

11th June 2024

Oxford Metrics plc

("Oxford Metrics", the "Company" or the "Group")

Interim Results for the six months ended 31 March 2024

On track first half revenues, driven by strong execution

Vicon secures seven markerless cornerstone customers to redefine future of motion capture

Industrial Vision Systems, performing well, opening up smart manufacturing opportunities

>90% full year revenue visibility, a growing pipeline and resources for targeted M&A

Oxford Metrics plc (LSE: OMG), the smart sensing and software company, servicing life sciences, entertainment and engineering markets, announces unaudited interim results for the six months ended 31 March 2024.

Commenting on the results Imogen Moorhouse, Chief Executive, said: *"Now over halfway into delivering our five-year plan, our teams are in full execution mode. I'm pleased to announce that we are making clear progress both operationally and financially towards our goals, as we report on track first half revenues, demonstrating strong Vicon execution.*

Our recent acquisition of Industrial Vision Systems has been a successful move, it's performing well and we are excited about the opportunity to drive yet more applications into the smart manufacturing space. We have the financial resources to do so and are working on a number of interesting M&A opportunities to build out our presence in this growing vertical.

As Vicon works towards commercialising markerless, which enables 3D motion capture without the need to wear motion capture suits or markers, we are working with seven cornerstone customers to make the product the gold standard.

Looking ahead, Oxford Metrics enters the second half with >90% visibility of full year revenues and with a growing pipeline, the Board believes the Group is well placed to deliver results in line with current market expectations."

Continuing Operations	H1 FY24	H1 FY23	%
Revenue	£23.5m	£21.3m	+10.5%
Adjusted Profit before Tax*	£4.0m	£4.5m	-9.4%
Adjusted* Basic Earnings per Share	2.63p	2.94p	-10.5%
Statutory Profit/(Loss) before Tax	£2.8m	£3.4m	-17.0%
Statutory Basic Earnings per Share	2.13p	2.59p	-17.8%
Dividend paid	£3.6m	£3.2m	+9.0%

Net Cash	£54.8m	£63.6m	-13.9%
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	H1 FY24	FY23	H1 FY23
Order Book**	£3.0m	£11.3m	£21.9m

* Profit/(loss) Before Tax from continuing operations before Group recharges adjusted for share-based payments, amortisation of intangibles arising on acquisition and exceptional costs

** FY23 comparative restated at \$1.25/£ exchange rate

Financial Highlights

- Headline Group revenue of £23.5m, up 10.5% (H1 FY23: £21.3m).
- Group adjusted profit before tax of £4.0m (H1 FY23: £4.5m), reflecting planned investment in the five-year plan to develop and commercialise markerless.
- Order book of £3.0m (FY23: £11.3m / H1 FY23**: £21.9m), reflecting normalisation of customer buying behaviour post supply chain challenges.
 - Strong sales pipeline with >90% visibility on full year revenue.
- Adjusted earnings per share 2.63p (H1 FY23: 2.94p).
- Strong balance sheet with net cash position of £54.8m as at 31 March 2024 (H1 FY23: £63.6m), providing considerable resources to continue pursuing targeted M&A.
- Cash generated by operations of £2.2m (H1 FY23: £0.4m) with cash deployed for working capital purposes to augment inventory and underpin second half performance.

Operational Highlights

First half revenue driven by strong execution

- Vicon's revenue grew 2.2%, at a headline level, to £21.8m (H1 FY23: £21.3m), (on a constant currency basis underlying growth was 3.3%), driven by Vicon's strong execution.
- Order book returns to more normal levels:
 - Vicon customer buying behaviour normalising - a trend we expect to continue.
 - Total Order in-take in H1 of £15.0m (H1 FY23: £19.8m).
 - Total Orders-in-hand as at 31 March 2024 of £3.0m (FY23: £11.3m / H1 FY23: £21.9m).
- **Engineering** revenues of £4.8m, up 56.6%.
 - Contracts secured for automotive, aerospace and metrology sectors.
 - Satellite Applications Catapult is using Vicon to track robots and simulate orbital environments.
- **Life Sciences** revenues of £8.0m, up 38.3%.
 - Valkyrie accreditation with UK Conformity Assessment (UKCA) medical device mark, enabling systems to be delivered to hospitals around the world including:
 - *New customers:* Hong Kong Children's Hospital, Yamagata University Hospital (Japan), Vinmec International Hospital (Vietnam);
 - *Long-standing customers:* Guy's & St Thomas' (UK), Shriners Children's Hospital (USA); and
 - The Nuffield Orthopaedic Centre in Oxford, one of Vicon's first-ever customers.
 - New Valkyrie customer, University of Sydney
 - Using system for research into head injuries with Rugby League and Rugby Union.
 - Aim to reduce players concussions in the sport.
- **Entertainment** revenues of £8.5m, down 22.8%, following a very strong FY23 APAC performance that is now seeing delayed effects from the global games industry contraction.
 - Valkyrie delivered, through partner Lux Machina, to London College of Fashion and MyWorld, a new global centre of creative technology.
 - Paper Games, in China, added an additional large Valkyrie system to add realism to their female-focused games and their VTuber, Nikki.
- **Location-based Entertainment (LBE)** revenues of £0.4m, down 73.7%, due to delayed partner rollouts that we expect to deliver in H2 FY24.
 - Sandbox VR, now operating in over 46 locations in multiple countries.
 - New partnership with Apparel Group:
 - Plan to open 25 new locations by 2028;
 - Across the UAE, Kingdom of Saudi Arabia, Qatar, Kuwait, Bahrain and Oman.
 - Immersive Gamebox trialling experiences across Merlin Entertainment sites following multi-million pound and multi-territory agreement.
- **Markerless becoming a reality and presents a significant opportunity**

- Vicon has now partnered with seven cornerstone customers.
- Together we are further developing and testing the technology for commercialisation.
- Cutting-edge advancements will redefine motion capture and content production.
- With our focus firmly on markerless - where we see the largest growth opportunity - we have taken a strategic decision to discontinue lMeasureU (IMU) New Zealand operations.
 - Actively engaged in planned discussions to sell the IP.

Smart manufacturing

- Acquisition of Industrial Vision Systems ("IVS") completed and is performing well.
- Delivered revenues of £1.8m in the first half and an orderbook of £1.0m.
- Brings new niche market strength in smart manufacturing.
- High precision, automated quality control used across numerous industries.
- Multiple new contracts secured as demand continues for automated inspection and quality control.
- IVS goes into the second half with a healthy sales pipeline and clear growth opportunities as part of Oxford Metrics.

Outlook

- >90% visibility of full year revenues and a growing sales pipeline ahead of this time last year.
- Deploying resources to actively pursue M&A to build out smart manufacturing and IVS.
- Encouraged by feedback of markerless advancements as our teams and partners work hard to commercialise the offering, optimising the future of motion capture.
- Going forward we do not expect to maintain a significant order book with the return to customer trading patterns consistent with those seen pre-pandemic.
- New CFO designate, Zoe Fox to be appointed Group CFO effective 1 July 2024.
- The Board believes Oxford Metrics is well placed to deliver full year results in line with current market expectations.

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About Oxford Metrics

Oxford Metrics is a smart sensing and software company that enables the interface between the real world and its virtual twin. Our smart sensing technology helps over 10,000 customers in more than 70 countries, including all of the world's top 10 games companies and all of the top 20 universities worldwide. Founded in 1984, we started our journey in healthcare, expanded into entertainment, winning an OSCAR® and an Emmy®, moved into defence, engineering and smart manufacturing. We have a strong track record of creating value by incubating, growing and then augmenting through acquisition, unique technology businesses.

The Group trades through its market-leading division Vicon and, recently acquired, Industrial Vision Systems, adding niche market strength in smart manufacturing. Vicon is a world leader in motion measurement analysis to thousands of customers worldwide, including Red Bull, Imperial College London, Dreamscape Immersive, Industrial Light & Magic, and NASA. Industrial Vision Systems is a specialist in machine vision software and technology for high precision, automated quality control systems trusted by blue-chip, smart manufacturing companies across the globe including BD, DePuy, Jaguar Land Rover, Johnson & Johnson, Zytronic and Alkegen.

The Group is headquartered in Oxford with offices in California, Colorado, Auckland, and Kempten. Since

2001, Oxford Metrics (LSE: OMG), has been a quoted company listed on AIM, a market operated by the London Stock Exchange. For more information about Oxford Metrics, visit www.oxfordmetrics.com

Chief Executive's Statement

Now in year three and just over halfway into delivering our five-year plan, the team is in full execution mode, and we are making clear progress towards our goals. Today, we report an on track first half revenue performance, driven by strong Vicon execution.

During the half, we welcomed Industrial Vision Systems into the Group. An earnings enhancing acquisition taking us into a new market - smart manufacturing. We are excited about the opportunities this move brings to extend into yet more applications.

Our team at Vicon has been making good progress commercialising markerless. Markerless will be a key part of the future of our industry, enabling 3D motion capture without the need to wear motion capture suits or markers, using the latest machine learning and AI techniques to process video imagery to create 3D visualisations. As part of our Pioneer Programme to further develop and test the markerless technology, Vicon has now partnered with seven cornerstone customers to get the delivery and commercialisation right and set the gold standard.

In March, after 15 years as our CFO, David Deacon announced his desire to move away from a full-time executive role with these Interims being his last. I would like to take the opportunity to thank David for his years of service. David will remain with the business for a period of time to ensure a smooth handover to our CFO designate, Zoe Fox, who will be appointed as the Group's CFO from 1 July 2024.

As expected, the Vicon business has returned to pre-pandemic trading patterns. Our order book has returned to more normal levels as customer demand and buying behaviours have normalised post the pandemic disruption and the well-documented global supply chain challenges throughout that time. This continues the trend we saw in the second half of FY23 which saw us close the year with orders-in-hand of £11.3m.

As our teams focus their attention and innovation efforts on commercialising markerless - where we see clear growth opportunities - we have taken a strategic decision to discontinue IMeasureU (IMU), our New Zealand operation and are actively engaged in discussions to sell the IP.

On target first half trading

KPI	Revenue		PBT		Adjusted PBT*	
	H1 FY24	H1 FY23	H1 FY24	H1 FY23	H1 FY24	H1 FY23
Vicon	£21.7m	£21.3m	£1.9m	£3.4m	£4.3m	£5.4m
IVS	£1.8m	-	£0.3m	-	£0.5m	-
Group	-	-	£1.2m	£0.6m	(£0.8m)	(£0.9m)
Continuing	£23.5m	£21.3m	£3.4m	£4.0m	£4.0m	£4.5m
Discontinued	£0.0m	£0.0m	(£1.4m)	(£0.1m)	(£0.5m)	(£0.4m)
Group	£23.5m	£21.3m	£2.0m	£3.9m	£3.5m	£4.1m

The Group reports revenues of £23.5m (H1 FY23: £21.3m), up 10.5% at a headline level. The Group also reports an Adjusted PBT* of £4.0m (H1 FY23: £4.5m), which largely reflects the net effect of increased revenues less planned investment in the five-year plan to develop markerless technology, additional Vicon Sales & Marketing investment, increased property related costs and some inflationary related increases.

Vicon successfully stepped-up volume again, delivering most of the opening order book whilst at the same time booking new orders in the first half of £14.0m. The current Vicon orderbook stands at £2.0m and we expect this to be delivered in the second half.

Our acquisition of IVS was completed and is performing well, reporting revenues of £1.8m and an Adjusted profit of £0.5m in the first half; further, the business has an orderbook of £1.0m and a healthy

sales pipeline.

Vertical market segments performance was as follows:

Engineering

Engineering reported revenues of £4.9m (H1 FY23: £3.1m) representing growth of 56.6%.

Common applications for Vicon solutions in the Engineering market include Unmanned Aerial Vehicle (UAV) and robot tracking, robotics development and evaluating product designs in manufacturing, ergonomics and research. Contracts were secured from automotive, aerospace and metrology sectors. Of note is the work being carried out at Satellite Applications Catapult. Catapult added cameras to their existing Vicon system which they use to help them track robots and simulate orbital environments to prepare for servicing, refuelling and assembly operations in space.

Life Sciences

Life Sciences reported revenues of £8.1m (H1 FY23: £5.8m) representing growth of 38.3%. Valkyrie successfully achieved the UK Conformity Assessment (UKCA) medical device mark accreditation, a new and more stringent classification on patient safety and device performance, part of the UK Medical Device Regulations (MDR). This accreditation enabled Valkyrie systems to be delivered to hospitals around the world including:

- *New customers*, Hong Kong Children's Hospital, Yamagata University Hospital (Japan), Vinmec International Hospital (Vietnam);
- *Long-standing customers* Guy's & St Thomas's Hospital (UK), Shriners Children's Hospital (USA); and
- The Nuffield Orthopaedic Centre, (UK) one of Vicon's first-ever customers.

Our new customer, University of Sydney, invested in a Valkyrie solution for research into head injuries with Rugby League and Rugby Union players with the aim of studying safer tackling techniques that could reduce the risk of concussions in sport.

Entertainment

Entertainment reported revenues of £8.5m (H1 FY23 £11.0m) representing a decline of 22.8%. This follows a very strong FY23 performance in APAC that is now seeing delayed effects from the global games industry contraction.

Through our customer and partner, Lux Machina, Valkyrie solutions were delivered to London College of Fashion and MyWorld, a new global centre of creative technology. Most recently, Paper Games in China added an additional large Valkyrie system to their existing Valkyrie solution to add realism to their female-focused games and their VTuber, Nikki, who live streams weekly.

Location-based Entertainment (LBE)

LBE reported revenues of £0.4m (H1 FY23: £1.4m) representing a decline of 73.7% due to delayed partner rollouts that we expect to deliver throughout the rest of FY24.

Our partner, Sandbox VR, is now operating in 46 locations in multiple countries and continues to expand. Sandbox VR recently announced it is partnering with Apparel Group and plans on opening 25 new locations across the UAE, Kingdom of Saudi Arabia, Qatar, Kuwait, Bahrain, and Oman by 2028. Elsewhere, our partner Immersive Gamebox is trialling experiences across Merlin Entertainment sites, following its multi-million pound and multi-territory agreement.

Smart manufacturing

Encouragingly, multiple new contracts have been secured in the first half as demand continues for automated inspection and quality control. The medical sector saw the largest growth in the first half, including:

- A leading London hospital invested in a semi-automatic inspection system to verify if particulates are present in fluid filled glass containers that would otherwise contaminate the chemical-based product.
- A new medical client invested in six inspection systems, three units for integration within existing production lines and three high-speed standalone pellet inspection machines.
- Multiple contracts were secured worldwide for inspection systems for high-speed contact lens production lines including an automated inspection system for a new Spanish-based contact lens manufacturer. A new automotive client invested in an automated battery verification end of line solution and a US owned, UK-based aerospace manufacturer invested in our market leading industry 5.0 smart workbench solution for its assembly line.

Overall, Vicon reported a gross margin at 68.7% (H1 FY23: 69.1%) in the first half as anticipated and is attributed to the mix of revenues arising from both the specific geographic spread of revenues and the various margin contributions of each product line. As the residual supply chain costs begin to normalise, together with other initiatives, we expect gross margin to show improvement in the second half.

Given the above revenue and gross margin performance coupled with a rise in the underlying cost base, before Group costs, Vicon reported an Adjusted PBT* of £4.3m (H1 FY23: £5.3m) and an unadjusted profit before tax of £1.9m (H1 FY23: £3.4m) and IVS reported an Adjusted Profit of £0.5m.

Returning to the Balance Sheet, the cash position, having paid a final dividend of £3.6m and deployed £6.2m on the acquisition of IVS in the first half, finished at £54.8m as at 31 March 2024 (H1 FY23: £63.6m). Cash generated by operations during the first half was £2.2m compared with £0.4m in the first half of last year.

Vicon inventory at £9.0m (H1 FY23: £6.4m) is higher than typical due to a planned increase which is largely for operational reasons and is expected to be reduced to around £7.0m by the end of the financial year.

Sense. Analyse. Apply - Five-year plan progress

During the half, we continued to make good progress against our five-year plan, which aims to increase FY21 revenues 2.5x and deliver an adjusted profit before tax margin of 15% by the end of FY26. The plan is all about extending our sensing capabilities, enhancing analysis modes and embedding our IP in other areas. This is being achieved through a measured approach with both organic and inorganic investment.

At our recent Capital Markets Day in April 2024 the progress made through our investment efforts were on display. Now past the halfway point of the five-year plan, we have made clear progress, including:

- Showcasing our markerless technology in action used in Dreamscape's 'The Clockwork Forest' VR experience and seeing how IVS is a great new addition - with positive feedback from those who were able to experience the demos first-hand. To see more on this watch our videos of the day [here](#).
- In November 2023 we acquired IVS, an earnings enhancing acquisition taking us into smart manufacturing, opening up new opportunities for growth and adding even more great names to our strong client roster.
- In August 2023, we unveiled the new markerless technology to extend our sensing capabilities.
- In July 2022, Vicon launched the premium Valkyrie camera to drive organic motion capture growth.
- Successful sale of Yotta to Causeway Technologies for £52m in May 2022 - at a premium valuation that provided a strong cash balance to pursue our growth ambition.

Having started the five-year plan in 2021 with continuing revenues of £27.5m, all from our motion capture business Vicon, we are aiming for £70m revenues by the end of FY26.

Five-year plan investment

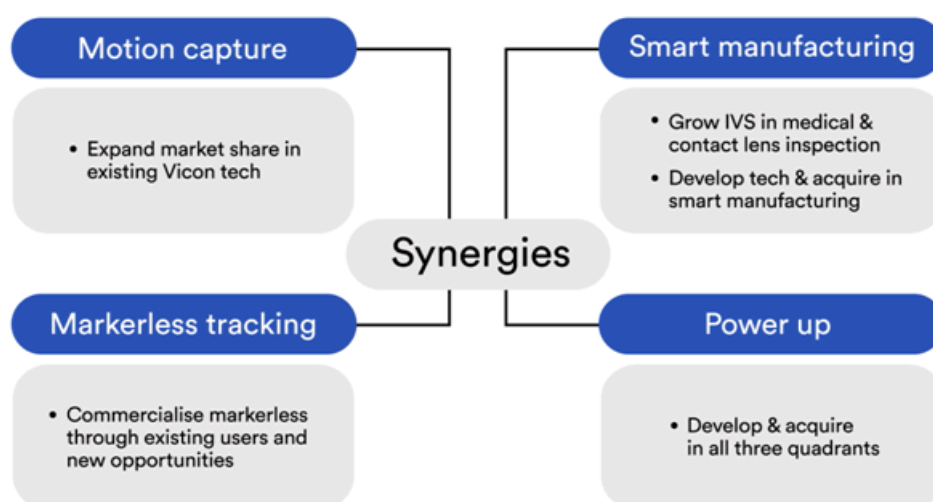
Markerless - now a reality

Since unveiling our markerless technology at Siggraph 2023, Vicon has partnered with seven cornerstone customers as part of their Pioneer Program to further develop and test the markerless technology. These cornerstone partners include some of the leading brands in game and film industries and have been carefully selected for their groundbreaking innovations in animation and virtual production. Feedback so far has been encouraging as our teams and partners work hard to commercialise the offering, optimising the future of motion capture and setting the gold standard.

M&A

We continue to actively pursue M&A that aligns with our strict criteria. We are primarily targeting between £3-9m in revenues in smart manufacturing, as we aim to build out from the IVS acquisition. We are actively working on a number of opportunities within the smart manufacturing space that deliver this goal and have discovered a broad and diverse range of opportunities.

Quadrants of growth



Outlook

We enter the second half with a growing sales pipeline well ahead of this time last year and >90% visibility of full year revenues.

We continue to deploy internal and external resources into M&A to deliver on the inorganic component of the five-year strategic plan. Whilst we recognise the Group has considerable cash resources, the Board remain resolute that every acquisition we make will be the right one, for the right reasons and at the right price.

Given the first half performance and visibility of the second half, the Board believe Oxford Metrics are well placed to deliver a performance for the full year in line with current market expectations.

** Profit/(loss) Before Tax from continuing operations before Group recharges adjusted for share-based payments, amortisation of intangibles arising on acquisition and exceptional costs.*

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000
Revenue	Note 2	23,523	21,285	44,240

Cost of sales	(7,806)	(7,132)	(15,497)
Gross profit	15,717	14,153	28,743
Sales, support and marketing costs	(4,531)	(3,609)	(8,169)
Research and development	(2,971)	(3,358)	(6,599)
Administrative expenses	(5,890)	(3,671)	(8,786)
Operating profit	2,325	3,515	5,189
Finance income	1,199	547	1,561
Finance expense	(132)	(48)	(163)
Profit before taxation	3,392	4,014	6,587
Taxation	(598)	(648)	(611)
Profit from continuing operations	2,794	3,366	5,976
Loss from discontinued operations, net of tax	(1,382)	(123)	(320)
Profit for the period attributable to owners of the parent during the period	1,412	3,243	5,656

Earnings per share for profit on continuing operations attributable to owners of the parent during the year

Basic earnings per share (pence)	6	2.13p	2.59p	4.59p
Diluted earnings per share (pence)	6	2.10p	2.55p	4.56p

Earnings per share for profit on total operations attributable to owners of the parent during the year

Basic earnings per share (pence)	6	1.08p	2.49p	4.35p
Diluted earnings per share (pence)	6	1.05p	2.46p	4.32p

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000
Net profit for the period	1,412	3,243	5,656
Other comprehensive income			
<i>Items that will or may be reclassified to profit or loss</i>			
Exchange differences on retranslation of overseas subsidiaries	(35)	(368)	(110)
Total other comprehensive expense	(35)	(368)	(110)
Total comprehensive income for the period attributable to the owners of the parent	1,377	2,875	5,546

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2024 (unaudited) £'000	31 March 2023 (unaudited) £'000	30 September 2023 (audited) £'000
Non-current assets			
Goodwill and intangible assets	17,242	9,798	10,203
Property, plant and equipment	3,191	1,791	2,480
Right of use assets	4,120	1,856	3,135
Financial asset - investments	236	236	236
	24,789	13,681	16,054
Current assets			
Inventories	9,032	6,415	7,240
Trade and other receivables	8,019	8,121	9,907
Current tax debtor	-	63	-
Fixed term deposits	44,000	52,000	42,000
Cash and cash equivalents	10,754	11,613	23,965
	71,805	78,212	83,112
Assets classified as held for sale	407	-	-

Current liabilities			
Trade and other payables	(9,217)	(8,653)	(11,304)
Current tax liability	(371)	-	(275)
Bank overdraft	-	-	(1,174)
Lease liabilities	(1,214)	(407)	(724)
	(10,802)	(9,060)	(13,477)
Liabilities directly associated with assets classified as held for sale	(70)	-	-
Net current assets	61,340	69,152	69,635
Total assets less current liabilities	86,129	82,833	85,689
Non-current liabilities			
Other liabilities	(1,302)	(1,320)	(820)
Lease liabilities	(3,177)	(1,577)	(2,498)
Provisions	(52)	(44)	(48)
Deferred tax liability	(1,652)	(1,468)	(1,118)
	(6,183)	(4,409)	(4,484)
Net assets	79,946	78,424	81,205
Capital and reserves attributable to the owners of the parent			
Share capital	7	329	325
Shares to be issued		65	65
Share premium account		19,494	19,355
Merger reserve		870	-
Retained earnings		58,347	58,061
Foreign currency translation reserve		841	618
Total equity shareholders' funds		79,946	78,424

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000
Cash flows from operating activities			
Profit for the year	1,412	3,243	5,656
Income tax expense	598	638	594
Finance income	(1,199)	(547)	(1,561)
Finance expense	132	48	163
Depreciation and amortisation	1,862	1,380	2,898
Impairment of intangible assets	1,076	217	217
Profit on sale of property, plant and equipment	-	(8)	(8)
Share based payments	66	62	59
Increase in inventories	(1,541)	(1,976)	(2,799)
Decrease/(increase) in receivables	2,597	(531)	(2,274)
(Decrease)/increase in payables	(2,509)	(2,326)	205
Cash generated from operating activities	2,494	200	3,150
Tax (paid)/received	(305)	179	209
Net cash from operating activities	2,189	379	3,359
Cash flows from investing activities			
Purchase of property, plant and equipment	(969)	(467)	(1,499)
Purchase of intangible assets	(1,420)	(868)	(2,127)
Proceeds on disposal of property, plant and equipment	9	7	8
Purchase of fixed asset investments net of cash acquired	(6,231)	-	-
Cash placed on fixed term deposit	(22,968)	(37,000)	(67,000)
Fixed term deposits maturing	20,968	40,000	80,000
Interest received	650	442	1,219
Net cash used in investing activities	(9,961)	2,114	10,601
Cash flows from financing activities			
Principal paid on lease liabilities	(313)	(229)	(579)
Interest paid on lease liabilities	(132)	(40)	(159)
Interest paid	-	(8)	(4)
Issue of ordinary shares	7	262	370
Equity dividends paid	(3,615)	(3,246)	(3,246)
Net cash used in financing activities	(4,053)	(3,261)	(3,618)
Net (decrease)/increase in cash and cash equivalents	(11,825)	(768)	10,342
Cash and cash equivalents at beginning of the period	22,791	12,679	12,679

Exchange loss on cash and cash equivalents	(129)	(298)	(230)
	10,837	11,613	22,791
Cash and cash equivalents included in current assets	10,754	11,613	23,965
Bank overdraft included in current liabilities	-	-	(1,174)
Amount included in assets classified as held for sale	83	-	-
	10,837	11,613	22,791

CONDENSED CONSOLIDATED STATEMENT OF CHANGES TO EQUITY

	Share Capital £'000	Shares to be issued £'000	Share premium account £'000	Merger reserve £'000	Retained earnings £'000	Foreign currency translation reserve £'000	Total £'000
Balance as at 30 September 2023	326	65	19,487	-	60,451	876	81,205
Net profit for the period	-	-	-	-	1,412	-	1,412
Exchange difference on retranslation of overseas subsidiaries	-	-	-	-	-	(35)	(35)
Transactions with owners:							
Tax recognised directly in equity in relation to employee share option schemes	-	-	-	-	33	-	33
Dividends	-	-	-	-	(3,615)	-	(3,615)
Issue of share capital	3	-	7	870	-	-	880
Share based payment charge	-	-	-	-	66	-	66
Balance as at 31 March 2024	329	65	19,494	870	58,347	841	79,946
Balance as at 30 September 2022	324	65	19,094	-	57,917	986	78,386
Net profit for the period	-	-	-	-	3,243	-	3,243
Exchange differences on retranslation of overseas subsidiaries	-	-	-	-	-	(368)	(368)
Transactions with owners:							
Tax recognised directly in equity in relation to employee share option schemes	-	-	-	-	85	-	85
Dividends	-	-	-	-	(3,246)	-	(3,246)
Issue of share capital	1	-	261	-	-	-	262
Share based payment charge	-	-	-	-	62	-	62
Balance as at 31 March 2023	325	65	19,355	-	58,061	618	78,424
Balance as at 30 September 2022	324	65	19,094	-	57,917	986	78,386
Net profit for the period	-	-	-	-	5,656	-	5,656
Exchange differences on retranslation of overseas subsidiaries	-	-	-	-	-	(110)	(110)
Transactions with owners:							
Tax recognised directly in equity in relation to employee share option schemes	-	-	-	-	90	-	90
Dividends	-	-	-	-	(3,246)	-	(3,246)
Issue of share capital	2	-	393	-	-	-	395
Share based payment charge	-	-	-	-	34	-	34
Balance as at 30 September 2023	326	65	19,487	-	60,451	876	81,205

The accompanying notes are an integral part of this interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM STATEMENTS

1. Basis of preparation

Oxford Metrics Plc, (the "Company") is a company domiciled in England. The condensed consolidated interim financial statements of the Company for the six months ended 31 March 2024 comprise the Company and its subsidiaries

(together referred to as the "Group").

The condensed consolidated interim financial statements have been prepared using accounting policies consistent with those of the annual financial statements for the year ended 30 September 2023. They are in accordance with IAS 34. Other new and amended standards and interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

The interim financial statements have not been audited or reviewed and the financial information contained in this report does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The comparative figures for the year ended 30 September 2023 are not the statutory accounts but have been extracted from the Group's 2023 financial statements which have been delivered to the Registrar of Companies. The auditors' report on those financial statements was unqualified did not contain references to any matters to which the auditors drew attention without qualifying the report and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

2. Revenue from contracts with customers

All revenue shown within note 2 relates to continuing operations.

	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000
Revenue			
Vicon UK	11,841	13,765	25,545
Vicon USA	9,918	7,520	18,695
Vicon Group	21,759	21,285	44,240
Industrial Vision Systems	1,764	-	-
Oxford Metrics Group	23,523	21,285	44,240

Six months ended 31 March 2024 (unaudited)

	Vicon UK £'000	Vicon USA £'000	Total Vicon Group £'000	Industrial Vision Systems £'000	Total Group £'000
Timing of the transfer of goods and services					
Point in time	10,884	8,349	19,233	-	19,233
Over time	957	1,569	2,526	1,764	4,290
	11,841	9,918	21,759	1,764	23,523
Contract Counterparties					
Direct to consumers	3,875	9,335	13,210	1,764	14,974
Third party distributor	7,966	583	8,549	-	8,549
	11,841	9,918	21,759	1,764	23,523
By destination					
UK	1,878	-	1,878	822	2,700
Germany	1,230	-	1,230	-	1,230
Italy	263	-	263	-	263
Spain	51	-	51	172	223
Netherlands	256	-	256	-	256
France	234	-	234	3	237
Rest of Europe	1,566	-	1,566	135	1,701
Total Europe	3,600	-	3,600	310	3,910
Canada	3	665	668	480	1,148
Mexico	-	10	10	-	10
USA	29	9,199	9,228	3	9,231

Rest of North America	-	2	2	44	46
Total North America	32	9,876	9,908	527	10,435
Australia	901	4	905	-	905
Hong Kong	545	-	545	-	545
Japan	2,272	-	2,272	-	2,272
Korea	552	-	552	11	563
China	1,481	-	1,481	-	1,481
India	185	-	185	-	185
Rest of Asia Pacific	308	-	308	94	402
Total Asia Pacific	6,244	4	6,248	105	6,353
Other	87	38	125	-	125
Oxford Metrics Group	11,841	9,918	21,759	1,764	23,523

Six months ended 31 March 2023 (unaudited)			
	Vicon UK £'000	Vicon USA £'000	Total £'000
Timing of the transfer of goods and services			
Point in time	12,883	6,322	19,205
Over time	882	1,198	2,080
	13,765	7,520	21,285
Contract Counterparties			
Direct to consumers	2,600	7,210	9,810
Third party distributor	11,165	310	11,475
	13,765	7,520	21,285
By destination			
UK	1,182	-	1,182
Germany	1,143	-	1,143
Italy	424	-	424
Greece	59	-	59
Netherlands	258	-	258
France	621	-	621
Spain	68	-	68
Poland	105	-	105
Rest of Europe	628	-	628
Total Europe	3,306	-	3,306
Canada	-	1,518	1,518
USA	-	5,889	5,889
Total North America	-	7,407	7,407
Australia	345	7	352
Hong Kong	1,212	-	1,212
Japan	3,896	-	3,896
Korea	1,234	-	1,234
China	2,240	-	2,240
Rest of Asia Pacific	298	-	298
Total Asia Pacific	9,225	7	9,232
Other	52	106	158
Oxford Metrics Group	13,765	7,520	21,285

Year ended 30 September 2023 (audited)			
	Vicon UK £'000	Vicon USA £'000	Total £'000
Timing of the transfer of goods and services			
Point in time	23,714	16,032	39,746
Over time	1,831	2,663	4,494
Oxford Metrics Group	25,545	18,695	44,240
Contract Counterparties			
Direct to consumers	5,341	17,673	23,014

Third party distributor	20,204	1,022	21,226
Oxford Metrics Group	25,545	18,695	44,240
By destination			
UK	3,176	-	3,176
Germany	1,973	-	1,973
Italy	633	-	633
Netherlands	646	-	646
France	155	-	155
Poland	178	-	178
Spain	88	-	88
Ireland	565	-	565
Rest of Europe	1,087	-	1,087
Total Europe	5,325	-	5,325
Canada	9	1,878	1,887
USA	12	16,533	16,545
Total North America	21	18,411	18,432
Australia	939	13	952
Hong Kong	2,517	-	2,517
Japan	5,680	-	5,680
South Korea	2,835	-	2,835
China	3,957	-	3,957
India	574	-	574
Rest of Asia Pacific	397	-	397
Total Asia Pacific	16,899	13	16,912
Other	124	271	395
Total	25,545	18,695	44,240

	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000
Group revenue by market			
Engineering	4,855	3,101	8,708
Entertainment	8,494	11,001	18,193
Life sciences	8,051	5,820	14,841
Location based entertainment	359	1,363	2,498
Smart manufacturing	1,764	-	-
Total	23,523	21,285	44,240

Group revenue by type			
Sale of hardware	19,332	18,076	36,158
Sale of software	917	1,269	1,974
Rendering of services	2,649	1,503	5,209
Support	625	437	899
Total	23,523	21,285	44,240

Group revenue by origin			
UK	12,915	12,906	23,690
Europe	690	859	1,852
North America	9,918	7,520	18,695
Asia Pacific	-	-	3
Total	23,523	21,285	44,240

3. Segmental Analysis

Segment information is presented in the condensed consolidated interim financial statements in respect of the Group's business segments, which are reported to the Chief Operating Decision Maker (CODM). The Group has identified the Board of Directors of Oxford Metrics plc, ("the Board") as the CODM. The business segment reporting reflects the Group's management and internal reporting structure.

The Group comprises the following business segments:

Vicon Group: This is the development, production and sale of computer software and equipment for the entertainment, engineering and life science markets; and

Industrial Vision Systems: This is the development, production and sale of smart manufacturing systems.

Other unallocated costs represent head office expenses not recharged to subsidiary companies.

Business segments are analysed below:

	Segment depreciation and amortisation		
	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 restated (unaudited) £'000	Year ended 30 September 2023 restated (audited) £'000
Continuing operations			
Vicon UK	1,456	1,336	2,606
Vicon USA	192	158	341
Vicon Group	1,648	1,494	2,947
Industrial Vision Systems	129	-	-
Unallocated	11	29	45
Total continuing operations	1,788	1,523	2,992

	Six months ended 31 March 2024 (unaudited)				Six months ended 31 March 2023 (unaudited)				Year ended 30 September 2023 (audited) £'000
	Adjusted profit/(loss) before tax £'000	Adjusting items £'000	Group Profit/(loss) before tax £'000	Profit/(loss) before tax £'000	Adjusted profit/(loss) before tax £'000	Adjusting items £'000	Group Profit/(loss) before tax £'000	Profit/(loss) before tax £'000	
Continuing operations									
Vicon UK	463	(108)	1,384	1,739	2,658	(108)	807	3,357	2,100
Vicon USA	3,859	-	(3,685)	174	2,683	-	(2,636)	47	6,000
Vicon Group	4,322	(108)	(2,301)	1,913	5,341	(108)	(1,829)	3,404	9,000
Industrial Vision Systems	507	(37)	(152)	318					
Unallocated	(783)	(232)	2,176	1,161	(874)	(49)	1,533	610	(1,000)
Total	4,046	(377)	(277)	3,392	4,467	(157)	(296)	4,014	7,000
Discontinued operations									
Vicon UK - IMU	(546)	(1,112)	277	(1,381)	(393)	(36)	296	(133)	(9,000)
Oxford Metrics Group	3,500	(1,489)	-	2,011	4,074	(193)	-	3,881	6,000

	Non-current assets			Additions to non-current assets			Carrying amount of segment assets		
	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000
Vicon UK	13,313	12,623	12,763	3,438	1,828	3,885	28,156	31,154	28,160
Vicon USA	2,777	1,454	3,010	60	170	1,998	10,797	5,933	13,100
Vicon Group	16,090	14,077	15,773	3,498	1,998	5,883	38,953	37,087	41,260
Industrial Vision Systems	8,425	-	-	6	-	-	10,017	-	-
Unallocated	274	581	281	5	55	55	54,083	61,835	63,950
OMG Life Group*	-	-	-	-	-	-	(6,052)	(6,052)	(6,052)
Oxford Metrics Group	24,789	14,658	16,054	3,509	2,053	5,938	97,001	92,870	99,160

*The negative balance within segment assets represents a cash overdraft which is part of the Group's cash offset facility.

4. Reconciliation of adjusted profit before tax

	Six months ended 31 March 2024 (unaudited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000
Profit before tax - continuing operations	3,392	4,014	6,587
Share option charges	66	62	34
Amortisation of intangibles arising on acquisition	132	95	190
Costs associated with acquisition of Industrial Vision Systems Ltd	179	-	-
Reapportion Group overheads	277	296	689
Adjusted profit before tax - continuing operations	4,046	4,467	7,500
Profit before tax - discontinued operations	(1,381)	(133)	(338)
Amortisation of intangibles arising on acquisition	36	36	72
Impairment of goodwill	1,076	-	-
Reapportion Group overheads	(277)	(296)	(689)
Adjusted profit before tax - discontinued operations	(546)	(393)	(955)
Adjusted profit before tax - total operations	3,500	4,074	6,545

Adjusted earnings per share for profit on continuing operations attributable to owners of the parent during the year

Basic earnings per share (pence)	2.63p	2.94p	5.29p
Diluted earnings per share (pence)	2.59p	2.91p	5.26p

The adjusted profit before tax for the Vicon business segments is shown in detail below;

	Six months ended 31 March 2024 (unaudited) £'000	Vicon Group Six months ended 31 March 2023 (unaudited) £'000	Year ended 30 September 2023 (audited) £'000
Profit before tax - continuing operations	1,913	3,404	4,975
Share option charges	13	13	26
Amortisation of intangibles arising on acquisition	95	95	190
Reapportion Group overheads	2,301	1,829	3,999
Adjusted profit before tax - continuing operations	4,322	5,341	9,190

5. Taxation

The Group's consolidated effective tax rate for the six months ended 31 March 2024 was 29.5% (for the six months ended 31 March 2023: 16.3%; for the year ended 30 September 2023: 9.5%).

In accordance with IAS 34 the tax charge for the half year is calculated on the basis of the estimated full year tax rate.

6. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period. The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares on the

assumed conversion of all dilutive options.

	31 March 2024 (unaudited)			31 March 2023 (unaudited)		
	Earnings/(loss) £'000	Weighted average number of shares '000	Per share amount (pence)	Earnings/(loss) £'000	Weighted average number of shares '000	Per share amount Ea (pence)
Continuing operations						
Basic earnings per share						
Earnings attributable to ordinary shareholders	2,794	131,236	2.13	3,367	129,975	2.59
Dilutive effect of employee share options	-	1,793	(0.03)	-	1,876	(0.03)
Diluted earnings per share	2,794	133,029	2.10	3,367	131,851	2.56
Discontinued operations						
Basic loss per share						
Earnings attributable to ordinary shareholders	(1,382)	131,236	(1.05)	(124)	129,975	(0.10)
Dilutive effect of employee share options	-	1,793	-	-	1,876	-
Diluted loss per share	(1,382)	133,029	(1.05)	(124)	131,851	(0.10)
Total operations						
Basic earnings per share						
Loss attributable to ordinary shareholders	1,412	131,236	1.08	3,243	129,975	2.49
Dilutive effect of employee share options	-	1,793	(0.03)	-	1,876	(0.03)
Diluted earnings per share	1,412	133,029	1.05	3,243	131,851	2.46

7. Share capital

	31 March 2024 (unaudited) £'000	31 March 2023 (unaudited) £'000	30 September 2023 (audited) £'000
Allotted, called up and fully paid			
131,439,635 shares of 0.25p (31 March 2023: 130,239,276 shares of 0.25p and 30 September 2023: 130,420,276 shares of 0.25p)	329	325	326

During the six months ended 31 March 2024 there were 12,000 shares issued relating to share options that were exercised. There were 444,000 shares issued in respect of share options exercised during the six months ended 31 March 2023 (year ended 30 September 2023: 625,000).

In addition, during the six months ended 31 March 2024 there were 1,007,000 shares issued as consideration for the acquisition of Industrial Vision Systems Limited.

There were no shares (six months ended 31 March 2023: 27,624 shares) issued to the non-executive Chairman, Roger Parry, in satisfaction of salary.

8. Dividends

The following dividends were recognised as distributions to equity holders in the period:

	31 March 2024 (unaudited) £'000	31 March 2023 (unaudited) £'000	30 September 2023 (audited) £'000
Final dividend for 2022 paid in 2023 - 2.50 pence per share	-	3,246	3,246
Final dividend for 2023 paid in 2024 - 2.75 pence per share	3,615	-	-
	3,615	3,246	3,246

The final dividend for 2023 was paid to shareholders on 14 February 2024 at 2.75 pence per share, a total of £3,615,000.

9. Business combinations

The Group acquired 100% of the share capital of Industrial Vision Systems Limited on 31 October 2023 for a total provisional consideration of £8.1m, 10% of which has been funded through the issue of share capital with the balance coming from existing cash resources.

A provisional valuation of the assets acquired and resulting goodwill has been performed and included within these results. Further detail will be provided in the full Annual Report for the year ending 30 September 2024.

10. Copies of the interim statement

Copies of the interim statement will be available from the Company's registered office at 6 Oxford Pioneer Park, Yarnton, Oxfordshire OX5 1QU, and from the Company's website: www.oxfordmetrics.com.



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