

**Focusrite plc (“Focusrite” or “the Group”)**  
**Unaudited interim financial results for the 12 months ended 31 August 2025**

***Growth across Content Creation and stable margins demonstrate strong operational resilience***

Focusrite plc, the global music and audio products company supplying hardware and software used by professional and amateur musicians and the entertainment industry, today announces its interim results for the 12 months ended 31 August 2025. In October 2024, Focusrite announced that it was changing its year end from 31 August to 28 February. As a result, the next audited results will be for the 18 month period to 28 February 2026.

Commenting on the results and outlook, Tim Carroll CEO said:

*“Following several challenging years, the past 12 months have seen a return to more stable markets across our Content Creation regions, particularly EMEA and APAC. This has resulted in sales growth of 11.0% for the division, supported by sustained demand for our leading brands and successful new product launches across the portfolio. The refresh of our flagship Scarlett range in Focusrite is now complete, and Novation continues to deliver new market-leading products and special editions. Incremental new product introductions from both ADAM and Sequential have also further contributed to overall revenue growth.*

*“As previously reported, Audio Reproduction has normalised following 18 months of unusually high post-lockdown demand, with 12-month revenues down 3.8% year on year. However, the pipeline for this division remains strong, reflecting the success of our expanded portfolio and broader market reach.*

*“During the year, we took early and decisive action to implement pricing changes and relocate manufacturing to stabilise our margins in the face of tariff increases into the US in excess of 20% on most of our manufacturing locations. Additional pricing actions have since been implemented to help maintain gross margins amid an evolving tariff landscape. We recognise that macroeconomic uncertainties persist, particularly in our key US market, and remain vigilant and ready to respond swiftly to any further changes.*

*“The outlook for the current period continues to be in line with the Board’s expectations. Despite a challenging market, trading since August has reflected healthy underlying demand for the Group’s products. Our continued investment in people, innovation, and product development positions the Group well for sustained growth and long-term success.”*

**Key financial metrics**

|                                                                          | <b>12 months ended<br/>31 Aug 25</b> | 12 months ended<br>31 Aug 24 |
|--------------------------------------------------------------------------|--------------------------------------|------------------------------|
| Revenue (£ million)                                                      | 168.9                                | 158.5                        |
| Gross margin %                                                           | 44.4%                                | 44.5%                        |
| Adjusted <sup>1</sup> EBITDA <sup>2</sup> (£ million)                    | 24.7                                 | 25.2                         |
| Operating profit (£ million)                                             | 9.4                                  | 5.7                          |
| Adjusted <sup>1</sup> operating profit (£ million)                       | 15.3                                 | 16.6                         |
| Basic earnings per share (p)                                             | 9.2                                  | 4.5                          |
| Adjusted <sup>1</sup> diluted earnings per share (p)                     | 16.7                                 | 18.0                         |
| Interim dividends per share (both first and second interim dividend) (p) | 4.2                                  | 6.6                          |
| Net debt <sup>3</sup> (£ million)                                        | 10.8                                 | 12.5                         |

**Financial and Operating Highlights**

- Revenue up 6.6% to £168.9 million (FY24: £158.5 million), or 8.8% on an organic constant currency<sup>4</sup> (OCC) basis, driven by strong growth in Content Creation, partially offset by a decline in Audio Reproduction.
- Content Creation revenue increased 11.0% (14.0% OCC<sup>4</sup>) to £123.0 million (FY24: £110.8 million), reflecting successful new product launches across key brands.
- Audio Reproduction revenue declined by 3.8% (3.2% OCC<sup>4</sup>) to £45.9 million (FY24: £47.7 million), against a particularly strong prior-year comparator, especially in APAC following post-COVID demand surges.
- Gross margin remained broadly stable at 44.4% (FY24: 44.5%), with pricing actions in the US offsetting tariff impacts and Audio Reproduction margins returning to more historic levels.
- Adjusted<sup>1</sup> EBITDA<sup>2</sup> of £24.7 million (FY24: £25.2 million), reflecting higher sales offset by normalised variable remuneration and inflationary pressures.

- Operating profit increased to £9.4 million (FY24: £5.7 million), benefiting from the non-repeat of a prior-year impairment charge of £5.3 million.
- Net debt reduced to £10.8 million from £12.5 million in August 2024 and £17.5 million in February 2025
- Second interim dividend, following the period-end change, of 2.1 pence, reflecting confidence in the Group's long-term outlook.

<sup>1</sup> Adjusted for amortisation of acquired intangible assets and other adjusting items as detailed in note 4 to the Interim Statement.

<sup>2</sup> Comprising earnings adjusted for interest, taxation, depreciation and amortisation.

<sup>3</sup> Net debt defined as cash and cash equivalents, overdrafts and amounts drawn against the RCF including the costs of arranging the RCF.

<sup>4</sup> Organic constant currency growth. This is calculated by comparing FY25 revenue to FY24 revenue adjusted for FY25 exchange rates and the impact of acquisitions.

### **Enquiries:**

#### **Focusrite plc**

+44 (0) 1494 462246

Tim Carroll (CEO) / Sally McKone (CFO)

#### **Investec Bank plc (Nominated Adviser and Broker)**

+44 (0) 20 7597 5970

David Flin / Nick Prowting / James Smith

#### **Rosewood Communications (Financial PR)**

+44 (0) 20 7653 8702

John West / Llewellyn Angus / Lily Pearce

### **Notes to Editors**

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

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

The Group has offices in four continents and a global customer base with a distribution network covering approximately 240 territories. Focusrite plc is traded on the AIM market, London Stock Exchange.

### **Business and operating review**

## Overview

We are pleased to report our unaudited financial results for the 12 months ended 31 August 2025. These are the second set of interim results in respect of the 18 month financial period to 28 February 2026. Overall, the Group delivered a performance in line with expectations which demonstrated the strength of our brands and the resilience of our strategy amid continued global economic uncertainty and industry-wide headwinds.

Our Content Creation brands achieved an 11.0% year-on-year increase in revenue, marking a return to growth after a prolonged period of channel correction and softer market demand. Growth was recorded across all major brands, with the impact of earlier first-half sales, implemented to mitigate US tariff effects, offset in the second half of the year. Stocking levels across all major sales channels, outside of the US, have now normalised and we are encouraged by multiple data points<sup>1</sup>, channel feedback, and internal registration metrics that show we have grown market share in several key categories. This is a significant achievement in what remains a highly competitive and price-sensitive environment.

As anticipated and previously reported, the Audio Reproduction market has begun to normalise. As a result, our Audio Reproduction division recorded a slight decline in revenue (3.8%) compared with a very strong prior-year period, which had benefited from post-pandemic demand. However, the breadth of our enhanced portfolio, which now spans Martin, Optimal, Linea, and our more recent acquisitions TiMax and Panlab, continues to support a strong business pipeline.

Group gross margin for the year was 44.4% (FY24: 44.5%), with pricing actions in the US largely offsetting the impact of tariffs. The prior year gross margin included two offsetting impacts which have not repeated this year, the negative impact of the provisioning and sale of Vocaster stock, and the enhanced margins in Audio Reproduction from a greater proportion of royalty based Martin sales in China.

During the year the international trading landscape was significantly affected by fluctuating tariffs on goods sold into the US. Approximately 12% of Group revenue is generated from products manufactured in China and sold into the US. Of these products, around one fifth currently benefit from a potentially temporary tariff exemption covering computers and accessories. The remaining products for the US market are sourced from Malaysia, Germany, UK and the US.

Anticipating the risk of additional tariffs, the Group acted decisively in the first six months of the period to build stock within our US Content Creation sales channels and to increase inventory levels in our own US warehouse for Audio Reproduction. In addition, we implemented price increases across Content Creation in the US from 1 May, and continue to monitor developments closely across both divisions to make further adjustments as necessary. The majority of our US-bound products are already manufactured outside China, and we are continuing to relocate additional product ranges where appropriate. Whilst we believe we are well positioned to mitigate current risks, we have established contingency plans to address any potential escalation. Nonetheless, the situation in the US remains dynamic and uncertain.

<sup>1</sup> Includes Music Trades quarterly retail sales data and sales rankings on key reseller websites (Thomann, and Sweetwater)

## Operating review

Our Group's portfolio has grown substantially in recent years and now consists of thirteen market leading brands, organised across two divisions: Content Creation and Audio Reproduction.

Content Creation consists of:

- Focusrite Novation: Focusrite, Focusrite Pro, Novation and Ampify
- ADAM Audio
- Sequential: Sequential and Oberheim
- Sonnox

Audio Reproduction consists of:

- Martin Audio: Martin Audio, Optimal Audio and Panlab
- Linea Research: Linea Power amplification
- Sheriff Technologies: OutBoard and TiMax brands

|                                        | 12 months to<br>31 August<br>2025 | 12 months to<br>31 August<br>2024 | Reported<br>Growth | OCC<br>Growth <sup>1</sup> |
|----------------------------------------|-----------------------------------|-----------------------------------|--------------------|----------------------------|
|                                        | £'000                             | £'000                             | %                  | %                          |
| <b>Revenue from external customers</b> |                                   |                                   |                    |                            |
| Focusrite                              | 67,820                            | 60,278                            | 12.5%              | 15.6%                      |
| Novation                               | 17,337                            | 16,257                            | 6.6%               | 9.4%                       |
| Focusrite Novation <sup>2</sup>        | 85,157                            | 76,535                            | 11.3%              | 14.3%                      |
| ADAM Audio                             | 25,581                            | 22,610                            | 13.1%              | 16.0%                      |
| Sequential                             | 9,839                             | 9,705                             | 1.4%               | 4.0%                       |
| Sonnox                                 | 2,461                             | 1,968                             | 25.1%              | 27.6%                      |
| <b>Content Creation</b>                | <b>123,038</b>                    | <b>110,818</b>                    | <b>11.0%</b>       | <b>14.0%</b>               |
| Audio Reproduction                     | 45,875                            | 47,706                            | -3.8%              | -3.2%                      |
| <b>Total</b>                           | <b>168,913</b>                    | <b>158,524</b>                    | <b>6.6%</b>        | <b>8.8%</b>                |

<sup>1</sup> Organic constant currency (OCC) growth rate is calculated by comparing FY25 revenue to FY24 revenue adjusted for FY25 exchange rates and the impact of acquisitions

<sup>2</sup> This period Focusrite and Novation brands have been merged into one operating segment within the financial statements following the reorganisation of the relevant R&D teams, resulting in Novation no longer meeting the criteria for separate disclosure as a cash generating unit. The brands are shown here separately for reference and to provide added clarity in the comments below.

### **Content Creation**

Our Content Creation brands offer best in class audio recording hardware technology, software, electronic music instruments and controllers, and studio reference monitors designed for content creators at all levels and price points.

Our products are showcased in the world's leading recording and post-production studios, as well as in the homes of millions of hobbyists and aspiring professionals. Over the past four years, this segment has faced unprecedented challenges, presenting both opportunities and obstacles. During the pandemic, the Group experienced exceptional growth in demand for our Focusrite, Novation, and ADAM brands, as individuals sought high quality solutions for home recording and streaming. However, the subsequent period presented numerous hurdles, including component shortages, rising input and shipping costs, global inflation and geopolitical tensions. All of these weighed heavily on the music creation industry.

Despite stabilisation in prices and supply availability, these challenges, combined with a softer post-pandemic macroeconomic backdrop, resulted in elevated inventory levels across many product segments in FY24. The Group responded proactively by reducing channel stock, maintaining tight cost control, and continuing to launch award-winning products to stimulate renewed interest and support recovery.

As a result, this past year we delivered an encouraging performance, with Focusrite, Novation, Sequential, Sonnox, and ADAM all reporting revenue growth.

### ***Content Creation: Revenue by region***

|                         | 12 months to<br>31 August<br>2025 | 12 months to<br>31 August<br>2024 | Reported<br>Growth | OCC<br>Growth <sup>2</sup> |
|-------------------------|-----------------------------------|-----------------------------------|--------------------|----------------------------|
|                         | £'000                             | £'000                             | £'000              | £'000                      |
| <b>Content Creation</b> |                                   |                                   |                    |                            |
| Americas <sup>1</sup>   | 53,655                            | 52,299                            | 2.6%               | 6.2%                       |
| EMEA                    | 55,577                            | 47,714                            | 16.6%              | 18.5%                      |
| APAC <sup>1</sup>       | 13,806                            | 10,805                            | 27.8%              | 31.7%                      |
| <b>Total</b>            | <b>123,038</b>                    | <b>110,818</b>                    | <b>11.0%</b>       | <b>14.0%</b>               |

<sup>1</sup> Regions restated to reflect revised Group operating model with LATAM now part of Americas and APAC replacing Rest of World

<sup>2</sup> Organic constant currency (OCC) growth rate is calculated by comparing FY25 revenue to FY24 revenue adjusted for FY25 exchange rates and the impact of acquisitions

Geographically, all three regions (Americas, EMEA and APAC) achieved year on year growth in Content Creation. EMEA and APAC delivered a particularly strong performance as both regions saw channel stock normalise after a period of destocking in

the prior year. This, combined with continued robust demand and sell-through to end customers, created favourable conditions for growth.

In the Americas, which now includes LATAM, during the first half the Group focused on reducing excess channel inventory although this was partly offset by a strategic increase in stock for targeted products in the US ahead of recently raised tariffs. This tactical move brought forward shipments originally scheduled for later in the year to maximise the benefit of temporary exemptions announced by the US government during the year, such that the overall impact of tariffs on sales levels for the year as a whole was not material. Given ongoing uncertainty in the US market, we continue to maintain moderately elevated inventory levels in the US channel to provide contingency against potential future tariff changes. These levels are expected to unwind gradually over the next 12 to 18 months.

Our direct to customer eCommerce business, covering all Content Creation brands continued to grow year on year and now represents 8% (FY24: 7%) of divisional revenue. As this channel expands, the Group plans to increase investment in its development, as we believe it will become an increasingly important route to market for the business.

### **Content Creation: Products and Brands**

**Focusrite** audio interfaces, comprising our Scarlett, Clarett and Vocaster ranges, are a suite of audio interfaces designed to allow both beginners and professionals alike to create the best quality audio possible. These products are core to home recording and audio streaming, across a wide range of price points.

At the start of FY24, the Group launched the 4<sup>th</sup> generation of the lower input/output (I/O) Scarletts, those with 1, 2 or 4 inputs (Scarlett Solo, 2i2 and 4i4). These new interfaces represent a completely re-engineered product line, with many new features designed to deliver unprecedented ease of use while offering professional-grade technical specifications. Following this, and impacting FY25, we introduced the higher channel count Scarlett interfaces in September 2024. These models build upon the innovations of the lower I/O models, adding extra features and functionality tailored to more advanced users. They have been extremely well received, earning strong acclaim from industry media and our global channel partners. Additionally, the Group has released several feature and functionality updates for existing end users, all of which have been positively received by both customers and the wider industry.

We track sales to our end user customers through our registration data, with most purchases being registered in order to utilise our easy start process and bundle of free software tools. These data reveals that the overall number of registrations of Scarlett interfaces in the year have closely mirrored those of the previous year. This contrasts with industry data which shows an overall decline of approximately 1% across this product category compared to 2024.

Clarett, our mid-range interface offering, performed in line with expectations and continues to be a highly regarded solution among more experienced musicians and recording engineers.

**Focusrite Pro** offers a suite of solutions for professionals that employ “audio over internet protocol” (AOIP) technology for scale in enterprise solutions, both in live events and in permanent installations such as recording and post-production studios. Some of the most prestigious events across the world, including the US Superbowl and the Grammys utilise our Pro products as the backbone of the audio systems deployed. Additionally, many recording and post-production studios have adopted our products to produce and deliver content in enhanced formats, such as Dolby ATMOS.

Our **Novation** brand is an integral part of the Focusrite business unit, dedicated to empowering electronic musicians. It offers a range of solutions including groove boxes, controllers, synthesizers and desktop and iOS creation apps. During the first six months, we introduced an update to the popular Launchkey family (version MK4). These products set a new benchmark for keyboard controllers owing to their ability to integrate with a multitude of software platforms for creating music. The new Launchkey range has performed strongly during the 12 months to August, with end-user registrations showing significant growth versus the prior year. In the second half, the Group launched two special edition versions of existing products, together with the updated LaunchControlXL, which has hit a positive chord with many electronic musicians as a multi-purpose controller to aid musicians in their creative workflows.

**ADAM Audio**, based in Berlin and acquired in July 2019, is a globally recognised brand with a passionate team dedicated to delivering exceptional monitor speakers and headphones for audio content creators. ADAM Audio’s portfolio of reference monitors encompasses the T-Series, A-Series, S-Series and recently introduced D-series. The T-Series speakers are award winning reference monitors designed for the home studio market. The A-Series are used in both high-end home studios and professional facilities, while the enterprise level S-Series are installed in some of the most prestigious audio production facilities in the world. Both the A-series and S-Series speakers are seeing growing adoption in upgraded facilities to integrate mixing in

an immersive sound environment.

ADAM launched their first desktop monitors, the D3Vs in September 2024. These speakers have received numerous awards and accolades across the industry, setting a new performance mark for a three inch, compact solution for the desktop and sales have exceeded original expectations. We are also seeing the D3Vs gain traction with a number of Hi-Fi companies who sell into the more mainstream consumer audio market.

ADAM's new headphones, the H200, was also launched in the first six months of the period. Initial response has been very positive, and we expect this segment to grow as we expand the product line to offer a full headphone portfolio. Additionally, a number of accessories for the H200 and D3Vs were launched in the second half of the year. Overall, ADAM delivered a strong result for the 12 month period, with continued robust sales of the T-Series, renewed momentum in the high-end S-Series, and strong demand for the new desktop D3Vs.

**Sequential**, based in San Francisco and acquired in April 2021, is a legendary brand in the industry, synonymous with iconic analogue synthesizers. It has been at the forefront of electronic music innovation for over 40 years. In May 2023, the Group acquired the exclusive rights to another prestigious synthesizer brand, Oberheim, which now operates with the Sequential business as a separate brand.

The majority of Sequential and Oberheim products are positioned at price points of US\$3,000 and above, catering primarily to professional and aspiring musicians and composers. This segment has faced notable challenges over the past year due to continued softness across the industry, compounded by global cost-of-living pressures.

To that end, Oberheim introduced a new, lower-cost synthesizer, the TEO-5, which began shipping in September 2024, complementing the more affordably priced Sequential models successfully launched in FY24. This was followed by three additional product launches, the latest being the Fourm, which began shipping in August 2025. The Fourm is a lower price-point synthesizer that retains all the hallmark quality and functionality expected of the brand, including a true analogue polyphonic engine with polyphonic aftertouch, retailing for under US\$1,000.

This new model has been met with highly positive global coverage and strong reviews across trade publications.

**Sonnox**, based outside of Oxford and acquired in December 2022, develops industry leading software plug-ins for audio production. These plug-ins, normally residing inside a DAW (Digital Audio Workstation) enable users to refine their audio and produce professional quality recordings.

Sonnox has had a particularly strong performance towards the end of the current period, with a number of end user and channel promotions that not only made up for the decline in the first half but put Sonnox in a strong finishing position for the full 12 month period, growing by 25% compared to the prior 12 months. Sonnox also launched Soften, an exclusive free offering for the Focusrite user base which greatly expanded the awareness and user base for Sonnox products. In addition, the Sonnox team's exceptional engineering skills have continued to contribute to the further development of new products across the Focusrite and ADAM brands, forming an integral part of the Group's overall Research and Development talent base.

### **Audio Reproduction**

The Audio Reproduction brands provide high quality, professional grade solutions for both permanent installations and live sound events. The Group first invested in this segment with the acquisition of Martin Audio in December 2019. Since then, the portfolio has grown significantly, both organically and through strategic acquisitions, resulting in a strong lineup of solutions tailored for the touring, theatre, and installation markets.

With the additions of amplifiers, through the acquisition of Linea Research in March 2022, and further immersive sound capabilities, with the acquisitions of Sheriff Technology in December 2023 and then Innovate in April 2024, the division can now provide a complete offering across the dynamic field of Audio Reproduction and immersive audio.

## Audio Reproduction: Revenue by region

|                           | 12 months to<br>31 August<br>2025<br>£'000 | 12 months to<br>31 August<br>2024<br>£'000 | Reported<br>Growth<br>£'000 | OCC Growth <sup>2</sup><br>£'000 |
|---------------------------|--------------------------------------------|--------------------------------------------|-----------------------------|----------------------------------|
| <b>Audio Reproduction</b> |                                            |                                            |                             |                                  |
| Americas <sup>1</sup>     | 13,464                                     | 13,317                                     | 1.1%                        | 4.6%                             |
| EMEA                      | 18,638                                     | 19,414                                     | -4.0%                       | -5.2%                            |
| APAC <sup>1</sup>         | 13,773                                     | 14,975                                     | -8.0%                       | -7.3%                            |
| <b>Total</b>              | <b>45,875</b>                              | <b>47,706</b>                              | <b>-3.8%</b>                | <b>-3.2%</b>                     |

<sup>1</sup> Regions restated to reflect revised Group operating model with LATAM now part of Americas and APAC replacing "Rest of World"

<sup>2</sup> Organic constant currency (OCC) growth rate is calculated by comparing FY25 revenue to FY24 revenue adjusted for FY25 exchange rates and the impact of acquisitions

As previously reported, the Audio Reproduction segment experienced exceptional growth across the 2023 and 2024 financial years, following a period of very low demand during the pandemic and a subsequent reinvestment of capital into the industry during the return of live events. As expected, market demand is now normalising towards pre-pandemic levels.

For Martin Audio, this trend was especially evident during this past year in China, with particularly strong growth in this region in the prior year due to the delayed lifting of COVID restrictions in this market. Although both APAC and EMEA also showed declines over the prior heightened demand year, the Americas had a strong performance, driven by an increase in investment in the sales team to complement the increased portfolio of offerings. This resulted in an overall decline in revenue for Audio Reproduction of 3.8% compared to the prior year, which is lower than reports of industry decline from peers and customers.

We believe our significantly broader product offering and increased market presence has had a positive impact on our results compared to industry reports. Overall, the order book for our Audio Reproduction business is robust and with our extended offerings including immersive options with TiMax, we continue to find new opportunities to grow our pipeline.

## Audio Reproduction: Products and Brands

**Martin Audio** was founded in 1972 to deliver world class touring systems for the supergroups of the day. The ethos of "Uniting the Audience" has remained core to the company's mission and success. Martin's market stature is built on the meticulous detail of its loudspeakers' sonic performance, further enhanced through software and digital signal processing (DSP) which allows precise shaping and control of overall sound performance.

Martin's product portfolio is best understood in terms of "throw" (the distance sound must travel to create the ideal listening experience). Martin offers solutions across its Flexpoint, TORUS, Wavefront Precision, Blackline X and CDD Live ranges to address any size requirement for either a permanent installation or live event.

**Optimal Audio**, the commercial audio brand which has been organically developed over the last four years has benefitted from increased product availability and continues to grow steadily in a large and competitive market.

**Linea Research** has established itself as a trusted and innovative industry leader in high quality power amplification. Linea Research's portfolio includes integrated digital signal processing, a unique combination of high-quality sound and power that professional installations and events require.

Linea Research has integrated well into the wider Group since being acquired in March 2022 providing a reliable source of amplification technology for Martin Audio's products, whilst also continuing to serve a broad base of third-party customers through its own product lines. Linea Research was honoured with a King's Award for Innovation in 2024, reflecting its ongoing commitment to excellence in engineering.

**Sheriff Technologies**, comprises two brands serving the Audio Reproduction market: TiMax and OutBoard.

TiMax is a pioneer in the rapidly growing field of immersive audio experiences, specialising in innovative sound and show control solutions through their SoundHub and TrackerD4 products. These technologies support a wide range of applications including entertainment, events, branding, themed environments and exhibition spaces

OutBoard, built on extensive experience from the touring and rigging industries, offers a comprehensive suite of compact,



robust chain-hoist motor controllers, as well as systems for safety testing, preparation, and quality management, all designed for use by global rental companies and large-scale venues.

**New Products:** Our Audio Reproduction brands launched 14 new products across the past 12 months. Most notably, TiMax Panlab for immersive integration solutions, the Blackline Q series of point source speakers, column speakers and subs for a large range of applications, additions to the well-established ADORN speaker family, and System 8 software which introduces a new workflow-based approach to configuring, controlling and monitoring Linea Research amplifiers.

### ***Research and development (R&D)***

R&D remains a cornerstone of the Group's strategy. During the period, the Group successfully launched 37 new products to market (23 across our Content Creation brands and 14 within our Audio Reproduction division). Additionally, the Group delivered 92 product updates, ranging from new functionality enhancements to compatibility improvements. Our R&D teams are embedded within each business unit, working collaboratively across technical, design, and manufacturing disciplines. The Group holds three Queen's and King's Awards for Innovation, and this continued focus on innovation generates annual cash flow benefits of over £1 million through RDEC tax credits and Patent Box incentives.

All development projects undergo a rigorous product lifecycle assessment, evaluating market competition, technical feasibility, and anticipated economic returns to ensure that each initiative delivers either a range refresh or a new product introduction. As always, the Group has a strong pipeline of launches planned for the next 12 months, comprising a mix of refreshed models and entirely new products.



## Financial Review

### Overview

The Group reported revenues of £168.9 million, representing a 6.6% increase compared to the 12 months ended 31 August 2024. On an organic constant currency ("OCC") basis, the underlying increase was 8.8%.

Adjusted EBITDA<sup>2</sup> of £24.7 million was 2.0% lower than the prior year, with the stronger sales performance and stable gross margins being offset by anticipated increases in costs due to the normalisation of variable remuneration from low levels in the prior year, together with inflationary impacts and the investment in our eCommerce Direct to Customer channel.

Reported operating profit increased to £9.4 million (FY24: £5.7 million), reflecting the non-repeat of a £5.3 million impairment charge recorded in the prior year. Adjusted<sup>1</sup> diluted EPS was 16.7 pence, compared with 18.0 pence in FY24, reflecting the increased dilutive impact of share options.

### Income statement

|                                     | 12 months to 31 August 2025 |                              |          | 12 months to 31 August 2024 |                              |          |
|-------------------------------------|-----------------------------|------------------------------|----------|-----------------------------|------------------------------|----------|
|                                     | Adjusted                    | Adjusting items <sup>1</sup> | Reported | Adjusted                    | Adjusting items <sup>1</sup> | Reported |
| Revenue                             | 168.9                       |                              | 168.9    | 158.5                       | -                            | 158.5    |
| Cost of sales                       | (93.8)                      |                              | (93.8)   | (88.0)                      | -                            | (88.0)   |
| Gross profit                        | 75.1                        |                              | 75.1     | 70.5                        | -                            | 70.5     |
| Administrative overheads            | (50.4)                      | (0.5)                        | (50.9)   | (45.3)                      | (0.1)                        | (45.4)   |
| EBITDA <sup>2</sup>                 | 24.7                        | (0.5)                        | 24.2     | 25.2                        | (0.1)                        | 25.1     |
| Amortisation of intangible assets   | (6.5)                       | (5.4)                        | (11.9)   | (5.7)                       | (10.8)                       | (16.5)   |
| Depreciation of tangible assets     | (2.9)                       |                              | (2.9)    | (2.9)                       | -                            | (2.9)    |
| Operating profit                    | 15.3                        | (5.9)                        | 9.4      | 16.6                        | (10.9)                       | 5.7      |
| Net finance expense                 | (2.6)                       |                              | (2.6)    | (3.2)                       | -                            | (3.2)    |
| Profit before tax                   | 12.7                        | (5.9)                        | 6.8      | 13.4                        | (10.9)                       | 2.5      |
| Income tax expense                  | (2.7)                       | 1.3                          | (1.4)    | (2.7)                       | 2.8                          | 0.1      |
| Profit for the period               | 10.0                        | (4.6)                        | 5.4      | 10.7                        | (8.1)                        | 2.6      |
| Memo: Total administrative expenses | (59.8)                      | (5.9)                        | (65.6)   | (53.9)                      | (10.9)                       | (64.8)   |

<sup>1</sup> Adjusted for amortisation of acquired intangible assets and other adjusting items detailed in note 5 to the Interim Financial Statements.

<sup>2</sup> Earnings (Profit after tax) before Interest, Tax, Depreciation and Amortisation

## Revenue analysis

|                                    | 12 months<br>to 31<br>August<br>2025<br>Reported | Acquisition<br>Adjustment | 12 months<br>to 31<br>August<br>2025<br>Adjusted | 12 months<br>to 31<br>August<br>2024<br>Reported | 12 months<br>to 31<br>August<br>2024<br>Currency | 12 months<br>to 31<br>August<br>2024<br>Adjusted | Reported<br>Growth | OCC<br>Growth <sup>1</sup> |
|------------------------------------|--------------------------------------------------|---------------------------|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|--------------------------------------------------|--------------------|----------------------------|
| Focusrite                          | 67,820                                           |                           | 67,820                                           | 60,278                                           | (1,624)                                          | 58,654                                           | 12.5%              | 15.6%                      |
| Novation                           | 17,337                                           |                           | 17,337                                           | 16,257                                           | (415)                                            | 15,842                                           | 6.6%               | 9.4%                       |
| Focusrite<br>Novation <sup>2</sup> | 85,157                                           |                           | 85,157                                           | 76,535                                           | (2,039)                                          | 74,496                                           | 11.3%              | 14.3%                      |
| ADAM                               | 25,581                                           |                           | 25,581                                           | 22,610                                           | (556)                                            | 22,054                                           | 13.1%              | 16.0%                      |
| Sequential                         | 9,839                                            |                           | 9,839                                            | 9,705                                            | (243)                                            | 9,462                                            | 1.4%               | 4.0%                       |
| Sonnox                             | 2,461                                            |                           | 2,461                                            | 1,968                                            | (40)                                             | 1,928                                            | 25.1%              | 27.6%                      |
| <b>Content Creation</b>            | <b>123,038</b>                                   |                           | <b>123,038</b>                                   | <b>110,818</b>                                   | <b>(2,878)</b>                                   | <b>107,940</b>                                   | <b>11.0%</b>       | <b>14.0%</b>               |
| Audio<br>Reproduction              | 45,875                                           | (393)                     | 45,482                                           | 47,706                                           | (740)                                            | 46,966                                           | -3.8%              | -3.2%                      |
| <b>Total</b>                       | <b>168,913</b>                                   | <b>(393)</b>              | <b>168,520</b>                                   | <b>158,524</b>                                   | <b>(3,618)</b>                                   | <b>154,906</b>                                   | <b>6.6%</b>        | <b>8.8%</b>                |

1 Organic constant currency (OCC) growth rate is calculated by comparing FY25 revenue to FY24 revenue adjusted for FY25 exchange rates and the impact of acquisitions

2 This period Focusrite and Novation brands have been merged into one operating segment within the financial statements following the reorganisation of the relevant R&D teams, resulting in Novation no longer meeting the criteria for separate disclosure as a cash generating unit. The brands are shown here separately for reference and to provide added clarity in the comments below.

Group revenue increased by 6.6% to £168.9 million (FY24: £158.5 million). When adjusted for acquisitions and constant currency effects, this equates to an organic constant currency (OCC) growth of 8.8%. Sheriff Technology, acquired in December 2023, contributed two months of revenue in the prior year. Currency movements experienced headwinds, reducing reported revenue by approximately £3.6 million, primarily due to the weakening of the US dollar.

The Content Creation division sustained the sales momentum reported in the six months to February 2025, with all brands achieving growth for the full year, resulting in an overall increase of 11.0% (OCC: 14.0%). Stock levels have now normalised across EMEA and APAC, while remaining somewhat higher in the US as a precaution against ongoing market uncertainties. The additional stock build in the US during the first half of the year, before the introduction of tariffs, largely unwound in the second half, such that the overall impact of tariffs on underlying revenue growth was not material for the 12-month period.

Focusrite Novation achieved revenue of £85.2 million, an increase of 11.3% (OCC: 14.3%) compared to the prior year. Both brands reported growth during the period, with Focusrite performing particularly strongly (up 12.5%), although against comparators that reflected significant destocking in the previous year. Growth was further supported by the release of the final Scarlett 4<sup>th</sup> Generation models at the start of the year and a special 40<sup>th</sup> anniversary Scarlett at year end, as well as by higher inventory placements into European sales channels ahead of the winter holiday season.

Novation also benefitted from new products, including the launch of the fourth iteration of the Group's successful Launchkey controller in the first six months and a special edition White range in the second six months of the period, both of which have been well received by reviewers and have delivered increased sales and registrations.

ADAM Audio continues to grow with an expanded range, which now includes desktop speakers and headphones. Revenue grew by 13.1% (OCC: 16.0%) to £25.6 million, with an improved growth rate in the first half, as sales were brought forward from the second half to mitigate tariff impacts.

Despite a continued challenging market for higher-priced synthesizers, Sequential returned to growth with revenue of £9.8 million, up 1.4% year on year (OCC: 4.0%). Growth for the full 12 months moderated from the 15% increase reported at the half-year stage, which had benefited from low comparators. The 12-month comparison period includes the successful launch of the lower price-point TEO-5 synthesizer at the end of FY24, which drove much of the growth and continues to perform strongly across all regions. This has now been complemented by the launch of Fourm, a second, more accessible model further expanding the product range.

Sonnox had a strong finish to the year with a successful cross-selling campaign and launch of a new product to Focusrite Novation registered users which together with ongoing promotions delivered 62% growth in the second six months and 25.1% overall for the 12 months.

As previously reported, the Audio Reproduction market continues to normalise following a period of strong growth after the lifting of COVID restrictions. Sales declined by 2.9% between March and August, an improvement on the 5.8% decrease reported for the period to February, resulting in a full-year decline of 3.8% (OCC: -3.2%). The broadened product portfolio has enabled the division to maintain a robust pipeline of sales orders, extending over the next 18 months, with an order book broadly consistent with the end of the prior year.

### ***Currency impact***

The US Dollar weakened during the period (with detailed exchange rate movements provided below), accounting for the £3.6 million negative translation impact on Group revenue for the 12 months to August 2025 relative to the comparable 12 months in 2024. However, the impact at the profit level was minimal as purchases of inventory from manufacturers in China and Malaysia are also denominated in USD, creating a natural hedge that offsets much of the currency fluctuation.

### ***Segment Profit***

Segment profit is disclosed in more detail in note 3 to the Interim Financial Statements named, 'Operating Segments'. These segments compare the revenue of the products of the relevant brands with the directly attributable costs to create segment profit.

### ***Gross Profit analysis***

The Group's gross margin percentage for the period was 44.4%, broadly in line with the prior year. The second six months gross margin of 45.0% represented an improvement on the 43.9% reported in the first six months. Although the overall margin remained relatively stable, this masks a number of offsetting movements during the year, with margins in Audio Reproduction declining, whilst those in Content Creation increasing.

In the Content Creation division, reported gross margin increased by 2.3 percentage points to 45.0% from 42.7% in the prior year. FY24 was impacted by a provision and the sell-out of our podcasting product, Vocaster, which reduced the division's gross margin by approximately 1.8 percentage points. Excluding this, the underlying year-on-year increase was around 0.5 percentage points.

This improvement was driven by price increases that offset initial tariff impacts, with higher rates for Malaysia, Indonesia, and Vietnam taking effect only from July 2025 and therefore with minimal impact in the current period. We continue to closely monitor the situation, with further adjustments expected once new arrangements with China are finalised and following the outcome of the upcoming Supreme Court case concerning the legality of the tariffs.

Our Audio Reproduction division, which delivered particularly strong gross margins of 48.6% in the prior year, reported a gross margin of 43.1% in the 12 months to August, which reflects a return to a level in line with the previous average of 43.5% across FY21 to FY23. The key driver was a sharp reduction in sales to the Chinese market, where a portion of sales are recognised on a royalty basis via our contract manufacturers. This market weakness in China significantly impacted both revenue and gross profit in the division. Increased tariffs have also impacted this market, but with the majority of products imported to the US being made in the UK this has been less significant than Content Creation division.

Freight rates remained relatively stable across the period at a similar level to the prior year.

Looking ahead, the outlook for gross margins remains somewhat uncertain given the ongoing changes to tariff regulations. However, we expect margins to continue improving in regions outside the US. In the US, our focus will remain on maximising gross profit through proactive pricing and supply-chain management.

### ***Administrative expenses***

Administrative expenses include sales, marketing, operations, the uncapitalised element of R&D (partially offset by the Research and Development Expenditure Credit regime ('RDEC') tax credit of £0.4 million), as well as central functions such as legal, finance and the Group Board. Total expenses were £50.4 million, up from £45.3 million in the prior year. There were adjusting costs (see below) in the period of £0.5 million relating to a restructuring charge (FY24: £0.1 million).

The £5.1 million increase in adjusted administrative expenses was primarily driven by the normalisation of variable remuneration totalling £2.0 million, and £1.4 million of labour cost inflation. The remaining increase relates to the annualisation of costs associated with the acquisition of Sheriff Technology in the prior year, together with investment in our sales teams in the US and upgrades to the eCommerce platform across our Content Creation brands.

Two years ago the Group implemented a new operating model designed to drive regional sales and marketing synergies and establish a shared back-office support structure. Now that this framework is fully in place, a review of its effectiveness was undertaken towards the end of the year, resulting in a minor restructuring to streamline the Content Creation division further. This resulted in a one-off cost of £0.5 million and is expected to generate annualised savings of over £1 million, a proportion of which has been reinvested to support sales growth within the Audio Reproduction division.

### ***Adjusted EBITDA***

Adjusted EBITDA is an alternative performance measure widely used by securities analysts, investors and other stakeholders to assess a company's underlying profitability. Within the Group, it also forms the basis for elements of senior management incentivisation, both at the operating company and Group level.

Adjusted EBITDA decreased marginally from £25.2 million in FY24 to £24.7 million in FY25, a decrease of 2.0%. This reflects the offset of the contribution from higher sales by higher administrative costs.

A reconciliation of adjusted EBITDA to operating profit can be found in Note 1.9 to these interim financial results.

### ***Depreciation and amortisation***

Depreciation is charged on tangible fixed assets using the straight-line method over the assets' estimated useful lives, typically ranging between two and five years.

Amortisation is primarily applied to capitalised development costs, with charges spread over the expected lifecycle of the related product. Product lifespans vary across the Group's brands, from approximately three years for Focusrite and Novation, up to 11 years for Martin Audio and 15 years for Sequential.

During the period, £10.4 million of development costs were capitalised (FY24: £8.8 million). Amortisation totalled £5.1 million (FY24: £5.0 million) increasing as more new products are released, principally the final models in the Scarlett Gen 4 refresh.

The amortisation of the acquired intangible assets totalled £5.4 million during the period (FY24: £5.5 million) and has been disclosed within adjusting items.

### ***Adjusting items***

In the 12 months to August 2025 adjusting items totalled £0.5 million, relating to restructuring costs, referred to above, following a review of the Content Creation division cost base, offset by a £0.1m reduction in the final earnout for the Sheriff acquisition (see note 12 to the interim financial statements). In FY24, adjusting items of £0.1 million which related to the due diligence costs for the acquisition of Sheriff Technology which was completed on 19 December 2023. £5.4 million (FY24: £5.5 million) relating to amortisation of acquired intangible assets is also shown as an adjusting item in both reporting periods.

### **Foreign exchange and hedging**

The exchange rates were as follows:

| Exchange rates | 12 months<br>to 31 August<br>2025 | 12 months<br>to 31 August<br>2024 |
|----------------|-----------------------------------|-----------------------------------|
| Average        |                                   |                                   |
| USD:GBP        | 1.30                              | 1.26                              |
| EUR:GBP        | 1.19                              | 1.17                              |
| Period end     |                                   |                                   |
| USD:GBP        | 1.35                              | 1.31                              |
| EUR:GBP        | 1.15                              | 1.19                              |

The average USD rate has weakened to \$1.30 for FY25 (FY24: \$1.26). The USD accounts for over half of Group revenue but nearly all of the cost of sales, so there is a useful natural hedge against currency fluctuations.

The Group enters into forward contracts to convert Euro to GBP. The policy adopted by the Group is to hedge approximately 50% of the anticipated Euro flows for the current 12 month period (year ending 28 February 2027).

### **Corporation tax**

The effective tax rate for the period has increased to 20.5% (FY24: 4%). This increase in the rate is due to the benefit last year of an initial patent box relief, which resulted in a £0.5 million prior year positive adjustment, together with the reduction of tax rates in the US. A similar benefit of £0.1 million was included this year in respect of a new patent granted in January 2025. The underlying effective rate excluding the impact of the catch up for attributable profits prior to the grant date of the new patent is 22.6%. The headline effective tax rate is expected to remain around the UK corporate tax rate in future years due to the ongoing permitted deductions under the Patent Box scheme offsetting the impact of higher tax rates on profits from non-UK entities.

### **Earnings per share ('EPS')**

The basic EPS for the year was 9.2 pence, up 104% from 4.5 pence in FY24. This increase has resulted from the change in reported profit after tax, which was largely due to the non repeat of the prior year's impairment charge. The weighted average number of shares used for the calculation has increased marginally compared to the prior year to 58,645,000 shares (FY24: 58,612,000 shares). The more comparable measure, excluding adjusting items and including the dilutive effect of share options, is the adjusted diluted EPS. This decreased to 16.7 pence, from 18.0 pence in FY24, a decrease of 7.2%.

|                  | 12 months to<br>31 August 2025<br>Pence | 12 months to<br>31 August 2024<br>Pence |
|------------------|-----------------------------------------|-----------------------------------------|
| Basic            | 9.2                                     | 4.5                                     |
| Diluted          | 9.0                                     | 4.4                                     |
| Adjusted basic   | 17.0                                    | 18.3                                    |
| Adjusted diluted | 16.7                                    | 18.0                                    |

## Balance sheet

|                                                  | 31 August 2025<br>£m | 31 August 2024<br>£m |
|--------------------------------------------------|----------------------|----------------------|
| Non-current assets                               | 93.2                 | 94.0                 |
| Current assets                                   |                      |                      |
| Inventories                                      | 41.9                 | 49.3                 |
| Trade and other receivables                      | 42.8                 | 37.6                 |
| Cash                                             | 19.5                 | 22.0                 |
| Current liabilities                              |                      |                      |
| Trade, other payables and provisions             | (33.5)               | (34.8)               |
| Non-current liabilities                          |                      |                      |
| Bank loan                                        | (30.3)               | (34.5)               |
| Deferred tax                                     | (10.0)               | (10.8)               |
| Other non-current liabilities                    | (5.7)                | (6.8)                |
| Net assets                                       | 117.9                | 116.0                |
| Working capital <sup>1</sup>                     | 51.2                 | 52.1                 |
| Working capital as a % of last 12 months revenue | 30.3%                | 32.8%                |

<sup>1</sup> Working capital is defined as inventories plus trade and other receivables less trade and other payables and provisions

### Non-current assets

The non-current assets comprise intangible assets (£80.2 million: FY24 £80.3 million), both acquired and internally generated, with a lesser amount of tangible assets (£10.5 million; FY24 £11.1 million), together with a deferred tax asset of £2.5 million (FY24: £2.7 million). Acquired assets include goodwill, brands, and capitalised development costs. Internally generated intangible assets comprise capitalised R&D and acquired licences, trademarks and software. Tangible assets comprise property, plant and equipment and one building.

The goodwill totals £14.3 million (FY24: £14.2 million) and in line with accounting standards is not amortised.

As there have been no acquisitions in the year the costs of brands (£25.1 million) and acquired development costs in use (£37.6 million) have remained stable with only minimal adjustments due to foreign exchange and the transfer of £0.5 million of assets from assets under development. They continue to be amortised in line with the expected useful economic lives of the brands and assets and at the end of August 2025 had a combined net book value of £33.6 million (FY24: £38.6 million)

Internally generated technology and patent costs comprise capitalised research and development costs for products currently in use. The amortisation periods range from three years to fifteen years depending on the expected life of the products. The shorter amortisation periods are more usual for Focusrite and Novation products and the longer periods for the ADAM Audio monitors, Martin Audio live speakers and Sequential synthesisers. The capitalised technology and patent costs as at 31 August 2025 had a carrying value, net of amortisation, of £12.5 million (FY24: £14.2 million).

Capitalised technology and patent costs still under development comprise acquired and internally generated technology and patent costs for products currently still in development. The cost of these items has increased from £7.1 million at 1 September 2024 to £13.7 million as at 31 August 2025, as a result of our £10.1 million ongoing investment in new products, net of the transfer of £3.6 million of costs to products now in use.

Overall, amortisation of intangible assets totals £11.9 million (FY24: £11.2 million). This is split between amortisation of acquired intangible assets of £5.4 million (FY24: £5.5 million), and other amortisation of £6.5 million (FY24: £5.7 million). The amortisation of acquired intangible assets has been treated as an adjusting item. In the 12 months to August 2024 the assets relating to the Sequential acquisition were impaired by £2.8 million and the goodwill of £2.5 million was fully impaired, resulting in an additional amortisation charge in FY24 of £5.3 million.

Based on current trading and management forecasts, we have conducted impairment reviews for those subsidiaries impacted by difficult markets and have concluded that no impairments to the carrying value of the intangible assets being deemed necessary. This will be reassessed at the next reporting date for any evidence of any permanent diminution in value.

The remaining £6.1 million of net book value of intangible assets (FY24: £6.1 million) is in respect of purchased licences, software and trademarks. This includes licences for a new platform technology currently under development and a licence entered into as part of a strategic partnership licencing cost with Klevgrand, a new third party software partner for Focusrite Novation.

Tangible non-current assets of £10.5 million (FY24: £11.1 million) consist mainly of right of use assets relating to the Group's leased offices and warehouses, and tooling equipment for the manufacture of products.

### Working Capital Analysis

As of 31 August 2025, working capital represented 30.3% of the last 12 months' revenue, a decrease from 32.8% in the 12 months to August 2024, and 34.2% at February 2025.

The decrease in working capital primarily reflects lower inventory levels over the past year, including a significant reduction in Scarlett stock, particularly Gen 3 products. This was achieved despite a £2 million increase in Audio Reproduction inventory in the US, held to mitigate the impact of tariffs. The reduction was partially offset by higher debtors at period end, driven by strong final-quarter sales following new product launches and pre-holiday channel stocking ahead of the calendar 2025 fourth quarter.

We expect working capital to stabilise over the next six months, resulting in a modest seasonal cash outflow, before returning to a cash-generative position in the 12 months to August.

### Cash Flow Analysis

|                                                                     | 12 months to<br>31 August 2025 | 12 months to<br>31 August 2024 |
|---------------------------------------------------------------------|--------------------------------|--------------------------------|
|                                                                     | £m                             | £m                             |
| Cash and cash equivalents at the beginning of the year              | 22.0                           | 26.8                           |
| Foreign exchange movements                                          | (0.0)                          | (0.4)                          |
| Cash and cash equivalents at the end of the year                    | 19.5                           | 22.0                           |
| Net decrease in cash and cash equivalents (per Cash Flow Statement) | (2.5)                          | (4.4)                          |
| Change in bank loan                                                 | 4.0                            | (6.6)                          |
| Decrease/(increase) in net debt                                     | 1.5                            | (11.0)                         |
| Add back equity dividend paid                                       | 3.9                            | 3.9                            |
| Add back acquisition of subsidiary (net of cash acquired)           | 0.4                            | 2.5                            |
| <b>Free cash inflow/ (outflow)</b>                                  | <b>5.8</b>                     | <b>(4.6)</b>                   |
| Add back non underlying items (cash outflow)                        | 0.4                            | 0.1                            |
| <b>Underlying free cash inflow/(outflow) <sup>1</sup></b>           | <b>6.2</b>                     | <b>(4.5)</b>                   |

<sup>1</sup>Defined as cashflow before equity dividends, acquisition of subsidiary (net of cash acquired) and adjusting items.

The underlying free cash inflow in the 12 months to August 2025 was £6.2 million, compared to a cash outflow of £4.5 million in FY24. The Group remains inherently cash generative, and the aim is to continue the historic norm of consistent free cashflow generation in future years.

The net debt balance at the period-end was £10.8 million (FY24: net debt of £12.5 million). The net debt includes the arrangement fee for the revolving credit facility (RCF) of £0.5 million which is being amortised across the period of the facility.

The Group has a £50 million RCF facility split evenly between HSBC and NatWest which was renewed in September 2023 and is due to expire in September 2028, together with an uncommitted facility for a further £50 million. As at the balance sheet date £30.8 million was drawn down from the facility (FY24: £35.1 million).

### Dividend

The Board has approved a second interim dividend of 2.1p which will bring the total interim dividends declared in the 12 month



period to date to 4.2p (FY24: 6.6p). The lower level of declared dividends compared with the previous 12 months is due to the Group moving the financial reporting date to February from August as referred to below. This will enable the recommendation of a final dividend for the 18 month period to February 2026.

### **Change in year end**

As announced on 29 October 2024, the Group's year end has been changed from 31 August to 28 February. As a result, the Group is reporting unaudited interim results for the 12 month period to 31 August 2025 to be followed by audited full period results for the 18 month period to 28 February 2026.

### **Summary and Outlook**

Following several challenging years, the past 12 months have seen a return to more stable markets across our Content Creation regions, particularly EMEA and APAC. This has resulted in sales growth of 11.0% for the division, supported by sustained demand for our leading brands and successful new product launches across the portfolio. The refresh of our flagship Scarlett range in Focusrite is now complete, and Novation continues to deliver new market-leading products and special editions. Incremental new product introductions from both ADAM and Sequential have also further contributed to overall revenue growth.

As previously reported, Audio Reproduction has normalised following 18 months of unusually high post-lockdown demand, with 12-month revenues down 3.8% year on year. However, the pipeline for this division remains strong, reflecting the success of our expanded portfolio and broader market reach.

During the year, we took early and decisive action to implement pricing changes and relocate manufacturing to stabilise our margins in the face of tariff increases into the US in excess of 20% on most of our manufacturing locations. Additional pricing actions have since been implemented to help maintain gross margins amid an evolving tariff landscape. We recognise that macroeconomic uncertainties persist, particularly in our key US market, and remain vigilant and ready to respond swiftly to any further changes.

The outlook for the current period continues to be in line with the Board's expectations. Despite a challenging market, trading since August has reflected healthy underlying demand for the Group's products. Our continued investment in people, innovation, and product development positions the Group well for sustained growth and long-term success.

**Tim Carroll**  
Chief Executive Officer

**Sally McKone**  
Chief Financial Officer

**4 November 2025**

## **Risks and Uncertainties**

The Board has considered the principal risks and uncertainties affecting the Group as described on pages 34 to 39 of the Group's Annual Report for the year ended 31 August 2024 (a copy of which is available on the Group's website at <https://focusriteplc.com/investors/reports-and-presentations/>) as updated when we announced our results for the six months ended 28 February 2025 (a copy of which is available on the Group's website at <https://focusriteplc.com/investors/reports-and-presentations/>). These remain relevant to the rest of this financial year, with the updates as set out below

### **Adverse changes in macroeconomic conditions**

The changeable nature of the tariffs introduced by the USA government on goods imported from China and at a lower level on goods produced in other countries causes uncertainty for the Group in terms of being able to react quickly to pricing changes and manufacturing decisions. In addition, the overall impact on the US economy and the wider global economy remains unclear. The Group continues to monitor the situation closely and has taken action to mitigate the impact through increasing inventory in the US and increasing prices where relevant, whilst remaining mindful of our competitive position.

We continue to explore options regarding the country of origin for our products across all our brands, in particular working with those of our current Chinese-based contract manufacturing partners, which can typically offer alternative manufacturing locations across Asia.

In addition, the Group's business remains subject to the political, economic and other risks that are currently at play in the changing global environment, with sales to certain markets continuing to be impacted by ongoing conflicts, particularly in the Ukraine and the Middle East.

### **Cyber threat**

Since the publication of our FY24 Annual Report, we continue to see increasingly sophisticated and personalised infiltration attempts on our information systems, often powered by AI, making threats harder to detect. In response, the Group continues to invest in AI-driven tools to block these evolving threats and is actively exploring further measures to strengthen our 24/7 system monitoring.

### **Forward looking statements**

The risks and uncertainties facing the Group were reported in detail in the 2024 Annual Report and are monitored closely by the Group. The forward-looking statements in this interim financial statement cannot be relied upon as a guarantee or prediction of future performance. We, like all businesses, continue to face known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may mean our actual results differ from those expressed in this interim report.

## Condensed Consolidated Income Statement

For the year ended 31 August 2025

|                                                         | Note | 12 months to<br>31 August 2025 | 12 months to<br>31 August 2024 |
|---------------------------------------------------------|------|--------------------------------|--------------------------------|
|                                                         |      | £'000                          | £'000                          |
| <b>Revenue</b>                                          | 2    | <b>168,913</b>                 | 158,524                        |
| Cost of sales                                           |      | (93,832)                       | (88,031)                       |
| <b>Gross profit</b>                                     |      | <b>75,081</b>                  | 70,493                         |
| Administrative expenses                                 |      | (65,643)                       | (64,797)                       |
| <b>Adjusted EBITDA (non-GAAP measure)</b>               |      | <b>24,684</b>                  | 25,219                         |
| Depreciation and amortisation                           |      | (9,347)                        | (8,574)                        |
| Adjusting items for Adjusted EBITDA:                    |      |                                |                                |
| Amortisation of acquired intangible assets              | 9    | (5,417)                        | (5,510)                        |
| Impairment of acquired intangible assets                |      | -                              | (5,355)                        |
| Other adjusting items                                   | 5    | (482)                          | (84)                           |
| <b>Operating profit</b>                                 |      | <b>9,438</b>                   | 5,696                          |
| Finance income                                          |      | 150                            | 100                            |
| Finance costs                                           |      | (2,833)                        | (3,292)                        |
| <b>Profit before tax</b>                                |      | <b>6,755</b>                   | 2,504                          |
| Income tax (expense)/income                             | 6    | (1,387)                        | 104                            |
| <b>Profit for the period from continuing operations</b> |      | <b>5,368</b>                   | 2,608                          |
| <b>Earnings per share</b>                               |      |                                |                                |
| From continuing operations                              |      |                                |                                |
| Basic (pence per share)                                 | 8    | 9.2                            | 4.5                            |
| Diluted (pence per share)                               | 8    | 9.0                            | 4.4                            |

## Condensed Consolidated Statement of Other Comprehensive Income

|                                                                                             | 12 months to<br>31 August 2025<br>£'000 | 12 months to<br>31 August 2024<br>£'000 |
|---------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Profit for the period</b>                                                                | <b>5,368</b>                            | <b>2,608</b>                            |
| <i>Items that may be reclassified subsequently to the income statement</i>                  |                                         |                                         |
| Exchange differences on translation of foreign operations                                   | <b>342</b>                              | (923)                                   |
| Loss on forward foreign exchange contracts designated and effective as a hedging instrument | <b>(807)</b>                            | (491)                                   |
| Exchange gain on acquired amortisation                                                      | <b>140</b>                              | 67                                      |
| Tax on hedging instrument                                                                   | <b>202</b>                              | 123                                     |
| <b>Total comprehensive income for the period</b>                                            | <b>5,245</b>                            | <b>1,384</b>                            |
| <b>Profit attributable to:</b>                                                              |                                         |                                         |
| Equity holders of the Company                                                               | <b>5,245</b>                            | <b>1,384</b>                            |

## Condensed Consolidated Statement of Financial Position

|                                                     | Note | 31 August 2025<br>£'000 | 31 August 2024 <sup>1</sup><br>£'000 |
|-----------------------------------------------------|------|-------------------------|--------------------------------------|
| <b>Assets</b>                                       |      |                         |                                      |
| <b>Non-current assets</b>                           |      |                         |                                      |
| Goodwill                                            |      | 14,335                  | 14,194                               |
| Other intangible assets                             | 9    | 65,889                  | 66,065                               |
| Property, plant and equipment                       | 10   | 10,519                  | 11,096                               |
| Deferred tax assets                                 |      | 2,485                   | 2,666                                |
| <b>Total non-current assets</b>                     | 3    | <b>93,228</b>           | <b>94,021</b>                        |
| <b>Current assets</b>                               |      |                         |                                      |
| Inventories                                         |      | 41,929                  | 49,267                               |
| Trade and other receivables                         | 11   | 42,797                  | 37,391                               |
| Current tax assets                                  |      | -                       | 226                                  |
| Cash and cash equivalents                           | 11   | 19,484                  | 22,040                               |
| <b>Total current assets</b>                         |      | <b>104,210</b>          | <b>108,924</b>                       |
| <b>Current liabilities</b>                          |      |                         |                                      |
| Trade and other payables                            |      | (29,255)                | (30,745)                             |
| Other liabilities                                   |      | (1,575)                 | (1,527)                              |
| Current tax liabilities                             |      | (1,274)                 | (2,022)                              |
| Provisions                                          |      | (578)                   | (522)                                |
| Derivative financial instruments                    | 11   | (814)                   | -                                    |
| <b>Total current liabilities</b>                    |      | <b>(33,496)</b>         | <b>(34,816)</b>                      |
| <b>Net current assets</b>                           |      | <b>70,714</b>           | <b>74,108</b>                        |
| <b>Total assets less current liabilities</b>        |      | <b>163,942</b>          | <b>168,129</b>                       |
| <b>Non-current liabilities</b>                      |      |                         |                                      |
| Bank loans and arrangement fee                      | 11   | (30,329)                | (34,565)                             |
| Deferred tax                                        |      | (10,012)                | (10,815)                             |
| Other liabilities                                   |      | (5,683)                 | (6,793)                              |
| <b>Total non-current liabilities</b>                |      | <b>(46,024)</b>         | <b>(52,173)</b>                      |
| <b>Total liabilities</b>                            |      | <b>(79,520)</b>         | <b>(86,989)</b>                      |
| <b>Net assets</b>                                   |      | <b>117,918</b>          | <b>115,956</b>                       |
| <b>Capital and reserves</b>                         |      |                         |                                      |
| Share capital                                       |      | 59                      | 59                                   |
| Share premium                                       |      | 115                     | 115                                  |
| Merger reserve                                      |      | 14,595                  | 14,595                               |
| Merger difference reserve                           |      | (13,147)                | (13,147)                             |
| Translation reserve                                 |      | (3,198)                 | (3,680)                              |
| Hedging reserve                                     |      | (807)                   | -                                    |
| EBT reserve                                         |      | (1)                     | (1)                                  |
| Retained earnings                                   |      | 120,302                 | 118,015                              |
| <b>Equity attributable to owners of the Company</b> |      | <b>117,918</b>          | <b>115,956</b>                       |
| <b>Total equity</b>                                 |      | <b>117,918</b>          | <b>115,956</b>                       |

<sup>1</sup> Restated for the reclassification of outstanding bank loans as non-current liabilities from current liabilities. See note 1.10 for more details.

Condensed Consolidated Statements of Changes in Equity

| 12 months to 31 August 2025                                                               | Share capital | Share premium | Merger reserve | Merger difference reserve | Translation reserve | Hedging reserve | EBT reserve | Retained earnings | Total   |
|-------------------------------------------------------------------------------------------|---------------|---------------|----------------|---------------------------|---------------------|-----------------|-------------|-------------------|---------|
|                                                                                           | £'000         | £'000         | £'000          | £'000                     | £'000               | £'000           | £'000       | £'000             | £'000   |
| Balance at 1 September 2024                                                               | 59            | 115           | 14,595         | (13,147)                  | (3,680)             | -               | (1)         | 118,015           | 115,956 |
| Profit for the period                                                                     | -             | -             | -              | -                         | -                   | -               | -           | 5,368             | 5,368   |
| Other comprehensive income/(expense) for the period                                       | -             | -             | -              | -                         | 482                 | (807)           | -           | 202               | (123)   |
| Total comprehensive income/(expense) for the period                                       | -             | -             | -              | -                         | 482                 | (807)           | -           | 5,570             | 5,245   |
| Transactions with owners of the Company:                                                  |               |               |                |                           |                     |                 |             |                   |         |
| Share-based payment deferred tax deduction in excess of remuneration expense              | -             | -             | -              | -                         | -                   | -               | -           | (1)               | (1)     |
| Share-based payments                                                                      | -             | -             | -              | -                         | -                   | -               | -           | 565               | 565     |
| Shares withheld to settle employees' tax obligations associated with share-based payments | -             | -             | -              | -                         | -                   | -               | -           | (63)              | (63)    |
| Share-based payments in lieu of bonuses                                                   | -             | -             | -              | -                         | -                   | -               | -           | 83                | 83      |
| Dividends paid                                                                            | -             | -             | -              | -                         | -                   | -               | -           | (3,867)           | (3,867) |
| Balance at 31 August 2025                                                                 | 59            | 115           | 14,595         | (13,147)                  | (3,198)             | (807)           | (1)         | 120,302           | 117,918 |

**Condensed Consolidated Statements of Changes in Equity (Continued)**

| 12 months to 31 August 2024                                                                     | Share<br>capital<br>£'000 | Share<br>premium<br>£'000 | Merger<br>reserve<br>£'000 | Merger<br>difference<br>reserve<br>£'000 | Translation<br>reserve<br>£'000 | Hedging<br>reserve<br>£'000 | EBT reserve<br>£'000 | Retained<br>earnings<br>£'000 | Total<br>£'000 |
|-------------------------------------------------------------------------------------------------|---------------------------|---------------------------|----------------------------|------------------------------------------|---------------------------------|-----------------------------|----------------------|-------------------------------|----------------|
| Balance at 1 September 2023                                                                     | 59                        | 115                       | 14,595                     | (13,147)                                 | (2,757)                         | (491)                       | (1)                  | 119,097                       | 118,452        |
| Profit for the period                                                                           | -                         | -                         | -                          | -                                        | -                               | -                           | -                    | 2,608                         | 2,608          |
| Other comprehensive (expense)/ income<br>for the period                                         | -                         | -                         | -                          | -                                        | (923)                           | (491)                       | -                    | 190                           | (1,224)        |
| Total comprehensive (expense)/ income<br>for the period                                         | -                         | -                         | -                          | -                                        | (923)                           | (491)                       | -                    | 2,798                         | 1,384          |
| Share-based payment deferred tax<br>deduction in excess of remuneration<br>expense              | -                         | -                         | -                          | -                                        | -                               | -                           | -                    | (84)                          | (84)           |
| EBT shares issued                                                                               | -                         | -                         | -                          | -                                        | -                               | -                           | -                    | 22                            | 22             |
| Share-based payments                                                                            | -                         | -                         | -                          | -                                        | -                               | -                           | -                    | 158                           | 158            |
| Shares withheld to settle employees' tax<br>obligations associated with share-based<br>payments | -                         | -                         | -                          | -                                        | -                               | -                           | -                    | (106)                         | (106)          |
| Dividends paid                                                                                  | -                         | -                         | -                          | -                                        | -                               | -                           | -                    | (3,870)                       | (3,870)        |
| Balance at 31 August 2024                                                                       | 59                        | 115                       | 14,595                     | (13,147)                                 | (3,680)                         | -                           | (1)                  | 118,015                       | 115,956        |



## Consolidated Statement of Cash Flow

12 months to 31 August 2025

|                                                                   | Note | 12 months to<br>31 August 2025<br>£'000 | 12 months to<br>31 August 2024<br>£'000 |
|-------------------------------------------------------------------|------|-----------------------------------------|-----------------------------------------|
| <b>Cash flows from operating activities</b>                       |      |                                         |                                         |
| <b>Profit for the period</b>                                      |      | <b>5,368</b>                            | <b>2,608</b>                            |
| Adjustments for:                                                  |      |                                         |                                         |
| Income tax expense/(credit)                                       |      | <b>1,387</b>                            | (104)                                   |
| Net interest charge                                               |      | <b>2,683</b>                            | 3,192                                   |
| Loss on disposal of property, plant and equipment                 | 10   | <b>18</b>                               | 13                                      |
| Loss on disposal of intangible assets                             | 9    | <b>21</b>                               | 75                                      |
| Amortisation of intangibles                                       | 9    | <b>11,912</b>                           | 11,198                                  |
| Impairment of goodwill and acquired intangibles                   |      | -                                       | 5,355                                   |
| Depreciation of property, plant and equipment                     | 10   | <b>2,852</b>                            | 2,887                                   |
| Other non-cash items                                              |      | <b>(369)</b>                            | (625)                                   |
| Share-based payments charge                                       |      | <b>565</b>                              | 158                                     |
| <b>Operating cash flow before movements in working capital</b>    |      | <b>24,437</b>                           | <b>24,757</b>                           |
| Increase in trade and other receivables                           |      | <b>(5,406)</b>                          | (4,909)                                 |
| Decrease in inventories                                           |      | <b>7,338</b>                            | 6,362                                   |
| Decrease in trade and other payables                              |      | <b>(840)</b>                            | (10,367)                                |
| <b>Operating cash flow before interest and tax</b>                |      | <b>25,529</b>                           | <b>15,843</b>                           |
| Net interest paid                                                 |      | <b>(2,420)</b>                          | (2,403)                                 |
| Income tax paid                                                   |      | <b>(1,020)</b>                          | (1,781)                                 |
| <b>Cash flow generated by operations</b>                          |      | <b>22,089</b>                           | <b>11,659</b>                           |
| Net foreign exchange movements                                    |      | <b>298</b>                              | (563)                                   |
| <b>Net cash inflow from operating activities</b>                  |      | <b>22,387</b>                           | <b>11,096</b>                           |
| <b>Cash flows from investing activities</b>                       |      |                                         |                                         |
| Purchases of property, plant and equipment                        | 10   | <b>(1,714)</b>                          | (1,540)                                 |
| Purchases of intangible assets                                    | 9    | <b>(1,201)</b>                          | (3,040)                                 |
| Capitalised R&D costs                                             |      | <b>(11,743)</b>                         | (9,660)                                 |
| Acquisition of subsidiary, net of cash acquired                   | 12   | <b>(402)</b>                            | (2,494)                                 |
| <b>Net cash used in investing activities</b>                      |      | <b>(15,060)</b>                         | <b>(16,734)</b>                         |
| <b>Cash flows from financing activities</b>                       |      |                                         |                                         |
| Proceeds from loans and borrowings                                |      | -                                       | 9,355                                   |
| Repayments of loans and borrowings                                |      | <b>(4,000)</b>                          | (2,750)                                 |
| Payment of right of use liabilities                               |      | <b>(1,964)</b>                          | (1,423)                                 |
| Equity dividends paid                                             |      | <b>(3,867)</b>                          | (3,870)                                 |
| <b>Net cash (utilised in)/generated from financing activities</b> |      | <b>(9,831)</b>                          | <b>1,312</b>                            |
| <b>Net decrease in cash and cash equivalents</b>                  |      | <b>(2,504)</b>                          | <b>(4,326)</b>                          |
| <b>Cash and cash equivalents at beginning of the period</b>       |      | <b>22,040</b>                           | <b>26,787</b>                           |
| Net foreign exchange movement                                     |      | <b>(52)</b>                             | (421)                                   |
| <b>Cash and cash equivalents at end of the period</b>             |      | <b>19,484</b>                           | <b>22,040</b>                           |

## Notes to the Condensed Consolidated Interim Financial Statements

### 1. Basis of preparation and significant accounting policies

Focusrite plc (the 'Company') is a company incorporated in the UK. The condensed consolidated interim financial statements ('interim financial statements') as at and for the 12 months ended 31 August 2025 comprised the Company and its subsidiaries (together referred to as the 'Group').

The Group is a business engaged in the development, manufacture and marketing of professional audio and electronic music products.

#### Statement of compliance

The condensed set of financial statements for the year ended 31 August 2025 are presented in Pounds ('GBP' thousands; £'000). This is the functional currency of the Group.

The condensed set of financial statements has been prepared in accordance with the recognition and measurement requirements of UK-adopted international accounting standards and the AIM rules.

The financial statements of the Group for the 18 month period ending 28 February 2026 will be prepared in accordance with UK-adopted international accounting standards. These condensed set of financial statements has been prepared applying the accounting policies and presentation that were applied in the preparation of the company's published consolidated financial statements for the year ended 31 August 2024 which were prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

AIM listed companies are not required to comply with IAS 34 'Interim Financial Reporting' and accordingly the Company has taken advantage of this exemption. The condensed financial statements do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 August 2024.

These interim financial statements were authorised for issue by the Company's Board of Directors on 4 November 2025.

The comparative figures for the financial year ended 31 August 2024 are the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

#### Change of Reporting Date and One-off Enhanced Disclosures

As previously announced, the Group has changed its financial year end from 31 August to 28 February to better align its reporting timetable with its operational and strategic planning cycle. As a result of this change, the period covered by this interim announcement is the twelve months to 31 August 2025.

Given the length of this reporting period and its comparability to a full financial year, the Group has included certain additional disclosures in these interim financial statements, including expanded notes to the financial statements and enhanced commentary on financial performance and position. These enhanced disclosures are provided on a one-off basis to assist shareholders in understanding the results for this transitional period and should not be regarded as a commitment to provide such additional information in future interim announcements.

## Material accounting policies

### 1.1 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and subsidiaries controlled by the Company drawn up to 31 August 2025.

### 1.2 Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date control ceases.

### 1.3 Going concern

The Board of Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence and meet their liabilities as they fall due for a period of at least 12 months from the date of approval of these interim financial statements ("the going concern period"). Accordingly, the interim statements have been prepared on a going concern basis.

The Group meets its day-to-day working capital requirements from cash balances and a revolving credit facility of £50.0 million which was renewed in September 2023. In September 2024 the revolving credit facility was extended for a further year to a maturity date of September 2028. The availability of the revolving credit facility is subject to continued compliance with certain covenants.

The Directors have prepared projected cash flow forecasts for the period ending 12 months from the date of their approval of these financial statements. These forecasts include a severe but plausible downside scenarios, including the impact of a recession, a reduction in gross margins, loss of a major distributor and an inability to ship from China for a period of time.

The base case covers the period to February 2027 and includes realistic forecast growth. The forecast has been extracted from the Group's forecast and strategic plan for the going concern period. Key assumptions include:

- Future growth assumptions in line with market growth and recent group performance assumptions and planned product introductions
- Continued investments in research and development in all areas of the Group.
- No further acquisitions

Throughout the period the forecast cash flow information indicates that the Group will have sufficient liquidity and comply with the leverage and interest cover covenants contained within the facility.

The Directors have modelled severe but plausible downside scenarios of the risks identified above. This model assumes that purchases of stock would, in time, reduce to reflect reduced sales, if they occurred. The Group would also respond to a revenue shortfall by taking reasonable steps to reduce overheads within its control. In these scenarios, the Group would be expected to remain well within the terms of its loan facility with the leverage covenant (net debt to adjusted EBITDA) in the period not exceeding the maximum of 2.5x.

Separately, as a reverse stress test, the Directors estimate that if the Group were to experience a shortfall in revenue of greater than 25% than the current expectations permanently from the start of the forecast period, leverage could rise towards the upper limits allowed by the banking covenants by November 2026. This scenario includes consequential reductions in the purchases of stock and the level of dividends. However, the Directors' view is that any scenario of a revenue shortfall of greater than the severe yet plausible scenario above is not realistic. In the year just completed the Group's revenue levels are higher than the prior period and should be further bolstered by plans for more product introductions in the next six months.

As at 20 October net debt had increased slightly to £13.4 million from £10.8 million at the 31 August, following payments of corporate tax and seasonal working capital outflows.

Consequently, the Directors are confident that the Group will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### **1.4 Earnings per share**

The Group presents basic and diluted earnings per share ('EPS') data for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. For diluted EPS, the weighted average number of ordinary shares is adjusted for the dilutive effect of potential ordinary shares arising from the exercise of granted share options.

#### **1.5 Accounting estimates and judgements**

In application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by the Directors in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those applied to the Group's financial statements for the year ended 31 August 2024.

#### **1.6 Revenue Recognition**

The core principle of IFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Having identified the customer, the performance obligations and the transaction price, the revenue is recognised when the Group satisfies the performance obligations.

The value of revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of sales taxes and discounts. If a contract includes variable consideration, Focusrite will estimate the amount of consideration to which it will be entitled and present this as a contract liability within Trade and other payables. Variable consideration will take into account discounts, incentives and penalties expected due based on expected value calculated from historic experience and planned future marketing campaigns. We have constrained the revenue recognised to an amount that it is highly probable that a significant reversal will not occur. Due to the fact that the vast majority of sales by Focusrite involve sale of goods, the timing of the revenue recognition is considered in relation to 'Performance obligations satisfied at a point in time' (IFRS 15; 38) considering the following factors:

- 1) The entity has a present right to payment for the asset.
- 2) The customer has legal title to the asset.
- 3) The entity has transferred physical possession of the asset.
- 4) The customer has the significant risks and rewards of ownership of the asset.
- 5) The customer has accepted the asset.

#### **Sale of goods**

The Group has three routes to market for the sale of goods: distributors, resellers and direct to end users. These cover all segments and geographical markets. Revenue from sales to distributors, resellers and direct to end users are recognised in line with the terms defined within the contract of sales, as this will define when control is passed to the customer. This is deemed to be in line with the Incoterms of the shipment, which clarify when the customer has accepted the asset and legal title and therefore risk of ownership has passed. For the majority of shipments this occurs on despatch of goods, but may differ depending on the specific shipment terms agreed with the customer. Payment is also due to the Group in line with agreed credit terms at this point.

## **Sale of software**

Revenue from the download of apps and paid feature upgrades is recognised upon confirmation of the sale from the app store provider. Perpetual licences are recognised in entirety at the point of sale, monthly subscriptions on a recurring basis when the subscription is due.

## **1.7 Foreign currencies**

The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which it operates (its functional currency). Sterling is the predominant functional currency of the Group and presentation currency for the consolidated financial information.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise. Exchange differences on revenue are recognised within revenue. The exception to this is exchange differences on transactions entered into to hedge certain foreign currency risks (see below under cash flow hedges/financial instruments).

For the purpose of presenting consolidated financial information, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognised in the income statement.

## **1.8 Hedge accounting**

The Group has adopted hedge accounting for qualifying transactions. Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Group designates certain derivatives as either hedges of the fair value of recognised assets or liabilities of firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges), or hedges of net investments in foreign operations.

### **Cash flow hedges**

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in the hedging reserve. Any ineffective portion of the hedge is recognised immediately in the income statement.

When the forecast transaction subsequently results in the recognition of a non-financial item, the associated cumulative gain or loss is removed from the hedging reserve and is included in the initial carrying amount of the non-financial asset or liability. For all other hedged forecast transactions, the associated cumulative gain or loss is removed from equity and recognised in the income statement in the same period during which the hedged expected future cash flows affects profit or loss.

When the hedging instrument is sold, expires, is terminated or exercised, or the entity revokes designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

## 1.9 Alternative Performance Measures (APMs) and Adjusting items

The Group has disclosed certain alternative performance measures ('APMs') within these interim results. The APMs presented are used in discussions with the Board, management and investors to aid the understanding of the performance of the Group. The Group considers that the presentation of APMs allows for improved insight to the trading performance of the Group. The Group considers that the term 'Adjusted' together with an adjusting items category, provides a helpful view of the ongoing trading performance of the Group.

Adjusted results will therefore exclude certain significant costs such as amortisation on acquired intangibles, together with some non-recurring costs and benefits and so should not be regarded as a complete picture of the Group's financial performance.

Adjusting items are those items that are unusual because of their size, nature or incidence, and are applied consistently year on year. The Directors consider that these items should be separately identified within their relevant income statement category to enable full understanding of the Group's results. Items included are acquisition costs, earnout payable to employees of acquired businesses, and restructuring costs, together with amortisation or impairment of acquired intangible assets.

The following APMs have been used in these financial results:

- Organic constant currency growth – this is calculated by comparing current period revenue to prior period revenue adjusted for current period exchange rates and the impact of acquisitions, shown within the Financial Review.
- Adjusted EBITDA – comprising earnings (operating profit) adjusted for interest, taxation, depreciation, amortisation, impairments and other adjusting items. This is shown on the face of the income statement.
- Adjusted operating profit – operating profit adjusted for adjusting items. See reconciliation following
- Adjusted earnings per share ('EPS') – earnings per share excluding adjusting items. See reconciliation following
- Free cash flow – net increase/(decrease) in cash and cash equivalents excluding net cash used acquisitions, movements on the bank loan and dividends paid. See reconciliation following
- Underlying free cash flow – as free cash flow but adding back adjusting items. See reconciliation following
- Net debt – comprised of cash and cash equivalents, overdrafts and amounts drawn against the RCF including the costs of arranging the RCF. See reconciliation following

## Reconciliation of Alternative Performance Measures to Statutory Reported Measures

|                                                                            | 12 months to<br>31 August 2025 |                                          |                                     | 12 months to<br>31 August 2024 |                                          |                                     |
|----------------------------------------------------------------------------|--------------------------------|------------------------------------------|-------------------------------------|--------------------------------|------------------------------------------|-------------------------------------|
|                                                                            | Adjusted<br>EBITDA<br>£'000    | Adjusted<br>Operating<br>Profit<br>£'000 | Adjusted<br>Diluted<br>EPS<br>£'000 | Adjusted<br>EBITDA<br>£'000    | Adjusted<br>Operating<br>Profit<br>£'000 | Adjusted<br>Diluted<br>EPS<br>£'000 |
| Reported Operating Profit                                                  | 9,438                          | 9,438                                    |                                     | 5,696                          | 5,696                                    |                                     |
| Reported Profit after tax                                                  |                                |                                          | 5,368                               |                                |                                          | 2,608                               |
| Add back (deduct):                                                         |                                |                                          |                                     |                                |                                          |                                     |
| Underlying depreciation and amortisation                                   | 9,347                          |                                          |                                     | 8,574                          |                                          |                                     |
| Amortisation on acquired intangibles                                       | 5,417                          | 5,417                                    | 5,417                               | 5,510                          | 5,510                                    | 5,510                               |
| Acquisition costs                                                          | -                              | -                                        | -                                   | 98                             | 98                                       | 98                                  |
| Impairment of goodwill and acquired intangibles                            | -                              | -                                        | -                                   | 5,355                          | 5,355                                    | 5,355                               |
| Earnout in relation to acquisition                                         | (60)                           | (60)                                     | (60)                                |                                |                                          |                                     |
| Restructuring                                                              | 542                            | 542                                      | 542                                 | (14)                           | (14)                                     | (14)                                |
| Tax on adjusting items                                                     |                                |                                          | (1,290)                             |                                |                                          | (2,842)                             |
| <b>Adjusted</b>                                                            | <b>24,684</b>                  | <b>15,337</b>                            | <b>9,977</b>                        | <b>25,219</b>                  | <b>16,645</b>                            | <b>10,715</b>                       |
| Weighted average number of total ordinary shares including dilutive impact |                                |                                          | 59,910                              |                                |                                          | 59,400                              |
| Adjusted diluted EPS (p)                                                   |                                |                                          | 16.7                                |                                |                                          | 18.0                                |

|                                                               | 12 months to<br>31 August 2025 |                                        | 12 months to<br>31 August 2024 |                                        |
|---------------------------------------------------------------|--------------------------------|----------------------------------------|--------------------------------|----------------------------------------|
|                                                               | Free<br>cash flow<br>£'000     | Adjusted<br>free<br>cash flow<br>£'000 | Free<br>cash flow<br>£'000     | Adjusted<br>free<br>cash flow<br>£'000 |
| Net decrease in cash and cash equivalents during the year     | (2,504)                        | (2,504)                                | (4,326)                        | (4,326)                                |
| Add back: dividends paid                                      | 3,867                          | 3,867                                  | 3,870                          | 3,870                                  |
| Add back: cash outflow in relation to acquisition of business | -                              | 402                                    | 2,494                          | 2,494                                  |
| Change in bank loan                                           | 4,000                          | 4,000                                  | (6,605)                        | (6,605)                                |
| Add back: adjusting items                                     | -                              | 426                                    | -                              | 84                                     |
| <b>Free cashflow/Adjusted Free cashflow</b>                   | <b>5,363</b>                   | <b>6,191</b>                           | <b>(4,567)</b>                 | <b>(4,483)</b>                         |

|                               | 31 August<br>2025<br>Net debt | 31 August<br>2024<br>Net debt |
|-------------------------------|-------------------------------|-------------------------------|
| <b>Definition of net debt</b> |                               |                               |
| Cash and cash equivalents     | 19,484                        | 22,040                        |
| Bank loan                     | (30,808)                      | (35,101)                      |
| RCF arrangement fee           | 479                           | 536                           |
| <b>Net debt</b>               | <b>(10,845)</b>               | <b>(12,525)</b>               |

## 1.10 Prior year restatement

During the period, an update to IAS 1: Presentation of Financial Statements requires entities to consider the substance of liabilities and their classification as either current or non-current and the conditions applicable to any renewal of the loan. The directors have the right to defer payment of the bank loans for longer than 12 months from the Balance Sheet date and as a result, the bank loans held by the Group have been reclassified as non-current with the change being applied retrospectively. As at 31 August 2024 a total of £34.6m has been reclassified as non-current liabilities from current liabilities.

## 2. Revenue

An analysis of the Group's revenue is as follows:

|                                 | 12 months to 31 August 2025 |               |               |                | 12 months to 31 August 2024    |               |                            |                |
|---------------------------------|-----------------------------|---------------|---------------|----------------|--------------------------------|---------------|----------------------------|----------------|
|                                 | Americas<br>£'000           | EMEA<br>£'000 | APAC<br>£'000 | Total<br>£'000 | Americas <sup>1</sup><br>£'000 | EMEA<br>£'000 | APAC <sup>1</sup><br>£'000 | Total<br>£'000 |
| Focusrite Novation <sup>2</sup> | 40,011                      | 35,498        | 9,648         | 85,157         | 37,808                         | 31,039        | 7,688                      | 76,535         |
| ADAM Audio                      | 8,179                       | 14,089        | 3,313         | 25,581         | 8,959                          | 11,437        | 2,214                      | 22,610         |
| Sequential                      | 4,672                       | 4,675         | 492           | 9,839          | 4,810                          | 4,409         | 486                        | 9,705          |
| Sonnox                          | 793                         | 1,315         | 353           | 2,461          | 722                            | 829           | 417                        | 1,968          |
| Content Creation                | 53,655                      | 55,577        | 13,806        | 123,038        | 52,299                         | 47,714        | 10,805                     | 110,818        |
| Audio Reproduction              | 13,464                      | 18,638        | 13,773        | 45,875         | 13,317                         | 19,414        | 14,975                     | 47,706         |
| <b>Total</b>                    | <b>67,119</b>               | <b>74,215</b> | <b>27,579</b> | <b>168,913</b> | <b>65,616</b>                  | <b>67,128</b> | <b>25,780</b>              | <b>158,524</b> |

<sup>1</sup> Regions restated to reflect revised Group operating model with LATAM now part of Americas and APAC replacing Rest of World

<sup>2</sup> This period Focusrite and Novation brands have been merged into one operating segment within the financial statements following the reorganisation of the relevant R&D teams, resulting in Novation no longer meeting the criteria for separate disclosure as a cash generating unit.

## 3. Operating segments

### Products and services from which reportable segments derive their revenue

Information reported to the Group's Chief Executive Officer (who has been determined to be the Group's Chief Operating Decision Maker) for the purposes of resource allocation and assessment of segment performance is focused on the main product groups which the Group sells. While the results of Novation and Ampify are reported separately to the Board, they meet the aggregation criteria set out in IFRS 8 'Operating Segments'. The Group's reportable segments under IFRS 8 are therefore as follows:

|                    |   |                                                                                                                                                    |
|--------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Focusrite Novation | - | Sales of Focusrite and Focusrite Pro, Novation and Ampify branded products                                                                         |
| ADAM Audio         | - | Sale of ADAM Audio products                                                                                                                        |
| Sequential         | - | Sale of Sequential products.                                                                                                                       |
| Sonnox             | - | Sale of Sonnox software plug ins                                                                                                                   |
| Martin Audio       | - | Sale of Martin Audio, Optimal Audio, Linea Research and Sheriff Technology trading brands TiMax and OutBoard (acquired 19 December 2023) products. |



The revenue and profit generated by each of the Group's operating segments are summarised as follows:

|                                              | 12 months to<br>31 August<br>2025<br>£'000 | 12 months to<br>31 August<br>2024<br>£'000 |
|----------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>Revenue from external customers</b>       |                                            |                                            |
| Focusrite Novation <sup>1</sup>              | 85,157                                     | 76,535                                     |
| ADAM Audio                                   | 25,581                                     | 22,610                                     |
| Sequential                                   | 9,839                                      | 9,705                                      |
| Sonnox                                       | 2,461                                      | 1,968                                      |
| <b>Content Creation</b>                      | <b>123,038</b>                             | <b>110,818</b>                             |
| Audio Reproduction                           | 45,875                                     | 47,706                                     |
| <b>Total revenue from external customers</b> | <b>168,913</b>                             | <b>158,524</b>                             |
| <b>Segment profit</b>                        |                                            |                                            |
| Focusrite Novation                           | 36,663                                     | 30,135                                     |
| ADAM Audio                                   | 12,142                                     | 11,217                                     |
| Sequential                                   | 4,147                                      | 4,044                                      |
| Sonnox                                       | 2,355                                      | 1,899                                      |
| Audio Reproduction                           | 19,774                                     | 23,198                                     |
| Total segment profit                         | 75,081                                     | 70,493                                     |
| Central sales and administrative expenses    | (65,161)                                   | (59,358)                                   |
| Adjusting items                              | (482)                                      | (5,439)                                    |
| Operating profit                             | 9,438                                      | 5,696                                      |
| Finance income                               | 150                                        | 100                                        |
| Finance costs                                | (2,833)                                    | (3,292)                                    |
| Profit before tax                            | 6,755                                      | 2,504                                      |
| Tax                                          | (1,387)                                    | 104                                        |
| Profit after tax                             | 5,368                                      | 2,608                                      |

<sup>1</sup> This period Focusrite and Novation brands have been merged into one operating segment within the financial statements following the reorganisation of the relevant R&D teams, resulting in Novation no longer meeting the criteria for separate disclosure as a cash generating unit.

Segment profit represents the profit earned by each segment without allocation of the share of central administration costs, other income, finance income and finance costs, and income tax expense. This is the measure reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of segment performance.

Central administration costs comprise principally the employment-related costs and other overheads incurred by the Group. Also included within central administration costs is a charge relating to the share option scheme of £565,000 for the 12 month period to 31 August 2025 (12 months to 31 August 2024: charge of £158,000).

#### Segment net assets and other segment information

Management does not make use of segmental data relating to net assets and other balance sheet information for the purposes of monitoring segment performance and allocating resources between segments. Accordingly, other than the analysis of the Group's non-current assets by region shown below, this information is not available for disclosure in the condensed consolidated financial information.

The Group's non-current assets, analysed by region, were as follows:

|                                 | 31 August<br>2025<br>£'000 | 31 August<br>2024 <sup>1</sup><br>£'000 |
|---------------------------------|----------------------------|-----------------------------------------|
| <b>Non-current assets</b>       |                            |                                         |
| Americas <sup>1</sup>           | 17,998                     | 18,003                                  |
| EMEA                            | 75,132                     | 75,949                                  |
| APAC <sup>1</sup>               | 98                         | 70                                      |
| <b>Total non-current assets</b> | <b>93,228</b>              | <b>94,022</b>                           |
| <b>UK</b>                       | <b>61,560</b>              | <b>62,170</b>                           |

<sup>1</sup> Regions restated to reflect updated regional assessment of asset allocation and revised Group operating model with LATAM now part of Americas and APAC replacing Rest of World

#### 4. Staff costs

|                                                    | 12 months to<br>31 August<br>2025<br>£'000 | 12 months to<br>31 August<br>2024<br>£'000 |
|----------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Wages and Salaries                                 | 32,653                                     | 29,791                                     |
| Social Security costs                              | 4,331                                      | 3,960                                      |
| Other pension costs                                | 936                                        | 805                                        |
| Share-based payments                               | 565                                        | 158                                        |
|                                                    | <b>38,485</b>                              | <b>34,714</b>                              |
| Less: amounts capitalised within development costs | <b>(8,485)</b>                             | <b>(7,373)</b>                             |
| <b>Total</b>                                       | <b>30,000</b>                              | <b>27,341</b>                              |

#### 5. Adjusting items

The following adjusting items have been charged/(credited) to the income statement in the period

|                                                            | 12 months to<br>31 August<br>2025<br>£'000 | 12 months to<br>31 August<br>2024<br>£'000 |
|------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>Other adjusting costs</b>                               |                                            |                                            |
| Acquisition and due diligence costs                        | -                                          | 98                                         |
| Earnout in relation to acquisition                         | (60)                                       | -                                          |
| Restructuring                                              | 542                                        | (14)                                       |
| <b>Total other adjusting items for adjusted EBITDA</b>     | <b>482</b>                                 | <b>84</b>                                  |
| Impairment of goodwill and acquired intangibles assets     | -                                          | 5,355                                      |
| Amortisation of acquired intangible assets                 | 5,417                                      | 5,510                                      |
| <b>Total adjusting items for adjusted operating profit</b> | <b>5,899</b>                               | <b>10,949</b>                              |
| Tax on adjusting items                                     | (1,290)                                    | (2,842)                                    |
| <b>Total adjusting items for adjusted profit after tax</b> | <b>4,609</b>                               | <b>8,107</b>                               |

## 6. Taxation

The tax charge for the 12 months to 31 August 2025 is based on the estimated tax rate for the full year in each jurisdiction.

The tax charge for each year can be reconciled to the profit per the Income Statement as follows:

|                                                       | <b>12 months to<br/>31 August<br/>2025<br/>£'000</b> | <b>12 months to<br/>31 August<br/>2024<br/>£'000</b> |
|-------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|
| Profit before tax on continuing operations            | <b>6,755</b>                                         | 2,504                                                |
| Tax at the UK corporation tax rate of 25% (FY24: 25%) | <b>1,689</b>                                         | 626                                                  |
| Effects of                                            |                                                      |                                                      |
| Expenses not deductible for tax purposes              | <b>380</b>                                           | 236                                                  |
| Rate changes                                          | -                                                    | (177)                                                |
| Additional UK tax reliefs                             | <b>(814)</b>                                         | (428)                                                |
| Prior period adjustments                              | <b>(139)</b>                                         | (499)                                                |
| Impact of foreign tax rates                           | <b>271</b>                                           | (62)                                                 |
| Other differences                                     | -                                                    | 200                                                  |
|                                                       | <b>1,387</b>                                         | (104)                                                |

The additional UK tax reliefs principally relate to patent box tax relief.

## 7. Dividends

The following equity dividends have been declared:

|                                                       | <b>12 months to<br/>31 August 2025</b> | <b>12 months to<br/>31 August 2024</b> |
|-------------------------------------------------------|----------------------------------------|----------------------------------------|
| Second interim dividend per qualifying ordinary share | <b>2.1p</b>                            | 6.6p                                   |

During the period, the Company paid a final dividend in respect of the year ended 31 August 2024 of 4.5 pence per share and a first interim dividend relating to the current period of 2.1 pence. The Board has approved a second interim dividend of 2.1 pence per ordinary share on 4 November 2025. This will be payable on 7 January 2026 to ordinary shareholders on the register on 28 November 2025. The ex-dividend date will be 27 November 2025.

## 8. Earnings per share

### Reported EPS

|                                                                                        | 12 months to<br>31 August<br>2025<br>£'000 | 12 months to<br>31 August<br>2024<br>£'000 |
|----------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| The calculation of the basic and diluted EPS is based on the following data:           |                                            |                                            |
| Earnings for the purposes of basic and diluted EPS being net profit for the period     | 5,368                                      | 2,608                                      |
| Adjusting items (see note 5)                                                           | 5,899                                      | 10,949                                     |
| Tax on adjusting items                                                                 | (1,290)                                    | (2,842)                                    |
| Total adjusted profit for adjusted EPS calculation                                     | 9,977                                      | 10,715                                     |
|                                                                                        |                                            |                                            |
|                                                                                        | 12 months to<br>31 August<br>2025          | 12 months to<br>31 August<br>2024          |
| <b>Number of shares</b>                                                                |                                            |                                            |
| Weighted average number of ordinary shares for the purposes of basic EPS calculation   | 58,645                                     | 58,612                                     |
| Effect of dilutive potential ordinary shares:                                          |                                            |                                            |
| Employee and Director share option plans                                               | 1,265                                      | 788                                        |
| Weighted average number of ordinary shares for the purposes of diluted EPS calculation | 59,910                                     | 59,400                                     |
|                                                                                        |                                            |                                            |
| EPS                                                                                    | Pence                                      | Pence                                      |
| Basic EPS                                                                              | 9.2                                        | 4.5                                        |
| Diluted EPS                                                                            | 9.0                                        | 4.4                                        |
| Adjusted basic EPS <sup>1</sup>                                                        | 17.0                                       | 18.3                                       |
| Adjusted diluted EPS <sup>1</sup>                                                      | 16.7                                       | 18.0                                       |

At 31 August 2025, the total number of ordinary shares issued and fully paid was 58,659,589. This included shares held by the Employee Benefit Trust ('EBT') to satisfy options vesting in future years. The operation of this EBT is funded by the Group so the EBT is required to be consolidated, with the result that the weighted average number of ordinary shares for the purpose of the basic EPS calculation is the net of the weighted average number of shares in issue less the weighted average number of shares held by the EBT. It should be noted that the only right relinquished by the Trustees of the EBT is the right to receive dividends. In all other respects, the shares held by the EBT have full voting rights.

The effect of dilutive potential ordinary share issues is calculated in accordance with IAS 33 and arises from the employee share options currently outstanding, adjusted by the profit element as a proportion of the average share price during the period.

## 9. Other intangible assets

|                                                         | Brands        | Acquired technology and patents costs | Internally generated technology and patents costs | Technology and patents under Development | Intellectual property, Licences and Trademarks | Computer software | Total          |
|---------------------------------------------------------|---------------|---------------------------------------|---------------------------------------------------|------------------------------------------|------------------------------------------------|-------------------|----------------|
|                                                         | £'000         | £'000                                 | £'000                                             | £'000                                    | £'000                                          | £'000             | £'000          |
| <b>Cost</b>                                             |               |                                       |                                                   |                                          |                                                |                   |                |
| At 1 September 2023                                     | 25,708        | 35,051                                | 31,531                                            | 8,529                                    | 5,430                                          | 1,565             | 107,814        |
| Additions – acquired separately                         | -             | -                                     | -                                                 | -                                        | 3,037                                          | 3                 | 3,040          |
| Additions - products developed during the period        | -             | -                                     | 1,859                                             | 6,934                                    | -                                              | -                 | 8,793          |
| Additions through business combination                  | -             | 2,242                                 | -                                                 | -                                        | -                                              | -                 | 2,242          |
| Transfer                                                | -             | -                                     | 8,306                                             | (8,306)                                  | -                                              | -                 | -              |
| Disposals                                               | -             | -                                     | (2,446)                                           | -                                        | (55)                                           | -                 | (2,501)        |
| Foreign exchange                                        | (468)         | (135)                                 | (207)                                             | (54)                                     | (11)                                           | -                 | (875)          |
| <b>At 31 August 2024</b>                                | <b>25,240</b> | <b>37,158</b>                         | <b>39,043</b>                                     | <b>7,103</b>                             | <b>8,401</b>                                   | <b>1,568</b>      | <b>118,513</b> |
| <b>Additions – acquired separately</b>                  | <b>-</b>      | <b>-</b>                              | <b>-</b>                                          | <b>-</b>                                 | <b>1,052</b>                                   | <b>149</b>        | <b>1,201</b>   |
| <b>Additions - products developed during the period</b> | <b>-</b>      | <b>-</b>                              | <b>283</b>                                        | <b>10,123</b>                            | <b>124</b>                                     | <b>104</b>        | <b>10,634</b>  |
| <b>Transfer</b>                                         | <b>-</b>      | <b>465</b>                            | <b>3,112</b>                                      | <b>(3,577)</b>                           | <b>-</b>                                       | <b>-</b>          | <b>-</b>       |
| <b>Disposals</b>                                        | <b>-</b>      | <b>-</b>                              | <b>(4,780)</b>                                    | <b>-</b>                                 | <b>(491)</b>                                   | <b>(295)</b>      | <b>(5,566)</b> |
| <b>Foreign exchange</b>                                 | <b>(127)</b>  | <b>(61)</b>                           | <b>(19)</b>                                       | <b>1</b>                                 | <b>13</b>                                      | <b>-</b>          | <b>(193)</b>   |
| <b>At 31 August 2025</b>                                | <b>25,113</b> | <b>37,562</b>                         | <b>37,639</b>                                     | <b>13,650</b>                            | <b>9,099</b>                                   | <b>1,526</b>      | <b>124,589</b> |
| <b>Amortisation</b>                                     |               |                                       |                                                   |                                          |                                                |                   |                |
| At 1 September 2023                                     | 5,598         | 10,797                                | 21,522                                            | -                                        | 2,024                                          | 1,164             | 41,105         |
| Charge for the period                                   | 1,888         | 3,622                                 | 4,988                                             | -                                        | 470                                            | 230               | 11,198         |
| Impairment                                              | 1,303         | 784                                   | 745                                               | -                                        | -                                              | -                 | 2,832          |
| Eliminated on disposal                                  | -             | -                                     | (2,411)                                           | -                                        | (15)                                           | -                 | (2,426)        |
| Foreign exchange                                        | (156)         | (67)                                  | (33)                                              | -                                        | (5)                                            | -                 | (261)          |
| <b>At 31 August 2024</b>                                | <b>8,633</b>  | <b>15,136</b>                         | <b>24,811</b>                                     | <b>-</b>                                 | <b>2,474</b>                                   | <b>1,394</b>      | <b>52,448</b>  |
| <b>Charge for the year</b>                              | <b>1,778</b>  | <b>3,639</b>                          | <b>5,066</b>                                      | <b>-</b>                                 | <b>1,173</b>                                   | <b>256</b>        | <b>11,912</b>  |
| <b>Disposals</b>                                        | <b>-</b>      | <b>-</b>                              | <b>(4,760)</b>                                    | <b>-</b>                                 | <b>(490)</b>                                   | <b>(295)</b>      | <b>(5,545)</b> |
| <b>Foreign Exchange</b>                                 | <b>(98)</b>   | <b>(44)</b>                           | <b>20</b>                                         | <b>-</b>                                 | <b>7</b>                                       | <b>-</b>          | <b>(115)</b>   |
| <b>At 31 August 2025</b>                                | <b>10,313</b> | <b>18,731</b>                         | <b>25,137</b>                                     | <b>-</b>                                 | <b>3,164</b>                                   | <b>1,355</b>      | <b>58,700</b>  |
| <b>Carrying amount</b>                                  |               |                                       |                                                   |                                          |                                                |                   |                |
| <b>At 31 August 2025</b>                                | <b>14,800</b> | <b>18,831</b>                         | <b>12,502</b>                                     | <b>13,650</b>                            | <b>5,935</b>                                   | <b>171</b>        | <b>65,889</b>  |
| <b>At 31 August 2024</b>                                | <b>16,607</b> | <b>22,022</b>                         | <b>14,232</b>                                     | <b>7,103</b>                             | <b>5,927</b>                                   | <b>174</b>        | <b>66,065</b>  |

## 10. Property, plant and equipment

|                               | Land and<br>Buildings | Plant, tooling<br>equipment and<br>machinery | Right –of-<br>use assets | Fixtures,<br>fittings and<br>leasehold<br>improvements | Computer<br>equipment | Customer<br>demonstrat<br>ion units | Total          |
|-------------------------------|-----------------------|----------------------------------------------|--------------------------|--------------------------------------------------------|-----------------------|-------------------------------------|----------------|
|                               | £'000                 | £'000                                        | £'000                    | £'000                                                  | £'000                 | £'000                               | £'000          |
| <b>Cost</b>                   |                       |                                              |                          |                                                        |                       |                                     |                |
| At 1 September 2023           | 1,500                 | 4,763                                        | 11,131                   | 3,794                                                  | 2,227                 | 119                                 | 23,534         |
| Additions                     | -                     | 126                                          | 411                      | 351                                                    | 255                   | 397                                 | 1,540          |
| Disposals                     | -                     | (11)                                         | -                        | (10)                                                   | (8)                   | -                                   | (29)           |
| Foreign exchange              | -                     | (1)                                          | (95)                     | (22)                                                   | (20)                  | -                                   | (138)          |
| <b>At 31 August 2024</b>      | <b>1,500</b>          | <b>4,877</b>                                 | <b>11,447</b>            | <b>4,113</b>                                           | <b>2,454</b>          | <b>516</b>                          | <b>24,907</b>  |
| <b>Additions</b>              | <b>-</b>              | <b>424</b>                                   | <b>582</b>               | <b>323</b>                                             | <b>328</b>            | <b>639</b>                          | <b>2,296</b>   |
| <b>Disposals</b>              | <b>-</b>              | <b>(819)</b>                                 | <b>(147)</b>             | <b>(128)</b>                                           | <b>-</b>              | <b>-</b>                            | <b>(1,094)</b> |
| <b>Foreign exchange</b>       | <b>-</b>              | <b>(1)</b>                                   | <b>20</b>                | <b>13</b>                                              | <b>(18)</b>           | <b>-</b>                            | <b>14</b>      |
| <b>At 31 August 2025</b>      | <b>1,500</b>          | <b>4,481</b>                                 | <b>11,902</b>            | <b>4,321</b>                                           | <b>2,764</b>          | <b>1,155</b>                        | <b>26,123</b>  |
| <b>Amortisation</b>           |                       |                                              |                          |                                                        |                       |                                     |                |
| At 1 September 2023           | 60                    | 3,142                                        | 3,855                    | 1,968                                                  | 1,897                 | 117                                 | 11,039         |
| Charge for the period         | 60                    | 782                                          | 1,023                    | 725                                                    | 297                   | -                                   | 2,887          |
| Eliminated on disposal        | -                     | (5)                                          | -                        | (10)                                                   | (1)                   | -                                   | (16)           |
| Foreign exchange              | -                     | (1)                                          | (55)                     | (25)                                                   | (18)                  | -                                   | (99)           |
| <b>At 31 August 2024</b>      | <b>120</b>            | <b>3,918</b>                                 | <b>4,823</b>             | <b>2,658</b>                                           | <b>2,175</b>          | <b>117</b>                          | <b>13,811</b>  |
| <b>Charge for the year</b>    | <b>60</b>             | <b>812</b>                                   | <b>1,354</b>             | <b>359</b>                                             | <b>267</b>            | <b>-</b>                            | <b>2,852</b>   |
| <b>Eliminated on disposal</b> | <b>-</b>              | <b>(819)</b>                                 | <b>(147)</b>             | <b>(110)</b>                                           | <b>-</b>              | <b>-</b>                            | <b>(1,076)</b> |
| <b>Foreign Exchange</b>       | <b>-</b>              | <b>(1)</b>                                   | <b>13</b>                | <b>17</b>                                              | <b>(12)</b>           | <b>-</b>                            | <b>17</b>      |
| <b>At 31 August 2025</b>      | <b>180</b>            | <b>3,910</b>                                 | <b>6,043</b>             | <b>2,924</b>                                           | <b>2,430</b>          | <b>117</b>                          | <b>15,604</b>  |
| <b>Carrying amount</b>        |                       |                                              |                          |                                                        |                       |                                     |                |
| <b>At 31 August 2025</b>      | <b>1,320</b>          | <b>571</b>                                   | <b>5,859</b>             | <b>1,397</b>                                           | <b>334</b>            | <b>1,038</b>                        | <b>10,519</b>  |
| At 31 August 2024             | 1,380                 | 959                                          | 6,624                    | 1,455                                                  | 279                   | 399                                 | 11,096         |

## 11. Financial instruments

The fair value of the Group's derivative financial instruments is calculated using the quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and an option pricing model for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contract.

IFRS 13 'Fair Value Measurements' requires the Group's derivative financial instruments to be disclosed at fair value and categorised in three levels according to the inputs used in the calculation of their fair value.

Financial instruments carried at fair value should be measured with reference to the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The financial instruments held by the Group that are measured at fair value all related to financial assets/(liabilities) measured using a Level 2 valuation method.

The fair value of financial assets and liabilities held by the Group are:

|                                                                                       | 12 months to 31<br>August 2025<br>£'000 | 12 months to 31<br>August 2024<br>£'000 |
|---------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Financial assets</b>                                                               |                                         |                                         |
| <b><i>Fair value</i></b>                                                              |                                         |                                         |
| Cash and cash equivalents                                                             | 19,484                                  | 22,040                                  |
| Trade receivables                                                                     | 39,446                                  | 33,454                                  |
| <b><i>Designated cash flow hedge relationships</i></b>                                |                                         |                                         |
| Derivative financial assets designated and effective as cash flow hedging instruments | -                                       | -                                       |
|                                                                                       | <b>58,930</b>                           | <b>55,494</b>                           |
| <b>Financial liabilities</b>                                                          |                                         |                                         |
| <b><i>Fair value</i></b>                                                              |                                         |                                         |
| Trade payables                                                                        | 17,720                                  | 18,710                                  |
| Bank loan and arrangement fee                                                         | 30,329                                  | 34,565                                  |
| Amounts payable in relation to staged acquisition payments                            | 1,600                                   | 2,166                                   |
| Lease liabilities                                                                     | 5,658                                   | 6,331                                   |
| <b><i>Designated cash flow hedge relationships</i></b>                                |                                         |                                         |
| Derivative financial assets designated and effective as cash flow hedging instruments | 814                                     | -                                       |
|                                                                                       | <b>56,121</b>                           | <b>61,772</b>                           |

## 12. Acquisition of a subsidiary

There were no acquisitions in the period.

On 19 December 2023, the Group completed the acquisition of 100% of the share capital of Sheriff Technology Limited (Sheriff), which trades principally under the OutBoard and TiMax brands. The total consideration was calculated as £2.8 million, with £2.4 million paid on completion and a forecast discounted amount of £0.5 million included as additional consideration. The final payment of £0.4 million was made in March 2025, resulting in a £0.1m adjustment in the current period. Please refer to note 5 for additional information on the adjusting items relating to the acquisition of Sheriff Technology Limited.