

24 September 2024

**Raspberry Pi Holdings plc**  
("Raspberry Pi" or "the Company")

**Interim Results for the six months to 30 June 2024**

*Higher gross profit per unit drives strong H1*

*Highlights include the successful IPO, strong uptake of Raspberry Pi5, and launch of new AI product*

Raspberry Pi (LSE: RPI), a leader in low-cost, high-performance computing, is pleased to announce its results for the six months ended 30 June 2024 ("H1 2024").

**Financial Highlights**

	H1 2024	H1 2023	Change
<b>Revenue ( m )</b>	144.0m	89.3m	+61%
<b>Gross profit ( m )</b>	34.2m	23.2m	+47%
<b>Gross margin (%)</b>	23.8%	26.1%	-2.3ppts
<b>Unit volume (m)</b>	3.66m	2.80m	+31%
<b>Adjusted EBITDA* ( m )</b>	20.9m	13.5m	+55%
<b>Basic Earnings Per Share (EPS) (c)</b>	3.92c	4.39c	-11%
<b>Adjusted EPS (c)*</b>	5.84c	4.60c	+27%
<b>Net cash ( m )</b>	40.4m	36.9m	+9%

*\*The Group uses certain measures in addition to those reported under IFRS, under which the Group reports. These Alternative Performance Measures ("APMs") are not considered a substitute for, or superior to, the equivalent statutory IFRS measures. These APMs are explained, defined and reconciled in the APM section and are applied consistently.*

- First half profitability was stronger than expected with Gross Profit of 34.2m and Adjusted EBITDA of 20.9m up 55% against a supply-constrained comparative H1 2023.
- Volumes were marginally lower than expected, with sales skewed towards higher margin variants, yielding stronger unit economics.

**Operational Highlights**

*IPO and FTSE 250 index inclusion*

- Successful IPO raising £178.9 million (c. 225 million), including £31.4m ( 40m) for the Company.
- FTSE 250 index inclusion confirmed as part of the September FTSE Quarterly review.
- Awarded the London Stock Exchange's Green Economy Mark based on the energy efficiency benefits of our computers.

*Supply chain recovery:*

- Completed recovery from pandemic related shortages, with almost all Single Board Computers (SBCs) and Compute Module products freely available in channel.

*New product introduction:*

- A major product transition, with Raspberry Pi5 selling 1.1m units in H1 following introduction at the end of October 2023.
- Successful launch of first-party AI hardware product (Raspberry Pi AI Kit), in collaboration with Hailo.
- Debut of cloud connectivity product (Raspberry Pi Connect) with 50k users since launch in May 2024.
- Production ramp of RP2350 microcontroller, supporting introduction of Raspberry Pi Pico 2 and partner hardware products in August.

**Outlook**

- Having previously expected performance to be weighted towards the second half of the year, this is no longer the case, with profitability in the first half ahead of internal expectations.
- Higher unit volumes anticipated for the second half, supported by new product launches, with an expected product mix contributing to lower unit economics.
- Raspberry Pi continues to observe higher than usual customer and channel inventory levels, however we are seeing signs that this should normalise towards the end of the year.
- Expectations for the full year remain unchanged.

**Eben Upton, CEO of Raspberry Pi said:**

*"The IPO was the watershed moment of the first half, with Admission to trading just two weeks before the period end. In continued pleasing trading in the first half, we saw strong uptake of our latest flagship SBC, Raspberry Pi5, the launch of the Raspberry Pi AI Kit, and the successful ramp to production of RP2350, our second-generation*

microcontroller platform. The higher than usual customer and channel inventory levels which were evident at the time of the IPO have continued to unwind, and there is a growing sense that this will have concluded by the year end. We have an extraordinary team, a world class product set backed up by an exciting future roadmap, and a loyal and engaged customer base that we can continue to grow. In the second half, we have further planned product releases and a number of initiatives to further expand our engagement within our Industrial and Embedded market".

## Hybrid analyst and institutional investor presentation

Eben Upton, CEO, and Richard Boulton, CFO, will host a hybrid analyst and institutional investor briefing today at 09:00 BST at the offices of Peel Hunt, 7th Floor, 100 Liverpool St, London EC2M 2AT.

Those wishing to attend the event in person or online, please register via [raspberrypi@almastrategic.com](mailto:raspberrypi@almastrategic.com).

## Investor presentation

Management will also host a live virtual presentation relating to the results via the London Stock Exchange's SparkLive platform at 14.30 BST on 24 September 2024, for all investors and analysts unable to join the earlier meeting.

To register for the event, please use the following link:

<https://sparklive.lseg.com/RaspberryPi/events/bf496d03-a8ad-4929-a20b-82568b979921/raspberry-pi-half-year-results-2024>

*This announcement contains certain forward-looking statements, including with respect to the Group's current targets, expectations and projections about future performance, anticipated events or trends and other matters that*

*are not historical facts. These forward-looking statements, which sometimes use words such as "aim", "anticipate",*

*"believe", "intend", "plan", "estimate", "expect" and words of similar meaning, include all matters that are not historical facts and reflect the directors' beliefs and expectations, made in good faith and based on the information available to them at the time of the announcement. Such statements involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or*

*performance expressed or implied by the forward-looking statement and should be treated with caution. Any forward-*

*looking statements made in this announcement by or on behalf of Raspberry Pi speak only as of the date they are made. Except as required by applicable law or regulation, Raspberry Pi expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in its expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.*

## For more information, please contact:

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## Notes to Editor

Headquartered in Cambridge, UK, Raspberry Pi's mission is to put high-performance, low-cost, general-purpose computing platforms in the hands of enthusiasts and engineers all over the world.

Raspberry Pi is a full-stack engineering organisation, with research and development capabilities spanning the entire value chain, from semiconductor IP development, through semiconductor and electronic product design to software engineering and regulatory compliance. The high performance, low cost, and physical robustness of Raspberry Pi products make them suitable for a wide range of applications, across three distinct markets: Industrial and Embedded, Enthusiast and Education and Semiconductors. To date, over 60 million units have been sold.

Raspberry Pi Foundation is a UK charity founded to enable young people to realise their potential through computing and remains a major shareholder. The Company is proud to have generated over 230m since inception for the Foundation, from dividends and share sell down at IPO, and they remain a 46.7% shareholder.

## **CEO review**

### **Business Review**

The headline event of the first half of the year was the Group's IPO on the Main Market of the London Stock Exchange, in which we saw investment from industry partners, financial institutions, members of our loyal community, and the wider public. We are grateful for the support that we received and encouraged that such a broad audience shares our vision for the future. The IPO, and the investments that it will enable, underpin our long-term commitment to product innovation, unit sales growth, and improved unit economics, positioning us for continued

commitment to product innovation, unit sales growth, and improved unit economics, positioning us for continued success and value creation in the evolving embedded computing landscape.

## Financial performance

We are pleased with the trading performance of Raspberry Pi through the first half of the year, given the natural distraction of the IPO process, and an ongoing industry-wide inventory correction. As noted, first-half profitability was stronger than we had previously expected, with Gross Profit of 34.2m and Adjusted EBITDA of 20.9m, up 55% against a supply-constrained comparative H1 2023. Across our single-board computer and compute module product lines, volumes were marginally lower than expected, but sales were skewed towards higher margin variants, yielding stronger unit economics and driving the better than expected profit performance. After raising 31.8m after fees in the IPO, we finished the half year with 40.4m of net cash.

## Product and markets

Our products include SBCs, compute modules, accessories, and semiconductors, catering to three main markets: Industrial & Embedded, Enthusiast & Education, and the Semiconductor market, which we entered in 2021. We sell our products in 75 countries and utilise a flexible distribution model that encompasses direct sales to OEMs, reseller and distributor partnerships, and a licensing agreement with Premier Farnell.

In the first half, we sold 3.66m SBCs and compute modules, up 31% against a supply-constrained comparative H1 2023. We were particularly pleased with the success of our flagship SBC, Raspberry Pi5, which sold 1.1m units in the first half, following introduction at the end of October 2023. Outside of our core boards business we saw growth in sales of our semiconductor products, to 2.1m units in the first half and the increasing contribution to unit economics from our expanding range of accessories.

The market opportunity for Raspberry Pi products is substantial, with a total addressable market across the Industrial & Embedded and Environmental & Education markets estimated at 21.2 billion in 2023. We continue to make the investments in quality, availability and long-term support that underpin our success in the Industrial & Embedded market, while developing and introducing new product derivatives and accessories which target one or other, or in many cases, both markets.

## Strategic Progress

Our strategy is to create value over the medium to long term by growing unit sales; growing total unit profit margin; and growing our profit margin participation. Our ability to achieve this is underpinned by three core competitive strengths:

- **Brand equity and community:** Since the launch of the first Raspberry Pi product in 2012, we have built an enviable reputation for value and quality. We engage actively with the community of enthusiasts, educators, and professional design engineers that has grown up around our platform, promoting new products and capabilities, and gamering feedback which informs our future plans.
- **A loyal OEM customer base, served by a diverse channel:** Our following among professional design engineers has, over time, driven widespread adoption of our products by OEMs. As noted, we serve these customers directly, via reseller and distributor partners, and via our licensee. We continue to evolve our OEM sales strategy, as we work to further strengthen our direct channels.
- **A high level of vertical integration:** Our engineering capabilities span the value chain, from semiconductor IP development to platform software engineering and regulatory compliance. This vertically integrated approach provides us with unparalleled control over our products' performance and cost structure and allows us to mitigate supply chain risks.

In the first half of the year, we continued to invest in online and offline engagement, both in our current core markets, and in newer ones, most notably sub-Saharan Africa. Our total followership across social media channels rose by 8%. Trade shows provide us with an opportunity to engage with existing and potential OEM customers, and we have committed to increase our participation over time: the first half of the year saw a greatly expanded presence at our tent-pole event, Embedded World, and first appearances at Embedded World Shanghai and GITEXAfrica. We added 13 new Approved Reseller partners, of which six were in Europe, targeting specific underserved geographies and market segments, three in India, and four elsewhere.

During the period of post-pandemic supply chain disruption, the proportion of units sold through our direct channels reached in excess of 80%. With the return to ex-stock availability of most products, this ratio has adjusted in the first half of the year, with 35% of units sold via our remaining licensee, Farnell. In the short to medium term, we expect the licensee fraction to remain in the range of 20-30%.

We continue to explore opportunities to increase direct-to-OEM sales and to convert our highest-volume OEM customers to more customised products to optimise profitability and retention. With the return to ex-stock availability of our products, we continue to attract these customers. Notable OEM customers who ramped to production in the first half of the year include Target Darts in the UK leisure sector and Techbase in Poland who manufacture Energy Management systems for utilities.

The first half of the year also saw the ramp and introduction of products which leverage our full-stack engineering capabilities. The Raspberry Pi AI Kit brings ML accelerator silicon from our partners Hailo together with our in-house imaging expertise to deliver an easy-to-use platform for industrial machine-vision applications. Raspberry Pi Connect, currently in public beta, is the first instantiation of our in-house IoT connectivity platform, providing remote access to Raspberry Pi devices in field. Our second-generation RP2350 microcontroller, which ramped to production in the first half, brings together industry-standard technology from Arm with our patent-pending programmable I/O (PIO) and redundancy-capable IP to create a secure compute element for IoT endpoints.

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## ESG

Our social and environmental impact rests on three key pillars: the educational work of our major shareholder, Raspberry Pi Foundation; the environmental benefits derived from the deployment of Raspberry Pi computer systems; and the capabilities we offer to smaller entrepreneurial OEMs, who would otherwise struggle to access cost-effective compute subsystems on which to build their own products.

Since inception, we have contributed over 230 million in cash to the Foundation, supporting its work in curriculum development, teacher training, non-formal learning and research. The successful IPO created a substantial multi-year endowment to continue its work at greater scale and today the Foundation retains a shareholding of 46.7%.

In the first half year of the year, we made good progress in quantifying the carbon footprint of our flagship Raspberry Pi SBC product, as a baseline for future emissions reduction efforts; we expect to extend this to all products in the second half of the year, and to introduce a scheme allowing our customers to offset emissions associated with manufacturing, shipping and disposal at point of purchase. The first half of the year also saw us install an initial 85kW of solar generation capacity, representing approximately 20% of our total office energy consumption, at our Cambridge headquarters. We purchase high-quality offsets based on enhanced rock weathering technology to cover the balance and are committed to reducing this over time.

Following Admission, we received the London Stock Exchange's Green Economy Mark, which identifies companies and funds that derive a material share of their revenues from products and services that contribute to the global green economy.

## People

The IPO highlighted the strength of the team within Raspberry Pi and the outstanding work that they do on a daily basis. Average headcount for the first half was 115, an increase of 21% over the average of 95 for H1 2023. We maintain our focus on attracting the very best engineering and non-engineering talent, offering our people the opportunity to create the high-performance products in a high-performing environment. With a significant number of staff holding shares and/ or share options in the Company, their interests are firmly aligned with the wider shareholder base.

## Outlook

As reported at the time of the IPO, and in-line with the wider industry, we continue to observe higher than usual customer and channel inventory levels, however we are seeing signs that this should normalise towards the end of the year. The launch of Pico 2, together with other product variant releases, should support higher unit volumes for the second half, with the expected product mix contributing to lower unit economics. Having previously expected performance to be weighted towards the second half of the year, this is no longer the case, with profitability in the first half ahead of internal expectations. Overall, we are encouraged by the resilient performance of the business given the market conditions widely reported by our peers. Our expectations for the full year remain unchanged.

**Dr Eben Upton CBE**  
*Chief Executive Officer and Founder*  
23 September 2024

## Financial Review

The first half of 2024 was characterised by a return to availability of components and in turn our products to our reseller partners and customers. Whilst volumes were marginally lower than expected, sales were skewed towards higher margin variants, yielding stronger unit economics and higher gross profits.

million	H1 2024	H1 2023	% Change
<b>Revenue</b>	<b>144.0</b>	<b>89.3</b>	<b>+61%</b>
<b>Gross profit</b>	<b>34.2</b>	<b>23.2</b>	<b>+ 47%</b>
Gross margin (%)	23.8%	26.1%	-2.3ppt
Adjusted R&D costs	(4.2)	(2.9)	+ 45%
Adjusted Administration costs	(9.1)	(6.8)	+ 34%
<b>Adjusted EBITDA</b>	<b>20.9</b>	<b>13.5</b>	<b>+ 55%</b>
Depreciation and amortisation	(5.2)	(2.6)	+100%
<b>Adjusted Operating profit</b>	<b>15.7</b>	<b>10.9</b>	<b>+ 44%</b>

## Unit sales of Single Board Computers (SBCs) and compute modules and microcontrollers

Total board sales volumes increased by 31% on the supply constrained first half of 2023, due to the growth in compute module sales and 1.1 million unit sales of Raspberry Pi5 (launched in October 2023), while as expected, there was a decline in Raspberry Pi4 unit sales and the sales of legacy boards. In aggregate, volumes were marginally lower than expected as higher than usual customer and channel inventory levels persisted through Q2. We

marginally lower than expected as higher than usual customer and channel inventory levels persisted through Q2. We anticipate higher unit volumes for the second half, supported by new product launches.

Thousand units	H1 2024	H1 2023	% Change
Unit sales in direct channel	2,361	2,267	+ 4%
Unit sales through licensees	1,299	532	+ 144%
<b>Total unit sales</b>	<b>3,660</b>	<b>2,799</b>	<b>+ 31%</b>
Direct sales share of total	65%	81%	-16ppt
Licensee share of total	35%	19%	+16ppt
<b>Microcontroller units</b>	<b>2,153</b>	<b>1,650</b>	<b>+ 30%</b>

Sales for the first half of 2023 were constrained by supply of key Broadcom components with supply to our licensee partner Farnell most affected. As planned, and in accordance with our agreement with Farnell, sales of high value Raspberry Pi4 and Raspberry Pi5 products are made for and sold by Farnell. Sales of Raspberry Pi5 launched in Q4. These were therefore predominantly directed through the licensee channel which resulted in the licensee share of board unit sales rising by 16 percentage points to 35%.

Microcontroller unit sales, which include those incorporated in other Raspberry Pi products such as Raspberry Pi Pico boards increased by 30% on 2023.

#### Revenue

Revenue increased by 54.7m, or 61 per cent, from 89.3m for H1 2023 to 144.0m for H1 2024. The split by category was as follows:

million	H1 2024	H1 2023	% Change
Product Sales	89.5	74.6	+ 20%
Components	43.6	11.1	+ 293%
Royalties	10.3	3.1	+ 232%
Publishing	0.6	0.5	+20%
<b>Reported revenue</b>	<b>144.0</b>	<b>89.3</b>	<b>+61%</b>

Product sales are split between our two channels: direct which includes sales to our reseller network and OEM/Industrial clients; and our sales via our distribution partner Premier Farnell for which we receive a near 100% margin royalty on each unit sold.

Growth in direct product sales largely relates to greater sales of single board computers and compute modules. Total board unit sales were 3.7m versus 2.8m in the comparative period. The share of licensee sales increased from 19% in H1 2023 to 35% in H1 2024 which also drove the growth in component sales.

Component sales represent the sale of components used in the manufacture of Raspberry Pi products for our licensee channel which are then sold to end customers. The increase results from an increase in the volume of chips supplied to meet the licensee's increased sales and production, together with sales by the Group of application processor chips to Sony, also for licensee use, which had typically been acquired directly from the manufacturer by Sony in 2023.

#### Gross profit

Gross profit increased by 11.0m, or 47 per cent, from 23.2m in H1 2023 to 34.2m in the current period. Unit sales of boards increased by 31% and gross profit per unit increased by 8%.

#### Gross profit per board

per board	H1 2024	H1 2023	% Change
<b>Single Board Computers and Compute Modules</b>	<b>8.3</b>	<b>7.7</b>	<b>+ 8%</b>
Board share of Gross profit	89%	90%	-1ppt
Accessory margin per board	1.1	0.8	+ 38%

ASP increased by 28% from 36.8 in 2023 to 47.2 in 2024 due to an increase in the mix of higher price Raspberry Pi4, Raspberry Pi5 boards and compute modules. The gross profit per unit of these higher priced boards was accordingly higher. However, as anticipated, the unit gross profit of Raspberry Pi5 boards was not as high as for Raspberry Pi4 and the increase in gross profit per unit was therefore not as large as the ASP increase.

The gross profit of accessories increased by 74% to 4.1 million as a result of higher board sales and in particular accessories for the new Raspberry Pi5 and improved margins on displays.

Gross margin reduced to 23.8% (2023: 26.1%) largely reflecting the higher mix of component sales in the half.

#### **Adjusted Research and Development costs**

Adjusted research and development expenses comprising research and development costs not capitalised increased by 45% to 4.2 million for the six months ended 30 June 2024 from 2.9 million for the six months ended 30 June 2023. The average number of engineering staff increased from 46 to 61. The additional salaries of these staff together with pay rises were partially offset by a higher proportion of costs being capitalised, as new staff were primarily focused on projects which met our criteria for capitalisation.

#### **Adjusted Administration costs**

The increase in adjusted administration costs, in line with our plans, was principally due to the growth in professional fees and staff costs. Staff costs increased in the main due to salary inflation while professional fees related to the ERP system and other support costs arising from the growth in the business.

#### **Depreciation and amortisation**

Depreciation and amortisation charges increased as a result of the depreciation for the new office building, occupied in December 2023 and amortisation of the development costs of Raspberry Pi5 launched in October 2023.

#### **Finance costs and finance income**

Finance costs have increased due to the finance element of the lease of the new office of 0.6 million and non-utilisation fees in respect of the new RCF facility.

#### **Adjusting items**

##### *Share based payments*

A share based payment charge of 2.2 million was recorded in the period. The charge comprises 0.8 million in respect of the charges arising on the pre-IPO scheme, a 1.2m accelerated charge on vesting and settlement of that scheme and an additional 0.2 million in respect of the new post IPO awards granted on the 11 June 2024 listing date.

Market value options were granted to 93 members of staff. The options have a strike price of £2.80 being the price at which shares were issued and sold as part of the listing. The awards have been designed to ensure that, in conjunction with the shares granted on settlement of the pre-IPO scheme, staff continue to be motivated by the success of the Group to the same extent as in the past.

##### *IPO costs*

Costs of 2.1 million have been charged to the income statement in respect of fees and charges arising from the listing process which were incurred to prepare the business for operation after listing. Expenses related to the issue of shares of 8.3 million have been charged to the Share Premium account arising from the share issue.

#### **Taxation**

In accordance with IAS 34, Interim Financial Reporting, taxation for the period is reported by applying the estimated annual effective tax rate to the interim profit before tax. The effective tax rate for this period is 29%, compared to 19% for H1 2023 while the underlying effective tax rate is 25%, up from 22% for H1 2023.

As all the Group's pre-tax profits are generated from UK trading activities and therefore all subject to UK tax, the underlying effective tax rate corresponds to UK corporation tax rates.

The increase in the underlying tax rate reflects the rise in the UK corporation tax rate from 19% to 25%, effective from 1 April 2023. The 29% effective tax rate for the current period exceeds the underlying rate of 25% primarily due to 2.1 million in non-recurring IPO-related costs. These costs have been classified as fully non-deductible for tax purposes, as they are considered capital in nature, being directly related to the IPO. The 19% effective tax rate in the prior period was lower than the underlying rate of 22% due to group relief received from Raspberry Pi Foundation in respect of qualifying charitable deductions.

#### **Adjusted EBITDA and Adjusted operating profit**

Adjusted EBITDA for the period was 20.9 million (2023: 13.5 million) an increase of 55% compared to a 31% increase in unit sales. Adjusted operating profit was 15.7 million (2023: 10.9 million) an increase of 44%.

#### **Operating profit and Profit after taxation for the period**

Operating profit for the period was 11.4 million (2023: 10.4 million) which includes share based payment charges principally in respect of the historic share scheme and the expenses charged to the income statement in respect of the IPO of 2.1 million.

Profit after taxation was 7.6 million (2023: 8.5 million) a decrease of 0.9 million, the increase in operating profit being offset by higher finance costs arising from the interest component of the lease on the new office and higher taxation.

#### **Earnings per share**

Basic earnings per share was 3.92c compared to 4.39c in the same period last year. Basic earnings per share is calculated as the profit after tax for the period divided by the 193,415,715 ordinary shares in issue. Consistent with the basis of preparation of the income statement it has been assumed that all 193 million shares were in issue throughout H1 2023 and H1 2024.

Adjusted earnings per share which adds back the impact of employee share schemes after tax of 1.6 million and non-recurring transaction costs charged to the income statement of 2.1 million was 5.84c. This represents an increase of 27% from 4.60c in H1 2023.

## Dividends

No dividends were paid or approved in either period with cash generated being reinvested into operations.

## Cashflow from operations

million	H1 2024	H1 2023	% Change
<b>Adjusted EBITDA</b>	<b>20.9</b>	<b>13.5</b>	<b>+ 55%</b>
Increase in inventory	(37.6)	(14.0)	n/a
Decrease/ (increase) in receivables	13.3	(7.7)	n/a
(Decrease)/ increase in trade and other payables	(13.2)	19.9	n/a
Tax paid and other	(6.1)	(0.2)	n/a
<b>Cash (outflow)/ inflow from operations</b>	<b>(22.7)</b>	<b>11.5</b>	<b>n/a</b>

## Working capital movements

In terms of use of cash in the first half we invested further in inventory which increased by 37.6 million to 145.7 million (December 2023: 108.1 million). Inventory of finished goods increased to 62.5 million (December 2023: 40.8 million; June 2023: 18.4 million) due to increased holdings of finished boards as holdings of Raspberry Pi5 boards and compute modules normalised but also because of slower sales during the second quarter. Stock of memory held for future production was kept at similar levels to December 2023, to give greater certainty of future input costs, while stocks of processor chips were increased due to favourable terms. The Group has sufficient supply of DRAM well into the first half of 2025.

Payables reduced compared to December 2023 due to payments for memory purchased in December 2023 partly offset by favourable payment terms on new memory and processor chip purchases.

## Investing activities - Capital expenditure

Cash capital expenditure for the six months to 30 June 2024 was 11.2 million (2023: 9.7 million), including expenditure on intangible assets of 10.1 million. This included work on the recently launched RP2350 and further semiconductor development for use in future boards.

In addition to the cash expenditure, intangible and fixed asset additions include non cash additions of 2.9 million in respect of amortisation of IP purchased previously which is being amortised over the period of the licence and capitalised as part of an internally developed intangible asset, in the creation of which the licence is being used.

## Proceeds from financing

### *Initial public offering and primary raise*

On 11 June 2024, Raspberry Pi Holdings plc was admitted to the premium segment of the London Stock Exchange with unconditional trading starting on 14 June.

The Company was incorporated on 12 March 2024 and on 23 May 2024 in exchange for shares it acquired all the share capital of Raspberry Pi Ltd at a valuation of 288.1 million. On the same day a share capital reduction was undertaken reducing share capital and share premium reserves and crediting distributable retained earnings by 287.3 million.

At listing, 11.2 million new shares were issued raising 40 million before fees. At the same time, Raspberry Pi Foundation sold 45,935,065 shares and employees sold 2,125,115 shares to new investors together with further investment by Arm and funds managed by Lansdowne Partners.

Through its sale of shares Raspberry Pi Foundation raised 180m to support its worldwide mission to enable young people to realise their full potential through the power of computing and digital technologies. The Foundation continues to own 46.7% of the Group's shares.

### *Share issuance by Raspberry Pi Ltd*

In February 2024, 171 new shares in Raspberry Pi Ltd were sold to non-executive directors, Total consideration paid for these shares amounted to 0.8 million. As part of the IPO these shares were subsequently converted into 249,104 ordinary shares of Raspberry Pi Holdings Plc.

## Cash and facilities

Cash at 30 June 2024 was 40.4m (31 December 2023: 42.2m). On 24 April 2024, the Group updated its existing Revolving Credit Facility and overdraft with a new, 40 million Revolving Credit Facility and overdraft and extended the facility by one year to 24 April 2027.

## Related party transactions

The Group's related parties include its subsidiary undertakings, key management personnel (comprising the Executive and Non-executive Directors), their closely related family members, and shareholders with significant influence. Transactions and balances between the parent and its subsidiaries, as well as between subsidiaries, have been eliminated upon consolidation and are not disclosed.

The transactions and any material balances outstanding with related parties have been disclosed in note 18 of the Interim financial statements.

## Principal risks and uncertainties

The principal risks and uncertainties, during the remaining six months of the financial year have been reassessed and are considered consistent with those identified in the 2023 Annual report and Prospectus available on the corporate website.

Risk Description	Risk impact	Mitigation
The business relies on attracting and retaining skilled individuals.	Losing key talent could affect operations, the development of new products and growth.	The Group maintains competitive compensation to reduce turnover and attract top talent.
Market Competition	New competitors or the actions of existing competitors could impact the business resulting in reduced sales and lower margins	The Group counters this by focusing on innovation and cost efficiency.
Component Shortages	Production may face disruption due to component shortages and increased costs.	The Group seeks multiple suppliers and long-term agreements with key suppliers to ensure steady supply and manage supplier requests for higher prices.
Component Cost Fluctuations	Fluctuating component costs, particularly for memory chips, may affect profitability.	The Group mitigates this risk by purchasing components particularly memory in advance.
Demand Fluctuations and excess inventory in sales channels	A drop in demand could lead to excess inventory and purchasing misalignment.	The Group works with its contract manufacturer to adjust production and with its resellers, OEM customers and distributors to understand and stimulate demand.
Demand Estimation	Inaccurate demand forecasting could harm the Group's business, finances, and growth prospects because of insufficient inventory for actual demand or an excess of inventory including that delivered under long term supply agreements	We engage regularly with our channel partners and customers understand their expectations and undertake regular forecasting exercises.
Manufacturing Site Closure	The loss or interruption to a key manufacturing site, such as Sony's South Wales facility, would cause a loss of supply of products with the consequent loss of sales and damage to our Brand reputation	We work with Sony on business continuity plans and in addition to some insurance coverage we also hold inventory to smooth supply fluctuations. Should the South Wales facility close completely there are alternative manufacturing locations, including other Sony facilities and other contract manufacturers.
The Group depends on sole suppliers for some critical components, such as Broadcom's 'system on a chip'.	The close relationship with a single supplier is important for product development, but problems at the supplier or in the relationship may limit the supply of a core component and limit production and hence sales	We have sought long term supply agreements with key suppliers and sought to develop internal skills and other components in our products that can provide greater flexibility should there be a problem of supply for a key component.
Macroeconomic Conditions	A global economic downturn could significantly affect the Group's operations	The Group undertakes regular forecasting and strategic planning to assess the impact of demand fluctuations and to consider responses.

## Principal risks and uncertainties (continued)

Risk Description	Risk impact	Mitigation
Innovation and Technological Trends	Failing to innovate or adapt to new trends may lead to lost market share and reduced profits.	Through engagement with customers, in particular in the enthusiast sector, and through regular discussions with key technology suppliers and industry experts we seek to identify industry trends and develop responses. The Group's strong engineering experience provides the Group with the means to adapt to changes in a timely way.
The Group might face challenges in effectively managing its growth.	We may incur additional costs in managing our growth or may not be able to exploit all our	The Board regularly reviews the strengths of the organisation. Resource needs are a frequent element of business planning exercises.



Inadequate protection of intellectual property	This may allow unauthorised use of the Group's platform and technologies, harming financial results.	The extent and effectiveness of both legal and technical protections are regularly reviewed by the Group General Counsel and CEO.
A product design may be flawed when launched or a problem discovered at a late stage in the development process	There may be recall and rectification costs and damage to our reputation and brand. Further development costs may be incurred.	Our engineering team has extensive experience in the design of our products and uses established procedures to test and verify designs throughout the development process.
Our distribution channel may not have the capacity to support our growth	Our growth may be restricted should our existing channel partners not have the organisational or financial resources to support potential markets, customers or applications.	Through regular engagement with our reseller and distribution partners we assess their capacity and support needed. We look for new partners in underdeveloped or new markets and geographies and engage with large OEM customers to ensure that their needs can be met.

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

million	Notes	Six months to 30 June 2024 (Unaudited)	Six months to 30 June 2023 (Unaudited)
Revenue	3	144.0	89.3
Cost of sales		(109.8)	(66.1)
<b>Gross Profit</b>		<b>34.2</b>	23.2
Administrative expenses *		(14.3)	(8.2)
Research and development expenses		(8.5)	(4.6)
<b>Operating Profit</b>		<b>11.4</b>	10.4
Finance income		0.3	0.5
Finance cost		(0.9)	(0.2)
<b>Profit before taxation</b>		<b>10.8</b>	10.7
Taxation charge	7	(3.2)	(2.2)
<b>Profit for the half year</b>		<b>7.6</b>	8.5
<b>Adjusted EBITDA**</b>	8	<b>20.9</b>	13.5
<b>Earnings per Share (Cents)</b>			
Basic	9	<b>3.92</b>	4.39
Diluted	9	<b>3.90</b>	4.39

The profit for the half year is attributable to the shareholders of Raspberry Pi Holdings plc and is derived from continuing operations. There are no recognised gains or losses other than those passing through the Condensed Consolidated Statement of Comprehensive Income.

\*Administrative expenses for 2024 include 2.1m of non-recurring IPO related costs. Refer to note 2.4.3.

\*\*Adjusted EBITDA is a non-IFRS measure comprising operating profit adding back amortisation and depreciation, share-based payments charges and non-recurring items. Refer to note 8 "Adjusted EBITDA".

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

million	Notes	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)	31 December 2023 (Audited)
<b>ASSETS</b>				
Intangible assets	10	65.8	42.5	58.6
Tangible assets		4.7	4.0	5.1
Right of use assets		5.9	1.3	6.7
Other non-current assets		2.3	3.1	2.7
<b>Total Non-Current Assets</b>		<b>78.7</b>	<b>50.9</b>	<b>73.1</b>
Inventories	11	145.7	61.9	108.1
Trade and other receivables	12	26.5	33.8	39.7
Cash and cash equivalents		40.4	36.9	42.2
Current tax assets		5.5	-	2.2
<b>Total Current Assets</b>		<b>218.1</b>	<b>132.6</b>	<b>192.2</b>
<b>Total Assets</b>		<b>296.8</b>	<b>183.5</b>	<b>265.3</b>
<b>LIABILITIES</b>				
Trade and other payables	13	(71.4)	(46.3)	(81.6)
Lease liabilities		(1.3)	(0.2)	(1.3)
Current tax liabilities		-	(2.1)	-
<b>Total Current Liabilities</b>		<b>(72.7)</b>	<b>(48.6)</b>	<b>(82.9)</b>
Lease liabilities		(5.1)	(1.4)	(5.8)
Deferred tax liabilities		(11.6)	(8.5)	(10.2)
Other non-current liabilities		(5.8)	(3.7)	(7.2)
<b>Total Non-Current Liabilities</b>		<b>(22.5)</b>	<b>(13.6)</b>	<b>(23.2)</b>
<b>Total Liabilities</b>		<b>(95.2)</b>	<b>(62.2)</b>	<b>(106.1)</b>
<b>NET ASSETS</b>		<b>201.6</b>	<b>121.3</b>	<b>159.2</b>
<b>SHAREHOLDERS' EQUITY</b>				
Share capital	16	0.8	-	-
Share premium	16	31.8	50.1	65.4
Merger reserve	16	(221.9)	-	-
Share-based payments	17	0.2	1.8	1.3
Retained earnings	16	390.7	69.4	92.5
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>201.6</b>	<b>121.3</b>	<b>159.2</b>

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Unaudited except 1 January and 31 December 2023 balances which are audited.

million		Share Capital	Share premium	Share- based payments	Merger reserve	Retained earnings	Total
<b>At 1 January 2023</b>	<b>A</b>	-	45.0	1.3	-	60.9	<b>107.2</b>
Profit for the period		-	-	-	-	8.5	<b>8.5</b>
Shares issued		-	5.1	-	-	-	<b>5.1</b>
Share based payments		-	-	0.5	-	-	<b>0.5</b>
<b>At 30 June 2023</b>		-	50.1	1.8	-	69.4	<b>121.3</b>
Profit for the period		-	-	-	-	23.1	<b>23.1</b>
Shares issued		-	15.3	-	-	-	<b>15.3</b>
Share based payments		-	-	(0.5)	-	-	<b>(0.5)</b>
<b>At 31 December 2023</b>	<b>A</b>	-	65.4	1.3	-	92.5	<b>159.2</b>
Profit for the period		-	-	-	-	7.6	<b>7.6</b>
Share based payments		-	-	2.2	-	-	<b>2.2</b>
Shares issued		-	0.0	-	-	-	<b>0.0</b>

Share issued		-	0.0	-	-	-	0.0
Share reorganisation	B	288.1	(66.2)	-	(221.9)	-	-
Share capital reduction	B	(287.3)	-	-	-	287.3	-
Share listing proceeds	C	-	40.0	-	-	-	40.0
Share issuance costs	C	-	(8.2)	-	-	-	(8.2)
Share scheme settlement	C	-	-	(3.3)	-	3.3	-
<b>At 30 June 2024</b>		0.8	31.8	0.2	(221.9)	390.7	<b>201.6</b>

#### A Comparative period 2023

The comparative figures presented from 1 January 2023 align with Raspberry Pi Ltd's 2023 annual accounts on the basis that Raspberry Pi Holdings plc was not established as the parent entity of Raspberry Pi Ltd until 23 May 2024. The consolidated accounts are presented as a continuation of Raspberry Pi Ltd's business from 1 January 2023, as the underlying operations and ownership remained unchanged. The reorganisation only affected the share capital structure, not the underlying business.

#### B Share Capital Reorganisation and Reduction

On 23 May 2024, Raspberry Pi Holdings plc acquired Raspberry Pi Ltd for 288.1 million in a share-for-share exchange. Also, on 23 May 2024 a special shareholder resolution was passed to immediately reduce the share capital and premium to their nominal values, supported by a directors' solvency statement. This reduced share capital and share premium reserves with a corresponding increase of 287.3 million in distributable retained earnings.

As consideration shares were issued to the existing share owners, the previous share capital and 66.2 million of share premium were cancelled and the difference on consolidation was recorded in a merger reserve. The share capital and share premium amounts shown following the share reorganisation (and the same day capital reduction) reflect those of Raspberry Pi Holdings plc.

#### C London Stock Exchange Listing

On 11 June 2024, Raspberry Pi Holdings plc listed on the London Stock Exchange, issuing 11.2 million new shares at £2.80 per share, generating 40.0 million gross proceeds and 31.8m net of costs of 8.2m deducted from equity.

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

million	Notes	Six months to 30 June 2024 (Unaudited)	Six months to 30 June 2023 (Unaudited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash (used in)/ generated from operations</b>	<b>14</b>	<b>(18.7)</b>	<b>11.5</b>
Income taxes paid		(3.4)	-
Interest paid		(0.6)	-
<b>Net cash flows (used in) / generated from operating activities</b>		<b>(22.7)</b>	<b>11.5</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of intangible assets		(10.1)	(8.4)
Purchase of property, plant and equipment		(1.1)	(1.3)
Investment in non-current assets		-	(3.1)
Interest received		0.3	0.5
<b>Net cash used in investing activities</b>		<b>(10.9)</b>	<b>(12.3)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from share issues		0.8	5.1
Cash proceeds from IPO share issues		40.0	-
Share issuance costs of IPO shares		(8.2)	-
Payment of lease liabilities		(0.6)	(0.2)
<b>Net cash generated from financing activities</b>		<b>32.0</b>	<b>4.9</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>		<b>(1.6)</b>	<b>4.1</b>
Cash and cash equivalents at beginning of period		42.2	32.8
Effect of exchange rates on cash and cash equivalents		(0.2)	-
<b>Cash and cash equivalents</b>		<b>40.4</b>	<b>36.9</b>

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

## 1. GENERAL INFORMATION

Raspberry Pi Holdings plc (the "Company") is a public limited company incorporated in England and Wales. The Company's registered office is at 194 Cambridge Science Park, Milton Road, Cambridge, England, CB4 0AB, and the company number is 15557387.

- On 12 March 2024: Raspberry Pi ListCo Ltd was incorporated as a private company limited by shares.
- On 23 May 2024: Raspberry Pi ListCo Ltd acquired Raspberry Pi Ltd for 288.1m in a share exchange.
- On 3 June 2024: The Company was re-registered as public and renamed Raspberry Pi Holdings plc.
- On 11 June 2024: The ordinary share capital was listed on the London Stock Exchange's Main Market.

## 2 BASIS OF PRESENTATION AND ACCOUNTING POLICIES

### 2.1 Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules (DTR) of the UK's Financial Conduct Authority.

The consolidated financial statements of Raspberry Pi Holdings plc comprise the results of Raspberry Pi Holdings plc, Raspberry Pi Ltd, Raspberry Pi North America Inc, and the Raspberry Pi Employee Benefit Trust ("the Group").

These condensed consolidated interim financial statements are the first for the newly formed Group. The prior period is presented as a continuation of the former Raspberry Pi Ltd's UK-IFRS accounts, as though the reorganisation had taken place at the start of the earliest period presented.

The standalone entity, Raspberry Pi Holdings plc, prepares its individual financial statements in accordance with Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland. Albeit no adjustments are needed to also follow the Group's IFRS accounting policies, as they are the same when applied in practice, which is expected to pertain for the foreseeable future.

These financial statements should be read in conjunction with the annual financial statements of Raspberry Pi Ltd for the year ending 31 December 2023 which have been prepared in accordance with UK adopted International Financial Reporting Standards (IFRS) and the Companies Act 2006 applicable to companies reporting under IFRS. These are available at Companies House and the investor section of the corporate website.

The financial information contained in these interim financial statements does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. These interim financial statements do not include all the information and disclosures required in the annual financial statements. The financial information for the six months ended 30 June 2024 and 30 June 2023 is unaudited.

The Group's presentational currency is US Dollars, rounded to the nearest million. Since all material subsidiaries use USD as their functional currency, there is no cumulative translation reserve.

These condensed consolidated interim financial statements were approved by the Board of Directors on 23 September 2024.

## 2 BASIS OF PRESENTATION AND ACCOUNTING POLICIES (CONTINUED)

### 2.2 Capital reorganisation

On 23 May 2024 Raspberry Pi Holdings plc acquired the entire shareholding of Raspberry Pi Ltd for 288.1m by way of a share for share exchange agreement. This does not constitute a business combination under IFRS 3 'Business Combinations' as both entities were under common control and Raspberry Pi Holdings plc as the listing vehicle did not constitute a business as defined by IFRS 3.

Management has used the retrospective presentation method, otherwise known as merger accounting. Under merger accounting principles, the assets and liabilities of the subsidiaries are consolidated at book value in the Group financial statements and the consolidated reserves of the Group have been adjusted to reflect the statutory share capital of Raspberry Pi Holdings plc with the difference presented in the merger reserve.

### 2.3 Going concern

The interim financial information has been prepared on a going concern basis. This assessment is deemed appropriate given the proceeds from the recent listing, access to the extended Revolving Credit Facility, and the Group's strong relationships with major customers and key suppliers.

On 11 June 2024, Raspberry Pi Holdings plc was listed on the London Stock Exchange, issuing 11.2 million new shares at £2.80 per share, raising 31.8m net of transaction costs. Additionally, on 24 April 2024, the Revolving Credit Facility was extended, increasing the available funds to 40 million (2023: 25 million) and extending the term until 24 April 2027 (2023: 24 April 2026).

Moreover, based on the Group's cash flow forecasts and projections, the Board is satisfied that the Group will be able to continue to operate for a period of at least 12 months from the date of approval of these financial statements.

to operate within the level of its cash and committed facilities for the foreseeable future which is considered to be 12 months from the date of this report. In making this assessment the Group has considered available liquidity in relation to cash and committed facilities.

A range of sensitivities has been applied to the forecasts to assess the Group's compliance with its covenant and funding requirements over the forecast period. These sensitivities included:

- a reasonable worst-case scenario reflecting a 20% reduction in unit sales resulting from decreasing demand; and
- a general liquidity reduction impacting working capital.

In scenarios where the above sensitivities occur at the same time, the Group has modelled the possible funding needs of the Group and available resources for continued operation in 2024 and 2025. Under these scenarios the Group expects to have sufficient funds to meet its cash flow requirements for the forecast period and to give the Directors sufficient confidence that it is appropriate to adopt the going concern basis in preparing the accounts. A reverse stress test was also performed which modelled the decline in sales that the Group would be able to absorb before the exhaustion of available liquidity and breach of banking covenants, this was considered an implausible scenario.

The Board therefore concluded that the Group will be able to operate within the level of its committed facilities and cash resources for the foreseeable future and the Directors consider it appropriate to adopt the going concern basis of accounting in preparing the condensed consolidated interim financial statements.

## **2 BASIS OF PRESENTATION AND ACCOUNTING POLICIES (CONTINUED)**

### **2.4 Critical accounting judgements and estimates**

In preparing these condensed consolidated interim financial statements, the critical judgements made by management when applying the Group's accounting policies and the critical areas where estimates were required were the same as those that applied to the consolidated historical financial information for the year ended 31 December 2023, apart from three new significant judgements in relation to

- The determination of the functional currency of the parent entity
- The determination of the grant date share price and option life for IPO share awards
- The classification of the transaction costs associated with the issue of shares

#### **2.4.1 Determination of the functional currency of the Parent Entity**

The directors assessed the Company's functional currency and concluded that, since Raspberry Pi Holdings plc was originally formed with the sole purpose of operating as a holding company for its trading subsidiary, Raspberry Pi Ltd, it is appropriate that the functional currency of the Company aligns with that of its subsidiary.

#### **2.4.2 Determination of the Grant Date Share Price and option life for IPO Share Awards**

On 11 June 2024, share awards for employees were approved and finalised prior to the Company's admission to the London Stock Exchange. IFRS 2 prescribes that the fair valuation of these awards should be calculated at the grant date. Management determined the offer price of £2.80 (3.56) as the appropriate share price for valuation on the grant date. According to IFRS 2, the grant date is defined as the date when both the Company and the participants have a mutual understanding of the board-approved key terms of the award, which was confirmed to employees prior to admission on the morning of 11 June 2024.

Therefore, the fair value of the share-based payment awards has been measured using the offer price on this date, in accordance with Paragraph 16 of IFRS 2, which states that fair value should be measured at that time. Given the subsequent increase in share price after the initial offer, using a later grant date would have significantly altered the valuation of the awards. The value of the awards and therefore the IFRS 2 charge depends on the grant date share price. A 20% increase in the market price at grant date would increase the fair value of the awards by a total of 5.1m, while a 30% rise would add 7.7m. These amounts would then be charged to the income statement over the three-year vesting period.

Furthermore IFRS 2 share-based payments requires management to estimate the option life of the share-based payments which once the three-year service period is met, can be exercised up to 10 years from the date of grant, having benchmarked comparable assumptions and applied the employee attrition rate evenly through the exercise period it is expected that the average life will be 5 years if this assumption were to move by plus, or minus one year the impact is approximately 1.7m over the three-year vesting period,

#### **2.4.3 Classification of Transaction Costs associated with the Issue of Shares**

The Group incurred 10.3 million in costs related to the IPO. 8.2 million includes broker fees, professional legal and corporate finance services, fees of the reporting accountants, and other compliance and accounting costs directly attributable to the issue of shares upon admission to the London Stock Exchange.

As these costs were directly attributable to the equity transaction, including 8.2 million that has been deducted from the gross proceeds of 40.0m such that the net proceeds of 31.8m are recognised in share premium.

2.1 million was presented as non-recurring transaction costs in administrative expenses. Management determined that legal and finance fees associated with upgrading policies and procedures for post-listing requirements, the costs of internal corporate finance, legal support, and advice on share schemes and wider incentives were not directly attributable to the issue of shares and therefore these expenses are recognised in the income statement as non-recurring items.

## 2.5 Alternative performance measures (APMs)

Alternative performance measures, which are used in these financial statements, are also used by the Board and management for planning and reporting. These measures are also used in discussions with the investors. APMs are not displayed with more prominence, emphasis or authority than IFRS measures.

Adjusted EBITDA is a non-IFRS measure comprising operating profit adding back amortisation and depreciation, share-based payments charges and non-recurring items. Adjusted operating profit is a non-IFRS measure comprising operating profit adding back share-based payments charges and non-recurring items. Adjusted research and development expense is a non-IFRS measure comprising research and development expense adding back amortisation and depreciation, share-based payments charges and non-recurring items. Adjusted administrative expense is a non-IFRS measure comprising administrative expenses adding back amortisation and depreciation, share-based payments charges and non-recurring items.

Non-recurring items are presented whenever significant expenses are incurred or income is received because of events considered to be outside the normal course of business, where the unusual nature and expected infrequency merits separate presentation to assist comparisons with previous years.

## 2.6 Accounting policies and new and amended accounting standards

The condensed set of consolidated financial information has been prepared using accounting policies consistent with those in Raspberry Pi Ltd's Annual Report and Accounts 2023 except for the following standards, amendments and interpretations which have been adopted from 1 January 2024.

### Newly adopted accounting standards

From 1 January 2024, the following standards became effective for the Group's consolidated financial statements:

- Amendments to IAS 1 - Non-current liabilities with covenants
- Amendments to IAS 1 - Classification of Liabilities as Current or Non-current
- Amendments to IFRS 16 - Leases on sale and leaseback
- Amendments to IAS 7 and IFRS 7 - Supplier finance

The adoption of the standards and interpretations listed above has not led to any material impact on the financial position or performance of the Group. The Group has not early adopted other standards, amendments to standards or interpretations that have been issued but are not yet effective.

### Standards not yet effective

The following standards were in issue but were not yet effective at the balance sheet date. These standards have not yet been early adopted by the Group,

- Amendments to IAS 21 - Lack of exchangeability (mandatorily effective 1 January 2025)
- IFRS 18 - Presentation and Disclosure in Financial Statements (mandatorily effective 1 January 2027)

Management do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Group.

## REVENUE

The total revenue for the Group derives from its principal activity: the development, marketing, manufacture and sale of cost-effective programmable computing devices. All revenue is recognised at a point in time except for publishing revenue recognised over the length of the magazine subscription. The Group has further disaggregated revenue by category and customer location as follows:

million - by Category	Six months to 30 June 2024	Six months to 30 June 2023
Product sales	89.5	74.6
Components	43.6	11.1
Royalties	10.3	3.1
Publishing	0.6	0.5
<b>Total</b>	<b>144.0</b>	<b>89.3</b>

  

million - by Customer location	Six months to 30 June 2024	Six months to 30 June 2023
UK	77.7	27.0
Europe	22.6	23.4
Americas	26.7	19.8
Asia Pacific	16.0	18.7
Rest of World	1.0	0.4
<b>Total</b>	<b>144.0</b>	<b>89.3</b>

There are no material contract liabilities outstanding at the reporting date. The Group has concluded that it operates only one operating segment, as defined by IFRS 8 Operating Segments, that being its principal activity. The information used by the Group's Chief Operating Decision Makers (CODMs) to make decisions about the allocation of resources and to assess performance is presented on a consolidated Group basis. Accordingly, no segment analysis is presented.

#### 4. EMPLOYEE COSTS AND HEADCOUNT

million	Six months to 30 June 2024	Six months to 30 June 2023
Wages and salaries	9.7	7.6
Social security costs	1.0	0.6
Pension costs	0.7	0.4
Share based payments (note 17)	2.2	0.5
Staff costs capitalised	(3.6)	(2.8)
<b>Total</b>	<b>10.0</b>	<b>6.3</b>

Average Headcount	Six months to 30 June 2024	Six months to 30 June 2023
Engineering	61	46
Retail	4	3
Corporate & Administrative	15	11
Communications & Publishing	14	16
Sales and product management	21	19
<b>Total</b>	<b>115</b>	<b>95</b>

#### 5. DEPRECIATION AND AMORTISATION

million	Six months to 30 June 2024	Six months to 30 June 2023
Depreciation of Tangible Assets	1.4	1.1
Depreciation of Right of Use Assets	0.9	0.1
Amortisation of Intangible Assets	5.8	2.1
Intangible amortisation capitalised	(2.9)	(0.7)
<b>Total</b>	<b>5.2</b>	<b>2.6</b>

#### 6. AUDITORS REMUNERATION

Auditors' remuneration in the period comprised fees for the Interim half year review procedures in accordance with ISRE 2410 of 0.1m (June 2023: nil). Audit related non audit fees of 1.4m (June 2023: nil) relating to their Reporting Accountant's role on the listing is recognised within share premium.

#### 7. TAXATION

The tax charge for the six months ended 30 June 2024 of 3.2m (30 June 2023: 2.2m) has been calculated in accordance with IAS 34, *Interim Financial Reporting*, by applying the estimated annual effective tax rate to the interim profit before tax.

- Effective Tax Rate for this period is 29%, compared to 19% for Interim 2023
- Underlying Effective Tax Rate is 25%, up from 22% for Interim 2023

As all the Group's pre-tax profits are generated from UK trading activities and therefore all subject to UK tax the underlying effective tax rate corresponds to the UK corporation tax rates.

The increase in the underlying tax rate reflects the rise in the UK corporation tax rate from 19% to 25%, effective from 1 April 2023.

The 29% effective tax rate for the current period exceeds the underlying rate of 25% primarily due to 2.1 million in non-recurring IPO-related costs. These costs have been classified as fully non-deductible for tax purposes, as they are considered capital in nature, being directly related to the IPO.

By contrast, the 19% effective tax rate in the prior period was lower than the underlying rate of 22% due to a qualifying charitable distribution received from Raspberry Pi Foundation. As of 30 June 2023, this Group relief was estimated at 3.8 million, with the actual relief totalling 9.6 million as of 31 December 2023, following investments from Sony and Arm.

#### 8. ALTERNATIVE PERFORMANCE MEASURES

Adjusted EBITDA, Adjusted Operating Profit, Adjusted Research and Development expenses and Adjusted Administrative expenses are non-IFRS measures used by the Board and management to monitor the Group's performance.

Six months to                      Six months to

million	SIX MONTHS TO 30 June 2024	SIX MONTHS TO 30 June 2023
<b>Operating Profit</b>	<b>11.4</b>	<b>10.4</b>
Amortisation and depreciation	5.2	2.6
<b>EBITDA</b>	<b>16.6</b>	<b>13.0</b>
Share based payments	2.2	0.5
Non-recurring costs	2.1	-
<b>Adjusted EBITDA</b>	<b>20.9</b>	<b>13.5</b>
Amortisation and depreciation	(5.2)	(2.6)
<b>Adjusted Operating Profit</b>	<b>15.7</b>	<b>10.9</b>

million	Six months to 30 June 2024	Six months to 30 June 2023
<b>Research and Development expenses</b>	<b>8.5</b>	<b>4.6</b>
Amortisation and depreciation	(2.9)	(1.4)
Share based payments	(1.4)	(0.3)
<b>Adjusted research and development expenses</b>	<b>4.2</b>	<b>2.9</b>

million	Six months to 30 June 2024	Six months to 30 June 2023
<b>Administrative expenses</b>	<b>14.3</b>	<b>8.2</b>
Amortisation and depreciation	(2.3)	(1.2)
Share based payments	(0.8)	(0.2)
Non-recurring costs	(2.1)	-
<b>Adjusted administrative expenses</b>	<b>9.1</b>	<b>6.8</b>

## 9. EARNINGS PER SHARE (EPS)

**Basic EPS:** Profit for the period attributable to owners divided by the weighted average number of ordinary shares in issue, including those held by the Employee Benefit Trust, unless specifically allocated or cancelled.

**Diluted EPS:** Adjusts the weighted average number of shares to include all potentially dilutive shares, such as share options. For 2023, there is no dilution as all legacy LTIP awards are included in the listed shares.

**Adjusted EPS:** Is a non-IFRS Alternative performance measure which adjusts Basic EPS and Diluted EPS for the non-recurring items and share based payments applied in computing Adjusted EBITDA.

Earnings per share	Six months to 30 June 2024	Six months to 30 June 2023
Profit after tax ( million)	7.6	8.5
Number of shares in issue during the period	193,415,715	193,415,715
<b>Basic earnings per share</b>	<b>3.92 cents</b>	<b>4.39 cents</b>
Unvested employee share options	11,815,339	n/a
Average share price (GBP)	4.02	-
Average exercise price (GBP)	(2.74)	-
Fair value of services to be received (GBP) per award	(0.88)	-
Dilutive impact per award (GBP)	0.40	-
Dilutive impact as a percentage of award (%)	10%	n/a
Average number of shares required at average market price:	<b>1,179,485</b>	<b>n/a</b>
Weighted average dilutive number of shares during the period	194,595,200	193,415,715
<b>Diluted earnings per share</b>	<b>3.90 cents</b>	<b>4.39 cents</b>

Adjusted Earnings per share	Six months to 30 June 2024	Six months to 30 June 2023
Profit after tax ( million)	7.6	8.5
Non- recurring costs (disallowable for tax).	2.1	-
Share based payments (net of tax)	1.6	0.4
<b>Adjusted profit after tax ( million)</b>	<b>11.3</b>	<b>8.9</b>
Number of shares in issue during the period	193,415,715	193,415,715
<b>Adjusted basic earnings per share</b>	<b>5.84 cents</b>	<b>4.60 cents</b>
Weighted average dilutive number of shares period	194,595,200	193,415,715



**10. INTANGIBLE ASSETS**

million	Internally Developed	Under Development	Intellectual Property	Total
<b>Net book value as at 31 December 2023</b>	<b>17.8</b>	<b>21.1</b>	<b>19.7</b>	<b>58.6</b>
Additions	-	13.0	-	13.0
Amortisation	(2.2)	-	(3.6)	(5.8)
<b>Net book value as at 30 June 2024</b>	<b>15.6</b>	<b>34.1</b>	<b>16.1</b>	<b>65.8</b>
<b>Net book value as at 1 January 2023</b>	<b>5.2</b>	<b>20.1</b>	<b>10.2</b>	<b>35.5</b>
Additions	-	9.1	-	9.1
Amortisation	(1.4)	-	(0.7)	(2.1)
<b>Net book value as at 30 June 2023</b>	<b>3.8</b>	<b>29.2</b>	<b>9.5</b>	<b>42.5</b>

The intangible assets that have been developed and are now being amortised relate to the successfully launched Raspberry Pi5 computer board, the RP2040 microcontroller and the RP1 I/O chip. The intangible assets under development primarily relate to semi-conductor development projects including RP2350 and new boards and accessories.

**11. INVENTORIES**

million	As at 30 June 2024	As at 30 June 2023	As at 31 December 2023
Raw materials and components	83.2	43.5	67.3
Finished goods for resale	62.5	18.4	40.8
<b>Inventories</b>	<b>145.7</b>	<b>61.9</b>	<b>108.1</b>

Inventory recognised in cost of sales as an expense for the six months ended 30 June was 105.4m (2023: 62.4m). The provision within inventories of 9.0m (December: 2023 8.9m) is for anticipated future obsolescence on specific slow-moving units and has not needed significant revision this period.

**12. TRADE AND OTHER RECEIVABLES**

million	As at 30 June 2024	As at 30 June 2023	As at 31 December 2023
Trade receivables	17.3	24.8	30.3
Expected credit loss allowance	(0.1)	-	(0.1)
Other receivables	3.7	4.8	6.9
Prepayments	5.6	4.2	2.6
<b>Trade and other receivables</b>	<b>26.5</b>	<b>33.8</b>	<b>39.7</b>

The Group considers that the carrying amount of trade and other receivables are a reasonable approximation of their fair value due to their short-term nature.

**13. TRADE AND OTHER PAYABLES**

million	As at 30 June 2024	As at 30 June 2023	As at 31 December 2023
Trade payables	51.1	35.1	62.4
Accruals and other payables	10.9	8.3	9.1
Repurchase liabilities	8.5	2.5	8.2
Other taxation and social security	0.9	0.4	1.9
<b>Trade and other payables</b>	<b>71.4</b>	<b>46.3</b>	<b>81.6</b>

The Group considers that the carrying amount of trade and other payables are a reasonable approximation of their fair value owing to their short-term nature.

Repurchase liabilities relate to components sold by the Group to contract manufacturers, with the purpose of producing finished products that the Group has committed to purchase.

**14. NET CASH FLOWS FROM OPERATIONS**

million	Six months to 30 June 2024	Six months to 30 June 2023
<b>Operating Profit</b>	<b>11.4</b>	<b>10.4</b>
<i>Adjustments for non-cash items:</i>		
Depreciation and amortisation	5.2	2.6

Share-based payment charges	2.2	0.5
Adjustments for movements in working capital:		
Decrease/ (increase) in trade and other receivables	13.3	(7.9)
Increase in inventories	(37.6)	(14.0)
(Decrease) / Increase in trade and other payables	(13.2)	19.9
<b>Net cashflow from operations</b>	<b>(18.7)</b>	<b>11.5</b>

## 15. FINANCIAL COMMITMENTS

Raspberry Pi Ltd, to ensure the uninterrupted supply of essential components to meet projected demand, has established long-term supply agreements and placed substantial orders with key suppliers and distributors.

As of 30 June 2024, these agreements have committed to component purchases over a pre-defined schedule to December 2027 are valued at 386 million ( 466 million as of 31 December 2023). These components will be used for manufacturing products by both the Group and its licensees.

As both the supplier (delivery) and the Group (payment once delivered) have obligations outstanding, they are not recognised as liabilities on the balance sheet. However, they are disclosed as significant contractual obligations to provide clarity on the financial commitments.

## 16. SHARE CAPITAL AND OTHER RESERVES

The share capital represents the nominal value of share capital subscribed for. Raspberry Pi Holdings plc has the following share capital upon admission to the London Stock exchange and as at the reporting date.

Share capital	Number of shares	Nominal capital million
Ordinary shares of £0.0025 each	193,415,715	0.6
Deferred Shares of £0.0025 each	61,610,435	0.2
<b>Total</b>	<b>255,026,150</b>	<b>0.8</b>

### Share capital

193,415,715 Ordinary shares of £0.0025 each have been listed for trading on the London Stock Exchange. 61,610,435 Deferred Shares of £0.0025 each were created as part of the share capital reorganisation. The Deferred Shares have no voting rights or rights to a dividend and can be repurchased at the Company's option for £0.01 for each holder's entire holding. It is intended to repurchase and cancel these shares after the 2025 AGM.

### Share premium account

The Share premium account records the amount above the nominal value received for shares issued, less transaction costs. The share premium account is in most circumstances not immediately available for distribution.

### Share-based payment reserve

This reserve represents the cumulative income statement charges for unvested employee share awards. Once the awards vest this reserve is recycled to retained earnings and the issue of equity is reflected in share capital, share premium or retained earnings as appropriate.

### Merger reserve

The merger reserve and retained earnings are presented gross on consolidation such that the Group's retained earnings are a reasonable measure of the underlying distributable reserves of the Company on a standalone entity basis as this is considered useful information for investors.

### Retained Earnings

This reserve represents the total of all current and prior retained earnings available to facilitate future shareholder distributions.

## 17. SHARE BASED PAYMENTS

All share-based payments are related to employee share schemes and are equity-settled for shares of Raspberry Pi Holdings plc. Equity awards are a key component of the overall remuneration package, being essential for retaining, motivating, and rewarding key employees.

On 11 June 2024, upon listing onto the London Stock Exchange all previous- employee share schemes vested, and new awards were immediately granted. The share-based payment charges are as follows:

million	Six months to 30 June 2024	Six months to 30 June 2023
Legacy 2020 LTIP scheme - IFRS 2 charge	0.8	0.5
Legacy 2020 LTIP scheme - accelerated charge on settlement	1.2	-
Market value and nil-cost options - granted on 11 June 2024	0.2	-
<b>Total share-based payment charges for the half year</b>	<b>2.2</b>	<b>0.5</b>

### Settlement of 2020 LTIP scheme upon listing on the London Stock Exchange

In 2020, the Board approved a Long-Term Incentive Plan (LTIP) and up to the listing date had awarded 19,000 B ordinary shares to employees. These shares were designed to participate in the proceeds from an exit, defined as the company's sale or a stock exchange listing. On the sale of Raspberry Pi Ltd to Raspberry Pi Holdings plc in May 2024, the B shares were exchanged for shares with equivalent rights in Raspberry Pi Holdings plc.

Upon listing on the London Stock Exchange, all outstanding awards vested and settled by the granting of ordinary shares in Raspberry Pi Holdings plc. When the awards vested, the cumulative 3.3 million charged to the income statement since 2020 was transferred to retained earnings.

### New option awards granted upon on admission to the London Stock Exchange

On 11 June 2024 immediately before the IPO, alongside the settlement of legacy share awards, new awards were granted in the form of market value options and nil-cost options over shares of Raspberry Pi Holdings plc.

The market value options have an exercise price equal to the IPO share issue price of £2.80. The nil-cost options have a nil exercise price. The Awards vest on the third anniversary of the date of grant, subject to the employee remaining in Group employment. The Awards are not subject to other performance or holding conditions. The options expire on the tenth anniversary of the date of grant or upon leaving.

### Grant date fair value of new market value and nil cost option awards

The grant date fair value of the new awards was calculated with assistance from external valuation expert using a Black-Scholes model with the following inputs and assumptions:

	Market value options	Nil cost
Grant date	11 June 2024	11 June 2024
Number of awards granted	11,561,566	253,773
Grant date share price	£2.80	£2.80
Exercise price	£2.80	£0.00
Expected term	5 years	3 years
Expected volatility	35.0%	35.0%
Risk free rate	4.2%	4.4%
Dividend yield	0.0%	0.0%

## 17. SHARE BASED PAYMENTS (CONTINUED)

The volatility was estimated at 35%, based on the midpoint between five-year equity volatilities and enterprise volatilities for the FTSE 250 (excluding financials and investment trusts) and for comparable listed technology and software companies as of 11 June 2024 grant date.

The market value options were valued at £1.06 per award and the nil cost options valued at £2.80. After applying an estimated 5% employee attrition assumption the combined fair value of all awards granted is 14.3m which will be recognised in the income statement evenly over the three-year service period resulting in a charge of 0.2m for the period from 11 June 2024 to 30 June 2024.

## 18. RELATED PARTY TRANSACTIONS

The Group's related parties include its subsidiary undertakings, key management personnel (comprising the Executive and Non-executive Directors), their closely related family members, and shareholders with significant influence. Transactions and balances between the parent and its subsidiaries, as well as between subsidiaries, have been eliminated upon consolidation and are not disclosed.

Key management personnel are defined as the 2 Executive (H1 2024: 2) and 6 non-executive (H1 2023: 6) Board members listed in the Statement of Directors' Responsibilities. Their aggregate remuneration (in USD thousand) was as follows:

Key management compensation '000s	Six months to 30 June 2024	Six months to 30 June 2023
Wages and Salaries	1,579	940
Social security costs	131	95
Pension costs	30	23
Share based payments	68	17
Total	1,808	1,075

Additionally, one close family member of Key Management was employed by the Group during the period, resigning on 30 June 2024. Their remuneration (in USD thousand) was as follows:

Close family member compensation '000s	Six months to 30 June 2024	Six months to 30 June 2023
Wages and Salaries	100	76
Social security costs	16	8
Pension costs	10	6
Share based payments	85	21
Severance	44	-
Total	255	111

During the IPO process, Raspberry Pi Foundation reduced its shareholding to 47%, and therefore while the Group companies are no longer subsidiaries of Raspberry Pi Foundation it is still considered a related party based on its significant influence. During the period ended 30th June 2024, Raspberry Pi Ltd paid for expenses on behalf of Raspberry Pi Foundation which were subsequently recharged totalling 802,800. Goods were sold to Raspberry Pi Foundation during the period ended 30 June 2024 totalling 33,000 inclusive of VAT. At 30 June 2024, a balance of 221,000 was owed to Raspberry Pi Ltd. This amount has been repaid in full since the period end.

In February 2024, Raspberry Pi Ltd issued 171 new shares to non-executive Directors Martin Hellawell, Rachel Izzard, and Rockspring Nominees Ltd, in which David Gammon, a Non-executive Director, has an interest. The total consideration for these shares was 0.8 million. As part of the IPO these shares were subsequently converted into 249,104 ordinary shares of Raspberry Pi Holdings Plc.

## 19. EVENTS AFTER THE REPORTING PERIOD

There have been no material post balance sheet events that would require disclosure or adjustment to these Interim financial statements.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors of Raspberry Pi Holdings plc are as follows:

Martin Hellawell	Appointed on 2 June 2024
Dr. Eben Upton CBE	Appointed on 12 March 2024
Richard Boulton	Appointed on 12 March 2024
Sherry Coutu CBE	Appointed on 2 June 2024
David Gammon	Appointed on 2 June 2024
Rachel Izzard	Appointed on 2 June 2024
Christopher Mairs CBE	Appointed on 2 June 2024
Daniel Labbad	Appointed on 2 June 2024

The Directors confirm that the condensed consolidated interim financial statements in the Interim Report have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and that the Interim Report includes a fair review of the information required by Disclosure and Transparency Rules 4.2.3R and 4.2.8R, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed consolidated interim financial statements.
- 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.

**On behalf of the Board**  
**Dr Eben Upton CBE**  
**Chief Executive Officer and Founder**

23 September 2024

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