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Zinc Media Group PLC
30 April 2025

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Zinc Media Group plc

("Zinc" or the "Group")

Results for the year ended 31 December 2024
and
Notice of Annual General Meeting

Zinc Media Group plc (AIM: ZIN), the award-winning television and content production group, is pleased to announce its audited results for the year ended 31 December 2024 ("FY24").

The Group is pleased to report a strong set of results and significant strategic progress including:

- Delivering growth in adjusted EBITDA, Operating Profit and PBT for the fourth consecutive year and profit at adjusted PBT level for the first time in many years; and
- Re-focusing its portfolio structure on more profitable television and content production. It also broadened its offering with growth into new markets that are expected to deliver more repeat series and valuable IP in the future.

Mark Browning, CEO of Zinc Media Group, commented:

"Zinc has made excellent progress this year. We have delivered a strong set of results, reflecting the Group's successful transformation.

We are reporting record profit and presenting a stronger Group which is refocused following strategic disposals and acquisitions, and increasingly diversified, providing deeper resilience to market fluctuations.

Our reputation for quality has never been stronger, and the deep trust afforded to us is demonstrated by the extraordinary level of access we are given to produce our agenda-setting programmes. This makes us stand out, in an industry where the right to win is defined by the quality of content.

I am delighted by our strong performance this year, and excited by how well we've started, with significantly more revenue booked at this stage of the year than we had last year which underpins our confidence looking ahead."

£m	2024	2023[1]	Movement
Income Statement			
Continuing operations			
Revenue	32.3	36.6	(4.3)
Gross Profit	14.4	14.1	+0.3
Gross Margin	44.5%	38.5%	+6.0%
Adjusted EBITDA Profit[2]	1.5	1.4	+0.1
Adjusted Operating Profit[3]	0.7	0.0	+0.7
Adjusted Profit/(Loss) Before Tax[3]	0.3	(0.4)	+0.7
Statement of financial position			
Cash	6.3	4.9	+1.4
Debt	(3.5)	(3.5)	-
Net cash	2.8	1.4	+1.4

(1) Restated for discontinued items. The numbers reported in this annual report are based on continuing operations, which

follows the restructuring of the Group in FY24. All prior year comparisons have been adjusted to make comparisons on a like for like basis. This may mean numbers vary to prior trading updates.

(2) Adjusted EBITDA is defined as EBITDA before Adjusting Items (see note 8) comprising share-based payment charges, gains on disposal of fixed assets, reorganisation and restructuring costs, acquisition costs and contingent consideration

(3) Adjusted Operating Profit is defined as Operating Profit before Adjusting Items and amortisation of acquisitions. Adjusted PBT is defined as PBT before adjusting items and acquisition-related costs (amortisation and interest on unwinding of intangible assets related to acquisitions).

Financial Highlights

- Adjusted EBITDA from continuing operations increased 7% to £1.5m (FY23[1]: £1.4m); Adjusted Operating Profit up to £0.7m (FY23: £0m).
- Revenue from continuing operations decreased by 12% to £32.3m (FY23[1]: £36.6m), reflecting portfolio changes, including the disposal and closure of non-core businesses during the year, and some opportunities moving into the new financial year.
    - On a pro-forma basis, including a full year of Raw Cut, revenue is flat year-on-year.
    - 95% of revenue was delivered from existing customers, up from 80% in FY23.
    - The Edge Picture Company, acquired in 2022, continues to perform ahead of acquisition expectations, generating £12m of revenue in FY24.
- Gross margins increased from 38.5% to 44.5%, driven by higher margin TV work and a material one-off high margin project in content production.
- Robust balance sheet with cash of £6.3m as at 31 December 2024 (31 December 2023: £4.9m), a £1.4m increase on FY23 driven by the positive trading performance and working capital inflows. Cash as at 24 April 2025 was £3.9m.
- Statutory loss before tax from continuing operations reduced by £0.1m to £1.4m (FY23: £1.5m). Excluding acquisition-related costs and adjusting items the Adjusted Profit Before Tax has improved by £0.7m to a £0.3m profit.

Strategic and Operational Highlights

- In FY24 the Group made significant changes to its portfolio structure to focus the Group on more profitable television and content production, whilst broadening its offering:
    - Acquired Raw Cut TV in October 2024. Raw Cut produces for ITV, Channel 4 and Channel 5, and has a significant distribution and IP catalogue.
    - Completed the sale of Zinc Communicate Publishing and discontinued the Group's video marketing business.
    - Launched Electric Violet, a major new entertainment television label headed by the former Executive Producer of *Strictly Come Dancing*, expanding the Group into an exciting sector underpinned by valuable IP rights.
- The Group further invested in its strong platform of infrastructure, central services and specialist expertise in areas including finance, technology, marketing and PR, human resources and governance, commercial strategy and post-production. This platform enables scalability and operational gearing as the Group grows through investment and selective M&A.
- The Group was awarded "Production Company of the Year" for the second year running at the prestigious New York Festival Film and Television Awards.

Highly Acclaimed Programmes

- Eight television series were recommissioned and four new series were commissioned which have the potential to return in future years.
- The Group produced 178 hours of television production, with a number of documentaries leading the UK news agenda, including:
    - *Israel and the Palestinians: The Road to 7th October*. The 3-part series for the BBC documents the decisions that have shaped Israeli-Palestinian conflict over the past two decades.
    - *Top Gun: The Next Generation* (working title): The Group was in production for its largest ever USA television series worth 9m for National Geographic Channel which will be available on Disney+.

- *Rob & Rylan's Grand Tour*: This new series for the BBC launched to considerable critical acclaim, including being nominated for a BAFTA award, and a new series *Rob & Rylan's Passage to India* began production towards the end of FY24.
- *Bargain Loving Brits in the Sun* was recommissioned for an impressive 80-episode series, which began filming in FY24 and will complete early FY25.
- A multi-million pound series called *Defending Europe* was produced by Atomic Television for the National Geographic Channel and is available on Disney+ and Hulu. Atomic Television was launched as an organic investment in 2023.

- The Edge won numerous awards for the quality of its work including Cannes Corporate Media & TV Awards, The Learning Awards, EVCOM London Film Awards and New York Festivals TV & Film Awards.
- There are currently 60 television programmes produced by Zinc companies available to view in the UK, either on terrestrial channels, on-demand or via subscription TV platforms. A full list of Zinc produced programmes currently available to watch is on the Group's website: https://zincmedia.com/what-to-watch-on-tv/.

FY25 Trading and Outlook

- The Group is trading strongly with £27m of revenue already booked and expected to be recognised in FY25, versus £23m at this stage in FY24[1].
- Post period end, the Group has won several new and recommissioned contracts, further strengthening the Group's forward bookings and visibility into FY25, including *The Inner Circle*, a brand new multi-million pound BBC prime time quiz show which Zinc owns the potentially valuable IP to and *Race Against the Tide*, a 7-figure commission of an innovative new craft reality show.
- The Group's pipeline remains strong with a further £7m of revenue at a highly advanced stage (compared to £7m at the same point last year), along with significant opportunities in earlier stages of development.
- The Group has made good progress in its efficiency and synergy programme and expects to exceed its targeted permanent efficiency savings of £0.5m in FY25.
- These factors provide the Board with confidence in delivering FY25 market expectations.

The FY24 results are summarised in a short film and presentation on the Zinc website here: zincmedia.com/investor-information/Full-Year-Results/

Copies of the annual report and accounts

The annual report and accounts is available on the company's website at www.zincmedia.com and a hard copy will be posted to those shareholders registered to receive one.

Notice of annual general meeting

Accompanying the annual report and accounts is notice of the Group's 2025 annual general meeting (the "AGM"), which will take place at 10.00am on 22 May 2025 at Singer Capital Markets' offices at 1 Bartholomew Lane, London, EC2N 2AX.

This announcement contains inside information for the purposes of the UK Market Abuse Regulation. The Directors of the Company take responsibility for this announcement.

For further information, please contact:

Zinc Media Group plc Mark Browning, CEO / Will Sawyer, CFO www.zincmedia.com	**+44 (0) 20 7878 2311**
Singer Capital Markets (Nominated Adviser and Broker) James Moat / Sam Butcher	**+44 (0) 20 7496 3000**
MHP Oliver Hughes / Eleni Menikou / Ollie Hoare	**+44 (0) 7817 458804**

About Zinc Media Group

Zinc Media Group plc is a premium television and content creation group.

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The award-winning and critically acclaimed television labels comprise Atomic, Brook Lapping, Electric Violet, Raw Cut, Rex, Red Sauce, Supercollider, Tern Television, Tomas TV along with Bumblebee Post-Production, and produce programmes across a wide range of factual genres for UK and international broadcasters.

Zinc Media Group's commercial content creation unit includes The Edge Picture Company, one of the UK's largest brand film-making companies, and Zinc Audio, specialising in podcasts and radio production.

For further information on Zinc Media, please visit www.zincmedia.com

Chairman's Statement

The Group has delivered its strongest financial results in over a decade, driven by exceptional television and content production. In FY24, the business was streamlined with a portfolio restructure focused purely on production with the acquisition of Raw Cut TV - a consistently profitable and cash-generative company - the disposal of the loss-making Zinc Communicate Publishing and the closure of a loss-making branded content and video marketing business. Additionally, the launch of Electric Violet, our first TV entertainment label, further strengthened our portfolio.

Strategic portfolio changes by senior management have had a major impact on the Group's bottom line. Improved gross margins in television production, along with a high-margin contract in The Edge, contributed to the highest adjusted Profit Before Tax in many years and profit at adjusted PBT level for the first time in many years, as well as a £0.7m improvement in adjusted Operating Profit from the Group's continuing operations. Gross margins reached record levels, and the Group closed the year with its highest cash balance under this management team. Achieving this amidst tough economic headwinds is an outstanding accomplishment, with even greater potential ahead.

The Group's current ambition is simple: to be a £100m+ turnover television and content production company, generating owned IP and powered by a Group platform. The Group intends to achieve this through organic growth and further strategic acquisitions.

The Group's content proposition is built on trust and quality. We are trusted with the most exclusive access to world leaders for programmes including the critically acclaimed *Israel and the Palestinians* for the BBC, trusted with complex access, including in to the US military for the series *Top Gun - The Next Generation* (working title) for National Geographic, trusted to deliver hundreds of hours of returning series, including the hit series *Bargain Loving Brits in the Sun* for Channel 5 and trusted to work with the biggest global stars as seen in our co-production with Idris Elba for the BBC and CBC, *Paid in Full: The Battle for Black Music*. Our quality kitemark is world famous, as recognised with our award as Production Company of the Year at the New York Festival Film and Television Awards for the second year running.

The start of the new financial year has been excellent, with a slew of new, high-profile commissions including the recommission of the hit series *Rob and Rylan's Grand Tour*, which will now see the pair travel to India, and a new multimillion pound primetime quiz show, *The Inner Circle*, hosted by Amanda Holden. Forward bookings for the current year are well ahead of the same time last year, and we have a strong pipeline for the year ahead. This level of activity demonstrates the strength of our reputation in the industry and underpins our confidence in delivering long term profitability.

The Group is now seeing its growth in EBITDA flowing through to bottom line adjusted operating profit and PBT due to the realisation of efficiency savings and a streamlined portfolio of companies. The Group continues to balance long term profit growth with further organic investment in new markets and we have a highly developed pipeline of acquisition prospects.

The Board would like to thank the management team, the employees and freelancers for their professional and dedicated work, as well as our shareholders for their support in what has been a year of record achievement for the Group.

CEO's Review

During the year, Zinc made substantial progress in executing its strategic plan, improving revenue quality, increasing gross margins, EBITDA, and PBT from continuing operations, increasing cash, diversifying its customer base and streamlining the Group portfolio.

The Group now comprises a total of 10 businesses that operate across two areas: television production (Tern, Brook Lapping, Red Sauce, Raw Cut, Supercollider, Rex, Atomic Television and Electric Violet) and content production for brands and businesses which is now housed within The Edge. All businesses are supported by Bumblebee post-production which also generates revenue from third parties.

Increasing levels of Adjusted EBITDA, PBT and operating profit

The Group delivered £0.7m of adjusted operating profit, the highest adjusted PBT in over a decade and £1.5m of adjusted EBITDA in the reporting period. To put this in context, in 2020 at the start of the Group's turnaround plan under new management, the Company reported an adjusted EBITDA loss of £0.8m and an adjusted loss before tax of £2.5m. In the space of four years, despite the economic and market turmoil the Group has grown profits considerably, and this is set to continue in the years ahead.

At the start of FY24 the Group announced it was targeting £0.5m annualised savings to be realised in FY25 and expects to exceed this target.

Excellent revenue quality and growing international client base

The Group improved revenue quality during the reporting period, with 95% of revenue being delivered from existing customers, up from 80% in FY23. The Group also improved its revenue diversity, reducing its dependence on the UK market, with revenue from outside the UK now at 48% (FY23: 23%).

Notable new business wins in the year included a commission for a new multi-million-pound series for a major global streaming platform. *Defending Europe*, produced by Atomic Television, explores 1,000 years of European military history, was produced for the National Geographic Channel and is available on Disney+ and Hulu. Additionally, a major new biopic on one of the biggest pop bands of the 20th century has been produced by Supercollider. The Group has also seen a strong level of recommissions, including a new series featuring Rob Rinder and Rylan Clark, titled *Rob & Rylan's Passage to India* from Rex, which is a sequel to the highly acclaimed *Rob & Rylan's Grand Tour,* and a new 80-episode series of *Bargain Loving Brits in the Sun,* produced by Red Sauce. Filming of the large international series *Top Gun: The Next Generation* continued throughout the year with the series due to air on National Geographic and Disney+ in autumn 2025.

It is worth noting that the US import tariffs announced at the beginning of April 2025 do not apply to services, including TV production and distribution, and therefore do not impact Zinc selling its services to the US.

Unique platform driving margins and operating leverage

The Group has invested in a common platform to support every business in the portfolio. This platform of central services provides specialist management expertise which would otherwise be unaffordable within any one label, in areas including finance, technology, marketing and PR, human resources and governance, commercial strategy and post-production. This platform of services allows for centralisation of common functions and infrastructure, improving gross margins and as the Group scales further will deliver operational leverage as new companies join through investment in new labels and selective M&A.

The importance of the Group platform was demonstrated during the acquisition of Raw Cut. Its existence, and the quality and scale of services it brings, enabled the Group to rapidly integrate the business to benefit from cost synergies and to operational leverage from day one.

Technology is a core pillar of the Group platform and brings continual innovation to production workflows and remote post-production. The Group is investing in, and experimenting with, AI driven production and post-production solutions and also sees future opportunity in AI powered creative development.

Successful acquisitions helping to drive growth

The acquisition of Raw Cut Ventures Limited, owner of Raw Cut Television, the UK leader in 'Blue Light' programming (embedded with police and emergency services), has strengthened the Group's production capabilities and expanded Zinc's geographic footprint into Wales, resulting in UK-wide presence for the Group. UK broadcasters remain obligated under Ofcom to commission outside London and have to deliver a minimum number of hours of programmes made within the four UK nations. This makes Zinc one of a small handful of producers with substantive production bases in England, Wales, Scotland and Northern Ireland.

The Group launched Electric Violet, a new entertainment label led by a former *Strictly Come Dancing* and *The Voice* Executive Producer, marking its expansion beyond factual television into the potentially lucrative entertainment genre underpinned by proprietary IP rights.

The Edge, which was acquired in 2022, continued to perform well in the reporting period, securing long-term contracts across the professional services, financial and industrial sectors. Furthermore, its presence in Middle Eastern markets is expanding, while The Edge's learning division has seen notable growth. Recent highlights include major projects enhancing Network Rail's workforce skills, mandatory learning around risk for a global professional services firm and pioneering safety training for Calor Gas.

Programme highlights

2024 was another excellent year of programme and editorial highlights.

Across the Group's television labels, eight series were recommissioned. Returning series are the backbone of a successful television company as they underpin long term growth and investment. Returning series include *Rob and Rylan's passage to India* and *Sunday Morning Live* for the BBC, *Special Ops: Crime Squad UK* for Dave, *Bargain Loving Brits* for Channel 5, and the latest contemporary history documentary *Israel and The Palestinians* for the BBC.

Our television companies produced a total of 178 hours of original television production. Alongside the commercially valuable returning series were a high volume of reputational feature documentaries and singles. While these do not span numerous years they build considerable industry reputation, which often sees the commissioning channel return year after year for further commissions.

Zinc's proposition is built on trust and quality. It has a global reputation for delivering the highest quality production as evidenced in numerous awards including being crowned Production Company of the Year for the second year running at the New York Festival Awards. It is trusted by clients to deliver exclusive access as demonstrated by the *Israel and the Palestinians* series which featured contributions from Hillary Clinton, John Kerry, Former UK Prime Minister Tony Blair, Israeli Prime Minister Ehud Olmert, Palestinian Prime Minister Salam Fayyad, and Hamas leader Ismail Haniyeh. Zinc is also trusted to deliver at significant scale and to the highest technical specifications, as evidenced by the highly complex series *Top Gun: The Next Generation* (working title) for Disney+.

There are currently 60 television programmes produced by Zinc companies available to view in the UK, either on terrestrial channels, on-demand or via subscription TV platforms. A full list of Zinc produced programmes currently available to watch is on the Group's new website: https://zincmedia.com/what-to-watch-on-tv/

Dozens of other programmes were produced by Zinc Media Group in 2024, and many more of these can be seen on the Company's website, zincmedia.com, and social media channels. Zinc's group of companies produce content that is watched by tens of millions of people across the world every year, and its programmes lead the news and the national conversation across the United Kingdom.

Market

In television, the UK PSB network groups (comprising the BBC, ITV, Channel 4 and Channel 5) represent the largest addressable market for Zinc with the Group producing for all of them.

The total TV commissioning market for UK producers is worth approximately £4bn[2] (UK PSB network groups account for approximately half this), with the factual television spend (specialist factual, general factual and factual entertainment), Zinc's core competence, at c.£1bn.

The fastest growing market for UK television producers is with the large international channels and SVoD (subscription video on demand) platforms, which has almost doubled since 2021, reflecting the entry of new players like Apple and Disney. Zinc is capitalising on the growth in this market and this is reflected in the significant increase in non-UK revenues. Zinc is also well placed to continue to grow as the UK PSBs continue their push to spend on television commissions made outside of London. This validates Zinc's continued investment in Tern TV (Glasgow and Belfast), Red Sauce TV (Manchester) and Atomic Television (Bristol), plus the recent acquisition of Raw Cut with production bases in London and Cardiff.

While factual television, which is Zinc's television heartland, accounts for approximately 25% of UK original television production, entertainment and drama are the two largest genres, representing 27% and 37% respectively. The launch of Electric Violet directly addresses our ambition to move into entertainment.

In addition to broadcast television production, the Group's corporate and brand production company The Edge continues to perform well and we are investing further in the Middle East in FY25.

Current trading and outlook for FY25

The Group has seen strong momentum in the first quarter of the year. As at 21 April 2025, revenue secured and anticipated to be recognised in FY25 is £27m, (up from £21m reported in February and £4m ahead of the same time last year[3]). Commissions and launches secured in the year so far include:

- A move into reality TV with the commission of a major new series for the BBC called *Race Against The Tide*;
- A landmark BBC documentary series, *Israel and the Palestinians: The Road to 7 October*, chronicling the decisions that have shaped the Israeli-Palestinian conflict over the past two decades;
- *The Inner Circle,* a brand new multi-million pound BBC prime time quiz show, hosted by Amanda Holden, in which Zinc owns the programme and format rights; and
- A 3-part series for Channel 4, *Living Las Vegas*, featuring renowned actor Martin Compston, providing a deep

dive into the glitz and grit of Las Vegas.

Looking ahead, the Group has a solid pipeline with £7m of potential revenue in highly advanced stages of discussion, plus extensive earlier stage opportunities, supporting its confidence in the year ahead.

CFO's Report

£m	2024	2023[1]	Movement
Income Statement			
Continuing operations			
Revenue	32.3	36.6	(4.3)
Gross Profit	14.4	14.1	+0.3
Gross Margin	44.5%	38.5%	+6.0%
Adjusted EBITDA Profit[2]	1.5	1.4	+0.1
Adjusted Operating Profit[3]	0.7	0.0	+0.7
Adjusted Profit/(Loss) Before Tax	0.3	(0.4)	+0.7
Statement of financial position			
Cash	6.3	4.9	+1.4
Debt	(3.5)	(3.5)	-
Net cash	2.8	1.4	+1.4

(1) Restated for discontinued items. The numbers reported in this annual report are based on continuing operations, which follows the restructuring of the Group in FY24. All prior year comparisons have been adjusted to make comparisons on a like for like basis. This may mean numbers vary to prior trading updates.

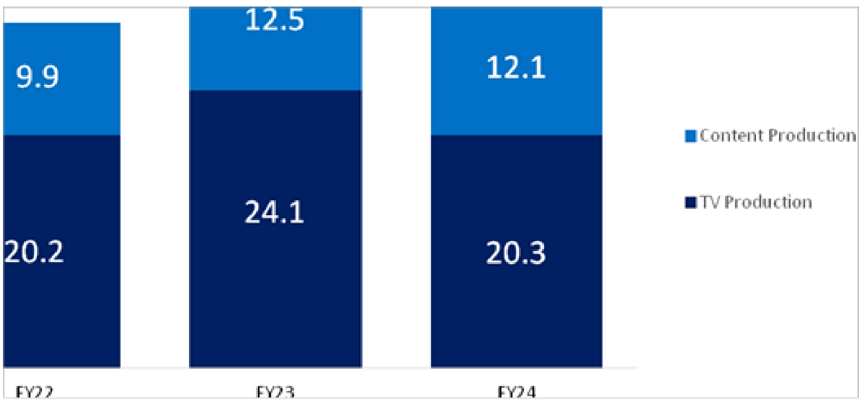
(2) Adjusted EBITDA is defined as EBITDA before Adjusting Items (see note 8) comprising share-based payment charges, gains on disposal of fixed assets, reorganisation and restructuring costs, acquisition costs and contingent consideration

(3) Adjusted Operating Profit is defined as Operating Profit before Adjusting Items and amortisation of acquisitions

Income statement

Revenue

Revenue from continuing operations (£m)



The Group's diversified production base reduces the risk associated with exposure to any one market or territory, with television production now accounting for 63% of the Group's revenues (FY23: 66%), whilst production for brands and businesses accounts for 37% (FY23: 34%). Furthermore, 48% of revenues come from outside the UK (FY23: 23%).

Revenue from continuing operations decreased by 12% to £32.3m (FY23: £36.6m), reflecting portfolio changes, including the disposal and closure of non-core businesses during the year, and some opportunities moving into the new financial year. On a pro-forma basis, including a full year of Raw Cut, revenue is flat year-on-year.

Despite a slower H1, the level of TV commissioning from the autumn onwards was excellent, with £16m of television production work commissioned between September and January, including eight series each worth over £1m, recognised in the income statement across H2 2024 and H1 2025.

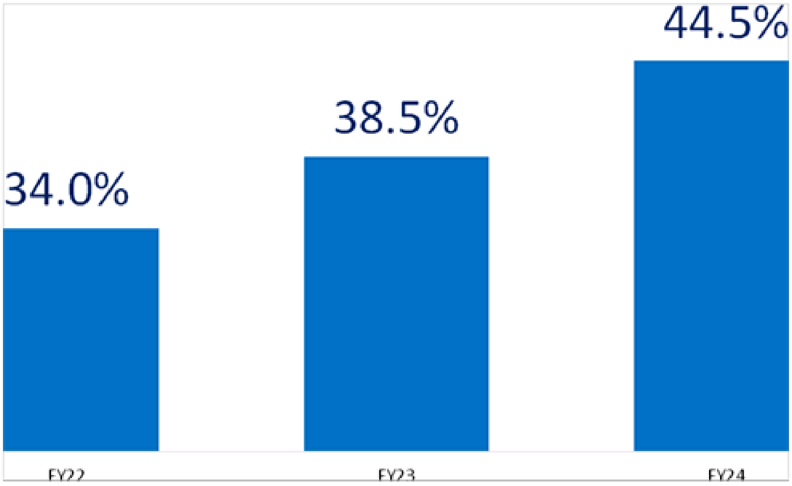
Content Production encompasses brand and corporate film production by The Edge, and revenue from continuing

Content Production encompasses brand and corporate film production by The Edge, and revenue from continuing operations of £12.1m was broadly flat year-on-year (FY23: £12.5m). This represents another strong year following the acquisition of The Edge in 2022, at which point its 3-year trailing average revenue was under £9m p.a. and the performance in FY24 was achieved despite the instability in the Middle East affecting some international business. The Edge has established a strong foothold in the attractive learning content market which it is seeking to build on in FY25.

Gross margin and operating expenses

Group gross margins are the highest they've been in recent years.

Group gross margins from continuing operations (%)



The Group's gross margin increased during the period from 38.5% to 44.5% as margins increased across both television and content production due to the group's strategic actions taken to shift the focus of the Group into higher margin TV work and a one-off high margin project in Content Production. £1.2m of Content Production revenue has been recognised that relates to services the Group has been paid for but was partially frustrated from performing by the customer. The contract for these services concluded during the year and there are no continuing contractual obligations post year end. Excluding this one-off project gross margins were 42.4% and materially up year-on-year.

In FY22 a strategic decision was taken to increase the volume of lower margin television revenue to support the Group's expansion into new television markets. As these programmes have been recommissioned in FY23 and FY24 the Group has been able to increase margins due to learnings from earlier series and finding economies of scale across productions. A similar strategic decision has been taken to help the Group expand into new television markets in FY25, such as entertainment programmes and formats via the newly launched label, Electric Violet, and a prime time quiz show that has been won and is in production. As a result gross margins are expected to decrease in FY25 before increasing thereafter due to associated high-margin IP revenue from selling programmes and formats abroad.

Adjusting items incurred during the year amounted to £1.1m (FY23: £0.2m), which mainly comprised the costs relating to the acquisition of Raw Cut which were £0.8m, in addition to a £0.1m decrease (FY23: £0.4m decrease) in the fair value of contingent consideration in relation to the acquisition of The Edge due to its strong performance, and restructuring and share based payment costs of £0.3m (FY23: £0.3m).

Operating expenses have risen by £0.5m to £15.3m, driven by acquisition costs of £0.8m and other adjusting items. Underlying operating expenses, excluding adjusting items, have fallen by £0.4m or 3%.

Adjusted EBITDA from continuing operations increased 7.5% to £1.5m (FY23: £1.4m) and Adjusted Operating Profit increased to £0.7m (FY23: £0m), in line with market expectations and the highest for 14 years.

The Group's adjusted EBITDA includes a loss of £0.4m from labels launched in recent years that are yet to reach profitability. This includes Electric Violet, which was launched in 2024, and Atomic Television, which was launched in 2023.

Finance costs have fallen from £0.8m to £0.5m as a result of a £0.2m reduction in interest relating to the unwinding of the present value of contingent consideration on The Edge acquisition. £0.3m of interest was payable on the Group's long-term debt (FY23: £0.3m).

The statutory loss before tax from continuing operations decreased by £0.1m to £1.4m (FY23: £1.5m). The loss is largely driven by £1.5m of acquisition related costs including £0.4m of amortisation of intangible assets that have been acquired, £0.1m change in fair value of contingent consideration, £0.2m unwinding of contingent consideration and £0.8m of one-off costs to acquire Raw Cut during the year. Excluding acquisition-related costs and adjusting items the adjusted Profit Before Tax has improved by £0.7m to a £0.3m profit.

The Video Marketing and Brand Content division of Zinc Communicate has had a negative impact on the Group's overall profitability and, following a strategic and market review, the Group decided to wind down this division during the year. The market has been challenging, particularly for sub-scale businesses, and the Group decided to focus its corporate and brand production within The Edge, which is larger and more established. Some staff moved from Zinc Communicate's Video Marketing and Brand Content division to produce corporate and brand films in The Edge. The Group also sold its non-core Publishing business to enable the Group to focus on its core, higher margin, television and content production businesses.

Earnings per share

Basic and diluted loss per share from continuing operations in FY24 was 2.44p (FY23: loss per share of 6.52p) and

Basic and diluted loss per share from continuing operations in FY24 was [illegible] (FY23: loss per share of [illegible]) and from discontinued operations in FY24 was 12.83p (FY23: loss per share of 2.53p). These measures were calculated on the losses for the period attributable to Zinc Media Group shareholders from continuing operations of £0.6m (FY23: loss of £1.4m) and from discontinued operations of £3.0m (FY23: loss of £0.6m) divided by the weighted average number of shares in issue during the period being 23,021,816 (FY23: 21,985,965).

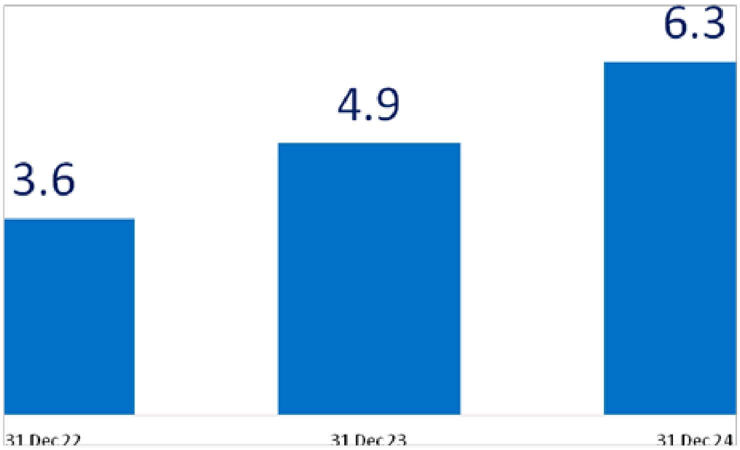
Dividend

The Board has not recommended a dividend in respect of the year ended 31 December 2024 (FY23: £nil).

Statement of Financial Position

Assets

Cash (£m)



The cash balance at the end of December 2024 was £6.3m, representing an increase of £1.4m, or 29%, during the year. The increase in the Group's cash balance was driven by the positive trading performance and working capital inflows, particularly on large projects where working capital has been efficiently managed.

Trade and other receivables have reduced to £6.2m (FY23: £10.6m) reflecting the reduction in revenue and collecting debt more quickly.

Equity and Liabilities

Total equity has reduced from £5.8m to £3.5m as the loss in the year more than offset the issue of new equity in relation to Raw Cut's initial consideration.

Total liabilities increased from £18.6m to £19.8m due to a £1.4m increase in deferred consideration payable relating to Raw Cut and The Edge. The Group had an outstanding balance on long-term debt of £3.5m at year-end (FY23: £3.5m). The long-term debt holders are also major shareholders who own 39% of the Group's shares.

Cash Flows

The Group generated cash of £1.2m in the year (FY23: £3.5m) in its operations, mainly driven by a decrease in working capital due to tight working capital management, including receiving advance payments from customers on some large productions. The net movement in the year was an increase in cash of £1.3m (FY23: increase of £1.3m) after financing activity cash outflow and finance costs of £0.8m (FY23: outflow of £1.6m) was more than offset by cash generated in investing activities of £1.0m (FY23: cash used of £0.5m).

The financing activity cash outflow and finance costs of £0.8m comprise lease payments of £0.5m mainly relating to the Group's offices (a £0.4m reduction year-on-year) and £0.3m of long-term debt interest payments (a £0.1m reduction year-on-year).

The cash generated in investing activities of £1.0m was driven by £1.1m of net cash received in the acquisition of Raw Cut and £0.1m received on the sale of Zinc Communicate Publishing, partially offset by a £0.2m outflow on capital expenditure (a £0.3m reduction year-on-year).

Key Performance Indicators (KPIs)

In monitoring the performance of the business, the executive management team uses the following KPIs:

- Revenue growth, including revenue from repeat customers, number of returning television series and new business pipeline strength
- Profitability assessed by key measures including gross margins, Adjusted EBITDA and Adjusted Operating Profit
- Cash generation and cash management
- Performance and integration of acquisitions
- Industry recognition for producing quality content

These KPIs have been reported on within the Strategic Report within the Chairman, CEO and CFO's reports.

Consolidated Income Statement for the year ended 31 December 2024

	Notes	2024 £'000	2023 Restated £'000
Continuing operations			
Revenue	**4**	**32,308**	36,633
Cost of sales	**5**	**(17,916)**	(22,563)
Gross profit		**14,392**	14,070
Operating expenses	**5**	**(15,270)**	(14,771)
Operating loss		**(878)**	(701)
Analysed as:			
Adjusted EBITDA		**1,510**	1,405
Depreciation	**5**	(852)	(1,452)
Amortisation	**5**	(446)	(431)
Adjusting items	**8**	(1,090)	(223)
Operating loss		**(878)**	(701)
Finance costs	**9**	**(528)**	(776)
Finance income	**9**	**26**	9
Loss before tax		**(1,380)**	(1,468)
Taxation credit	**10**	**834**	53
Loss from continuing operations		**(546)**	(1,415)
Loss from discontinued operations	**11**	**(2,953)**	(556)
Loss for the year		**(3,499)**	(1,971)
Attributable to:			
Equity holders		**(3,514)**	(1,990)
Non-controlling interest		**15**	19
Retained loss for the period		**(3,499)**	(1,971)
Earnings per share			
From continuing operations:			
Basic	**12**	**(2.44)p**	(6.52)p
Diluted	**12**	**(2.44)p**	(6.52)p
From discontinued operations:			
Basic	**12**	**(12.83)p**	(2.53)p
Diluted	**12**	**(12.83)p**	(2.53)p

The loss for the year attributable to equity holders from continuing operations is £561,000 (2023 restated: £1,434,000) and from discontinued operations is £2,953,000 (2023 restated: £556,000).

The accompanying principal accounting policies and notes form part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income for the year ended 31 December 2024

	2024 £'000	2023 Restated £'000
Loss for the year and total comprehensive expense for the year	**(3,499)**	(1,971)
Attributable to:		
Equity holders	**(3,514)**	(1,990)
Non-controlling interest	**15**	19
	(3,499)	(1,971)

Consolidated Statement of Financial Position as at 31 December 2024

	Note	2024 £'000	2023 £'000
Assets			
Non-current			
Goodwill and intangible assets	**13**	**9,106**	7,221
Property, plant and equipment	**14**	**600**	1,016
Right-of-use assets	**19**	**948**	443
		10,654	8,680
Current assets			
Inventories	**15**	**139**	63
Trade and other receivables	**16**	**6,212**	10,649
Cash and cash equivalents	**17**	**6,270**	4,948
		12,621	15,660
Total assets		**23,275**	24,340
Equity			
Called up share capital	**25**	**30**	28
Share premium account	**25**	**10,544**	9,546
Share-based payment reserve	**25**	**715**	547
Merger reserve	**25**	**1,163**	1,163
Retained losses	**25**	**(8,990)**	(5,508)
Total equity attributable to equity holders of the parent		**3,462**	5,776
Non-controlling interests		**18**	21
Total equity		**3,480**	5,797
Liabilities			
Non-current			
Lease liabilities	**19**	**509**	57
Deferred tax	**22**	**-**	-
Provisions	**23**	**171**	276
Trade and other payables	**18**	**721**	1,940
		1,401	2,273
Current			
Trade and other payables	**18**	**14,316**	12,282
Current tax liabilities		**337**	165
Borrowings	**20**	**3,461**	3,463
Lease liabilities	**19**	**280**	360
		18,394	16,270
Total liabilities		**19,795**	18,543
Total equity and liabilities		**23,275**	24,340

The consolidated financial statements were authorised for issue and approved by the Board on 29 April 2025 and are signed on its behalf by Will Sawyer.

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Company registration number: SC075133

Consolidated Statement of Cashflows for the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Loss for the year before tax from continuing operations		**(1,380)**	(1,468)
Loss for the year before tax from discontinued operations		**(2,243)**	(495)
Adjustments for:			
Depreciation	**5**	**888**	1,478
Amortisation and impairment of intangibles	**5**	**456**	462
Finance costs	**9**	**344**	385
Finance income	**9**	**(26)**	(9)
Share-based payment charge	**7**	**168**	195
Loss/(profit) on disposal of fixed assets		**13**	(29)
Loss on disposal of trade and assets	**11**	**1,098**	-
Fees paid in shares		**32**	30
Remeasurement of deferred and contingent consideration payable		**117**	118
Remeasurement of lease liabilities	**19**	**24**	**-**
		(509)	667
(Increase)/decrease in inventories		**(125)**	10
Decrease/(increase) in trade and other receivables		**2,971**	(58)
(Decrease)/increase in trade and other payables		**(1,132)**	2,876
Cash generated from operations		**1,205**	3,495
Interest received		**26**	9

Interest received		**[illegible]**	9
Interest paid		**(301)**	(411)
Tax paid		**(145)**	-
Net cash flows generated from operating activities		**785**	3,093
Investing activities			
Purchase of property, plant and equipment	**14**	**(186)**	(505)
Purchase of intangible assets	**13**	**(20)**	(12)
Proceeds from disposal of tangible fixed asset		**-**	13
Acquisition of subsidiary net of cash acquired	**24**	**1,147**	-
Proceeds from disposal of trade and assets	**11**	**100**	
Net cash flows generated from/(used in) investing activities		**1,041**	(504)
Financing activities			
Principal elements of lease payments		**(523)**	(905)
Dividends paid to NCI		**(18)**	(14)
Contingent acquisition consideration paid		**-**	(327)
Net cash flows used in financing activities		**(541)**	(1,246)
Net increase in cash and cash equivalents		**1,285**	1,343
Translation differences		**37**	(27)
Cash and cash equivalents at beginning of year	**17**	**4,948**	3,632
Cash and cash equivalents at year-end	**17**	**6,270**	4,948

Consolidated Statement of Changes in Equity for the year ended 31 December 2024

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Merger reserve £'000	Retained earnings £'000	Total equity attributable to equity holders of the parent £'000	cor i
At 1 January 2023	**27**	**9,546**	**457**	**566**	**(3,653)**	**6,943**	
Loss and total comprehensive expense for the year	-	-	-	-	(1,990)	(1,990)	
Equity-settled share-based payments	-	-	90	-	105	195	
Consideration paid in shares	1	-	-	597	-	598	
Directors' remuneration paid in shares	-	-	-	-	30	30	
Dividends paid	-	-	-	-	-	-	
Total transactions with owners of the Company	1	-	90	597	(1,855)	(1,167)	
At 31 December 2023	28	9,546	547	1,163	(5,508)	5,776	
At 1 January 2024	**28**	**9,546**	**547**	**1,163**	**(5,508)**	**5,776**	
Loss and total comprehensive expense for the year	**-**	**-**	**-**	**-**	**(3,514)**	(3,514)	
Equity-settled share-based payments	-	-	168	-	-	168	
Consideration paid in shares	2	998	-	-	-	1,000	
Directors' remuneration paid in shares	-	-	-	-	32	32	
Dividends paid	-	-	-	-	-	-	
Total transactions with owners of the Company	**2**	**998**	**168**	**-**	**(3,482)**	**(2,314)**	

At 31 December 2024	**30**	**10,544**	**715**	**1,163**	**(8,990)**	**3,462**

Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

Zinc Media Group plc and its subsidiaries ("the Group") produce high quality television and cross-platform content.

Zinc Media Group plc is the Group's ultimate parent and is a public listed company incorporated in Scotland. The address of its registered office is 4th Floor, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EN. Its shares are traded on the AIM Market of the London Stock Exchange plc (LSE: ZIN).

The financial statements are presented in sterling (£), rounded to the nearest thousand.

2. BASIS OF PREPARATION

The financial statements of the Group have been prepared in accordance with UK-adopted-International Accounting Standards. The financial statements have been prepared primarily under the historical cost convention, with the exception of deferred and contingent consideration measured at fair value. Areas where other bases are applied are identified in the accounting policies below.

The Group's accounting policies have been applied consistently throughout the Group to all the periods presented, unless otherwise stated.

2.1) Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Group will be able to meet its liabilities as they fall due for a period of at least 12 months from the date of signing of the financial statements. The Group is dependent for its working capital requirements on cash generated from operations, cash holdings, an overdraft facility, long-term debt and from equity markets.

The Directors believe the Group has sufficient cash resources. As at 31 December 2024 the cash holdings of the Group were £6.3m and net cash was £2.8m. The Group also has an overdraft facility of £1.2m available.

The Directors believe the Group has strong shareholder support, evidenced by shareholders investing in new equity in recent years and the long-term debt holders, who are also major shareholders with 39% of the Group's shares, having agreed in Q1 2025 to extend the repayment date of the Group's long-term debt from December 2025 to December 2027.

There are several factors which could materially affect the Group's cashflows, including the underlying performance of the business and uncertainty regarding the timing of receipts from customers. The Directors have prepared scenario plans. The main variable is the run rate of new business. Whilst the sales pipeline is healthy the timing of new sales is hard to predict, the scenarios include revenues being over 10% down on budget. The Directors have reviewed management's forecasts and scenarios under which cashflows may vary, including mitigating actions if required, and remain confident that the Group will have sufficient cash resources for a period of at least 12 months from issuing the financial statements in these scenarios.

In light of the forecasts, the support provided by shareholders in recent years and mitigating measures available to be used if needed, the Directors believe that the going concern basis upon which the financial statements have been prepared is reasonable.

2.2) Basis of consolidation

2.2) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests ("NCI") represents the share of non-wholly owned subsidiaries' net assets that are not directly attributable to the shareholders of the Group.

2.3) Adoption of new and revised standards

The following pronouncements were effective from 1 January 2024:

- Amendments to IAS 1 - Non-Current Liabilities with Covenants - Amendments to IAS 1 and Classification of Liabilities as Current and Non-Current (effective 1 January 2024);
- Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback (effective 1 January 2024); and
- Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements (effective 1 January 2024),

The following new standards, amendments and interpretations have not yet been adopted:

- Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability (effective 1 January 2025);
- IFRS9/IFRS 7 - Amendments to the Classification and Measurement of Financial Instruments (effective 1 January 2026);
- Annual Improvements to IFRS Accounting Standards-Volume 11 (effective 1 January 2026);
- IFRS 18 - Presentation and disclosure in Financial Statements (effective 1 January 2027); and
- IFRS19 - Subsidiaries without public Accountability: Disclosures (effective 1 January 2027).

Management does not believe that any of these will have a material impact on the Group.

3) ACCOUNTING POLICIES

3.1) Revenue

The Group recognises revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group follows these steps:

1. identify the contract with the customer;
2. identify the performance obligations in the contract;
3. determine the transaction price;
4. allocate the transaction price to the performance obligations in the contract; and
5. recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts and sales related taxes.

Revenue is recognised when the amount of revenue can be measured reliably, it is probable that the economic

Revenue is recognised when the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity, the costs incurred or to be incurred can be measured reliably, and when the criteria for each of the Group's different activities has been met.

Where productions are in progress at the year end and where the revenue amounts invoiced exceed the value of work done the excess is shown as contract liabilities; where the revenue recognised exceeds revenue invoiced the amounts are classified as contract assets. The contract asset is transferred to receivables when the entitlement to payment becomes unconditional. Where it is anticipated that a production will make a loss, the anticipated loss is provided for in full.

The accounting policies specific to the Group's key operating revenue categories are outlined below:

TV production and content production revenue

Production revenue from contracts with broadcasters, brands and businesses comprises work carried out to produce film and audio content. Contracts to produce TV programmes include broadcaster licence fees. These are combined performance obligations because the production and licence are indistinct, and the licence is not the primary or dominant component of the combined performance obligation. The Group considers the combined performance obligation to be satisfied over time as it does not create an asset with an alternative use at contract inception and the Group has an enforceable right to payment for performance completed to date.

The Group recognises revenue over time by measuring the progress towards complete satisfaction of the performance obligation, in line with transferring control of goods or services promised to a customer. The Group transfers control of the programme or content over time, and costs are incurred in line with performance completed. The percentage of completion is calculated as the ratio of the contract costs incurred up until the end of the period to the total estimated cost.

TV distribution revenue

Distribution revenue comprises sums receivable from the exploitation of programmes in which the Company owns rights and is received as advances and royalties.

Advances are fixed sums receivable at the beginning of exploitation that are not dependent on the sales performance of the programme. They are recognised when all the following criteria have been met:

i) an agreement has been executed by both parties; and
ii) the programme has been delivered; and
iii) the licence period has begun.

Royalty revenue is dependent on the sales performance of the programme and is recognised when royalty amounts are confirmed.

Publishing

Advertising revenue is recognised on the date publications are published which is when control transfers to the customer. This revenue is included within the content production segment.

3.2) Property, plant and equipment

Property, plant and equipment are stated at cost net of depreciation and any provision for impairment.

Depreciation is calculated to write down the cost less estimated residual value of all property, plant and equipment by equal annual instalments over their expected useful lives. The rates generally applicable are:

Leasehold premises	over the term of the lease
Office equipment	10%-20% on cost
Computer equipment	20%-33% on cost
Motor vehicles	25% on cost

Useful economic lives are reviewed annually. Depreciation is charged on all additions to, or disposals of, depreciating assets in the year of purchase or disposal. Any impairment in values is charged to the income statement.

3.3) Intangible assets

Business combinations are accounted for by applying the acquisition method. Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Identifiable intangibles are those which can be sold separately, or which arise from legal rights regardless of whether those rights are separable.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but tested annually for impairment.

Goodwill arising on acquisitions is attributable to operational synergies and earnings potential expected to be realised over the longer term.

The intangible assets other than goodwill are in respect of the customer relationships, brand and distribution catalogue acquired in respect of the acquisition of The Edge, Tern Television Productions and Raw Cut Ventures Limited ("Raw Cut") and in each case, are amortised over the expected life of the earnings associated with the asset acquired.

Brands, customer relationships	Over 7 - 10 years
Distribution catalogue	Over 5 years
Order book	Over 4 years
Software	Over 2 years

Brands and customer relationships relate to the acquisition of Tern Television Productions, The Edge and Raw Cut. They are amortised over a period of seven to ten years. At 31 December 2024 there was nil remaining useful life for Tern Television Productions, under nine years for The Edge and five to ten years for Raw Cut (2023: under one year remaining for Tern Television Productions and under ten years for The Edge).

The distribution catalogue intangible asset on the acquisition of Tern Television Productions was amortised over five years and as at 31 December 2024 the remaining useful life was nil (2023: nil). It is amortised over five years for Raw Cut with under five years remaining.

The order book intangible asset on the acquisition of Raw Cut is amortised over four years with under four years remaining.

The software relates to a finance system that is used across the Group and website improvements.

3.4) Leased assets

For any new contracts the Group considers whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group; and

- The Group has the right to obtain substantially all the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and

- The Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or income statement if the right-of-use is already reduced to zero. The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the income statement on a straight-line basis over the lease term.

3.5) Inventories

Inventories in Zinc Communicate and The Edge comprise:

- Cumulative costs incurred in relation to unpublished titles or events, less provision for future losses, and are valued based on direct costs plus attributable overheads based on a normal level of activity. No element of profit is included in the valuation of inventories.
- Inventories comprise costs of unsold publishing stock and costs on projects that are incomplete at the year-end less any amounts recognised as cost of sales.

3.6) Impairment of assets

For the purposes of assessing impairment, non-financial assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at the cash-generating unit level.

Goodwill is allocated to those cash generating units that are expected to benefit from the synergies of the related business combination and represent the lowest level within the Group at which management monitors the related cash flows. Goodwill and other individual assets or cash-generating units are tested for impairment annually or whenever events/changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. Except for goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

3.7) Current and deferred taxation

Current tax is the tax currently payable based on taxable profit/(loss) for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax is not recognised in respect of:

- the initial recognition of goodwill that is not tax deductible; and
- the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates and laws that are expected to apply to their respective year of realisation, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

3.8) Financial instruments

Recognition of financial instruments

Financial assets and liabilities are recognised on the Group's Statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Initial and subsequent measurement of financial assets

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and other short-term deposits held by the Company with maturities of less than three months.

Trade and other receivables

Trade receivables are initially measured at fair value. Other receivables are initially measured at fair value plus transaction costs. Receivables are subsequently measured at amortised cost using the effective interest rate method.

Impairment of trade receivables

For trade receivables, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the aging of the receivable. The risk of a default occurring always takes into consideration all possible default events over the expected life of those receivables ("the lifetime expected credit losses"). Different provision rates and periods are used based on groupings of historic credit loss experience by product type, customer type and location.

Impairment losses and any subsequent reversals of impairment losses are adjusted against the carrying amount of the receivable and are recognised in profit or loss.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Initial and subsequent measurement of financial liabilities

Initial and subsequent measurement of financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of direct transaction costs and subsequently measured at amortised cost.

Loan notes

Loan notes are initially recognised at fair value, adjusted for transaction costs, and subsequently measured at amortised cost using the effective interest rate method.

Finance charges, including premiums payable on settlement and direct issue costs, are accounted for on an effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

Contingent consideration

The acquisition-date fair value of any contingent consideration is recognised as part of the consideration transferred by the Group in exchange for the acquiree. Changes in the fair value of contingent consideration that result from additional information obtained during the measurement period (maximum one year from the acquisition date) about facts and circumstances that existed at the acquisition date are adjusted retrospectively against goodwill. Other changes resulting from events after the acquisition date are recognised in profit or loss.

The Group assesses the fair value of contingent consideration liabilities on an annual basis, taking into account changes in circumstances and updated information regarding the probability and timing of payment. Any adjustments to the fair value of contingent consideration liabilities are recognised as an Adjusting Item in the income statement and changes due to discounting are recognised in the income statements.

Equity instruments

Equity instruments issued by the Company are recorded at fair value on initial recognition net of transaction costs.

Derecognition of financial assets (including write-offs) and financial liabilities

A financial asset (or part thereof) is derecognised when the contractual rights to cash flows expire or are settled, or when the contractual rights to receive the cash flows of the financial asset and substantially all the risks and rewards of ownership are transferred to another party.

When there is no reasonable expectation of recovering a financial asset it is derecognised ("written off").

The gain or loss on derecognition of financial assets measured at amortised cost is recognised in profit or loss.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Any difference between the carrying amount of a financial liability (or part thereof) that is derecognised, and the consideration paid is recognised in profit or loss.

3.9) Employee benefits

Equity settled share-based payments

Where employees are rewarded using equity settled share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments are ultimately recognised as an expense in the income statement with a corresponding credit to reserves.

If vesting periods apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are revised subsequently if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current year. No adjustment is made to any expense recognised in prior years if share options that have vested are not exercised.

Retirement benefits

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement when they are due.

3.10) Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Any increase in the provision due to the passage of time is recognised as interest expense.

3.11) Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance-sheet date and the gains or losses on translation are included in the income statement.

3.12) Significant judgements and estimates

The preparation of consolidated financial statements in accordance with UK-adopted International Accounting Standards requires the Group to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are discussed below.

i) Judgements

Revenue recognition

The main judgements regarding revenue recognition relate to TV production and content production revenue. The Group considers the production and licence elements to be a combined performance obligation to be satisfied and recognised over time. This is explained in note 3.1.

ii) ***Estimates***

Impairment of goodwill and intangible assets

The Group is required to test, at least annually, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cashflows and the choice of a suitable discount rate to calculate the present value of these cashflows. Actual outcomes could vary. See note 13 for details of how these judgements are made and the estimation sensitivities disclosed.

Valuation of contingent consideration

The contingent consideration payable in relation to the acquisition of The Edge has been measured at its fair value using a Monte Carlo simulation where the EBIT for years 1 and 2 is based on actual performance and each of the remaining year of the earn out period is an independent, normally distributed random variable. Values have been calculated for all three years and in total and the average represents the fair value. Estimated sensitivity has been disclosed in note 21.

The contingent consideration payable in relation to the acquisition of Raw Cut has been measured at its fair value using a Monte Carlo simulation where the EBITDA for years 1 and 2 is an independent, normally distributed random variable. Values have been calculated for both years and in total and the average represents the fair value. Estimated sensitivity has been disclosed in note 21.

Valuation of intangibles arising on acquisition

The intangible assets acquired on the acquisition of Raw Cut Ventures Limited have been valued using the income approach. This involves forecasting the expected future economic benefits attributable to an asset and calculating the net present value of these future economic benefits using an appropriate asset specific discount rate. The discount rate used has factored in the market value of return, the specific risks associated with the industry as well as the risk associated with the asset being valued. See note 24 for more detail on the acquisition.

3.13) Segmental reporting

In identifying its operating segments, Management follows the Group's service lines, which represent the main products and services provided by the Group. The activities undertaken by the TV segment include the production of television content. The Content Production segment includes brand and corporate film production, and radio and podcast production.

Each of these operating segments is managed separately as each service line requires different resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its financial statements.

4) SEGMENTAL INFORMATION AND REVENUE

Segmental information

The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of Directors, who categorise the Group's two service lines as two operating segments: Television and Content Production. These operating segments are monitored, and strategic decisions are made on the basis of adjusted segment operating results.

	TV		**Content Production**		**Central and plc**		**Total**	
	2024	2023 Restated	**2024**	2023 Restated	**2024**	2023 Restated	**2024**	2023 Restated
Continuing operations	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000	**£'000**	£'000
Revenue	**20,250**	24,122	**12,058**	12,511	**-**	-	**32,308**	36,633
Adjusted EBITDA*	**1,627**	2,155	**1,769**	1,141	**(1,886)**	(1,891)	**1,510**	1,405
Depreciation	**(391)**	(527)	**(216)**	(702)	**(245)**	(223)	**(852)**	(1,452)

Amortisation	**-**	-	**-**	-	**(446)**	(431)	**(446)**	(431)
Adjusting items and acquisition costs	**(1,026)**	(29)	**(75)**	(42)	**11**	(152)	**(1,090)**	(223)
Operating profit/(loss)	**210**	1,599	**1,478**	397	**(2,566)**	(2,697)	**(878)**	(701)
Finance costs	**(13)**	(3)	**(7)**	-	**(508)**	(773)	**(528)**	(776)
Finance income	**5**	3	**9**	5	**12**	1	**26**	9
Profit/(loss)before tax	**202**	1,599	**1,480**	402	**(3,062)**	(3,469)	**(1,380)**	(1,468)
Taxation credit/(charge)	**31**	(47)	**(193)**	(3)	**996**	103	**834**	53
Profit/(loss) for the year	**233**	1,552	**1,287**	399	**(2,066)**	(3,366)	**(546)**	(1,415)
Segment assets	**5,916**	7,156	**6,264**	8,974	**11,095**	8,210	**23,275**	24,340
Segment liabilities	**(8,805)**	(7,126)	**(2,439)**	(3,650)	**(8,551)**	(7,767)	**(19,795)**	(18,543)
Other segmental items:								
Expenditure on intangible assets	**-**	-	**-**	-	**20**	-	**20**	-
Expenditure on tangible assets	**942**	416	**52**	326	**25**	51	**1,019**	793

* Adjusted EBITDA is defined as earnings before interest, tax, depreciation, amortisation and adjusting items as set out in note 8.

Items included under 'Central and plc' do not constitute an operating segment and relate mainly to Group activities based in the United Kingdom. Central and plc costs relate to Directors, support functions and costs resulting from being listed.

The internal reporting of the Group's performance does not require that costs and/or Statement of financial position information is gathered based on the geographical streams.

The Group's principal operations are in the United Kingdom. Its revenue from external customers in the United Kingdom for the year was £16.9m (2023: £30.9m), and the total revenue from external customers in other countries was £15.4m (2023: £9.3m). There were three customers that accounted for more than 10% of Group revenue in the year: one customer accounted for £4.8m or 15% of Group revenue, one for £4.7m or 14% of Group revenue and one for £4.0m or 12% of Group revenue (2023: one customer accounted for £9.1m or 23% of Group revenue and the other customer accounted for £6.4m or 16% of Group revenue). Within these three customers there are multiple separate buyers and commissioners with separate budgets, and the customers are multi-billion pound blue-chip organisations.

Non-current assets are all located in the Group's country of domicile.

Revenue

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

	2024	2023
	£'000	£'000
Receivables, which are included in Trade and other receivables	**3,180**	6,216
Contract assets	**1,399**	2,976
Contract liabilities	**(4,196)**	(4,485)

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on contracts with customers. The contract assets are transferred to receivables when the milestones per the production agreements are met and an invoice is raised. The contract liabilities primarily relate to the advance consideration received from customers for production related contracts, for which revenue is recognised on the percentage stage of completion of the production.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows.

2024

	Contract assets	Contract liabilities
	£'000	£'000
At 1 January 2024	2,976	(4,485)
Revenue recognised that was included in the contract liability balance at the beginning of the period	-	4,485
Increases due to cash received, excluding amounts recognised as revenue during the period	-	(4,196)
Transfers from contract assets recognised at the beginning of the period to receivables	(2,976)	-
Increases as a result of changes in measure of progress	1,399	-
At 31 December 2024	**1,399**	**(4,196)**

Transaction price allocated to the remaining performance obligations

The Group has applied the practical expedient in paragraph 121 of IFRS 15 and chosen not to disclose information relating to performance obligations for contracts that had an original expected duration of one year or less, or where the right to consideration from a customer is an amount that corresponds directly with the value of the completed performance obligations.

5) EXPENSES BY NATURE

Costs from continuing operations consist of:

	2024 £'000	2023 Restated £'000
Cost of sales		
Production costs	**16,062**	19,507
Salary costs	**1,656**	2,038
Royalties and distribution costs	**198**	1,018
Total cost of sales	**17,916**	22,563
Operating expenses		
Salary costs	**9,686**	9,540
Leases on premises	**21**	10
Other administrative expenses	**3,216**	3,112
Foreign exchange (gain)/loss	**(41)**	3
Adjusting items (note 8)	**1,090**	223
Depreciation and amortisation	**1,298**	1,883
Total operating expenses	**15,270**	14,771

Auditor, tax and share option advisor fees are included in other administrative expenses. The auditor did not provide any non-audit services in the current or prior year. The fee for statutory audit services was as follows:

	2024 £'000	2023 £'000
Statutory audit services		
Annual audit of the Company and the consolidated accounts	**228**	180

6) STAFF COSTS

Staff costs from continuing operations, including Directors, consist of:

	2024 £'000	2023 £'000
Wages and salaries	**10,438**	12,688

Social security and other costs	**1,168**	1,273
Pension costs	**500**	505
Share-based payment charge	**168**	195
Consideration paid in shares	**32**	30
Total	**12,306**	14,691

The average number of employees (including Directors) employed by the Group for continuing operations during the year was:

	2024	2023
Zinc Television	**118**	146
Content Production	**56**	126
Central and plc	**12**	11
Total	**186**	283

The Directors consider that the key management comprises the Directors of the Company, and their emoluments are set out below:

Directors' emoluments

	Salaries And fees	**Bonus**	**Shares issued in lieu of fees**	**Pension**	**2024 Total remuneration received by Directors**	2023 Total remuneration received by Directors
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	£'000
Executive Directors						
Mark Browning	370	140	-	37	**547**	485
Will Sawyer	180	80	-	18	**278**	330
Non-executive Directors						
Christopher Satterthwaite (Chairman)	50	-	34	-	**84**	80
Nicholas Taylor	20	-	-	11	**31**	30
Andrew Garard	34	-	-	-	**34**	30
Kathryn Herrick	9	-	-	-	**9**	-
	663	220	34	66	**983**	955

The CEO bonus potential is set at 100% of base salary, and the CFO bonus at 70% of base salary. Financial performance targets are set at the start of each financial year. The CEO and CFO have waived their agreed annual in year bonus payment for the second year running due to continued headwinds in the UK production market and to ensure the Group continues to perform in line with market expectations. For FY25 this was due to be paid upon delivery of the Group's EBITDA performance. The remuneration committee has insisted that executive Directors receive part of their bonus for the delivery of the Group's portfolio restructuring and acquisition, which was delivered in FY24.

The prior year total includes £105k of tax paid by the Company on behalf of Directors that arose on the exercise of Enterprise Management Incentives ("EMI") share options in line with the terms of the share options granted to Directors in 2020 and may otherwise have been funded by the Directors' selling shares.

Key management personnel compensation

	2024	**2023**
	£'000	£'000
Short term employee benefits (includes employers NICs)	**997**	866
Post-employment benefits	**66**	57
Shares (includes employers NICs)	**39**	34
Share-based payments charge	**110**	122
Total	**1,212**	1,079

The amount for share-based payments charge (see note 7) which relates to the Directors was £110k

(2023: £122k).

7) SHARE-BASED PAYMENTS

The charge for share-based payments arises from the following schemes:

	2024	2023
	£'000	£'000
EMI share option scheme	**77**	121
Unapproved share option scheme	**91**	74
Total	**168**	195

The share-based payment charge for options granted since February 2020 are calculated using a Stochastic model and options granted prior to February 2020 have been valued using the Black Scholes model.

Share options held by Directors are disclosed in the Directors' report.

Share option schemes

Under the terms of the EMI and unapproved share option schemes, the Board may offer options to purchase ordinary share options to employees and other individuals. Share options granted under the Group's schemes are normally exercisable for a ten-year period. The vesting period is from the date of grant up to ten years. Some of the EMI share options and unapproved share options have market criteria that mean they only vest if the share price is at a minimum level at that point.

Details of the number of share options and the weighted average exercise price ("WAEP") outstanding during the year are as follows:

Unapproved share option scheme

	2024		2023	
	Number	**WAEP £**	Number	WAEP £
Outstanding at the beginning of the year	**913,151**	**0.033**	913,151	0.033
Transferred from EMI scheme	**-**	**-**	-	-
Granted	**507,187**	**0.001**	-	-
Lapsed during the year	**-**	**-**	-	-
Outstanding at the end of the year	**1,420,338**	**0.022**	913,151	0.033
Exercisable at the end of the year	**471,878**	**-**	171,201	0.033

EMI Share option scheme

	2024		2023	
	Number	**WAEP £**	Number	WAEP £
Outstanding at the beginning of the year	**880,837**	**0.555**	1,151,909	0.428
Granted during the year	**204,158**	**0.001**	-	-
Lapsed during the year	**(22,806)**	**0.540**	(1,000)	3.750
Transferred to unapproved scheme	**-**	**-**	-	-
Exercised during the year	**-**	**-**	(270,073)	0.001
Outstanding at the end of the year	**1,062,189**	**0.439**	880,837	0.555
Exercisable at the end of the year	**236,072**		-	-

The options outstanding as at 31 December 2024 have the following exercise prices and expire in the following financial years:

Expiry	**Grant Date**	**Exercise Price**	**2024**	2023
		£	**No.**	No.
December 2026	December 2016	**3.75**	**4,000**	4,000
November 2027	November 2017	**3.75**	**4,000**	5,000
April 2028	April 2018	**4.15**	**4,000**	4,000
November 2028	November 2018	**2.00**	**6,000**	6,000
February 2030	February 2020	**0.0013**	**441,273**	441,273

June 2031	June 2021	**0.0013**	**711,345**	711,345
June 2031	June 2021	**0.6695**	**268,237**	268,237
November 2031	November 2021	**0.7060**	**202,511**	202,511
December 2032	December 2022	**0.8750**	**129,816**	151,622
December 2034	August 2024	**0.0013**	**711,345**	
			2,482,527	1,793,988

During the year, no options were exercised (2023: 270,073 EMI options were exercised by two Directors); the aggregate amount of gains on the shares exercised by the Directors was £nil (2023: £221k).

Options are forfeited at the discretion of the Board if an employee leaves the Group before the options vest. The Share Option Plan provides for the grant of both tax-approved Enterprise Management Incentives ("EMI") options and unapproved options. The model used to calculate a share option charge involves using several estimates and judgements to establish the appropriate inputs, covering areas such as the use of an appropriate interest rate and dividend rate, exercise restrictions and behavioural considerations. A significant element of judgement is therefore involved in the calculation of the charge.

8) ADJUSTING ITEMS

	2024 £'000	2023 Restated £'000
Continuing adjusting items		
Reorganisation and restructuring costs	**(129)**	(82)
Acquisition costs	**(847)**	(80)
Share-based payment charge	**(168)**	(195)
(Loss)/gain on disposal of tangible assets	**(13)**	29
Tax arising on share options paid by the Company	**-**	(267)
Change in fair value of contingent consideration in respect of The Edge	**67**	372
Total	**(1,090)**	(223)

	2024 £'000	2023 Restated £'000
Discontinued adjusting items		
Loss on disposal of trade and assets (note 11)	**(1,386)**	-
Reorganisation and restructuring costs (note 11)	**(209)**	(39)
Total	**(1,595)**	(39)

Adjusting items are presented separately as, due to their nature or for the infrequency of the events giving rise to them, this allows shareholders to understand better the elements of financial performance for the year, to facilitate comparison with prior years and to assess better the trends of financial performance.

Reorganisation and restructuring costs

Management made changes to operational roles across the Group to improve efficiency and decision making. The non-recurring element of the costs has been presented as adjusting to enable a more refined evaluation of financial performance.

Acquisition costs

Acquisition costs represent costs incurred in the acquisition of Raw Cut Ventures Limited. These costs are non-recurring in nature and are therefore treated as an adjusting item for management to better understand the underlying performance of the Group during the year. These costs are included in operating activities in the cashflow statement.

Change in fair value of The Edge contingent consideration

The contingent consideration in respect of The Edge acquisition has been remeasured based on latest forecasts. The Edge's base earnout targets are forecast to be exceeded.

Share-based payment charge

This represents the expense recognised by the Group in relation to services received from employees following the grant of share options.

Tax on share options

The tax paid by the Company on behalf of Directors arose on the exercise of EMI share options in line with the terms of the share options granted to Directors in 2020 and may otherwise have been funded by the Directors' selling shares.

Loss on disposal of trade and assets

This represents the loss incurred on the disposal of the trade and assets of the Publishing division of Zinc Communicate. These costs are non-recurring in nature and are therefore treated as an adjusting item for management to better understand the underlying performance of the Group during the year. These costs are included within discontinued operations in operating activities in the cashflow statement.

9) FINANCE COSTS

	2024	2023
Finance costs	**£'000**	£'000
Interest payable on borrowings	**(306)**	(347)
Interest on unwinding of present value of contingent consideration	**(184)**	(387)
Interest due to bank charges	**-**	(5)
Interest payable on lease liabilities	**(38)**	(37)
Finance costs	**(528)**	(776)
Finance income		
Interest received	**26**	9
Net finance costs	**(502)**	(767)

10) INCOME TAX EXPENSE

Taxation credit

	2024	Restated 2023
	£'000	£'000
Current tax credit on continuing operations:		
Current tax credit	**169**	4
Credit in respect of prior periods	**158**	4
	327	8
Deferred tax		
Origination and reversal of temporary differences	**(1,161)**	(60)
Effect of change in UK corporation tax rate	**-**	(1)
Adjustments in respect of prior periods	**-**	-
	(1,161)	(61)
Total income tax credit	**(834)**	(53)

Reconciliation of taxation credit:

	2024	2023
	£'000	£'000
Loss before tax	**(1,380)**	(1,468)
Taxation credit at UK corporation tax rate of 25% (2023: 23.5%)	**(345)**	(345)
Other non-taxable non-deductible expenses/(income)	**1,906**	(17)
Income not taxable in determining taxable loss	**(1,527)**	-
Tax losses not recognised	**-**	305
Group relief claimed	**(399)**	-
Temporary timing differences	**34**	-
Overseas tax	**(3)**	-
Adjustments to tax charge in respect of previous years	**58**	4
Charge in respect of prior periods	**100**	

Charge in respect of prior periods	**100**	-
Movement in deferred tax not recognised	**(658)**	-
Total income tax credit	**(834)**	(53)

The corporation tax rate increased to 25% in April 2023, a rate of 19% was therefore used for the first three months of financial year 2023, with 25% being used for nine months of the year, to give an average for the full year of 23.5% in 2023.

11) DISCONTINUED OPERATIONS

In July 2024, the operations of the Video Marketing and Branded Content division of Zinc Communicate were discontinued and in September 2024, the trade and assets of the Publishing division of Zinc Communicate were sold. These were previously part of the Content Productions operating segment of the Group
(see note 4).

Losses from discontinued operations are as follows:

	2024 **£'000**	2023 £'000
Revenue	**1,776**	3,592
Expenses	**(2,369)**	(3,991)
Adjusted EBIDTA loss	**(593)**	(399)
Loss on disposal of trade and assets (note 8)	**(1,386)**	(39)
Reorganisation and restructuring costs (note 8)	**(209)**	-
Amortisation and depreciation	**(55)**	(57)
Loss before tax from discontinued operations	**(2,243)**	(495)
Income tax	**(710)**	(61)
Loss after tax from discontinued operations	**(2,953)**	(556)

The loss relating to the discontinuation of this operating segment has been eliminated from profit or loss from the Group's continuing operations and is shown as a single line item in the Consolidated income statement.

The prior year comparative Consolidated income statement and related notes have been restated to show only operations classified as continuing.

12) EARNINGS PER SHARE

Basic earnings/(loss) per share ("EPS") for the period is calculated by dividing the loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

When the Group makes a profit from continuing operations, diluted EPS equals the profit attributable to the Company's ordinary shareholders divided by the diluted weighted average number of issued ordinary shares. When the Group makes a loss from continuing operations, diluted EPS equals the loss attributable to the Company's ordinary shareholders divided by the basic (undiluted) weighted average number of issued ordinary shares. This ensures that EPS on losses is shown in full and not diluted by unexercised share options or awards.

	2024 **Number of shares**	2023 Number of shares
Weighted average number of shares used in basic and diluted earnings per share calculation	**23,021,816**	21,985,965
Potentially dilutive effect of share options	**1,431,808**	1,269,782

	£'000	Restated £'000
Loss for the year from continuing operations attributable to shareholders	**(561)**	(1,434)

Loss for the year from discontinued operations attributable to shareholders	**(2,953)**	(556)
Continuing operations		
Basic loss per share (pence)	**(2.44)p**	(6.52)p
Diluted loss per share (pence)	**(2.44)p**	(6.52)p
Discontinued operations		
Basic loss per share (pence)	**(12.83)p**	(2.53)p
Diluted loss per share (pence)	**(12.83)p**	(2.53)p

13) INTANGIBLE ASSETS

	Goodwill £'000	Brands £'000	Customer relationships £'000	Software £'000	Distribution catalogue £'000	Order book £'000	Total £000
Cost							
At 31 December 2022	10,456	2,143	4,753	280	443	119	18,194
Additions	-	-	-	12	-	-	12
At 31 December 2023	**10,456**	**2,143**	**4,753**	**292**	**443**	**119**	**18,206**
Additions	**-**	**-**	**-**	**20**	-	-	**20**
Acquired through business combinations	**1,057**	**721**	**229**	**-**	**267**	**67**	**2,341**
Disposals and retirements	**-**	**-**	**-**	**(61)**	**-**	**-**	**(61)**
At 31 December 2024	**11,513**	**2,864**	**4,982**	**251**	**710**	**186**	**20,506**
Amortisation and impairment							
At 31 December 2022	(5,898)	(681)	(3,143)	(239)	(443)	(119)	(10,523)
Charge for the year	-	(172)	(259)	(31)	-	-	(462)
At 31 December 2023	**(5,898)**	**(853)**	**(3,402)**	**(270)**	**(443)**	**(119)**	**(10,985)**
Charge for the year	-	(180)	(257)	(7)	(9)-	(3)	(456)
Disposals and retirements	-	-	-	41	-	-	41
At 31 December 2024	**(5,898)**	**(1,033)**	**(3,659)**	**(236)**	**(452)**	**(122)**	**(11,400)**
Net Book Value At 31 December 2024	**5,615**	**1,831**	**1,323**	**15**	**258**	**64**	**9,106**
At 31 December 2023	4,558	1,290	1,351	22	-	-	7,221

Impairment Tests for Goodwill

Goodwill by cash generating unit ("CGU") is:

	2024 £'000	2023 £'000
Tern TV CGU	**1,444**	1,444
London and Manchester TV CGU	**1,611**	1,611
The Edge CGU	**1,503**	1,503
Raw Cut CGU	**1,057**	-
Total	**5,615**	4,558

Goodwill is not amortised but tested annually for impairment with the recoverable amount being determined from

Goodwill is not amortised but tested annually for impairment with the recoverable amount being determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rate, growth rates, gross margins and forecasts in new business.

The Group assessed whether the carrying value of goodwill was supported by the discounted cash flow forecasts of each operating segment based on financial forecasts approved by management, taking into account both past performance and expectations for future market developments. Management has used a perpetuity model (5-year Group forecast and GDP growth rate in perpetuity). Management estimates the discount rate using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to media businesses.

The 2025 business unit forecasts are based on the budget set for the year. In TV a growth rate of 2 per cent has been used for the following years into perpetuity. Management believes the 2 per cent growth rate is a cautious assumption which may be significantly lower than the growth rate management would expect to achieve.

In evaluating the recoverable amount, the discounted cash flow methodology has been employed, which is based on assumptions and judgements related to forecasts, margins, discount rates and working capital needs. These estimates will differ from actuals in the future and could therefore lead to material changes to the recoverable amounts. The key assumptions used for estimating cashflow projections in the Group's impairment testing are those relating to EBITDA growth, which take account of the businesses' expectations for the projection period. These expectations consider the macroeconomic environment, industry and market conditions, the unit's historical performance and any other circumstances particular to the unit, such as business strategy and client mix.

The cash generating units operate in a similar media landscape and the pre-tax discount rate applied across the segments for period ended 31 December 2024 was 13.3 per cent (2023: 12.9 per cent). A sensitivity analysis of an increase in the discount rate by 1 per cent is shown below.

Changes in assumptions can have a significant effect on the recoverable amount and therefore the value of the impairment recognised.

Assumption	Judgement	Sensitivity
Discount rate	As indicated above the rate used is 13.3 per cent.	An increase in the discount rate to 14.3 per cent will result in no impairment charge.
Revenue	TV's, Raw Cut's and The Edge CGU revenue for 2025 is forecast to increase.	If there is a 20% shortfall in production revenue versus FY25 forecasts and associated production overhead savings are made there would be no impairment charge, and if no production overhead savings are made then a 10% shortfall in production revenue would result in no impairment charge.
EBITDA growth rate	An average rate of 2 per cent has been used for financial year 2026 onwards.	If a zero per cent average growth rate was applied for 2026 onwards there would be no impairment in any of the CGU's.

Sensitivity analysis using reasonable variations in the assumptions shows no indication of impairment.

14) PROPERTY, PLANT AND EQUIPMENT

	Short leasehold land and buildings £'000	Motor vehicles £'000	Office and computer equipment £'000	Total £'000
Cost				
At 31 December 2022	448	21	2,113	2,582
Additions	-	-	505	505
Disposals and retirements	-	-	(29)	(29)
At 31 December 2023	448	21	2,589	3,058
Additions	16	-	170	186
Acquired through business combinations	-	-	22	22

Acquired through business combinations			—	—
Disposals and retirements	(8)	-	(104)	(112)
At 31 December 2024	**456**	**21**	**2,677**	**3,154**
Depreciation				
At 31 December 2022	(263)	(14)	(1,249)	(1,526)
Charge for the period	(78)	(2)	(463)	(543)
Disposals and retirements	-	-	27	27
At 31 December 2023	(341)	(16)	(1,685)	(2,042)
Charge for the period	(80)	(1)	(479)	(560)
Disposals and retirements	2	-	46	48
At 31 December 2024	**(419)**	**(17)**	**(2,118)**	**(2,554)**
Net book value				
At 31 December 2024	**37**	**4**	**559**	**600**
At 31 December 2023	107	5	904	1,016

15) INVENTORIES

	2024	2023
	£'000	£'000
Work in progress	**139**	63
Total Inventories	**139**	63

16) TRADE AND OTHER RECEIVABLES

	2024	2023
	£'000	£'000
Current		
Trade receivables	**3,180**	6,453
Less provision for impairment	**-**	(237)
Net trade receivables	**3,180**	6,216
Prepayments	**621**	574
Other receivables	**1,012**	883
Contract assets	**1,399**	2,976
Total	**6,212**	10,649

The carrying amount of trade and other receivables approximates to their fair value. The creation and release of provision for impaired receivables have been included in administration expenses in the income statement.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of asset above. The Group does not hold any collateral as security for trade receivables. The Group is not subject to any significant concentrations of credit risk.

There is no expected credit loss in relation to contract assets recognised because the measure of expected credit losses is not material to the financial statements.

Impairment of financial assets

The Group's credit risk management practices and how they relate to the recognition and measurement of expected credit losses are set out below.

Definition of default

The loss allowance on all financial assets is measured by considering the probability of default.

Receivables are considered to be in default when the principal or any interest is significantly more than the associated credit terms past due, based on an assessment of past payment practices and the likelihood of such overdue amounts being recovered.

Write-off policy

Receivables are written off by the Group when there is no reasonable expectation of recovery, such as when the counterparty is known to be going bankrupt, or into liquidation or administration.

Impairment of trade receivables and contract assets

The Group calculates lifetime expected credit losses for trade receivables using a portfolio approach. Receivables are grouped based on the credit terms offered and the type of product sold. The probability of default is determined at the year-end based on the aging of the receivables and historical data about default rates on the same basis. That data is adjusted if the Group determines that historical data is not reflective of expected future conditions due to changes in the nature of its customers and how they are affected by external factors such as economic and market conditions.

A loss allowance of £nil (2023: £237,000) was recognised for trade receivables in the Zinc Communicate division due to the operations having been wound down or sold during the year.

In relation to the Television division, the Directors do not believe there are any other forward-looking factors to consider in calculating the loss allowance provision as at 31 December 2024 (2023: £nil). No expected loss provision has been recognised as the Directors expect any loss to be immaterial.

No expected credit loss is expected for contract assets (2023: £nil).

Television 2024

Trade receivables:	Aging 0-30 days	30-60 days	60-90 days	90-120 days	120-150 days	150-365 days	Over 365 days	**Total 2024**
Gross carrying amount (£'000)	1,155	408	144	3	-	5	35	**1,750**
Loss allowance provision (£'000)	-	-	-	-	-	-	-	**-**

The expected credit loss in this division is immaterial in line with the prior year.

Television 2023

Trade receivables:	Aging 0-30 days	30-60 days	60-90 days	90-120 days	120-150 days	150-365 days	Over 365 days	**Total 2023**
Gross carrying amount (£'000)	502	493	162	3	-	58	27	**1,245**
Loss allowance provision (£'000)	-	-	-	-	-	-	-	**-**

Content Production 2024

Trade receivables:	Aging 0-30 days	30-60 days	60-90 days	90-120 days	120-150 days	150-365 days	Over 365 days	**Total 2024**
Gross carrying amount (£'000)	739	388	134	14	2	14	139	**1,430**
Loss allowance provision (£'000)	-	-	-	-	-	-	-	**-**

The expected credit loss in this division is immaterial in line with the prior year.

Content Production 2023

Trade receivables:	Aging 0-30 days	30-60 days	60-90 days	90-120 days	120-150 days	150-365 days	Over 365 days	**Total 2023**
Gross carrying amount (£'000)	1,669	915	376	186	53	144	83	**3,426**
Loss allowance provision (£'000)	-	-	-	-	-	-	-	**-**

Zinc Communicate - Publishing "Building Control Communications" division 2023

Trade receivables:	Aging 0-30 days	30-60 days	60-90 days	90-120 days	120-150 days	150-365 days	Over 365 days	**Total 2023**
Expected loss rate (%)	3%	5%	8%	11%	13%	19%	32%	**13%**
Gross carrying amount (£'000)	355	162	47	96	30	110	590	**1,390**
Loss allowance provision (£'000)	4	6	6	10	6	31	174	**237**

Zinc Communicate - All other divisions 2023

Trade receivables:	Aging 0-30 days	30-60 days	60-90 days	90-120 days	120-150 days	150-365 days	Over 365 days	**Total 2023**
Gross carrying amount (£'000)	109	107	158	18	-	-	-	**392**
Loss allowance provision (£'000)	-	-	-	-	-	-	-	**-**

Movements in the impairment allowance for trade receivables are as follows:

	2024 £'000	2023 £'000
Opening provision for impairment of trade receivables	**237**	380
Increase during the year	**38**	198
Receivables transferred on the sale of trade and assets (see note 11)	**(263)**	
Receivables written off during the year as uncollectible	**(12)**	(341)
Movement in provision for impairment during the year	**(237)**	(143)
At 31 December	**-**	237

17) CASH AND CASH EQUIVALENTS

	2024 £'000	2023 £'000
Total cash and cash equivalents	**6,270**	4,948

The Group's credit risk exposure in connection with the cash and cash equivalents held with financial institutions is managed by holding funds in a high credit worthy financial institution (Moody's A1- stable).

18) TRADE AND OTHER PAYABLES

	2024 £'000	**2023** £'000
Current		
Trade payables	**1,276**	1,150
Other payables	**175**	130
Other taxes and social security	**1,321**	1,479
Accruals	**4,360**	4,646
Contract liabilities	**4,196**	4,485
Deferred and contingent consideration payable	**2,988**	392
Total	**14,316**	12,282
Non-current		
Contingent consideration payable	**721**	1,940
Total	**15,037**	14,222

The Directors consider that the carrying amount of trade and other payables approximates to their fair value. The Group's payables are unsecured.

19) LEASES

Right-of-use assets

	Short leasehold land and buildings £'000	Office and computer equipment £'000	Total £'000
At 1 January 2023	1,017	67	1,084
Additions	295	-	295
Depreciation	(869)	(67)	(936)
At 31 December 2023	**443**	**-**	**443**
Additions	**833**	**-**	**833**
Depreciation	**(328)**	**-**	**(328)**
At 31 December 2024	**948**	**-**	**948**

Lease liabilities are presented in the statement of financial position as follows:

	2024	2023
	£'000	£'000
Current	**280**	360
Non-current	**509**	57
Total lease liabilities	**789**	417

The Groups future minimum lease payments are as follows:

	2024	2023
	£'000	£'000
Not later than one year	**342**	371
Later than one year and not later than five years	**604**	50
Later than five years	**-**	-
	946	421

20) BORROWINGS AND OTHER FINANCIAL LIABILITIES

	2024	2023
	£'000	£'000
Current		
Lease liabilities	**280**	360
Debt facility - unsecured borrowings	**2,483**	2,485
Loan notes - unsecured borrowings	**978**	978
Sub total	**3,741**	3,823
Non-current		
Debt facility - unsecured borrowings	**-**	-
Loan notes - unsecured borrowings	**-**	-
Lease liabilities	**509**	57
Sub total	**509**	57
Total	**4,250**	3,880

Maturity of financial liabilities

The maturity of borrowings (analysed by remaining contractual maturity) is as follows:

	2024	2023
	£'000	£'000
Repayable within one year and on demand:		

Lease liabilities	**342**	371
Trade and other payables	**1,451**	1,280
Accrued expenses	**4,360**	4,646
Debt facility - unsecured	**2,599**	2,682
Loan notes - unsecured	**1,111**	1,111
Deferred and contingent consideration	**2,988**	392
	12,851	10,482
Repayable between one and two years:		
Lease liabilities	**194**	50
Debt facility - unsecured	**-**	-
Loan notes - unsecured	**-**	-
Contingent consideration	**721**	1,940
	915	1,990
Repayable between two and five years:		
Lease liabilities	**410**	-
Contingent consideration	**-**	-
	410	-
Total	**14,176**	12,472

Debt facility

Loans totalling £2.5m (2023: £2.5m) are held by Herald Investment Trust Plc and The John Booth Charitable Foundation ("JBCF"), all of whom are a related party through shareholding. During the year, the interest on the facility is based on monthly SONIA plus a margin of 4%, subject to a floor of RPI. There are no financial covenants in force in respect of this debt facility. The debt facility is unsecured and at year end was repayable in full on 31 December 2025. Post year end, Herald Investment Trust plc and the JBCF agreed to extend the repayment date to 31 December 2027 on the same terms.

Loan notes - unsecured

The unsecured loan notes of £1.0m (2023: £1.0m) relates to short-term loan notes issued to Herald Investment Trust plc, a related party through shareholding. Interest during the year was at a fixed rate of 8%. At year end the interest was accrued and was repayable along with the principal on 31 December 2025. Post year end, Herald Investment Trust plc agreed to extend the repayment date to 31 December 2027, with the interest rate remaining unchanged. There are no financial covenants in place in respect of this debt.

Finance leases

Net obligations under finance leases are secured on related property, plant and equipment and are included within lease liabilities.

Overdraft

The Group has an overdraft facility of £1,200,000, which is secured over the assets of subsidiary companies and requires coverage of 3.5 times the value of UK debtors less than 90 days old. During the year the Group has not drawn upon the overdraft facility in place. The interest rate on the overdraft is 5.3% per annum over the Bank of England rate.

Net debt reconciliation

	2024	2023
	£'000	£'000
Cash and cash equivalents (note 17)	**6,270**	4,948
Lease liabilities (note 20)	**(789)**	(417)
Debt facility and loan notes - unsecured borrowings (note 20)	**(3,461)**	(3,463)
Net debt	**2,020**	(1,068)

Change in liabilities arising from financing activities

	2023 £'000	Cashflows £'000	Interest charged £'000	Interest paid £'000	Non-cash changes £'000	2024 £'000
Cash and cash equivalents	4,948	1,322	**-**	**-**	**-**	**6,270**
Borrowings - debt facility	(2,485)	-	(220)	222	-	**(2,483)**
Borrowings - loan notes	(978)	-	(78)	78	-	**(978)**
Lease liabilities	(417)	523	(43)	43	(895)	**(789)**
Total liabilities from financing activities	1,068	1,845	(341)	343	(895)	**2,020**

Non-cash changes predominantly relate to the inception of new leases arising during the year.

21) FINANCIAL INSTRUMENTS

The Group's financial instruments comprise borrowings, cash and liquid resources and various items, such as trade and other receivables and trade and other payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The principal financial risk faced by the Group is liquidity/funding. The policies and strategies for managing this risk is summarised as follows:

Risk	Potential impact	How it is managed
Liquidity	The Group's debt servicing requirements and investment strategies, along with the diverse nature of the Group's operations, means that liquidity management is recognised as an important area of focus. Liquidity issues could have a negative reputational impact, particularly with suppliers.	The Group's treasury function is principally concerned with internal funding requirements, debt servicing requirements and funding of new investment strategies. Internal funding and debt servicing requirements are monitored on a continuing basis through the Group's management reporting and forecasting. The Group also maintains a continuing dialogue with the Group's lenders as part of its information covenants. The requirements are maintained through a combination of retained earnings, asset sales or capital markets. An overdraft of £1.2m is in place to help fund potential working capital fluctuations. New investment strategies are to be funded through existing working capital or where possible capital markets.

Capital management policy and risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debts, which include the borrowings disclosed in note 20, cash and cash equivalents and equity attributable to the owners of the parent, comprising issued capital, reserves and retained earnings as disclosed in the Consolidated statement of changes in equity.

The Group's Board reviews the capital structure on an on-going basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The Group seeks a conservative gearing ratio (the proportion of net debt to equity). The Board is currently satisfied with the Group's gearing ratio.

The gearing ratio at the year-end is as follows:

	2024 £'000	2023 £'000
Borrowings (debt facility and loan notes)	**(3,461)**	(3,463)
Cash and cash equivalents	**6,270**	4,948
Net cash	**2,809**	1,485
Total equity	**3,480**	5,797

Net cash to equity ratio	**81%**	26%

The Group's gearing ratio has changed due to an increased cash balance resulting from operational cash inflows and a decrease in equity due to overall movement in loss and comprehensive expense for the period.

Financial instruments by category

	2024 **£'000**	2023 £'000
Categories of financial assets and liabilities		
Financial assets - measured at amortised cost		
Trade and other receivables	**5,591**	10,075
Cash and cash equivalents	**6,270**	4,948
Financial liabilities - other financial liabilities at amortised cost		
Trade and other payables	**(5,811)**	(5,926)
Borrowings	**(3,461)**	(3,463)
Lease liabilities	**(789)**	(417)
Financial liabilities - other financial liabilities at fair value		
Deferred and contingent consideration payable	**(3,709)**	(2,332)

The fair values of the Group's cash and short-term deposits and those of other financial assets equate to their carrying amounts. The Group's receivables and cash and cash equivalents are all classified as financial assets and carried at amortised cost. The amounts are presented net of provisions for doubtful receivables and allowances for impairment are made where appropriate. Trade and other payables and loan borrowings are all classified as financial liabilities measured at amortised cost.

The contingent consideration payable in relation to The Edge is measured at fair value, using level 3 inputs in the calculation of fair value. The contingent consideration is made up of two parts. The larger portion of the consideration is fair valued using a Monte Carlo simulation where the EBIT of the first year is based on actual performance and each of the remaining two years is an independent, normally distributed random variable. An EBIT of £1.3m has been used for year one, £0.7m for year two and £1.2m for year three. Values have been calculated for all three years and in total and the average represents the fair value. As this is based on estimated EBIT the actual amount may be different. The smaller part of the contingent consideration relates to a performance bond that is owed to The Edge. All contingent consideration has been discounted using a discount rate of 13.3%. A £0.1m increase in EBIT in each of years two and three could increase the contingent consideration payable by £0.2m, and a £0.2m decrease in EBIT in each of years two and three could decrease the contingent consideration payable by £0.6m.

The contingent consideration payable in relation to Raw Cut is measured at fair value, using level 3 inputs in the calculation of fair value. The consideration is fair valued using a Monte Carlo simulation where the EBITDA of the remaining two years is an independent, normally distributed random variable. An EBITDA of £0.4m has been used for year one, £0.5m for year two. Values have been calculated for both years and in total and the average represents the fair value. As this is based on estimated EBITDA the actual amount may be different. All contingent consideration has been discounted using a discount rate of 9.1%. A £0.1m decrease in EBITDA in year one and a £0.2m decrease in EBITDA in year two could decrease the contingent consideration payable by £0.3m, and a £0.2m increase in EBITDA in year one and a £0.1m increase in EBITDA in year two could increase the contingent consideration payable by £0.4m.

22) DEFERRED TAX

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 25% (2023: 25%) for UK differences. The movements in deferred tax assets and liabilities during the year are shown below.

	Deferred tax asset £'000	**Deferred tax liability £'000**	**Net position £'000**
At 1 January 2023	**991**	**(991)**	

At 1 January 2023	991	(991)	-
Recognised on intangible assets	-	163	163
Recognised on current period amortisation	-	-	-
Recognised on tax losses	(163)	-	(163)
At 31 December 2023	**828**	**(828)**	**-**
Recognised on intangible assets		(211)	(211)
Recognised on current period amortisation	-	-	-
Recognised on tax losses	211		211
At 31 December 2024	**1,039**	**(1,039)**	**-**

Deferred tax assets estimated at £1.8m (2023: £5.1m) in respect of losses carried forward have not been recognised due to uncertainties as to when income will arise against which such losses will be utilised.

23) PROVISIONS

	2024	2023
	£'000	£'000
Provisions	**171**	276

Movement in provisions

	£'000
At 31 December 2023	**276**
Additions	**80**
Utilised in the year	**(41)**
Released in the year	**(144)**
At 31 December 2024	**171**

Provisions comprise dilapidation provisions relating to properties. The associated forecast cash outflows are £nil in 2025. The movement in the provision in the year relates to the vacation of Tern's office in Glasgow and an additional provision in relation to a new office there.

24) BUSINESS COMBINATIONS

Raw Cut Ventures Limited

In October 2024, the Company acquired the entire issued share capital of Raw Cut Ventures Limited ("Raw Cut"). Zinc acquired Raw Cut due to its close strategic fit, as it produces high quality factual television content, has a significant distribution and IP catalogue, enhances Zinc's regional presence via its production base in Wales and it has a track record of strong financial performance.

The initial consideration was £1.0m paid in Zinc shares. Zinc acquired Raw Cut with an agreed normalised working capital, with £1.0m of net cash paid for in cash at completion on a pound-for-pound basis. Up to an additional £5.5m of deferred consideration is payable contingent on the trading performance of Raw Cut in FY25 and FY26. Deferred and contingent consideration payments include holdback amounts due in cash and further amounts paid in either Zinc ordinary shares and/or in non-interest-bearing loan notes (to be redeemed by the relevant noteholder no earlier than 6 months after their issue), in each case at Zinc's discretion.

Raw Cut's full year trading performance resulted in £4.8m of revenue and a profit before tax of £0.3m, of which £0.6m of revenue and £0.1m of profit before tax has been included in the Group's consolidated results.

The fair value of the assets acquired and liabilities assumed were as follows:

	Fair value
	£'000
Property, plant and equipment	**22**
Inventory	**12**
Trade and other receivables	**48**
Cash and cash equivalents	**2,179**
Trade and other payables	**(830)**
Current tax liabilities	**(49)**
Deferred tax	**(71)**

Net assets acquired	**1,311**
Customer relations capitalised	**229**
Order book capitalised	**67**
Distribution rights capitalised	**267**
Brand capitalised	**721**
Deferred tax liability on intangible assets	**(321)**
Goodwill capitalised	**1,057**
Consideration	**3,331**
Satisfied by:	
Issue of shares	**1,000**
Cash	**1,032**
Deferred and contingent consideration	**1,299**
	3,331

25) SHARE CAPITAL AND RESERVES

	2024	2023
Ordinary shares with a nominal value of:	**0.125p**	0.125p
Authorised:		
Number	**Unlimited**	Unlimited
Issued and fully paid:		
Number	**24,345,002**	22,765,327
Nominal value (£'000)	**30**	28

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

The movements in share capital and reserves in the year are made up as follows:

	31 Dec 2024					31 Dec 2023				
Ordinary shares	**Number of shares**	**Share capital**	**Share premium**	**Merger reserve**	**Share-based payment reserve**	Number of shares	Share capital	Share premium	Merger reserve	**Share-based payment reserve**
		£'000	**£'000**	**£'000**	**£'000**		£'000	£'000	£'000	
At start of year	**22,765,327**	**28**	**9,546**	**1,163**	**547**	21,806,834	27	9,546	566	457
Share placing and subscription for cash	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Expenses of issue of shares	**-**	**-**	**-**	**-**	**-**	-	-	-	-	-
Consideration paid in shares	**1,541,622**	**2**	**998**	**-**	**-**	654,637	1	-	597	-
Shares issued in lieu of fees	**38,053**	**-**	**-**	**-**	**-**	33,783	-	-	-	-
Equity settled share based payments	**-**	**-**	**-**	**-**	**168**	270,073	-	-	-	90
At end of year	**24,345,002**	**30**	**10,544**	**1,163**	**715**	22,765,327	28	9,546	1,163	547

Consideration paid in shares

On 30 October 2024, the Group issued 1,541,622 new ordinary shares in relation to initial consideration to acquire Raw Cut Ventures Limited.

On 21 March 2025, the Group issued 342,208 new ordinary shares at a price of £0.64 per share in relation to contingent consideration payable in relation to the acquisition of The Edge.

Shares issued in lieu of fees

On 22 August 2024 the Group issued 38,053 new ordinary shares at a price of £0.83 per share to a Director in lieu of payment of Director fees.

Nature and purpose of the individual reserves

Below is a description of the nature and purpose of the individual reserves:

- share capital represents the nominal value of shares issued;
- share premium includes the amounts over the nominal value in respect of share issues; in addition, costs in respect of share issues are debited to this account;
- the merger reserve is used where more than 90 per cent of the shares in a subsidiary are acquired and the consideration includes the issue of new shares by the Company, which attract merger relief under the Companies Act 1985 and, from 1 October 2009, the Companies Act 2006;
- the share-based payment reserve arises on recognition of the share-based payment charge in accordance with IFRS2 *Share Based Payment Transactions*; and
- retained earnings include the realised gains and losses made by the Group and the Company.

26) RELATED PARTY TRANSACTIONS

Herald Investment Trust plc and John Booth Charitable Foundation

The Company is the borrower of unsecured debt and loan notes with Herald Investment Trust plc and John Booth Charitable Foundation requiring a bullet repayment on 31 December 2025. The total amount outstanding at 31 December 2024 including accrued interest is £3.5m (2023: £3.5m). Interest accrued on the debt amounted to £0.1m (2023: £0.1m).

27) POST BALANCE SHEET EVENTS

Post year end the long-term debt holders agreed to extend the term of the debt by two years, such that the repayment of the debt is now due on 31 December 2027.

28) GUARANTEE IN RELATION TO SUBSIDIARY AUDIT EXEMPTION

On 24 April 2025, the Directors of the Company provided guarantees in respect of its trading subsidiary companies in accordance with section 479C of the Companies Act 2006. As a result, the following subsidiary entities of the Company are exempt from the requirements of the Companies Act 2006 relating to the audit of accounts under section 479A of the Companies Act 2006:

Blakeway Productions Limited	02908076
Films of Record Limited	01446899
Raw Cut Distribution Ltd	08279893
Raw Cut PI Limited	08332247
Raw Cut Productions Ltd	12718803
Raw Cut Television Limited	04569404
Raw Cut Ventures Ltd	08332523
Reef Television Limited	03500852
Tern Television Productions Limited	SC109131
The Edge Picture Co Limited	02557058
Tomos TV Ltd	11140864
Zinc 6000 Bicycles Ltd	15924526
Zinc Communicate CSR Limited	06271341

Zinc Communicate Productions Limited	03136090
Zinc Television London Limited	02800925
Zinc Television Regions Limited	02888301

Cautionary note regarding forward-looking statements

This press release may contain certain forward-looking information. The words "expect", "anticipate", believe", "estimate", "may", "will", "should", "intend", "forecast", "plan", and similar expressions are used to identify forward looking information.

The forward-looking statements contained in this press release are based on management's beliefs, estimates and opinions on the date the statements are made in light of management's experience, current conditions and expected future development in the areas in which the Company is currently active and other factors management believes are appropriate in the circumstances. The Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless required by applicable law.

Readers are cautioned not to place undue reliance on forward-looking information. By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties that contribute to the possibility that the predicted outcome will not occur, including some of which are beyond the Company's control. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events could vary or differ materially from those anticipated in such statements.

Inside Information

The information contained within this announcement constitutes inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) no. 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. On the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

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[1] On a like-for-like basis, comparing continuing operations

[2] Source: PACT UK Television Production Survey 2024, by Oliver and Ohlbaum

[3] On a like-for-like basis, comparing continuing operations

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