

### Trading and business strategy update

Pebble Beach Systems Group plc (AIM: "PEB", "Pebble" or the "Group"), a leading global software business specialising in playout automation and integrated channel solutions for the broadcast and streaming service markets, provides the following trading update for the year ended 31 December 2024 ("FY24") together with a business strategy update.

#### *FY24 Trading Update*

As outlined in announcements during the year, FY24 has shown itself to be a challenging market for orders with sector delays in the full-scale adoption of IP Technology. As a result, Pebble continues to experience extended conversion times for project orders with customers delaying decisions on investing in new systems. Project orders in the period were down 2%, 35% of which were booked in December. The Group therefore expects to report results that are below market guidance\* with revenues expected to be c.£11.5m (FY24: £12.4m) and Adjusted EBITDA\*\* expected to be approximately £3.3m (FY23: £3.8m).

However, following a levelling up of the Group's support agreements ("SLAs"), we expect to report a significant increase in recurring revenues, up 17% on FY23 to c.£6.1m (FY23: £5.2m), representing c. 54% of total Group revenues. Future revenue visibility from SLAs in the order book has also improved with an increase of 56%.

The Group also continues to demonstrate strong cash generation with continued pay down of historical debt. Gross bank debt at 31 December 2024 was c£4.6m following another £1.0m repayment (FY23: £5.6m). Net debt at the period end will have reduced by c.22% from last year to £3.7m (FY23: £4.8m).

#### *Business strategy update*

Pebble launched its PRIMA platform at the NAB trade show in April 2024. PRIMA is an IP native technology platform targeted at broadcasters transitioning from baseband infrastructure to full IP. The first iteration of PRIMA is complete with full platform and basic automation capabilities.

Given the ongoing delays in the full-scale adoption of IP technologies the Group will be taking the following strategic actions. Specific PRIMA R&D be scaled back until such time as market demand warrants further investment. Short term focus will be on the existing core capabilities as a broadcast solutions specialist. Pebble will continue its development of its existing playout and integrated channel products and services for current customers and new prospects.

As a result of these actions, the Board anticipates a significant reduction of the existing cost base to be commenced and completed in Q1 25. We estimate that this rebalancing should deliver annualised cash savings of approximately £2m and as a result, sustainable free cash inflows should also increase materially in FY25 and beyond.

The board believes this strategy will give Pebble increased options for future growth. The additional funds generated will give the flexibility to balance an accelerated pay down of the long-term debt with M&A investment, to add technology product offerings, and potentially paving the way for improving shareholder returns.

The Board looks forward to providing a further update in the Group's audited results for the year ended 31 December 2024, the release date of which will be announced in due course.

John Vamey, Non-Executive Chairman, commented:

"I have supreme confidence that PRIMA as an IP native product is perfectly positioned for when the market is ready to transition to IP technology. Pebble's unique strength remains its long-standing position as a leading expert in delivering high quality products and services within the broadcast industry."

*\* The Board believes that the current consensus estimates for the year ending 31 December 2024 is revenue of £13.4 million and adjusted EBITDA of £4.1 million.*

*\*\* Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) a non-GAAP measure, is EBITDA before non-recurring items and foreign exchange gains/losses.*

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR") and is disclosed in accordance with the company's obligations under Article 17 of MAR

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The Company is quoted on the LSE AIM market (PEBL). More information can be found at [www.pebbleplc.com](http://www.pebbleplc.com).

### About Pebble Beach Systems

Pebble Beach Systems (trading as Pebble) is a world leader in designing and delivering automation, integrated channel and virtualised playout solutions, with scalable products designed for applications of all sizes. Founded in 2000, Pebble has commissioned systems in more than 70 countries, with proven installations ranging from single up to over 150 channels in operation, and around 2000 channels currently on air under the control of our automation technology. An innovative, agile company, Pebble is focused on discovering its customers' ..

requirements and pain points, designing solutions which will address these elegantly and efficiently, and delivering and supporting these professionally and in accordance with its users' needs.

*Forward-looking statements*

*Certain statements in this announcement are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to be correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. The Group undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast.*

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