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Videndum PLC
30 April 2025

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30 April 2025

Videndum plc

2024 Full Year Results

"Results In Line, Covenants Reset"

Results	**2024**	**2023[1]**
Continuing operations[1]		
Revenue	£283.6m	£306.9m
Adjusted operating (loss)/ profit*	£(18.2)m	£13.3m
*Adjusted operating margin**	*(6.4)%*	4.3%
Adjusted (loss)/profit before tax*	£(25.0)m	£1.8m
Adjusted operating cash flow	£16.8m	£11.6m
Free cash flow*	£4.5m	£(23.8)m
Net debt*	£133.0m	£128.5m
Statutory results from continuing and discontinued operations[1]		
Revenue	£283.6m	£315.0m
Operating loss	£(96.5)m	£(65.2)m
Operating margin	*(34.0)%*	*(20.7)%*
Loss before tax	£(103.4)m	£(79.7)m
Loss per share	(155.8)p	(157.5)p

Financial summary

- 2024 result was in line with the 16 December 2024 Trading Update guidance.
- Revenue 8% lower than 2023 against a challenging macroeconomic backdrop.
- Adjusted operating loss* of £18.2 million. Before £18.3 million of H2 one-off charges, the result was break-even.
- Statutory operating loss before tax of £96.5 million includes a £51.3 million asset impairment charge, £12.0 million of losses of previously discontinued operations, and £11.3 million of restructuring costs.
- Adjusted operating cash flow up 45% to £16.8 million (2023: £11.6 million).
- Free cash flow £28.3 million higher at £4.5 million inflow.
- Net debt* at 31 December 2024 was £133.0 million (2023: £128.5 million) representing leverage of 5.2x (2023: 3.3x). December 2024 covenant leverage and interest cover tests met.
- RCF covenants successfully reset in April 2025 through to the end of the facility in August 2026.
- Refinancing of the RCF launched April 2025 and expected to be completed pre H1 FY 25 results in September.
- Gross equity of £8m will be raised on 30 April 2025, which the Company will announce separately today, adding to liquidity headroom.
- Financial statements prepared on a going concern basis with material uncertainty, consistent with the approach taken for H1 2024 and FY 2023 results.

Key achievements

- Restructuring initiatives expected to deliver annualised cost savings of £18 million with a £15 million benefit in 2025.
- Discretionary spending curtailed across the Group from Q4.
- Pricing discipline and discounting controls put in place.
- New product development programmes reinvigorated with major product launches scheduled for 2025.
- Successful delivery of the Summer 2024 Olympic Games contract worth £8 million.
- Amimon sold in April 2025 for gross cash consideration of £2.6 million, with the additional benefit of avoiding operational and restructuring cash out flows that would have otherwise been required.

Commenting, Stephen Harris, Executive Chairman, said:

"While 2025 had a soft start, conditions have been improving month by month. We anticipate that H1 2025 revenue will decline compared to H1 2024 as we lap the Q1 2024 spike in the Cine and Scripted TV market post-strike, along with deep discounting that pulled sales forward from H2 2024. H2 2025 is expected to be stronger due to the normalisation of content creation markets and reductions in channel overstocking created in 2024, with FY 2025 revenues flat compared to 2024.

"The issue of tariffs is fast moving and has potential ramifications across some 50% of the business. Our approach is to carefully monitor the developments in this area, and Videndum will rely on its strong position in the markets in which it operates to implement price increases as necessary to pass on the additional cost of tariffs. The Group should enjoy an advantage relative to the vast majority of its competition, which are Chinese. However, the main 2nd order risk we see is a global recession that would impact demand for our products.

"Adjusted operating profit margins are expected to improve to low-single-digit levels, benefiting from the extensive*

"Adjusted operating profit margins are expected to improve to low single digit levels, benefiting from the extensive restructuring activities announced so far, most of which are now complete, and which will have a more pronounced impact in the second half of 2025.*

"In 2026 and beyond, revenues will benefit from both a return to market growth and a resumption of new product introductions. Longer-term expectations for the business are to achieve mid-double-digit adjusted operating profit margins from a combination of operating leverage on revenue growth, structural simplification and continued focus on operational efficiencies.*

"With our premium products, market-leading brands and improving cost base, the Board is confident that the Group is well positioned for the future."

Notes

1 Amimon was held for sale at 31 December 2023 and reported as discontinued operations, however reclassified to continuing operations for 2024. Discontinued operations also includes the operation at Syrp (the Media Solutions' motion controls R&D centre in New Zealand), which was wound down in H2 2023. Results of discontinued operations can be found in notes 2 and 5 to the condensed financial statements. 2023 also includes Lightstream in discontinued operations, which was sold on 2 October 2023.
For 2023, the Group has re-classified legal expenses of £0.5 million from other administrative expenses to adjusting operating expenses*. There is no impact on the Group's net assets.

2 The Writers' Guild of America ("WGA") was on strike from 2 May to 27 September 2023 and the Screen Actors Guild and the American Federation of Television and Radio Artists ("SAG-AFTRA") were on strike from 14 July to 9 November 2023. WGA's contract was ratified on 9 October 2023 and SAG-AFTRA's contract was ratified on 5 December 2023, ending the strikes.

3 2024 average exchange rates: GBP 1 = USD 1.28, GBP 1 = EUR 1.18, EUR 1 = USD 1.08, £1 = JPY 194

4 2023 average exchange rates: GBP 1 = USD 1.24, GBP 1 = EUR 1.15, EUR 1 = USD 1.08, £1 = JPY 173

This announcement contains inside information. The person responsible for arranging the release of this announcement on behalf of Videndum plc is Jon Bolton, Group Company Secretary.

** In addition to statutory reporting, Videndum plc reports alternative performance measures from continuing operations ("APMs") which are not defined or specified under the requirements of International Financial Reporting Standards ("IFRS"). The Group uses these APMs to aid the comparability of information between reporting periods and Divisions, by adjusting for certain items which impact upon IFRS measures and excluding discontinued operations, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and management for performance analysis, planning, reporting and incentive purposes. A summary of APMs used and their closest equivalent statutory measures is given in the Glossary.*

For more information please contact:

Videndum plc — Telephone: 020 8332 4602
Stephen Harris, Executive Chairman
Sean Glithero, Interim Group Chief Financial Officer

An audio webcast and Q&A for Analysts and Investors will be held today, starting at 09:00am UK time. The presentation slides are available on our website.

Users can pre-register to access the webcast and slides using the following link:

https://videndum.com/investors/results-reports-and-presentations/

Notes to Editors:

Videndum is a leading global provider of premium branded hardware products and software solutions to the content creation market. We are organised in three Divisions: Videndum Media Solutions, Videndum Production Solutions and Videndum Creative Solutions.

Videndum's customers include broadcasters, film studios, production and rental companies, photographers, independent content creators ("ICC"), professional musicians and enterprises. Our product portfolio includes camera supports, video transmission systems and monitors, live streaming solutions, smartphone accessories, robotic camera systems, prompters, LED lighting, mobile power, carrying solutions, backgrounds, audio capture, and noise reduction equipment.

We employ around 1,500 people across the world in ten different countries. Videndum plc is listed on the London Stock Exchange, ticker: VID.

More information can be found at: https://videndum.com/

LEI number: 2138007H5DQ4X8YOCF14

2024 financial overview

Income and expense

The numbers below are presented on a continuing basis (unless otherwise stated). In 2023 three operations were reported as discontinued: Lightstream and Syrp, which were sold and closed down respectively; and Amimon, which was held for sale in 2023 but for 2024 is included in continuing operations and was sold in April 2025.

	Adjusted*			Statutory from continuing and discontinued operations	
	2024	**2023**	**change**	**2024**	**2023**
Revenue**	£283.6m	£306.9m	(8)%	£283.6m	£315.0m
Operating (loss)/profit	£(18.2)m	£13.3m	£(31.5)m	£(96.5)m	£(65.2)m
(Loss)/profit before tax	£(25.0)m	£1.8m	£(26.8)m	£(103.4)m	£(79.7)m
(Loss)/earnings per share	(17.9)p	9.5p	(27.4)p	(155.8)p	(157.5)p

**For the Group, before adjusting operating items of £78.3 million (2023: £18.0 million), adjusting interest items of £0.1m (2023: £2.6 million) and operating loss from discontinued operations of £nil (2023: £60.9 million loss).*
*** Revenue includes revenue from Amimon of £2.9 million (2023: £nil)*

Revenue declined by 8% on a reported basis (including the effects of FX and Amimon restated as a continuing operation). Declining demand across our three core markets of ICC, Cine and Scripted TV, and Broadcast drove a 5% decrease in revenue on a constant currency basis.

Demand in the Cine and Scripted TV market started the year strongly (albeit not at pre-strike levels) as paused productions from 2023 were completed. Thereafter, demand declined, and recovery is now expected to materialise in Q2/Q3 2025.

The Broadcast market declined year-on-year other than the uplift in revenue from the Paris Summer Olympics. The decline was a result of news budgets being redirected to war-coverage or cut significantly. In H2 the demand uptick from the US Presidential election was much less pronounced than anticipated.

The ICC segment was sluggish throughout the year, impacted by macroeconomic factors including high interest rates, inflation and weak consumer confidence. This led to a decline in revenue, particularly in H2 2024 after a drive to secure more revenue in H1 2024 through discounting was reversed in H2 through better price discipline.

Adjusted gross profit margin* fell from 38.5% in 2023 to 32.9% in 2024 with most of the fall attributable to £12.9 million of H2 one-off inventory provision charges and £0.2 million fixed asset write-off, following management review of inventory levels compared to future demand expectations.

Adjusted operating expenses* increased by £6.9 million to £112.4 million (2023: £105.5 million) including £4.8 million from extra write-off of intangible assets that arose from past capitalised internal development spend and software purchases. Similar to the additional inventory provision, this resulted from scrutiny of intangible asset carrying balances compared to expectations of future sales. Excluding these items, adjusted operating expenses* were £107.6 million, broadly flat compared to 2023 (£105.5 million) and 15% lower than in 2022 (£127.2 million).

An adjusted operating loss* of £18.2 million included £13.1 million of extra H2 charges within cost of sales and £5.2 million within operating expenses. Excluding these items, adjusting operating profit* was £0.1 million

We have moved at pace with our operational improvement programme, progressing well with both operating model enhancements and cost saving initiatives. As part of our drive to expand gross margins and reduce inventories we have strengthened our approach to procurement and supply chain management and are rationalising SKUs. Pricing discipline has been reinstated. We are also consolidating manufacturing operations to get greater utilisation, reduce capital expenditure and improve operating efficiencies. A significant part of this consolidation is the closure of our manufacturing operations in Bury St Edmunds, UK, moving these to our existing sites in Feltre, Italy and Cartago, Costa Rica.

We are simplifying the Company structure in 2025 by moving from three Divisions to two, eliminating duplicated overheads and operations, and dramatically constraining discretionary spending. We expect this structural change to be complete by the beginning of 2026.

The cost savings that result from these initiatives started in 2024 but had little impact in the year. At full run-rate they will achieve an annualised saving of c.£18 million, of which c.£15 million will be achieved in 2025. The cash cost of the restructuring is expected to be c.£15 million with £3 million spent in 2024 and the remainder to be incurred in 2025.

Adjusted net finance expense* of £6.8 million was £4.7 million lower than in 2023 (£11.5 million). This was the result of lower borrowings, following the equity raise at the end of 2023 and despite higher interest rates on borrowings. In 2024, an average of c.55% of our borrowings was fixed through swaps at an average rate of c.5% (including margin). These swaps matured in September 2024 (40.0 million) and January 2025 (£37.0 million). Our floating debt currently has an average interest rate of c.9% (including margin). Net finance expense also includes interest on lease liabilities, income from the accounting surplus of the defined benefit pension scheme, amortisation of loan fees, and net currency translation gains or losses.

Adjusted loss before tax* was £25.0 million compared to a £1.8 million profit in 2023.

Statutory loss before tax from continuing and discontinued operations of £103.4 million (2023: £79.7 million loss) includes adjusting items from continuing operations of £78.3 million (2023: £20.6 million) and a £nil loss from discontinued operations after adjusting items (2023: £60.9 million loss). The adjusting items from continuing operations primarily relate to the impairment of assets (£51.3 million), losses of previously discontinued operations (£12.0 million), and restructuring costs (£11.3 million) - see "Adjusting items" section for further detail.

The Group's effective tax rate ("ETR") was a 32% credit on the £25.0 million adjusted loss before tax* (2023: 161% on £1.8 million profit before tax*). Statutory ETR from continuing and discontinued operations was a 42% debit on £103.4 million loss (2023: 3% credit on £79.7 million loss before tax) reflecting the write-off of the majority of deferred tax assets previously held.

Adjusted basic loss per share* was 17.9 pence (2023: 9.5 pence earnings per share). Statutory basic loss per share from continuing and discontinued operations was 155.8 pence (2023: 157.5 pence loss per share).

Cash flow and net debt

Cash generated from operating activities was £22.5 million (2023: £9.8 million) and net cash from operating activities was £12.7 million (2023: £16.1 million outflow).

Free cash flow* at £4.5 million was a £28.3 million improvement over 2023, reflecting stronger adjusted operating cash flow* combined with lower interest and restructuring spend. Adjusted operating cash flow* at £16.8 million was £5.2 million higher than in 2023 as working capital inflows offset higher operating losses.

£m	2024	2023	Variance
Statutory operating loss from continuing and discontinued operations	**(96.5)**	(65.2)	(31.3)
Add back discontinued operations statutory operating loss	**-**	60.5	(60.5)
Add back adjusting items from continuing operations	**78.3**	18.0	60.3
Adjusted operating (loss)/profit*	**(18.2)**	**13.3**	**(31.5)**
Depreciation(1)	**24.0**	20.5	3.5
Adjusted trade working capital (inc)/dec*	**21.3**	(1.1)	22.4
Adjusted non-trade working capital (inc)/dec*	**2.2**	(6.8)	9.0
Adjusted provisions inc/(dec)*	**(0.1)**	-	(0.1)
Capital expenditure(2)	**(15.4)**	(15.3)	(0.1)
Other(3)	**3.0**	1.0	2.0
Adjusted operating cash flow*	**16.8**	**11.6**	**5.2**
*Cash conversion**	***n/a***	*87%*	*n/a*
Interest and tax paid	**(9.4)**	(25.7)	16.3
Earnout and retention bonuses	**(1.2)**	(3.6)	2.4
Restructuring, integration costs and sale of property	**(1.2)**	(5.3)	4.1
Transaction costs	**(0.5)**	(0.8)	0.3
Free cash flow*	**4.5**	**(23.8)**	**28.3**

(1) Includes depreciation, and amortisation/impairment of purchased software and capitalised development costs
(2) Purchase of Property, Plant & Equipment ("PP&E") and capitalisation of software and development costs
(3) Includes share-based payments charge (excluding retention) and other reconciling items to adjusted operating cash flow*
Net cash from operating activities of £12.7 million (2023: -£16.1 million outflow) comprises £4.5 million free cash flow from continuing operations* (2023: -£23.8 million outflow) plus £15.4 million capital expenditure from continuing operations (2023: £15.3 million), less £2.7 million from sale of PP&E and software from continuing operations (2023: £0.3 million), less £0.2 million interest received from continuing operations reported within net cash used in investing activities

(2023: £nil), plus net cash from operating activities from previously discontinued operations of -£4.3 million (2023: -£7.3 million outflow)

Adjusted trade working capital* decreased by £21.3 million in 2024 (2023: £1.1 million increase); £12.9 million due to the H2 one-off inventory provision, and £8.4 million from timing of trade receivables collections and trade payables. Inventory decreased by £0.1 million in 2024 excluding the additional H2 inventory provision. Trade receivables decreased by £7.2 million and trade payables increased by £1.1 million.

Capital expenditure of £15.4 million (2023: £15.3 million) included:

- £7.8 million of Property Plant and Equipment ("PP&E") compared with £4.6 million in 2023. This reflected spend to deliver the Olympics contract in H2, and investment in machinery and tooling for new products being launched in 2025;
- £7.3 million capitalisation of development costs (2023: £10.0 million) and software of £0.3 million (2023: £0.7 million). Gross R&D was slightly lower than in 2023, which included investment in developing the, AI-driven talent tracking, Vinten Vega product. The percentage of revenue (6.6%) was higher year-on-year (2023: 6.3%) following the decline in revenue, as the level of R&D investment has largely been maintained.

£m	**2024**	**2023**	Variance
Gross R&D	**18.7**	19.3	(0.6)
Capitalised	**(7.3)**	(10.0)	2.7
Amortisation and impairment losses	**10.1**	5.6	4.5
Income Statement Impact	**21.5**	14.9	6.6

Interest and tax paid decreased by £16.1 million compared to 2023, due to the timing of tax payments and refunds (£11.1 million lower), in addition to £5.2 million lower interest costs following lower average borrowings throughout the year.

Earnout and retention bonuses relate to AUDIX, Savage and Quasar. The sale of a property in the Production Solutions Division yielded £2.5 million and restructuring and integration costs totalled £3.7 million.

December 2023 closing net debt* (£m)	**(128.5)**
Free cash flow from continuing operations*	4.5
Free cash flow from previously discontinued operations	(4.4)
Upfront loan fees, net of amortisation	0.6
Employee incentive shares	(0.5)
Net lease additions	(3.9)
FX	(0.8)
December 2024 closing net debt* (£m)	**(133.0)**

Net debt* at 31 December 2024 of £133.0 million was £4.5 million higher than at 31 December 2023 (£128.5 million). Net lease additions of £3.9 million include the addition of a £1.8 million lease liability for a new Production Solutions Division property following the sale of the existing site, and £0.9 million in relation to Amimon which returned to continuing operations. The £0.8 million unfavourable impact from FX arose primarily from the translation of our US dollar debt, following the strengthening of the US dollar against Sterling across 2024.

At 31 December 2024, leverage[1] was 5.2x (31 December 2023: 3.3x) and interest cover[2] was 1.4x (31 December 2023: 2.0x).

Liquidity at 31 December 2024 totalled £47.6 million, comprising £34.7 million unutilised RCF (total facility of £150 million which matures in August 2026) and net cash of £12.9 million. Gross cash of £57.3 million is stated before a £44.4 million overdraft due to operational cash pooling arrangements.

Notwithstanding the headroom over the covenants linked to trading in the base case, the Group must, in all scenarios, complete its planned refinancing or satisfy lenders with an alternative deleveraging plan by October 2025, in order to avoid triggering an event of default. The Board is confident based on preparations and progress to date that either a refinancing will be completed or a satisfactory de-leveraging plan will be agreed.

Borrowing facilities and financial position at 31 December 2024 and at April 2025

The group has a committed £150 million Multicurrency Revolving Credit Facility ("RCF") with a syndicate of lenders and a term until 14 August 2026 (see note 4.1 "Net Debt"). Previously the RCF had been committed at £200 million with maturity at 14 February 2026, but in the second quarter of 2024, a six-month extension was negotiated for a £50 million reduction in commitment and improved lending covenants.

Whilst June 2024 and September 2024 covenant thresholds were met, the slower pace of recovery in the second half of 2024 led to the request for an amendment to the December 2024 covenants. This was granted on 13 December 2024 with leverage raised to less than 5.5x (originally <3.25x)and interest cover reduced to more than 1.25x (originally >3.0x). Certain additional conditions were placed on the Group during this process including the introduction of a new February 2025 covenant and the requirement for lender consent to increase drawn RCF above £129 million.

Subsequent to the end of 2024 the amended December covenant tests were met and both the February 2025 and March 2025 covenant tests waived. The Group has successfully negotiated amended covenants ("the Amended Covenants") through to the end of the facility in August 2026. Leverage and interest cover will be tested only for December 2025, March 2026 and June 2026 with, at each test date, leverage (net debt:EBITDA) to be no higher than 6x and interest cover (EBITA:net interest) of at least 1x.

A trailing last twelve month ("LTM") EBITDA covenant will apply for two quarters with LTM EBITDA to be at least £5 million at the end of June 2025 and at least £6 million at the end of September 2025. In addition, throughout the remaining term of the RCF, a weekly tested minimum liquidity covenant will be put in place, starting at £7.5 million, before falling to £5 million from 1 September 2025. Minimum liquidity has been defined as cash at bank, net of overdrafts, plus available undrawn RCF up to the cap at which lender consent is required. This cap has been raised from the £129 million introduced through the December 2024 amendment process, to £139 million for the remaining term of the RCF. The Amended Covenants are conditional on the Company raising at least £6 million in net proceeds from a fully underwritten placing of new ordinary shares, which was announced separately today. Shareholders are encouraged to read that announcement alongside this FY24 results announcement.

The Group is actively seeking to fully or partially refinance its RCF, most likely by accessing private credit funds, before its first half 2025 results are announced at the end of September. The intention is to secure funding that stabilises the Group's borrowing position and ensures sufficient long-term liquidity to enable the business to execute its strategy and return to growth. As part of the Amended Covenants, existing RCF lenders have a right to exert more influence over the Group, including in the extreme, triggering an event of default, should the Group fail to complete the refinancing or agree an alternative deleveraging plan with lenders by October 2025. These and previous amendments to the RCF preclude the Board from declaring a dividend and restrict factoring to £15 million. Costs incurred to date in 2025 in preparation for the planned refinancing, in addition to costs to restructure the RCF, total £5.4 million.

Going concern - material uncertainty

The Group's financial statements have been prepared on a going concern basis. The Board has considered the future trading and cash flow forecasts over a period of 12 months from the approval date of the financial statements and believes that available liquidity will be sufficient to enable the Group to meet its liabilities as they fall due. Furthermore, the Board believes that the Amended Covenants will be met and that the business will successfully refinance prior to the end of September 2025.

The Board has conducted a thorough evaluation of the going concern assumption and has modelled both a base case and a severe but plausible downside scenario that reflects a prolonged period of weak demand. Notwithstanding the planned refinance, both financial projections reflect current borrowings and related terms, the Amended Covenants and net proceeds from the share placing.

Whilst there is headroom over the covenants linked to trading in the base case, the Group must, in all scenarios, complete its planned refinancing or satisfy lenders with an alternative deleveraging plan by October 2025, in order to avoid triggering an event of default. The Board is confident based on preparations and progress to date that either a refinance will be completed or a satisfactory deleveraging plan will be agreed.

As a result of the financial projections, under the severe but plausible scenario, multiple breaches of the Group's covenants are forecast within 12 months from the approval of these financial statements. Furthermore, without additional sources of funding or new measures to improve the liquidity situation the business would have insufficient liquidity to operate from the first quarter of 2026.

If a covenant breach occurred, or additional liquidity beyond the liquidity cap be required, the Group would enter into negotiation with lenders as it has done in the past. However, as would be the case in any liquidity or covenant amendment request, funding to the Group could be withdrawn and additional liquidity or covenant relief not granted.

Should the severe but plausible scenario come to pass, and absent additional management mitigation actions, it could jeopardise the ability for the Group to successfully complete its planned refinancing prior to the end of September 2025. This could potentially mean the lenders exercising their right to default the RCF in October 2025 if a satisfactory agreement could not be reached to deleverage the Group.

In April 2025 a series of significant, additional tariffs to be applied to goods entering the United States were announced. A number of countries applied retaliatory tariff increases on the US who subsequently suspended application of some of the additional tariffs. The Group sells its market-leading products throughout the world, including in the US, with components sourced from around the world, including from China. It also has US based manufacturing and assembly plants that serve countries outside of the United States and faces competition from Chinese origin products. Given the uncertain nature of the situation and not least the potential for a negative impact on the world economy from globally higher tariffs, the financial projections have not been adjusted for the latest tariff developments. Nevertheless, it is recognised by the Board that both risk and opportunity exist.

The Board has concluded that these financial projections together with the risk of a negative tariff-related outcome and the inherent difficulty in predicting the terms and timing of a refinance, or deleveraging plan should a refinance not occur, do indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as going concern. The financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

The results for the full year 2023 and half year 2024 also indicated the existence of a material uncertainty.

Adjusting items from continuing operations

Adjusting items from continuing operations in 2024 primarily relate to an impairment of assets charge of £51.3 million, losses of previously discontinued operations of £12.0 million, and restructuring and other costs of £11.3 million.

The impairment of assets mainly reflects a £31.1 million impairment of goodwill within the Production Solutions Division (2023: £nil), a £14.9 million impairment of goodwill within the Media Solutions Division (2023: £nil), and a £4.6 million impairment of land and buildings (2023: £1.5 million). Trading conditions have been challenging for the last two years and, given the revised outlook on future demand, there was a resulting impairment of some of the goodwill accumulated from historic acquisitions.

The £12.0 million loss of previously discontinued operations reflects both the operational loss in the year and a £5.9 million impairment of assets. Amimon accounted for £11.5 million of this loss.

Restructuring and other costs reflect Group-wide restructuring projects commissioned in 2024, which resulted in a number of employees leaving in 2024, for which costs were recognised in 2024. Future employee-related costs were recognised where an announcement of restructuring activity in 2025 was made prior to the end of 2024. Further detail on restructuring can be found in note 2.2.

£m	2024	2023
Impairment of assets	(51.3)	(7.3)
Operating loss of previously discontinued operations	(12.0)	-
Integration, restructuring, and other costs	(11.3)	(5.4)
Amortisation of intangible assets that are acquired in a business combination	(3.5)	(4.0)
Acquisition related charges	(0.2)	(1.3)
Finance expense - amortisation of loan fees on borrowings for acquisitions	(0.1)	(2.6)
Adjusting items	**(78.4)**	**(20.6)**

Discontinued operations

The Group is focusing more tightly on high-end professional content creation, where it has high market share, sales channel expertise and more compelling growth opportunities. Consequently, in 2023 the Board decided to exit loss-making operations in non-core markets, specifically medical and gaming, to concentrate R&D investment on the content creation market. As a result, whilst the Creative Solutions Division as a whole remains core going forward, Amimon was held for sale at 31 December 2023 and Lightstream was sold on 2 October 2023. Both were reported as discontinued operations in 2023. In addition, Syrp (the Media Solutions' motion controls R&D centre in New Zealand) was wound down in H2 2023, which is also reported within discontinued operations. With no sale taking place in 2024, Amimon was reclassified to continuing operations and accordingly there were no discontinued operations in

2024.

£m	2024	2023
Revenue	-	8.1
Adjusted loss before tax	-	(6.4)
Adjusting items	-	(54.5)
Statutory loss before tax	-	(60.9)

Post year end, the Amimon business was sold in April 2025 together with a licence to use Teradek related intellectual property for products that do not compete with those of Videndum. In 2025, for the period up until disposal, Amimon will be treated as a discontinued operation. The Board will consider further potential disposals, as appropriate.

Notes

1 Leverage is calculated as net debt before arrangement fees and after leases of discontinued operations, divided by covenant EBITDA for the applicable 12-month period (being adjusted EBITDA*, before share-based payment charges, and after interest on employee benefits, interest related net currency translation gains, and the amortisation of loan arrangement fees).

2 Interest cover is calculated as covenant EBITA for the applicable 12-month period (being adjusted EBITDA* less depreciation of PP&E) divided by adjusted net finance expense* (before interest on employee benefits and FX movements, and the amortisation of arrangement fees).

Divisions

Videndum's purpose is to "enable our customers to capture and share exceptional content", and this is what guides us. We focus on the professional end of the content creation market, operating in defensible niches where our premium brands have strong share.

There is growing appetite for high quality content, and we expect demand for, and investment in, original content to remain positive (e.g. live news, broadcast sport, reality and scripted TV shows, films, digital visual content for e-commerce etc).

The Group is well positioned at the heart of this market and our strategic priorities remain unchanged. However, we are focusing more tightly on our core markets where we have market-leading product offerings in addition to a focus on driving operational efficiency. Our long-term strategy is to invest in areas where we can grow organically, while improving our margins.

Media Solutions

The Media Solutions Division designs, manufactures and distributes premium branded equipment for photographic and video cameras, and smartphones. It provides dedicated solutions to professional and amateur photographers and videographers, independent content creators, vloggers/influencers, enterprises, governments and professional musicians. These include camera supports (tripods and heads), smartphone and vlogging accessories, lighting supports and controls, LED lights, audio capture and noise reduction equipment, carrying solutions and backgrounds. Media Solutions represents c.50% of Group revenue.

	Adjusted*			Statutory from continuing and discontinued operations	
Media Solutions	**2024**	**2023**	**change**	**2024**	**2023**
External revenue	£132.7m	£153.7m	(14)%	£132.7m	£153.7m
Operating (loss)/profit	£(6.9)m	£11.4m	£(18.3)m	£(33.8)m	£(4.8)m
Operating margin	(5.2)%	7.4%	(12.6) pts	(25.5)%	(3.1)%

** For Media Solutions, before adjusting items of £26.9 million (2023: £12.8 million) and operating loss from discontinued operations of £nil (2023: £3.4 million loss)*

Market conditions continued to be tough for Media Solutions, with demand in the consumer and ICC segments declining, albeit at a lower rate than that seen in 2023.

Cassa Integrazione Guadagni Ordinaria ("CIGO") continued to be applied at the Feltre factory, which allowed us to flex manufacturing output to prevent excess inventory being built. The Division also benefited from the 2023 restructuring actions.

Excluding an H2 2024 one-off stock provision charge of £7.4 million and £2.7 million write-off of previously capitalised development spend and fixed assets, adjusted operating profit margin* was 2.4% (2023: 7.4%) reflecting adverse operating leverage on the 14% revenue decline.

Statutory operating loss was £33.8 million (2023: £4.8 million loss) which reflects £26.9 million of adjusting items from continuing operations (2023: £12.8 million) and a £nil million from discontinued operations (2023: £3.4 million loss).

Production Solutions

The Production Solutions Division designs, manufactures and distributes premium branded and technically advanced products and solutions for broadcasters, film and video production companies, independent content creators and enterprises. Products include video fluid heads, tripods, LED lighting, batteries, prompters and robotic camera systems. It also supplies premium services including equipment rental and technical solutions. Production Solutions represents c.30% of Group revenue.

	Adjusted*			Statutory	
Production Solutions	**2024**	**2023**	**change**	**2024**	**2023**
External revenue	£90.7m	£101.2m	(10)%	£90.7m	£101.2m
Operating profit/(loss)	£1.6m	£12.6m	£(11.0)m	£(34.4)m	£9.5m
Operating margin	1.8%	12.5%	(10.7) pts	(37.9)%	9.4%

** For Production Solutions, before adjusting items of £36.0 million (2023: £3.1 million).*

Production Solutions' revenue was 10% lower than in 2023 despite the successful delivery of the Olympics contract for the Paris Summer Games. Conditions remained challenging across all end markets including the Cine and

Scripted TV segment which itself fell significantly, now representing c.15% of divisional sales. Launches of the Vinten Versine 360 fluid head and Litepanels Astra IP have both been well received, with advance orders placed for fulfilment in 2025.

Excluding an H2 2024 one-off stock provision charge of £4.6 million and £0.7 million write-off of previously capitalised development spend, the adjusted operating profit margin* was down to 7.6% (2023: 12.5%) reflecting adverse operating leverage on the 10% revenue decline.

Statutory operating loss was £34.4 million (2023: £9.5 million profit) after £36.0 million of adjusting items (2023: £3.1 million).

Creative Solutions

The Creative Solutions Division develops, manufactures and distributes premium branded products and solutions for film and video production companies, independent content creators, enterprises and broadcasters. Products include wired and wireless video transmission systems, lens control systems, monitors and camera accessories for the Cine and Scripted TV and live production segments. Creative Solutions represents c.20% of Group revenue.

	Adjusted*			Statutory from continuing and discontinued operations	
Creative Solutions	**2024**	**2023**	**change**	**2024**	**2023**
External revenue**	£60.2m	£52.0m	16%	£60.2m	£60.1m
Operating profit/(loss)	£0.5m	£0.8m	£(0.3)m	£(11.3)m	£(58.0)m
Operating margin	0.8%	1.5%	(0.7) pts	(18.8)%	(96.5)%

** For Creative Solutions, before adjusting items from continuing operations of £11.8 million (2023: £1.7 million) and operating loss from discontinued operations of £nil (2023: £57.1 million loss)*
*** Revenue includes revenue from Amimon of £2.9 million (2023: £nil)*

The strikes had the largest effect on Creative Solutions in 2023, where the majority of products are used in Cine and Scripted TV. Accordingly, revenue up 16% was against a depressed base in 2023. Demand in the Cine and Scripted TV market started the year strongly (albeit not at pre-strike levels) as paused productions from 2023 resumed. However, thereafter demand declined as these productions were finished off. Resumption in demand growth is now expected in Q2/Q3 2025.

Excluding an H2 2024 one-off stock provision charge of £0.9 million and £1.6 million write-off of previously capitalised development spend and software purchases, the adjusted operating profit margin* was up to 5.0% (2023: 1.5%) reflecting positive operating leverage on the 16% higher revenue.

Statutory operating loss was £11.3 million (2023: £58.0 million loss), including £11.8m of adjusting items from continuing operations (2023: £1.7 million) and a £nil million loss from discontinued operations (2023: £57.1 million loss).

Corporate costs

Corporate costs include charges relating to the Long Term Incentive Plan ("LTIP") and Restricted Share Plan ("RSP") used to incentivise and retain employees across the Group. They also include payroll and bonus costs for the Executive Directors and the head office team, professional fees, property costs, and travel costs.

	Adjusted*			Statutory	
Corporate costs	**2024**	**2023**	**% change**	**2024**	**2023**
Operating (loss)	£(13.4)m	£(11.5)m	17%	£(17.0)m	£(11.9)m

** For corporate costs, before adjusting items of £3.6 million (2023: £0.4 million).*

Corporate costs were higher than those in 2023 largely due to the non-repeat of the £1.4 million reversal of certain LTIP charges in 2023. £3.6 million of adjusting items (2023: £0.4 million) primarily reflects restructuring actions taken in H2 2024.

Dividend

The Board recognises the importance of dividends to the Group's shareholders and intends to resume payment of a progressive and sustainable dividend when appropriate to do so. The existing terms under the RCF preclude the Board from declaring a dividend.

Market conditions

The macroeconomic environment affecting the consumer and ICC segments is expected to see a return to mid-single digit growth; as underlying demand for photographic services remains stable, and replacement, upgrade and attachment rate patterns return to more normal levels.

The Cine and Scripted TV market is healthy, and demand is set to increase steadily through both underlying activity and replacement cycles. However, the market will take a number of years to recover to the highs of 2022.

The Broadcast TV segment is set to stabilise after a period of industry headwinds. The volume of non-scripted content is expected to remain broadly stable with decline in news offset by growth in sports coverage.

Outlook

While 2025 had a soft start, conditions have been improving month by month. We anticipate that H1 2025 revenue will decline compared to H1 2024 as we lap the Q1 2024 spike in the Cine and Scripted TV market post-strike, along with deep discounting that pulled sales forward from H2 2024. H2 2025 is expected to be stronger due to the normalisation of content creation markets and reductions in channel overstocking created in 2024, with FY 2025 revenues flat compared to 2024.

Adjusted operating profit margins* are expected to improve to low-single-digit levels, benefiting from the extensive restructuring activities announced so far, most of which are now complete and which will have a more pronounced impact in the second half of 2025.

In 2026 and beyond, revenues will benefit from both a return to market growth and a resumption of new product introductions. Longer-term expectations for the business are to achieve mid-double-digit adjusted operating profit margins* from a combination of operating leverage on revenue growth, structural simplification and continued focus on operational efficiencies.

With our premium products, market-leading brands and improving cost base, the Board is confident that the Group is well positioned for the future.

Risks and Uncertainties

Videndum is exposed to a number of risk factors which may affect its performance. The Group has an established framework and assesses these risks on a regular basis and has put in place appropriate processes and procedures to mitigate against them. However, no system of control or mitigation can completely eliminate all the risks the business faces.

The principal risks and uncertainties that may affect our performance are set out in the 2024 Annual Report and are summarised in the table below. The issue of tariffs is fast moving and recent but has ramifications in different risk areas, and is reflected where applicable (including demand for products, cost pressure, supply chain dependency). Our approach is to carefully monitor the developments in this area, and Videndum will rely on its strong position in the markets in which it operates to implement price increases as necessary to pass on the additional cost of tariffs. The Group may be at an advantage relative to its competitors, the vast majority of which are Chinese. However, there is a risk that a prolonged tariff war increases the risk of a global recession impacting demand.

RISK	IMPACT ASSESSMENT	MITIGATIONS
1. Treasury, including going concern	- The Treasury risk encompasses risks relating to going concern, funding, cash management and foreign exchange. - The risk has increased due to the number of going concern material uncertainties identified, including those linked to funding and the planned refinancing of the Group's RCF - While borrowings remain stable, earnings were lower in the year and this led to a December 2024 covenant amendment and related covenant waivers post year end. The April 2025 covenant reset includes commitments by the Group to complete the refinancing as planned or to provide lenders with an alternative deleveraging plan that is acceptable to them. - The Trustee of the UK Defined Benefit scheme may seek from the Group an increased payment into the defined benefit scheme due to concerns about long-term funding in the context of going concern material uncertainty. - The Treasury risk is also heightened as a result of increased pressure on cash management, in particular the additional challenges in managing inventory levels due to demand being less than planned.	- The Group reset covenants in April 2025 through to the end of the facility. - The Group is undertaking steps to refinance the business through long-term private lending, though the quantum, tenure, pricing and conditions are yet to be determined. Should this not occur an alternative deleveraging plan will be prepared that may include significant disposals or another equity issue. - The UK Defined Benefit scheme is well funded and the Group is in active dialogue with the Trustees who are supportive of the planned refinance. - The Group is actively managing working capital focusing mainly on reducing inventory. Significant reductions have been achieved so far in 2025. - Several cost saving and other restructuring activities have been launched. Savings are already being generated. - Use of appropriate hedging activities on forecast foreign exchange net exposures. - Overseas investments partly financed using foreign currency borrowings to provide a net investment hedge over the foreign currency risk that arises on translation.
2. Demand for Videndum's products	- The risk relating to "Demand for Videndum's products" remains high due to challenging macroeconomic conditions and the market environment. - Geopolitical issues including increased trade barriers and tariffs between countries increases the risk of a global recession. - Global recessionary and inflationary pressures have reduced consumers' disposable income and impacted demand for consumer-oriented products. - We recognise that Artificial Intelligence may create additional risks and opportunities for the content creation sector. - Recovery following the end of the strikes has been slower than expected, however there are improving signs.	- Close monitoring of target markets and user requirements including those of key customers. - Monitoring of geopolitical developments and adapting plans accordingly, particular with respect to tariffs. - The fundamentals of the content creation industry remain strong which has been reaffirmed though extensive commercial due diligence. - The Group continues to invest in new product development and marketing, phasing out replaced or old products as required. - The operational footprint and build plans for our manufacturing plants are adjusted to respond to changes in demand. - Continued focus on operational efficiencies to offset the risks relating to slower demand. - A diversified approach to channels and markets helps to mitigate long-term risks.
3. Cost pressure	- Absent recent and fluctuating changes in the tariffs landscape, overall cost pressure has reduced somewhat in 2024. Commodity and energy costs have stabilised, and	- Pricing, and the ability to pass on any additional costs, are carefully monitored. - The closure of our manufacturing

	energy costs have stabilised, and inflationary pressures and availability of critical components have improved. - The increase in trade barriers and tariffs in 2025 and the impact this may have on sourcing of products and their landed cost will need to be carefully monitored. - Considering geopolitical uncertainty, in particular conflict in the Middle East, we monitor closely the impact this may have on energy costs and cost of logistics. - The risk in relation to reputation has reduced, but remains elevated, after a very challenging two years.	operations in Bury St Edmunds, UK, moving these to our existing sites in Feltre, Italy and Cartago, Costa Rica. - Careful monitoring of all costs versus budgets with production and sourcing activities continually reviewed for cost-saving opportunities. - Key supplier agreements regularly retendered to achieve optimal value. - Labour efficiency improvements through initiatives such as Lean Principles. - Salaries and benefits are regularly benchmarked. - Reduced reliance on direct energy consumption through installation of solar panels and other energy saving measures.
4. Dependence on Key suppliers (including component shortages)	- We source materials and components from many suppliers in various locations and in some instances are more dependent on a limited number of suppliers for particular items. - If any of these suppliers or subcontractors fail to meet the Group's requirements, we may not have readily available alternatives, thereby impacting our ability to provide an appropriate level of customer service. - The risk is increased and exacerbated by the reliance on several key single source suppliers including for wireless transmission modules and glass panels for SmallHD. - The risk is further exacerbated by geopolitical tensions and increased trade barriers and tariffs.	- Where possible, dual sourcing is in place for all materials and components, using suppliers in different territories. - Monitoring of service levels against pre-defined Key Performance Indicators "KPIs"). Strong relationships are maintained. - In-sourcing opportunities have been identified to improve margins and reduce key supplier dependencies. - Maintenance of buffer stock for the most significant dependencies, to mitigate the impact of supply chain issues. - Formalised sales and operations planning in pace, which enables us to anticipate requirements for raw materials and other components. - Business interruption insurance (within deductible limits) provides coverage for named key suppliers.
5. Dependence on key customers	- While the Group has a wide customer base, the loss of a key customer, or a significant worsening in their success or financial performance, could result in a material impact on the Group's results. - Videndum's largest customer accounted for more than 10% of the Group's total turnover in 2024. - The business also works with a variety of customers on large sporting events and the extent of these activities varies year-on-year.	- Development of strong relationships and dedicated account management teams for key accounts. - Strict monitoring of receivable balances. Credit insurance schemes in place covering approximately 50% of total trade debtor balance. - Continued focus on multiple channels of distribution. The Group has already agreed its participation in large projects for the next two years including the 2026 Winter Olympics and the 2026 FIFA World Cup.
6. People	- "People" risk is higher due to the increased pressure linked to restructuring initiatives and measures to contain costs given pressures on the business, including short time working. This may affect morale and lead to greater employee turnover. - Headcount freezes place higher demands on existing employees which, alongside salary increases being frozen and bonuses not having been paid this year, may lead to increased dissatisfaction. - This risk also incorporates employee health and safety and risks affecting employee wellbeing.	- Increased change management activities and employee engagement are implemented as part of the restructuring programmes. - Attrition rates are carefully monitored throughout this transition period. No major concerns noted at this point. - Employees' health and safety is taken very seriously and risks and issues are carefully monitored. - Employees are rewarded fairly with competitive remuneration packages. The Group is currently working to harmonise and improve consistency of remuneration and benefits across the Group.
7. Laws and regulations	- We are subject to a comprehensive range of legal obligations in all countries in which we operate. - As a result, we are exposed to many forms of legal risk. These include, without limitation, regulations relating to government contracting rules, sanctions regimes, environment and climate change, taxation, data protection regimes, anti-bribery provisions, competition, and health	- Dedicated legal and regulatory compliance resources supported by external advice where necessary. - Monitoring of developments in the regulatory environment in which our companies operate, including the effect of tax changes. - We enhance our controls, processes and employee knowledge to maintain good governance and to comply with laws and regulations. Our Code of

	and safety laws in numerous jurisdictions around the world. - Failure to comply with such laws could significantly damage the Group's reputation and could expose Videndum to fines and penalties.	laws and regulations. Our Code of Conduct sets out the standards expected of Videndum and our employees. - Intellectual Property is actively protected, and Videndum seeks to enforce its intellectual property rights. - A compliance search engine is used to monitor and vet third parties, including for possible issues relating to sanctions regimes.
8. Reputation of the Group	- Damage to our reputation and our brand names can arise from a range of events such as poor product performance, unsatisfactory customer service, and other events either within or outside our control. - We are mindful of the increasing levels of regulatory and stakeholder scrutiny of companies' affairs, coupled with the widespread impact of social media. - The societal impact of our brands and the sustainability of our operations are increasingly important to consumers of Videndum products and our investor community.	- Strong standards of product quality and customer service are enforced. - Business is managed in a safe and professional way, in accordance with our corporate values. - All employees and stakeholders are expected to abide by Videndum's Code of Conduct which was relaunched in early 2024 with additional training provided. - A whistleblowing facility is in place for employees to escalate any concerns. - Third party due diligence framework includes compliance searches and inspections, and consideration of reputational issues.
9. Business Continuity and cyber security	- There are risks relating to business continuity resulting from specific events such as natural disasters including earthquakes, floods, fires, or pandemic flu, and climate change induced disasters. - These may impact our manufacturing plants or supply chain, particularly where these account for a significant amount of our trading activity. - We are also dependent on our IT platforms continuing to work effectively to support our business and therefore there is a cyber security risk for the Group. - Cyber risk more broadly remains a major concern in view of the high number of cyber security breaches affecting the corporate sector, and new/emerging threats such as Deepfake.	- Business Continuity Plans and Disaster Recovery plans are mandated for key sites and systems. - Global insurance in place which provide cover for certain business interruption events. Coverage is reviewed annually to determine whether adjustments are needed. We have increased the indemnity period to 18 months for several sites. - Significant investments made in implementing new security tools and processes. Ongoing integration of IT infrastructure and systems will strengthen security in the long-run. - An online cyber awareness training programme is in place. This includes a phishing simulation.
10. Climate change	- We understand the serious nature of the challenges relating to climate change and the implications this may have on our operations and business model. - We consider the physical risks to people, assets and supply operations based on a projected increase in the frequency of natural disasters caused by climate change, and the impact of gradual changes such as increasing temperature. - Additional resource is needed to manage this issue and meet additional reporting requirements. - Additional costs may arise, with regards to: property and business continuity insurance; carbon tax; and meeting product regulation.	- A climate change risk management framework has been established, in compliance with reporting requirements including CFD. - The Group continues to reduce reported emissions for scopes 1,2 and 3. - Several energy savings initiatives have been implemented such as solar roof panels at the main manufacturing sites, conversion of lighting to LED lighting, Electric vehicles, etc. - Other initiatives in place to maximise efficiency and reduce the environmental footprint of the Group.
11. Restructuring and disposals	- The risk relating to "restructuring and disposals" continues to be high given that the Group is in the process of executing several important restructuring activities, including a consolidation of manufacturing activities and centralisation of certain key functions. - There is a risk that such restructuring initiatives do not achieve the desired benefits, the benefits are delayed, or the initiatives have adverse impacts such as disruption to the operations.	- The restructuring roadmap, objectives and financial savings have been defined with progress actively tracked. - The status of all restructuring projects is carefully managed and regularly reported to the Executive Committee and the Board. - The main projects are underpinned by robust project management principles.
12. Acquisitions	- The risk impact is currently low due to lack of availability of funds.	- Not applicable.

Responsibility

ESG Strategy

Videndum's ESG programme is focused on the following:

Environment: Reduce carbon emissions; Reduce packaging and waste; Embed sustainability into our product life cycle

Our people: Continue to prioritise health and safety; Improve diversity and inclusion

Responsible practices: Formalise the integrity of our entire supply chain

Giving back: Positively impact the communities in which we operate

Our priorities in 2024 included further developing energy and emission reduction initiatives, reducing plastic and packaging, and training our employees on the right behaviours and culture within our business.

Governance

The Videndum Board provides oversight and has overall responsibility for the Group's ESG programme. An ESG Committee comprising senior executives from across the Group, drives ESG and climate-related performance. ESG and Climate Governance has been integrated into our existing processes. We annually report on the progress of our ESG Strategy in our Annual Report. We have a Code of Conduct which outlines the values and behaviours we expect from our employees, as well as what you can expect from Videndum and our people.

Environment

Videndum continues to embed environmentally responsible practices across our sites. Although our operations have a limited impact on the environment, we nonetheless recognise our responsibility to appropriately identify, assess and manage environmental impacts.

Climate change

We recognise our duty to work towards mitigating climate change. Following the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations, we understand that climate change presents two categories of risks: transition and physical. As a result, climate risks can come in the form of increasing laws, regulations, markets, and technology, which could result in a financial loss or reputational damage for the business. The Group recognises climate change's global risks and impacts and acknowledges its responsibility to contribute to mitigation efforts. We conduct annual climate scenario analyses for our main sites, key suppliers, and supply routes, modelling the effects of climate change across three different warming scenarios. We review the effectiveness of mitigation measures for each risk with various stakeholders within the business. Our Head of Group Risk Assurance annually reviews climate-risk exposure against business risk level tolerances.

Emissions reduction

We reduced Scope 1 and 2 (market-based) emissions in 2024 by 18% and remain focused on achieving net zero by 2035.

Board and governance

2024 saw significant change for the Board. Having become Chairman on 1 May 2024, succeeding Ian McHoul, Stephen Harris became Executive Chairman on 25 October 2024 following the departure of Stephen Bird as Chief Executive Officer. Given the deteriorating situation facing the business, the Board felt that this change was essential for the long-term best interests of Videndum. We have commenced a search for a new permanent Chief Executive. Whilst this search is ongoing, Stephen Harris shall lead the Company in an executive capacity. Whilst the UK Corporate Governance Code says that the roles of Chairman and Chief Executive should not typically be exercised by the same individual, the Board has determined that, given the Company's current situation, significant changes to the leadership of the Company were necessary to navigate the challenges the Company is facing, and that Stephen Harris is best suited to do this for a short period whilst a detailed and thorough search for a new permanent Chief Executive is coordinated by the Board. Accordingly, the Board believes that this remains in the best interests of the Company and its shareholders. The Board nevertheless appreciates the position in the UK Corporate Governance Code, and once we have identified and appointed a new permanent Chief Executive, Stephen Harris will revert to his former role as a non-executive Chairman.

On the same date, Andrea Rigamonti ceased to be Group Chief Financial Officer and Sean Glithero joined the Company as Interim Group Chief Financial Officer.

At the Company's AGM on 19 June 2024, Ian McHoul, Erika Schraner and Tete Soto ceased to be directors of the Company, not seeking re-appointment by shareholders. Polly Williams joined the Board as an independent non-executive director and Chair of the Audit Committee with effect from 1 July 2024.

Following the end of 2024, we have further appointed Eva Lindqvist as an independent non-executive director with effect from 1 April 2025. Caroline Thomson, independent non-executive director and Chair of the Remuneration Committee will not stand for reappointment at the Company's AGM to be held on 16 June 2025. She will cease to be a director of the Company at the close of the AGM. With effect from then, Anna Vikstršm Persson will succeed Caroline as Chair of the Remuneration Committee and Eva Lindqvist will succeed Caroline as the independent non-executive director with responsibility for employee engagement.

The Company's 2025 AGM will be held on Monday 16 June 2025 at Hilton London, Syon Park TW8 8JF. The Notice of Meeting and explanatory notes for the AGM's business will accompany the 2024 Annual Report that will be published in mid-May 2025 and the Board looks forward to the opportunity to meet with shareholders at the AGM.

Forward-looking statements

This announcement contains forward-looking statements with respect to the financial condition, performance, position, strategy, results and plans of the Group based on management's current expectations or beliefs as well as assumptions about future events. These forward-looking statements are not guarantees of future performance. Undue reliance should not be placed on forward-looking statements because, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and the Group's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements. The Company undertakes no obligation to publicly revise or update any forward-looking statements or adjust them for future events or developments. Nothing in this announcement should be construed as a profit forecast.

The information in this announcement does not constitute an offer to sell or an invitation to buy shares in the Company in any jurisdiction or an invitation or inducement to engage in any other investment activities. The information in this announcement does not constitute an offer to sell or an invitation to buy shares in the Company in any jurisdiction or an invitation or inducement to engage in any other investment activities. No securities in connection with any possible transaction contemplated in this announcement have been or will be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or any other jurisdiction of the United States. The release or publication of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

This announcement contains brands and products that are protected in accordance with applicable trademark and patent laws by virtue of their registration.

No person has been authorised to give any information or to make any representations other than those contained in this announcement and, if given or made, such information or representations must not be relied on.

Neither the content of the Group's websites (or any other website) nor the content of any website accessible from hyperlinks on the Group's website (or any other website) is incorporated into or forms part of this announcement.

For and on behalf of the Board

Stephen Harris
Executive Chairman

Condensed Consolidated Income Statement

For the year ended 31 December 2024

	2024	2023
	£m	£m
Continuing operations		
Revenue	**283.6**	306.9
Cost of sales	**(189.1)**	(193.0)
Gross profit (1)	**94.5**	113.9
Other income (1)	**0.9**	0.7
Operating expenses	**(191.9)**	(119.3)
Operating loss	**(96.5)**	(4.7)
Comprising		
- Adjusted operating (loss)/profit	**(18.2)**	13.3
- Adjusting items in operating loss	**(78.3)**	(18.0)
Finance income	**3.3**	2.4
Finance expense	**(10.2)**	(16.5)
Net Finance expense	**(6.9)**	(14.1)
Loss before tax	**(103.4)**	(18.8)
Comprising		
- Adjusted (loss)/profit before tax	**(25.0)**	1.8
- Adjusting items in loss before tax	**(78.4)**	(20.6)
Taxation	**(43.6)**	6.7
Loss for the year from continuing operations	**(147.0)**	(12.1)
Loss for the year from discontinued operations	-	(66.0)
Loss for the year attributable to owners of the parent	**(147.0)**	(78.1)
Earnings per share from continuing operations		
Basic earnings per share	**(155.8)p**	(24.4)p
Diluted earnings per share	**(155.8)p**	(24.4)p
Earnings per share from total operations		
Basic earnings per share	**(155.8)p**	(157.5)p
Diluted earnings per share	**(155.8)p**	(157.5)p

(1) For the year ended 31 December 2023, other income of £0.7 million was included within gross profit.

Consolidated Statement of Comprehensive Income/(Loss)

For the year ended 31 December 2024

	2024	2023
	£m	£m
Loss for the year	**(147.0)**	(78.1)
Other comprehensive income/(loss):		

Items that will not be reclassified subsequently to profit or loss:		
Remeasurements of defined benefit obligation, net of tax	**(0.3)**	0.1
Items that are or may be reclassified subsequently to profit or loss:		
Currency translation differences on foreign currency subsidiaries	**(1.5)**	(12.2)
Net investment hedges - net loss	**(2.0)**	-
Fair value of cash flow hedges reclassified to the Income Statement	**(4.6)**	**(4.2)**
Effective portion of changes in fair value of cash flow hedges	**1.2**	**2.9**
Tax associated with changes in cash flow hedges	**0.9**	**0.3**
Other comprehensive loss, net of tax	**(6.3)**	(13.1)
Total comprehensive loss for the year attributable to owners of the parent	**(153.3)**	(91.2)

Condensed Consolidated Balance Sheet

As at 31 December 2024

	2024	**2023**
	£m	£m
Assets		
Non-current assets		
Intangible assets	**99.7**	152.6
Property, plant and equipment	**48.6**	56.4
Employee benefit asset	**4.1**	4.2
Trade and other receivables	**4.5**	5.2
Derivative financial instruments	**-**	2.3
Non-current tax assets	**-**	3.1
Deferred tax assets	**0.7**	55.4
Total non-current assets	**157.6**	279.2
Current assets		
Inventories	**82.5**	94.5
Contract assets	**0.5**	1.8
Trade receivables and other receivables	**38.7**	47.3
Derivative financial instruments	**0.8**	1.8
Current tax assets	**8.9**	5.7
Cash and cash equivalents	**57.3**	8.7
Total current assets	**188.7**	159.8
Assets of the disposal group classified as held for sale	**-**	12.3
Total assets	**346.3**	451.3
Liabilities		
Current liabilities		
Bank overdrafts	**44.4**	4.0
Interest-bearing loans and borrowings	**0.2**	0.2
Lease liabilities	**8.2**	5.6
Contract liabilities	**4.2**	2.1
Trade payables and other payables	**43.7**	42.8
Derivative financial instruments	**0.3**	0.1
Current tax liabilities	**6.6**	7.8
Provisions	**11.2**	3.1
Total current liabilities	**118.8**	65.7
Non-current liabilities		
Interest-bearing loans and borrowings	**114.2**	99.0
Lease liabilities	**23.3**	28.4
Other payables	**0.8**	1.2

Employee benefit liabilities	**2.5**	2.9
Provisions	**0.7**	0.8
Deferred tax liabilities	**0.1**	11.2
Total non-current liabilities	**141.6**	143.5
Liabilities of the disposal group classified as held for sale	**-**	4.6
Total liabilities	**260.4**	213.8
Net assets	**85.9**	237.5
Equity		
Share capital	**18.9**	18.9
Share premium	**133.7**	133.7
Translation reserve	**(16.5)**	(13.0)
Capital redemption reserve	**1.6**	1.6
Cash flow hedging reserve	**0.4**	2.9
Retained earnings	**(52.2)**	93.4
Total equity	**85.9**	237.5

Consolidated Statement of Changes in Equity

	Share capital	Share premium	Translation reserve	Capital redemption reserve	Cash flow hedging reserve	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m	£m
Balance at 1 January 2023	**9.4**	**24.3**	**(0.8)**	**1.6**	**3.9**	**185.3**	**223.7**
Loss for the year	-	-	-	-	-	(78.1)	(78.1)
Other comprehensive (loss)/income for the year	-	-	(12.2)	-	(1.0)	0.1	(13.1)
Total comprehensive loss for the year	**-**	**-**	**(12.2)**	**-**	**(1.0)**	**(78.0)**	**(91.2)**
Contributions by and distributions to owners							
Dividends paid	-	-	-	-	-	(11.6)	(11.6)
Own shares purchased	-	-	-	-	-	(3.7)	(3.7)
Own shares sold	-	-	-	-	-	1.2	1.2
New shares issued, net of costs	9.5	109.4	-	-	-	(0.8)	118.1
Share-based payment charge, net of tax	-	-	-	-	-	1.0	1.0
Balance at 31 December 2023 and 1 January 2024	**18.9**	**133.7**	**(13.0)**	**1.6**	**2.9**	**93.4**	**237.5**
Loss for the year	-	-	-	-	-	(147.0)	(147.0)
Other comprehensive loss for the year	-	-	(3.5)	-	(2.5)	(0.3)	(6.3)
Total comprehensive loss for the year	**-**	**-**	**(3.5)**	**-**	**(2.5)**	**(147.3)**	**(153.3)**
Contributions by and distributions to owners							
Own shares purchased	-	-	-	-	-	(0.5)	(0.5)
Share-based payment charge, net of tax	-	-	-	-	-	2.2	2.2
Balance at 31 December 2024	**18.9**	**133.7**	**(16.5)**	**1.6**	**0.4**	**(52.2)**	**85.9**

Condensed Consolidated Statement of Cash Flows

For the year ended 31 December 2024

	2024	2023
	£m	£m
Cash flows from operating activities		
Loss for the year	**(147.0)**	(78.1)
Adjustments for:		

Net finance expense	**6.9**	14.5
Taxation	**43.6**	(2.6)
Depreciation	**13.2**	14.4
Impairment of fixed assets	**61.1**	53.8
Amortisation of intangible assets	**11.6**	14.0
Net loss on disposal of property, plant and equipment and software	**0.3**	0.3
Fair value losses/(gains) on derivative financial instruments	**0.1**	(0.2)
Foreign exchange losses	**0.1**	-
Share-based payment charge	**2.2**	1.5
Retention bonuses	**0.2**	1.7
Loss on disposal of business before tax	**-**	1.0
Cash (used in)/from operating activities before changes in working capital, including provisions	**(7.7)**	20.3
Decrease in inventories	**12.5**	7.6
Decrease in trade receivables	**8.2**	16.3
Decrease in other receivables and contract assets	**2.9**	0.7
Increase/(decrease) in trade payables	**1.2**	(20.5)
Decrease in other payables and contract liabilities	**(0.9)**	(12.3)
Increase/(decrease) in provisions	**6.3**	(2.3)
Cash generated from operating activities	**22.5**	9.8
Interest paid [1]	**(10.3)**	(15.4)
Tax received/(paid)	**0.5**	(10.5)
Net cash from/(used in) operating activities	**12.7**	(16.1)
Cash flows from investing activities		
Interest received	**0.2**	-
Proceeds from sale of property, plant and equipment and software	**2.7**	0.2
Purchase of property, plant and equipment	**(7.9)**	(4.8)
Purchase of software and payment of development costs	**(7.6)**	(13.7)
Acquisition of businesses, net of cash acquired	**-**	(1.6)
Disposal of business	**-**	(0.9)
Net cash used in investing activities	**(12.6)**	(20.8)
Cash flows from financing activities		
Proceeds from the issue of shares, net of costs	**-**	118.1
Proceeds from the sale of own shares	**-**	1.2
Own shares purchased	**(0.5)**	(3.7)
Principal lease repayments [1]	**(6.1)**	(6.7)
Repayment of interest-bearing loans and borrowings	**(231.1)**	(313.9)
Borrowings from interest-bearing loans and borrowings	**244.7**	240.0
Dividends paid	**-**	(11.6)
Net cash from financing activities	**7.0**	23.4
Increase/(decrease) in cash and cash equivalents	**7.1**	(13.5)
Cash and cash equivalents at 1 January	**4.7**	15.8
Effect of exchange rate fluctuations on cash held	**1.1**	2.4
Cash and cash equivalents and overdrafts at 31 December	**12.9**	4.7

[1] Total cash outflow for leases is £7.6 million (2023: £8.2 million) of which £1.5 million (2023: £1.5 million) relates to interest and £6.1 million (2023: £6.7 million) to principal lease repayments.

For the year ended 31 December 2023, the statement of cash flows of discontinued operations is presented in note 5 "Discontinued operations and non-current assets classified as held for sale".

1. Material accounting policies

Reporting entity

Videndum plc ("the Company") is a public company limited by shares incorporated in the United Kingdom under the Companies Act. The Company is registered in England and Wales and its registered address is William Vinten Building, Easlea Road, Bury St Edmunds, IP32 7BY, United Kingdom. The registered address was changed from Bridge House, Heron Square, Richmond, TW9 1EN on 20 December 2024. The consolidated financial statements of the Company as at and for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as "the Group").

Basis of preparation

The consolidated financial statements of the Group, from which these condensed consolidated financial statements are derived, have been prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2024 or 2023 but is derived from those accounts. Statutory accounts for 2023 have been delivered to the Registrar of Companies and those for 2024 will be delivered following the Company's Annual General Meeting. The auditor has reported on those accounts; their reports were unqualified with material uncertainty in relation to going concern and did not draw attention to any matters by way of emphasis and did not contain statements under s.498 (2) or (3) of the Companies Act 2006.

In reporting financial information, the Group presents Alternative Performance Measures ("APMs") which are not defined or specified under the requirements of International Financial Reporting Standards ("IFRS"). The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information and enable an alternative comparison of performance over time. A glossary on note 6 provides a comprehensive list of APMs that the Group uses, including an explanation of how they are calculated, why they are used and how they can be reconciled to a statutory measure where relevant.

Basis of consolidation

Subsidiaries are entities that are controlled by the Group. Control exists when the Group has the rights to variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. The results of subsidiaries sold or acquired during the year are included in the consolidated financial statements up to, or from, the date that control exists.

Going concern

Background and context

As outlined in the 2023 Annual Report the financial year ended 31 December 2023 was an exceptionally challenging year for Videndum. This operating environment continued into the first half of 2024 as market conditions remained difficult, albeit with some sign of improvement, with some post-strike recovery in the cine and scripted TV market. Against this backdrop, the business continued to take robust actions, focusing on managing costs tightly, controlling expenditure and working capital in addition to renegotiating its committed RCF (as outlined below).

At the end of first half 2024 there was an expectation of recovery in the second half across all three primary markets of independent content creator, cine and scripted TV and broadcast, but this recovery has been much slower than anticipated. The ICC segment was sluggish throughout the year, impacted by macroeconomic factors including high interest rates, inflation and weakened consumer confidence. Cine revenues grew but were lapping the strike impacted period in the previous year and in the Broadcast market where, other than the uplift in revenue from the Paris Summer Olympics, revenue declined year-on-year through a combination of news budgets being redirected to war-coverage or cut significantly, with the demand uptick from the US Presidential election being much less pronounced than anticipated.

In the final quarter of 2024 and in response to the weaker macroeconomic environment the business prioritised actions within its control, focusing on an operational efficiency programme to drive performance cost saving. This was focused on four key areas (i) reinstating pricing discipline; (ii) improving operational efficiency; (iii) driving gross margin expansion; and (iv) reducing discretionary spend. A number of restructuring and cost saving actions were announced including headcount reductions associated with reducing divisional management and regional head office structures as well as the relocation of assembly and manufacturing from the UK Bury St Edmonds site to the Feltre site in Northern Italy and Cartago, Costa Rica. A review of procurement, purchasing and supply chain structures also identified savings. Together this led to the business increasing its stated aim of £10 million of cost savings to c.£15 million in 2025 with the annualised impact rising to c.£18 million. After failing to secure a credible offer for the Amimon research operation in Israel during 2024, the business was to be closed in 2025, but subsequently was sold in April 2025, with the intellectual property moved to the US Teradek business. Gross cash proceeds of £2.6 million were realised together with savings from the avoidance of operating and closure costs. Linked to these initiatives, headcount, on a full-time equivalent basis, fell from 1,641 at the end of 2023 to 1,507 at the end of 2024 and, with most of the restructuring activities completing in 2025, is forecast to fall to c.1.380 by the end of 2025, a reduction of 16% over two years.

Borrowing facilities and financial position at 31 December 2024 and at April 2025

The group has a committed £150 million Multicurrency Revolving Credit Facility ("RCF") with a syndicate of lenders and a term until 14 August 2026 (see note 4.1 "Net Debt"). Previously the RCF had been committed at £200 million with maturity at 14 February 2026, but in the second quarter of 2024, a six-month extension was negotiated for a £50 million reduction in commitment and improved lending covenants.

Whilst June 2024 and September 2024 covenant thresholds were met, the slower pace of recovery in the second half of 2024 led to the request for an amendment to the December 2024 covenants. This was granted on 13 December 2024 with leverage raised to less than 5.5x (originally <3.25x) and interest cover reduced to more than 1.25x (originally >3.0x). Certain additional conditions were placed on the Group during this process including the introduction of a new February 2025 covenant and the requirement for lender consent to increase drawn RCF above £129 million.

Subsequent to the end of 2024 the amended December covenant tests were met and both the February 2025 and March 2025 covenant tests waived. The Group has successfully negotiated amended covenants ("the Amended Covenants") through to the end of the facility in August 2026. Leverage and interest cover will be tested only for December 2025, March 2026 and June 2026 with, at each test date, leverage (net debt:EBITDA) to be no higher than 6x and interest cover (EBITA:net interest) of at least 1x.

A trailing last twelve month ("LTM") EBITDA covenant will apply for two quarters with LTM EBITDA to be at least £5 million at the end of June 2025 and at least £6 million at the end of September 2025. In addition, throughout the million at the end of June 2025 and at least £8 million at the end of September 2025. In addition, throughout the remaining term of the RCF, a weekly tested minimum liquidity covenant will be place, starting at £7.5 million, before falling to £5 million from 1st September 2025. Minimum liquidity has been defined as cash at bank, net of overdrafts, plus available undrawn RCF up to the cap at which lender consent is required. This cap has been raised from the £129 million introduced through the December amendment process, to £139 million for the remaining term of the RCF. The Amended Covenants are conditional on the Company raising at least £6 million in net proceeds from a fully underwritten placing of new ordinary shares which was announced on 30th April.

The Group is actively seeking to fully or partially refinance its RCF, potentially by accessing private credit funds, before its first half 2025 results are announced at the end of September. The intention is to secure funding that stabilises the Group's borrowing position and ensures sufficient long-term liquidity to enable the business to execute its strategy and return to growth. As part of the Amended Covenants, existing RCF lenders have a right to exert more influence over the Group, including in the extreme, triggering an event of default, should the Group fail to complete the refinancing or agree an alternative deleveraging plan with lenders by October 2025. These and previous amendments to the RCF preclude the Board from declaring a dividend and restrict factoring to £15 million. Costs incurred to date in 2025 in preparation for the planned refinancing, in addition to costs to restructure the RCF, total £5.4 million.

Trading update for the first quarter of 2025

Notwithstanding order demand at the start of the calendar year is seasonally lower than in other months of the year, 2025 has had a soft start and was slower than expected. In part this was due to the cine market in the US being impacted by the Los Angeles fires and some further de-stocking in the distribution channels. Order demand, on a constant currency basis for the first quarter was slightly below expectations, at 5% below Budget, albeit strengthening month by month. Due to a higher proportion of orders than normal being received close to the end of the quarter, it was not possible to fulfil and recognise revenue on these orders before the quarter close. Accordingly, the first quarter revenue and operating profit shortfall to Budget was greater than that for orders.

Going Concern Assessment

These Financial Statements have been prepared on a going concern basis. The Board has considered the future trading and cash flow forecasts over a period of 12 months from the approval date of these Financial Statements and believes that available liquidity will be sufficient to enable the Group to meet its liabilities as they fall due.Furthermore, the Board believes that the Amended Covenants will be met and that the business will successfully refinance prior to the end of September 2025.

The Board has conducted a thorough evaluation of the going concern assumption and has modelled both a base case and a severe but plausible downside scenario that reflects a prolonged period of weak demand. Notwithstanding the planned refinance, both financial projections reflect current borrowings and related terms, the Amended Covenants and net proceeds from the share placing.

Base Case

The base case includes the Board approved 2025 Budget and forecast for the four months ended April 2026 adjusted downwards to reflect trading through to the end of March 2025 and the expectation of April 2025 performance. Representing a year-on-year revenue decline of 5% in 2025, the base case is weaker than the management's target of flat year-on-year revenue. In the first four months of 2026 revenue growth rises to high single digit as a slow start to demand in 2025 is lapped.

The Base Case incorporates a modest recovery in the cine and scripted TV segment, but with activity levels that fall considerably short of the those seen in 2022. Demand for Videndum products in this segment are forecast to exhibit low single-digit growth. Whereas in the Broadcast market headwinds from a declining news sector are expected to be matched by growth in sports broadcasting such that for Videndum revenues, excluding the Olympics impact, are set to be initially flat before benefiting in the latter period of the forecast from new product introductions. For the ICC market, demand is expected to recover to low single digit growth through the assessment period.

Base case gross margin is set to rise to c.40% for 2025, benefiting from additional volumes, improved pricing, realisation of restructuring benefits from announced initiatives and procurement savings. For the remaining four month period of the forecast period gross margin is set to fall marginally compared to the 2025 average due to seasonally lower volumes impacting operating leverage of indirect costs.

Throughout the assessment period the Group has headroom over covenants and sufficient liquidity with the lowest point being in April 2026, with steadily improving headroom thereafter. Headroom over leverage and interest cover covenants is limited following their reintroduction in December 2025.

Severe but plausible downside assessment

In this scenario, the Board has modelled a slower than expected recovery in the cine and scripted TV market combined with lower growth and weaker take-up rates for new product introductions. The net impact on forecast revenue being a reduction versus the base case of 8% in 2025 such that revenue is 13% lower than that achieved in 2024. Revenue in the first four months of 2026 growing mid-single digit including both the benefit of fulfilling Winter Olympic contracts and a subdued 2025 comparative.

The loss of operational leverage from lower volumes combined with an assumed reduced benefit from pricing and procurement savings leads to gross margin c.300bps weaker across the forecast period under the severe but plausible downside case.

The mitigations modelled in this scenario beyond the restructuring activity anticipated in the base case are limited to targeting discretionary spend that can be stopped quickly and with negligible impact on revenue in the assessment period. Cost savings would be achieved through a recruitment freeze on backfilling vacancies, and lower variable pay in line with lower financial performance. Further permanent headcount restructuring has not been considered given the time required to consult with employees and unions and the time necessary for cash benefits to exceed the cost of implementation.

Considering the above assumptions and judgements, the severe but plausible scenario foresees a series of covenant breaches. The June 2025 LTM covenant has limited headroom and the September 2025 LTM EBITDA covenant would be breached, as would the December 2025, March 2026 and June 2026 leverage and interest cover covenants. Additional liquidity would be required from January 2026 in order to meet the minimum liquidity covenant and for the period to February 2026 this additional liquidity requirement would be within the £11 million headroom between the liquidity cap and maximum borrowings under the RCF. For the period March 2026 onwards the liquidity requirement would exceed amounts committed under the RCF such the business would need to seek alternative sources of funding to meet both the minimum liquidity covenant as well as having sufficient liquidity to enable the Group to meet its liabilities as they fall due.

Material Uncertainty

Whilst there is headroom over the covenants linked to trading in the base case, the Group must, in all scenarios, complete its planned refinancing or satisfy lenders with an alternative deleveraging plan by October 2025, in order to avoid triggering an event of default under its RCF. The Board is confident based on preparations and progress to date that either a refinancing will be completed or a satisfactory de-leveraging plan will be agreed with lenders.

As a result of the financial projections, under the severe but plausible scenario, multiple breaches of the Group's covenants are forecast within 12 months from the approval of these financial statements. Furthermore, without additional sources of funding or new measures to improve the liquidity situation the business would have insufficient liquidity to operate from the first quarter of 2026.

If a covenant breach occurred, or additional liquidity beyond the liquidity cap be required, the Group would enter into

If a covenant breach occurred, or additional liquidity beyond the liquidity cap be required, the Group would enter into negotiation with lenders as it has done in the past. However, as would be the case in any liquidity or covenant amendment request, funding to the Group could be withdrawn and additional liquidity or covenant relief not granted.

Should the severe but plausible scenario come to pass, and absent additional management mitigating actions, it could jeopardise the ability for the Group to successfully complete its planned refinancing prior to the end of September 2025. This could potentially mean the lenders exercising their right to default the RCF in October 2025 if a satisfactory agreement could not be reached to deleverage the Group.

In April 2025 a series of significant, additional tariffs to be applied to goods entering the United States were announced. A number of countries applied retaliatory tariff increases on the US who subsequently suspended application of some of the additional tariffs. The Group sells its market leading products throughout the world, including in the US, with components sourced from around the world, including from China. It also has US based manufacturing and assembly plants that serve countries outside of the United States and faces competition from Chinese origin products. Given the uncertain nature of the situation and not least the potential for a negative impact on the world economy from globally higher tariffs, the financial projections have not been adjusted for the latest tariff developments. Nevertheless, it is recognised by the Board that both risk and opportunity exist.

The Board has concluded that these financial projections together with the risk of a negative tariff related outcome and the inherent difficulty in predicting the terms and timing of a refinance, or deleveraging plan should a refinance not occur, do indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as going concern. The Financial Statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

The results for the full year 2023 and half year 2024 also indicated the existence of a material uncertainty.

Critical accounting judgements and key sources of estimation uncertainty

The following provides information on those policies that the Directors consider critical because of the level of judgement and estimation required which often involves assumptions regarding future events which can vary from what is anticipated. The Directors review the judgements and estimates on an ongoing basis with revisions to accounting estimates recognised in the period in which the estimates are revised and in any future periods affected. The Directors believe that the consolidated financial statements reflect appropriate judgements and estimates and provide a true and fair view of the Group's performance and financial position.

Key sources of estimation uncertainty in applying the Group's accounting policies

The following are the key sources of estimation uncertainty that the Directors have made in the process of applying the Group's accounting policies and that have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Impairment of goodwill and acquired intangibles
The critical judgement around the impairment assessment of acquired intangibles is dependent on the internal indicator analysis. The impairment of goodwill involves making assumptions. The most critical assumptions include determination of the discount rates and terminal growth rates. All assumptions are reviewed at each reporting date. Further details about the assumptions used and sensitivities are set out in note 3.1 "Intangible assets".

The goodwill recognised by the Group has all arisen as a result of acquisitions and is stated at cost less any accumulated impairment losses. Goodwill is allocated on acquisition to cash-generating unit ("CGU"), or groups of CGUs, which are anticipated to benefit from the combination. The CGUs are assessed to be the three segments of the Group. Goodwill is not subject to amortisation but is tested for impairment annually or if there is an indicator triggering the impairment assessment. Impairment is determined by assessing the recoverable amount of the CGU to which the goodwill is allocated. This estimate of recoverable amount is determined at each assessment date. The estimate of recoverable amount requires significant assumptions to be made and is based on a number of factors such as the near-term business outlook for the segment, including both its operating profit and operating cash flow performance, Terminal growth rates beyond 2029 and discount rates applied. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised in the statement of profit or loss. All acquisitions that have occurred since 1 January 2010 are accounted for by applying the acquisition method. Goodwill on these acquisitions represents the excess of the fair value of the acquisition consideration over the fair value of the identifiable net assets acquired, all measured at the acquisition date. Subsequent adjustments to the fair values of net assets acquired can be made within 12 months of the acquisition date where original fair values were determined provisionally. These adjustments are accounted for from the date of acquisition. Further details about the assumptions used and sensitivities are set out in note 3.2 "Intangible assets".

During the year ended 31 December 2023, the impairment of acquired intangibles involved making assumptions. The most judgemental assumptions include determination of future trading performance, the weighted average cost of capital ("WACC"), growth rates, operating leverage and operating cash conversion. All assumptions are reviewed at each reporting date. At 31 December 2024, these have been considered as part of the goodwill impairment.

Inventory
Provisions are required to write down slow-moving, excess and obsolete inventory to its net realisable value. Management assessed the level of inventory provisioning by category and judgements and estimates were made in determining if a provision was required and at what level. The key estimates relate to supply chains and their lead times, future selling price, anticipated future sales of products over particular time periods, the susceptibility of the underlying product to obsolescence and current year trading performance. The anticipated level of future sales is determined primarily based on actual sales over a specified historic reference period, which has been enhanced to a period of between six and 24 months, which is determined by Management and is deemed appropriate to the type of inventory.

Pension benefits
The actuarial valuations associated with the pension schemes involve making assumptions about discount rates and life expectancy. All assumptions are reviewed at each reporting date.

Tax
The Group is subject to income taxes in a number of jurisdictions. Management is required to make estimates in determining the provisions for income taxes and deferred tax assets and liabilities recognised in the consolidated financial statements. Tax benefits are recognised to the extent that it is probable that sufficient taxable income will be available in the future against which temporary differences and unused tax losses can be utilised. The most significant estimates made are in relation to the recognition of deferred tax assets arising from carried forward tax losses. The recovery of those losses is dependent on the future profitability of Group entities based in the jurisdictions with those carried forward tax losses, most significantly in the United States.

jurisdictions with those carried forward tax losses, most significantly in the United States.

Impairment of discontinued and previously discontinued operations
Non-current assets held of sale are measured at the lower of carrying amount and fair value less costs to sell. There was estimation and assumptions applied by management in determining the recoverable amount of these assets. See note 5 "Discontinued operations and non-current assets classified as held for sale".

Critical accounting judgements in applying the Group's accounting policies

The following are critical accounting judgements that the Group makes, apart from those involving estimations (which are dealt with above), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Development costs
The Group capitalises development costs which meet the criteria under IAS 38 "Intangible Assets" and discloses the amount capitalised in note 3.2 "Intangible assets". The Group makes significant judgements in the application of IAS 38, particularly in relation to its requirements regarding the technical feasibility of completing the asset and the Group's ability to sell and generate future economic benefits from the intangible asset.

Going concern assessment
There were material judgements made by the Board to determine if the Group is a going concern. These judgements are disclosed under "going concern" in Section 1 "Basis of Preparation".

Assets held for sale and discontinued operations
In 2023, the critical judgement was in relation to determining if the assets held for sale met the criteria to be classified as a discontinued operation under IFRS 5 "Non-current assets held for sale and discontinued operations", particularly if they represented either a separate major line of business or a geographical area of operations. Management had deemed that these requirements had been met. See note 5 "Discontinued operations and non-current assets classified as held for sale".

Alternative performance measures ("APMs")
In reporting financial information, the Group presents APMs which are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional helpful information and enable an alternative comparison of performance over time. The "Glossary of Alternative Performance Measures ("APMs")" provides a comprehensive list of APMs that the Group uses, including an explanation of how they are calculated, why they are used and how they can be reconciled to an IFRS measure where relevant.

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Group has applied a number of amendments to IFRS Accounting Standards that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants;
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements; and
- Amendments to IFRS 16: Lease liability in sale and leaseback

New standards and interpretations effective for future periods and not yet adopted

Amended standards and interpretations not yet effective are not expected to have a significant impact on the Group's consolidated financial statements.

At the date of authorisation of these financial statements, the Group has not applied any new or revised IFRS Accounting Standards that have been issued but are not yet effective. The standards applicable to the Group are shown below:

- Amendments to IAS 21: Lack of Exchangeability (effective 1 January 2025)
- IFRS 18: Presentation and disclosure in Financial Statements (effective 1 January 2027)
- IFRS 19: Subsidiaries without Public Accountability: Disclosures (effective 1 January 2027)
- Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments (effective 1 January 2026)
- IFRIC update on IFRS 8 - Operating segments (No effective date)

2.1 Segment reporting

The Group has three reportable segments which are reported in a manner that is consistent with the internal reporting provided to the Chief Operating Decision Maker on a regular basis to assist in making decisions on capital allocated to each segment and to assess performance.

	Media Solutions		**Production Solutions**		**Creative Solutions**		**Corporate and unallocable**		**Total**	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
	£m	£m	**£m**	£m	**£m**	£m	**£m**	£m	**£m**	£m
Analysis of revenue from external customers										
Sales	**132.7**	153.7	**70.7**	90.0	**60.2**	52.0	**-**	**-**	**263.6**	295.7
Licences	**-**	**-**	**3.5**	2.1	**-**	**-**	**-**	**-**	**3.5**	2.1
Services	**-**	**-**	**16.5**	9.1	**-**	-	**-**	-	**16.5**	9.1
Total revenue from external customers	**132.7**	153.7	**90.7**	101.2	**60.2**	52.0	**-**	-	**283.6**	306.9

United Kingdom	**10.1**	11.9	**10.9**	11.0	**3.9**	3.1	**-**	-	**24.9**	26.0
The rest of Europe	**44.6**	51.7	**25.1**	21.9	**11.5**	7.1	**-**	-	**81.2**	80.7
North America	**48.4**	52.3	**40.3**	47.3	**36.4**	34.5	**-**	-	**125.1**	134.1
Asia Pacific	**24.0**	31.8	**9.7**	13.1	**6.7**	6.4	**-**	-	**40.4**	51.3
The rest of the World	**5.6**	6.0	**4.7**	7.9	**1.7**	0.9	**-**	-	**12.0**	14.8
Total revenue from external customers, by location of customer	**132.7**	153.7	**90.7**	101.2	**60.2**	52.0	**-**	-	**283.6**	306.9
Inter-segment revenue (1)	**0.3**	0.1	**1.8**	1.1	**0.2**	0.3	**(2.3)**	(1.5)	**-**	-
Total revenue	**133.0**	153.8	**92.5**	102.3	**60.4**	52.3	**(2.3)**	(1.5)	**283.6**	306.9
Other income	**-**	-	**0.9**	0.7	**-**	-	**-**	-	**0.9**	0.7
Adjusted operating (loss)/profit (2)	**(6.9)**	11.4	**1.6**	12.6	**0.5**	0.8	**(13.4)**	(11.5)	**(18.2)**	13.3
Amortisation of intangible assets that are acquired in a business combination	**(3.5)**	(3.9)	**-**	(0.1)	**-**	-	**-**	-	**(3.5)**	(4.0)
Restructuring and other costs (2)	**(6.0)**	(3.4)	**(1.7)**	(1.0)	**(0.3)**	(0.6)	**(3.3)**	(0.4)	**(11.3)**	(5.4)
Impairment of assets	**(16.8)**	(4.5)	**(34.2)**	(1.7)	**-**	(1.1)	**(0.3)**	-	**(51.3)**	(7.3)
Operating loss of previously discontinued operations	**(0.5)**	-	**-**	-	**(11.5)**	-	**-**	-	**(12.0)**	-
Acquisition related charges	**(0.1)**	(1.0)	**(0.1)**	(0.3)	**-**	-	**-**	-	**(0.2)**	(1.3)
Adjusting items in operating (loss)/profit	**(26.9)**	(12.8)	**(36.0)**	(3.1)	**(11.8)**	(1.7)	**(3.6)**	(0.4)	**(78.3)**	(18.0)
Operating (loss)/profit	**(33.8)**	(1.4)	**(34.4)**	9.5	**(11.3)**	(0.9)	**(17.0)**	(11.9)	**(96.5)**	(4.7)
Net finance expense	**(1.2)**	(1.5)	**-**	(0.4)	**(0.2)**	(0.1)	**(5.5)**	(12.1)	**(6.9)**	(14.1)
Loss before tax	**(35.0)**	(2.9)	**(34.4)**	9.1	**(11.5)**	(1.0)	**(22.5)**	**(24.0)**	**(103.4)**	(18.8)
Taxation									**(43.6)**	6.7
Loss on disposal of discontinued operation after tax									**-**	-
Loss for the year									**(147.0)**	(12.1)
Segment assets	**167.2**	206.8	**69.7**	112.7	**41.4**	40.2	**1.1**	6.4	**279.4**	366.1
Unallocated assets										
Cash and cash equivalents							**57.3**	8.7	**57.3**	8.7
Non-current tax assets							**-**	3.1	**-**	3.1
Current tax assets							**8.9**	5.7	**8.9**	5.7
Deferred tax assets							**0.7**	55.4	**0.7**	55.4
Total assets									**346.3**	439.0
Segment liabilities	**52.6**	47.2	**23.8**	26.5	**12.6**	7.8	**5.9**	5.5	**94.9**	87.0
Interest-bearing loans and borrowings	**0.4**	0.6	**-**	-	**-**	-	**114.0**	98.6	**114.4**	99.2
Unallocated liabilities										
Bank overdrafts							**44.4**	4.0	**44.4**	4.0
Current tax liabilities							**6.6**	7.8	**6.6**	7.8
Deferred tax liabilities							**0.1**	11.2	**0.1**	11.2
Total liabilities									**260.4**	209.2
Non-current assets, by location										
United Kingdom (3)	**7.4**	10.0	**14.4**	33.7	**-**	-	**0.1**	1.4	**21.9**	45.1

The rest of Europe	**24.9**	38.9	**0.2**	0.3	**-**	-	**-**	-	**25.1**	39.2
North America (3)	**74.0**	75.2	**4.3**	14.8	**20.7**	21.6	**-**	-	**99.0**	111.6
Asia Pacific	**0.7**	0.4	**0.6**	1.0	**-**	-	**-**	-	**1.3**	1.4
The rest of the World	**-**	8.3	**5.1**	8.6	**0.4**	-	**-**	-	**5.5**	16.9
Total non-current assets (4)	**107.0**	132.8	**24.6**	58.4	**21.1**	21.6	**0.1**	1.4	**152.8**	214.2
Cash flows from operating activities	**16.2**	14.7	**11.2**	4.3	**3.3**	4.0	**(18.0)**	(31.8)	**12.7**	(8.8)
Cash flows from investing activities	**(5.5)**	(7.3)	**(3.2)**	(5.1)	**(4.1)**	(4.3)	**0.2**	-	**(12.6)**	(16.7)
Cash flows from financing activities	**(3.1)**	(2.9)	**(1.7)**	(2.1)	**(1.3)**	(0.9)	**13.1**	29.7	**7.0**	23.8
Capital expenditure										
Property, plant and equipment	**3.5**	2.6	**4.2**	1.9	**0.2**	0.1	**-**	-	**7.9**	4.6
Software and development costs	**2.1**	3.2	**1.6**	3.4	**3.9**	4.1	**-**	-	**7.6**	10.7

(1) Inter-segment pricing is determined on an arm's length basis. These are eliminated in the Corporate column.

(2) For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets.

See note 2.2 "Adjusting items".

(3) (3) In the Production Solutions Division, land and buildings which were classified as assets held for sale in 2023 have been reclassified from non-current assets held in the United Kingdon to North America. The carrying value as at 31 December 2023 was £2.5 million. These were sold for £2.5 million in 2024, as part of sale and lease back agreement.

(4) Non-current assets exclude employee benefit asset, derivative financial instruments and non-current tax assets.

The Group's operations are located in several geographical locations, and sell products and services on to external customers throughout the world.

In 2023, the £60.5 million operating loss of discontinued operations comprises £3.4 million in the Media Solutions Division and £57.1 million in the Creative Solutions Division.

One customer (2023: one) accounted for more than 10% of external revenue. The total revenue from this customer, which was recognised in all three continuing segments, was £41.2 million (2023: £38.9 million).

Operating expenses

	2024	2023 (1)
	£m	£m
Analysis of operating expenses		
Adjusting items in operating loss (2)	**78.3**	18.0
Adjusting items in revenue	**2.9**	-
Adjusting items in cost of sales	**(1.7)**	(4.2)
- Adjusting items in operating expenses	**79.5**	13.8
- Other administrative expenses	**52.0**	49.3
Adjusting items and administrative expenses	**131.5**	63.1
Marketing, selling and distribution costs	**38.9**	41.3
Research, development and engineering costs	**21.5**	14.9
Total operating expenses from continuing operations	**191.9**	119.3

	2024	2023
	£m	£m
- Adjusting items in operating expenses	-	54.2
- Other administrative expenses	-	2.6
Adjusting items and administrative expenses	-	56.8
Marketing, selling and distribution costs	-	1.7
Research, development and engineering costs	-	5.6
Total operating expenses from discontinued operations	-	64.1

(1) For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets.

See note 2.2 "Adjusting items".

(2) Within the Consolidated Statement of Profit or Loss, the 2024 results of Amimon are included in adjusting items as a continuing operation while the 2023 results were reported in loss from discontinuing operations.

See note 2.2 "Adjusting items" and note 5 "Discontinued operations and non-current assets classified as held for sale".

2.2 Adjusting items

The Group presents APMs in addition to its statutory results. These are presented in accordance with the Guidelines on APMs issued by the European Securities and Markets Authority ("ESMA").

APMs used by the Group and, where relevant, a reconciliation to statutory measures are set out in note 6 "Glossary of Alternative Performance Measures". Adjusting items are described below along with more detail of the specific adjustment and the Group's rationale for the adjustment.

The Group's key performance measures, such as adjusted operating profit, exclude adjusting items.

The following are the Group's principal adjusting items when determining adjusted operating profit/(loss):

Amortisation of acquired intangible assets:
Acquired intangible assets that are acquired in a business combination are measured at fair value, which takes into account the future cash flows expected to be generated by the asset rather than past costs of development. Additionally, these include assets such as brands, know-how and relationships which the Group would not normally recognise as assets outside of a business combination. The amortisation of the fair value of acquired intangibles is not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Amortisation of capitalised development costs:
On an ongoing basis, the Group capitalises development costs of intangible assets and the costs of purchasing software. These intangible assets are recognised at cost and the amortisation of these costs are not included in adjusting expenses, and thereby included in adjusted operating profit/(loss).

Impairment of assets:
Impairment of discontinued operations and non-current assets classified as held for sale:

The impairment of disposed entities or groups of asset(s) held for sale are adjusted for to ensure consistency between periods and is not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Impairment of intangible assets:

Impairments to goodwill and acquired intangibles arise as a result of the estimated net present values of cash flows being lower than the carrying value at year end.

Impairments to capitalised software costs arise as a result of no future economic inflow being attributed to the software costs.

Within discontinued operations the impairment of goodwill, acquired intangibles and capitalised development costs resulted from the assets being classified as non-current assets held for sale, measured at the lower of the carrying amount and the expected fair value less costs to sell.

These impairments are not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Impairment of property, plant and equipment:
Impairment of property, plant and equipment resulted from the reduction in net book value to the asset's estimated future cash flows, or assets being classified as non-current assets held for sale, measured at the lower of the carrying amount and the expected fair value less costs to sell.

These impairments are not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Impairment of inventory:
The impairment of inventory relates to a discontinuation of product lines which are significant in nature and not considered by the Group to be part of the normal operating result of the business.

Acquisition related charges

Earnout charges and retention bonuses agreed as part of the acquisition:

Under IFRS 3, most of the Group's earnout charges and retention bonuses are treated as post combination remuneration, although the levels of remuneration generally do not reflect market rates and do not get renewed as a salary (or other remuneration) might. The Group considers this to be inconsistent with the economics reflected in the deals because other consideration for the acquisition is effectively included in goodwill rather than in the Income Statement. Retention agreements are generally entered into with key management at the point of acquisition to help ensure an efficient integration.

These charges and bonuses which are incurred as part of the acquisition are not considered to be representative of the normal costs incurred by the business within the Group on an ongoing basis.

Transaction costs:
Transaction costs related to the acquisition of a business do not reflect its trading performance and so are adjusted to ensure consistency between periods.

Effect of fair valuation of acquired inventory:
As part of the accounting for business combinations, the Group measures acquired inventory at fair value as required under IFRS 3. This results in the carrying value of acquired inventory being higher than its original cost-based measure. The impact of the uplift in value has the effect of increasing cost of sales thereby reducing the Group's gross profit margin which is not representative of ongoing performance.

Effect of fair valuation of property, plant and equipment:
Under IFRS 3, acquired fixed assets are measured at fair value. This measure does not reflect the undepreciated cost of the acquired asset from the perspective of the acquiree and as such alters the depreciation cost from the Group's perspective after the acquisition. This does not reflect the ongoing profitability of the acquired business.

Restructuring and other costs:
Restructuring and other associated costs arising from significant strategy changes that are not considered by the Group to be part of the normal operating costs of the business.

Finance expense:

Amortisation of loan fees on borrowings for acquisitions:
Restructuring and other associated costs arising from significant strategy changes that are not considered by the Group to be part of the normal operating costs of the business.

Unwind of discount on liabilities and other interest:
This is discount being unwound on the payment of deferred consideration and grant payables, and interest charged on deferred retention payments, both relating to acquisitions.

The above do not reflect the ongoing funding cost of the investment and so are adjusted to ensure consistency between periods.

Other adjusting items:

- profit/(loss) on disposal of businesses;
- past service charges associated with defined benefit pensions, such as gender equalisation of guaranteed minimum pension ("GMP") for occupational schemes; and
- other significant initiatives not related to trading.
- These are not considered by the Group to be part of the normal operating costs of the business.
- In addition, the following are treated as adjusting items when considering post tax APMs:
- significant adjustments to current or deferred tax which have arisen in previous periods but are accounted for in the current period;
- the net effect of significant new tax legislation changes; and
- the current and deferred tax effects of adjusting items.

These are not considered by the Group to be part of the normal operating costs of the business.

	2024	2023 (1)
	£m	£m
Continuing operations		
Amortisation of intangible assets that are acquired in a business combination	**(3.5)**	(4.0)
Restructuring and other costs (2)	**(11.3)**	(5.4)
Impairment of assets (3)	**(51.3)**	(7.3)
Operating loss of previously discontinued operations (4)	**(12.0)**	-
Acquisition related charges (5)	**(0.2)**	(1.3)
Adjusting items in operating loss from continuing operations	**(78.3)**	(18.0)
Finance expense - other interest (6)	**(0.1)**	(2.6)
Adjusting items in loss before tax from continuing operations	**(78.4)**	(20.6)

(1) For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets. See note 2.1 "Operating expenses".

(2) Restructuring and other costs of £11.3 million (2023: £5.4 million) related mainly to site rationalisation and other restructuring activities of which employee related charges were £8.2 million (2023: £4.1 million), corporate related initiatives £1.6 million (2023: £0.8 million) and legal expenses of £1.0 million (2023: £0.5 million). As at 31 December 2024, there is a provision of £6.7 million in relation to restructuring activities.

A number of Group wide restructuring projects were commissioned in 2024 with the focus on site rationalisation to increase capacity utilisation together with cost base realignment to recognise the lower level of order demand and in turn revenue the Group is experiencing. The projects resulted in a number of employees leaving in 2024, for which costs were recognised for in 2024. Future employee related costs were recognised where an announcement of restructuring activity in 2025 was made prior to the end of 2024. There is an expectation that there will be charges incurred in 2025, relating to these projects as the restructuring activities complete. The following projects were approved in 2024:

- A divisional restructure from three divisions to two divisions, to be completed in 2025, resulting in the realignment of products to better fit end market customer segmentation as well as the geographical organisation of the business. This led to a reduction in some senior leadership roles at both the Media Solutions and Production Solutions divisions;

- In the Media Solutions Division, the reduction in administrative roles at the divisional head office in Italy which was agreed by employees and their union representatives in February 2025;

- In the Production Solutions Division, the decision to transfer the assembly and manufacturing from the site in the UK to Italy. No employee related costs were provided for as the announcement was made to employees and their union representatives in 2025, with agreement being reached in February 2025;

- In the Creative Solutions Division, the decision was made to no longer proceed with the disposal of Amimon as no credible offers were received. Instead, the decision was made in 2024 to close the business in 2025 and sell Amimon's zero delay technology intellectual property to the Teradek business. No employee related costs were provided for as the announcement was made in 2025; and

- Corporate initiatives costs of £1.6 million (2023: £0.8million) relating to 2024 cost base realignment and leadership changes including associated legal and professional fees.

In connection with the above restructuring activity, an assessment of the recoverability of assets was conducted across the Group. This resulted in the following impairments.

(3) Impairment charges of £51.3 million (2023: £7.3 million) related to goodwill: £46.0 million (2023: £nil); land and buildings: £4.6 million (2023: £1.5 million which was predominantly the £1.3 million impairment of the building which was classified as non-current asset held for sale), capitalised development costs: £nil million (2023: £0.3 million), software costs: £0.4 million (2023: £nil million), fixtures and fittings: £0.2 million (2023: £nil million), inventory: £0.1 million (2023: £3.7 million which mainly comprises the discontinuation of the motion controls market and Wooden Camera inventory following the relocation to Costa Rica), and acquired intangible assets: £nil million (2023: £1.8 million).

A goodwill impairment charge of £46.0 million (£14.9 million: Media Solutions CGU; £31.1 million: Production Solutions CGU) was made to the Consolidated Statement of Profit and Loss. The impairment charge of £14.9 million, in relation to Media Solutions, was made as at 30 June 2024.

Land and buildings were impaired by £4.6 million following restructuring and site rationalisation projects announced within the Group, namely:
- £3.0 million (2023: £nil million) in the Production Solutions Division following the decision to transfer assembly and manufacturing from the Bury St Edmonds site to other group facilities which will commence in 2025;
- £1.3 million (2023: £nil million) in the Media Solutions Division following the part exit from the offices in Cassola, Italy, and the move of the distribution from New Jersey to Phoenix, which is phase two of the project which commenced in 2023; and

the move of the distribution from New Jersey to Phoenix, which is phase two of the project which commenced in 2023; and
- £0.3 million (£2023: £nil million) within Corporate costs following the exit of the Richmond-upon-Thames office.

(4) Operating loss of £12.0 million related to previously discontinued operations. This included impairment of capitalised development costs of £4.7 million (2023: £9.1 million included within discontinued operations), land and buildings of £0.6 million (2023: £0.3 million), and plant, machinery and vehicles of £0.6 million (2023: £nil million).

As at 30 June 2023, Lightstream and Amimon were classified as a disposal group held for sale and discontinued operations. On 2 October 2023 the Group sold its Lightstream business based in the US.

In December 2024, the decision was made to no longer proceed with the disposal of Amimon as no credible offers were received at the time. Instead, the decision was made in 2024 to close the business through 2025 and sell Amimon's zero delay technology intellectual property to the Teradek business, also part of the Creative Solutions Division. Amimon, therefore, no longer meets the definition of a disposal group held for sale as at 31 December 2024, and as a result, is reclassified from held for sale and discontinued operation, to held for continuing operations in 2024.

On 9 April 2025 the Group sold its Amimon business, part of the Creative Solutions Division, for a gross cash consideration of 1.0 million (£0.8 million). In addition, Teradek LLC, also part of the Creative Solutions Division, received 2.3 million (£1.8 million) for entering into a licence agreement to grant Amimon a licence to use certain Licenced Technology.

Within the Consolidated Statement of Profit or Loss, the 2024 results of Amimon are included in adjusting items as a continuing operation while the 2023 results were reported in loss from discontinuing operations.

See 3.4 "Discontinued operations and non-current assets classified as held for sale".

(5) Acquisition related charges of £0.2 million (2023: £1.3 million) comprise retention bonuses of £0.2 million (2023: £1.1 million), the effect of fair valuation of acquired inventory of £nil (2023: £0.1 million), and the effect of fair valuation of acquired property, plant and equipment of £nil (2023: £0.1 million).

The retention bonuses of £0.2 million (Quasar: £0.1 million and Audix: £0.1 million) relate to continued employment. The charge incurred in 2023 was £1.1 million (Quasar: £0.3 million, Savage: £0.6 million and Audix: £0.2 million).

(6) Other interest expense of £0.1 million is an adjusting charge in loss before tax, and relates to the unwinding of discount on the provision for grant re-payments to the Israeli Innovation Authority ("IIA") in Amimon. In 2023, £2.6 million interest expense was an adjusting charge in loss before tax, and comprised £2.0 million in relation to other financing initiatives not related to underlying trading and £0.6 million of amortisation of loan fees on borrowings for acquisitions.

	2024	2023
	£m	£m
Discontinued operations		
Amortisation of intangible assets that are acquired in a business combination	-	(2.2)
Restructuring and other costs (1)	-	(0.4)
Impairment of fixed assets (2)	-	(50.2)
Acquisition and disposal related charges (3)	-	(1.4)
Adjusting items in operating loss from discontinued operations	-	(54.2)
Finance expense - unwind of discount on liabilities and other interest (4)	-	(0.3)
Adjusting items in loss before tax from discontinued operations	-	(54.5)

See note 2.5 "Earnings per share" for the above, net of tax.

(1) In 2023, restructuring and other costs of £0.4 million related to the closure of the Syrp operations in New Zealand, within the Media Solutions Division.

(2) In 2023, the impairment of assets charge of £50.2 million related to goodwill: £26.8 million, acquired intangible assets: £14.0 million, capitalised development costs: £9.1 million, and land and buildings: £0.3 million.

(3) In 2023, acquisition and disposal related charges of £1.4 million comprised retention bonuses of £1.1 million and transaction costs relating to the disposal of businesses of £0.3 million.

(4) In 2023, finance expense of £0.3 million comprises £0.1 million of discount unwinding on the provision for grant re-payments to the Israeli Innovation Authority ("IIA") in Amimon which was fully paid in Q1 2025, and £0.2 million interest on the deferred retention charges paid to Lightstream.

2.3 Net finance expense

	2024	2023
	£m	£m
Finance income		
Net currency translation gains	**2.5**	2.0
Other interest income (1)	**0.6**	0.2
Interest income on net defined benefit pension scheme (2)	**0.2**	0.2
	3.3	2.4
Finance expense		
Interest expense on interest-bearing loans and borrowings (3)	**(10.1)**	(16.3)
Fair value gain on interest rate swaps designated as cash flow hedges	**1.6**	3.0
Interest expense on net defined benefit pension scheme (2)	**(0.1)**	(0.1)
Interest expense on lease liabilities	**(1.5)**	(1.5)

Interest expense on lease liabilities	[illegible]	[illegible]
Other interest expense (4)	**(0.1)**	(1.6)
	(10.2)	(16.5)
Net finance expense from continuing operations	**(6.9)**	(14.1)

	2024	2023
	£m	£m
Finance expense		
Unwind of discount on liabilities and other interest (4)	**-**	(0.3)
Net currency translation losses	**-**	(0.1)
Finance expense from discontinued operations	**-**	(0.4)

(1) Interest income mainly comprises £0.2 million (2023: £0.1 million) relating to the EU State Aid investigation and £0.2 million (2023: £nil million) of bank interest received. See note 2.4 "Tax".

(2) See note 3 "Employee benefit asset".

(3) Interest expense on interest-bearing loans and borrowings of £10.1 million (2023: £16.3 million) relates to interest expense of £9.1 million (2023: £14.4 million); loan fees of £1.0 million (2023: £0.7 million); and an adjusting amount of £nil million (2023: £1.2 million relating to loan fees on borrowings for acquisitions of £0.6 million and other financing initiatives of £0.6 million). See note 2.2 "Adjusting items".

(4)Other interest expense of £0.1 million relates to the unwinding of discount on the provision for grant re-payments to the Israeli Innovation Authority ("IIA") in Amimon. In 2023, other interest expense of £1.6 million includes an adjusting amount of £1.4 million relating to other financing initiatives, not related to underlying trading.

In 2023, finance expense from discontinued operations includes £0.1 million of discount unwinding on the provision for grant re-payments to the Israeli Innovation Authority ("IIA") in Amimon which was fully paid in Q1 2025, and £0.2 million interest on the deferred retention charges paid to Lightstream.

See note 2.2 "Adjusting items".

2.4 Tax

	2024	2023
	£m	£m
The total taxation charge/(credit) in the Profit or Loss is analysed as follows:		
Summarised in the Profit or Loss as follows		
Continuing operations		
Current tax	**(0.7)**	1.0
Deferred tax	**44.3**	(7.7)
	43.6	(6.7)
Discontinued operations		
Current tax	**-**	(0.6)
Deferred tax	**-**	4.7
	-	4.1
Continuing and discontinued operations		
Current tax	**(0.7)**	0.4
Deferred tax	**44.3**	(3.0)
	43.6	(2.6)
Continuing operations		
Current tax	**(4.1)**	(1.8)
Deferred tax	**55.8**	(2.0)
	51.7	(3.8)
Discontinued operations		
Current tax	**-**	(0.4)
Deferred tax	**-**	(5.2)
	-	(5.6)
Continuing and discontinued operations		

Continuing and discontinued operations

Current tax [1]	**(4.1)**	(2.2)
Deferred tax [2]	**55.8**	(7.2)
	51.7	(9.4)
Continuing operations		
Current tax	**3.4**	2.8
Deferred tax	**(11.5)**	(5.7)
	(8.1)	(2.9)
Discontinued operations		
Current tax	**-**	(0.2)
Deferred tax	**-**	9.9
	-	9.7
Continuing and discontinued operations		
Current tax	**3.4**	2.6
Deferred tax	**(11.5)**	4.2
	(8.1)	6.8

(1) Current tax credit of £4.1 million (2023: £2.2 million credit) was recognised in the year of which £4.1 million credit (2023: £1.6 million credit) related to restructuring and integration costs and £nil million charge (2023: £0.6 million credit) related to financial expense.

(2) Deferred tax debit of £55.8 million (2023: £7.2 million credit) was recognised in the year of which £0.2 million credit (2023: £2.6 million credit) relates to restructuring and impairment costs, £0.2 million credit (2023: £0.7 million credit) to acquisitions and disposals, £5.9 million credit (2023: £3.9 million credit) to amortisation and impairment of intangible assets, £0.5 million credit (2023 £nil million) relating to operating loss of previously discontinued operations and £62.6 million (2023: £nil million) relates to deferred tax asset derecognised in the year. Further details on deferred tax assets are below.

EU State Aid investigation

In October 2017, the European Commission (EC) opened a State Aid investigation into the Group Financing Exemption in the UK controlled foreign company ("CFC") rules (an exemption introduced into the UK tax legislation in 2013). In common with other UK-based international companies whose intragroup finance arrangements are in line with current controlled foreign company rules, the Group is affected by this decision.

In June 2019, the UK government submitted an appeal to the EU Commission against its decision. In common with a number of other affected taxpayers, the Group filed its own annulment application.

In 2021 the Group received a Charging Notice and Interest Charging Notice from HMRC, and accordingly paid £3.0 million. The Group considered it probable that its appeal against the Charging Notice and/or its annulment application against the European Commission's ("EC") State Aid decision would be successful and as such recorded a non-current asset in relation to the payment on the basis that it would ultimately be refunded.

It is considered possible, however, that the appeal and/or annulment might be unsuccessful which would result in a liability contingent on the outcome.

In 2022, the General Court of the European Union upheld the EC's original decision to the Court of Justice of the European Union ("CJEU"). The applicants in both of the lead cases making applications for annulment of which the Group's own annulment application stood behind appealed against this judgement.

On 11 April 2024, the Advocate General delivered an independent, but non-binding, Opinion on the case, stating that the CJEU should set aside the judgement of the General Court and annul the EC's decision which found that the UK provided State Aid to certain multinational groups between 2013 and 2018. On 19 September 2024, the European Court of Justice annulled the EC's original decision. This judgement is now final. Management remains of the view that it is probable that its appeal and/or its annulment application will be successful based on the technical facts of the case.

The Controlled Foreign Companies (Reversal of State Aid Recovery) Regulations 2024 (the "Regulations") came into force on 31 December 2024. The Regulations require that HMRC issue a reversal notice, which was received by Videndum plc on 12th March 2025 cancelling any Charging Notice and Interest Charging Notice to any affected company making any relevant adjustment considered to be appropriate in order to secure, that the company is put back in the position it would have been in if the EC decision had not been made.

HMRC made a refund payment on 8th April 2025 and as such, the tax asset has been reclassified from non-current to current at 31 December 2024. £3.3 million represents the £3.0 million described above plus £0.3 million interest receivable.

Deferred Tax Assets

Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available against which the unused tax losses, unused tax credits and deductible temporary differences can be utilised in the relevant jurisdictions. As of 31 December 2024, the Group has recognised deferred tax assets of £5.6 million (2023: £55.4 million).

2.5 Earnings per share

Earnings per share ("EPS") is the amount of post-tax profit attributable to each share.

Basic EPS is calculated on the profit for the year divided by the weighted average number of ordinary shares in issue during the year.

Diluted EPS is calculated on the profit for the year divided by the weighted average number of ordinary shares in issue during the year, but adjusted for the effects of dilutive share options.

A negative basic EPS is not adjusted for the effects of dilutive share options.

The adjusted EPS measure is calculated based on adjusted profit/(loss) and is used by Management to set performance targets for employee incentives and to assess performance of the businesses.

The calculation of basic, diluted and adjusted EPS is set out below:

	2024	2023[(1)]
	£m	£m
Loss for the financial year from continuing operations	**(147.0)**	(12.1)
Add back adjusting items, all net of tax:		
Amortisation of intangible assets that are acquired in a business combination, net of tax	**3.0**	3.3
Restructuring and other costs, net of tax [(1)]	**7.1**	4.2
Impairment of assets, net of tax	**45.7**	6.2
Operating loss of previously discontinued operations, net of tax	**11.5**	-
Acquisition related charges, net of tax	**0.2**	1.1
Finance expense - other interest, net of tax	**0.1**	2.0
Deferred tax asset derecognised	**62.5**	-
Add back adjusting items from continuing operations, all net of tax	**130.1**	16.8
Adjusted (loss)/profit after tax from continuing operations	**(16.9)**	4.7

[(1)] For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly for an amount of £0.5 million.

See note 2.2 "Adjusting items".

Loss for the financial year from discontinued operations	**-**	(66.0)
Add back adjusting items, all net of tax:		
Amortisation of intangible assets that are acquired in a business combination, net of tax	**-**	1.9
Impairment of intangible assets, net of tax	**-**	45.5
Acquisition related charges, net of tax	**-**	0.9
Restructuring and other costs, net of tax	**-**	0.3
Finance expense - unwind of discount on liabilities and other interest, net of tax	**-**	0.3
Add back adjusting items from discontinued operations, all net of tax	**-**	48.9
Add back loss on disposal of discontinued operation after tax	**-**	1.0
Adjusted loss after tax from continuing operations	**-**	(16.1)

(Loss)/profit for the financial year	**(147.0)**	**(78.1)**
Adjusted (loss)/profit after tax	**(16.9)**	**(11.4)**

	Weighted average number of shares '000		**Adjusted earnings per share**		**Earnings per share**	
	2024	2023	**2024**	2023 [(3)]	**2024**	2023
	Number	Number	**pence**	pence	**pence**	pence
From continuing operations [(1)]						
Basic	**94,323**	49,584	**(17.9)**	9.5	**(155.8)**	(24.4)
Dilutive potential ordinary shares	**319**	318	**-**	(0.1)	**-**	-
Diluted	**94,642**	49,902	**(17.9)**	9.4	**(155.8)**	(24.4)
From discontinued operations						
Basic	-	49,584	-	(32.5)	-	(133.1)

Dilutive potential ordinary shares	-	318	-	-	-	-
Diluted	-	49,902	-	(32.5)	-	(133.1)
From continuing and discontinued operations (2)						
Basic	**94,323**	49,584	**(17.9)**	(23.0)	**(155.8)**	(157.5)
Dilutive potential ordinary shares	**319**	318	**-**	-	**-**	-
Diluted	**94,642**	49,902	**(17.9)**	(23.0)	**(155.8)**	(157.5)

(1) For the year ended 31 December 2024, 319,000 potential ordinary shares are antidilutive for both adjusted earnings per share and statutory earnings per share. For the year ended 31 December 2023, potential 318,000 ordinary shares are dilutive for the purposes of adjusted earnings per share but antidilutive for statutory earnings per share.

(2) 319,000 (2023: 318,000) potential ordinary shares are antidilutive for both adjusted earnings per share and statutory earnings per share.

(3) For the year ended 31 December 2024, resulting from an application of accounting policy choice, the Group has presented £0.6 million legal expenses relating to the Quasar acquisition as an adjusting item. The comparative figures for the year ended 31 December 2023 have been restated accordingly in the Consolidated Statement of Profit or Loss and related notes for an amount of £0.5 million. There is no impact on the Group's net assets. See note 2.1 "Operating expenses".

3.1 Employee benefit asset

The Group has defined benefit pension schemes in the UK, Italy, Germany, Japan and France. The UK defined benefit scheme was closed to future benefit accrual with effect from 31 July 2010.

The UK defined benefit scheme is in an actuarial surplus position at 31 December 2024 (measured on an IAS 19 "Employee Benefits" basis) of £4.1 million (31 December 2023: £4.2 million). The surplus has been recognised on the basis that the Group has an unconditional right to a refund, assuming the gradual settlement of Scheme liabilities over time until all members have left the Scheme.

3.2 Intangible assets

The goodwill recognised by the Group has all arisen as a result of acquisitions and is stated at cost less any accumulated impairment losses. Goodwill is allocated on acquisition to CGUs, or groups of CGUs, assessed to be the three segments of the Group, that are anticipated to benefit from the combination. It is not subject to amortisation but is tested annually for impairment. Impairment is determined by assessing the recoverable amount of the segment to which the goodwill relates. This estimate of recoverable amount is determined at each Balance Sheet date.

Impairment tests for CGUs or groups of CGUs containing goodwill

In accordance with the requirements of IAS 36 "Impairment of Assets", goodwill is allocated to the CGU groups, assessed to be the three segments of the Group, which are expected to benefit from the combination and are identified by the way goodwill is monitored for impairment. The Group's total consolidated goodwill of £49.2 million at 31 December 2024 (£94.8 million at 31 December 2023) is allocated to: Media Solutions: £38.1 million (2023: £52.7 million); Production Solutions: £nil million (2023: £31.1 million); and Creative Solutions: £11.1 million (2023: £11.0 million). Goodwill allocated to each segment is assessed for impairment annually and whenever there is a specific indicator of impairment.

As part of the annual impairment test review, the recoverable value of the CGU has been assessed with reference to the higher of fair value less costs of disposal and the value in use ("VIU") methodology which is then compared to the carrying value of the net assets within the CGU. The VIU was performed over a projected period of five years together with a terminal value. This reflects the projected cash flows of each segment based on the actual operating results, the most recent Board approved budget, the strategy, and Management projections.

As part of determining the value in use of each CGU group and carrying value of long-term assets, Management has considered the potential impact of climate change on the business performance over the next five years, and the terminal growth rates. While there is considerable uncertainty relating to the longer term and quantifying the impact on a range of outcomes, Management considers that environmental related incremental costs are expected to have a minimal impact; the Group has already implemented strategies to mitigate this impact.

Recognising that there are extreme but unlikely scenarios, the Group considers that while exposed to physical risks associated with climate change (such as flooding, heatwaves, sea level rises and increased precipitation) the estimated impact of these on the Group is not deemed material when determining the value in use of each CGU group and carrying value of associated long-term assets. In addition, the Group is exposed to transitional risks which might arise, for example, from government policy, customer expectations, material costs and increased stakeholder concern. The transitional risks could result in financial impacts such as higher environmentally focused levies (e.g. carbon pricing) and increased material costs. While the Group is exposed to the potential financial impacts associated with transitional risks after expected mitigating actions these are not deemed to have a significant impact on the value in use of each CGU group, determination of available headroom, and carrying value of associated long-term assets.

The key assumptions on which the value in use calculations are based relate to (i) Business performance over the next five years, (ii) Terminal growth rates beyond 2029; and (iii) Discount rates applied.

(i) Business performance over the next five years - Forecast sales growth rates are based on past experience and take into account current and future market conditions and opportunities, and strategic decisions made in respect of each CGU group. Operating profits are forecast based on historical experience of operating margins adjusted for the impact of changes in product costs, cost-saving initiatives already implemented or committed to at the balance sheet date and new product launches. Cash conversion is the ratio of operating cash flow to operating profit. Management forecasts the cash conversion rate based on historical experience.

(ii) Terminal growth rates beyond 2029 - These are based on Management's assessment of the outlook for overall market growth with Creative Solutions, Media Solutions and Production Solutions broadly similar to long-term world GDP growth at 2% (2023: 2.0% for Media Solutions and Production Solutions, and 4.0% for Creative Solutions). In the prior year, for Creative solutions, Management believed the end-markets and geographies in which the division operates indicate higher growth potential.

(iii) Discount rates applied - The post-tax discount rates were measured based on the interest rate of 30-year government bonds issued in the relevant market, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the CGU group. The post-tax discount rates and its equivalent pre-tax discount rates applied to discount the post-tax cash flows were as follows:

CGU	**Post tax discount rate**		**Equivalent Pre-tax discount rate**	
	2024	**2023**	**2024**	**2023**
Media Solutions	**12%**	12%	**15%**	15%
Production Solutions	**12%**	11%	**14%**	14%

Creative Solutions	**12%**	11%	**15%**	16%

Outcome of the impairment review

During the year, two impairments assessments was performed, one at 30 June 2024 and another at 31 December 2024. As part of these assessments it was concluded that there is headroom in the Creative Solutions CGU. The carrying value of the Media Solutions CGU and Production Solutions CGU exceeded its value in use. An impairment charge of £46.0 million (Media Solutions CGU: £14.9 million and Production Solutions CGU: £31.1 million) was recognised in the Consolidated Statement of Profit or Loss, and the related effect of foreign exchange of £0.2 million (Media Solutions CGU: £0.1 million credit and Production Solutions CGU: £0.3 million charge) is recognised in the SOCIE. The impairment charge of £14.9 million, in relation to Media Solutions, was made as at 30 June 2024.

Other sensitivities

There are no reasonable changes to estimates that would lead to an impairment for Creative Solutions. For Media Solutions, a reduction in terminal operating profit margin by 100 bps results in a reduction of headroom by £8.0 million and this could arise if Media Solutions does not achieve the operating model.

The table below shows the sensitivity of the £31.1 million impairment charge recognised in relation to Productions Solutions, to reasonable possible changes in key assumptions.

	Scenario 1 (+/-50bps)	Scenario 2 (+/-100bps)
Terminal cash conversion rate	(£0.2 million)/£0.2 million	(£0.5 million)/£0.5 million
Discount rate	£1.9 million/(£2.1 million)	£3.7 million/(£4.5 million)
Terminal growth rate	(£1.4 million)/£1.3 million	(£3.0 million)/£2.5 million

4.1 Analysis of net debt

The table below analyses the Group's components of net debt and their movements in the period:

	Interest-bearing loans and borrowings (1)	**Leases**	**Liabilities from financing sub-total**	**Cash and cash equivalents** (2)	**Total net debt**
	£m	**£m**	**£m**	**£m**	**£m**
Opening at 1 January 2024	**(99.2)**	**(34.0)**	**(133.2)**	**4.7**	**(128.5)**
Add back disposal group previously held for sale (3)	**-**	**(0.3)**	**(0.3)**	**-**	**(0.3)**
Other cash flows	**-**	**-**	**-**	**(0.4)**	**(0.4)**
Repayments	**231.1**	**6.1**	**237.2**	**(237.2)**	**-**
Borrowings	**(244.7)**	**-**	**(244.7)**	**244.7**	**-**
Leases entered into during the year	**-**	**(4.4)**	**(4.4)**	**-**	**(4.4)**
Leases - early termination	**-**	**0.8**	**0.8**	**-**	**0.8**
Fees incurred	**1.2**	**-**	**1.2**	**-**	**1.2**
Amortisation of fees	**(0.6)**	**-**	**(0.6)**	**-**	**(0.6)**
Foreign currency	**(2.2)**	**0.3**	**(1.9)**	**1.1**	**(0.8)**
Closing at 31 December 2024	**(114.4)**	**(31.5)**	**(145.9)**	**12.9**	**(133.0)**
Opening at 1 January 2023	(174.5)	(34.8)	(209.3)	15.8	(193.5)
Other cash flows	-	-	-	67.1	67.1
Repayments	313.9	6.7	320.6	(320.6)	-
Borrowings	(240.0)	-	(240.0)	240.0	-
Leases entered into during the year	-	(7.7)	(7.7)	-	(7.7)
Leases - early termination	-	0.4	0.4	-	0.4
Fees incurred	0.3	-	0.3	-	0.3
Amortisation of fees	(1.3)	-	(1.3)	-	(1.3)
Foreign currency	2.4	1.1	3.5	2.4	5.9
Discontinued operations	-	0.3	0.3	-	0.3
Closing at 31 December 2023	(99.2)	(34.0)	(133.2)	4.7	(128.5)

(1) Interest bearing loans and borrowings include unamortised fees and transaction costs of £1.3 million (2023: £0.8 million).

(2) Cash and cash equivalents include bank overdrafts of £44.4 million (2023: £4.0 million).

(3) Finance lease of £0.3 million relating to the disposal group held for sale in the Creative Solutions Division in 2023, is reclassified in December 2024 from discontinued to continuing operations. See note 5 "Discontinued operations and non-current assets classified as held for sale"

On 14 February 2020, the Group signed a £165.0 million five-year with one optional one-year extension multi-currency RCF with a syndicate of five banks. The one-year extension was agreed with the syndicate banks in January 2022 (four banks) and in July 2023 (fifth bank), increasing the RCF maturity to 14 February 2026. In December 2022, a £35.0 million accordion was agreed with four syndicate banks, resulting in the total commitments increasing to £200.0 million. In June 2024, the facility was extended by six months taking the maturity to 14 August 2026 and reduced by £50.0 million, taking the overall committed facilities to £150.0 million.

During the second half of both 2023 and 2024, the Group renegotiated and agreed with its lending banks revised covenants for the RCF. Covenant tests during the year ended 31 December 2024 and as at 31 December 2024 were met. The covenant tests for February 2025 and March 2025 were waived during the first quarter of 2025 and new covenant tests introduced for the remaining life of the facility were agreed just prior to announcing these results.

Under the terms of the RCF the Group expects to and has the discretion to roll over the obligation for at least 12 months from the Balance Sheet date, and as a result, these amounts are reported as non-current liabilities in the Consolidated Balance Sheet.

On 14 November 2021, the Group signed a US 53.0 million (£43.8 million) three-year (expiry 14 November 2024) amortising Term Loan with a syndicate of four banks to facilitate the acquisition of Savage. Following the payment of 25% of the original amount during 2022 and 20% in June 2023, the outstanding balance of US 29.1 million (£23.3 million) was pre-paid on 11 December 2023 and the facility cancelled.

On 7 January 2022, the Group signed a US 47.0 million (£38.8 million) three-year (maturity 7 January 2025) amortising Term Loan with a syndicate of four banks to facilitate the acquisition of AUDIX. Following the payment of 25% of the original amount during 2022 and 20% in June 2023, the outstanding balance of US 25.9 million (£20.7 million) was pre-paid on 11 December 2023 and the facility cancelled.

On 25 January 2024, the group entered into a new operating cash pooling arrangement with HSBC which caused a change in presentation under IAS 32, accordingly the balances are presented gross as at 31 December 2024 while under the previous arrangement with the same bank and for the year ended 31 December 2023 they were presented net as they met the criteria to be disclosed net under IAS32. Under the new arrangement, the offset is allowed for net overdraft utilisation and interest calculation purposes. The Group's net cash position as at 31 December 2024 is £12.9 million (31 December 2023: £4.7 million).

As at 31 December 2024 the Group's net cash pool is as noted below:

Gross bank overdrafts	£44.4 million
Gross cash and cash equivalents	£45.9 million
Net cash pool	**£1.5 million**

The Group has a £5.0 million committed bank overdraft facility which is carved out of the £150.0 million RCF. As at 31 December 2024, £0.1m overdraft (31 December 2023: £4.0 million) was in use on a net basis, and £44.4 million (31 December 2023: £39.9 million) bank overdrafts were in use on a gross basis.

Factoring of trade receivables

Trade receivables are derecognised through schemes with a financial institution, where the counterparty assumes the risk of non-payment by the customer. The transfer is on a limited recourse basis in which there is no obligation to the factor for non-payment by a customer and substantially all risks and rewards have been transferred.

Derecognition occurs when cash is received from the financial institution (less reverse factoring discount).

On 28 June 2023 the Group signed a EUR 20.0 million (£17.3 million) uncommitted evergreen receivables factoring facility. On 28 June 2024, the Group agreed with the existing RCF lenders to restrict the total amount of factoring under all facilities to £15.0 million and on the 10 January 2025 the Group agreed with the current factoring provider to reduce the factoring facility to EUR 15.0 million (£12.4 million). At 31 December 2024, the amount of receivables factored was £8.3 million (2023: £7.9 million) and the maximum usage during the year was £9.7 million (2023: £8.2 million).

4.2 Derivative financial instruments

The fair value of forward exchange contracts is determined by estimating the market value of that contract at the reporting date. Derivatives with a positive fair value are recorded as assets and negative fair values as liabilities, and presented as current or non-current based on their contracted maturity dates.

Forward exchange contracts

The following table shows the nominal value of the forward exchange contracts in place at the Balance Sheet date. These contracts mature in the next 24 months, therefore the cash flows and resulting effect on profit and loss are expected to occur within the next 24 months.

	Currency	**As at 31 December 2024 millions**	**Average exchange rate of contracts**	As at 31 December 2023 millions	Average exchange rate of contracts
Forward exchange contracts (buy/sell)					
GBP/USD forward exchange contracts	USD	**4.1**	**1.22**	16.8	1.18
EUR/USD forward exchange contracts	USD	**10.0**	**1.08**	33.4	1.05
GBP/EUR forward exchange contracts	EUR	**6.4**	**1.12**	28.7	1.13
GBP/JPY forward exchange contracts	JPY	**177.6**	**167.7**	627.6	172.8
EUR/JPY forward exchange contracts	JPY	**410.0**	**149.9**	1,235.0	152.8

A net gain of £3.0 million (2023: £1.2 million gain) relating to forward exchange contracts was reclassified to the Profit or Loss, to match the crystallisation of the hedged forecast cash flows which affect the Profit or Loss.

Interest rate swaps

The following table shows the interest rate swap contracts in place at the Balance Sheet date. The interest is payable quarterly on 31 March, 30 June, 30 September and 31 December.

Currency	**Nominal amounts as at 31 December 2024**	**Weighted average fixed rate(1)**	**Maturity**	Nominal amounts as at 31 December 2023

	Currency				
Interest rate swap contracts					
USD Interest rate swaps float (SOFR) to fix	USD	**0.0**	**5.18%**	**Sep 24**	40.0
GBP Interest rate swaps float (SONIA) to fix [1]	GBP	**37.0**	**1.01%**	**Jan 25**	37.0

(1) In addition to these fixed rates, the margin relating to the interest swapped of the underlying RCF or term loans continues to apply.

During the period ended 31 December 2024 a net gain of £1.6 million (2023: £3.0 million) relating to interest rate swaps was reclassified to the Profit or Loss, to match the crystallisation of the hedged forecast cash flows which affects the Profit or Loss.

In the previous year, the Group entered into a new 40.0m floating-to-fixed interest rate swap to replace the maturing 35.0 million swap in September 2023. As at 31 December 2024, a total of £37m (31 December 2023: £68.4 million) remain in place following the maturity of the 40.0 million (£31.4 million) swap. Swaps currently in place cover 32% (2023: 69%) of the variable loan principal outstanding.

Fair value hierarchy

The carrying values of the Group's financial instruments approximate their fair value.

The Group's derivative financial instruments are Level 2.

5 Discontinued operations and non-current assets classified as held for sale

In 2023, in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations", the assets and liabilities of the Amimon business, which is part of the Creative Solutions Division was held for sale, and the Syrp business, which was part of the Media Solutions Division was abandoned. Discontinued operations are businesses that have been sold, abandoned, or which are held for sale and contribute to a separate major line of business or geographical area of operations. The Lightstream and Amimon businesses, part of the Creative Solutions Division, and the Syrp business, part of the Media Solutions business, were all classified as discontinued operations.

As at 30 June 2023, Lightstream and Amimon were classified as a disposal group held for sale and discontinued operations. On 2 October 2023 the Group sold its Lightstream business based in the US.

On 31 December 2023 the Syrp business based in New Zealand was abandoned.

In December 2024, the decision was made to no longer proceed with the disposal of Amimon as no credible offers were received at the time. Instead, the decision was made in 2024 to close the business through 2025 and sell Amimon's zero delay technology intellectual property to the Teradek business, also part of the Creative Solutions Division. Amimon, therefore, no longer meets the definition of a disposal group held for sale as at 31 December 2024, and as a result, is reclassified from held for sale and discontinued operation, to held for continuing operations in 2024. Amimon's results has been disclosed as an adjusting item within note 2.2 "Adjusting Items". Subsequently, on 9 April 2025 the Group sold its Amimon business, part of the Creative Solutions Division, for a gross cash consideration of 1.0 million (£0.8 million). In addition, Teradek LLC, also part of the Creative Solutions Division, received 2.3 million (£1.8 million) for entering into a licence agreement to grant Amimon a licence to use certain Licenced Technology.

On 5 January 2024 certain land and buildings of the Production Solutions Division were sold for a net sale price of £2.5 million and leased back in the same transaction. The asset has been accounted for as a right of use asset.. These were held for sale in 2023.

The tables below shows the results of the 2023 discontinued operations which were included in the Consolidated Statement of Profit or Loss and Consolidated Statement of Cash Flows, and the effect of the disposal group on the Consolidated Balance Sheet as at 31 December 2023. The 2024 results of Amimon are included as a continuing operation in the Consolidated Statement of Profit or Loss and Consolidated Statement of Cash Flows. See note 2.2 "Adjusting items".

a) Income Statement - discontinued operations

		2024	2023
	Notes	**£m**	£m
Revenue	2	**-**	8.1
Expenses		**-**	(68.6)
Operating loss		**-**	(60.5)
Comprising			
- Adjusted operating loss		**-**	(6.3)
- Adjusting items in operating loss		**-**	(54.2)
Finance expense		**-**	(0.4)
Loss before tax		**-**	(60.9)
Comprising			
- Adjusted loss before tax		**-**	(6.4)
- Adjusting items in loss before tax		**-**	(54.5)
Taxation		**-**	(4.1)
Loss after tax from discontinued operations		**-**	(65.0)
Loss on disposal of discontinued operation after tax		**-**	(1.0)
Loss after tax from discontinued operations attributable to owners of parent		**-**	(66.0)

b) Statement of Cash Flows - discontinued operations

	2024	2023
	£m	£m
Net cash used in operating activities	-	(7.3)

Net cash used in investing activities	-	(4.1)
Net cash from financing activities	-	(0.4)
Net cash used in discontinued operations	-	(11.8)
Loss on disposal of discontinued operation after tax	-	(1.0)
Add back share-based payment charge	-	0.1
Disposal of business in cash flow	-	(0.9)

c) Assets and liabilities of the disposal group classified as held for sale

	2024	2023
	£m	£m
Assets		
Intangible assets	**-**	5.5
Property, plant and equipment [(1)]	**-**	3.6
Inventories	**-**	1.0
Trade and other receivables	**-**	1.7
Other non-current receivables	**-**	0.5
	-	12.3
Liabilities		
Lease liabilities	-	(0.3)
Trade payables	-	(0.8)
Other payables	-	(1.9)
Current provisions	-	(0.6)
Non-current provisions	-	(1.0)
	-	(4.6)

[(1)] In 2023, property, plant and equipment of £3.6 million classified as assets held for sale within the year comprised land and buildings of £2.5 million in Continuing operations (Production Solutions Division) and £1.1 million in Discontinued operations (Creative Solutions Division).

5.1 Subsequent events

The Group obtained a covenant waiver for the February 2025 and March 2025 covenant tests. See section 1 "Basis of preparation" for updates in relation to Amended Covenants and borrowing facilities.

On 9 April 2025 the Group sold its Amimon business, part of the Creative Solutions Division, for a gross cash consideration of 1.0 million (£0.8 million). In addition, Teradek LLC, also part of the Creative Solutions Division, received 2.3 million (£1.8 million) for entering into an agreement to grant Amimon a licence to use certain intellectual property.

There were no other events after the Balance Sheet date that require disclosure.

6 Glossary on Alternative Performance Measures ("APMs")

The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information and enable an alternative comparison of performance over time.

The Group uses APMs to aid the comparability of information between reporting periods and Divisions, by adjusting for certain items which impact upon IFRS measures, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and Management for performance analysis, planning, reporting and incentive purposes. Where relevant, further information on specific APMs is provided in each section below.

The APMs refer to continuing operations.

<table>
<tr><th>APM</th><th>Closest equivalent IFRS measure</th><th colspan="3">Definition and purpose</th></tr>
<tr><td colspan="5">Income Statement measures from continuing operations</td></tr>
<tr><td rowspan="6">Adjusted gross profit</td><td rowspan="6">Gross profit</td><td colspan="3">Calculated as gross profit before adjusting items.

The table below shows a reconciliation:

See note 2.1 "Loss before tax (including segmental information)".</td></tr>
<tr><td></td><td>2024
£m</td><td>2023
£m</td></tr>
<tr><td>Gross profit</td><td>94.5</td><td>113.9</td></tr>
<tr><td>Adjusting items in revenue</td><td>(2.9)</td><td>-</td></tr>
<tr><td>Adjusting items in cost of sales</td><td>1.7</td><td>4.2</td></tr>
<tr><td>Adjusted gross profit</td><td>93.3</td><td>118.1</td></tr>
<tr><td>Adjusted gross profit margin</td><td>None</td><td colspan="3">Calculated as adjusted gross profit divided by revenue.</td></tr>
<tr><td>Adjusted operating expenses</td><td>Operating expenses</td><td colspan="3">Calculated as operating expenses before adjusting items.

The table below shows a reconciliation:</td></tr>
</table>

<table>
<tr><td></td><td></td><td>See note 2.1 "Loss before tax (including segmental information) - operating expenses".
<table>
<tr><td></td><td>2024
£m</td><td>2023
£m</td></tr>
<tr><td>Operating expenses</td><td>191.9</td><td>119.3</td></tr>
<tr><td>Adjusting items in operating expenses</td><td>(79.5)</td><td>(13.8)</td></tr>
<tr><td>Adjusted operating expenses</td><td>112.4</td><td>105.5</td></tr>
</table></td></tr>
<tr><td>Adjusted operating profit</td><td>(Loss)/profit before tax</td><td>Calculated as loss before tax, before net finance expense, and before adjusting items. This is a key management incentive metric.Adjusting items include non-cash charges such as amortisation of intangible assets that are acquired in a business combination, impairment of disposed entities or groups of asset(s) and effect of fair valuation of acquired inventory and property, plant and equipment. Cash charges include items such as transaction costs, retention and deferred payments, and restructuring and other associated costs arising from significant strategy changes that are not considered by the Group to be part of the normal operating costs of the business.

The table below shows a reconciliation:
See note 2.2 "Adjusting items".
<table>
<tr><td></td><td>2024
£m</td><td>2023
£m</td></tr>
<tr><td>Loss before tax</td><td>(103.4)</td><td>(18.8)</td></tr>
<tr><td>Net finance expense</td><td>6.9</td><td>14.1</td></tr>
<tr><td>Adjusting items in operating loss</td><td>78.3</td><td>18.0</td></tr>
<tr><td>Adjusted operating (loss)/profit</td><td>(18.2)</td><td>13.3</td></tr>
</table></td></tr>
<tr><td>Adjusted operating (loss)/profit margin</td><td>None</td><td>Calculated as adjusted operating (loss)/profit divided by revenue. Progression in adjusted operating margin is an indicator of the Group's operating efficiency.</td></tr>
<tr><td>Adjusted net finance expense</td><td>None</td><td>Calculated as finance expense, less finance income, and less adjusting finance expense which mainly comprises amortisation of loan fees on borrowings for acquisitions and other financing initiatives.

The table below shows a reconciliation:
<table>
<tr><td></td><td>2024
£m</td><td>2023
£m</td></tr>
<tr><td>Finance expense</td><td>(10.2)</td><td>(16.5)</td></tr>
<tr><td>Finance income</td><td>3.3</td><td>2.4</td></tr>
<tr><td>Adjusting finance expense</td><td>0.1</td><td>2.6</td></tr>
<tr><td>Adjusted net finance expense</td><td>(6.8)</td><td>(11.5)</td></tr>
</table></td></tr>
<tr><td>Adjusted loss before tax</td><td>Loss before tax</td><td>Calculated as loss before tax, before adjusting items. This is a key management incentive metric and is a measure used within the Group's incentive plans as set out in the Remuneration report.

See Consolidated Income Statement for a reconciliation.</td></tr>
<tr><td>Adjusted (loss)/profit after tax</td><td>Loss after tax</td><td>Calculated as (loss)/profit after tax before adjusting items.

See Consolidated Income Statement and note 2.5 "Earnings per share" for a reconciliation.</td></tr>
<tr><td>Adjusted basic earnings per share</td><td>Basic earnings per share</td><td>Calculated as adjusted profit after tax divided by the weighted average number of ordinary shares outstanding during the period. This is a key management incentive metric and is a measure used within the Group's incentive plans as set out in the Remuneration report.

See note 2.5 "Earnings per share" for a reconciliation.</td></tr>
<tr><td colspan="3">Cash flow measures from continuing operations. 2024 excludes previously discontinued operations.</td></tr>
<tr><td>Free cash flow</td><td>Net cash from operating activities</td><td>Net cash from operating activities after proceeds from property, plant and equipment and software, purchase of property, plant and equipment, and capitalisation of software and development costs. This measure reflects the cash generated in the period that is available to invest in accordance with the Group's capital allocation policy.

See "Adjusted operating cash flow" below for a reconciliation.</td></tr>
<tr><td>Adjusted operating cash flow</td><td>Net cash from operating activities</td><td>Free cash flow before payment of interest, tax, restructuring, integration and other costs, retention bonuses and transaction costs relating to the acquisition of businesses, and before proceeds from sale of impaired inventory. This is a measure of the cash generation and working capital efficiency of the Group's operations. Adjusted operating cash flow as a</td></tr>
</table>

efficiency of the Group's operations. Adjusted operating cash flow as a percentage of adjusted operating profit is a key management incentive metric.

	2024	2023
	£m	£m
Loss for the period from continuing operations	**(147.0)**	(12.1)
Add back:		
Taxation and net finance expense	**50.5**	7.4
Adjusting items	**78.3**	18.0
Adjusted operating (loss)/profit	**(18.2)**	13.3
Depreciation excluding effect of fair valuation of property, plant and equipment	**12.8**	14.0
Amortisation/impairment of purchased software and capitalised development costs	**11.2**	6.5
Decrease/(increase) in adjusted trade working capital (1)	**21.3**	(1.1)
Increase in adjusted non-trade working capital (1)	**2.2**	(6.8)
Decrease in adjusted provision (1)	**(0.1)**	**-**
Other:		
- Net loss on disposal of property, plant and equipment and software	**0.3**	0.2
- Fair value losses/(gains) on derivative financial instruments	**0.1**	(0.2)
- Foreign exchange losses	**0.2**	(0.3)
- Share-based payments	**2.2**	1.0
- Proceeds from sale of property, plant and equipment and software	**2.7**	0.3
- Add back proceeds from property held for sale previously	**(2.5)**	-
Purchase of property, plant and equipment	**(7.8)**	(4.6)
Purchase of software and payment of development costs	**(7.6)**	(10.7)
Adjusted operating cash flow	**16.8**	11.6
Interest paid	**(10.3)**	(15.3)
Interest received	**0.2**	-
Tax received/(paid)	**0.7**	(10.4)
Proceeds from property held for sale previously	**2.5**	-
(Payments)/income relating to:		
Restructuring and integration costs	**(3.7)**	(6.4)
Proceeds from the sale of impaired inventory	**-**	1.1
Retention bonuses	**(1.2)**	(3.6)
Transaction and other costs relating to acquisitions	**(0.5)**	(0.8)
Free cash flow	**4.5**	(23.8)
Deduct interest received from financing activities	**(0.2)**	-
Proceeds from sale of property, plant and equipment and software	**(2.7)**	(0.3)
Purchase of property, plant and equipment	**7.8**	4.6
Purchase of software and payment of development costs	**7.6**	10.7

development costs		
Net cash from/(used in) operating activities	**17.0**	(8.8)

(1) See "Adjusted trade working capital movement" and "Adjusted non-trade working capital movement" and "Adjusted provision movement" below for a reconciliation.

Decrease/(increase) in adjusted trade working capital	None	The decrease/(increase) in adjusted trade working capital includes movements in inventories, trade debtors and trade creditors, excluding movements relating to adjusting items.

	2024 **£m**	2023 £m
Decrease in inventories	**12.5**	7.6
Decrease in trade debtors	**8.2**	16.3
Increase/(decrease) in trade creditors	**1.2**	(20.5)
Decrease in trade working capital	**21.9**	3.4
Discontinued operations	**-**	0.4
Deduct inflows from adjusting charges:		
Effect of fair valuation of acquired inventory	**-**	(0.1)
Adjustments for restructuring and other costs, and previously discontinued operations	**(0.6)**	(3.7)
Proceeds from the sale of impaired inventory	**-**	(1.1)
Decrease/(increase) in adjusted trade working capital	**21.3**	(1.1)

Decrease/(increase) in adjusted non-trade working capital	None	The decrease/(increase) in adjusted non-trade working capital includes movements in other debtors, other creditors and contract assets/liabilities, excluding movements relating to adjusting items.

	2024 **£m**	2023 £m
Decrease in other receivables and contract assets	**2.9**	0.7
Decrease in other payables and contract liabilities	**(0.9)**	(12.3)
Increase in non-trade working capital	**2.0**	(11.6)
Discontinued operations	**-**	1.2
Deduct inflows from adjusting charges:		
Adjustments for restructuring and other costs, previously discontinued operations, transaction costs relating to acquisition of businesses, and retention bonuses	**0.2**	3.6
Decrease/(increase) in adjusted non-trade working capital	**2.2**	(6.8)

Increase/(decrease) in adjusted provisions	Increase/(decrease) in provisions	The increase/(decrease) in adjusted provisions excludes movements relating to adjusting items.

	2024 **£m**	2023 £m
Increase/(decrease) in provisions	**6.5**	(1.9)
Adjustments for restructuring costs	**(6.6)**	1.9
Adjusted provision movement	**(0.1)**	**-**

Other measures from continuing operations, excluding previously discontinued operations.

Return on capital employed (ROCE)	None	ROCE is calculated as annual adjusted operating profit for the last 12 months divided by the average total assets (excluding defined benefit pension asset and deferred tax assets), current liabilities (excluding current interest-bearing loans and borrowings), and non-current lease liabilities. The average is based on the opening and closing of the 12 month

<table>
<tr><td></td><td></td><td>The average is based on the opening and closing of the 12-month period.

<table>
<tr><td></td><td>2024
£m</td></tr>
<tr><td>Adjusted operating profit for the last 12 months</td><td>(18.2)</td></tr>
<tr><td>Capital employed at the beginning of the year</td><td>289.1</td></tr>
<tr><td>Capital employed at the end of the year</td><td>202.2</td></tr>
<tr><td>Average capital employed</td><td>245.7</td></tr>
<tr><td>Adjusted ROCE %</td><td>(7.4%)</td></tr>
</table></td></tr>
<tr><td>Dropthrough</td><td>None</td><td>Dropthrough is the change in adjusted operating profit as a percentage of the change in revenue.</td></tr>
<tr><td>Organic revenue</td><td>None</td><td>Organic revenue is revenue from existing business, and not from new mergers and acquisitions.</td></tr>
<tr><td>Organic adjusted operating profit</td><td>None</td><td>Organic adjusted operating profit is adjusted operating profit from existing business, and not from new mergers and acquisitions.</td></tr>
<tr><td>Organic growth</td><td>None</td><td>Organic growth is the growth achieved year-on-year from existing business, and not from new mergers and acquisitions.</td></tr>
<tr><td>Constant currency</td><td>None</td><td>Constant currency variances are derived by calculating the current year amounts at the applicable prior year foreign currency exchange rates, excluding the effects of hedging in both years.

Revenue growth is represented on a constant currency basis as this best represents the impact of volume and pricing on revenue growth.</td></tr>
<tr><td>Organic revenue at constant currency</td><td>None</td><td>Calculated as organic revenue at constant currency.

The table below shows a reconciliation:

See "Consolidated Income Statement"

See "Constant currency", "Organic revenue" and "Organic growth" above for definitions.

<table>
<tr><td></td><td>2024
£m</td></tr>
<tr><td>2023 Revenue</td><td>306.9</td></tr>
<tr><td>Add from acquisitions</td><td>-</td></tr>
<tr><td>2023 Organic revenue</td><td>306.9</td></tr>
<tr><td></td><td></td></tr>
<tr><td>2024 Revenue</td><td>283.6</td></tr>
<tr><td>Exclude effects of foreign currency exchange rates:</td><td></td></tr>
<tr><td>Translational effects</td><td>8.6</td></tr>
<tr><td>Transactional effects</td><td>(1.4)</td></tr>
<tr><td>2024 Organic revenue at constant currency</td><td>290.8</td></tr>
<tr><td>Organic growth at constant currency %</td><td>(5%)</td></tr>
</table></td></tr>
<tr><td>Organic adjusted operating profit at constant currency</td><td>None</td><td>Calculated as organic adjusted profit at constant currency.The table below shows a reconciliation:See "Consolidated Income Statement"

See "Adjusted operating profit" above for a reconciliation.

See "Constant currency", "Organic adjusted operating profit" and "Organic growth" above for definitions.

<table>
<tr><td></td><td>2024
£m</td></tr>
<tr><td>2023 Adjusted operating profit</td><td>13.3</td></tr>
<tr><td>Add from acquisitions</td><td>-</td></tr>
<tr><td>2023 Organic adjusted operating profit</td><td>13.3</td></tr>
</table></td></tr>
</table>

<table>
<tr><td></td><td></td><td>
<table>
<tr><td>2024 Organic adjusted operating loss [1]</td><td>(18.2)</td></tr>
<tr><td>Exclude effects of foreign currency exchange rates:</td><td></td></tr>
<tr><td>Translational effects</td><td>(0.2)</td></tr>
<tr><td>Transactional effects</td><td>0.2</td></tr>
<tr><td>Organic adjusted operating loss at constant currency</td><td>(18.2)</td></tr>
<tr><td>Organic growth at constant currency %</td><td>(237%)</td></tr>
</table>
[1] See "Adjusted operating profit" above for a reconciliation.
</td></tr>
<tr><td>Cash conversion</td><td>None</td><td>Calculated as adjusted operating cash flow divided by adjusted operating profit. This is a key management incentive metric and is a measure used within the Group's incentive plans as set out in the Remuneration report.</td></tr>
<tr><td>Adjusted EBITDA</td><td>None</td><td>Calculated as adjusted operating profit for the last 12 months before depreciation of tangible fixed assets and amortisation of intangibles (other than those already excluded from adjusted operating profit).

The table below shows a reconciliation:
<table>
<tr><td></td><td>2024
£m</td><td>2023
£m</td></tr>
<tr><td>Adjusted operating loss for the last 12 months</td><td>(18.2)</td><td>13.3</td></tr>
<tr><td>Add back:</td><td></td><td></td></tr>
<tr><td>Depreciation excluding effect of fair valuation of property, plant and equipment</td><td>12.8</td><td>14.0</td></tr>
<tr><td>Amortisation/impairment of purchased software and capitalised development costs</td><td>11.2</td><td>6.5</td></tr>
<tr><td>Adjusted EBITDA</td><td>5.8</td><td>33.8</td></tr>
</table>
</td></tr>
</table>

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