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6 August 2025

Videndum plc

2025 Half Year Results

Results	**H1 2025**	**H2 2024**	**H1 2024**
Continuing operations[1]			
Revenue	£115.4m	£127.4m	£153.3m
Adjusted operating (loss)/ profit*	£(7.0)m	£(29.2)m	£11.0m
*Adjusted operating margin**	*(6.1)%*	*(22.9)%*	*7.2%*
Adjusted (loss)/profit before tax*	£(14.3)m	£(31.9)m	£6.9m
Adjusted operating cash flow*	£(0.6)m	£(1.4)m	£18.2m
Free cash flow*	£(13.3)m	£(10.6)m	£15.1m
Net debt*	£137.7m	£133.0m	£117.3m
Statutory results from continuing and discontinued operations[1]			
Revenue	£115.9m		£154.9m
Operating loss	£(17.0)m		£(9.2)m
Operating margin	*(14.7)%*		*(5.9)%*
Loss before tax	£(20.1)m		£(13.4)m
Loss per share	(21.6)p		(13.6)p

Financial summary

- Revenue 25% lower than H1 2024 and 9% lower than H2 2024.
- Adjusted operating loss* of £7.0 million; £3.9 million improvement on H2 2024 when £18.3 million of one-off charges in H2 2024 are excluded[2].
- Statutory loss before tax of £20.1 million; 50% higher than in 2024.
- Adjusted operating cash outflow* of £0.6 million benefiting from £4.7 million reduction in trade working capital.
- Net debt* at 30 June 2025 of £137.7 million (31 December 2024: £133.0 million).
- RCF covenants successfully reset in April 2025 through to the end of the facility in August 2026. June EBITDA and liquidity covenants met.
- Discussions with lenders ongoing.
- Financial statements prepared on a going concern basis with material uncertainty, consistent with the approach taken since the FY 2023 results.

Key achievements

- We remain on course for c.£15 million FY 2025 savings, with c.£6 million already achieved in H1 2025. Additional cost savings being implemented in H2 2025 raise our annualised 2025 exit rate of savings to c.£19 million.
- Order book continues to build, but US shipments restrained due to uncertainty in North America.
- Cost impact of US tariffs largely passed on.
- Gross equity of £8.0 million raised in April 2025.
- Amimon Israeli business sold in April 2025 with the intellectual property retained.
- Manfrotto ONE, 'new to world' hybrid tripod, successfully launched.

Commenting, Stephen Harris, Executive Chairman, said:

"Group revenues were weaker in Q2 2025 than the Board's expectations at the time of the FY24 results in April 2025. However, much of the adjusted operating profit impact caused by the revenue shortfall was offset by the restructuring and cost management programmes previously announced.

"Whilst conditions improved month by month through Q1 2025, the ramifications of the United States ("US") trade policies have become clearer during Q2 2025. End user demand in the US is running ahead of sales to Videndum's distribution channels, as importers have been holding off ordering until the tariff situation becomes clearer. This has led to weaker revenues in the United States. Ongoing global macro-economic uncertainty, as well as tariff uncertainty, have also had some impact on revenues outside the US.

"However, end customer sentiment is turning in the independent content creators ("ICC") market and there are increasing signs of pent-up demand in the Cine market. This, in conjunction with the trading environment outlined above, has led to there being a limited amount of inventory in the US. The Group has put in place stocks of long lead time components to ensure it can respond quickly to any increased demand. Consequently, any uptick in end market demand will feed through into revenue with little delay. Allied to the benefit from the restructuring and cost management programmes previously announced, any improvement in revenue in H2 2025 will drop through to operating profit at a significant rate.

"The ongoing uncertain economic environment and the increased trading volatility due to US tariffs has led to a deterioration in the Group's visibility of the potential outcome for FY25.

Notes

1. Amimon was sold on 9 April 2025 and is reported as a discontinued operation. Results of discontinued operations can be found in notes 2 and 14 to the condensed financial statements. Amimon was not treated as a discontinued operation at FY 2024 results; H2 2024 revenue above has been restated to treat Amimon as a discontinued operation in FY 2024.
2. H2 2024 adjusted operating loss was £10.9 million when excluding £18.3 million of one-off charges. These non-cash items predominantly related to one-off inventory provision charges and the write-off of intangible assets.
3. H1 2025 average exchange rates: £1 = USD 1.30, £1 = EUR 1.19, EUR 1 = USD 1.09, £1 = JPY 193
4. H1 2024 average exchange rates: £1 = USD 1.26, £1 = EUR 1.17, EUR 1 = USD 1.08, £1 = JPY 192

The person responsible for arranging the release of this announcement on behalf of Videndum plc is Jon Bolton, Group Company Secretary.

** 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.*

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An audio webcast and Q&A for Analysts and Investors will be held today, starting at 07:45am UK time. The presentation slides are available on our website.

Users can pre-register to access the webcast and slides using the following link:

https://videndum.com/investors/results-reports-and-presentations/

Notes to Editors:

Videndum is a leading global provider of premium branded hardware products and software solutions to the growing content creation market.

Videndum's customers include broadcasters, film studios, production and rental companies, photographers, independent content creators ("ICCs"), professional musicians 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, backgrounds, audio capture, and noise reduction equipment.

We employ around 1,300 people across the world in 9 different countries. Videndum plc is listed on the London Stock Exchange, ticker: VID.

More information can be found at: https://videndum.com/

LEI number: 2138007H5DQ4X8YOCF14

H1 2025 management and financial overview

Trading conditions were tough, although end customer sentiment is turning with signs of pent-up demand, with the exception of studio broadcast. The order book continues to build, although US shipments have been restrained due to uncertainty in North America. Consequently sell-out volumes to end customers from our distributors has been higher than the sell-in orders that we have received from those distributors.

End user sentiment is improving in the ICC market, with trade show attendances as much as three times that in 2024. Interchangeable Lens Cameras shipments show strong growth, particularly Compact System Cameras with H1 2025 shipments 22% above H1 2024.

The Cine and Scripted TV market is showing increasing signs of pent-up demand. The number of new productions commencing in North America and the United Kingdom (“UK”) rose by c.5% from Q1 to Q2, and is forecast to increase by c.80% Q2 to Q3.

The Broadcast market has been broadly flat. Studio broadcast remains weak but sports and outside broadcast is showing growth. Our new venture into the public safety market with Teradek technology is gaining excellent traction; with US public safety budgets expected to improve going forward.

The cost impact of the elevated US tariffs have largely been passed through, and we have also made progress on pricing discipline by reducing the level of discounts offered compared to prior periods. With the tariffs not effective until the second quarter and the subsequent lag to purchasing at new sales prices, the impact on revenue was minimal in H1 2025 but will be more significant from H2 2025 if the tariff impact on the business remains at current levels.

A number of restructuring and cost saving actions were disclosed at the FY 2024 results in April; 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 Edmunds site to the Feltre site in Northern Italy and Cartago, Costa Rica. A review of procurement, purchasing and supply chain structures also identified savings.

In H1 2025 the business implemented further restructuring activities to manage liquidity and improve the future cost base of the business. The most significant of these included the planned closure of the UK Ashy-de-la Zouch site with manufacturing outsourced or moved to Feltre and storage to Bury St Edmunds. Other initiatives will lead to a simplification of operations in China and reduction of engineering resource in the United States. Accordingly, the cost savings target for 2025 of c.£15 million in 2025 remains on-track (having delivered c.£6 million of savings in H1 2025) with an annualised 2025 exit rate of saving now c.£19 million.

Our focus remains on delivering innovative new products. At the B&H Bild Expo in June 2025 we successfully launched the Manfrotto ONE tripod as part of a 'new to world' comprehensive stability system for hybrid creators (photography and videography). The ONE tripod intends to eliminate the need to carry multiple tripods for multiple uses.

Income and expense

Amimon was sold on 9 April 2025 and is reported as a discontinued operation. Results of discontinued operations can be found in notes 2 and 14 to the condensed financial statements. The numbers below are presented on a continuing basis unless otherwise stated.

	Adjusted*			**Statutory from continuing and discontinued operations**	
	H1 2025	H2 2024	H1 2024	H1 2025	H1 2024
Revenue**	£115.4m	£127.4m	£153.3m	£115.9m	£154.9m
Operating (loss)/profit	£(7.0)m	£(29.2)m	£11.0m	£(17.0)m	£(9.2)m
(Loss)/profit before tax	£(14.3)m	£(31.9)m	£6.9m	£(20.1)m	£(13.4)m
(Loss)/earnings per share	(11.2)p	(23.6)p	5.7p	(21.6)p	(13.6)p

**For the Group, before adjusting operating items of £8.6 million (H1 2024: £17.7 million), and operating loss from discontinued operations of £1.4 million (H1 2024: £2.5 million loss).*
*** Amimon was not treated as a discontinued operation at FY 2024 results; H2 2024 revenue above has been restated to treat Amimon as a discontinued operation in FY 2024.*

On a reported basis, revenue declined by 25% year-on-year compared to H1 2024 (23% decrease on a constant currency basis), and only 9% (£12.0 million) lower than H2 2024, which benefitted from the 2024 Paris Summer Olympics contract and the seasonal gifting period.

Adjusted gross profit margin* declined to 35% in H1 2025 (H1 2024: 41%), primarily due to lower volumes. The margin was in line with H2 2024 (35%, excluding £13.2 million of one-off charges) despite lower revenue, reflecting the benefit of ongoing cost reduction and operational efficiency initiatives.

Adjusted operating expenses* decreased by £4.5 million to £47.8 million (H1 2024: £52.3 million). On a sequential basis, adjusted operating expenses were £7.1 million lower than in H2 2024 (£54.9 million, excluding £5.2 million of one-off charges), reflecting the impact of actions taken to streamline the cost base and late phasing of costs in 2024.

An adjusted operating loss* of £7.0 million (H1 2024: £11.0 million profit) represents an improvement on the £10.9 million loss in H2 2024 (excluding the £18.3 million of one-off charges in H2 2024).

Adjusted net finance expense* of £7.3 million was £3.2 million higher than in H1 2024 (£4.1 million). This was mainly the result of gross borrowings being c.30% higher through the period combined with higher leverage leading to an increased margin payable. Lower FX gains were also a factor. Our floating debt currently has an average interest rate of c.9% (including margin).

Adjusted loss before tax* was £14.3 million compared to a £6.9 million profit in H1 2024 and a loss of £31.9 million in H2 2024.

Statutory loss before tax from continuing and discontinued operations of £20.1 million (H1 2024: £13.4 million loss) includes adjusting items from continuing operations of £8.6 million (H1 2024: £17.7 million) and a £2.8 million profit from discontinued operations after adjusting items and profit on disposal (H1 2024: £2.6 million loss). The adjusting items from continuing operations primarily relate to restructuring and other costs (£6.3 million) – see "Adjusting items" section for further detail.

The Group's effective tax rate ("ETR") was a 24% credit on the £14.3 million adjusted loss before tax* (H1 2024: 22% debit on the £6.9 million profit before tax*). Statutory ETR from continuing and discontinued operations was a 5% debit on the £20.1 million loss (H1 2024: 4% credit on the £13.4 million loss before tax) reflecting the write-off of the majority of deferred tax assets previously held.

Adjusted basic loss per share* was 11.2 pence (H1 2024: 5.7 pence earnings per share). Statutory basic loss per share from continuing and discontinued operations was 21.6 pence (H1 2024: 13.6 pence loss per share).

Cash flow and net debt

Adjusted operating cash outflow* at £0.6 million was £18.8 million lower than in H1 2024 due to higher operating losses, with lower non-trade working capital offset by lower capital expenditure.

Free cash outflow* at £13.3 million included debt amendment fees and refinancing costs of £5.2 million, restructuring spend of £5.7 million, tax received of £4.5 million and interest of £6.2 million.

£m	H1 2025	H2 2024	H1 2024
Statutory operating loss from continuing and discontinued operations	**(17.0)**		(9.2)
Add back discontinued operations statutory operating loss	**1.4**		2.5
Add back adjusting items from continuing operations	**8.6**		17.7
Adjusted operating (loss)/profit*	**(7.0)**	**(29.2)**	**11.0**
Depreciation(1)	**9.4**	14.2	9.8
Adjusted trade working capital (inc)/dec*	**4.7**	16.9	4.4
Adjusted non-trade working capital (inc)/dec*	**(2.5)**	2.9	(0.7)
Adjusted provisions inc/(dec)*	**(0.7)**	0.3	(0.4)
Capital expenditure(2)	**(5.4)**	(8.0)	(7.4)
Other(3)	**0.9**	1.5	1.5
Adjusted operating cash flow*	**(0.6)**	**(1.4)**	**18.2**
*Cash conversion**	***9%***	*5%*	*165%*
Net interest paid	**(6.2)**	(4.6)	(4.3)
Tax received/(paid)	**4.5**	(0.6)	1.3
Earnout and retention bonuses	**(0.1)**	-	(1.2)
Restructuring, integration costs and sale of property	**(5.7)**	(3.0)	1.8
Debt amendment fees and refinancing costs	**(5.2)**	(0.6)	(0.6)
Transaction costs	**-**	(0.4)	(0.1)
Free cash flow*	**(13.3)**	**(10.6)**	**15.1**

(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 used in operating activities of £12.7 million (H1 2024: £19.1 million inflow) comprises £13.3 million free cash outflow from continuing operations* (H1 2024: £15.1 million inflow) plus £5.4 million capital expenditure from continuing operations (H1 2024: £7.4 million), less £0.1 million from sale of PP&E and software from continuing operations (H1 2024: £2.5 million), less £0.5 million interest received from continuing operations reported within net cash used in investing activities (H1 2024: £nil), less net cash used in operating activities from previously discontinued operations of £4.2 million (H1 2024: £0.9 million)

Adjusted trade working capital* decreased by £4.7 million in the first half of 2025 (H1 2024: £4.4 million). This movement primarily reflects a £9.2 million decrease in inventories, partially offset by a £1.3 million increase in trade receivables and a £3.2 million decrease in trade payables.

Capital expenditure of £5.4 million (H1 2024: £7.4 million) included:

- £2.8 million of Property Plant and Equipment ("PP&E") compared with £3.0 million in H1 2024;
- £2.6 million capitalisation of development costs (H1 2024: £4.2 million) and software of £nil (H1 2024: £0.2 million). Gross R&D was lower than in H1 2024, reflecting the targeting of investment and restructuring actions to right size operations. The percentage of revenue (7%) was higher year-on-year (H1 2024: 6%).

£m	H1 2025	H2 2024	H1 2024
Gross R&D	**8.1**	**9.0**	**9.7**
Capitalised	**(2.6)**	**(3.1)**	**(4.2)**
Amortisation and impairment losses	**3.2**	**7.0**	**3.1**
Income Statement Impact	**8.7**	**12.9**	**8.6**

Net interest paid of £6.2 million was £1.9 million higher than in H1 2024 reflecting the rise in interest expense compared to the prior period. Tax receipts of £4.5 million included receipt of a £3.2m refund from HMRC related to the historic EU State Aid claim in addition to repayment of previous payments on account.

December 2024 closing net debt* (£m)	**(133.0)**
Free cash flow from continuing operations*	(13.3)
Free cash flow from discontinued operations	(4.2)
Movement in loan fees, net of amortisation	2.2
Net proceeds from equity raise	7.5
Employee incentive shares	(0.3)
Net disposal proceeds	2.1
Net lease additions	(1.0)
FX	2.3
June 2025 closing net debt* (£m)	**(137.7)**

Net debt* at 30 June 2025 of £137.7 million was £4.7 million higher than at 31 December 2024 (£133.0 million).

Prior to its disposal, operating cash out flow from the Amimon business was £4.2 million including settlement of a £2.5 million payable to secure the intellectual property that was subsequently transferred to Teradek. Net disposal proceeds of £2.1 million were received after deducting cash included in the sale of £0.5 million.

On 30 April 2025, the Company issued 9,412,663 new ordinary shares at an issue price per share of 85 pence, a premium to the prevailing share price, generating gross proceeds of £8.0 million and, after expenses, net proceeds of £7.5 million.

Net lease additions of £1.0 million. The £2.3 million favourable impact from FX arose following the weakening of the US dollar against Sterling across H1 2025.

Liquidity at 30 June 2025 totalled £37.2 million, comprising £25.8 million unutilised RCF (total facility of £150 million which matures in August 2026) and net cash of £11.4 million. Gross cash of £59.9 million is stated before a £48.5 million overdraft due to operational cash pooling arrangements.

Borrowing facilities and financial position at 30 June 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 10 "Analysis of net debt").

Subsequent to the end of 2024 the reset December covenant tests were met and both the February 2025 and March 2025 covenants tests waived.

On 28 April 2025 the Group 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 applies 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 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 of £139 million, after which lender consent is required. The Amended Covenants were conditional on the Company raising at least £6 million in net proceeds from a fully underwritten share placing. These and previous amendments to the RCF also preclude the Board from declaring a dividend and restrict factoring to £15 million.

The June 2025 LTM EBITDA covenant was met and all weekly minimum liquidity covenant tests have also been met. The share placing requirement was achieved on 30 April 2025 with a £8.0 million gross placing realising £7.5 million of net proceeds.

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 and enforcing security over the business, should the Group fail to complete a refinance or reach agreement with all of its lenders on an alternative deleveraging plan by October 2025.

The Group has been actively seeking to fully or partially refinance its RCF since April 2025. This has involved a coordinated outreach, with the help of advisors, to a number of financial institutions who have received vendor due diligence material and management presentations. Despite the level of effort undertaken, progress has been hampered by difficult market conditions and general economic uncertainty, not least with the evolving US tariff situation. Indicative terms received from potential lenders have not met the requirements of the business, nor its lenders, and the likelihood of achieving a full or partial refinancing of the RCF prior to the October 2025 deadline has a low probability.

Accordingly, the business is in discussions with lenders on potential options including alternative ways of deleveraging, amendments to existing covenants and future obligations.

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 the 12-month period from the approval date of these Financial Statements to the end of the RCF facility and believes that available liquidity will be sufficient to enable the Group to meet its liabilities as they fall due.

This assessment is wholly contingent on reaching agreement with the RCF lenders to amend the terms of the RCF, including an initial amendment prior to the earliest potential default date in October 2025. In assessing the level of amendment to be agreed, the Directors have considered (i) the potential deleveraging plan; (ii) future covenants and (iii) the level of liquidity available under both the RCF cap and the maximum borrowings limit of the RCF.

Any plan to deleverage the business will require alternative new sources of liquidity, including but not limited to any combination of, proceeds from disposals and the raising of new debt or equity. All are likely to be dependent on the future trading outlook for the business which will largely be a function of the timing of market recovery combined with developments in the global macroeconomic environment, where uncertainty is high at present. Discussions to date with lenders have been constructive.

In order to assess future covenants and future liquidity needs of the Group the Board has conducted a thorough evaluation of the going concern assumption and has modelled a number of scenarios.

Given the trailing nature of a LTM covenant, most of the September 2025 LTM EBITDA is known and it is probable that the covenant will not be achieved or achieved with minimal headroom, which could lead to an event of default when reported in mid-October 2025 unless waived or amended. In all scenarios other than in those where a strong market recovery occurs, the leverage and interest cover covenants will be breached from December 2025 onwards.

Future liquidity needs will be dependent on trading and on the success, timing and use of proceeds from deleveraging actions that will require negotiation with lenders. Notwithstanding, the liquidity impact from deleveraging actions, the Group is at risk of requiring greater liquidity than that afforded by the RCF cap. In all but the downside scenarios, the additional liquidity requirement would be within the £11 million headroom between the liquidity cap and maximum borrowings under the RCF but would require lender consent to access.

Material uncertainty

In determining that the business is a going concern the Board has concluded that significant amendment of the RCF is required, including an initial amendment in October 2025. This would include acceptance of a yet to be defined deleveraging plan and waiver or amendment of all covenants from September onwards. Furthermore, an initial amendment request to raise the RCF cap of £139 million may be necessary to provide the business with liquidity either to cover trading shortfalls or compensate for lost liquidity resulting from deleveraging actions. In the extreme, liquidity beyond the available £150 million facility may be required in the future.

Following constructive dialogue with RCF lenders and their support to date, the Board believes that an initial amendment in October 2025 and any subsequent amendments will be achievable. However, the lender prescribed terms and conditions of such amendments are not known at this time but are likely to require certain actions to be completed and commitments made by the Group in a specified period. Nevertheless, the complexity and significance of the required negotiations with the RCF lenders indicates that amendments may not be forthcoming, leading to 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, half year 2024 and full year 2024 also indicated the existence of a material uncertainty.

Adjusting items from continuing operations

£m	H1 2025	H1 2024
Amortisation of intangible assets that are acquired in a business combination	**(1.4)**	(1.8)
Restructuring and other costs	**(6.3)**	(0.5)
Impairment of assets	**(0.9)**	(15.3)
Acquisition related charges	**-**	(0.1)
Adjusting items	**(8.6)**	**(17.7)**

The amortisation of intangibles reflects £1.4 million amortisation within the Media Solutions Division.

Restructuring and other costs reflect Group-wide restructuring projects announced to affected employees in the period, which resulted in a number of employees leaving in 2025. Further detail on restructuring can be found in note 4 to the condensed financial statements.

The impairment of assets includes a £0.9 million impairment of right-of-use assets (£0.7m) and inventory (£0.2m) within the Media Solutions Division.

Discontinued operations

On 9 April 2025 the Group sold its Amimon business for gross cash consideration of £2.6 million, of which £0.8 million was for the sale of shares, and £1.8 million for entering into an agreement with Teradek LLC, also part of the Creative Solutions Division, to grant Amimon a licence to use certain intellectual property. A profit of £4.6 million arose on disposal after taking into account net assets disposed of £0.1 million (inclusive of £0.5 million of cash), £0.3 million transaction costs, and the previously recorded foreign exchange gain of £2.4 million that has been recycled to the profit on disposal.

Results of discontinued operations can be found in notes 2 and 14 to the condensed financial statements.

£m	H1 2025	H1 2024
Revenue	**0.5**	1.6
Adjusted loss before tax	**(1.4)**	(1.3)
Adjusting items	**(0.4)**	(1.3)
Profit on disposal of discontinued operation	**4.6**	-
Statutory loss before tax	**2.8**	(2.6)

Divisions

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).

The Group 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, 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	**H1 2024**	**H2 2024**	**H1 2024**	**H1 2025**	**H1 2024**
External revenue	£55.8m	£59.6m	£73.1m	£55.8m	£73.1m
Operating (loss)profit/(loss)	£1.6m	£(13.3)m	£6.4m	£(2.6)m	£(11.4)m
Operating margin	2.9%	(22.3)%	8.8%	(4.7)%	(15.6)%

** For Media Solutions, before adjusting items of £4.2 million (H1 2024: £17.3 million loss) and operating loss from discontinued operations of £nil (H1 2024: £0.5 million loss)*

Revenue was 24% lower than in H1 2024 but only 6% lower than in H2 2024, which benefitted from the seasonal gifting period. The US tariffs have created market uncertainty, with sell-out volume in excess of the sell-in orders we have received from our distributors.

Significant restructuring actions have been taken with c.£3 million of savings versus H1 2024. Adjusted operating profit margin* was 2.9% (H1 2024: 8.8%) reflecting adverse operating leverage on the 24% revenue decline, partly offset by the restructuring actions.

Statutory operating loss was £2.6 million (H1 2024: £11.4 million loss) which reflects £4.2 million of adjusting items from continuing operations (H1 2024: £17.3 million loss) and £nil from discontinued operations (H1 2024: £0.5 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	**H1 2025**	**H2 2024**	**H1 2024**	**H1 2025**	**H1 2024**
External revenue	£37.1m	£44.0m	£46.7m	£37.1m	£46.7m
Operating (loss)/profit	£(1.4)m	£(4.3)m	£5.9m	£(3.4)m	£5.5m
Operating margin	(3.8)%	(9.8)%	12.6%	(9.2)%	11.8%

** For Production Solutions, before adjusting items of £2.0 million (H1 2024: £0.4 million loss).*

Revenue was 21% lower than in H1 2024 and 16% lower than in H2 2024, which benefitted from the 2024 Paris Summer Olympics. Excluding the Olympics, revenue was 3% higher than in H2 2024.

Significant restructuring actions have been taken with c.£2 million of savings versus H1 2024. Adjusted operating loss margin* was -3.8% (H1 2024: 12.6% profit margin) reflecting adverse operating leverage on the 21% revenue decline, partly offset by the restructuring actions.

Statutory operating loss was £3.4 million (H1 2024: £5.5 million profit) which reflects £2.0 million of adjusting items (H1 2024: £0.4 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 and Scripted TV and live production segments. Creative Solutions represents c.20% of Group revenue.

	Adjusted*			Statutory from continuing and discontinued operations	
Creative Solutions	**H1 2025**	**H2 2024**	**H1 2024**	**H1 2025**	**H1 2024**
External revenue**	£22.5m	£23.8m	£33.5m	£23.0m	£35.1m
Operating profit/(loss)	£(0.9)m	£(4.3)m	£4.8m	£(2.5)m	£2.8m
Operating margin	(4.0)%	(18.1)%	14.3%	(10.9)%	8.0%

** For Creative Solutions, before adjusting items from continuing operations of £0.2 million (H1 2024: £nil million) and operating loss from discontinued operations of £1.4 million (H1 2024: £2.0 million loss).*

*** Amimon was not treated as a discontinued operation at FY 2024 results; H2 2024 revenue above has been restated to treat Amimon as a discontinued operation in FY 2024.*

Revenue was 33% lower than in H1 2024 but only 5% lower than in H2 2024. H1 2025 had a soft start, in part due to the Cine market in the US being impacted by the Los Angeles fires, and a slower finish due to the uncertainty created by the US tariffs.

Restructuring actions have been taken with c.£1 million of savings versus H1 2024. Adjusted operating loss margin* was -4.0% (H1 2024: 14.3% profit margin) reflecting adverse operating leverage on the 33% revenue decline, partly offset by the restructuring actions.

Statutory operating loss was £2.5 million (H1 2024: £2.8 million profit) which reflects £0.2m of adjusting items from continuing operations (H1 2024: £nil) and a £1.4 million loss from discontinued operations (H1 2024: £2.0 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	**H1 2025**	**H2 2024**	**H1 2024**	**H1 2025**	**H1 2024**
Operating (loss)	£(6.3)m	£(7.3)m	£(6.1)m	£(8.5)m	£(6.1)m

** For corporate costs, before adjusting items of £6.4 million (H1 2024: £6.1 million).*

Corporate costs were lower than those in H2 24 and in line with H1 2024 largely due to late phasing of costs in 2024.

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.

Outlook

Group revenues were weaker in Q2 2025 than the Board's expectations at the time of the FY24 results in April 2025. However, much of the adjusted operating profit impact caused by the revenue shortfall has been offset by the restructuring and cost management programmes previously announced.

Whilst conditions improved month by month through Q1 2025, the ramifications of the US trade policies have become clearer during Q2 2025. End user demand in the US running ahead of sales to Videndum's distribution channels, as importers have been holding off ordering until the tariff situation becomes clearer. This has led to weaker revenues in the United States. Ongoing global macro-economic uncertainty, as well as tariff uncertainty, have also had some impact on revenues outside the US.

However, end customer sentiment is turning in the ICC market and there are increasing signs of pent-up demand in the Cine market. This, in conjunction with the trading environment outlined above, has led to there being a limited amount of inventory in the US. The Group has put in place stocks of long lead time components to ensure it can respond quickly to any increased demand. Consequently, any uptick in end market demand will feed through into revenue with little delay. Allied to the benefit from the restructuring and cost management programmes previously announced, any improvement in revenue in H2 2025 will drop through to operating profit at a significant rate.

The ongoing uncertain economic environment and the increased trading volatility due to US tariffs has led to a deterioration in the Group's visibility of the potential outcome for FY25.

Risks and Uncertainties

Videndum is exposed to a number of risk factors which may affect its performance. The Group has an established framework and assesses these risks on a regular basis and has put in place appropriate processes and procedures to mitigate against them. However, no system of control or mitigation can completely eliminate all the risks the business faces.

The principal risks and uncertainties that may affect our performance are set out in the 2024 Annual Report and are summarised below. Since the 2024 year-end announcement, there has not been any material movement in risks. The issue of tariffs has ramifications in different risk areas, and is reflected where applicable (including 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.

- Treasury, including going concern
- Demand for Videndum's products
- Cost pressure
- Dependence on key suppliers
- Dependence on key customers
- People
- Laws and regulations
- Reputation of the Group
- Business Continuity and cyber security
- Climate change
- Restructuring and disposals
- Acquisitions

Forward-looking statements

This announcement contains forward-looking statements with respect to the financial condition, performance, position, strategy, results and plans of the Group based on management's current expectations or beliefs as well as assumptions about future events. These forward-looking statements are not guarantees of future performance. Undue reliance should not be placed on forward-looking statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and the Group's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements. The Company undertakes no obligation to publicly revise or update any forward-looking statements or adjust them for future events or developments. Nothing in this announcement should be construed as a profit forecast.

The information in this announcement does not constitute an offer to sell or an invitation to buy shares in the Company in any jurisdiction or an invitation or inducement to engage in any other investment activities. The release or publication of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

This announcement contains brands and products that are protected in accordance with applicable trademark and patent laws by virtue of their registration.

No person has been authorised to give any information or to make any representations other than those contained in this announcement and, if given or made, such information or representations must not be relied on.

Neither the content of the Group's websites (or any other website) nor the content of any website accessible from hyperlinks on the Group's website (or any other website) is incorporated into or forms part of this announcement.

For and on behalf of the Board

Stephen Harris
Executive Chairman

Statement of Directors' responsibilities

The Directors confirm that these condensed consolidated financial statements ("Financial Statements") have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the Financial Statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The Directors of Videndum plc are listed in the Videndum plc annual report for 31 December 2024, with the exception of the following changes in the period: Mr Aidan de Brunner and Mr Martin Cooke were appointed as non-executive directors on 31 July 2025. Further, Mr Richard Tyson retired as a director on 31 July 2025. A list of current Directors is maintained on the Videndum plc website: www.videndum.com.

By order of the board

Stephen Harris

5 August 2025

Chairman

Condensed Consolidated Statement of Profit or Loss

For the half year ended 30 June 2025

	Notes	**Half year to 30 June 2025 Unaudited £m**	Half year to 30 June 2024 Unaudited £m
Continuing operations			
Revenue	2	**115.4**	153.3
Cost of sales		**(76.4)**	(91.0)
Gross profit		**39.0**	62.3
Other income		**-**	0.9
Operating expenses	3	**(54.6)**	(69.9)
Operating loss		**(15.6)**	(6.7)
Comprising			
- Adjusted operating (loss)/profit		**(7.0)**	11.0
- Adjusting items in operating loss	4	**(8.6)**	(17.7)
Finance income		**0.2**	1.1
Finance expense		**(7.5)**	(5.2)
Net finance expense	5	**(7.3)**	(4.1)
Loss before tax		**(22.9)**	(10.8)
Comprising			
- Adjusted (loss)/profit before tax		**(14.3)**	6.9
- Adjusting items in loss before tax	4	**(8.6)**	(17.7)
Taxation	6	**(0.9)**	0.6
Loss for the period from continuing operations		**(23.8)**	(10.2)
Profit/(loss) for the period from discontinued operations	14	**2.7**	(2.6)
Loss for the period attributable to owners of the parent		**(21.1)**	(12.8)
Earnings per share from continuing operations			
Basic earnings per share	7	**(24.4)p**	(10.8)p
Diluted earnings per share	7	**(24.4)p**	(10.8)p
Earnings per share from total operations			
Basic earnings per share	7	**(21.6)p**	(13.6)p
Diluted earnings per share	7	**(21.6)p**	(13.6)p

Condensed Statement of Comprehensive Income/(Loss)

For the half year ended 30 June 2025

	Half year to 30 June 2025 Unaudited £m	Half year to 30 June 2024 Unaudited £m
Loss for the period	**(21.1)**	(12.8)
Other comprehensive income/(loss):		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of defined benefit obligation, net of tax	**(0.5)**	-
Tax	**0.1**	-
Items that are or may be reclassified subsequently to profit or loss:		
Foreign exchange gain recycled to the Profit or Loss on disposal of businesses	**(2.4)**	-
Currency translation differences on foreign currency subsidiaries	**(9.7)**	(1.1)
Net investment hedges - net loss	**-**	(0.8)
Fair value of cash flow hedges reclassified to the Profit or Loss	**(0.8)**	(2.2)
Effective portion of changes in fair value of cash flow hedges	**0.8**	1.1
Tax associated with changes in cash flow hedges	**-**	0.3
Other comprehensive loss, net of tax	**(12.5)**	(2.7)
Total comprehensive loss for the period attributable to owners of the parent	**(33.6)**	(15.5)

Condensed Consolidated Balance Sheet

As at 30 June 2025

	Notes	30 June 2025 Unaudited £m	30 June 2024 Unaudited £m	31 December 2024 Audited £m
Assets				
Non-current assets				
Intangible assets	8	**90.9**	137.1	99.7
Property, plant and equipment		**44.8**	53.2	48.6
Employee benefit asset	9	**3.6**	4.2	4.1
Trade and other receivables		**2.3**	4.2	4.5
Derivative financial instruments	11	**-**	0.2	-
Non-current tax assets	6	**-**	3.2	-
Deferred tax assets	6	**0.7**	55.6	0.7
		142.3	257.7	157.6
Current assets				
Inventories		**68.4**	94.7	82.5
Contract assets		**0.9**	1.9	0.5
Trade and other receivables		**37.5**	53.8	38.7
Derivative financial instruments	11	**0.7**	2.8	0.8
Current tax assets		**4.1**	3.3	8.9
Cash and cash equivalents	10	**59.9**	55.4	57.3
		171.5	211.9	188.7
Assets of the disposal group classified as held for sale		**-**	9.0	-
Total assets		**313.8**	478.6	346.3
Liabilities				
Current liabilities				
Bank overdrafts	10	**48.5**	38.7	44.4
Interest-bearing loans and borrowings	10	**0.2**	0.1	0.2
Lease liabilities	10	**6.0**	7.9	8.2
Contract liabilities		**2.0**	5.9	4.2
Trade and other payables		**37.3**	49.7	43.7
Derivative financial instruments	11	**-**	-	0.3
Current tax liabilities		**7.5**	6.5	6.6
Provisions		**5.1**	2.9	11.2
Total current liabilities		**106.6**	111.7	118.8
Non-current liabilities				
Interest-bearing loans and borrowings	10	**120.8**	101.9	114.2
Lease liabilities	10	**22.1**	24.1	23.3
Other payables		**0.7**	0.9	0.8
Employee benefit liabilities		**2.3**	2.6	2.5
Provisions		**0.5**	0.7	0.7
Deferred tax liabilities		**-**	9.8	0.1
Total non-current liabilities		**146.4**	140.0	141.6
Liabilities of the disposal group classified as held for sale	14	**-**	3.9	-
Total liabilities		**253.0**	255.6	260.4
Net assets		**60.8**	223.0	85.9
Equity				
Share capital	12	**20.8**	18.9	18.9
Share premium		**139.3**	133.7	133.7
Translation reserve		**(28.6)**	(14.9)	(16.5)
Capital redemption reserve		**1.6**	1.6	1.6
Cash flow hedging reserve		**0.4**	2.1	0.4
Retained earnings		**(72.7)**	81.6	(52.2)
Total equity		**60.8**	223.0	85.9

Condensed Consolidated Statement of Changes in Equity

For the half year ended 30 June 2025 (Unaudited)

	Share capital	Share premium	Translation reserve	Capital redemption reserve	Cash flow hedging reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2025	**18.9**	**133.7**	**(16.5)**	**1.6**	**0.4**	**(52.2)**	**85.9**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**(21.1)**	**(21.1)**
Other comprehensive loss for the period	**-**	**-**	**(12.1)**	**-**	**-**	**(0.4)**	**(12.5)**
Total comprehensive loss for the period	**-**	**-**	**(12.1)**	**-**	**-**	**(21.5)**	**(33.6)**
Contributions by and distributions to owners							
Transfer of share options	**-**	**-**	**-**	**-**	**-**	**(0.3)**	**(0.3)**
New shares issued, net of costs	**1.9**	**5.6**	**-**	**-**	**-**	**-**	**7.5**
Share-based payment charge, net of tax	**-**	**-**	**-**	**-**	**-**	**1.3**	**1.3**
Balance at 30 June 2025	**20.8**	**139.3**	**(28.6)**	**1.6**	**0.4**	**(72.7)**	**60.8**

	Share capital	Share premium	Translation reserve	Capital redemption reserve	Cash flow hedging reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2024	18.9	133.7	(13.0)	1.6	2.9	93.4	237.5
Loss for the period	-	-	-	-	-	(12.8)	(12.8)
Other comprehensive (loss)/income for the period	-	-	(1.9)	-	(0.8)	-	(2.7)
Total comprehensive (loss)/income for the period	-	-	(1.9)	-	(0.8)	(12.8)	(15.5)
Contributions by and distributions to owners							
Transfer of share options	-	-	-	-	-	(0.1)	(0.1)
Share-based payment charge, net of tax	-	-	-	-	-	1.1	1.1
Balance at 30 June 2024	18.9	133.7	(14.9)	1.6	2.1	81.6	223.0

Condensed Consolidated Statement of Cash Flows

For the half year ended 30 June 2025

	Note	**Half year to 30 June 2025 Unaudited £m**	Half year to 30 June 2024 Unaudited £m
Cash flows from operating activities			
Loss for the period		**(21.1)**	(12.8)
Adjustments for:			
Net finance expense		**7.7**	4.2
Taxation		**1.0**	(0.6)
Depreciation		**6.0**	6.3
Impairment of intangible and fixed assets	4	**0.8**	16.4
Amortisation of intangible assets		**4.8**	5.3
Fair value gains on derivative financial instruments		**(0.1)**	(0.1)
Foreign exchange losses		**(0.4)**	0.4
Share-based payment charge		**1.3**	1.1
Earnout charges and retention bonuses		**-**	0.1
Profit on disposal of business before transaction costs		**(4.9)**	-
Cash (used in)/from operating activities before change in working capital, including provisions		**(4.9)**	20.3
Decrease/(increase) in inventories		**9.3**	(0.8)
Increase in trade receivables		**(1.4)**	(4.2)
Decrease/(increase) in other receivables and contract assets		**0.4**	(2.2)
(Decrease)/increase in trade payables		**(2.8)**	10.1
Decrease in other payables and contract liabilities		**(2.6)**	-
Decrease in provisions		**(5.1)**	(0.5)
Cash (used in)/generated from operating activities		**(7.1)**	22.7
Interest paid		**(10.0)**	(4.9)
Tax received		**4.4**	1.3
Net cash (used in)/from operating activities		**(12.7)**	19.1
Cash flows from investing activities			
Interest received		**0.5**	-
Proceeds from sale of property, plant and equipment and software		**0.1**	2.5
Purchase of property, plant and equipment		**(2.8)**	(3.0)
Purchase of software and payment of development costs		**(2.6)**	(5.6)
Disposal of business		**2.1**	-
Net cash used in investing activities		**(2.7)**	(6.1)
Cash flows from financing activities			
Proceeds from the issue of shares, net of costs		**7.5**	-
Transfer of share options		**(0.3)**	(0.1)
Principal lease repayments	10	**(3.3)**	(2.9)
Repayment of interest-bearing loans and borrowings	10	**(2.1)**	(96.4)
Proceeds from interest-bearing loans and borrowings	10	**11.9**	98.9
Net cash inflow/(outflow) from financing activities		**13.7**	(0.5)
(Decrease)/increase in cash and cash equivalents		**(1.7)**	12.5
Cash and cash equivalents at 1 January		**12.9**	4.7
Effect of exchange rate fluctuations on cash held		**0.2**	(0.5)
Cash and cash equivalents at the end of the period	10	**11.4**	16.7

1 Accounting policies

Reporting entity

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, Eastlea Road, Bury St Edmunds, IP32 7BY, United Kingdom. These condensed consolidated interim financial statements ("Financial Statements") as at and for the half year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the "Group").

These Financial Statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2024 were approved by the Board of Directors on 30 April 2025 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified with material uncertainty related to going concern, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006.

These Financial Statements have not been reviewed nor audited by independent auditors. The Financial statements were approved by the Board of Directors on 5 August 2025.

Basis of preparation and statement of compliance

The half year Financial Statements covers the six-month period ended 30 June 2025 and has been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom’s Financial Conduct Authority. This Financial Statements comprises the unaudited financial information for the half years ended 30 June 2025 and 2024. The half year financial information has been prepared applying consistent accounting policies to those applied by the Group for the year ended 31 December 2024, except for the tax charge for the interim period (see note 6 " Taxation"). The application of the accounting policies is expected to be applicable for the year ending 31 December 2025, which will be prepared in accordance with United Kingdom adopted International Financial Reporting Standards.

The preparation of Financial Statements requires Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these Financial Statements, the significant judgements made by Directors in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended 31 December 2024.

Key sources of estimation uncertainty

Impairment of 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 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 2030 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.

- *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, which has been enhanced to a period of between six and 24 months, which is determined by Management and is deemed appropriate to the type of inventory.

- *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.

- *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, Italy and United Kingdom.

Critical accounting judgements:

- *Development costs*

The Group capitalises development costs which meet the criteria under IAS 38 "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 and the material uncertainty surrounding it. These judgements are disclosed under "going concern" in note 1 "Accounting policies".

- *Asset held for sale and discontinued operations*

At June 2024, 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. At June 2025, Amimon was disposed of and disclosed as a discontinued operation.

- *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.

Impact of adoption of new accounting standards

In the current period, the Group has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts in these Group's 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 not yet adopted

Amended standards and interpretations not yet effective are not expected to have a significant impact on the Group's 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 standard applicable to the Group is shown below:

- IFRS 18: Presentation and disclosure in financial statements' (effective 1 January 2027)
- IFRS 19: Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)

Going concern

Background and context

As outlined in the 2024 Annual Report the last two financial years through to 31 December 2024 were exceptionally challenging for Videndum. Prior expectations of recovery in all three primary markets of independent content creator, Cine and Scripted TV and Broadcast failed to materialise. Accordingly, in the final quarter of 2024 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 Edmunds site to the Feltre site in Northern Italy and Cartago, Costa Rica. A review of procurement, purchasing and supply chain structures also identified savings.

In H1 2025 the business implemented further restructuring activities to manage liquidity and improve the future cost base of the business. The most significant of these included the planned closure of the UK Ashby-de-la Zouch site with manufacturing outsourced or moved to Feltre and storage to Bury St Edmunds. Other initiatives will lead to a simplification of operations in China and reduction of engineering resource in the United States. Accordingly, the cost savings target for 2025 of c.£15 million in 2025 remains on-track with an annualised impact now c.£19 million.

The Amimon research operation in Israel 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 1,507 at the end of 2024 to 1,334. Adjusting for announced restructuring activities this figure would fall to c.1,280, a reduction of 16% since December 2023.

Borrowing facilities and financial position 30 June 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 10 "Analysis of net debt").

Subsequent to the end of 2024 the reset December covenant tests were met and both the February 2025 and March 2025 covenants tests waived.

On 28 April 2025 the Group 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 applies 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 in 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 of £139 million, after which lender consent is required. The Amended Covenants were conditional on the Company raising at least £6 million in net proceeds from a fully underwritten share placing. These and previous amendments to the RCF also preclude the Board from declaring a dividend and restrict factoring to £15 million.

The June 2025 LTM EBITDA covenant was met and all weekly minimum liquidity covenant tests have also been met. The share placing requirement was achieved on 30 April 2025 with a £8.0 million gross placing realising £7.5 million of net proceeds.

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 and enforcing security over the business, should the Group fail to complete a refinance or reach agreement with all of its lenders on an alternative deleveraging plan by October 2025.

The Group has been actively seeking to fully or partially refinance its RCF since April 2025. This has involved a coordinated outreach, with the help of advisors, to a number of financial institutions who have received vendor due diligence material and management presentations. Despite the level of effort undertaken, progress has been hampered by difficult market conditions and general economic uncertainty, not least with the evolving US tariff situation. Indicative terms received from potential lenders have not met the requirements of the business, nor its lenders, and the likelihood of achieving a full or partial refinancing of the RCF prior to the October 2025 deadline has a low probability.

Accordingly, the business is in discussions with lenders on potential options including alternative ways of deleveraging, amendments to existing covenants and future obligations.

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 the 12-month period from the approval date of these Financial Statements to the end of the RCF facility and believes that available liquidity will be sufficient to enable the Group to meet its liabilities as they fall due.

This assessment is wholly contingent on reaching agreement with the RCF lenders to amend the terms of the RCF, including an initial amendment prior to the earliest potential default date in October 2025. In assessing the level of amendment to be agreed, the Directors have considered (i) the potential deleveraging plan; (ii) future covenants and (iii) the level of liquidity available under both the RCF cap and the maximum borrowings limit of the RCF.

Any plan to deleverage the business will require alternative new sources of liquidity, including but not limited to any combination of, proceeds from disposals and the raising of new debt or equity. All are likely to be dependent on the future trading outlook for the business which will largely be a function of the timing of market recovery combined with developments in the global macroeconomic environment, where uncertainty is high at present. Discussions to date with lenders have been constructive.

In order to assess future covenants and future liquidity needs of the Group the Board has conducted a thorough evaluation of the going concern assumption and has modelled a number of scenarios.

Given the trailing nature of a LTM covenant, most of the September 2025 LTM EBITDA is known and it is probable that the covenant will not be achieved or achieved with minimal headroom, which could lead to an event of default when reported in mid-October 2025 unless waived or amended. In all scenarios other than in those where a strong market recovery occurs, the existing leverage and interest cover covenants will be breached from December 2025 onwards.

Future liquidity needs will be dependent on trading and on the success, timing and use of proceeds from deleveraging actions that will require negotiation with lenders. Notwithstanding, the liquidity impact from deleveraging actions, the Group is at risk of requiring greater liquidity than that afforded by the RCF cap. In all but the downside scenarios, the additional liquidity requirement would be within the £11 million headroom between the liquidity cap and maximum borrowings under the RCF but would require lender consent to access.

Material Uncertainty

In determining that the business is a going concern the Board has concluded that significant amendment of the RCF is required, including an initial amendment in October 2025. This would include acceptance of a yet to be defined deleveraging plan and waiver or amendment of all covenants from September onwards. Furthermore, an initial amendment request to raise the RCF cap of £139 million may be necessary to provide the business with liquidity either to cover trading shortfalls or compensate for lost liquidity resulting from deleveraging actions. In the extreme, liquidity beyond the available £150 million facility may be required in the future.

Following constructive dialogue with RCF lenders and their support to date, the Board has determined that an initial amendment in October 2025 and any subsequent amendments will be achievable. However, the lender prescribed terms and conditions of such amendments are not known at this time but are likely to require certain actions to be completed and commitments made by the Group in a specified period

Nevertheless, the complexity and significance of the required negotiations with the RCF lenders indicates that amendments may not be forthcoming, leading to 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, half year 2024 and full year 2024 also indicated the existence of a material uncertainty.

2 Segment reporting

The Group has three reportable segments which are reported in a manner that is consistent with the internal reporting provided to the Chief Operating Decision Maker on a regular basis to assist in making decisions on capital allocated to each segment and to assess performance.

On 9 April 2025 the Group sold its Amimon business which was previously included in the Creative Solutions Division. On 31 December 2023 the Syrp business, based in New Zealand and previously included in the Media Solutions Division, was closed. Their performance in this and comparative period are therefore part of the discontinued operation as presented in note 14 "Discontinued operations and non-current assets classified as held for sale" and are excluded from segmental performances below.

	For the half year to 30 June													
	Media Solutions		Production Solutions		Creative Solutions		Corporate and unallocated		Total Continuing operations		Discontinued operations and non-current assets held for sale		Total continuing and discontinued operations	
	2025 £m	2024 £m	**2025 £m**	2024 £m	**2025 £m**	2024 £m	**2025 £m**	2024 £m	**2025 £m**	2024 £m	**2025 £m**	2024 £m	**2025 £m**	2024 £m
Analysis of revenue from external customers, by location of customer														
United Kingdom	**4.3**	5.5	**4.9**	6.0	**2.0**	2.8	**-**	-	**11.2**	14.3	**-**	-	**11.2**	14.3
The rest of Europe	**20.3**	24.1	**7.0**	9.1	**4.3**	4.1	**-**	-	**31.6**	37.3	**0.4**	0.3	**32.0**	37.6
North America	**19.6**	27.6	**17.0**	23.2	**12.3**	22.3	**-**	-	**48.9**	73.1	**0.1**	1.2	**49.0**	74.3
Asia Pacific	**9.3**	12.8	**6.7**	5.8	**3.2**	3.8	**-**	-	**19.2**	22.4	**-**	0.1	**19.2**	22.5
The rest of the World	**2.3**	3.1	**1.5**	2.6	**0.7**	0.5	**-**	-	**4.5**	6.2	**-**	-	**4.5**	6.2
Total revenue from external customers	**55.8**	73.1	**37.1**	46.7	**22.5**	33.5	**-**	-	**115.4**	153.3	**0.5**	1.6	**115.9**	154.9
Inter-segment revenue [(1)]	**0.1**	0.2	**0.7**	1.0	**-**	0.1	**(0.8)**	(1.3)	**-**	-	**-**	-	**-**	-
Total revenue	**55.9**	73.3	**37.8**	47.7	**22.5**	33.6	**(0.8)**	(1.3)	**115.4**	153.3	**0.5**	1.6	**115.9**	154.9
Other income	**-**	-	**-**	0.7	**-**	0.2	**-**	-	**-**	0.9	**-**	-	**-**	0.9
Adjusted operating profit/(loss)	**1.6**	6.4	**(1.4)**	5.9	**(0.9)**	4.8	**(6.3)**	(6.1)	**(7.0)**	11.0	**(1.4)**	(1.3)	**(8.4)**	9.7
Amortisation of intangible assets that are acquired in a business combination	**(1.4)**	(1.8)	**-**	-	**-**	-	**-**	-	**(1.4)**	(1.8)	**-**	-	**(1.4)**	(1.8)
Restructuring and other items	**(1.9)**	(0.2)	**(2.0)**	(0.3)	**(0.2)**	-	**(2.2)**	-	**(6.3)**	(0.5)	**-**	-	**(6.3)**	(0.5)
Impairment of assets	**(0.9)**	(15.3)	**-**	-	**-**	-	**-**	-	**(0.9)**	(15.3)	**-**	(1.2)	**(0.9)**	(16.5)
Acquisition related charges	**-**	-	**-**	(0.1)	**-**	-	**-**	-	**-**	(0.1)	**-**	-	**-**	(0.1)
Adjusting items in operating loss	**(4.2)**	(17.3)	**(2.0)**	(0.4)	**(0.2)**	-	**(2.2)**	-	**(8.6)**	(17.7)	**-**	(1.2)	**(8.6)**	(18.9)
Operating (loss)/profit	**(2.6)**	(10.9)	**(3.4)**	5.5	**(1.1)**	4.8	**(8.5)**	(6.1)	**(15.6)**	(6.7)	**(1.4)**	(2.5)	**(17.0)**	(9.2)
Net finance expense									**(7.3)**	(4.1)	**(0.4)**	(0.1)	**(7.7)**	(4.2)
Profit on disposal of discontinued operation after tax									**-**		**4.6**	-	**4.6**	-
(Loss)/profit before tax									**(22.9)**	(10.8)	**2.8**	(2.6)	**(20.1)**	(13.4)
Taxation									**(0.9)**	0.6	**(0.1)**	-	**(1.0)**	0.6
(Loss)/profit for the period									**(23.8)**	(10.2)	**2.7**	(2.6)	**(21.1)**	(12.8)
Segment assets	**148.6**	180.5	**64.5**	118.9	**34.5**	45.2	**1.5**	7.5	**249.1**	352.1	**-**	9.0	**249.1**	361.1
Unallocated assets														
Cash and cash equivalents							**59.9**	55.4	**59.9**	55.4	**-**	-	**59.9**	55.4
Non-current tax assets							**-**	3.2	**-**	3.2	**-**	-	**-**	3.2
Current tax assets							**4.1**	3.3	**4.1**	3.3	**-**	-	**4.1**	3.3
Deferred tax assets							**0.7**	55.6	**0.7**	55.6	**-**	-	**0.7**	55.6
Total assets									**313.8**	469.6	**-**	9.0	**313.8**	478.6
Segment liabilities	**41.0**	48.7	**24.3**	29.9	**6.0**	11.1	**4.7**	5.0	**76.0**	94.7	**-**	3.9	**76.0**	98.6
Interest-bearing loans and borrowings	**0.4**	0.5	**-**	-	**-**	-	**120.6**	101.5	**121.0**	102.0	**-**	-	**121.0**	102.0
Unallocated liabilities														
Bank overdrafts							**48.5**	38.7	**48.5**	38.7	**-**	-	**48.5**	38.7
Current tax liabilities							**7.5**	6.5	**7.5**	6.5	**-**	-	**7.5**	6.5
Deferred tax liabilities							**-**	9.8	**-**	9.8	**-**	-	**-**	9.8
Total liabilities									**253.0**	251.7	**-**	3.9	**253.0**	255.6

[(1)]Inter-segment pricing is determined on an arm's length basis. These are eliminated in the corporate and unallocated column.

The £1.4 million (2024: £2.5 million) operating loss of discontinued operations comprises £1.4 million (2024: £2.0 million) in Creative Solutions Division and £nil million (2024: £0.5 million) in Media Solutions Division. See note 14 "Discontinued operations and non-current assets classified as held for sale". The Group's operations are located in several geographic locations, and sell products and services to external customers around the world.

3 Operating expenses

	Half year to 30 June 2025	Half year to 30 June 2024
	£m	£m
Analysis of operating expenses		
- Adjusting items in operating loss	**8.6**	17.7
- Adjusting items in cost of sales	**(1.8)**	(0.1)
- Adjusting items in operating expenses	**6.8**	17.6
- Other administrative expenses	**22.5**	24.0
Adjusting items and administrative expenses	**29.3**	41.6
Marketing, selling and distribution costs	**16.6**	19.7
Research, development and engineering costs	**8.7**	8.6
Total operating expenses from continuing operations	**54.6**	69.9
- Adjusting items in operating expenses	**-**	1.2
- Other administrative expenses	**0.3**	0.6
Adjusting items and administrative expenses	**0.3**	1.8
Marketing, selling and distribution costs	**0.2**	0.4
Research, development and engineering costs	**1.3**	1.4
Total operating expense from discontinued operations	**1.8**	3.6

4 Adjusting items

The Group presents alternative performance measures ("APMs") in addition to its statutory results.

APMs used by the Group and, where relevant, a reconciliation to statutory measures is set out in note 15 "Glossary of Alternative Performance Measures ("APMs")" to these Financial Statements. The Group's key performance measures, such as adjusted operating profit, exclude adjusting items.

	Half year to 30 June 2025	Half year to 30 June 2024
	£m	£m
Continuing operations		
Amortisation of intangible assets that are acquired in a business combination	**(1.4)**	(1.8)
Restructuring and other costs [(1)]	**(6.3)**	(0.5)
Impairment of assets [(2)]	**(0.9)**	(15.3)
Acquisition related charges	**-**	(0.1)
Adjusting items in operating loss from continuing operations	**(8.6)**	(17.7)

[(1)] Restructuring and other costs of £6.3 million (2024: £0.5 million) relate to £3.3 million (2024: £0.2 million) site rationalisation and other restructuring activities of which employee related charges are £3.2 million (2024: £0.2 million) and moving costs £0.1 million (2024: £nil million); refinancing costs £2.0 million (2024: £nil million); employee related charges £0.4 million (2024: £nil million); legal expenses £0.5 million (2024: £0.3 million) and £0.1 million (2024: £nil million) of other costs.

[(2)] Impairment charges of £0.9 million (2024: £15.3 million) relate to land and buildings: £0.8 million (2024: £0.2 million); inventory: £0.1 million (2024: £0.1 million); goodwill: £nil million (2024: £14.9 million); and fixtures and fittings: £nil million (2024: £0.1 million).

Discontinued operations	Half year to 30 June 2025 £m	Half year to 30 June 2024 £m
Impairment of intangible assets[1]	**-**	(1.2)
Adjusting items in operating loss from discontinued operations	**-**	(1.2)
Finance expense - unwind of discount on liabilities and other interest	**(0.4)**	(0.1)
Adjusting items in loss before tax from discontinued operations	**(0.4)**	(1,3)

[1] In June 2024, an impairment charge of £1.2 million related to previously capitalised development costs in the Amimon business.

See note 7 "Earnings per share" for the above, net of tax.

5 Net finance expense

	Half year to 30 June 2025 £m	Half year to 30 June 2024 £m
Finance income		
Net currency translation gains	**-**	0.6
Other interest income [1]	**0.1**	0.4
Interest income on net defined benefit pension scheme	**0.1**	0.1
	0.2	1.1
Finance expense		
Interest expense on interest-bearing loans and borrowings[2]	**(7.0)**	(5.1)
Fair value gain on interest rate swaps designated as cash flow hedges	**0.1**	0.8
Interest expense on lease liabilities	**(0.6)**	(0.7)
Other interest expense [3]	**-**	(0.2)
	(7.5)	(5.2)
Net finance expense from continuing operations	**(7.3)**	(4.1)
Finance expense from discontinued operations – unwind of discount on liabilities	**(0.4)**	(0.1)

[1] Other interest income of £0.1 million (2024: £0.4 million) relates to bank accounts, EU State Aid and other taxes.

[2] Interest expense on interest-bearing loans and borrowings of £7.0 million (2024: £5.1 million) relates to interest expense of £5.7 million (2024: £4.8 million) and loan fees of £1.3 million (2024: £0.3 million). See note 4 "Adjusting items".

[3] Other interest expense of £nil (2024: £0.2 million) relates to interest on tax provisions (See note 4 "Adjusting items").

6 Taxation

Income tax expense is recognised at an amount determined by multiplying the profit before tax for the interim reporting period by Management's best estimate of the weighted-average annual income tax rate for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period in accordance with IAS 34, Interim Financial Reporting. As such, the effective tax rate in the Financial Statements may differ from Management's estimate of the effective tax rate for the annual financial statements.

The total taxation charge/(credit) in the profit or loss is analysed as follows:	**Half year to 30 June 2025 £m**	Half year to 30 June 2024 £m
Current tax	**0.9**	1.0
Deferred tax	**0.1**	(1.6)
Total tax	**1.0**	(0.6)
Split as follows:		
Continuing operations	**0.9**	(0.6)
Discontinued operations	**0.1**	-
Total tax	**1.0**	(0.6)
Before Adjusting items	**(3.3)**	1.5
Adjusting items	**4.3**	(2.1)
Total tax	**1.0**	(0.6)

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 intra-group 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. 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"). On 19 September 2024, the CJEU annulled the 2022 General Court's original decision. This judgement is now final.

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.

On 8 April 2025, HMRC made a refund payment to the group of £3.2 million, which includes interest of £0.3 million.

Deferred Tax Assets

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 30 June 2025, the Group has recognised deferred tax assets of £0.7 million (30 June 2024: £55.6 million; 31 December 2024: £0.7 million).

7 Earnings per ordinary 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 period divided by the weighted average number of ordinary shares in issue during the period.

Diluted EPS is calculated on the profit/(loss) for the period divided by the weighted average number of ordinary shares in issue during the period but adjusted for the effects of dilutive share options.

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:

	Half year 30 June 2025 £m	Half year to 30 June 2024 £m
Loss for the financial period from continuing operations	**(23.8)**	**(10.2)**
Add back adjusting items:		
Amortisation of intangible assets that are acquired in a business combination, net of tax	**1.4**	1.4
Restructuring and other costs, net of tax	**6.3**	0.3
Impairment of assets, net of tax	**0.9**	13.8
Acquisition related charges, net of tax	**-**	0.1
Deferred tax not recognised	**4.3**	-
Add back adjusting items from continuing operations, net of tax:	**12.9**	15.6
Adjusted (loss)/profit after tax from continuing operations	**(10.9)**	5.4
Profit/(Loss) for the financial period from discontinued	**2.7**	(2.6)
Add back adjusting items, all net of tax:		
Impairment of intangible assets, net of tax	**-**	1.2
Profit on disposal of discontinued operation, net of tax	**(4.6)**	-
Finance expense – unwind of discount on liabilities, net of tax	**0.4**	0.1
Add back adjusting items from discontinued operations, all net of tax	**(4.2)**	1.3
Adjusted loss after tax from discontinued operations	**(1.5)**	(1.3)
Loss for the financial period	**(21.1)**	(12.8)
Adjusted (loss)/profit after tax	**(12.4)**	4.1

	Weighted average number of shares '000		Adjusted earnings per share		Earnings per share	
	Half year to 30 June		Half year to 30 June		Half year to 30 June	
	2025 Number	2024 Number	**2025 pence**	2024 pence	**2025 pence**	2024 pence
From continuing operations[1]						
Basic	**97,594**	94,191	**(11.2)**	5.7	**(24.4)**	(10.8)
Dilutive potential ordinary shares	**30**	261	**-**	(0.1)	**-**	-
Diluted	**97,624**	94,452	**(11.2)**	5.6	**(24.4)**	(10.8)
From discontinued operations[2]						
Basic	**97,594**	94,191	**(1.5)**	(1.4)	**2.8**	(2.8)
Dilutive potential ordinary shares	**30**	-	**-**	-	**(0.1)**	-
Diluted	**97,624**	94,191	**(1.5)**	(1.4)	**2.7**	(2.8)
From total operations [1]						
Basic	**97,594**	94,191	**(12.7)**	4.3	**(21.6)**	(13.6)
Dilutive potential ordinary shares	**30**	261	**-**	(0.1)	**-**	-
Diluted	**97,624**	94,452	**(12.7)**	4.2	**(21.6)**	(13.6)

[1] For half year to June 2025, 30,000 potential ordinary shares are antidilutive for adjusted and statutory earnings per share. For half year to June 2024, 261,000 potential ordinary shares are antidilutive for statutory earnings per share.

[2] For half year to June 2025, 30,000 potential ordinary shares are antidilutive for adjusted earnings per share. For half year to June 2024, 261,000 potential ordinary shares are antidilutive for adjusted and statutory earnings per share.

8 Intangible assets

Intangible assets comprise of goodwill, acquired intangibles, software and capitalised development costs.

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 acquisition and are identified by the way goodwill is monitored for impairment. The Group's total consolidated goodwill of £45.7 million at 30 June 2025 (2024: £80.1 million) is allocated to: Media Solutions: £35.5 million (2024: £37.9 million); Production Solutions: £nil million (2024: £31.2 million); and Creative Solutions: £10.2 million (2024: £11.0 million). Goodwill allocated to each CGU is assessed for impairment annually and whenever there is a specific indicator of impairment.

At half year, an impairment test review was performed due to the impact of the Group as discussed in the going concern section above, 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.

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 2030; 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 2030 – 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% (2024: 2.0%).

(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:

CGU	**Post tax discount rate**		**Equivalent Pre-tax discount rate**	
	2025	2024	**2025**	2024
Media Solutions	**13%**	12%	**15%**	15%
Production Solutions	**13%**	12%	**15%**	14%
Creative Solutions	**13%**	12%	**15%**	15%

Outcome of the impairment review

An impairment assessment was performed at 30 June 2025 resulting in no impairment in both Media Solutions and Creative Solutions CGUs. There are no reasonable changes to estimates that would lead to an impairment for these.

9 Employee benefit asset

The Group has employee benefit schemes in the UK, Italy, Germany, Japan and France. In the UK it is a defined benefit scheme which was closed to future accruals with effect from 31 July 2010. The UK defined benefit scheme is in an actuarial surplus position of £3.6 million at 30 June 2025 (2024: £4.2 million) measured on an IAS 19 "Employee Benefits" basis. 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.

A potential additional Scheme liability has been estimated at £1.0 million relating to the under payment of historic benefits. Whether the liability will crystalise and the final amount of any future liability is subject to more investigation and analysis. No liability has been recorded within the actuarial surplus at 30 June 2025 as it is not probable that a future economic outflow, which can be reliably measured, will be established through the work being undertaken. The Company expects the matter to be concluded ahead of reporting its FY25 full year results.

10 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	Half year to 30 June 2024 from continuing operations £m	Leases from discontinued operations £m	Half year to 30 June 2024 from total operations £m
Opening at 1 January 2024	(99.2)	(34.0)	(133.2)	4.7	(128.5)	(0.3)	(128.8)
Other cash flows	-	-	-	12.8	12.8	-	12.8
Repayments	96.4	2.7	99.1	(99.3)	(0.2)	0.2	-
Borrowings	(98.9)	-	(98.9)	98.9	-	-	-
Leases entered into during the year	-	(0.9)	(0.9)	-	(0.9)	-	(0.9)
Leases - early termination	-	0.1	0.1	-	0.1	-	0.1
Fees incurred	0.8	-	0.8	-	0.8	-	0.8
Amortisation of fees	(0.3)	-	(0.3)	-	(0.3)	-	(0.3)
Foreign exchange differences	(0.8)	0.1	(0.7)	(0.5)	(1.2)	-	(1.2)
Closing at 30 June 2024	(102.0)	(32.0)	(134.0)	16.7	(117.3)	(0.1)	(117.4)

	Interest bearing loans and borrowings [1] £m	Leases £m	Liabilities from financing sub-total £m	Cash and cash equivalents[2] £m	Year to 31 December 2024 from continuing operations £m	Leases from discontinued operations £m	Year to 31 December 2024 from total operations £m
Opening at 1 January 2024	(99.2)	(34.0)	(133.2)	4.7	(128.5)	-	(128.5)
Add back disposal group previously held for sale [3]	-	-	-	-	-	(0.3)	(0.3)
Other cash flows	-	-	-	(0.4)	(0.4)	-	(0.4)
Repayments	231.1	5.8	236.9	(237.2)	(0.3)	0.3	-
Borrowings	(244.7)	-	(244.7)	244.7	-	-	-
Leases entered into during the year	-	(3.8)	(3.8)	-	(3.8)	(0.6)	(4.4)
Leases - early termination	-	0.8	0.8	-	0.8	-	0.8
Fees incurred	1.2	-	1.2	-	1.2	-	1.2
Amortisation of fees	(0.6)	-	(0.6)	-	(0.6)	-	(0.6)
Foreign currency	(2.2)	0.2	(2.0)	1.1	(0.9)	0.1	(0.8)
Closing at 31 December 2024 and opening at 1 January 2025	(114.4)	(31.0)	(145.4)	12.9	(132.5)	(0.5)	(133.0)

	Interest bearing loans and borrowings(1) £m	Leases £m	Liabilities from financing sub-total £m	Cash and cash equivalents (2) £m	Half year to 30 June 2025 from continuing operations £m	Leases from discontinued operations £m	Half year to 30 June 2025 from total operations £m
Opening at 1 January 2025	**(114.4)**	**(31.0)**	**(145.4)**	**12.9**	**(132.5)**	**(0.5)**	**(133.0)**
Other cash flows	**-**	**-**	**-**	**(8.2)**	**(8.2)**	**-**	**(8.2)**
Business disposal - finance lease disposed	**-**	**-**	**-**	**-**	**-**	**0.4**	**0.4**
Repayments	**2.1**	**3.2**	**5.3**	**(5.4)**	**(0.1)**	**0.1**	**-**
Borrowings	**(11.9)**	**-**	**(11.9)**	**11.9**	**-**	**-**	**-**
Leases entered into during the year	**-**	**(1.4)**	**(1.4)**	**-**	**(1.4)**	**-**	**(1.4)**
Fees incurred	**3.3**	**-**	**3.3**	**-**	**3.3**	**-**	**3.3**
Amortisation of fees	**(1.1)**	**-**	**(1.1)**	**-**	**(1.1)**	**-**	**(1.1)**
Foreign exchange differences	**1.0**	**1.1**	**2.1**	**0.2**	**2.3**	**-**	**2.3**
Closing at 30 June 2025	**(121.0)**	**(28.1)**	**(149.1)**	**11.4**	**(137.7)**	**-**	**(137.7)**

(1) Interest bearing loans and borrowings include unamortised fees and transaction costs of £3.6 million (30 June 2024: £1.3 million; 31 December 2024: £1.3 million).

(2) Cash and cash equivalents include bank overdrafts of £48.5 million (30 June 2024: £38.7 million; 31 December 2024: £44.4 million).

(3) On 9 April 2025 the Group sold its Amimon business, which was previously included in the Creative Solutions Division. Therefore, the finance lease of £0.3 million as at 1 January 2024 is reclassified from continuing to discontinued operation. See note 14 "Discontinued operations and non-current assets classified as held for sale"

On 14 February 2020, the Group signed a new £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.

Subsequent to the end of 2024 the reset December 2024 covenant tests were met and both the February 2025 and March 2025 covenants tests waived. On 28 April 2025 the Group 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 applies 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 in 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 of £139 million, after which lender consent is required. The Amended Covenants were conditional on the Company raising at least £6 million in net proceeds from a fully underwritten share placing. These and previous amendments to the RCF also preclude the Board from declaring a dividend and restrict factoring to £15 million. The applicable covenant limit at each test date is set out below:

Test date	Liquidity [1]	EBITDA [2]	Net debt: EBITDA [1]	EBITA: net interest [1]
	Minimum	Minimum	not higher than	not lower
June 2025	£7.5 million	£5.0 million	n/a	n/a
September 2025	£5.0 million	£6.0 million	n/a	n/a
December 2025, onwards	£5.0 million	n/a	6.00x	1.00x

(1) Minimum Liquidity test introduced from 28 April 25, tested weekly, looking back 3 weeks prior, the current week and the following 7 weeks.

(2) Minimum EBITDA covenant introduced for June 25 and September 2025, as part of the RCF Amendment and Restatement signed on 28 April 2025.

Acquisitions, drawings above £139.0 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 83% of the RCF as at 30 June 2025 (69% as at 30 June 2024; 77% as at 31 December 2024).

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 Condensed 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 30 June 2025, the outstanding balance was €0.4 million (£0.4 million).

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 the balance sheet date. Under the new arrangement, the offset is allowed for net overdraft utilisation and interest calculation purposes. The Group's net cash position as at 30 June 2025 is £11.4 million (30 June 2024: £16.7 million; 31 December 2024 is £12.9 million).

The Group has a £5.0 million committed bank overdraft facility which is carved out of the £150.0 million RCF. As at 30 June 2025, £nil million (30 June 2024: £nil million; 31 December 2024: £0.1 million) overdraft was in use on a net basis, and £48.5 million (30 June 2024: £38.7 million; 31 December 2024: £44.4 million) bank overdrafts were in use on a gross basis.

11 Derivative financial instruments

The fair value of forward exchange contracts and interest rate swap contracts is determined by estimating the market value of that contract at the reporting date. Derivatives are presented as current or non-current based on their contracted maturity dates.

Forward exchange contracts

The following table shows the forward exchange contracts in place at the Balance Sheet date. These contracts mature in the next eighteen months, therefore the cash flows and resulting effect on the statement of profit or loss are expected to occur within the next eighteen months.

	Currency	**Nominal amounts as at 30 June 2025 millions**	**Weighted average exchange rate of contracts**	Nominal amounts as at 30 June 2024 millions	Weighted average exchange rate of contracts
Forward exchange contracts (buy/sell)					
GBP/USD forward exchange contracts	USD	**1.3**	1.22	11.0	1.20
EUR/USD forward exchange contracts	USD	**5.9**	1.08	19.7	1.06
GBP/EUR forward exchange contracts	EUR	**2.0**	1.11	19.6	1.13
GBP/JPY forward exchange contracts	JPY	**56.5**	165.8	402.6	170.4
EUR/JPY forward exchange contracts	JPY	**130.0**	148.9	820.0	151.3

During the period ended 30 June 2025 a net gain of £0.7 million (2024: £1.5 million net gain) relating to forward exchange contracts was reclassified to the Profit or Loss, to match the crystallisation of the hedged forecast cash flows which affects the Income Statement.

Interest rate swaps

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 30 June 2025 millions**	**Weighted average fixed rate[1]**	**Maturity**	Nominal amounts as at 30 June 2024 millions
Interest rate swap contracts					
USD Interest rate swaps float (SOFR) to fix	USD	-	5.18%	Sep-24	40.0
GBP Interest rate swaps float (SOFR) to fix	GBP	-	1.01%	Jan-25	37.0

(1) In addition to these fixed rates, the margin relating to the interest swapped of the underlying RCF or the term loans continues to apply.

As at 30 June 2025, £nil million (2024: £68.6 million) interest rate swaps remain in place. Swaps cover 0% of the variable loan principle outstanding (2024: 67%).

During the period ended 30 June 2025 a net gain of £0.1 million (2024: net gain of £0.8 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 statement of profit or loss.

Fair value hierarchy

The carrying values of the Group's financial instruments approximate their fair values.

The Group's financial instruments measured at fair value are Level 2.

12 Share capital

Share capital as at 30 June 2025 amounted to £20.8 million (30 June 2024 and 31 December 2024: £18.9 million). On 30 April 2025, the Company issued 9,412,663 new ordinary shares of 20.0 pence each for an offer price of 85.0 pence, generating gross proceeds of £8.0 million. Expenses of £0.5 million were incurred and have been offset in the share premium account resulting in net proceeds of £7.5 million.

13 Subsequent events

There were no events after the Balance Sheet date that require disclosure.

14 Discontinued operations and non-current assets classified as held for sale

Discontinued operations

On 31 December 2023 the Syrp business, which was part of the Media Solutions Division, was abandoned. In half year to 30 June 2024, the business was being wound down and it was classified as a discontinued operation.

As at June 2024, in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the assets and liabilities of the Amimon business, which was part of the Creative Solutions Division, were classified as a disposal group held for sale, and the business as a discontinued operation.

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 met the definition of a disposal group held for sale as at 31 December 2024, and as a result, was reclassified from held for sale and discontinued operation, to held for continuing operations in 2024. Amimon's results were disclosed as an adjusting item.

Subsequently, on 9 April 2025 the Group sold its investment in the Amimon business for a gross cash consideration of $3.3 million (£2.6 million). See note 15 "Disposal of business" for details.

The table below shows the results of the discontinued operations which are included in the Condensed Consolidated Statement of Profit or Loss, Condensed Consolidated Statement of Cash Flows and Condensed Consolidated Balance Sheet respectively.

a) **Statement of Profit or loss - discontinued operations**

	Notes	**Half year to 30 June 2025** £m	Half year to 30 June 2024 £m
Revenue		**0.5**	1.6
Cost of sales and operating expenses		**(1.9)**	(4.1)
Operating loss		**(1.4)**	(2.5)
Comprising			
- Adjusted operating loss		**(1.4)**	(1.3)
- Adjusting items in operating loss	4	**-**	(1.2)
Finance expense		**(0.4)**	(0.1)
Loss before tax		**(1.8)**	(2.6)
Comprising			
- Adjusted loss before tax		**(1.4)**	(1.3)
- Adjusting items in loss before tax	4	**(0.4)**	(1.3)
Profit on disposal of discontinued operation		**4.6**	-
Taxation		**(0.1)**	-
Loss after tax from discontinued operations		**(1.9)**	(2.6)
Profit/(loss) after tax from discontinued operations attributable to owners of parent		**2.7**	(2.6)

b) Statement of Cash Flows - discontinued operations

	Half year to 30 June 2025	Half year to 30 June 2024
	£m	£m
Net cash used in operating activities	**(4.2)**	(0.9)
Net cash used in investing activities	**(0.5)**	(1.2)
Net cash outflow from financing activities	**(0.1)**	(0.2)
Net cash used in discontinued operations	**(4.8)**	(2.3)

c) Effect of the disposal group on the Group condensed consolidated balance sheet

	Half year to 30 June 2025	Half year to 30 June 2024
	£m	£m
Assets of the disposal group classified as held for sale		
Intangible assets	**-**	5.5
Property, plant and equipment	**-**	1.1
Deferred tax assets	**-**	-
Inventories	**-**	1.2
Contact assets	**-**	0.2
Trade and other receivables	**-**	0.5
Other non-current receivables	**-**	0.5
	-	9.0
Liabilities of the disposal group classified as held for sale		
Lease liabilities	**-**	(0.1)
Contract liabilities	**-**	(0.3)
Trade payables	**-**	(0.4)
Other payables	**-**	(1.7)
Current provisions	**-**	(0.5)
Non-current provisions	**-**	(0.9)
	-	(3.9)

15 Disposal of business

On 9 April 2025 the Group sold its investment in the Amimon business, which was previously included in the Creative Solutions Division, for a gross cash consideration of \$3.3 million (£2.6 million), of which \$1.0 million (£0.8 million) was for the sale of shares, and \$2.3 million ((£1.8 million) for entering into an agreement with Teradek LLC, also part of the Creative Solutions Division, to grant Amimon a licence to use certain intellectual property. In assessing the substance of the two arrangements over the legal form, it was determined to treat the total consideration of \$3.3 million as the proceeds of disposal. The disposal enables Management to place greater focus on opportunities in Creative Solutions Divisions's core Cine activities.

A profit of £4.6 million arose on disposal after taking into account net assets disposed of £0.1 million (inclusive of £0.5 million of cash), £0.3 million transaction costs, and the previously recorded foreign exchange gain of £2.4 million that has been recycled to the Condensed Consolidated Statement of Profit or Loss, within the profit on disposal of business. Tax is £nil million on this profit on disposal.

A summary of the profit on disposal is set out below.

	Half year to 30 June 2025 £m
Summary of profit on sale of disposed operation	
Consideration received, satisfied in cash	2.6
Cash disposed	(0.5)
Net cash inflow	2.1
Add net liabilities disposed [1]	0.4
Foreign exchange gain recycled within the profit on disposal of business	2.4
Profit on disposal of business before transaction costs, after tax	4.9
Transaction costs	(0.3)
Profit on disposal of business, after tax	4.6
[1] **Net liabilities disposed**	
Inventories	1.6
Trade and other receivables	1.0
Trade and other payables	(2.6)
Finance lease	(0.4)
Net liabilities disposed	(0.4)

16 Glossary on 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.

APM	Closest equivalent IFRS measure	Definition & 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 4 "Adjusting items".
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 3 "Operating expenses".

Adjusted gross profit reconciliation:

	Half year to 30 June 2025 £m	Half year to 30 June 2024 £m
Gross profit	**39.0**	62.3
Adjusting items in cost of sales	**1.8**	0.1
Adjusted gross profit	**40.8**	62.4

Adjusted operating expenses reconciliation:

	Half year to 30 June 2025 £m	Half year to 30 June 2024 £m
Operating expenses	**54.6**	69.9
Adjusting items in operating expenses	**(6.8)**	(17.6)
Adjusted operating expenses	**47.8**	52.3

<table>
<tr>
<td>Adjusted operating profit</td>
<td>(Loss)/profit before tax</td>
<td>Calculated as loss 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, retention and deferred payments, and 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.

The table below shows a reconciliation:
See note 4 "Adjusting items".
<table>
<tr><th></th><th>Half year to 30 June 2025
£m</th><th>Half year to 30 June 2024
£m</th></tr>
<tr><td>Loss before tax</td><td>(22.9)</td><td>(10.8)</td></tr>
<tr><td>Net finance expense</td><td>7.3</td><td>4.1</td></tr>
<tr><td>Adjusting items in operating profit</td><td>8.6</td><td>17.7</td></tr>
<tr><td>Adjusted operating (loss)/profit</td><td>(7.0)</td><td>11.0</td></tr>
</table>
</td>
</tr>
<tr>
<td>Adjusted operating profit margin</td>
<td>None</td>
<td>Calculated as adjusted operating (loss)/profit divided by revenue. Progression in adjusted operating margin is an indicator of the Group's operating efficiency.</td>
</tr>
<tr>
<td>Adjusted profit before tax</td>
<td>(Loss)/profit before tax</td>
<td>Calculated as (loss)/profit before tax, before adjusting items. This is a key management incentive metric.
See Condensed Consolidated Statement of Profit or Loss for a reconciliation.</td>
</tr>
<tr>
<td>Adjusted profit after tax</td>
<td>(Loss)/profit after tax</td>
<td>Calculated as (loss)/profit after tax before adjusting items.
See Condensed Consolidated Statement of Profit or Loss and note 7 "Earnings per share" for a reconciliation for a reconciliation.</td>
</tr>
<tr>
<td>Adjusted basic earnings per share</td>
<td>Basic earnings per share</td>
<td>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.
See note 7 "Earnings per share" for a reconciliation.</td>
</tr>
</table>

Cash Flow measures from continuing operations		
Free cash flow	Net cash from operating activities	Net cash from operating activities after proceeds from the sale of property, plant and equipment and software, purchase of property, plant and equipment, and purchase of software and payment of 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.
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.

	Half year to 30 June 2025 £m	Half year to 30 June 2024 £m
Loss for the period from continuing operations	**(23.8)**	(10.2)
Add back:		
Taxation and net finance expense	**8.2**	3.5
Adjusting items	**8.6**	17.7
Adjusted operating profit	**(7.0)**	11.0
Depreciation (1)	**6.0**	6.3
Amortisation of purchased software and paid development costs	**3.4**	3.5
Decrease/(increase) in adjusted trade working capital (2)	**4.7**	4.4
Increase in adjusted non-trade working capital (2)	**(2.5)**	(0.7)
Decrease in adjusted provisions (2)	**(0.7)**	(0.4)
Other:		
- Fair value gains on derivative financial instruments	**(0.1)**	(0.1)
- Foreign exchange losses	**(0.4)**	0.5
- Share-based payment charges	**1.3**	1.1
- Proceeds from sale of property, plant and equipment and software	**0.1**	2.5
- Add back proceeds from property held for sale previously	**-**	(2.5)
- Purchase of property, plant and equipment	**(2.8)**	(3.0)
- Purchase of software and payment of development costs	**(2.6)**	(4.4)
Adjusted operating cash flow	**(0.6)**	18.2

		Debt amendment fees and refinancing costs paid	**(5.2)**	(0.6)
		Interest paid	**(6.7)**	(4.3)
		Interest received	**0.5**	-
		Tax received	**4.5**	1.3
		Proceeds from property held for sale previously	**-**	2.5
		Payments relating to:		
		Transaction costs relating to acquisitions	**-**	(0.1)
		Restructuring and other costs, excluding refinancing costs	**(5.7)**	(0.7)
		Retention bonuses	**(0.1)**	(1.2)
		Free cash flow	**(13.3)**	15.1
		Deduct interest received from financing activities	**(0.5)**	-
		Proceeds from sale of property, plant and equipment and software	**(0.1)**	(2.5)
		Purchase of property, plant and equipment	**2.8**	3.0
		Purchase of software and payment of development costs	**2.6**	4.4
		Net cash from/(used in) operating activities	**(8.5)**	20.0
		(1) Depreciation on property, plant and equipment is £6.0 million (2024: £6.3 million), of which £2.8 million (2024: £2.7 million) relates to right-of-use property, plant and equipment. (2) See "Adjusted trade working capital movement", "Adjusted non-trade working capital movement" and "Adjusted provision movement" below for a reconciliation.		
Decrease/(increase) in adjusted trade working capital	None	The decrease/(increase) in adjusted trade working capital includes movements in inventories, trade receivables and trade payables, excluding movements relating to adjusting items.		
			Half year to 30 June 2025 £m	Half year to 30 June 2024 £m
		Decrease/(increase) in inventories	**9.3**	(0.7)
		(Increase)/decrease in trade receivables	**(1.4)**	(5.2)
		(Decrease)/increase in trade payables	**(2.8)**	10.4
		Decrease in trade working capital	**5.1**	4.5
		Deduct inflows from adjusting charges:		
		Discontinued operations	**0.7**	-
		Adjustments for restructuring and other costs	**(1.1)**	(0.1)
		Decrease/(increase) in adjusted trade working capital	**4.7**	4.4

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.		
			Half year to 30 June 2025 **£m**	Half year to 30 June 2024 £m
		Decrease/(increase) in other receivables and contract assets	**0.4**	(2.2)
		Decrease in other payables and contract liabilities	**(2.6)**	(0.1)
		Increase in non-trade working capital	**(2.2)**	(2.3)
		Deduct inflows from adjusting charges:		
		Adjustments for restructuring and other costs, and retention charges	**(0.3)**	1.6
		Increase in adjusted non-trade working capital	**(2.5)**	(0.7)
Decrease in adjusted provisions	Decrease in provisions	The decrease in adjusted provisions excludes movements relating to adjusting items.		
			Half year to 30 June 2025 **£m**	Half year to 30 June 2024 £m
		Increase/(decrease) in provisions	**(5.1)**	(0.3)
		Adjustments for restructuring costs	**2.7**	(0.1)
		Discontinued operations	**1.7**	-
		Adjusted provision movement	**(0.7)**	(0.4)

<table>
<tr><th colspan="3">Other measures from continuing operations</th></tr>
<tr><td>Return on capital employed (ROCE)</td><td>None</td><td>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 position of the 12 month applicable period.

<table>
<tr><th></th><th>12 months ended 30 June 2025 £m</th></tr>
<tr><td>Adjusted operating loss for the last 12 months</td><td>(36.2)</td></tr>
<tr><td>Capital employed at the beginning of the 12 month period</td><td>277.1</td></tr>
<tr><td>Capital employed at the end of the 12 month period</td><td>180.9</td></tr>
<tr><td>Average capital employed</td><td>229.0</td></tr>
<tr><td>Adjusted ROCE %</td><td>(15.8)%</td></tr>
</table></td></tr>
<tr><td>Dropthrough</td><td>None</td><td>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>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>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>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>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>
</table>

<table>
<tr><td>Organic revenue at constant currency</td><td>None</td><td>Calculated as organic revenue at constant currency.The table below shows a reconciliation:See Condensed Consolidated Statement of Profit or Loss for a reconciliation.See "Organic revenue", "Organic growth" and "Constant currency" above for definitions.
<table>
<tr><th></th><th>Half year to 30 June 2025 £m</th></tr>
<tr><td>Half year to 30 June 2024 organic revenue</td><td>153.3</td></tr>
<tr><td>Half year to 30 June 2025 organic revenue</td><td>115.4</td></tr>
<tr><td>Exclude effects of foreign currency exchange rates:</td><td></td></tr>
<tr><td>Translational effects</td><td>2.5</td></tr>
<tr><td>Transactional effects</td><td>0.9</td></tr>
<tr><td>Organic revenue at constant currency</td><td>118.8</td></tr>
<tr><td>Organic growth at constant currency %</td><td>(23)%</td></tr>
</table>
</td></tr>
<tr><td>Organic adjusted operating profit at constant currency</td><td>None</td><td>Calculated as organic adjusted profit at constant currency.

The table below shows a reconciliation:

See Condensed Consolidated Statement of Profit or Loss for a reconciliation.
See "Adjusted operating profit" above for definitions.
See "Constant currency", "Organic adjusted operating profit" and "Organic growth" above for definitions.
<table>
<tr><th></th><th>Half year to 30 June 2025 £m</th></tr>
<tr><td>Half year to 30 June 2024 organic adjusted operating profit</td><td>11.0</td></tr>
<tr><td>2025 organic adjusted operating loss [(1)]</td><td>(7.0)</td></tr>
<tr><td>Exclude effects of foreign currency exchange rates:</td><td></td></tr>
<tr><td>Transactional effects</td><td>0.4</td></tr>
<tr><td>Organic adjusted operating loss at constant currency</td><td>(6.6)</td></tr>
<tr><td>Organic growth at constant currency %</td><td>(160%)</td></tr>
</table>
[(1)] See "Adjusted operating profit" above for a reconciliation.</td></tr>
<tr><td>Cash conversion</td><td>None</td><td>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.</td></tr>
</table>