operating expenses	**79.5**	13.8
– Other administrative expenses	**52.0**	49.3
Adjusting items and administrative expenses	**131.5**	63.1
Marketing, selling and distribution costs	**38.9**	41.3
Research, development and engineering costs	**21.5**	14.9
Total operating expenses from continuing operations	**191.9**	119.3

	2024 £m	2023 £m
– Adjusting items in operating expenses	**–**	54.2
– Other administrative expenses	**–**	2.6
Adjusting items and administrative expenses	**–**	56.8
Marketing, selling and distribution costs	**–**	1.7
Research, development and engineering costs	**–**	5.6
Total operating expenses from discontinued operations	**–**	64.1

1 For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets.
2 Within the Consolidated Statement of Profit or Loss, the 2024 results of Amimon are included in adjusting items as a continuing operation while the 2023 results were reported in loss from discontinuing operations. See note 2.2 "Adjusting items" and note 3.4 "Discontinued operations and non-current assets classified as held for sale".
See note 2.2 "Adjusting items".

	2024 £m	2023 £m
The following items are included in total operating profit		
Fees payable to the Company's auditors for the audit of the Company's financial statements	**1.2**	1.4
Fees payable to the Company's auditors for:		
– The audit of the subsidiaries	**1.2**	1.0
– Audit-related assurance services	**0.3**	0.5
– Non-audit related assurance services[1]	**–**	0.9

1 Charges of £1,350 (2023: £0.9 million) relating to non-audit related assurance services were incurred during the year.

2.2 Adjusting items

The Group presents APMs in addition to its statutory results. These are presented in accordance with the Guidelines on APMs issued by the European Securities and Markets Authority ("ESMA").

APMs used by the Group and, where relevant, a reconciliation to statutory measures are set out in the glossary to these financial statements on pages 181 to 186. Adjusting items are described below along with more detail of the specific adjustment and the Group's rationale for the adjustment.

The Group's key performance measures, such as adjusted operating profit/(loss), exclude adjusting items.

The following are the Group's principal adjusting items when determining adjusting operating profit/(loss):

Amortisation of intangible assets that are acquired in a business combination:

Acquired intangible assets that are acquired in a business combination are measured at fair value, which takes into account the future cash flows expected to be generated by the asset rather than past costs of development. Additionally, these include assets such as brands, know-how and relationships which the Group would not normally recognise as assets outside of a business combination. The amortisation of the fair value of acquired intangibles is not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Amortisation of capitalised development costs and purchased software:

On an ongoing basis, the Group capitalises development costs of intangible assets and the costs of purchasing software. These intangible assets are recognised at cost and the amortisation of these costs are not included in adjusting expenses, and thereby included in adjusted operating profit/(loss).

Impairment of assets:

Impairment of discontinued operations and non-current assets classified as held for sale:

The impairment of disposed entities or groups of asset(s) held for sale are adjusted for to ensure consistency between periods and is not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Impairment of intangible assets:

Impairments to goodwill and acquired intangibles arise as a result of the estimated net present values of cash flows being lower than the carrying value at year end.

Impairments to capitalised software costs arise as a result of no future economic inflow being attributed to the software costs.

Within discontinued operations the impairment of goodwill, acquired intangibles and capitalised development costs resulted from the assets being classified as non-current assets held for sale, measured at the lower of the carrying amount and the expected fair value less costs to sell.

These impairments are not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Impairment of property, plant and equipment:

Impairment of property, plant and equipment resulted from the reduction in net book value to the asset's estimated future cash flows, or assets being classified as non-current assets held for sale, measured at the lower of the carrying amount and the expected fair value less costs to sell.

These impairments are not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Impairment of inventory:

The impairment of inventory relates to a discontinuation of product lines which are significant in nature and not considered by the Group to be part of the normal operating result of the business.

Acquisition related charges:

Earnout charges and retention bonuses agreed as part of the acquisition:

Under IFRS 3, most of the Group's earnout charges and retention bonuses are treated as post combination remuneration, although the levels of remuneration generally do not reflect market rates and do not get renewed as a salary (or other remuneration) might. The Group considers this to be inconsistent with the economics reflected in the deals because other consideration for the acquisition is effectively included in goodwill rather than in the Income Statement. Retention agreements are generally entered into with key management at the point of acquisition to help ensure an efficient integration.

These charges and bonuses which are incurred as part of the acquisition are not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Transaction costs:

Transaction costs related to the acquisition of a business do not reflect its trading performance and so are adjusted to ensure consistency between periods.

Effect of fair valuation of acquired inventory:

As part of the accounting for business combinations, the Group measures acquired inventory at fair value as required under IFRS 3. This results in the carrying value of acquired inventory being higher than its original cost-based measure. The impact of the uplift in value has the effect of increasing cost of sales thereby reducing the Group's gross profit margin which is not representative of ongoing performance.

Section 2 continued

Results for the Year continued

Effect of fair valuation of property, plant and equipment:

Under IFRS 3, acquired fixed assets are measured at fair value. This measure does not reflect the undepreciated cost of the acquired asset from the perspective of the acquiree and as such alters the depreciation cost from the Group's perspective after the acquisition. This does not reflect the ongoing profitability of the acquired business.

Restructuring and other costs:

Restructuring and other associated costs arising from significant strategy changes that are not considered by the Group to be part of the normal operating costs of the business.

Finance expense:

Amortisation of loan fees on borrowings for acquisitions:

These are upfront borrowing fees related to funding for acquisitions and do not reflect the ongoing funding cost of the investment.

Unwind of discount on liabilities and other interest:

This is discount being unwound on the payment of deferred consideration and grant payables, and interest charged on deferred retention payments, both relating to acquisitions.

The above do not reflect the ongoing funding cost of the investment and so are adjusted to ensure consistency between periods.

Other adjusting items:

- profit/(loss) on disposal of businesses;
- past service charges associated with defined benefit pensions, such as gender equalisation of guaranteed minimum pension ("GMP") for occupational schemes; and
- other significant initiatives not related to trading.

These are not considered by the Group to be part of the normal operating costs of the business.

In addition, the following are treated as adjusting items when considering post tax APMs:

- significant adjustments to current or deferred tax which have arisen in previous periods but are accounted for in the current period;
- the net effect of significant new tax legislation changes; and
- the current and deferred tax effects of adjusting items.

These are not considered by the Group to be part of the normal operating costs of the business.

	2024 £m	2023[1] £m
Continuing operations		
Amortisation of intangible assets that are acquired in a business combination	**(3.5)**	(4.0)
Restructuring and other costs[2]	**(11.3)**	(5.4)
Impairment of assets[3]	**(51.3)**	(7.3)
Operating loss of previously discontinued operations[4]	**(12.0)**	–
Acquisition related charges[5]	**(0.2)**	(1.3)
Adjusting items in operating loss from continuing operations	**(78.3)**	(18.0)
Finance expense – other interest[6]	**(0.1)**	(2.6)
Adjusting items in loss before tax from continuing operations	**(78.4)**	(20.6)

1 For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets. See note 2.1 "Operating expenses".

2 Restructuring and other costs of £11.3 million (2023: £5.4 million) related mainly to site rationalisation and other restructuring activities of which employee related charges were £8.2 million (2023: £4.1 million), corporate related initiatives £1.6 million (2023: £0.8 million) and legal expenses of £1.0 million (2023: £0.5 million). As at 31 December 2024, there is a provision of £6.7 million in relation to restructuring activities. See note 3.5 "Provisions".

A number of Group wide restructuring projects were commissioned in 2024 with the focus on site rationalisation to increase capacity utilisation together with cost base realignment to recognise the lower level of order demand and in turn revenue the Group is experiencing. The projects resulted in a number of employees leaving in 2024, for which costs were recognised for in 2024. Future employee related costs were recognised where an announcement of restructuring activity in 2025 was made prior to the end of 2024. There is an expectation that there will be charges incurred in 2025, relating to these projects as the restructuring activities complete. The following projects were approved in 2024:

- A divisional restructure from three divisions to two divisions, to be completed in 2025, resulting in the realignment of products to better fit end market customer segmentation as well as the geographical organisation of the business. This led to a reduction in some senior leadership roles at both the Media Solutions and Production Solutions divisions;
- In the Media Solutions Division, the reduction in administrative roles at the divisional head office in Italy which was agreed by employees and their union representatives in February 2025;
- In the Production Solutions Division, the decision to transfer the assembly and manufacturing from the site in the UK to Italy. No employee related costs were provided for as the announcement was made to employees and their union representatives in 2025, with agreement being reached in February 2025;
- In the Creative Solutions Division, the decision was made to no longer proceed with the disposal of Amimon as no credible offers were received. Instead, the decision was made in 2024 to close the business in 2025 and sell Amimon's zero delay technology intellectual property to the Teradek business. No employee related costs were provided for as the announcement was made in 2025; and
- Corporate initiatives costs of £1.6 million (2023: £0.8million) relating to 2024 cost base realignment and leadership changes including associated legal and professional fees.

In connection with the above restructuring activity, an assessment of the recoverability of assets was conducted across the Group. This resulted in the following impairments.

3 Impairment charges of £51.3 million (2023: £7.3 million) related to goodwill: £46.0 million (2023: £nil); land and buildings: £4.6 million (2023: £1.5 million which was predominantly the £1.3 million impairment of the building which was classified as non-current asset held for sale), capitalised development costs: £nil million (2023: £0.3 million), software costs: £0.4 million (2023: £nil million), fixtures and fittings: £0.2 million (2023: £nil million), inventory: £0.1 million (2023: £3.7 million which mainly comprises the discontinuation of the motion controls market and Wooden Camera inventory following the relocation to Costa Rica), and acquired intangible assets: £nil million (2023: £1.8 million).

A goodwill impairment charge of £46.0 million (£14.9 million: Media Solutions CGU; £31.1 million: Production Solutions CGU) was made to the Consolidated Statement of Profit and Loss. The impairment charge of £14.9 million, in relation to Media Solutions, was made as at 30 June 2024.

Land and buildings were impaired by £4.6 million following restructuring and site rationalisation projects announced within the Group, namely:

- £3.0 million (2023: £nil million) in the Production Solutions Division following the decision to transfer assembly and manufacturing from the Bury St Edmonds site to other group facilities which will commence in 2025;
- £1.3 million (2023: £nil million) in the Media Solutions Division following the part exit from the offices in Cassola, Italy, and the move of the distribution from New Jersey to Phoenix , which is phase two of the project which commenced in 2023; and
- £0.3 million (£2023: £nil million) within Corporate costs following the exit of the Richmond-upon-Thames office.

4 Operating loss of £12.0 million related to previously discontinued operations. This included impairment of capitalised development costs of £4.7 million (2023: £9.1 million included within discontinued operations), land and buildings of £0.6 million (2023: £0.3 million), and plant, machinery and vehicles of £0.6 million (2023: £nil million).

As at 30 June 2023, Lightstream and Amimon were classified as a disposal group held for sale and discontinued operations. On 2 October 2023 the Group sold its Lightstream business based in the US. In December 2024, the decision was made to no longer proceed with the disposal of Amimon as no credible offers were received at the time. Instead, the decision was made in 2024 to close the business through 2025 and sell Amimon's zero delay technology intellectual property to the Teradek business, also part of the Creative Solutions Division. Amimon, therefore, no longer meets the definition of a disposal group held for sale as at 31 December 2024, and as a result, is reclassified from held for sale and discontinued operation, to held for continuing operations in 2024.

On 9 April 2025 the Group sold its Amimon business, part of the Creative Solutions Division, for a gross cash consideration of $1.0 million (£0.8 million). In addition, Teradek LLC, also part of the Creative Solutions Division, received $2.3 million (£1.8 million) for entering into a licence agreement to grant Amimon a licence to use certain Licenced Technology.

Within the Consolidated Statement of Profit or Loss, the 2024 results of Amimon are included in adjusting items as a continuing operation while the 2023 results were reported in loss from discontinuing operations. See 3.4 "Discontinued operations and non-current assets classified as held for sale".

5 Acquisition related charges of £0.2 million (2023: £1.3 million) comprise retention bonuses of £0.2 million (2023: £1.1 million), the effect of fair valuation of acquired inventory of £nil (2023: £0.1 million), and the effect of fair valuation of acquired property, plant and equipment of £nil (2023: £0.1 million).

The retention bonuses of £0.2 million (Quasar: £0.1 million and Audix: £0.1 million) relate to continued employment. The charge incurred in 2023 was £1.1 million (Quasar: £0.3 million, Savage: £0.6 million and Audix: £0.2 million).

6 Other interest expense of £0.1 million is an adjusting charge in loss before tax, and relates to the unwinding of discount on the provision for grant re-payments to the Israeli Innovation Authority ("IIA") in Amimon. In 2023, £2.6 million interest expense was an adjusting charge in loss before tax, and comprised £2.0 million in relation to other financing initiatives not related to underlying trading and £0.6 million of amortisation of loan fees on borrowings for acquisitions.

	2024 £m	2023 £m
Discontinued operations		
Amortisation of intangible assets that are acquired in a business combination	–	(2.2)
Restructuring and other costs[1]	–	(0.4)
Impairment of fixed assets[2]	–	(50.2)
Acquisition and disposal related charges[3]	–	(1.4)
Adjusting items in operating loss from discontinued operations	–	(54.2)
Finance expense – unwind of discount on liabilities and other interest[4]	–	(0.3)
Adjusting items in loss before tax from discontinued operations	–	(54.5)

See note 2.5 "Earnings per share" for the above, net of tax.

1 In 2023, restructuring and other costs of £0.4 million related to the closure of the Syrp operations in New Zealand, within the Media Solutions Division.

2 In 2023, the impairment of assets charge of £50.2 million related to goodwill: £26.8 million, acquired intangible assets: £14.0 million, capitalised development costs: £9.1 million, and land and buildings: £0.3 million.

3 In 2023, acquisition and disposal related charges of £1.4 million comprised retention bonuses of £1.1 million and transaction costs relating to the disposal of businesses of £0.3 million.

4 In 2023, finance expense of £0.3 million comprises £0.1 million of discount unwinding on the provision for grant re-payments to the Israeli Innovation Authority ("IIA") in Amimon which was fully paid in Q1 2025, and £0.2 million interest on the deferred retention charges paid to Lightstream.

Section 2 continued

Results for the Year continued

2.3 Net finance expense

This note details the finance income and expense generated from the Group's financial assets and liabilities.

Accounting policies

Net finance expense comprises:

- foreign exchange gains and losses on cash and external loans that are not net investment hedges;
- fair value gain/loss on interest rate swaps designated as cash flow hedges;
- interest expense on lease liabilities;
- interest expense on borrowings and deferred payments;
- interest receivable on funds paid on account or invested;
- unwind of discount on liabilities; and
- net interest expense on net defined benefit pension scheme.

Net finance expense

	2024 £m	2023 £m
Finance income		
Net currency translation gains	**2.5**	2.0
Other interest income[1]	**0.6**	0.2
Interest income on net defined benefit pension scheme[2]	**0.2**	0.2
	3.3	2.4
Finance expense		
Interest expense on interest-bearing loans and borrowings[3]	**(10.1)**	(16.3)
Fair value gain on interest rate swaps designated as cash flow hedges	**1.6**	3.0
Interest expense on net defined benefit pension scheme[2]	**(0.1)**	(0.1)
Interest expense on lease liabilities	**(1.5)**	(1.5)
Other interest expense[4]	**(0.1)**	(1.6)
	(10.2)	(16.5)
Net finance expense from discontinued operations	**(6.9)**	(14.1)

	2024 £m	2023 £m
Finance expense		
Unwind of discount on liabilities and other interest[4]	**–**	(0.3)
Net currency translation losses	**–**	(0.1)
Finance expense from discontinued operations	**–**	(0.4)

1 Interest income mainly comprises £0.2 million (2023: £0.1 million) relating to the EU State Aid investigation and £0.2 million (2023: £nil million) of bank interest received. See note 2.4 "Tax".
2 See note 5.2 "Pensions".
3 Interest expense on interest-bearing loans and borrowings of £10.1 million (2023: £16.3 million) relates to interest expense of £9.1 million (2023: £14.4 million); loan fees of £1.0 million (2023: £0.7 million); and an adjusting amount of £nil million (2023: £1.2 million relating to loan fees on borrowings for acquisitions of £0.6 million and other financing initiatives of £0.6 million). See note 2.2 "Adjusting items".
4 Other interest expense of £0.1 million relates to the unwinding of discount on the provision for grant re-payments to the Israeli Innovation Authority ("IIA") in Amimon. In 2023, other interest expense of £1.6 million includes an adjusting amount of £1.4 million relating to other financing initiatives, not related to underlying trading.

In 2023, finance expense from discontinued operations includes £0.1 million of discount unwinding on the provision for grant re-payments to the Israeli Innovation Authority ("IIA") in Amimon (which was fully repaid in Q1 2025), and £0.2 million interest on the deferred retention charges paid to Lightstream.

See note 2.2 "Adjusting items".

2.4 Tax

Accounting policies

Income tax

The tax expense in the Profit or Loss represents the sum of current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the Balance Sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates substantively enacted at the Balance Sheet date.

Deferred tax assets are recognised for all deductible temporary differences and carried forward unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses, can be utilised.

The carrying amount of deferred income tax assets is reviewed at each Balance Sheet date and increased or reduced to the extent of the probable level of taxable profit that would be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities are not recognised for the following temporary differences:

- goodwill not deductible for tax purposes or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss; and
- differences relating to investments in subsidiaries to the extent that the timing of the reversal is controlled by the Company and they will probably not reverse in the foreseeable future.

Section 2 continued

Results for the Year continued

Tax – Profit or Loss

	2024 £m	2023 £m
The total taxation charge/(credit) in the Profit or Loss is analysed as follows:		
Summarised in the Profit or Loss as follows		
Continuing operations		
Current tax	**(0.7)**	1.0
Deferred tax	**44.3**	(7.7)
	43.6	(6.7)
Discontinued operations		
Current tax	**–**	(0.6)
Deferred tax	**–**	4.7
	–	4.1
Continuing and discontinued operations		
Current tax	**(0.7)**	0.4
Deferred tax	**44.3**	(3.0)
	43.6	(2.6)
Adjusting items		
Continuing operations		
Current tax	**(4.1)**	(1.8)
Deferred tax	**55.8**	(2.0)
	51.7	(3.8)
Discontinued operations		
Current tax	**–**	(0.4)
Deferred tax	**–**	(5.2)
	–	(5.6)
Continuing and discontinued operations		
Current tax[1]	**(4.1)**	(2.2)
Deferred tax[2]	**55.8**	(7.2)
	51.7	(9.4)
Before adjusting items		
Continuing operations		
Current tax	**3.4**	2.8
Deferred tax	**(11.5)**	(5.7)
	(8.1)	(2.9)
Discontinued operations		
Current tax	**–**	(0.2)
Deferred tax	**–**	9.9
	–	9.7
Continuing and discontinued operations		
Current tax	**3.4**	2.6
Deferred tax	**(11.5)**	4.2
	(8.1)	6.8

1 Current tax credit of £4.1 million (2023: £2.2 million credit) was recognised in the year of which £4.1 million credit (2023: £1.6 million credit) related to restructuring and integration costs and £nil million charge (2023: £0.6 million credit) related to financial expense.

2 Deferred tax debit of £55.8 million (2023: £7.2 million credit) was recognised in the year of which £0.2 million credit (2023: £2.6 million credit) relates to restructuring and impairment costs, £0.2 million credit (2023: £0.7 million credit) to acquisitions and disposals, £5.9 million credit (2023: £3.9 million credit) to amortisation and impairment of intangible assets, £0.5 million credit (2023 £nil million) relating to operating loss of previously discontinued operations and £62.6 million (2023: £nil million) relates to deferred tax asset derecognised in the year. Further details on deferred tax assets are below.

	2024 £m	2023 £m
Current tax charge/(credit)		
Charge/(credit) for the year	**(0.2)**	1.9
Adjustments in respect of prior years	**(0.5)**	(1.5)
Total current tax charge/(credit)	**(0.7)**	0.4

The Group current tax credit of £0.7 million (2023: £0.4 million charge) represents UK current tax charge £0.6 million (2023: £0.7 million charge) with the remaining £1.3 million credit (2023: £0.3 million credit) relating to overseas tax.

	2024 £m	2023 £m
Deferred tax charge/(credit)		
Origination and reversal of temporary differences	**44.9**	(2.8)
Adjustments in respect of prior years	**(0.6)**	(0.2)
Total deferred tax charge	**44.3**	(3.0)

The Group deferred tax charge of £44.3 million (2023: £3.0 million credit) represents US deferred tax charge of £42.8 million (2023: £7.4 million credit), UK deferred tax credit of £0.6 million (2023: £0.4 million charge) with £2.1 million charge (2023: £4.0 million charge) relating to overseas tax.

	2024 £m	2023 £m
Tax charge/(credit) recognised in Statement of Changes in Equity ("SOCIE")		
Current tax recognised in SOCIE[3]	**–**	–
Deferred tax recognised in SOCIE[4]	**–**	0.6
	–	0.6

3 No current tax deductions have been reflected in the SOCIE in both the current and prior year.
4 A deferred tax charge of £nil million (2023: £0.6 million charge) relating to the impact of share-based payments on outstanding options, has been reflected in the SOCIE.

Reconciliation of Group tax charge

	2024 £m	2023 £m
Loss before tax	**(103.4)**	(80.7)
Income tax using the domestic corporation tax rate at 25.0% (2023: 23.5%)	**(25.9)**	(19.0)
Effect of tax rates in foreign jurisdictions	**1.5**	1.5
Beneficial tax rates and incentives[5]	**(0.6)**	(0.6)
Non-deductible expenses	**2.2**	1.1
Non-taxable income and incentives	**(0.4)**	(0.8)
Impairment of goodwill and intangible assets	**5.9**	5.4
Other – including movement on assessment of tax risks	**(0.6)**	1.2
Derecognise deferred tax asset[6]	**62.6**	–
Impact of losses derecognised relating to discontinued operations	**–**	10.2
Adjustments in respect of prior years	**(1.1)**	(1.6)
Total income tax charge/(credit) in Profit or Loss	**43.6**	(2.6)

5 The beneficial tax rates and incentives of £0.6 million credit (2023: £0.6 million credit) relate to the incentive tax rate in Costa Rica.
6 The majority of the deferred tax asset has been derecognised. In the first half of 2024 there was an expectation of recovery. However, in the final quarter of 2024, in response to the weaker macroeconomic environment, the business refocused on key areas. Following the financial projections, weakening performance and compliance with the ESMA guidance, the deferred tax asset has been derecognised. See section 1 "Basis of preparation" for details on going concern.

Section 2 continued

Results for the Year continued

Tax – Balance Sheet

Current tax

The current tax liability of £6.6 million (2023: £7.8 million) represents the amount of income taxes payable in respect of current and prior periods, including a provision in relation to uncertain tax positions. The current tax asset of £8.9 million (2023: £5.7 million) mainly relates to income tax receivable in the UK and Italy, and includes a provision in relation to uncertain tax positions. This also includes the £3.3 million receivable relating to the EU State Aid which has been reclassified from non-current tax to current tax receivable.

The international tax environment has received increased attention and seen rapid change over recent years, both at a US and European level, and by international bodies such as the Organisation for Economic Co-operation and Development ("OECD"). In light of this, the Group has been monitoring developments and continues to engage transparently with the tax authorities in countries where the Group operates, to ensure that the Group manages its tax arrangements on a sustainable basis.

As for most multinationals, the current tax environment is creating increased levels of uncertainty and tax risk with the Group being potentially subject to tax audits in many jurisdictions. By their nature these are often complex and could take a significant period of time to be agreed with the tax authorities. The Group estimates and accrues taxes that will ultimately be payable when reviews or audits by tax authorities of tax returns are completed. These estimates include management judgements about the position expected to be taken by each tax authority, primarily in respect of transfer pricing as well as in respect of financing arrangements and tax credits and incentives.

It is not possible to quantify the impact that such future developments may have on the Group's tax positions. Actual outcomes and settlements may differ significantly from the estimates recorded in these consolidated financial statements.

EU State Aid investigation

In October 2017, the European Commission (EC) opened a State Aid investigation into the Group Financing Exemption in the UK controlled foreign company ("CFC") rules (an exemption introduced into the UK tax legislation in 2013). In common with other UK-based international companies whose intragroup finance arrangements are in line with current controlled foreign company rules, the Group is affected by this decision.

In June 2019, the UK government submitted an appeal to the EU Commission against its decision. In common with a number of other affected taxpayers, the Group filed its own annulment application.

In 2021 the Group received a Charging Notice and Interest Charging Notice from HMRC, and accordingly paid £3.0 million. The Group considered it probable that its appeal against the Charging Notice and/or its annulment application against the European Commission's ("EC") State Aid decision would be successful and as such recorded a non-current asset in relation to the payment on the basis that it would ultimately be refunded. It was considered possible, however, that the appeal and/or annulment might be unsuccessful which would result in a liability contingent on the outcome.

In 2022, the General Court of the European Union upheld the EC's original decision to the Court of Justice of the European Union ("CJEU"). The applicants in both of the lead cases making applications for annulment of which the Group's own annulment application stood behind appealed against this judgement.

On 11 April 2024, the Advocate General delivered an independent, but non-binding, Opinion on the case, stating that the CJEU should set aside the judgement of the General Court and annul the EC's decision which found that the UK provided State Aid to certain multinational groups between 2013 and 2018. On 19 September 2024, the European Court of Justice annulled the EC's original decision. This judgement is now final. Management remains of the view that it is probable that its appeal and/or its annulment application will be successful based on the technical facts of the case.

The Controlled Foreign Companies (Reversal of State Aid Recovery) Regulations 2024 (the "Regulations") came into force on 31 December 2024. The Regulations require that HMRC issue a reversal notice, which was received by Videndum plc on 12th March 2025 cancelling any Charging Notice and Interest Charging Notice to any affected company making any relevant adjustment considered to be appropriate in order to secure, that the company is put back in the position it would have been in if the EC decision had not been made.

HMRC made a refund payment on 8th April 2025 and as such, the tax asset has been reclassified from non-current to current at 31 December 2024. £3.3 million represents the £3.0 million described above plus £0.3 million interest receivable.

Deferred tax assets and liabilities

	2024 £m	Recognised in income £m	Recognised in goodwill and reserves £m	Exchange movements £m	Transfer between categories £m	2023 £m
Assets						
Inventories	**1.9**	**0.6**	**–**	**–**	**(1.0)**	2.3
Intangible assets	**–**	**(2.1)**	**–**	**–**	**0.2**	1.9
Tax losses[1]	**0.9**	**(35.8)**	**–**	**(0.1)**	**–**	36.8
Property, plant, equipment and other	**0.5**	**(9.5)**	**–**	**(0.1)**	**1.0**	9.1
Lease liability	**2.3**	**(2.9)**	**–**	**(0.1)**	**–**	5.3
	5.6	**(49.7)**	**–**	**(0.3)**	**0.2**	55.4
Liabilities						
Property, plant, equipment and other	**(1.1)**	**0.5**	**0.9**	**–**	**–**	(2.5)
Pension	**(1.0)**	**–**	**–**	**–**	**–**	(1.0)
Intangible assets	**(0.4)**	**2.4**	**–**	**–**	**(0.2)**	(2.6)
Right-of-use assets	**(2.5)**	**2.5**	**–**	**0.1**	**–**	(5.1)
	(5.0)	**4.5**	**0.9**	**0.1**	**(0.2)**	(11.2)
Net	**(0.6)**	**(44.3)**	**0.9**	**(0.2)**	**–**	44.2

After offsetting deferred tax assets and liabilities that relate to taxes levied by the same taxation authority on the same taxable fiscal unit. The net deferred tax assets of £0.6 million above comprises deferred tax asset of £0.7 million and deferred tax liabilities of £0.1 million as reported on the Balance Sheet

	2023 £m	Recognised in income £m	Recognised in goodwill and reserves £m	Exchange movements £m	Transfer between categories £m	2022 £m
Assets						
Inventories	2.3	(0.5)	–	–	–	2.8
Intangible assets	1.9	0.9	–	(0.1)	–	1.1
Tax losses	36.8	3.9	–	(1.8)	–	34.7
Property, plant, equipment and other	9.1	(2.3)	(0.6)	(0.5)	–	12.5
Lease liability	5.3	3.4	–	(0.2)	–	2.1
	55.4	5.4	(0.6)	(2.6)	–	53.2
Liabilities						
Property, plant, equipment and other	(2.5)	1.6	–	0.2	–	(4.3)
Pension	(1.0)	–	–	–	–	(1.0)
Intangible assets	(2.6)	(0.6)	0.3	–	–	(2.3)
Right-of-use assets	(5.1)	(3.4)	–	0.2	–	(1.9)
	(11.2)	(2.4)	0.3	0.4	–	(9.5)
Net	44.2	3.0	(0.3)	(2.2)	–	43.7

Section 2 continued

Results for the Year continued

The table below shows deferred tax on losses.

	Gross 2024 £m	Tax 2024 £m	**Gross 2023 £m**	Tax 2023 £m
Recognised	**3.6**	0.9	**165.9**	36.8
Unrecognised[1]	**260.8**	61.0	**65.9**	11.0
Total	**264.4**	61.9	**231.8**	47.8

1 In 2023, unrecognised losses in respect of Amimon Ltd have been excluded, as this was classified as a discontinued operation.

No taxes have been provided for liabilities which may arise on the distribution of unremitted earnings of subsidiaries on the basis of control, except where distributions of such profits are planned. As dividends remitted from overseas subsidiaries to the UK should be exempt from additional UK tax, no significant tax charges would be expected.

Deferred tax

Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available against which the unused tax losses, unused tax credits and deductible temporary differences can be utilised in the relevant jurisdictions. As of 31 December 2024, the Group has recognised deferred tax assets of £5.6 million (2023: £55.4 million) which predominately nets with the deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The Group has applied a consistent approach to previous years and based on the forecasts of taxable profit in relation to the Group's ability to utilise the unused tax losses and deductible temporary differences. At 31 December 2024, the Group believes that £5.6 million of deferred tax assets are recoverable within a reasonably foreseeable timeframe.

The deferred tax asset decrease of £0.9 million (2023: £0.3 million increase) recognised in goodwill and reserves relates to £0.3 million decrease reflected in the SOCIE in relation to share options and £0.6 million decrease relating to financial instruments.

2.5 Earnings per share

Earnings per share ("EPS") is the amount of post-tax profit/(loss) attributable to each share.

Basic EPS is calculated on the profit/(loss) for the year divided by the weighted average number of ordinary shares in issue during the year.

Diluted EPS is calculated on the profit for the year divided by the weighted average number of ordinary shares in issue during the year, but adjusted for the effects of dilutive share options. The key features of share option contracts are described in note 5.3 "Share-based payments".

A negative basic EPS is not adjusted for the effects of dilutive share options.

The adjusted EPS measure is calculated based on adjusted profit/(loss) and is used by Management to set performance targets for employee incentives and to assess performance of the businesses.

The calculation of basic, diluted and adjusted EPS is set out below:

	2024 £m	2023[1] £m
Loss for the financial year from continuing operations	**(147.0)**	(12.1)
Add back adjusting items, all net of tax:		
Amortisation of intangible assets that are acquired in a business combination, net of tax	**3.0**	3.3
Restructuring and other costs, net of tax[1]	**7.1**	4.2
Impairment of assets, net of tax	**45.7**	6.2
Operating loss of previously discontinued operations, net of tax	**11.5**	–
Acquisition related charges, net of tax	**0.2**	1.1
Finance expense – other interest, net of tax	**0.1**	2.0
Deferred tax asset derecognised	**62.5**	–
Add back adjusting items from continuing operations, all net of tax:	**130.1**	16.8
Adjusted (loss)/profit after tax from continuing operations	**(16.9)**	4.7
Loss for the financial year from discontinued operations	**–**	(66.0)
Add back adjusting items, all net of tax:		
Amortisation of intangible assets that are acquired in a business combination, net of tax	**–**	1.9
Restructuring and other costs, net of tax	**–**	0.3
Impairment of intangible assets, net of tax	**–**	45.5
Acquisition related charges, net of tax	**–**	0.9
Finance expense – other interest, net of tax	**–**	0.3
Add back adjusting items from discontinued operations, all net of tax:	**–**	48.9
Add back loss on disposal of discontinued operation after tax	**–**	1.0
Adjusted loss after tax from discontinued operations	**–**	(16.1)
Loss for the financial year	**(147.0)**	(78.1)
Adjusted loss after tax	**(16.9)**	(11.4)

1 For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly for an amount of £0.5 million. See note 2.2 "Adjusting items".

	Weighted average number of shares '000		Adjusted earnings per share		Earnings per share	
	2024 Number	2023 Number	**2024 pence**	2023[3] pence	**2024 pence**	2023 pence
From continuing operations[1]						
Basic	**94,323**	49,584	**(17.9)**	9.5	**(155.8)**	(24.4)
Dilutive potential ordinary shares	**319**	318	**–**	(0.1)	**–**	–
Diluted	**94,642**	49,902	**(17.9)**	9.4	**(155.8)**	(24.4)
From discontinued operations						
Basic	**–**	49,584	**–**	(32.5)	**–**	(133.1)
Dilutive potential ordinary shares	**–**	318	**–**	–	**–**	–
Diluted	**–**	49,902	**–**	(32.5)	**–**	(133.1)
From continuing and discontinued operations[2]						
Basic	**94,323**	49,584	**(17.9)**	(23.0)	**(155.8)**	(157.5)
Dilutive potential ordinary shares	**319**	318	**–**	–	**–**	–
Diluted	**94,642**	49,902	**(17.9)**	(23.0)	**(155.8)**	(157.5)

1 For the year ended 31 December 2024, 319,000 potential ordinary shares are antidilutive for both adjusted earnings per share and statutory earnings per share. For the year ended 31 December 2023, potential 318,000 ordinary shares are dilutive for the purposes of adjusted earnings per share but antidilutive for statutory earnings per share.
2 319,000 (2023: 318,000) potential ordinary shares are antidilutive for both adjusted earnings per share and statutory earnings per share.
3 For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets. See note 2.1 "Operating expenses".

Section 3

Operating Assets and Liabilities

This section shows the assets and liabilities used to generate the Group's trading performance. Liabilities relating to the Group's financing activities are addressed in Section 4. Current tax and deferred tax assets and liabilities are shown in note 2.4 "Tax".

On the following pages, there are disclosures covering the following:
3.1 Intangible assets
3.2 Property, plant and equipment
3.3 Working capital
3.4 Discontinued operations and non-current assets classified as held for sale
3.5 Provisions
3.6 Leases
3.7 Acquisitions

3.1 Intangible assets

This shows the non-physical assets used by the Group to generate revenues and profits. These assets include the following :

- **Goodwill**
- **Acquired intangible assets**
- **Software**
- **Capitalised development costs**

Accounting policies

Goodwill

The goodwill recognised by the Group has all arisen as a result of acquisitions and is stated at cost less any accumulated impairment losses. Goodwill is allocated on acquisition to CGUs, or groups of CGUs, assessed to be the three segments of the Group, that are anticipated to benefit from the combination. It is not subject to amortisation but is tested annually for impairment. Impairment is determined by assessing the recoverable amount of the segment to which the goodwill relates. This estimate of recoverable amount is determined at each Balance Sheet date.

The estimate of recoverable amount requires significant assumptions to be made and is based on a number of factors such as the near-term business outlook for the segment, including both its operating profit and operating cash flow performance. Where the recoverable amount of the segment is less than the carrying amount, an impairment loss is recognised. Impairment losses on goodwill are not reversed.

All acquisitions are accounted for by applying the acquisition method. Goodwill on these acquisitions represents the excess of the fair value of the acquisition consideration over the fair value of the identifiable net assets acquired, all measured at the acquisition date. Subsequent adjustments to the fair values of net assets acquired can be made within 12 months of the acquisition date where original fair values were determined provisionally. These adjustments are accounted for from the date of acquisition.

Other intangible assets

Acquired intangible assets

Other intangible assets acquired as part of a business combination are shown at fair value at the date of acquisition less accumulated amortisation at the rates indicated below:

Brand	3 to 20 years
Customer relationships	3 to 10 years
Technology	3 to 20 years

Software

The cost of acquiring software (including associated implementation and development costs where applicable) is classified as an intangible asset. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that are assessed as likely to generate economic benefits exceeding costs beyond one year, are also capitalised and recognised as intangible assets. Costs associated with maintaining computer software programs are recognised as an expense as incurred. Software expenditure is amortised over its estimated useful life of between three to five years, and is stated at cost less accumulated amortisation and impairment losses.

Capitalised development costs

Research and development costs are charged to the Statement of Profit or Loss in the year in which they are incurred unless development expenditure meets the criteria for capitalisation. Once detailed and strict criteria have been met that confirm that the product or process is both technically and commercially feasible and the Group has sufficient resources to complete the product, any further expenditure incurred on the project is capitalised. The capitalised expenditure includes the cost of materials, direct labour and an appropriate portion of overheads. Capitalised expenditure is amortised over the life of the product, and is stated at cost less accumulated amortisation and impairment losses.

The significant judgements relate to the future forecasts of revenue. Impairments to capitalised development costs were made where the revenue did not support the balance and not illustrating future economic benefits to support the balance.

Impairment tests for CGUs or groups of CGUs containing goodwill

In accordance with the requirements of IAS 36 "Impairment of Assets", goodwill is allocated to the CGU groups, assessed to be the three segments of the Group, which are expected to benefit from the combination and are identified by the way goodwill is monitored for impairment. The Group's total consolidated goodwill of £49.2 million at 31 December 2024 (£94.8 million at 31 December 2023) is allocated to: Media Solutions: £38.1 million (2023: £52.7 million); Production Solutions: £nil million (2023: £31.1 million); and Creative Solutions: £11.1 million (2023: £11.0 million). Goodwill allocated to each segment is assessed for impairment annually and whenever there is a specific indicator of impairment.

As part of the annual impairment test review, the recoverable value of the CGU has been assessed with reference to the higher of fair value less costs of disposal and the value in use ("VIU") methodology which is then compared to the carrying value of the net assets within the CGU. The VIU was performed over a projected period of five years together with a terminal value. This reflects the projected cash flows of each segment based on the actual operating results, the most recent Board approved budget, the strategy, and Management projections. As part of determining the value in use of each CGU group and carrying value of long-term assets, Management has considered the potential impact of climate change on the business performance over the next five years, and the terminal growth rates. While there is considerable uncertainty relating to the longer term and quantifying the impact on a range of outcomes, Management considers that environmental related incremental costs are expected to have a minimal impact; the Group has already implemented strategies to mitigate this impact.

Recognising that there are extreme but unlikely scenarios, the Group considers that while exposed to physical risks associated with climate change (such as flooding, heatwaves, sea level rises and increased precipitation) the estimated impact of these on the Group is not deemed material when determining the value in use of each CGU group and carrying value of associated long-term assets. In addition, the Group is exposed to transitional risks which might arise, for example, from government policy, customer expectations, material costs and increased stakeholder concern. The transitional risks could result in financial impacts such as higher environmentally focused levies (e.g. carbon pricing) and increased material costs. While the Group is exposed to the potential financial impacts associated with transitional risks after expected mitigating actions these are not deemed to have a significant impact on the value in use of each CGU group, determination of available headroom, and carrying value of associated long-term assets.

The key assumptions on which the value in use calculations are based relate to (i) Business performance over the next five years, (ii) Terminal growth rates beyond 2029; and (iii) Discount rates applied.

(i) Business performance over the next five years – Forecast sales growth rates are based on past experience and take into account current and future market conditions and opportunities, and strategic decisions made in respect of each CGU group. Operating profits are forecast based on historical experience of operating margins adjusted for the impact of changes in product costs, cost-saving initiatives already implemented or committed to at the balance sheet date and new product launches. Cash conversion is the ratio of operating cash flow to operating profit. Management forecasts the cash conversion rate based on historical experience.

(ii) Terminal growth rates beyond 2029 – These are based on Management's assessment of the outlook for overall market growth with Creative Solutions, Media Solutions and Production Solutions broadly similar to long-term world GDP growth at 2% (2023: 2.0% for Media Solutions and Production Solutions, and 4.0% for Creative Solutions). In the prior year, for Creative solutions, Management believed the end-markets and geographies in which the division operates indicate higher growth potential.

(iii) Discount rates applied – The post-tax discount rates were measured based on the interest rate of 30-year government bonds issued in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the CGU group. The post-tax discount rates and its equivalent pre-tax discount rates applied to discount the post-tax cash flows were as follows:

	Post tax discount rate		Equivalent Pre-tax discount rate	
CGU	**2024**	2023	**2024**	2023
Media Solutions	**12%**	12%	**15%**	15%
Production Solutions	**12%**	11%	**14%**	14%
Creative Solutions	**12%**	11%	**15%**	16%

Outcome of the impairment review

During the year, two impairments assessments were performed, one at 30 June 2024 and another at 31 December 2024. As part of these assessments it was concluded that there is headroom in the Creative Solutions CGU. The carrying value of the Media Solutions CGU and Production Solutions CGU exceeded its value in use. An impairment charge of £46.0 million (Media Solutions CGU: £14.9 million and Production Solutions CGU: £31.1 million) was recognised in the Consolidated Statement of Profit or Loss, and the related effect of foreign exchange of £0.2 million (Media Solutions CGU: £0.1 million credit and Production Solutions CGU: £0.3 million charge) is recognised in the SOCIE. The impairment charge of £14.9 million, in relation to Media Solutions, was made as at 30 June 2024.

Other sensitivities

There are no reasonable changes to estimates that would lead to an impairment for Creative Solutions. For Media Solutions, a reduction in terminal operating profit margin by 100 bps results in a reduction of headroom by £8.0 million and this could arise if Media Solutions does not achieve the operating model.

The table below shows the sensitivity of the £31.1 million impairment charge recognised in relation to Productions Solutions, to reasonable possible changes in key assumptions.

	Scenario 1 (+/-50bps)	Scenario 2 (+/-100bps)
Discount rate	£1.9 million/(£2.1 million)	£3.7 million/(£4.5 million)
Terminal growth rate	(£1.4 million)/£1.3 million	(£3.0 million)/£2.5 million
Terminal cash conversion rate	(£0.2 million)/£0.2 million	(£0.5 million)/£0.5 million

Section 3 continued

Operating Assets and Liabilities continued

Intangible assets

	Total £m	Goodwill £m	Acquired intangible assets £m	Software £m	Capitalised development costs £m
Cost					
At 1 January 2023	354.5	126.2	142.3	20.2	65.8
Currency translation adjustments	(13.6)	(4.5)	(6.0)	(0.6)	(2.5)
Additions	13.7	–	–	0.7	13.0
Disposals	(21.9)	(11.2)	(9.8)	(0.4)	(0.5)
Held for sale	(63.7)	(15.3)	(28.4)	–	(20.0)
At 31 December 2023 and 1 January 2024	**269.0**	**95.2**	**98.1**	**19.9**	**55.8**
Add back disposal group previously held for sale[1]	**19.1**	**–**	**–**	**–**	**19.1**
Currency translation adjustments	**1.2**	**0.6**	**1.3**	**(0.7)**	**0.1**
Additions	**7.6**	**–**	**–**	**0.3**	**7.3**
Disposals	**(1.6)**	**–**	**–**	**(0.9)**	**(0.7)**
At 31 December 2024	**295.3**	**95.8**	**99.4**	**18.6**	**81.5**
Accumulated amortisation and impairment losses					
At 1 January 2023	136.6	0.5	85.1	17.5	33.5
Currency translation adjustments	(6.1)	(0.4)	(3.7)	(0.5)	(1.5)
Amortisation in the year	14.0	–	6.2	0.9	6.9
Impairment losses in the year	52.0	26.8	15.8	–	9.4
Disposals	(21.9)	(11.2)	(9.8)	(0.4)	(0.5)
Held for sale	(58.2)	(15.3)	(28.4)	–	(14.5)
At 31 December 2023 and 1 January 2024	**116.4**	**0.4**	**65.2**	**17.5**	**33.3**
Add back disposal group previously held for sale[1]	**13.6**	**–**	**–**	**–**	**13.6**
Currency translation adjustments	**0.5**	**0.2**	**0.8**	**(0.6)**	**0.1**
Amortisation in the year	**11.6**	**–**	**3.5**	**0.7**	**7.4**
Impairment losses in the year[2]	**55.1**	**46.0**	**–**	**0.9**	**8.2**
Disposals	**(1.6)**	**–**	**–**	**(0.9)**	**(0.7)**
At 31 December 2024	**195.6**	**46.6**	**69.5**	**17.6**	**61.9**
Carrying amounts					
At 1 January 2023	217.9	125.7	57.2	2.7	32.3
At 31 December 2023 and 1 January 2024	152.6	94.8	32.9	2.4	22.5
At 31 December 2024	**99.7**	**49.2**	**29.9**	**1.0**	**19.6**

1 Net capitalised development costs of £5.5 million (cost: £19.1 million, depreciation: £13.6 million) relating to the disposal group held for sale in the Creative Solutions Division in 2023, were reclassified in December 2024 from discontinued to continuing operations. See note 3.4 "Discontinued operations and non-current assets classified as held for sale.

2 Goodwill impairment losses of £46.0 million comprise £14.9 million relating to the Media Solutions CGU and £31.1 million relating to the Production Solutions CGU.

The carrying value of individually material acquired intangible assets is £10.4 million (2023: £11.2 million) for trademarks, £14.1 million (2023: £15.9 million) for customer relationships and £5.1 million (2023: £5.3 million) for technology. The remaining amortisation period of these intangible assets is between eight and 18 years for trademarks, seven years for customer relationships and 18 years for technology.

Software impairment losses of £0.9 million related to Creative Solutions Division: £0.5 million and Media Solutions Division: £0.4 million.

Capitalised development impairment losses of £8.2 million related to Creative Solutions Division: £5.9 million (of which £4.7 million related to Amimon), Media Solutions Division: £1.7 million and Production Solutions Division: £0.6 million. The impairment losses arose as a result of various projects being abandoned or an exit from the market. Following the impairment charges, capitalised development costs in the above projects were fully impaired.

The carrying value of individually material capitalised development costs is £1.0 million (2023: £6.8 million) with a remaining amortisation period of five years.

Amortisation of intangible assets of £11.6 million (2023: £14.0 million) and impairment losses of £55.1 million (2023: £52.0 million) are included within operating expenses.

3.2 Property, plant and equipment

This shows the physical assets used by the Group to generate revenues and profits. These assets include the following:

- **Land and buildings**
- **Plant, machinery and vehicles**
- **Equipment, fixtures and fittings**

Accounting policies

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Rental assets are recorded as plant and machinery. Right-of-use assets under lease contracts are included within property, plant and equipment. See note 3.6 "Leases".

Depreciation

Depreciation is charged on a straight-line basis over their estimated useful economical lives of the assets. The annual depreciation charge is sensitive to the estimated useful life of each asset and expected residual value at the end of its life. The major categories of property, plant and equipment are depreciated as follows:

Freehold land	not depreciated
Freehold buildings	up to 50 years
Leasehold improvements	shorter of estimated useful life or remaining period of the lease
Plant and machinery	4 to 10 years
Motor vehicles	3 to 4 years
Equipment, fixtures and fittings	3 to 10 years
Rental assets	3 to 6 years

Impairment of assets

Property, plant and equipment that is subject to depreciation is reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Indicators of impairment may include changes in technology and market conditions.

The impact of climate change on useful economic lives of property, plant and equipment is not deemed to be significant.

Section 3 continued

Operating Assets and Liabilities continued

Property, plant and equipment

	Total £m	Land and buildings £m	Plant, machinery and vehicles £m	Equipment, fixtures and fittings £m
Cost				
At 1 January 2023	197.1	85.9	99.5	11.7
Currency translation adjustments	(5.7)	(2.8)	(2.6)	(0.3)
Transfers between categories	–	–	(0.2)	0.2
Additions	12.5	7.3	4.1	1.1
Disposals	(11.4)	(4.3)	(5.4)	(1.7)
Held for sale	(5.0)	(3.9)	(1.0)	(0.1)
At 31 December 2023 and 1 January 2024	**187.5**	**82.2**	**94.4**	**10.9**
Add back disposal group previously held for sale[1]	**2.5**	**1.4**	**1.0**	**0.1**
Currency translation adjustments	**(3.7)**	**(1.0)**	**(2.5)**	**(0.2)**
Transfers between asset categories	**–**	**–**	**(0.2)**	**0.2**
Additions	**12.2**	**4.2**	**7.4**	**0.6**
Disposals	**(12.3)**	**(4.7)**	**(5.0)**	**(2.6)**
At 31 December 2024	**186.2**	**82.1**	**95.1**	**9.0**
Accumulated depreciation				
At 1 January 2023	130.5	43.8	78.5	8.2
Currency translation adjustment	(3.7)	(1.4)	(2.1)	(0.2)
Transfers between categories	–	–	(0.2)	0.2
Depreciation charge in the year	14.4	6.6	6.7	1.1
Impairment losses in the year[2]	1.8	1.4	0.4	–
Disposals	(10.5)	(3.8)	(5.2)	(1.5)
Held for sale	(1.4)	(1.0)	(0.3)	(0.1)
At 31 December 2023 and 1 January 2024	**131.1**	**45.6**	**77.8**	**7.7**
Add back disposal group previously held for sale[1]	**1.4**	**1.0**	**0.3**	**0.1**
Currency translation adjustment	**(3.1)**	**(0.7)**	**(2.2)**	**(0.2)**
Transfers between asset categories	**–**	**(0.1)**	**–**	**0.1**
Depreciation charge in the year	**13.2**	**6.0**	**6.1**	**1.1**
Impairment losses in the year[2]	**6.0**	**5.2**	**0.6**	**0.2**
Disposals	**(11.0)**	**(3.7)**	**(4.7)**	**(2.6)**
At 31 December 2024	**137.6**	**53.3**	**77.9**	**6.4**
Carrying amounts				
At 1 January 2023	66.6	42.1	21.0	3.5
At 31 December 2023 and 1 January 2024	56.4	36.6	16.6	3.2
At 31 December 2024	**48.6**	**28.8**	**17.2**	**2.6**

1 Net property, plant and equipment of £1.1 million (Cost: £2.5 million, Depreciation: £1.4 million) relating to the disposal group held for sale in the Creative Solutions Division in 2023, were reclassified in December 2024 from discontinued to held for continuing operations. See note 3.4 "Discontinued operations and non-current assets classified as held for sale".

2 In 2024, property, plant and equipment impairment losses of £6.0 million related mainly to the restructuring activities around the Group. Impairment losses of £5.2 million to land and buildings comprise Productions Solutions Division: £3.0 million, Media Solutions Division: £1.3 million, Amimon: £0.6 million, and Corporate: £0.3 million. Impairment losses of £.6 million to plant, machinery and vehicles related to Amimon. See 2.2 "Adjusting items".

In 2023, impairment losses of £1.4 million to land and buildings comprised £1.3 million relating to the non-current asset held for sale in Production Solutions Division, and £0.1 million relating to the relocation of the Wooden Camera operations in Creative Solutions Division, to Costa Rica. Impairment losses of £0.4 million to plant, machinery and vehicles comprised the write-off of assets in the Production Solutions Division: £0.2 million, and the Media Solutions Division: £0.2 million.

Plant, machinery and vehicles includes equipment rental assets with an original cost of £13.7 million (2023: £11.6 million) and accumulated depreciation of £10.0 million (2023: £9.3 million).

There were no capital commitments at 31 December 2024 or at 31 December 2023 for which no provision has been made in the accounts.

Depreciation is included within the operating expenses and cost of sales within the Consolidated Statement of Profit or Loss.

3.3 Working capital

Working capital represents the assets and liabilities the Group generates through its trading activities. These include inventories, trade and other receivables, and trade and other payables.

Careful management of working capital is vital as it ensures that the Group can meet its trading and financing obligations within its ordinary operating cycle.

Accounting policies

Inventories

Inventories and work in progress are carried at the lower of cost and net realisable value. Inventory acquired as part of business combinations is initially measured at fair value. Cost represents direct costs incurred and, where appropriate, production or conversion costs and other costs to bring the inventory to its existing location and condition. In the case of manufacturing inventory and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Inventory is accounted for on an average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Provisions for inventories are recognised when the book value exceeds their net realisable value.

In the ordinary course of business, judgement is applied to assess the level of provisions required to write down slow-moving, excess and obsolete inventory to its net realisable value.

Contract assets and receivables

Trade receivables and contract assets are recognised initially at fair value, and subsequently at amortised cost using the effective interest rate method, less provision for impairment.

A receivable is recognised when performance obligations are satisfied as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the number of days past due. The expected loss rates are based on payment profiles of sales over a preceding 36-month period and the corresponding historical credit losses experienced within this period. When appropriate, the historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables where a trend exists.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for an extended period.

Amounts recoverable on contracts are included in contract assets and represent revenue recognised in excess of payments on account.

Factoring of trade receivables

Trade receivables are derecognised through schemes with a financial institution, where the counterparty assumes the risk of non-payment by the customer. The transfer is on a limited recourse basis in which there is no obligation to the factor for non-payment by a customer and substantially all risks and rewards have been transferred.

Derecognition occurs when cash is received from the financial institution (less reverse factoring discount).

On 28 June 2023 the Group signed a €20.0 million (£17.3 million) uncommitted evergreen receivables factoring facility. On 28 June 2024, the Group agreed with the existing RCF lenders to restrict the total amount of factoring under all facilities to £15.0 million and on the 10 January 2025 the Group agreed with the current factoring provider to reduce the factoring facility to €15.0 million (£12.4 million). At 31 December 2024, the amount of receivables factored was £8.3 million (2023: £7.9 million) and the maximum usage during the year was £9.7 million (2023: £8.2 million).

Contract liabilities and payables

Trade payables are generally recognised at the value of the invoice received from a supplier.

When customer payments are received in advance and the amount of consideration exceeds the revenue recognised, a contract liability is recognised in the Balance Sheet.

Section 3 continued

Operating Assets and Liabilities continued

Inventories

	2024 £m	2023 £m
Raw materials and components	**26.5**	35.7
Work in progress	**7.6**	7.4
Finished goods	**48.4**	52.4
Total inventories, net of impairment provisions	**82.5**	95.5
Discontinued operations – finished goods, net of impairment provisions	**–**	(1.0)
Continuing operations – inventories, net of impairment provisions	**82.5**	94.5

The key estimates relating to the inventory provision include; consideration of supply chain and their lead times, future selling price, anticipated future sales of products over particular time periods, the susceptibility of the underlying product to obsolescence and current year trading performance. The anticipated level of future sales is determined primarily based on actual sales over a specified historic reference period of six to 24 months, which is determined by Management and is deemed appropriate to the type of inventory.

The inventory provision calculation is based on a standard Group policy which is reviewed in detail and overlay with a range of management estimates based on the specific circumstances around each line of inventory. The £12.8 million year over year increase was mainly driven by the Group performance and related level of expected sales for specific inventory. A movement of 10% within the determination of the inventory provision would result in a £4.4 million movement.

Inventories recognised as an expense during the year ended 31 December 2024 amounted to £189.1 million (2023: £197.5 million; £193.0 million in continuing and £4.5 million in discontinued operations). These were included in cost of sales.

Inventory of £82.5 million (2023: £94.5 million) is stated net of impairment provisions of £43.5 million (2023: £28.8 million; £28.1 million in continuing and £0.7 million in discontinued operations). During the year £15.3 million (2023: £7.2 million) was recognised as an expense resulting from the impairment and write-down of inventory. A reversal of £0.5 million (2023: £0.8 million) was recognised as a reduction of the amount of inventory recognised as an expense.

Inventory impairment provisions of £43.5 million (2023: £28.8 million; £28.1 million in continuing and £0.7 million in discontinued operations) comprise raw materials: £16.9 million (2023: £10.0 million), work in progress: £1.6 million (2023: £1.0 million), and finished goods: £25.0 million (2023: £17.1 million in continuing and £0.7 million in discontinued operations).

Trade and other receivables

	2024 £m	2023 £m
Current receivables		
Trade receivables, net of impairment provisions	**27.8**	36.5
Recoverable VAT	**2.0**	3.7
Other receivables	**4.3**	3.3
Right to returned goods	**0.1**	0.5
Prepayments	**4.5**	4.8
Total current receivables	**38.7**	48.8
Discontinued operations – trade receivables, net of impairment provisions	**–**	(1.3)
Discontinued operations – other receivables	**–**	(0.2)
Continuing operations – current receivables	**38.7**	47.3
Non-current receivables		
Other receivables[1]	**4.5**	5.7
Discontinued operations – other receivables	**–**	(0.5)
Non-current receivables – continuing operations	**4.5**	5.2
Total receivables – continuing operations	**43.2**	52.5

1 Other receivables include an amount of £2.9 million (2023: £3.7 million) relating to the recoverable by the Group under the escrow and indemnity arrangement with the vendors of Savage, acquired in 2021.

	2024 £m	2023 £m
Gross trade receivables – ageing[2]		
Not yet due	**23.6**	30.4
1-30 days	**3.4**	5.3
31-60 days	**1.7**	0.8
61-90 days	**0.7**	0.6
Over 90 days	**2.9**	2.6
Gross trade receivables	**32.3**	39.7

2 Days overdue are measured from the date an invoice was due to be paid.

	Total £m	Overdue debts £m	Discounts £m
Impairment provisions against trade receivables			
Balance at 1 January 2024	**3.2**	**1.7**	**1.5**
Net increase during the year	**2.1**	**0.5**	**1.6**
Utilised during the year	**(0.8)**	**–**	**(0.8)**
Balance at 31 December 2024	**4.5**	**2.2**	**2.3**

Trade and other payables

	2024 £m	2023 £m
Current trade and other payables		
Trade payables	**21.7**	20.8
Other tax and social security costs	**3.6**	5.0
Expected refunds to customers	**1.3**	1.0
Accruals	**12.1**	10.5
Other creditors[3]	**5.0**	7.9
Total current trade and other payables	**43.7**	45.2
Discontinued operations – trade payables	**–**	(0.8)
Discontinued operations – other payables	**–**	(1.6)
Continuing operations – current trade and other payables	**43.7**	42.8
Non-current payables		
Other non-trade payables	**0.8**	1.2
Continuing operations – total trade and other payables	**44.5**	44.0

3 Other creditors includes an amount of £5.0 million (2023: £2.7 million) relating to employee benefits.

Section 3 continued

Operating Assets and Liabilities continued

3.4 Discontinued operations and non-current assets classified as held for sale

Discontinued operations

In 2023, in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the assets and liabilities of the Amimon business, which is part of the Creative Solutions Division was held for sale, and the Syrp business, which was part of the Media Solutions Division was abandoned. Discontinued operations are businesses that have been sold, abandoned, or which are held for sale and contribute to a separate major line of business or geographical area of operations. The Lightstream and Amimon businesses, part of the Creative Solutions Division, and the Syrp business, part of the Media Solutions business, were all classified as discontinued operations.

As at 30 June 2023, Lightstream and Amimon were classified as a disposal group held for sale and discontinued operations. On 2 October 2023 the Group sold its Lightstream business based in the US.

On 31 December 2023 the Syrp business based in New Zealand was abandoned.

In December 2024, the decision was made to no longer proceed with the disposal of Amimon as no credible offers were received at the time. Instead, the decision was made in 2024 to close the business through 2025 and sell Amimon's zero delay technology intellectual property to the Teradek business, also part of the Creative Solutions Division. Amimon, therefore, no longer meets the definition of a disposal group held for sale as at 31 December 2024, and as a result, is reclassified from held for sale and discontinued operation, to held for continuing operations in 2024. Amimon's results has been disclosed as an adjusting item within note 2.2 "Adjusting Items". Subsequently, on 9 April 2025 the Group sold its Amimon business, part of the Creative Solutions Division, for a gross cash consideration of $1.0 million (£0.8 million). In addition, Teradek LLC, also part of the Creative Solutions Division, received $2.3 million (£1.8 million) for entering into a licence agreement to grant Amimon a licence to use certain Licenced Technology.

On 5 January 2024 certain land and buildings of the Production Solutions Division were sold for a net sale price of £2.5 million and leased back in the same transaction. The asset has been accounted for as a right of use asset. These were held for sale in 2023.

The tables below shows the results of the 2023 discontinued operations which were included in the Consolidated Statement of Profit or Loss and Consolidated Statement of Cash Flows, and the effect of the disposal group on the Consolidated Balance Sheet as at 31 December 2023. The 2024 results of Amimon are included as a continuing operation in the Consolidated Statement of Profit or Loss and Consolidated Statement of Cash Flows. See note 2.2 "Adjusting items".

a) Income Statement – discontinued operations	Notes	**2024 £m**	2023 £m
Revenue	2.1	–	8.1
Expenses		–	(68.6)
Operating loss		–	(60.5)
Comprising			
– Adjusted operating loss		–	(6.3)
– Adjusting items in operating loss	2.2	–	(54.2)
Finance expense		–	(0.4)
Loss before tax		–	(60.9)
Comprising			
– Adjusted loss before tax		–	(6.4)
– Adjusting items in loss before tax	2.2	–	(54.5)
Taxation		–	(4.1)
Loss after tax from discontinued operations		–	(65.0)
Loss on disposal of discontinued operation after tax		–	(1.0)
Loss after tax from discontinued operations attributable to owners of parent		–	(66.0)

b) Statement of Cash Flows – discontinued operations	**2024 £m**	2023 £m
Net cash used in operating activities	–	(7.3)
Net cash used in investing activities	–	(4.1)
Net cash used in financing activities	–	(0.4)
Net cash used in discontinued operations	–	(11.8)
Loss on disposal of discontinued operation after tax	–	(1.0)
Add back share-based payment charge	–	0.1
Disposal of business in cash flow	–	(0.9)

c) Effect of the disposal group on the Group Balance Sheet	**2024 £m**	2023 £m
Assets of the disposal group classified as held for sale		
Intangible assets	–	5.5
Property, plant and equipment[1]	–	3.6
Inventories	–	1.0
Contract assets	–	0.2
Trade receivables	–	1.3
Other current receivables	–	0.2
Other non-current receivables	–	0.5
	–	12.3
Liabilities of the disposal group classified as held for sale		
Lease liabilities	–	(0.3)
Contract liabilities	–	(0.3)
Trade payables	–	(0.8)
Other payables	–	(1.6)
Current provisions	–	(0.6)
Non-current provisions	–	(1.0)
	–	(4.6)

1 In 2023, property, plant and equipment of £3.6 million classified as assets held for sale within the year comprised land and buildings of £2.5 million in Continuing operations (Production Solutions Division) and £1.1 million in Discontinued operations (Creative Solutions Division).

Section 3 continued

Operating Assets and Liabilities continued

3.5 Provisions

A provision is recognised by the Group where an obligation exists, relating to events in the past, and it is probable that an outflow of economic benefits will be required to settle it.

Accounting policies

Provisions

Provisions are recognised in the Balance Sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle it. If the effect is material, provisions are determined by discounting the expected future cash flows at an appropriate discount rate.

Provisions for warranties, based on historical warranty data, are recognised when the underlying products or services are sold.

Obligations arising from restructuring plans are recognised when detailed formal plans have been established and the restructuring has either commenced or has been announced.

	Total £m	Warranty £m	Restructuring £m	Tax-related provisions £m	Grant repayment £m	Other £m
At 1 January 2024	**5.5**	**1.2**	**0.2**	**1.8**	**1.5**	**0.8**
Provisions made during the year	**11.1**	**0.6**	**10.3**	**0.1**	**0.1**	**–**
Provisions utilised during the year	**(4.1)**	**(0.2)**	**(3.7)**	**–**	**(0.2)**	**–**
Provisions reversed during the year	**(0.4)**	**(0.1)**	**–**	**(0.1)**	**–**	**(0.2)**
Currency translation adjustments	**(0.2)**	**–**	**(0.1)**	**–**	**–**	**(0.1)**
At 31 December 2024	**11.9**	**1.5**	**6.7**	**1.8**	**1.4**	**0.5**
Current	11.2	1.3	6.7	1.8	1.4	–
Non-current	0.7	0.2	–	–	–	0.5
	11.9	1.5	6.7	1.8	1.4	0.5

Warranty provisions

Warranties over the Group's products typically cover periods of between one and five years. The provision represents Management's best estimate of the Group's liability based on past experience.

Restructuring

The restructuring provision is expected to be utilised during 2025.

Tax-related provisions

In relation to Savage, which was acquired in 2021, the Group recognised a provision of £1.7 million for a tax-related contingent liability which is not in the scope of IAS 12 "Income Taxes". As part of the acquisition agreement, the Group obtained indemnities from the sellers and an amount of the potential consideration was transferred to an escrow account. The amount of any payment would be recoverable by the Group under the escrow and indemnity arrangements, and as such, the Group has also recognised a corresponding receivable included in trade and other receivables. This is expected to be resolved by 2025.

A provision of £0.1 million was made during the year in relation to a PAYE tax audit. This will be utilised during 2026.

Grant repayment

A provision of £1.4 million in Amimon relates to grant re-payments to the Israeli Innovation Authority ("IIA"). The amounts repayable are based on royalties from future sales of the products that were developed using the grant fund. A payment of £0.2 million was made during the year.

Other

Other provisions of £0.5 million relate to potential dilapidation costs on the termination of leases on occupied property that the Group has entered into.

3.6 Leases

This note provides information in relation to leases when the Group is a lessee. The Group does not have any material leases where it acts as a lessor.

Accounting policies

Leases

Each lease is recognised as a right-of-use asset with a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Interest expense is charged to the Consolidated Statement of Profit or Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

For the Group, lease payments generally comprise the following:

– fixed payments, less any lease incentives receivable;
– variable payments that are based on an index or rate; and
– payments to be made under extension options which are reasonably certain to be exercised.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Generally, the interest rate implicit in the lease is not readily determinable, as such the incremental borrowing rate is used to discount future lease payments.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liability, and lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs.

When an adjustment to lease payments based on an index takes effect, the liability is remeasured with a corresponding adjustment to the right-of-use asset.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Consolidated Statement of Profit or Loss.

The Group's leasing activities

The Group enters into leases of land and buildings in relation to offices, warehouses and factory premises around the world. In addition, the Group leases plant, machinery and vehicles, as well as other equipment.

Contracts entered into by the Group have a wide range of terms and conditions but generally do not impose any additional covenants. Several of the Group's contracts include indexation adjustments to lease payments in future periods which are not reflected in the measurement of the lease liabilities at 31 December 2024.

Many of the contracts entered into by the Group include extension or termination options which provide the Group with additional operational flexibility. If the Group considers it reasonably certain that an extension option will be exercised or a termination option not exercised, the additional period is included in the lease term. Generally, extension options are not included in the lease term for plant, machinery and vehicles, and equipment, fixtures and fittings. Most options in respect of land and buildings are not included in the calculation of the lease term.

During 2024, the financial effect of revising lease terms arising from the effect of exercising extension and termination options was a decrease of £0.6 million (2023: £1.3 million) in the recognised lease liabilities.

As at 31 December 2024, potential future cash outflows of £8.9 million (2023: £9.1 million) (undiscounted) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

A maturity analysis of lease liabilities is included in note 4.2 "Financial instruments".

Section 3 continued

Operating Assets and Liabilities continued

Right-of-use assets

	Total £m	Leasehold land and buildings £m	Plant, machinery and vehicles £m	Equipment, fixtures and fittings £m
Cost				
At 1 January 2023	59.8	57.3	2.0	0.5
Currency translation adjustments	(2.0)	(1.9)	(0.1)	–
Additions	7.7	6.9	0.6	0.2
Termination of leases	(5.0)	(4.0)	(0.8)	(0.2)
At 31 December 2023 and 1 January 2024	**60.5**	**58.3**	**1.7**	**0.5**
Currency translation adjustments	**(0.4)**	**(0.4)**	**–**	**–**
Additions	**4.3**	**3.5**	**0.8**	**–**
Termination of leases	**(4.6)**	**(4.4)**	**(0.2)**	**–**
Disposals	**(0.5)**	**(0.3)**	**(0.2)**	**–**
At 31 December 2024	**59.3**	**56.7**	**2.1**	**0.5**
Accumulated depreciation				
At 1 January 2023	27.0	25.7	1.1	0.2
Currency translation adjustment	(0.9)	(0.9)	–	–
Depreciation charge in the year	6.4	5.8	0.5	0.1
Impairment losses in the year	0.2	0.2	–	–
Depreciation on termination of lease	(4.7)	(3.8)	(0.8)	(0.1)
At 31 December 2023 and 1 January 2024	**28.0**	**27.0**	**0.8**	**0.2**
Currency translation adjustments	**(0.4)**	**(0.3)**	**(0.1)**	**–**
Depreciation charge in the year	**6.0**	**5.3**	**0.6**	**0.1**
Impairment losses in the year	**4.5**	**4.4**	**0.1**	**–**
Depreciation on termination of lease	**(3.6)**	**(3.4)**	**(0.2)**	**–**
Disposals	**(0.5)**	**(0.3)**	**(0.2)**	**–**
At 31 December 2024	**34.0**	**32.7**	**1.0**	**0.3**
Carrying amounts				
At 1 January 2023	32.8	31.6	0.9	0.3
At 31 December 2023 and 1 January 2024	32.5	31.3	0.9	0.3
At 31 December 2024	**25.3**	**24.0**	**1.1**	**0.2**

Total cash outflow for leases is £7.6 million (2023: £8.2 million) of which £1.5 million (2023: £1.5 million) relates to interest and £6.1 million (2023: £6.7 million) to principal lease repayments.

3.7 Acquisitions

This note outlines how the Group has accounted for businesses that it has acquired.

Acquisitions are accounted for under the acquisition method, based on the fair values of the consideration paid. Assets and liabilities, with limited exceptions, are measured at their fair value at the acquisition date. This process continues as information is finalised, and accordingly any fair values presented in the tables below are provisional amounts. In accordance with IFRS 3, until the assessment is complete the measurement period will remain open up to a maximum of 12 months from the acquisition date so long as information remains outstanding.

The Group estimates the provisional fair values and useful lives of acquired assets and liabilities at the date of acquisition. The valuation of acquired intangibles is subject to estimation of future cash flows and the discount rate applied to them. Determination of the useful economic lives of technology-related intangible assets requires assumptions about future market trends and future risk of replacement or obsolescence of those assets. The useful economic lives of intangible assets are disclosed in note 3.1 "Intangible assets".

The excess of the consideration transferred, any non-controlling interest recognised and the fair value of any previous equity interest in the acquired entity over the fair value of net identifiable assets acquired is recorded as goodwill. Acquisition-related costs are recognised in the Income Statement as incurred in accordance with IFRS 3.

Acquisitions provide opportunities for further development of the Group's activities and create enhanced returns. Such opportunities and the workforces inherent in each of the acquired businesses represent much of the assessed value of goodwill.

Acquisition of Audix

On 11 January 2022, the Group acquired 100% of the issued share capital of Audix LLC ("Audix"), a US company, for consideration of US$45.8 million (£33.7 million). Under the terms of the acquisition, a deferred consideration of US$2.0 million (£1.6 million) was paid in January 2023.

No acquisitions have been made by the Group during current financial year.

Section 4

Capital Structure

This section outlines the Group's capital structure. The Group defines its capital structure as its equity and non-current interest-bearing loans and borrowings, and aims to manage this to safeguard its ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits for other stakeholders. The Group manages its capital and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, it may return capital to shareholders, through dividends and share buybacks, issue new shares or sell assets to reduce debt. The Group considers its dividend policy at least twice a year ahead of announcing results in the context of its ability to continue as a going concern and deliver its business plan. The Group focuses on leverage, credit ratings and interest cost, particularly when considering investment.

On the following pages there are disclosures concerning the following:

4.1 Net debt
4.2 Financial instruments
4.3 Share capital and reserves

4.1 Net debt

The Group's net debt comprises the following:

- **Cash and cash equivalents (cash on hand and demand deposits at banks)**
- **Bank overdrafts that are payable on demand**
- **Interest-bearing loans and borrowings**
- **Lease liabilities**

Accounting policies

Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet represents cash on hand and at banks.

Cash and cash equivalents in the Statement of Cash Flows includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

Interest-bearing loans and borrowings

Interest-bearing borrowings are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these transaction costs are recognised in the Statement of Profit or Loss over the term of the related borrowings.

Lease liabilities

See note 3.6 "Leases".

Analysis of net debt

The table below analyses the Group's components of net debt and their movements in the period:

	Interest-bearing loans and borrowings[1] £m	Leases £m	Liabilities from financing sub-total £m	Cash and cash equivalents[2] £m	Total £m
Opening at 1 January 2023	(174.5)	(34.8)	(209.3)	15.8	(193.5)
Other cash flows	–	–	–	67.1	67.1
Repayments	313.9	6.7	320.6	(320.6)	–
Borrowings	(240.0)	–	(240.0)	240.0	–
Leases entered into during the year	–	(7.7)	(7.7)	–	(7.7)
Leases – early termination	–	0.4	0.4	–	0.4
Fees incurred	0.3	–	0.3	–	0.3
Amortisation of fees	(1.3)	–	(1.3)	–	(1.3)
Foreign currency	2.4	1.1	3.5	2.4	5.9
Discontinued operations	–	0.3	0.3	–	0.3
Closing at 31 December 2023 and opening at 1 January 2024	**(99.2)**	**(34.0)**	**(133.2)**	**4.7**	**(128.5)**
Add back disposal group previously held for sale[3]	**–**	**(0.3)**	**(0.3)**	**–**	**(0.3)**
Other cash flows	**–**	**–**	**–**	**(0.4)**	**(0.4)**
Repayments	**231.1**	**6.1**	**237.2**	**(237.2)**	**–**
Borrowings	**(244.7)**	**–**	**(244.7)**	**244.7**	**–**
Leases entered into during the year	**–**	**(4.4)**	**(4.4)**	**–**	**(4.4)**
Leases – early termination	**–**	**0.8**	**0.8**	**–**	**0.8**
Fees incurred	**1.2**	**–**	**1.2**	**–**	**1.2**
Amortisation of fees	**(0.6)**	**–**	**(0.6)**	**–**	**(0.6)**
Foreign currency	**(2.2)**	**0.3**	**(1.9)**	**1.1**	**(0.8)**
Closing at 31 December 2024	**(114.4)**	**(31.5)**	**(145.9)**	**12.9**	**(133.0)**

1 Interest bearing loans and borrowings include unamortised fees and transaction costs of £1.3 million (2023: £0.8 million).
2 Cash and cash equivalents include bank overdrafts of £44.4 million (2023: £4.0 million).
3 Finance lease of £0.3 million relating to the disposal group held for sale in the Creative Solutions Division in 2023, is reclassified in December 2024 from discontinued to continuing operations. See note 3.4 "Discontinued operations and non-current assets classified as held for sale.

On 14 February 2020, the Group signed a £165.0 million five-year with one optional one-year extension multi-currency RCF with a syndicate of five banks. The one-year extension was agreed with the syndicate banks in January 2022 (four banks) and in July 2023 (fifth bank), increasing the RCF maturity to 14 February 2026. In December 2022, a £35.0 million accordion was agreed with four syndicate banks, resulting in the total commitments increasing to £200.0 million. In June 2024, the facility was extended by six months taking the maturity to 14 August 2026 and reduced by £50.0 million, taking the overall committed facilities to £150.0 million.

During the second half of both 2023 and 2024, the Group renegotiated and agreed with its lending banks revised covenants for the RCF. The applicable covenant limit at each test date is set out below. Covenant tests during the year ended 31 December 2024 and as at 31 December 2024 were met. The covenant tests for February 2025 and March 2025 were waived during the first quarter of 2025 and new covenant tests introduced for the remaining life of the facility. See note 5.7 "Subsequent events". The applicable covenant limit at each test date is set out below:

Section 4 continued

Capital Structure continued

Test date	Net debt: EBITDA[1] not higher than	EBITA:net interest[1] not lower than
June 2023	3.25x	4.00x
December 2023	4.25x	1.25x
March 2024	4.25x	1.50x
June 2024	4.25x	1.50x
September 2024	3.75x	2.25x
December 2024	5.50x	1.25x
February 2025	3.25x	3.00x
March 2025, onwards[2]	3.25x	3.50x

1 See "Glossary of Alternative Performance Measures ("APMs")" for the definition and determination of these items.
2 Quarterly test dates to continue beyond March 2025.

Acquisitions are not permitted without lender consent up to March 2025, drawings above £129.0 million and declarations of dividends require lender consent at all times. The non-recourse factoring facility remains capped to £15.0 million utilisation.

The Group was utilising 77% of the RCF as at 31 December 2024 (31 December 2023: 51%).

Under the terms of the RCF the Group expects to and has the discretion to roll over the obligation for at least 12 months from the Balance Sheet date, and as a result, these amounts are reported as non-current liabilities in the Consolidated Balance Sheet.

On 22 January 2021, the Group received a €0.7 million (£0.6 million) fixed rate loan from the Italian Government in response to COVID-19. The loan amortises bi-annually from June 2024 and will be fully repaid by December 2027. As at 31 December 2024, the outstanding balance was €0.5 million (£0.4 million).

On 14 November 2021, the Group signed a US$53.0 million (£43.8 million) three-year (expiry 14 November 2024) amortising Term Loan with a syndicate of four banks to facilitate the acquisition of Savage. Following the payment of 25% of the original amount during 2022 and 20% in June 2023, the outstanding balance of US$29.1 million (£23.3 million) was pre-paid on 11 December 2023 and the facility cancelled.

On 7 January 2022, the Group signed a US$47.0 million (£38.8 million) three-year (maturity 7 January 2025) amortising Term Loan with a syndicate of four banks to facilitate the acquisition of AUDIX. Following the payment of 25% of the original amount during 2022 and 20% in June 2023, the outstanding balance of US$25.9 million (£20.7 million) was pre-paid on 11 December 2023 and the facility cancelled.

On 25 January 2024, the group entered into a new operating cash pooling arrangement with HSBC which caused a change in presentation under IAS 32, accordingly the balances are presented gross as at 31 December 2024 while under the previous arrangement with the same bank and for the year ended 31 December 2023 they were presented net as they met the criteria to be disclosed net under IAS32. Under the new arrangement, the offset is allowed for net overdraft utilisation and interest calculation purposes. The Group's net cash position as at 31 December 2024 is £12.9 million (31 December 2023: £4.7 million).

As at 31 December 2024 the Group's net cash pool is as noted below:

Gross bank overdrafts	£44.4 million
Gross cash and cash equivalents	£45.9 million
Net cash pool	**£1.5 million**

The Group has a £5.0 million committed bank overdraft facility which is carved out of the £150.0 million RCF. As at 31 December 2024, £0.1m overdraft (31 December 2023: £4.0 million) was in use on a net basis, and £44.4 million (31 December 2023: £39.9 million) bank overdrafts were in use on a gross basis.

4.2 Financial instruments

This note provides details on:

- **Financial risk management**
- **Derivative financial instruments**
- **Fair value hierarchy**
- **Interest rate profile**
- **Maturity profile of financial liabilities**

Financial risk management

The Group's multinational operations and debt financing expose it to a variety of financial risks. In the course of its business, the Group is exposed to foreign currency risk, interest rate risk, liquidity risk and credit risk.

Financial risk management is an integral part of the way the Group is managed. Financial risk management policies are set by the Board of Directors. These policies are implemented by a central treasury department that has formal procedures to manage foreign currency risk, interest rate risk and liquidity risk, including, where appropriate, the use of derivative financial instruments. The Group has clearly defined authority and approval limits built into these procedures.

Foreign currency risk

Foreign currency risk arises both where sale or purchase transactions are undertaken in currencies other than the respective functional currencies of Group companies (transactional exposures) and where the results of overseas companies are consolidated into the Group's reporting currency of Sterling (translational exposures).

Transactions and balances

The Group has businesses that operate around the world and accordingly record their results in a number of different functional currencies. Some of these operations also have some customers or suppliers that transact in a foreign currency. Foreign currency transactions are usually translated into the functional currency using the exchange rates at the dates of the transactions. For practical reasons, if exchange rates do not fluctuate significantly, a rate that approximates the actual rate at the date of the transaction may be used for all transactions in each foreign currency occurring during that period. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates, are generally recognised in profit or loss. They are deferred in the translation reserve within equity and OCI if they relate to qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

The Group manages its transactional exposures to foreign currency risks through the use of forward exchange contracts including the US Dollar, Euro and Japanese Yen. Forward exchange contracts are used to hedge the Group's forecasted foreign currency exposure in respect of forecast cash transactions for the following 12 months. Forward exchange contracts may also be used to hedge a proportion of the forecast cash transactions for the following 13 to 24 months. The forward exchange contracts currently have maturities of less than two years at the Balance Sheet date.

The Group ensures that its net exposure to foreign denominated cash balances is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances. In addition, the Group manages the denomination of surplus cash balances across the overseas subsidiaries to allow natural hedging where effective in any particular country.

Translation to presentation currency

The Group's results, which are reported in Sterling, are exposed to changes in foreign currency exchange rates across a number of different currencies with the most significant exposures relating to the US Dollar ("USD") and Euro ("EUR"). The Group is exposed to the underlying translational movements which remain outside the control of the Group.

The Group's translational exposures to foreign currency risks relate to both the translation of income and expenses and net assets of overseas subsidiaries which are converted into Sterling on consolidation. The Group does not seek to hedge the translational exposure that arises from the translation of income and expenses which arises from changes in the exchange rates of the US Dollar, Euro and Japanese Yen against Sterling. However, the Group does finance overseas investments partly through the use of foreign currency borrowings in order to provide a net investment hedge over the foreign currency risk that arises on translation of its foreign currency subsidiaries.

Sensitivities

It is estimated that the Group's adjusted operating profit from continuing operations for the year ended 31 December 2024 would have increased/decreased by approximately £1.4 million (2023: £1.3 million) from a ten cent stronger/weaker US Dollar against Sterling and by approximately £0.2 million (2023: £0.5 million) from a ten cent stronger/weaker Euro against Sterling. This reflects the impact of the sensitivities to the translational exposures and to the proportion of the transactional exposures that are not hedged.

It is estimated that the statutory operating profit from continuing and discontinued operations for the year ended 31 December 2024 would have increased/decreased by £1.3 million (2023: £1.2 million) from a ten cent stronger/weaker US Dollar against Sterling and by approximately £0.1 million (2023: £0.5 million) from a ten cent stronger/weaker Euro against Sterling.

It is estimated that the Group's equity for the year ended 31 December 2024 would have increased/decreased by £2.3 million (2023: £4.4 million) from a ten cent stronger/weaker US Dollar against Sterling; by approximately £0.4 million (2023: £0.8 million) from a ten cent stronger/weaker Euro against Sterling; and by £nil million (2023 £0.1 million) from a one thousand stronger/weaker Japanese Yen against Sterling.

Section 4 continued

Capital Structure continued

Interest rate risk

Interest rate risk comprises the interest cash flow risk that results from borrowing at variable rates.

The Group is exposed to cash flow interest rate risk arising from long-term borrowings bearing variable interest rates. The Group policy is to maintain between 25% and 75% of its borrowings at fixed rate when leverage is forecast to be above 1:1 for more than 12 months. At 31 December 2024, the Group's variable interest rate borrowings were mainly denominated in Sterling and US Dollars, with 32% (2023: 69%) of the Group's floating rate debt fixed using floating-to-fixed interest rate swaps.

The borrowings are periodically contractually repriced which exposes the Group to the risk of future changes in market interest rates.

For the year ended 31 December 2024, it is estimated that a general increase of 1% in interest rates would decrease the Group's profit before tax by approximately £0.5 million (2023: £0.8 million) and a general decrease of 1% in interest rates would increase the Group's profit before tax by approximately £0.5 million (2023: £0.7 million).

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group was utilising 77% (2023: 51%) of the £150.0 million multicurrency RCF as at 31 December 2024.

The Group was utilising €10.1 million (£8.3 million) receivables factoring facility as at 31 December 2024 (31 December 2023: €9.1 million (£7.9 million)) . See note 3.3 "Working capital".

Credit risk

Credit risk arises because a counterparty may fail to meet its obligations. The Group is exposed to credit risk on financial assets such as trade receivables, cash balances and derivative financial instruments. The Group's maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivative financial instruments, in the Group Balance Sheet.

a) Trade receivables

The Group's credit risk is primarily attributable to its trade receivables. Trade receivables are subject to credit limits, and control and approval procedures in the operating companies. At the Balance Sheet date, two (2023: one) of the Group's largest customers, which have a high credit rating, accounts for 30% (2023: 10%) of the gross outstanding trade receivables which represents a concentration of credit risk.

b) Cash balances and derivative financial instruments

Credit risk associated with cash balances is managed by transacting with a number of major financial institutions worldwide and periodically reviewing their creditworthiness. 88% (2023: 85%) of the Group's cash and cash equivalents are held in counterparties with a credit rating of A- or above; 11% (2023: 11%) with credit ratings between BBB+ and BBB-; with the remaining 1% (2023: 4%) held at banks with credit ratings of BB+ or lower. Transactions involving derivative financial instruments are managed centrally. These are only with banks that are part of the Group's multi-currency RCF and all of which have strong credit ratings between BBB+ and A+. Accordingly, the Group's associated credit risk is limited. The Group has no significant concentration of credit risk.

Equity risk

Equity risk arises where the variability in interest rates affect the underlying derivative valuations of the hedged interest rate swaps. For the year ended 31 December 2024, it is estimated that a general increase of 1% in interest rates would increase the Group's equity by approximately £nil million (2023: £0.6 million) and a general decrease of 1% in interest rates would decrease the Group's equity by approximately £nil million (2023: £0.6 million).

In addition, equity risk arises where the variability in exchange rates affect the re-translation of the debt that is put in to the foreign currency translation reserve through net investment hedging. It is estimated that equity for the year ended 31 December 2024 would have increased/decreased by £2.3 million (2023: £4.4 million) from a ten cent stronger/weaker US Dollar against Sterling; by approximately £0.4 million (2023: £0.8 million) from a ten cent stronger/weaker Euro against Sterling; and by £nil million (2023 £0.1 million) from a one thousand stronger/weaker Japanese Yen against Sterling.

Derivative financial instruments

This is a summary of the derivative financial instruments that the Group holds and uses to manage transactional exposure. The value of these derivatives changes over time in response to underlying variables such as interest and exchange rates. They are carried in the Balance Sheet at fair value.

The fair value of forward exchange contracts is determined by estimating the market value of that contract at the reporting date. Derivatives with a positive fair value are recorded as assets and negative fair values as liabilities, and presented as current or non-current based on their contracted maturity dates.

The fair value of interest rate swaps are determined by estimating the market value of that swap at the reporting date. Derivatives with a positive fair value are recorded as assets and negative fair values as liabilities, and presented as current or non-current based on their contracted maturity dates.

Contracts with derivative counterparties are based on ISDA Master Agreements. Under the terms of these arrangements, only in certain situations will the net amounts owing/receivable to a single counterparty be considered outstanding. The Group does not have the present legal ability to set-off these amounts and so they are not offset in the Balance Sheet. Of the derivative assets and derivative liabilities recognised in the Balance Sheet, an amount of £0.3 million (2023: £nil) would be set-off under enforceable master netting agreements.

Accounting policies

Financial assets classification and measurement

The Group classifies its financial instruments depending on the business model for managing the financial assets and their contractual cash flows. Trade receivables and contract assets are measured at amortised cost while derivatives are measured at fair value through Profit or Loss unless designated in a qualifying hedging relationship.

Derivative financial instruments

In accordance with Board-approved policies, the Group uses derivative financial instruments such as forward foreign exchange contracts and interest rate swaps to hedge its exposure to fluctuations in foreign exchange rates and interest rates arising from operational activities. The Group does not hold or use derivative financial instruments for trading or speculative purposes.

Cash flow hedge accounting

Cash flow hedges are used to hedge the variability in cash flows of highly probable forecast transactions caused by changes in foreign currency exchange rates and interest rates.

Where a derivative financial instrument is designated in a cash flow hedge relationship with a highly probable forecast transaction, the effective part of any change in fair value arising is deferred in the cash flow hedging reserve within equity, via the Statement of Comprehensive Income. The gain or loss relating to the ineffective part is recognised in the Profit or Loss within net finance expense. Amounts deferred in the cash flow hedging reserve are reclassified to the Profit or Loss in the periods when the hedged item is recognised in the Profit or Loss.

If a hedging instrument expires or is sold but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised immediately in the Profit or Loss.

If a derivative financial instrument is not formally designated in a cash flow hedge relationship, any change in fair value is recognised in the Profit or Loss.

Forward exchange contracts

For hedges of foreign currency sales, the Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item and the Group designates the forward exchange rate as the hedged risk. The Group therefore performs a qualitative assessment of effectiveness. In hedges of foreign currency sales, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the Group or the derivative counterparty.

The following table shows the nominal value of the forward exchange contracts in place at the Balance Sheet date. These contracts mature in the next 24 months, therefore the cash flows and resulting effect on profit and loss are expected to occur within the next 24 months.

	Currency	**As at 31 December 2024 (millions)**	**Average exchange rate of contracts**	As at 31 December 2023 (millions)	Average exchange rate of contracts
Cash flow hedging contracts (buy/sell)					
GBP/USD forward exchange contracts	USD	**4.1**	**1.22**	16.8	1.18
EUR/USD forward exchange contracts	USD	**10.0**	**1.08**	33.4	1.05
GBP/EUR forward exchange contracts	EUR	**6.4**	**1.12**	28.7	1.13
GBP/JPY forward exchange contracts	JPY	**177.6**	**167.7**	627.6	172.8
EUR/JPY forward exchange contracts	JPY	**410.0**	**149.9**	1,235.0	152.8

A net gain of £3.0 million (2023: £1.2 million gain) relating to forward exchange contracts was reclassified to the Profit or Loss, to match the crystallisation of the hedged forecast cash flows which affect the Profit or Loss.

The balances and movements into and out of the cash flow hedging reserve are shown in the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Changes in Equity respectively. Amounts reclassified from the cash flow hedging reserve to the Consolidated Statement of Comprehensive Income are included in revenue for foreign currency forward exchange contracts.

The table below provides further information on the Group's forward contracts.

	2024 £m	2023 £m
Forward exchange contracts asset	**0.7**	2.7
Forward exchange contracts liability	**(0.3)**	–
Recognised in OCI	**0.9**	2.5
Reclassified from OCI to the Profit or Loss	**(3.0)**	(1.2)
Maturity dates	**January 2023 to December 2025**	January 2023 to December 2025
Hedge ratio	**1:1**	1.1
Change in value of hedging instruments since 1 January	**0.9**	2.5
Change in value of the hedged item used to determine hedge effectiveness	**(0.9)**	(2.5)

Section 4 continued

Capital Structure continued

Interest rate swaps

The Group enters into interest rate swaps that have the same critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. As all critical terms matched during the year, there is an economic relationship.

The following table shows the interest rate swap contracts in place at the Balance Sheet date. The interest is payable quarterly on 31 March, 30 June, 30 September and 31 December.

	Currency	Nominal amounts as at 31 December 2024	Weighted average fixed rate[1]	Maturity	Nominal amounts as at 31 December 2023
Interest rate swap contracts					
GBP Interest rate swaps float (SONIA) to fix[1]	GBP	**37.0**	**1.01%**	Jan 25	37.0
USD Interest rate swaps float (SOFR) to fix	USD	**0.0**	**5.18%**	Sep 24	40.0

1 In addition to these fixed rates, the margin relating to the interest swapped of the underlying RCF or term loans continues to apply.

In the previous year, the Group entered into a new $40.0m floating-to-fixed interest rate swap to replace the maturing $35.0 million swap in September 2023. As at 31 December 2024, a total of £37.0m (31 December 2023: £68.4 million) remain in place following the maturity of the $40.0 million (£31.4 million) swap. Swaps currently in place cover 32% (2023: 69%) of the variable loan principal outstanding.

Hedge ineffectiveness for interest rate swaps is assessed using the same principles as for hedges of foreign currency sales. It may occur due to:

- changes in credit risk on the interest rate swaps which is not matched by the loan; and
- differences in critical terms between the interest rate swaps and loans.

There was no recognised ineffectiveness during 2024 in relation to the interest rate swaps.

The gain or loss relating to the effective portion of the interest rate swaps that are hedging variable rate borrowings is recognised in the Profit or Loss within net finance expense at the same time as the interest expense on the hedged borrowings.

For interest rate swaps hedging interest rate risk on term loans, the notional amount of interest rate swaps decreases in line with the repayments of the hedged borrowings.

For interest rate swaps on other borrowings, the notional amounts are consistent over the term of the hedging relationship.

The balances and movements into and out of the cash flow hedging reserve are shown in the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Changes in Equity respectively. Amounts reclassified from the cash flow hedging reserve to the Consolidated Statement of Comprehensive Income are included in net finance expense for interest rate swaps.

The table below provides further information on the Group's interest rate swaps

	2024 £m	2023 £m
Interest rate swaps asset	**0.1**	1.4
Interest rate swaps liability	**–**	(0.1)
Recognised in OCI	**0.3**	0.3
Reclassified from OCI to the Profit or Loss	**(1.6)**	(3.0)
During the period ended 31 December 2024 a net gain of £1.6 million (2023: £3.0 million) relating to interest rate swaps was reclassified to the Profit or Loss, to match the crystallisation of the hedged forecast cash flows which affects the Profit or Loss.		
Maturity dates	**January 2024 to January 2025**	January 2024 to January 2025
Hedge ratio	**1:1**	1:1
Change in value of hedging instruments since 1 January	**0.3**	0.3
Change in value of the hedged item used to determine hedge effectiveness	**(0.3)**	(0.3)
Interest rate swap average hedged rate for the year	**(2.1%)**	(2.4%)

Fair value hierarchy

The following summarises financial instruments carried at fair values and the major methods and assumptions used in estimating these fair values.

The different levels of fair value hierarchy have been defined as follows:

Level 1

Fair value measured using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Fair values measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3

Fair values measured using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying values of the Group's financial instruments approximate their fair value. The fair value of floating rate borrowings approximates to the carrying value because interest rates are at floating rates where payments are reset to market rates at intervals of less than one year. The Group's derivative financial instruments are Level 2. The fair value of forward foreign currency exchange derivative financial instruments is determined based on the present value of future cash flows using forward exchange rates at the Balance Sheet date. The fair value of interest rate swap derivative financial instruments is estimated as the present value of the future cash flows based on observable yield curves at the Balance Sheet date.

Accounting policies

Net investment hedge accounting

The Group uses its US Dollar, Euro and Japanese Yen denominated borrowings as a hedge against the translation exposure on the Group's net investment in overseas companies. The Group designates the spot rate of the loans as the hedging instrument. There was no ineffectiveness to be recognised on hedges of net investments in foreign operations.

Where the hedge is fully effective at hedging the variability in the net assets of such companies caused by changes in exchange rates, the changes in value of the borrowings are recognised in the translation reserve within equity, via the Statement of Comprehensive Income. The ineffective part of any change in value caused by changes in exchange rates is recognised in the Profit or Loss.

The effective portion will be recycled into the Profit or Loss on the sale of the foreign operation.

None of the £10.8 million US Dollar debt held at December 2024 was designated as at 31 December 2024.

The table below provides further information on the Group's net investment hedging relationships:

	2024 £m	2023 £m
Hedge ratio	**1:1**	1:1
Change in value of hedging instruments due to foreign currency movements since 1 January	**2.0**	–
Change in value of the hedged item used to determine hedge effectiveness	**(2.0)**	–

The balances and movements into and out of the foreign currency translation reserve are shown in the Consolidated Statement of Comprehensive Income and the Consolidated Statement of Changes in Equity respectively.

The amount in the foreign currency translation reserve in relation to hedge accounting is a loss of £42.9 million (2023: £40.8 million loss) and is split as follows:

- net investment hedges loss from continuing operations of £13.8 million (2023: £11.7 million loss); and
- hedging relationships for which hedge accounting is no longer applied, a loss of £29.1 million (2023: £29.1 million loss).

Section 4 continued

Capital Structure continued

Interest-bearing loans and borrowings

The table below analyses the Group's interest-bearing loans and borrowings, including bank overdrafts, by currency:

Currency	Total £m	Fixed rate borrowings[1] £m	Floating rate borrowings £m
US Dollar	**12.3**	**–**	**12.3**
Sterling	**144.5**	**37.0**	**107.5**
Euro	**3.3**	**0.4**	**2.9**
Unamortised fees and transaction costs	**(1.3)**	**–**	**(1.3)**
At 31 December 2024	**158.8**	**37.4**	**121.4**
US Dollar	45.6	31.4	14.2
Sterling	45.9	37.0	8.9
Euro	12.5	0.6	11.9
Unamortised fees and transaction costs	(0.8)	–	(0.8)
At 31 December 2023	103.2	69.0	34.2

1 Of the £37.4 million fixed rate borrowings, £37.0 million is fixed synthetically using interest rate swaps.

The floating rate borrowings comprise borrowings bearing interest at rates based on SONIA, SOFR, EURIBOR and TONA for Sterling, US Dollar, Euro and Japanese Yen borrowings respectively.

The floating rate borrowings are repriced between one and three months.

Maturity profile of financial liabilities

The table below analyses the Group's financial liabilities and derivative financial liabilities into relevant maturity groupings based on the period remaining until the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows (including interest), so will not always reconcile with the carrying amounts disclosed on the Balance Sheet.

The following are the contractual maturities of financial liabilities, including undiscounted future interest payments:

	Carrying amount £m	Total contractual cash flows £m	Within one year £m	From two to five years £m	Greater than five years £m
2024					
Unsecured interest-bearing loans and borrowings including bank overdrafts	**(158.8)**	**(177.3)**	**(55.2)**	**(122.1)**	**–**
Lease liabilities	**(31.5)**	**(37.3)**	**(9.4)**	**(20.7)**	**(7.2)**
Trade payables	**(21.7)**	**(21.7)**	**(21.7)**	**–**	**–**
Accruals	**(12.1)**	**(12.1)**	**(12.1)**	**–**	**–**
Provisions	**(1.4)**	**(1.4)**	**(1,4)**	**–**	**–**
Forward exchange contracts outflow	**(0.3)**	**(0.3)**	**(0.3)**	**–**	**–**
Total outflows	**(225.8)**	**(250.1)**	**(100.1)**	**(142.8)**	**(7.2)**
2023					
Unsecured interest-bearing loans and borrowings including bank overdrafts	(103.2)	(123.2)	(8.3)	(114.9)	–
Lease liabilities	(34.3)	(40.2)	(7.2)	(23.4)	(9.6)
Trade payables	(20.8)	(20.8)	(20.8)	–	–
Accruals	(10.5)	(10.5)	(10.5)	–	–
Provisions	(1.5)	(1.5)	(0.5)	(1.0)	–
Forward exchange contracts outflow	(0.1)	(0.1)	(0.1)	–	–
Total outflows	(170.4)	(196.3)	(47.4)	(139.3)	(9.6)

The Group had the following undrawn borrowing facilities at the end of the year:

Expiring in:	2024 £m	2023 £m
Less than one year		
– Uncommitted facilities	**–**	2.8
More than one year but not more than five years		
– Committed facilities	**34.7**	97.3
Total	**34.7**	100.1

Section 4 continued

Capital Structure continued

4.3 Share capital and reserves

This note explains the movements in share capital, and the nature and purpose of other reserves forming part of equity. The movements in reserves are set out in the Consolidated Statement of Changes in Equity.

The Group utilises share award schemes as part of its employee remuneration packages. Options that have been granted and remain outstanding at 31 December 2024 are set out below. The various share-based payment schemes are explained in note 5.3 "Share-based payments".

Share capital

	Number of shares (thousands)	Nominal value £m
Issued, authorised and fully paid		
At 1 January 2024 and 31 December 2024	**94,201**	**18.9**

Each ordinary share carries one vote, participates equally with the other ordinary shares in distribution of dividends and capital (including on a winding up) and is not redeemable.

At 31 December 2024, the following options had been granted and remained outstanding under the Company's share option schemes:

	Number of shares (thousands)	Exercise prices	Dates normally exercisable
UK Sharesave Schemes	**415**	**224p–1272p**	**2025–2028**
International Sharesave Schemes	**1,435**	**224p–1272p**	**2025–2028**
	1,850		

Share capital and share premium

Equity raise:

On 8 December 2023, the Company issued 47,329,954 new ordinary shares for an offer price of 267.0 pence, generating gross proceeds of £126.4 million. Expenses of £8.5 million were incurred and have been offset in the share premium account leaving net proceeds of £117.9 million.

Other reserves

The nature and purpose of other reserves forming part of equity are as follows:

Translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries, including gains or losses arising on net investment hedges.

Capital redemption reserve

The capital redemption reserve of £1.6 million was created on the repurchase and subsequent cancellation of 885,000 ordinary shares by the Company in 1999.

On 5 November 2024, the Company purchased 7,922 ordinary shares of 20 pence each to eliminate new issue shares tied to a US share plan over which options were exercised during 2024. All these purchased ordinary shares were cancelled and a transfer of £1,584 was made from share capital to the capital redemption reserve.

Cash flow hedging reserve

This reserve records the cumulative net change in the fair value of forward exchange contracts and interest rate swaps where they are designated as effective cash flow hedge relationships.

Retained earnings

Retained earnings are the cumulative gains and losses recognised by the Group, not recorded in any other reserves. On 12 April 2021, the Company issued 309,753 ordinary shares as part of the consideration for the acquisition of Lightstream. The excess of the fair value of the shares issued over their nominal value was recorded in retained earnings.

Own shares held

Own shares held by the Company's Employee Benefit Trust are recognised as a deduction from retained earnings. As at 31 December 2024, the Employee Benefit Trust held 1,464 (2023: 12,428) ordinary shares at 20 pence nominal value. The Company holds no shares in treasury (2023: nil).

The Employee Benefit Trust purchased 105,858 own shares during 2024 (average price of 295.7p per share) used to satisfy the Restricted Share Plan ("RSP") on the same day.

On 5 November 2024, the Company purchased 7,922 ordinary shares of 20 pence each to eliminate new issue shares tied to a US share plan over which options were exercised during 2024. All these purchased ordinary shares were cancelled.

Dividends

Dividends are recognised through equity on the earlier of their approval by the Company's shareholders or their payment. There was no dividend proposed for both years ended 31 December 2024 and 31 December 2023.

	2024 £m	2023 £m
The aggregate amount of dividends paid in the year		
Final dividend for the year ended 31 December 2023 of nil pence (2022: 25.0p) per ordinary share	–	11.6

Section 5

Other Supporting Notes

This section explains items that are not explained elsewhere in the financial statements.

On the following pages, there are disclosures covering the following:

5.1 Employees

	2024 £m	2023 £m
Employee costs, including Directors' remuneration, comprise:		
Government grants repaid voluntarily towards employee costs[1]	**(0.4)**	(0.2)
Wages and salaries	**76.8**	82.5
Redundancy costs	**8.1**	4.8
Employers' social security costs	**11.1**	11.7
Employers' pension costs – defined benefit schemes	**0.2**	0.2
Employers' pension costs – defined contribution schemes	**3.4**	3.7
Other employment benefits	**3.0**	3.2
Share-based payment charge	**2.2**	1.6
	104.4	107.5

1 This excludes amounts paid directly to employees by governments. There were no unfulfilled conditions or other contingencies attached to this government assistance.

Details of Directors' remuneration and share incentives are disclosed in the Remuneration Report.

	2024 Total	2023 Total
Monthly average number of employees during the year		
Media Solutions	**719**	800
Production Solutions	**529**	539
Creative Solutions	**293**	267
Central	**28**	28
From continuing operations	**1,569**	1,634
From discontinued operations	**–**	83
	1,569	1,717

5.2 Pensions

This note explains the accounting policies governing the Group's treatment of the pension schemes, followed by an analysis of these schemes.

Accounting policies

Defined contribution schemes

The assets are held separately from those of the Group in independently administered funds. The costs of providing pensions for employees under defined contribution schemes are expensed as incurred.

Defined benefit schemes

The Group operates pension schemes providing benefits based on final pensionable pay. The assets of the schemes are held separately from those of the Group. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The discount rate is determined by reference to market yields at the Balance Sheet date on high quality corporate bonds.

The calculation is performed by a qualified actuary using the projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they arise in the Statement of Comprehensive Income.

The Group recognises the ongoing service cost, past service costs and any cost or income relating to the curtailment or settlement of a pension scheme in operating expenses in the Profit or Loss. The unwinding of the discount (above) is recognised as part of net financial expense.

Pension schemes

The Group has defined benefit pension schemes in the UK, Italy, Germany, Japan and France. The UK defined benefit scheme was closed to future benefit accrual with effect from 31 July 2010. All UK employees of the Group are now offered membership of the defined contribution pension scheme. Other overseas subsidiaries have their own defined contribution schemes.

Defined contribution schemes

The total Profit or Loss charge of the defined contribution schemes for the year ended 31 December 2024 was £3.4 million (2023: £3.7 million). There were no outstanding or prepaid contributions to these plans as at 31 December 2024 (or at 31 December 2023).

Defined benefit schemes

The Group's defined benefit schemes are disclosed below:

	2024 £m	2023 £m
Amounts recognised on the Group Balance Sheet		
Plan assets		
– Equities	**0.1**	0.1
– Bonds	**33.2**	36.7
– Other	**11.9**	13.6
Total fair value of plan assets	**45.2**	50.4
Present value of defined benefit obligation	**(43.6)**	(49.1)
Net asset recognised on the Group Balance Sheet	**1.6**	1.3

	2024 £m	2023 £m
Analysis of net recognised deficit		
Total funded plan (UK pension scheme)	**4.1**	4.2
Total unfunded plans (non-UK pension schemes)	**(2.5)**	(2.9)
Net asset recognised on the Group Balance Sheet	**1.6**	1.3

	2024 £m	2023 £m
Amounts recognised in the Group Profit or Loss		
Administration costs Included in operating expenses	**0.2**	0.2
Net interest expense on net defined benefit pension scheme liabilities	**(0.1)**	(0.1)
Total amounts charged to the Group Profit or Loss	**0.1**	0.1

Section 5 continued

Other Supporting Notes continued

UK pension scheme

The UK defined benefit pension scheme, being significant, is disclosed below.

The UK defined benefit scheme is in an actuarial surplus position at 31 December 2024 (measured on an IAS 19 "Employee Benefits" basis) of £4.1 million (31 December 2023: £4.2 million). The surplus has been recognised on the basis that the Group has an unconditional right to a refund, assuming the gradual settlement of Scheme liabilities over time until all members have left the Scheme.

The nature of the UK scheme is a funded final salary scheme closed to future benefit accrual with effect from 31 July 2010. As a result, since that date, no contributions are payable in respect of future accrual of benefits. As the 23 April 2020 funding valuation of the scheme disclosed a funding surplus, no recovery plan is required under the Pensions Act 2004. As such, member and employer contributions to the scheme over the year to 31 December 2025 are expected to be £nil. The scheme is subject to all legislation and regulations that apply to UK occupational pension schemes.

The main risk to which the Group is exposed by the scheme is that the cost of the benefits provided by the scheme is greater than expected, for example due to lower than expected investment returns or members of the scheme living longer than expected, which may result in additional contributions being required from the Group.

In accordance with UK trust and pensions law, the pension scheme has a corporate trustee. Although the Group bears the financial cost of the scheme, the responsibility for the management and governance of the scheme lies with the trustee, which has a duty to act in the best interest of members at all times. The assets of the scheme are held in trust by the trustee who consults with the Group on investment strategy decisions.

In June 2023, the UK High Court in Virgin Media Limited v NTL Pension Trustees II Limited ruled that specific historical amendments to contracted-out defined benefit schemes in the period from 6 April 1997 to 5 April 2016 were invalid if they lacked a confirmation under section 37 of the Pension Schemes Act 1993 from the scheme's actuary. This decision was upheld on appeal in July 2024 and is relevant for the Videndum DB Pension Scheme ("the Scheme").

The Company has undertaken a risk assessment and engaged with the relevant Trustee of the Scheme who have confirmed that based on the governance processes in place and an initial review of significant deed changes during the period in question, these bodies have no reason to believe, at this stage in their review, that the relevant requirements were not complied with in relation to the Scheme with regard to the relevant period in question. Given that there is no indication at this stage of non-compliance with the relevant requirements, the Scheme's valuation as at 31 December 2024 does not reflect potential additional liabilities arising from this Virgin Media case.

Impact on defined benefit obligation ("DBO") of changes in the three key individual assumptions

	2024	2023
Discount rate increased by 0.25% points (2023: 0.25% points)	**-3%**	-3%
Inflation increased by 0.25% points (2023: 0.25% points)	**2%**	2%
Life expectancy increased by one year	**3%**	4%

A decrease in the assumptions noted above results in an equal and opposite movement to those disclosed.

The sensitivity applied is based on a reasonable possible change expected in the underlying assumptions. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

	2024 % pa	2023 % pa
Assumptions used by the actuary to value the liability of the defined benefit plan, on 31 December, were:		
Price inflation (RPI)	**3.1**	3.0
Price inflation (CPI)	**RPI less 1% pa to 2029, and RPI less 0.1% pa from 2030**	RPI less 1% pa to 2029, and RPI less 0.1% pa from 2030
Life expectancy of male/female aged 65 at Balance Sheet date	**21.1/23.6**	21.8/24.3
Life expectancy of male/female aged 65 in 2039	**21.7/24.4**	22.4/25.1
Pension increase rate (% pa)	**Various**	Various
Discount rate (% pa)	**5.5**	4.5

	2024 £m	2023 £m
Change in DBO for the year to 31 December		
Present value of DBO at start of year	**46.2**	45.8
Interest cost	**2.0**	2.1
Actuarial loss on experience	**0.7**	0.7
Actuarial gain on demographic assumptions	**(1.0)**	(1.2)
Actuarial loss/(gain) on financial assumptions	**(4.6)**	0.9
Actual benefit payments	**(2.2)**	(2.1)
Past service gains	**–**	–
Present value of DBO at end of year	**41.1**	46.2

At 31 December 2024, the weighted average duration of the scheme's DBO was 12 years (2023: 13 years). The proportion of DBO in respect of pensions in payment is approximately 58% and that in respect of deferred pensioners is approximately 42%.

	Fair value 2024 £m	Quoted split %	Unquoted split %	Fair value 2023 £m
Scheme assets and proportion which have quoted market price, at 31 December				
Bonds	**33.2**	**100**	**–**	36.7
Equities	**0.1**	**–**	**100**	0.1
Infrastructure	**–**	**–**	**100**	3.0
Cash/non-cash assets	**11.8**	**–**	**100**	10.5
Insurance policies	**0.1**	**–**	**100**	0.1
Total value of assets	**45.2**			50.4

Note: The asset values shown are, where relevant, estimated bid values of market securities.

	2024 £m	2023 £m
Change in fair value of assets for the year to 31 December		
Fair value of assets at start of year	**50.4**	49.7
Interest income on scheme assets	**2.2**	2.3
Return on scheme assets greater/(less) than discount rate	**(5.2)**	0.5
Actual benefit payments	**(2.2)**	(2.1)
Fair value of assets at end of year	**45.2**	50.4

	2024 £m	2023 £m
Development of net Balance Sheet position at 31 December		
Present value of defined benefit obligation	**(41.1)**	(46.2)
Assets at fair value	**45.2**	50.4
Net defined benefit scheme asset	**4.1**	4.2

Section 5 continued

Other Supporting Notes continued

	2024 £m	2023 £m
Reconciliation of net Balance Sheet position		
Net defined benefit scheme asset at start of year	**4.2**	3.9
Total amounts credited to the Profit or Loss	**0.2**	0.2
Remeasurement effects recognised in OCI	**(0.3)**	0.1
Defined benefit scheme asset at end of year	**4.1**	4.2

	2024 £m	2023 £m
Amounts recognised in the Profit or Loss		
Net interest income on net defined benefit pension scheme asset	**(0.2)**	(0.2)
Total amounts credited to the Profit or Loss	**(0.2)**	(0.2)

	2024 £m	2023 £m
Amounts recognised in OCI		
Actuarial loss due to liability experience	**0.7**	0.7
Actuarial gain due to liability assumption changes	**(5.6)**	(0.3)
Actuarial gain arising during the period	**(4.9)**	0.4
Return on scheme assets (greater)/less than discount rate	**5.2**	(0.5)
Remeasurement effects recognised in OCI	**0.3**	(0.1)

	2024 £m	2023 £m
Defined benefit pension scheme cost/(credit)		
Net interest (income)/expense on net defined benefit pension scheme asset	**(0.2)**	(0.2)
Remeasurement effects recognised in OCI	**0.3**	(0.1)
Total defined benefit pension scheme cost/(credit)	**0.1**	(0.3)

5.3 Share-based payments

Group employees participate in a number of employee incentive schemes including a Sharesave Scheme, an LTIP, a Deferred Bonus Plan and a Restricted Share Plan.

This note explains the accounting policy governing share-based payments and the impact of various share schemes operated by the Group.

Accounting policies

Share-based payments

The Group operates a number of share-based incentive schemes, which are treated as equity-settled awards. The fair value of equity-settled awards is determined at grant date and charged to the Profit or Loss over the vesting period of the award, with a corresponding adjustment to equity.

Any potential employer's Social Security liability on share awards is calculated based on the intrinsic value of the awards at the Balance Sheet date and recognised over the vesting period of the related award.

Exercises of share options granted to employees can be satisfied by a market purchase or an issue of new shares. Shares purchased in the market are held by the Company's Employee Benefit Trust.

Further details of the accounting for the schemes provided by the Group are set out below.

Long Term Incentive Plan

The awards granted under this scheme include a portion linked to a non-market condition (adjusted EPS) as well as a portion linked to a market condition (Total Shareholder Return, "TSR"). A description of the LTIP including its general terms and conditions, such as performance conditions and vesting requirements, is set out in the Remuneration report.

The fair value of the awards linked to the EPS condition is the Company's share price at grant date, while the fair value of awards containing market conditions is determined using Monte Carlo simulation models. The number of awards which are expected to vest is estimated by Management based on levels of expected forfeitures and the expected outcome of the EPS condition. For awards subject to market conditions, no adjustment is made to reflect the likelihood of the market condition being met nor the actual number of awards which lapse as a result of the condition not being met.

Sharesave Scheme

Options granted under the Sharesave Scheme vest subject to continued employment and a saving condition in some countries. The options entitle employees to purchase shares in the Company at a fixed price. Further details of the Group's Sharesave arrangement are included in the Strategic Report.

The fair value of options granted under the Sharesave Scheme is determined using a Black-Scholes model with the key inputs to the model set out below. The number of awards which are expected to vest is estimated by Management based on levels of expected forfeitures. At an employee's discretion they can choose to withdraw from a particular scheme and stop saving. This action is accounted for as a cancellation and results in an acceleration of the Profit or Loss charge related to the cancelled options.

Restricted Share Plan (RSP)

The RSP was introduced in 2019 to support retention plans for key employees, excluding Directors. The fair value of awards under the RSP is the Company's share price at grant date. Under the RSP, shares which are awarded, generally vest over three years and are subject to a continued employment condition. The number of awards which are expected to vest is estimated by Management based on levels of expected forfeitures.

Share-based payment expense

The amount recognised in the Profit or Loss for share-based payment transactions with employees for the year ended 31 December 2024 was £2.2 million (2023: £1.6 million which included £0.6 million in relation to a share award for retention agreements entered into with key employees of Lightstream which was disposed in 2023.

Section 5 continued

Other Supporting Notes continued

Share options outstanding at the end of the period

Options outstanding under the 2020 UK Sharesave Scheme and 2020 International Sharesave Scheme as at 31 December 2024, together with their exercise prices and vesting periods, are as follows:

Range of exercise prices	**Number outstanding (thousands)**	**Weighted average exercise price (£)**	**Weighted average remaining contractual life (years)**
£2.00–£2.50	**1,810**	**2.26**	**2.91**
£11.00–£11.50	**24**	**11.23**	**1.35**
£12.00–£12.50	**16**	**12.72**	**0.36**
Total	**1,850**	**2.46**	**2.87**

Movements in these share option plans were as follows:

	Sharesave (thousands)	Weighted average exercise price (£)
Awards at 31 December 2022	1,305	7.49
Exercised during 2023	(54)	10.63
Cancelled during 2023	(168)	8.35
Forfeited during 2023	(95)	8.93
Lapsed during 2023	(23)	8.48
Granted during 2023	–	–
Awards at 31 December 2023	965	7.13
Exercised during 2024	**(8)**	**11.92**
Cancelled during 2024	**(218)**	**9.87**
Forfeited during 2024	**(54)**	**5.28**
Lapsed during 2024	**(695)**	**5.73**
Granted during 2024	**1,860**	**2.27**
Awards at 31 December 2024	**1,850**	**2.46**
Awards exercisable at 31 December 2024	**23**	**5.66**

The weighted average share price at the date of exercise for share options exercised during the year was £2.69 (2023: £6.11).

Arrangement	Restricted Share Plan	2011 International Sharesave Plan 2 Year	2011 UK and International Sharesave Scheme 3 Year	2014 Long Term Incentive Plan	
Nature of arrangement	Share award plan	Save as you earn Scheme	Save as you earn Scheme	Share award plan	Share award plan
Date of grant	Various	12 Jun 2024	12 Jun 2024	02 May 2024	18 Dec 2024
Number of instruments granted (thousands)	870	243	1,611	1,093	200
Exercise price	n/a	£2.38	£2.24	n/a	n/a
Share price at date of grant	Various	£3.03	£3.03	£2.85	£1.72
Contractual life (years)	Up to 3 years	2.41	3.58	n/a	n/a
Expected option life (years)	Up to 3 years	2.29	3.37	n/a	n/a
Vesting conditions	Up to 3-year service period	2-year service period and savings requirement	3-year service period and savings requirement	Relative TSR performance against comparator group and adjusted EPS growth	Up to 2-year service period
Settlement	Shares	Shares	Shares	Shares	Shares
Expected volatility[1]	n/a	51.3%	46.3%	45.7%	n/a
Risk-free interest rate	n/a	4.27%	4.13%	4.30%	n/a
Expected dividend yield	n/a	0.00%	0.00%	n/a	n/a
Expected departures (per annum from grant date)	7%	5%	5%	13%	3%
Expected outcome of non-market based related performance condition	n/a	n/a	n/a	–	n/a
Expected outcome of non-vesting condition[2]	n/a	85%	85%	n/a	n/a
Fair value per granted instrument determined at the grant date	£1.62- 2.85	£1.13	£1.21	£2.85- 1.68[3]	£1.72
Valuation model	n/a	Black-Scholes	Black-Scholes	Monte Carlo[4]	n/a

1 The expected volatility of the 2011 Sharesave Plan is based on historical volatility determined by the analysis of daily share prices over a period commensurate with the expected lifetime of the award and ending on the date of grant of the award. Due to significant fluctuations in Videndum plc's share price during the year a uniform rate has been used for all the Sharesave options as a reasonable estimate of volatility going forward.
2 Non-vesting condition relates to the monthly contributions that employees need to make under the SAYE scheme to receive the options at vesting. Based on historical cancellation rates, a 15% rate has been used.
3 The first figure (£2.85) represents the fair value of awards subject to adjusted EPS growth criteria and the second figure (£1.68) represents the fair value of awards subject to TSR criteria.
4 For the 2014 LTIP, a Monte-Carlo simulation has been used. Under this valuation method, the share price for Videndum plc is projected at the end of the performance period as well as the TSR for Videndum plc and the companies in the comparator group. Based on these projections, the number of awards that will vest is determined. Thousands of simulations are run and the fair value of the award is calculated as the product of the vesting probability and the share price at the date of grant.

5.4 Contingent liabilities

From time to time, the Group is subject to various legal proceedings and claims that arise in the ordinary course of business often concerning the Group's intellectual property and patents. A liability is recorded only when it is probable that the case will result in a future economic outflow which can be reliably measured. The Group is currently party to legal proceedings related to alleged patent infringement that is yet to be presented in court. The claim is being robustly refuted, and the Group expects to succeed in its defence with any related costs or settlement expected to be immaterial.

Tax-related contingent liabilities are disclosed in note 2.4 "Tax".

There are no other contingent liabilities at 31 December 2024.

Section 5 continued

Other Supporting Notes continued

5.5 Related party transactions

A related party relationship is based on the ability of one party to control or significantly influence the other.

The Group has identified the Directors, the Videndum DB Pension Scheme and members of the Executive Committee as related parties to the Group under IAS 24 "Related Party Disclosures".

Transactions with key management personnel

Details of Directors' remuneration along with their pension, share incentive, bonus arrangements and holdings of the Company's shares are shown in detail in the Remuneration Report. This also shows the highest paid Director.

The compensation of the 15 (2023: 13) key management personnel during the year, including the Executive Directors, is shown in the table below:

	2024 £m	2023 £m
Salaries	**3.0**	3.5
Employers' social security costs	**0.5**	0.7
Share-based payment charge/(income)[1]	**0.4**	(0.9)
Other short-term employee benefits	**0.5**	0.4
Employers' pension costs – defined contribution schemes	**0.4**	0.3

1 IFRS 2 charge recognised in the Profit or Loss for share-based payment transactions with key management personnel.

Transactions with other related parties

During the year ended 31 December 2024, there were transactions with other related parties in relation to rental services and donations amounting to £0.1 million (2023: £0.1 million).

5.6 Group investments

The Group's subsidiaries at 31 December 2024 are listed below. All subsidiaries are 100% owned within the Group.

Company	County of incorporation	Issued securities
Videndum Media Distribution Australia Pty Ltd	Australia[25]	Ordinary shares of AUD1 each
Videndum Media Distribution Shanghai Limited	China[16]	Ordinary shares of US$1 each
Lowepro Huizhou Trading Co Ltd	China[30]	Ordinary shares of HK$3,000,000 each
JOBY Technology (Shenzhen) Co. Limited	China[31]	Ordinary shares of RMB1,814,855 each
Videndum Production Solutions Limitada	Costa Rica[26]	Shares of CRC50 each
Autocue Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each
Autoscript Limited	England & Wales[1]	Ordinary shares of £1 each
Camera Corps Ltd	England & Wales[1]	Ordinary shares of £1 each
Colorama Photodisplay Holdings Limited [(a)]	England & Wales[1]	Ordinary shares of £1 each
Gitzo Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each
Kata UK Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each
Lastolite Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each
Litepanels Ltd	England & Wales[1]	Ordinary shares of US$1 each
Manfrotto Distribution Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each
Palmer Dollar Finance	England & Wales[1]	Ordinary shares of US$1 each
Palmer Finance	England & Wales[1]	Ordinary shares of €1 each
Palmer Yen Finance	England & Wales[1]	Ordinary shares of JP¥100 each
Petrol Bags Limited* (a)	England & Wales[1]	Ordinary shares of £1 each
Radamec Broadcast Systems Limited (a)	England & Wales[1]	Ordinary shares of £1 each
Rycote Microphone Windshields Ltd	England & Wales[1]	Ordinary shares of £1 each and Deferred shares of £1 each
Sachtler Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each
The Camera Store Limited [(a)]	England & Wales[1]	Ordinary shares of £1 each
Vinten Broadcast Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each

Company	County of incorporation	Issued securities
Videndum Creative Solutions UK Limited	England & Wales[1]	Ordinary shares of £1 each
Videndum Group Holdings Limited*	England & Wales[1]	Ordinary shares of £1 each
Videndum Pensions Trust Company (UK) Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each
Videndum Media Solutions UK Limited	England & Wales[1]	Ordinary shares of £1 each
Videndum Investments Limited	England & Wales[1]	Ordinary shares of £1 each
Videndum Production Solutions Limited*	England & Wales[1]	Ordinary shares of £1 each
Vizua Limited [(a)]	England & Wales[1]	Ordinary shares of £1 each
VTC International Limited* [(a)]	England & Wales[1]	Ordinary shares of £1 each
Camera Dynamics sarl	France[4]	Ordinary shares of NPV
Gitzo S.A.	France[6]	Ordinary shares of NPV
Videndum Media Distribution SAS	France[6]	Ordinary shares of €16 each
Videndum Media Distribution GmbH	Germany[12]	Shares of €25,000 each
Videndum Production Solutions GmbH	Germany[9]	Ordinary shares of DEM50,000 each
Videndum Media Distribution HK Limited	Hong Kong[13]	Shares of HK$1 each
Videndum Media Solutions HK Limited	Hong Kong[29]	Shares of HK$1 each
Palmer Dollar Finance Ireland Investment DAC* [(b)]	Ireland[18]	Ordinary shares of US$1 each
Petrol Bags Limited	Israel[21]	Ordinary shares of ILS1 each
Amimon Ltd	Israel[35]	Ordinary shares of ILS 0.01 each
Manfrotto Bags Ltd	Israel[8]	Ordinary shares of ILS1 each
Videndum Italia spa	Italy[10]	Ordinary shares of €1,000 each
Videndum Holdings Italia Srl	Italy[10]	Ordinary shares of €10,000 each
Videndum Media Solutions Spa	Italy[10]	Ordinary shares of €5.556 each
Videndum Media Distribution KK*	Japan[15]	Shares of JP¥1 each
Videndum Production Solutions KK*	Japan[15]	Ordinary shares of JP¥1,000 each
Amimon Japan Co. Ltd	Japan[34]	Ordinary shares of JP¥10,000 each
Videndum Media Distribution Benelux B.V.	Netherlands[11]	Ordinary shares of €454 each
Palmer Euro Finance Netherlands B.V.* [(c)]	Netherlands[20]	Ordinary shares of €1 each
Syrp Limited	New Zealand[2]	Ordinary shares of NZD1.00
Videndum Production Solutions Pte. Limited*	Singapore[27]	Ordinary shares of SGD1 each
Teradek Ukraine LLC	Ukraine[23]	Membership interests of NPV
Audix LLC	United States[14]	Membership interests of NPV
Creative Solutions Division Inc.	United States[32]	Ordinary shares of US$0.001 each
Videndum Media Distribution US Inc.	United States[5]	Ordinary shares of NPV
Videndum Production Solutions Inc	United States[39]	Ordinary shares of US$0.01 each
Mount Olive 2016, LLC	United States[17]	Membership units of NPV
Offhollywood, LLC	United States[5]	Membership units of NPV
SmallHD LLC	United States[22]	Membership units of NPV
Teradek, LLC	United States[24]	Membership units of NPV
Autocue LLC	United States[3]	Membership units of NPV
Wooden Camera, Inc	United States[28]	Ordinary shares of NPV
Camera Corps, Inc.	United States[32]	Ordinary shares of US$0.01 each
Amimon Inc	United States[33]	Ordinary shares of NPV
WHDI LLC	United State[32]	Membership unit of NPV
Videndum Media Solutions US, LLC (formerly known as "Savage Paper Specialistes, LLC")	United States[36]	Membership units of NPV
Savage Universal LLC	United States[32]	Membership units of NPV
Superior Paper Specialties, LLC	United States[32]	Membership units of NPV

Section 5 continued

Other Supporting Notes continued

Company	County of incorporation	Issued securities
Chalfont Investments Inc.	United States[5]	Ordinary shares of US$0.01 each
Videndum US Holdings, Inc.	United States[5]	Ordinary shares of US$0.01 each
Quasar Science LLC	United States[37]	Membership units of NPV
Infiniscene Inc.	United States[38]	Ordinary shares of US$0.001 each

* Investment held directly by Videndum plc.
(a) Dormant companies
(b) Dissolved on 14 February 2025
(c) Dissolved in 13 January 2025

The registered addresses are as follows:

1 William Vinten Building, Easlea Road, Bury St Edmunds, IP32 7BY, United Kingdom
2 32 Crummer Road, Grey Lynn, Auckland, 1021, New Zealand
3 124 West 30th Street, Suite 312, New York, NY 10001, United States
4 171 avenue des Grésillons, 92635 Gennevilliers cedex, France
5 Corporation Service Company, 2711 Centerville Road – Suite 400, Wilmington, DE 19808, United States
6 Parc Tertiaire Silic, 44 Rue De La Couture, 94150 Rungis, France
7 Removed
8 Abraham & Bachar cp., Keren HaYesod 36, Jerusalem, Israel
9 Parkring 29, 85748 Garching, Germany
10 Via Valsugana 100, 36022 Cassola VI, Italy
11 J.P. Poelstraat 5, 1483 GC De Rijp, Netherlands
12 Ferdinand-Porsche-Strasse 19, 41149 Cologne, Germany
13 Unit No.03, 3/F, Tower 3, Phase 1, Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Hong Kong
14 9400 SW Barber St, Wilsonville, Oregon, 97070, United States
15 Shibakoen 3-chome Bldg, 1F, 3-1-38 Shibakoen, Minato-ku, Tokyo 105-0011, Japan
16 Room 2704-05, Shanghai Mart Tower, No.2299, Yan'an Road (West), Shanghai, 200336, China
17 Corporation Service Company, 2595 Interstate Drive – Suite 103, Harrisburg, PA 17110, United States
18 6th Floor, Riverpoint, Lower Mallow Street, Co. Limerick, Ireland
19 Removed
20 Kerkrade, Netherlands
21 3 HaSolelim Street, 67897, Tel Aviv, Israel
22 Corporation Service Company, 327 Hillsborough Street, Raleigh, NC 27603, United States
23 Per.Nechipurenko 4, Suite 15, Odessa, 65045, Ukraine
24 CSC-Lawyers Incorporating Service, 2710 Gateway Oaks Drive – Suite 150N, Sacramento, CA 95833-3505, United States
25 2 Baldwin Road, Altona North VIC 2025, Australia
26 Parque Industrial de Cartago, Edificio Numero 68, Cartago, Costa Rica
27 601 Macpherson Road, #15-16, 368242, Singapore
28 1826 West Commerce Street, Dallas TX 75208, United States
29 Unit 901-2, 9/F, Metroplaza Tower 2, No. 223 Hing Fong Road, Kwai Fong, N.T. Hong Kong
30 No.68, 2F, Hu Mei Street, Da Shu Ling, Qing Tang Village, Xiao Jin Kou Town, Huizhou City, Guangdong Province, China
31 Unit 3301, 3302, 3316, Office Tower, Shun Hing Square, Di Wang Commercial Centre, 5002 Shen Nan Dong Road, Shenzhen, 518008, China
32 Corporate Service Company, 251 Little Falls Drive, Wilmington, County of New Castle, DE, 19808, United States
33 8 Mason Drive, Irvine, CA 92618, United States
34 701 A105 Gotanda Building, 1-10-7 Higashi Gotanda, Shinagawa-Ku, Tokyo, Japan
35 Zarhin 26, POB 2308, Ra'anana 4366250, Israel
36 2050 South Stearman Drive, Chandler, AZ, 85286, United States
37 909 Third Avenue, 27th Floor, New York, NY, 10022, United States
38 25 West Hubbard Street, 5th Floor, Chicago,IL, 60654, United States
39 14 Progress Drive, Shelton, CT, 06484, United States

5.7 Subsequent events

The Group obtained a covenant waiver for the February 2025 and March 2025 covenant tests. See section 1 "Basis of preparation" for updates in relation to Amended Covenants and borrowing facilities.

On 9 April 2025 the Group sold its Amimon business, part of the Creative Solutions Division, for a gross cash consideration of $1.0 million (£0.8 million). In addition, Teradek LLC, also part of the Creative Solutions Division, received $2.3 million (£1.8 million) for entering into an agreement to grant Amimon a licence to use certain intellectual property.

There were no other events after the Balance Sheet date that require disclosure.

Company Balance Sheet

As at 31 December 2024

	Notes	2024 £m	2023 £m
Fixed assets			
Intangible assets	f)	**–**	–
Property, plant and equipment	g)	**0.1**	1.4
Investments in subsidiary undertakings	h)	**181.8**	547.7
Other receivables	i)	**45.6**	2.3
Non-current tax assets		**–**	3.1
		227.5	554.5
Current assets			
Other receivables	i)	**8.6**	127.1
Cash at bank and in hand		**17.8**	–
		26.4	127.1
Liabilities falling due within one year			
Other payables	j)	**(71.5)**	(86.4)
Provisions	l)	**(1.4)**	–
		(72.9)	(86.4)
Net current (liabilities)/assets		**(46.5)**	40.7
Total assets less current liabilities		**181.0**	595.2
Liabilities falling due after one year			
Other payables	j)	**(115.3)**	(147.1)
Provisions	l)	**(0.1)**	(0.1)
		(115.4)	(147.2)
Net assets		**65.6**	448.0
Capital and reserves			
Called up share capital	m)	**18.9**	18.9
Share premium account		**133.7**	133.7
Cash flow hedge reserve	o)	**0.1**	1.0
Other reserves	n)	**58.8**	58.8
Profit and Loss Account		**(145.9)**	235.6
Total Shareholders' funds		**65.6**	448.0

The Company's loss after tax for the year ended 31 December 2024 was £383.2 million (2023: profit £10.5 million).

Approved and authorised for issue by the Board of Directors on 30 April 2025 and signed on its behalf by:

Stephen Harris
Chairman

Videndum plc
Registered in England and Wales no. 227691

Company Statement of Changes in Equity

For the year ended 31 December 2024

	Notes	Share capital £m	Share premium £m	Cash flow hedging reserve £m	Other reserves £m	Profit and Loss Account £m	Total equity £m
Balance at 1 January 2023		9.4	24.3	3.0	58.8	260.0	355.5
Total comprehensive income/(loss) for the year							
Loss for the year		–	–	–	–	(10.5)	(10.5)
Fair value of cash-flow hedges reclassified to the Income Statement		–	–	(3.0)	–	–	(3.0)
Effective portion of changes in fair value of cash-flow hedges		–	–	0.3	–	–	0.3
Tax associated with changes in cash-flow hedges		–	–	0.7	–	–	0.7
Total comprehensive loss for the year		–	–	(2.0)	–	(10.5)	(12.5)
Contributions by and distributions to owners							
Dividends paid		–	–	–	–	(11.6)	(11.6)
Own shares purchased		–	–	–	–	(3.7)	(3.7)
Own shares sold		–	–	–	–	1.2	1.2
New shares issued, net of costs		9.5	109.4	–	–	(0.8)	118.1
Share-based payment charge, net of tax		–	–	–	–	1.0	1.0
Balance at 31 December 2023 and 1 January 2024		**18.9**	**133.7**	**1.0**	**58.8**	**235.6**	**448.0**
Total comprehensive income/(loss) for the year							
Loss for the year		**–**	**–**	**–**	**–**	**(383.2)**	**(383.2)**
Fair value of cash-flow hedges reclassified to the Income Statement		**–**	**–**	**(1.5)**	**–**	**–**	**(1.5)**
Effective portion of changes in fair value of cash-flow hedges		**–**	**–**	**0.3**	**–**	**–**	**0.3**
Tax associated with changes in cash-flow hedges		**–**	**–**	**0.3**	**–**	**–**	**0.3**
Total comprehensive loss for the year		**–**	**–**	**(0.9)**	**–**	**(383.2)**	**(384.1)**
Contributions by and distributions to owners							
Own shares purchased		**–**	**–**	**–**	**–**	**(0.5)**	**(0.5)**
Share-based payment charge, net of tax		**–**	**–**	**–**	**–**	**2.2**	**2.2**
Balance at 31 December 2024		**18.9**	**133.7**	**0.1**	**58.8**	**(145.9)**	**65.6**

Notes to the Company Financial Statements

a) Basis of preparation

The financial statements of Videndum plc have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted international accounting standards) but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions.

Going concern assessment

The Company relies on the overall performance of the Group to fulfil its liabilities and obligations in the foreseeable future. As outlined in Section 1 of the Consolidated Financial Statements, the Group's and Company's financial statements have been prepared on a going concern basis with a material uncertainty.

Critical accounting judgements and key sources of estimation uncertainty

The following provides information on those policies that the Directors consider critical because of the level of judgement and estimation required which often involves assumptions regarding future events which can vary from what is anticipated. The Directors review the judgements and estimates on an ongoing basis with revisions to accounting estimates recognised in the period in which the estimates are revised and in any future periods affected. The Directors believe that the Company's financial statements reflect appropriate judgements and estimates and provide a true and fair view of the Company's performance and financial position.

Key sources of estimation uncertainty

The following is the key source of estimation uncertainty that the Directors have made in the process of applying the Company's accounting policies and that have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Impairment of investments in subsidiary undertakings

The critical judgement around the impairment assessment of investments in subsidiary undertakings is dependent on the internal indicator analysis. The impairment of investments in subsidiary undertakings involves making assumptions. The most critical assumptions include determination of the discount rates and terminal growth rates. All assumptions are reviewed at each reporting date. Further details about the assumptions used and sensitivities are set out in note 3.1 "Intangible assets" in the consolidated financial statements of the Group.

Investments in subsidiary undertakings is tested for impairment annually or if there is an indicator triggering the impairment assessment. Impairment is determined by assessing the recoverable amount of the investment in the subsidiary. This estimate of recoverable amount is determined at each assessment date. The estimate of recoverable amount requires significant assumptions to be made and is based on a number of factors such as the near-term business outlook for the subsidiary, including both its operating profit and operating cash flow performance, Terminal growth rates beyond 2029 and discount rates applied. Where the recoverable amount of the subsidiary is less than the carrying amount, an impairment loss is recognised in the statement of profit or loss.

During the year ended 31 December 2024, the impairment of investments in subsidiary undertakings involved making assumptions. The most judgemental assumptions include determination of the weighted average cost of capital ("WACC"), growth rates. All assumptions are reviewed at each reporting date.

Impairment of amounts owed by subsidiary undertakings

The critical judgement around the impairment assessment of loans to subsidiary undertakings is dependent on the material uncertainty in relation to going concern faced by the Group. The impairment of loans to subsidiary undertakings involves making assumptions. The most critical assumptions include determination of the probability of default and loss given default rates. All assumptions are reviewed at each reporting date.

Critical accounting judgements

There are no critical accounting judgements that the Company makes, apart from those involving estimations (which are dealt with above), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impact of adoption of new accounting standards or amendments

The impact of adoption of new accounting standards or amendments is disclosed in Section 1 – Basis of Preparation of the Group's consolidated financial statements.

Notes to the Company Financial Statements continued

b) Exemptions taken by the Company under FRS 101

Under Section 408(3) of the companies Act 2006, the Company is exempt from the requirement to present its own profit or loss account. The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

– Cash Flow Statement and related notes;
– comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
– disclosures in respect of information related to key management personnel, and transactions with wholly owned subsidiaries;
– disclosures in respect of capital management;
– disclosures in respect of leases;
– the effects of new but not yet effective IFRSs; and
– disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Videndum plc include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

– IFRS 2 "Share-based Payments" in respect of Group settled share-based payments; and
– certain disclosures required by IFRS 13 "Fair Value Measurement" and the disclosures required by IFRS 7 "Financial Instruments: Disclosures".

c) Material accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to these financial statements.

Investments in subsidiary undertakings

Investments in subsidiaries are stated at historical cost, less provision for any impairment in value.

The Company holds investments in all of the Group's intermediate holding companies, financing companies and trading subsidiaries.

It is possible that changes in outlook over the next year that are different to the assumptions made by Management could require a material adjustment to the carrying value of the Company's investments in its subsidiaries.

Pensions

The Company participates in the Group's defined benefit scheme operated in the UK, which was closed to future benefit accrual with effect from 31 July 2010. All UK employees of the Company are now offered membership of the defined contribution scheme. The assets of the schemes are held separately from those of the Company. The Company has a very small proportion of the scheme's total members. As such, the Company has adopted a policy to recognise the full net pension cost, and hence pension asset, in its subsidiary Videndum Production Solutions Limited's financial statements prepared in accordance with FRS 101.

Details in respect of the UK defined benefit pension scheme are disclosed in note 5.2 "Pensions" of the Group's consolidated financial statements.

Dividends receivable

Dividends received and receivable are credited to the Company's Income Statement.

Other material accounting policies are consistent with the Group's consolidated financial statements and below are references where they are disclosed:

Foreign currencies	Section 1 – Basis of Preparation
Intangible assets	3.1 "Intangible assets"
Property, plant and equipment	3.2 "Property, plant and equipment"
Debtors and Creditors	3.3 "Working capital"
Provisions	3.5 "Provisions"
Leases	3.6 "Leases"
Cash and cash equivalents	4.1 "Net debt"
Bank loans	4.1 "Net debt"
Derivative financial instruments and hedging activities	4.2 "Financial instruments"
Share capital and reserves	4.3 "Share capital and reserves"
Share-based payments	5.3 "Share-based payments"

d) Employees

	2024 £m	2023 £m
Employee costs comprise:		
Wages and salaries	**3.8**	3.9
Redundancy costs	**1.6**	–
Employers' social security costs	**0.4**	0.1
Employers' pension costs – defined contribution schemes	**0.2**	0.2
Share-based payment charge	**0.4**	(0.3)
	6.4	3.9

	2024	2023
Monthly average number of employees during the year	**28**	28

Further details of Directors' remuneration and share incentives are disclosed in the Remuneration Report.

e) Audit fees

The details regarding the remuneration of the Company's auditors are included in note 2.1 "Loss before tax (including segmental information)" of the Group's consolidated financial statements under "Fees payable to PricewaterhouseCoopers LLP for the audit of the Company's financial statements".

f) Intangible assets

	Capitalised software £m
Cost	
At 31 December 2023 and 31 December 2024	**0.1**
Accumulated depreciation	
At 31 December 2023 and 31 December 2024	**(0.1)**
Net book value at 31 December 2023 and 31 December 2024	**–**

Notes to the Company Financial Statements continued

g) Property, plant and equipment

	Total £m	Leasehold improvements £m	Right-of-use assets – Plant and machinery £m	Right-of-use assets – Leasehold land and buildings £m
Cost				
At 31 December 2023 and 1 January 2024	**3.6**	**0.5**	**–**	**3.1**
Additions	**0.1**	**–**	**0.1**	**–**
Termination of leases	**(3.1)**	**–**	**–**	**(3.1)**
At 31 December 2024	**0.6**	**0.5**	**0.1**	**–**
Accumulated depreciation				
At 31 December 2022 and 1 January 2023	**2.0**	**0.5**	**–**	**1.5**
Depreciation charge in the year	**0.2**	**–**	**–**	**0.2**
At 31 December 2023 and 1 January 2024	**2.2**	**0.5**	**–**	**1.7**
Depreciation charge in the year	**0.2**	**–**	**–**	**0.2**
Impairment losses in the year	**0.3**	**–**	**–**	**0.3**
Depreciation on termination of lease	**(2.2)**	**–**	**–**	**(2.2)**
At 31 December 2024	**0.5**	**0.5**	**–**	**–**
Carrying amounts				
At 31 December 2023 and 1 January 2024	**1.4**	**–**	**–**	**1.4**
At 31 December 2024	**0.1**	**–**	**0.1**	**–**

h) Investments in subsidiary undertakings

	Total £m	Shares in Group undertakings £m	Loans to Group undertakings £m
Cost			
At 1 January 2023	**895.8**	**736.0**	**159.8**
Additions	**132.0**	**132.0**	**–**
Disposals/repayments	**(395.0)**	**(236.8)**	**(158.2)**
At 1 January 2024	**632.8**	**631.2**	**1.6**
Repayments	**(1.6)**	**–**	**(1.6)**
At 31 December 2024	**631.2**	**631.2**	**–**
Provisions			
At 1 January 2023	**292.3**	**292.3**	**–**
Impairment losses	**3.6**	**3.6**	**–**
Disposals	**(210.8)**	**(210.8)**	**–**
At 1 January 2024	**85.1**	**85.1**	**–**
Impairment losses	**364.3**	**364.3**	**–**
At 31 December 2024	**449.4**	**449.4**	**–**
Net book value			
At 31 December 2023 and 1 January 2024	**547.7**	**546.1**	**1.6**
At 31 December 2024	**181.8**	**181.8**	**–**

The Company's investments in subsidiaries as at 31 December 2024 are included in note 5.6 "Group investments" of the Group's consolidated financial statements.

The amounts owed by subsidiary undertakings for the year ended 31 December 2024 have been disclosed in note i "Other receivables".

An impairment loss of £364.3 million was recognised for investment in subsidiaries undertakings based on Management's assessment of near-term business outlook for the subsidiaries, including both its operating profit and operating cash flow performance, terminal growth rates beyond 2029 and discount rates. The basis for the impairment calculations is similar to that used in the impairment of CGUs containing goodwill, see note 3.1 "Intangible Asset" in the consolidated financial statements of the Group for consideration of the assumptions to which the model is most sensitive, and also sensitivity disclosures.

i) Other receivables

	2024 £m	2023 £m
Amounts falling due within one year		
Amounts owed by subsidiary undertakings[1]	**3.8**	122.9
Corporation tax	**3.3**	–
Other debtors	**0.1**	1.0
Prepayments	**0.4**	0.4
Derivative financial instruments – interest rate swap[2]	**0.1**	–
Derivative financial instruments – forward exchange contracts[2]	**0.9**	1.7
Deferred tax assets[3]	**–**	1.1
	8.6	127.1
Long-term receivables		
Amounts owed by subsidiary undertakings[1]	**45.6**	–
Derivative financial instruments – interest rate swap[2]	**–**	1.4
Derivative financial instruments – forward exchange contracts[2]	**–**	0.9
Total other receivables	**54.2**	129.4

1 Amounts owed by subsidiary undertakings within one year are unsecured and payable on demand. Long term amounts owed by subsidiary undertakings are unsecured, bear floating rates of interest and are repayable after more than one year. An impairment loss of £3.5 million was recognised in the year based on Management's assessment of expected credit losses. For the year ended 31 December 2023, long term amounts owed by subsidiary undertakings were disclosed in note h "Investments in subsidiary undertakings".
2 Derivative financial instruments of £0.1 million (2023: £1.4 million) relate to interest rate swaps. Of the amounts included in Derivative financial instruments – forward exchange contracts, £0.9 million (2023: £2.6 million) relate to contracts with subsidiary undertakings which mirror the terms of contracts held by the Company with external third parties. Details of these derivatives are included in note 4.2 "Financial instruments" of the Group's consolidated financial statements.
3 Deferred tax asset of £nil million (2023: £1.1 million) is made up of £nil million (2023: £0.8 million) losses and £nil million (2023: £0.3 million) other temporary timing difference. Unrecognised gross tax attributes including losses total £17.5 million.

j) Other payables

	2024 £m	2023 £m
Amounts falling due within one year		
Bank overdraft (unsecured)	**–**	3.4
Lease liabilities	**0.4**	0.2
Amounts owed to subsidiary undertakings	**67.1**	77.8
Derivative financial instruments – forward exchange contracts	**0.9**	1.7
Deferred tax	**–**	0.3
Trade payables	**0.8**	1.2
Taxation and social security	**0.2**	–
Accruals	**2.1**	1.8
	71.5	86.4
Amounts falling due after more than one year		
Bank loans (unsecured)	**103.1**	89.1
Lease liabilities[1]	**0.2**	1.3
Derivative financial instruments – forward exchange contracts	**–**	0.9
Amounts owed to subsidiary undertaking	**12.0**	55.8
Total other payables	**115.3**	147.1

1 Lease liabilities of £0.2 million (2023: £1.3 million) comprise £0.2 million (2023: £0.8 million) of amounts falling due after more than one year and less than five years, and £nil million (2023: £0.5 million of amounts falling due after more than five years.

Notes to the Company Financial Statements continued

Amounts owed to subsidiary undertakings due within one year are unsecured and payable on demand. Amounts owed to subsidiary undertakings due after more than one year are unsecured, bear floating rates of interest and are repayable after more than one year. Derivative financial instruments of £0.9 million (2023: £2.6 million) relate to contracts with subsidiary undertakings which mirror the terms of contracts held by the Company with external third parties.

During the year the Group entered into restructuring projects that resulted in rationalisation of intercompany loans.

Details in relation to the term loans are set out in note 4.1 "Net debt" of the Group's consolidated financial statements.

Total cash payments for leases is £0.2 million (2023: £0.3 million) of which £0.1 million (2023: £0.1 million) relates to interest and £0.1 million (2023: £0.2 million) to principal lease repayments.

k) Contingent liabilities

There are no contingent liabilities at 31 December 2024 (2023: £nil).

l) Provisions

	2024 £m	2023 £m
At 1 January	**0.1**	0.7
Provisions created during the year	**1.6**	–
Provisions utilised during the year	**(0.2)**	(0.6)
At 31 December	**1.5**	0.1

Restructuring costs of £1.6 million (2023: £nil million) were incurred during the year in respect of Corporate initiatives relating to 2024 cost base realignment and leadership changes including associated legal and professional fees.

The restructuring provision of £1.4 million and the dilapidation provision of £0.1 million are expected to be utilised during 2025.

m) Called up share capital

Disclosure in respect of the Company's share capital are provided in note 4.3 "Share capital and reserves" of the Group's consolidated financial statements.

The Company's registered address is William Vinten Building, Easlea Road, Bury St Edmunds, IP32 7BY, United Kingdom. The registered address of the Company was changed from Bridge House, Heron Square, Richmond, TW9 1EN on 20 December 2024.

Options over shares of the Company have been granted to employees of the Company under various plans. Details of the terms and conditions of each share-based payment plan are given in the Annual Report on Remuneration on pages 69 to 96 and note 5.3 "Share-based payments" of the Group's consolidated financial statements.

n) Other reserves

Other reserves of £58.8 million represent the reduction of the share premium account; £22.7 million in 1989 and £37.3 million in 1995 less £16.0 million of share repurchases in 1995; a capital redemption reserve of £1.6 million created on the repurchase and subsequent cancellation of 885,000 ordinary shares by the Company in 1999; and £13.2 million in relation to a merger reserve.

On 5 November 2024, the Company purchased 7,922 ordinary shares of 20 pence each to eliminate new issue shares tied to a US share plan over which options were exercised during 2024. All these purchased ordinary shares were cancelled and a transfer of £1,584 was made from share capital to the capital redemption reserve.

o) Cash flow hedge reserve

As described in note 4.2 "Financial instruments" of the Group's consolidated financial statements, the Company hedges the variability in cash flows of a proportion of its floating rate borrowings. This reserve records the effective portion of the cumulative net change in the fair value of derivative financial instruments where they are designated in cash flow hedge relationships.

p) Related party transactions

The Company has identified a related party relationship with its Board, the Vitec Group Pension Scheme and members of the Operations Executive as disclosed in the Remuneration report and note 5.5 "Related party transactions" of the Group's consolidated financial statements. There are no other related party transactions to disclose.

q) Post balance sheet events

The Group obtained a covenant waiver for the February 2025 and March 2025 covenant tests. See section 1 "Basis of preparation" of the consolidated financial statements for updates in relation to Amended Covenants and borrowing facilities.

There were no other events after the Balance Sheet date that require disclosure.

Glossary of Alternative Performance Measures ("APMs")

The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information and enable an alternative comparison of performance over time.

The Group uses APMs to aid the comparability of information between reporting periods and Divisions, by adjusting for certain items which impact upon IFRS measures, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and Management for performance analysis, planning, reporting and incentive purposes. Where relevant, further information on specific APMs is provided in each section below.

The APMs refer to continuing operations; 2022 has been represented to ensure fair comparability.

APM	Closest equivalent IFRS measure	Definition and purpose
Income Statement measures from continuing operations		
Adjusted gross profit	Gross profit	Calculated as gross profit before adjusting items. The table below shows a reconciliation: See note 2.1 "(Loss)/profit before tax (including segmental information)".

	2024 £m	2023 £m
Gross profit	**94.5**	113.9
Adjusting items in revenue	**(2.9)**	–
Adjusting items in cost of sales	**1.7**	4.2
Adjusted gross profit	**93.3**	118.1

APM	Closest equivalent IFRS measure	Definition and purpose
Adjusted gross profit margin	None	Calculated as adjusted gross profit divided by revenue.
Adjusted operating expenses	Operating expenses	Calculated as operating expenses before adjusting items. The table below shows a reconciliation: See note 2.1 "(Loss)/profit before tax (including segmental information) – operating expenses".

	2024 £m	2023 £m
Operating expenses	**191.9**	119.3
Adjusting items in operating expenses	**(79.5)**	(13.8)
Adjusted operating expenses	**112.4**	105.5

APM	Closest equivalent IFRS measure	Definition and purpose
Adjusted operating profit	(Loss)/profit before tax	Calculated as (Loss)/profit before tax, before net finance expense, and before adjusting items. This is a key management incentive metric. Adjusting items include non-cash charges such as amortisation of intangible assets that are acquired in a business combination, impairment of disposed entities or groups of asset(s) and effect of fair valuation of acquired inventory and property, plant and equipment. Cash charges include items such as transaction costs, earnout, retention and deferred payments, and significant costs relating to the integration of acquired businesses. The table below shows a reconciliation: See note 2.2 "Adjusting items".

	2024 £m	2023 £m
(Loss)/profit before tax	**(103.4)**	(18.8)
Net finance expense	**6.9**	14.1
Adjusting items in operating (loss)/profit	**78.3**	18.0
Adjusted operating profit	**(18.2)**	13.3

Glossary of Alternative Performance Measures ("APMs") continued

APM	Closest equivalent IFRS measure	Definition and purpose
Income Statement measures from continuing operations continued		
Adjusted operating (loss)/profit margin	None	Calculated as adjusted operating (loss)/profit divided by revenue. Progression in adjusted operating margin is an indicator of the Group's operating efficiency.
Adjusted net finance expense	None	Calculated as finance expense, less finance income, and less amortisation of loan fees on borrowings for acquisitions and other financing initiatives. The table below shows a reconciliation:

	2024 £m	2023 £m
Finance expense	**(10.2)**	(16.5)
Finance income	**3.3**	2.4
Adjusting finance expense – amortisation of loan fees on borrowings for acquisitions and other financing initiatives	**0.1**	2.6
Adjusted net finance expense	**(6.8)**	(11.5)

APM	Closest equivalent IFRS measure	Definition and purpose
Adjusted loss before tax	Loss before tax	Calculated as Loss before tax, before adjusting items. This is a key management incentive metric and is a measure used within the Group's incentive plans as set out in the Remuneration report. See Consolidated Income Statement for a reconciliation.
Adjusted (loss)/profit after tax	Loss after tax	Calculated as (loss)/profit after tax before adjusting items. See Consolidated Income Statement and note 2.5 "Earnings per share" for a reconciliation.
Adjusted basic earnings per share	Basic earnings per share	Calculated as adjusted profit after tax divided by the weighted average number of ordinary shares outstanding during the period. This is a key management incentive metric and is a measure used within the Group's incentive plans as set out in the Remuneration report. See note 2.5 "Earnings per share" for a reconciliation.
Cash flow measures from continuing operations. 2024 excludes previously discontinued operations.		
Free cash flow	Net cash from operating activities	Net cash from operating activities after proceeds from property, plant and equipment and software, purchase of property, plant and equipment, and capitalisation of software and development costs. This measure reflects the cash generated in the period that is available to invest in accordance with the Group's capital allocation policy. See "Adjusted operating cash flow" below for a reconciliation. See "Five Year Financial Summary" on page 187.

APM	Closest equivalent IFRS measure	Definition and purpose
Cash flow measures from continuing operations. 2024 excludes previously discontinued operations continued.		
Adjusted operating cash flow	Net cash from operating activities	Free cash flow before payment of interest, tax, restructuring, integration and other costs, retention bonuses and transaction costs relating to the acquisition of businesses, and before proceeds from sale of impaired inventory. This is a measure of the cash generation and working capital efficiency of the Group's operations. Adjusted operating cash flow as a percentage of adjusted operating profit is a key management incentive metric.

	2024 £m	2023 £m
Loss for the period from continuing operations	**(147.0)**	(12.1)
Add back:		
Taxation and net finance expense	**50.5**	7.4
Adjusting items in operating (loss)/profit	**78.3**	18.0
Adjusted operating (loss)/profit	**(18.2)**	13.3
Depreciation excluding effect of fair valuation of property, plant and equipment	**12.8**	14.0
Amortisation/impairment of purchased software and capitalised development costs	**11.2**	6.5
Decrease/(increase) in adjusted trade working capital (1)	**21.3**	(1.1)
Adjusted non-trade working capital movement[1]	**2.2**	(6.8)
Decrease in adjusted provision (1)	**(0.1)**	–
Other:		
– Net loss on disposal of property, plant and equipment and software	**0.3**	0.2
– Fair value losses on derivative financial instruments	**0.1**	(0.2)
– Foreign exchange losses	**0.2**	(0.3)
– Share-based payments	**2.2**	1.0
– Proceeds from sale of property, plant and equipment and software	**2.7**	0.3
– Add back proceeds from property held for sale previously	**(2.5)**	–
Purchase of property, plant and equipment	**(7.8)**	(4.6)
Purchase of software and payment of development costs	**(7.6)**	(10.7)
Adjusted operating cash flow	**16.8**	11.6
Interest paid	**(10.3)**	(15.3)
Interest received	**0.2**	–
Tax received/(paid)	**0.7**	(10.4)
Proceeds from property held for sale previously	**2.5**	–
Restructuring and integration costs	**(3.7)**	(6.4)
Proceeds from sale of impaired inventory	**–**	1.1
Retention bonuses	**(1.2)**	(3.6)
Transaction and other costs relating to acquisitions	**(0.5)**	(0.8)
Free cash flow	**4.5**	(23.8)
Deduct interest received from financing activities	**(0.2)**	–
Proceeds from sale of property, plant and equipment and software	**(2.7)**	(0.3)
Purchase of property, plant and equipment	**7.8**	4.6
Purchase of software and payment of development costs	**7.6**	10.7
Net cash from/(used in) operating activities	**17.0**	(8.8)

1 See "Adjusted trade working capital movement" and "Adjusted non-trade working capital movement" and "Adjusted provision movement" below for a reconciliation.

Glossary of Alternative Performance Measures ("APMs") continued

APM	Closest equivalent IFRS measure	Definition and purpose
Cash flow measures from continuing operations. 2024 excludes previously discontinued operations continued.		
Decrease/(increase) in adjusted trade working capital	None	The decrease/(increase) in adjusted trade working capital includes movements in inventories, trade debtors and trade creditors, excluding movements relating to adjusting items.

	2024 £m	2023 £m
Decrease in inventories	**12.5**	7.6
Decrease in trade debtors	**8.2**	16.3
Increase/(decrease) in trade creditors	**1.2**	(20.5)
Decrease in trade working capital	**21.9**	3.4
Discontinued operations	**–**	0.4
Deduct inflows from adjusting charges:		
Effect of fair valuation of acquired inventory	**–**	(0.1)
Adjustments for integration, restructuring and other costs	**(0.6)**	(3.7)
Proceeds from the sale of impaired inventory	**–**	(1.1)
Decrease/(increase) in adjusted trade working capital	**21.3**	(1.1)

APM	Closest equivalent IFRS measure	Definition and purpose
Decrease/(increase) in adjusted non-trade working capital	None	The decrease/(increase) in adjusted non-trade working capital includes movements in other debtors, other creditors and contract assets/liabilities, excluding movements relating to adjusting items.

	2024 £m	2023 £m
Decrease in other debtors and contract assets	**2.9**	0.7
Decrease in other creditors and contract liabilities	**(0.9)**	(12.3)
Increase in non-trade working capital	**2.0**	(11.6)
Discontinued operations	**–**	1.2
Deduct inflows from adjusting charges:		
Adjustments for restructuring and other costs, previously discontinued operations, transaction costs relating to acquisition of businesses, and retention bonuses	**0.2**	3.6
Decrease/(increase) in adjusted non-trade working capital	**2.2**	(6.8)

APM	Closest equivalent IFRS measure	Definition and purpose
Increase/(decrease) in adjusted provisions	Increase/(decrease) in provisions	The increase/(decrease) in adjusted provisions excludes movements relating to adjusting items.

	2024 £m	2023 £m
Increase/(decrease) in provisions	**6.5**	(1.9)
Adjustments for restructuring costs	**(6.6)**	1.9
Adjusted provision movement	**(0.1)**	–

<table>
<tr><th>APM</th><th>Closest equivalent IFRS measure</th><th colspan="2">Definition and purpose</th></tr>
<tr><td colspan="4">Other measures from continuing operations, excluding previously discontinued operations</td></tr>
<tr><td>Return on capital employed (ROCE)</td><td>None</td><td colspan="2">ROCE is calculated as annual adjusted operating profit for the last 12 months divided by the average total assets (excluding defined benefit pension asset and deferred tax assets), current liabilities (excluding current interest-bearing loans and borrowings), and non-current lease liabilities.
The average is based on the opening and closing of the 12-month period. See “Five Year Summary”.</td></tr>
<tr><td></td><td></td><td></td><td>2024
£m</td></tr>
<tr><td></td><td></td><td>Adjusted operating profit for the last 12 months</td><td>(18.2)</td></tr>
<tr><td></td><td></td><td>Capital employed at the beginning of the year</td><td>289.1</td></tr>
<tr><td></td><td></td><td>Capital employed at the end of the year</td><td>202.2</td></tr>
<tr><td></td><td></td><td>Average capital employed</td><td>245.7</td></tr>
<tr><td></td><td></td><td>Adjusted ROCE %</td><td>(7.4%)</td></tr>
<tr><td>Dropthrough</td><td>None</td><td colspan="2">Dropthrough is the change in adjusted operating profit as a percentage of the change in revenue.</td></tr>
<tr><td>Organic revenue</td><td>None</td><td colspan="2">Organic revenue is revenue from existing business, and not from new mergers and acquisitions.</td></tr>
<tr><td>Organic adjusted operating profit</td><td>None</td><td colspan="2">Organic adjusted operating profit is adjusted operating profit from existing business, and not from new mergers and acquisitions.</td></tr>
<tr><td>Organic growth</td><td>None</td><td colspan="2">Organic growth is the growth achieved year-on-year from existing business, and not from new mergers and acquisitions.</td></tr>
<tr><td>Constant currency</td><td>None</td><td colspan="2">Constant currency variances are derived by calculating the current year amounts at the applicable prior year foreign currency exchange rates, excluding the effects of hedging in both years.
Revenue growth is represented on a constant currency basis as this best represents the impact of volume and pricing on revenue growth.</td></tr>
<tr><td>Organic revenue at constant currency</td><td>None</td><td colspan="2">Calculated as organic revenue at constant currency.
The table below shows a reconciliation:
See “Profit or loss Statement”
See “Constant currency”, “Organic revenue” and “Organic growth” above for definitions.</td></tr>
<tr><td></td><td></td><td></td><td>2024
£m</td></tr>
<tr><td></td><td></td><td>2023 Revenue</td><td>306.9</td></tr>
<tr><td></td><td></td><td>Add from acquisitions</td><td>–</td></tr>
<tr><td></td><td></td><td>2023 Organic revenue</td><td>306.9</td></tr>
<tr><td></td><td></td><td>2024 Revenue</td><td>283.6</td></tr>
<tr><td></td><td></td><td>Exclude effects of foreign currency exchange rates:</td><td></td></tr>
<tr><td></td><td></td><td>Translational effects</td><td>8.6</td></tr>
<tr><td></td><td></td><td>Transactional effects</td><td>(1.4)</td></tr>
<tr><td></td><td></td><td>2024 Organic revenue at constant currency</td><td>290.8</td></tr>
<tr><td></td><td></td><td>Organic growth at constant currency %</td><td>(5%)</td></tr>
</table>

Glossary of Alternative Performance Measures ("APMs") continued

APM	Closest equivalent IFRS measure	Definition and purpose
Other measures from continuing operations, excluding previously discontinued operations continued		
Organic adjusted operating profit at constant currency	None	Calculated as organic adjusted profit at constant currency. The table below shows a reconciliation: See "Consolidated Profit or loss Statement" See "Adjusted operating profit" above for a reconciliation. See "Constant currency", "Organic adjusted operating profit" and "Organic growth" above for definitions.

	2024 £m
2023 Adjusted operating profit	**13.3**
Add from acquisitions	**–**
2023 Organic adjusted operating profit	**13.3**
2024 Organic adjusted operating profit[1]	**(18.2)**
Exclude effects of foreign currency exchange rates:	
Translational effects	**(0.2)**
Transactional effects	**0.2**
Organic adjusted operating profit at constant currency	**(18.2)**
Organic growth at constant currency %	**(237%)**

1 See "Adjusted operating profit" above for a reconciliation.

APM	Closest equivalent IFRS measure	Definition and purpose
Cash conversion	None	Calculated as adjusted operating cash flow divided by adjusted operating profit. This is a key management incentive metric and is a measure used within the Group's incentive plans as set out in the Remuneration report.
Adjusted EBITDA	None	Calculated as adjusted operating profit for the last 12 months before depreciation of tangible fixed assets and amortisation of intangibles (other than those already excluded from adjusted operating profit). The table below shows a reconciliation:

	2024 £m	2023 £m
Adjusted operating loss for the last 12 months	**(18.2)**	13.3
Add back:		
Depreciation excluding effect of fair valuation of property, plant and equipment	**12.8**	14.0
Amortisation/impairment of purchased software and capitalised development costs	**11.2**	6.5
Adjusted EBITDA	**5.8**	33.8

Five Year Financial Summary

Years ended 31 December

	Continuing operations		Continuing and discontinued operations				
	2024 £m	2023 £m	**2024 £m**	2023[3] £m	2022 £m	2021[1,2] £m	2020[1] £m
Continuing operations	**283.6**	306.9	**283.6**	306.9	442.5	–	–
Discontinued operations	**–**	–	**–**	8.1	8.7	–	–
Revenue	**283.6**	306.9	**283.6**	315.0	451.2	394.3	290.5
Continuing operations	**(18.2)**	13.3	**(18.2)**	13.3	66.2	–	–
Discontinued operations	**–**	–	**–**	(6.3)	(6.2)	–	–
Adjusted operating profit	**(18.2)**	13.3	**(18.2)**	7.0	60.0	46.2	9.9
Adjusted net interest on interest-bearing loans and borrowings	**(10.1)**	(13.7)	**(10.1)**	(13.7)	(7.5)	(3.2)	(3.9)
Interest on lease liabilities	**(1.5)**	(1.5)	**(1.5)**	(1.5)	(1.5)	(1.0)	(0.8)
Other net financial income	**4.8**	3.7	**4.8**	3.6	3.0	0.4	0.3
Adjusted profit before tax	**25.0**	1.8	**25.0**	(4.6)	54.0	42.4	5.5
Cash generated from operating activities	**22.5**	9.8	**22.5**	9.8	65.3	65.7	34.0
Discontinued operations	**–**	7.1	**–**	–	–	–	–
Previously discontinued operations	**4.1**	–	**–**	–	–	–	–
Interest paid	**(10.3)**	(15.3)	**(10.3)**	(15.4)	(9.4)	(4.5)	(5.9)
Tax paid	**0.7**	(10.4)	**0.5**	(10.5)	(7.2)	(6.5)	(3.1)
Net cash from/(used in) operating activities	**17.0**	(8.8)	**12.7**	(16.1)	48.7	54.7	25.0
Interest received	**0.2**	–	**0.2**	–	–	–	–
Net capital expenditure on property, plant and equipment, software and development costs	**(12.7)**	(15.0)	**(12.8)**	(18.3)	(20.2)	(21.6)	(15.5)
Free cash flow	**4.5**	(23.8)	**(0.1)**	(34.4)	28.5	33.1	9.5
Capital employed							
Total assets	**351.2**	451.3	**351.2**	451.3	554.2	441.1	334.6
Current liabilities	**(118.8)**	(65.7)	**(118.8)**	(65.7)	(146.4)	(116.5)	(114.0)
Total assets less current liabilities	**232.4**	385.6	**232.4**	385.6	407.8	324.6	220.6
Less defined benefit asset	**(4.1)**	(4.2)	**(4.1)**	(4.2)	(3.9)	–	–
Less deferred tax assets	**(5.6)**	(55.4)	**(5.6)**	(55.4)	(53.2)	(33.6)	(24.6)
Add the current portion of interest-bearing liabilities	**0.2**	0.2	**0.2**	0.2	36.0	13.2	50.6
Less non-current lease liabilities	**(23.3)**	(28.4)	**(23.3)**	(28.4)	(28.8)	(24.6)	(11.5)
	199.6	297.8	**199.6**	297.8	357.9	279.6	235.1
Exclude previously discontinued and discontinued operations:							
Less total assets	**(2.8)**	(12.3)	**–**	–	–	–	–
Add current liabilities	**5.1**	3.6	**–**	–	–	–	–
Add non-current lease liability	**0.3**	–	**–**	–	–	–	–
	202.2	289.1	**199.6**	297.8	357.9	279.6	235.1
Statistics							
Adjusted operating (loss)/profit (%)	**(6.5)**	4.3	**(6.4)**	2.2	13.3	11.7	3.4
Adjusted effective tax rate (%)	**n/a**	n/a	**n/a**	n/a	23.2	24.3	25.4
Adjusted basic earnings per share (p)	**(17.9)**	9.5	**(17.9)**	(23.0)	90.1	69.9	9.0
Basic earnings per share (p)	**(155.8)**	(24.4)	**(155.8)**	(157.5)	71.4	56.4	(11.6)
Dividends per share (p)	**–**	–	**–**	–	40.0	35.0	4.5
ROCE (%)	**(7.4)**	4.5	**(7.3)**	2.1	18.8	18.0	4.1
Year-end mid-market share price (p)	**146**	348	**146**	348	1,078	1,420	917

1 Capital employed was restated in these years for the exclusion of deferred tax assets, and changes to IFRS 16 "Leases" in 2020.
2 In 2022, the process to measure the fair values of the assets and liabilities acquired was completed in respect of the Savage acquisition. The 2021 Balance Sheet was adjusted to reflect a decrease in goodwill of £0.7 million as a result of adjustments increasing deferred tax assets by £0.5 million, increasing acquired intangible assets by £0.3 million, and increasing other creditors by £0.1 million.
3 For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets

Shareholder Information and Financial Calendar

Shareholder information

The Investors section of the Group website, **videndum.com**, contains detailed information on news, key financial information, Annual Reports, financial calendar, share price information, dividends and key contact details. The following is a summary and readers are encouraged to view the website for more detailed information.

Shareholder enquiries

The Company's Registrar is Equiniti Limited.

Equiniti provides a range of services to shareholders.

Extensive information including many answers to frequently asked questions can be found online.

Use the QR code to register for FREE at shareview.co.uk

Equiniti's registered address is:

Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.

Alternatively you can contact the Group Company Secretary either by phone on +44 (0)20 8332 4600 or email on info@videndum.com.

Share price information

The closing mid-market price of a share of Videndum plc on 31 December 2024 was £1.46. During 2024, the share price fluctuated between £1.46 and £3.54. The Company's share price is available on our website with a 15-minute delay, and from the Financial Times website, ft.com, with a similar delay

Share scams

Shareholders should be aware that fraudsters may try and use high-pressure tactics to lure investors into share scams. Information on share scams can be found on the Financial Conduct Authority's website, **fca.org.uk/scams**, or via their consumer helpline: 0800 111 6768.

Annual General Meeting

The Company's Annual General Meeting will be held at 2.00pm on Monday 16, June 2025 at Hilton Syon Park, Park Road, Isleworth, TW8 8JF.

Analysis of shareholdings as at 31 December 2024

Shares held	Number of holders	% of holders	Number of shares	% of shares
Up to 1,000	359	45.39%	120,559	0.13%
1,001 to 5,000	215	27.18%	518,528	0.55%
5,001 to 10,000	47	5.94%	329,842	0.35%
10,001 to 50,000	77	9.73%	1,872,102	1.99%
50,001 to 100,000	31	3.92%	2,117,836	2.25%
100,001 and over	62	7.84%	89,241,874	94.74%
Total	**791**	**100%**	**94,200,741**	**100%**
Institutions and companies	340	42.98%	93,068,737	98.80%
Individuals including Directors and their families	451	57.02%	1,132,004	1.20%
Total	**791**	**100%**	**94,200,741**	**100%**

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The paper is Carbon Balanced with World Land Trust, an international conservation charity, who offset carbon emissions through the purchase and preservation of high conservation value land. Through protecting standing forests under threat of clearance, carbon is locked-in that would otherwise be released.

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