

*THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION*

*For immediate release: 07.00, 28 August 2024*

**Focusrite plc**

("Focusrite" or "the Group")

**Trading Update**

Focusrite plc (AIM: TUNE), the global music and audio products group supplying hardware and software used by professional and amateur musicians and the entertainment industry, provides the following update on trading for the year ending 31 August 2024 ("FY24").

Revenues are expected to be in the region of £157 million in line with current market expectations as overall demand for the Company's products has remained resilient across the portfolio. The Audio Reproduction division continues to deliver in line with expectations, bolstered by successful product launches in the previous year and the inclusion of new brands within its portfolio, including Linea and Sheriff. As previously reported the Content Creation division continues to face a very challenging environment with both macro-economic weakness, channel consolidation and an oversupply in the channel affecting global sales across the industry. Despite this, overall product registration data and sales rankings tracked by the larger resellers continue to show that Focusrite is comfortably outperforming the overall market.

The Group now expects FY24 EBITDA to be around £25 million due to the impact of shipping and logistics challenges as well as various pressures on product margins.

Product introductions were planned for the final quarter but the benefit of these has been offset in August by a significant reduction in stocking policy by a major reseller. In addition, port congestion in a number of regions has impacted logistics at the end of the year.

Global shipping and freight costs have increased further in the second half of 2024 due to strong global shipping demand and ongoing issues in the Red Sea. The Board now expects this trend in shipping and freight costs to continue into 2025. Promotions to drive sales have also continued at a higher level than anticipated reflecting the issues in the Content Creation division noted above, however this has resulted in an improvement in the working capital position since 29 February 2024.

As of 27 August 2024, the Group's net debt has improved to approximately £15 million (29 February 2024: net debt of £27.3 million). The Group has £50 million of committed credit facilities which provide strong liquidity for ongoing operations and any potential M&A activity.

The Group remains well-positioned for future growth, particularly when market conditions in the Content Creation market improve. Our focus remains on increasing market share, as noted above, delivering new products and making targeted acquisitions. The Group looks forward to providing a more detailed update when it announces its final results in late November 2024.

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**Notes to Editors**

Focusrite plc is a global audio products group that develops and markets proprietary hardware and software products. Used by audio professionals and musicians, its solutions facilitate the high-quality production of recorded and live sound. The Focusrite Group trades under thirteen established brands: Focusrite, Focusrite Pro, Novation, Ampify, ADAM Audio, Martin Audio, Optimal Audio, Linea Research Sequential, Oberheim, Sonnox, OutBoard and TiMax.

With a high-quality reputation and a rich heritage spanning decades, its brands are category leaders in the music-making and audio recording industries. Focusrite and Focusrite Pro offer audio interfaces and other products for recording musicians, producers and professional audio facilities. Novation and Ampify products are used in the creation of electronic music, from synthesizers and grooveboxes to industry-shaping controllers and inspirational music-making apps. ADAM Audio studio monitors have earned a worldwide reputation based on technological innovation in the field of studio loudspeaker technology. Martin Audio designs and manufactures performance-ready systems across the spectrum of sound reinforcement applications. Linea designs, develops, manufactures and sells market innovative professional audio equipment globally. Sequential designs and manufactures high end analogue synthesizers under the Sequential and Oberheim brands. Sonnox is a leading designer of innovative, high-quality, award-winning audio processing software plug-ins for professional audio engineers. TiMax specialises in innovative immersive audio and show control technologies. OutBoard manufactures and sells industry standard rigging control products for live events, together with enterprise-level

safety test, preparation and quality management for global rental companies and venues.

The Company has offices in four continents and a global customer base with a distribution network covering approximately 240 territories.

Focusrite plc is traded on the AIM market, London Stock Exchange.

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