Ebiquity plc

Interim Results for the six months ended 30 June 2021

Strong recovery, building momentum

Ebiquity plc ("Ebiquity" or the "Company"), a world leader in media investment analysis, announces interim results for the six months ended 30 June 2021.

Financial Highlights

Group	2021	2020	Change
	£m	£m	£m
Revenue	32.0	26.8	+5.2m /+20%
Underlying Operating Profit/(Loss) [1]	2.3	(1.4)	+3.7m
Underlying Profit/(Loss) before Tax [1]	2.0	(1.9)	+3.9m
Underlying Earnings/(Loss) per Share [1]	1.4p	(2.7)p	+4.1p
Statutory Operating Loss	(0.9)	(1.2)	+0.3m
Statutory Loss before Tax	(1.1)	(1.7)	+0.6m
Statutory Loss per Share	(2.0)p	(2.6)p	+0.6p

Note 1: Underlying operating profit is defined as the operating profit excluding highlighted items. These include share-based payments, amortisation of purchased intangibles and non-recurring items. Underlying profit before tax and earnings per share are calculated based on the underlying operating profit.

- Revenue increased by £5.2m (20%) as the market recovery continues
- Return to profitability with Underlying Operating Profit of £2.3m (2020: Loss of £1.4m) and Underlying Operating Profit margin of 7%
- Statutory Loss after making accrual of £2.4m towards deferred consideration for Digital Decisions B.V, payable in 2023 (based on its expected performance in 2021 and 2022)
- Underlying cash inflow from operations of £3.4m
- Financial position at 30 June 2021 remains strong: net bank debt of £9.6m, cash balances of £9.3m and undrawn bank facilities of £5.0m

Operational Performance and Highlights

- All regions and business segments improved revenue and profitability in H1 2021, compared to H1 2020
- Significant new business wins including Amazon (US), MengNiu (China), BMW and Ford of Europe (global projects)
- Digital media solutions revenue grew to £1.6m and new Governance and Audience Data Assessment services launched during the period

Outlook

- Progress expected to continue in the second half of the year, although macro-environment remains uncertain
- Digital media solutions continuing to grow their client base and revenue
- Board expects full year underlying operating profit to be slightly above previous expectations

Nick Waters, CEO, commented:

"Ebiquity has made a strong and rapid recovery from the challenges of 2020 with client activity rising and a healthy new business performance. The upturn has been broad based with all regions and Service Lines

improving revenue and profitability. Revenue from digital services is growing in line with expectations and the development of additional product solutions to the portfolio is on track. Two new products have been added and further launches are planned before the end of the year. We expect to continue our progress in the second half of the year although the macro-environment remains uncertain."

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Chief Executive's Review

The first half of the year marks a rapid recovery from the challenges of 2020 and the first six months of implementing Ebiquity's new strategy. Overall, the Group can be satisfied with the pace of our performance improvement and strategic progress.

Group revenue growth has been strong with a 20% increase over prior year with all regions and Service Lines improving both revenue and profitability. This good performance builds on the trends and momentum seen in H2 2020. It reflects new business wins from Q4 of 2020, and during the first half of this year, including the full year effect of those secured following Accenture's market exit. Clients in most sectors have returned to more normalised levels of activity, with the notable exceptions of travel and entertainment, although there are signs of these now also picking up.

Our business performance has been enhanced by buoyant agency selection activity with high levels of media buying work put out for tender following a quiet 2020. With global advertising markets suffering a dislocation during the height of the pandemic, advertisers are now reviewing their agency and technology partners to support their activities in a realigned environment, and to drive improved media price commitments. This has provided good opportunities for Ebiquity which has performed well securing a wide range of global media review mandates from major brand owners including Unilever, Ferrero, BMW, and Daimler, as well as many national advertisers through our network of overseas offices.

The Group has returned to first half year profitability with costs maintained at stable levels and internal costs only increased at the rate of inflation. Staffing numbers were maintained during 2020 to enable the Company to fulfil demand when it returned. This has proved effective as Ebiquity continued to meet client requirements as they re-engaged during the first half.

Revenue from digital media solutions is growing as planned and contributing to profit in line with the higher margin opportunity of productised services. The development of an enhanced portfolio of digital product solutions is on track.

The Group continues to position itself as the global market leader publishing white papers and hosting webinars on "Surviving the Cookie Apocalypse", "A Guide to Advanced TV", and "The Challenge of Attention". These have been well received with attendance of the webinars and downloads of the white papers achieving record levels for the Group and gaining greater engagement through social media channels.

All offices closed at the height of the pandemic have re-opened around the world but changing government guidance and policy by market has meant at various times that staff have continued to work from home, with Sydney for example currently being under lockdown. In line with many companies, Ebiquity has now formally adopted hybrid working practices with a mix of working from home and in the office with a positive reaction from staff.

Progress in Delivery of the Strategy

The Company's objective is to increase revenue and improve margins. We aim to achieve this through the clear positioning and strategy that we set out in our 2020 annual report.

Ebiquity operates as an independent intermediary in the global media advertising market advising brand owners on how to improve media investment decisions in order to improve business outcomes. We have clarified our positioning as a world leader in media investment analysis operating as a deep specialist in the media vertical, and have initiated a strategy:

i) to develop a portfolio of productised digital services solving brand owners' problems of inefficiency, wastage and lack of effectiveness in digital advertising channels. As productised services they will be scalable and repeatable to deliver sustainable revenue streams at enhanced margins

ii) to build on Ebiquity's extensive client base developing higher value strategic clients by cross-selling more products and services, and extending geographical reach

iii) to improve operational efficiency through a simplified management structure, improved processes and use of technology, greater automation, and increased offshoring.

We also aim to strengthen our position and accelerate growth in the North American and Asia Pacific regions, reflecting the importance of these markets for brand owners.

Product

The development of a portfolio of digital product solutions by the Digital Innovation Centre is on track and progressing well. The initial "Sourcing and Monitoring" product is delivering to plan with strong revenue growth and improving margins as it scales. Two new solutions were launched in July 2021.

The "Governance" solution tracks and monitors a range of key principles for digital media management through an automated ingestion and reporting process on an "always on" basis.

The "Audience Data Assessment" solution addresses a critical need for clarity around targeting options when third party cookies are deprecated by Google, and with Apple's removal of identifiers for advertising.

We are also piloting a "Responsible Media Investment" product to help advertisers understand the Environmental, Social and Governance ("ESG") standards of the recipients of their media investments against a range of criteria.

There are further product launches planned for the Autumn and the first quarter of 2022.

Clients

Our focus on building higher value strategic clients is progressing well. A Chief Client Officer was appointed at the end of 2020 and a universe of high value and high potential clients identified. Specific client relationship management attention has been directed at this universe which has contributed to revenue growth ahead of expectations. We continue to invest into this potential by recruiting additional global Client Partners. One was added in the Netherlands in 2020, a second in the USA early in 2021 and a third will join the Group in October based in Paris. This improves our geographic coverage of major international brand owners and strengthens our bench of senior talent.

Operational efficiency

We have made progress improving operational efficiency through a simplified management structure. We have moved away from a "Practice Management" approach of individual vertical P&Ls and implemented horizontal P&L management by geography (country and region) to enhance client relationship management and to facilitate the cross-sell and upsell of services.

We have clarified our service offering which is now provided through five Service Lines:- Media Management, Media Performance, Marketing Effectiveness, Technology Advisory and Contract Compliance.

Strong progress has been made improving automation in the US operation and in FirmDecisions' processes. We have continued to move more work offshore from several countries with project hours served by our Madrid-based Media Operations Centre up 28% versus prior year.

As we seek to accelerate growth of our business in North America and Asia Pacific we have strengthened the management teams in both regions, recruiting new Managing Directors for the US and China. Both started in January and have made an immediate positive impact.

Our US team has won work for a global food and beverage group which now represents one of our largest clients in that market. This builds on the global win of Amazon assignments led out of the USA. In China, we have won significant business from major domestic corporates including Huawei and MengNiu, and new business from international advertisers such as LVMH and Pernod Ricard.

In the second half of this year, Ebiquity will start to offer media services in India, in addition to contract compliance which we launched in that market last year. India is a top 10 global advertising market, with a strong growth trajectory, and is highly complex. It is a challenging market for multinationals to navigate, supporting demand for our services.

Operational metrics - measuring progress

As previously flagged, we are pleased to introduce a set of operational metrics to guide our strategic progress, and now report the baseline figures as at 31 December 2020. We will report progress against these metrics on an annual basis, beginning with the 2021 annual report.

Operational Metric	**Baseline measure in 2020**
No. of clients buying two or more Service Lines	59 clients
No. of clients buying one or more products from the new digital solutions portfolio	10 clients
Volume of digital impressions processed, analysed and reported on the platform	112 billion impressions
Value of digital advertising spend processed, analysed and reported on the platform	US$ 0.46 billion
Proportion of revenue relating to digital media (*for media performance & media management service lines)*	25%

Following the proof of concept in 2020 of the new “Source Data Monitoring” product the Group has developed scalable infrastructure to expand the portfolio of digital product solutions and extend these to more clients. This will accelerate the Group’s transition to a data led, technology enabled, digital first business.

At the half year, the number of clients buying one or more products from the new digital solutions portfolio was ahead of expectations. This is translating to significant growth in the volume of impressions analysed which increases the depth and breadth of our understanding of the digital market, enhancing the robustness of our analysis. As clients see the benefits to their business more brands and geographies are added to our assignments increasing the value of advertising investments under our review, demonstrating the trust and value advertisers see in our products. This in turn will enhance our ability to attract new clients to the service.

Both the volume of impressions analysed and the value of spend reviewed are ahead of our expectations as is the number of countries served with the new solutions. This demonstrates our ability to create value for our clients wherever they advertise, and positions Ebiquity as the preferred partner for major multinational advertisers.

The number of clients buying two or more Service Lines is in line with our plans for the first half of the year, as is the percentage of digital revenues for the Group.

Outlook

We are pleased with the progress made during the first half which capitalised on the improving trends in the marketplace and on the development of our new higher-margin digital solutions. We have built on and extended existing relationships as well as winning significant new business in this and the prior year. In the second half, we expect to see our digital media solutions continuing to grow their client base and revenue. The anticipated strong performance in 2021 and 2022 of the Digital Decisions acquisition is reflected in the provision made in these financial statements for its earn-out consideration. Following the good start to 2021, we expect an underlying full year profit slightly above the Board's previous expectations.

Review of Performance

	Revenue			
	H1 21	H1 20	Variance	
	£m	£m	£m	%
Media	**26.8**	**21.9**	**4.9**	**22%**
Analytics and Tech	**5.2**	**4.9**	**0.3**	**7%**
Total	**32.0**	**26.8**	**5.2**	**20%**

Media

Media revenue increased by 22% from the prior year to £26.8 million, reflecting the market recovery and our new business wins. Within this, the revenue from Media Performance services – which help clients to assess and optimise their media buying performance - increased by 15%. Revenue from Media Management services, and notably agency selection advice, increased by almost 90% reflecting the high level of selection exercises conducted by major advertisers in the period, although this is still a minority element of our overall Media revenue. Revenue from our digital media solutions increased significantly with 18 clients using the core Source Data Monitoring service by the end of the period. Both the growth of agency selection and digital solutions contributed to an increase of 28% in the revenue of our specialist unit focussing on global, multi-market Media projects.

Contract Compliance revenue (branded as FirmDecisions) increased by 31%, facilitated by agencies' re-opening of their offices and restarting the supply of data to its audit teams, which had been constrained during the height of the Covid-19 restrictions.

Geographically, all regions experienced good revenue growth with USA up 58% and Europe up 22%, reflecting recent wins in these territories, especially ex-Accenture clients. APAC revenue increased by 10% overall and UK revenue was static, due in part to activity in hospitality and retail sectors remaining below normal levels due to the pandemic.

Analytics and Tech

Overall revenue from Analytics and Tech increased by 7%. Within this, our Analytics service line, whose advanced analytical techniques help brands to plan and optimise their investment in media, increased revenue by 10% with the key sectors served including telecoms, automotive and retail. The AdTech practice which helps brand owners to manage their digital eco-system, increased revenue by 41% through a combination of new clients (notably Lenovo) and existing clients increasing their activity. Digital Balance, based in Australia, increased revenue by 7%.

Operating Profit Analysis

	Underlying Operating Profit				Underlying Operating Profit Margin	
	H1 21	H1 20	Variance		H1 21	H1 20
	£m	£m	£m	%	%	%
Media	**5.3**	**2.4**	**2.9**	**124%**	**20%**	**11%**
Analytics and Tech	**0.4**	**(0.7)**	**1.1**	**(160%)**	**8%**	**(15%)**
Unallocated costs	**(3.4)**	**(3.0)**	**(0.4)**	**14%**	**-**	**-**
Total	**2.3**	**(1.4)**	**3.7**	**(266%)**	**7%**	**(5%)**

The Media segment achieved an underlying operating margin of 20%, approaching the performance in pre-Covid periods, after falling to 11% in 2020. This reflected the increase in revenue which was delivered while maintaining stable operating costs and staff levels, compared to the prior year. Analytics and Tech returned to profitability after being loss-making in H1 2020 with its margin of 8% exceeding the level achieved in H1 2019.

Unallocated costs, which comprise corporate and support costs, increased by £0.4 million mainly due to negative foreign exchange variances on debtor balances (compared to positive variances in the prior year) and higher executive directors' costs, as the CEO role was vacant in the first half of 2020.

Financial Review

Revenue for the half year ended 30 June 2021 of £32.0 million was £5.2 million higher than the comparable period in 2020.

The underlying operating profit (statutory operating profit excluding highlighted items) of £2.3 million represented an improvement of £3.7 million from the prior year loss of £1.4 million. Project-related costs (which comprise external partner and production costs) increased by 31% to £4.0 million from £3.0 million, due to more projects including markets not served directly by Ebiquity's own offices. However, total operating expenses, including cost of sales and administrative expenses, increased by only 3% to £25.8 million from £25.1 million, as our internal staff resources were kept stable. This contributed to the underlying operating profit uplift and to the profit margin improving to 7% compared to a loss of 5% in the prior year.

There was an underlying profit before tax of £2.0 million compared to a loss of £1.9 million for the six months ended 30 June 2020. Net finance costs were £0.3 million in 2021, a reduction of £0.3 million (49%) compared to the prior year, due to a foreign exchange gain on intercompany loan balances.

The statutory operating loss (after highlighted items) reduced to a loss of £0.9 million, from a loss of £1.2 million in the prior year. This reflected the improved underlying performance, offset by an increase in highlighted items (before tax) of £3.3 million, due mainly to the accrual for the Digital Decisions post-date remuneration. There was a statutory loss before tax of £1.1 million in this period, compared to a loss of £1.7 million in the prior year.

Highlighted items

Highlighted items after tax in the period totalled a charge of £2.9 million (2020: profit of £0.1 million) and include the following:

- £2.4 million charge to accrue for post-date remuneration payable relating to the acquisition of Digital Decisions B.V in January 2020 (June 2020: £0.1 million)
- £0.5 million for purchased intangibles asset amortisation (June 2020: £0.6 million) and £0.2 million charge relating to share options (June 2020: £1.9 million credit)

The contingent consideration relating to Digital Decisions B.V. is being accounted for as post-date remuneration as payment is dependent upon the principal vendor remaining in employment with the Group. This will be payable in 2023 and the amount due will be calculated as six times the average profit generated in the two years ended 31 December 2022 from digital media products developed by the Digital Innovation Centre, less the initial consideration of £700,000 paid in January 2020. The current estimate of the amount payable is £10.2 million which is being accrued on a straight-line basis over the two years to which it relates, less the discount to fair value. This amount will be revised at each half year, based on the latest projections, with any adjustments being treated as a highlighted item. This consideration is payable in a mixture of cash and/or Ebiquity shares which the Company will determine at the time of payment, having regard to its overall capital structure, debt facilities and the vendor's option to request that a certain proportion be paid in cash.

Taxation

The underlying tax charge for the period is £0.5 million compared to £0.2 million in the prior year. This is in line with the increase in underlying profit before tax in the current period. The tax credit included in highlighted items of £0.3 million (2020: charge of £0.1 million) arose due to the deferred tax impact of share options issued in the period and on the reduction in the intangible asset net book value at the period end.

Earnings per share

There was an underlying basic earnings per share of 1.4p compared to a loss per share of 2.7p in the prior period. The diluted earnings/loss per share was the same as the basic figure in both reporting periods. There was a statutory basic loss per share of 2.0p (2020: loss per share of 2.6p).

Dividend

No dividend has been declared for the six months ended 30 June 2021 (2020: £nil).

Equity

During the six months to 30 June 2021, nil shares were issued upon the exercise of employee share options. As a result, the total share capital remained at 82,583,254 ordinary shares (31 December 2020: 82,583,254).

Cash conversion

	Six months ended 30 June 2021	Six months ended 30 June 2020
	£'000	£'000

Reported cash from operations	**2,886**	4,310
Underlying cash from operations	**3,399**	5,439
Underlying operating profit/(loss)	**2,282**	(1,375)

Underlying cash from operations represents the cash flows from operations excluding the impact of highlighted items. The underlying net cash inflow from operations was £3.4 million during 2021 (2020: £5.4 million). The decrease is due to the working capital outflow of £1.3 million compared to an inflow of £4.5 million, partially offset by the reduced loss in the current period.

Cash conversion in the period was 149% demonstrating strong cash management.

Net debt and banking facilities	**As at 30 June 2021**	**As at 30 June 2020**
	£'000	**£'000**
Cash and cash equivalents net of bank overdrafts	9,268	14,519
Bank debt	(19,000)	(19,000)
Prepaid loan arrangement fees	128	143
Bank net debt	(9,604)	(4,339)
US PPP Loan [1]	(724)	(804)
Net debt	(10,328)	(5,143)

[1] This represents a loan received under the US Paycheck Protection Program. Loan forgiveness was applied for in relation to this balance and was granted in August 2021. Therefore, this will be treated as a grant rather than a loan and released to the income statement in H2 2021.

All bank borrowings are held jointly with Barclays and NatWest. The RCF facility agreement totals £24.0 million and has a maturity period of four years, expiring in September 2023 with an option for the Company to extend for one further year. The committed RCF facility at 30 June 2021 totals £24.0 million, of which £19.0 million was drawn (2020: the RCF of £24.0 million, of which £19.0 million was drawn).

During the year, the Group continued to trade within the limits of its banking facilities and associated covenants. Modified covenants were agreed with the lenders with effect from July 2020. These require the Group to maintain minimum liquidity of at least £5.0 million, increasing to £7.0 million from September 2021, at the end of every month during that period. From September 2021 an interest cover covenant will be re-introduced at > 4.0 and an adjusted leverage covenant will be re-introduced, initially at < 4.0, increasing to < 4.25 in December 2021 and again to < 4.5 in March 2022, then reducing to < 3.5 in June 2022. The quarterly covenants previously in force (based on EBITDA multiples: interest cover > 4.0; adjusted leverage < 2.5; and adjusted deferred consideration leverage < 3.0) will apply again from September 2022 onwards.

Statement of financial position and net assets

Debtor days have increased to 68 days from 58 days at 31 December 2020. This is partly due to revenue phasing with high levels of invoicing in May and June 2021 and to the comparative figure having benefited from strong cash receipts in December 2020.

Net current assets at 30 June 2021 totalled £12.2 million. These have decreased by £1.2 million from 31 December 2020 due mainly to a reduction in the cash balance partially offset by reduced tax liabilities.

Net assets at 30 June 2021 are £28.4 million, a decrease of £2.3 million since 31 December 2020.

Events after the reporting period

Subsequent to the period end, on 10 August 2021, confirmation was received that the US Small Business Administration had authorised full forgiveness of £0.7 million (US$1.0 million) for the Paycheck Protection Program (PPP) Loan received in 2020. Therefore, in accordance with IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance,* the PPP loan balance included as a liability in the statement of financial position as at 30 June 2021 will be released and credited to operating expenses in the income statement in the second half of 2021.

Alternative Performance Measures

In these results we refer to ‘underlying’ and ‘statutory’ results, as well as other non-GAAP Alternative Performance Measures.

Alternative Performance Measures (‘APMs’) used by the Group as defined in the Annual Report are:

- Net revenue;
- Like-for-like revenue growth;
- Underlying operating profit;
- Underlying operating margin;
- Underlying profit before tax;
- Underlying effective rate of tax;
- Underlying earnings per share;
- Underlying cash from operations; and
- Underlying operating cash flow conversion.

Net revenue is the result when project-related costs, comprising external production costs, are deducted from revenue.

Underlying results are not intended to replace statutory results but remove the impact of highlighted items in order to provide a better understanding of the underlying performance of the business. The above APMs are consistent with how business performance is measured internally by the Group.

Underlying profit is not recognised under IFRS and may not be comparable with underlying profit measures used by other companies.

Highlighted items comprise non-cash charges and non-recurring items which are highlighted in the consolidated income statement as their separate disclosure is considered by the Directors to be relevant in understanding the underlying performance of the business. The non-cash charges include share option charges and amortisation of purchased intangibles.

The non-recurring items include the costs associated with potential and completed acquisitions and disposals, adjustments to the estimates of contingent consideration on acquired entities, asset impairment charges, management restructuring and other significant one-off items. Costs associated with acquisition identification and early stage discussions with acquisition targets are reported in underlying administrative expenses.

Further detail of highlighted items are set out within the financial statements and the notes to the financial statements.

Consolidated Income Statement
for the six months ended 30 June 2021

		Unaudited 6 months ended 30 June 2021			Unaudited 6 months ended 30 June 2020		
	Note	**Before highlighted items £'000**	**Highlighted items (note 3) £'000**	**Total £'000**	Before highlighted items £'000	Highlighted items (note 3) £'000	Total £'000
Revenue	2	**32,009**	—	**32,009**	26,757	—	26,757
Project-related costs		**(3,963)**	—	**(3,963)**	(3,029)	—	(3,029)
Net revenue		**28,046**	—	**28,046**	23,728	—	23,728
Cost of sales		**(13,047)**	—	**(13,047)**	(12,811)	—	(12,811)
Gross profit		**14,999**	—	**14,999**	10,917	—	10,917
Administrative expenses	3	**(12,717)**	**(3,153)**	**(15,870)**	(12,292)	181	(12,111)
Operating profit/(loss)		**2,282**	**(3,153)**	**(871)**	(1,375)	181	(1,194)
Finance income		**10**	—	**10**	6	—	6
Finance expenses		**(448)**	—	**(448)**	(448)	—	(448)
Foreign exchange		**175**	—	**175**	(81)	—	(81)
Net finance costs		**(263)**	—	**(263)**	(523)	—	(523)
Profit/(loss) before taxation		**2,019**	**(3,153)**	**(1,134)**	(1,898)	181	(1,717)
Taxation (charge)/credit		**(761)**	**283**	**(478)**	(181)	(52)	(233)
Profit/(loss) for the period		**1,258**	**(2,870)**	**(1,612)**	(2,079)	129	(1,950)
Attributable to:							
Equity holders of the parent		**1,180**	**(2,868)**	**(1,688)**	(2,201)	135	(2,066)
Non-controlling interests		**78**	**(2)**	**76**	122	(6)	116
		1,258	**(2,870)**	**(1,612)**	(2,079)	129	(1,950)
Earnings per share – continuing operations							
Basic	4	**1.43p**		**(2.04)p**	(2.73)p		(2.57)p
Diluted	4	**1.41p**		**(2.04)p**	(2.73)p		(2.57)p

Consolidated Statement of Comprehensive Income
for the six months ended 30 June 2021

	Unaudited 6 months ended 30 June 2021 £'000	Unaudited 6 months ended 30 June 2020 £'000
(Loss) for the period	**(1,612)**	(1,950)
Other comprehensive (expense)/income:		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of overseas subsidiaries	**(704)**	1,159
Total other comprehensive (expense)/income for the period	**(704)**	1,159
Total comprehensive expense for the period	**(2,316)**	(791)
Attributable to:		
Equity holders of the parent	**(2,392)**	(907)
Non-controlling interests	**76**	116
	(2,316)	(791)

Consolidated Statement of Financial Position
as at 30 June 2021

	Note	Unaudited as at 30 June 2021 £'000s	Audited as at 31 December 2020 £'000s
Non-current assets			
Goodwill	5	28,220	28,563
Other intangible assets	6	5,505	6,135
Property, plant and equipment		1,676	1,962
Right of use assets		5,197	6,237
Lease receivables		232	280
Deferred tax asset		1,129	1,145
Total non-current assets		**41,959**	**44,322**
Current assets			
Trade and other receivables		25,083	24,318
Lease receivables		140	171
Cash and cash equivalents	7	9,268	11,121
Total current assets		**34,491**	**35,610**
Total assets		**76,450**	**79,932**
Current liabilities			
Trade and other payables		(5,262)	(6,096)
Accruals and contract liabilities		(12,686)	(9,890)
Financial liabilities	8	(492)	(1,912)
Current tax liabilities		(1,074)	(1,703)
Lease liabilities		(2,490)	(2,338)
Deferred tax liability		(250)	(250)
Total current liabilities		(22,254)	(22,189)
Non-current liabilities			
Financial liabilities	8	(19,655)	(19,675)
Provisions		(406)	(412)
Lease liabilities		(4,744)	(5,820)
Deferred tax liability		(990)	(1,090)
Total non-current liabilities		**(25,795)**	**(26,997)**
Total liabilities		**(48,049)**	**(49,186)**
Total net assets		**28,401**	**30,746**
Equity			
Ordinary shares		20,646	20,646
Share premium		255	255
Other reserves		4,757	5,461
Retained earnings		2,318	3,942
Equity attributable to the owners of the parent		**27,976**	**30,304**
Non-controlling interests		425	442
Total equity		**28,401**	**30,746**

Consolidated Statement of Changes in Equity
for the six months ended 30 June 2021

	Ordinary shares £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
31 December 2019 (as reported)	**20,029**	**46**	**4,428**	**12,958**	**37,461**	**1,179**	**38,640**
Impact of restatement at 31 December 2019 [1]	—	—	—	**(748)**	(748)	—	(748)
31 December 2019 (as restated) [1]	**20,029**	**46**	**4,428**	**12,210**	**36,713**	**1,179**	**37,892**
(Loss)/profit for the period	—	—	—	(2,066)	(2,066)	116	(1,950)
Other comprehensive income	—	—	1,159	—	1,159	—	1,159
Total comprehensive income/(expense) for the period	—	—	**1,159**	**(2,066)**	**(907)**	**116**	**(791)**
Shares issued for cash	3	—	—	(3)	—	—	—
Share options credit	—	—	—	(1,609)	(1,609)	—	(1,609)
Acquisition of non-controlling interests	609	209	—	(2,739)	(1,921)	(348)	(2,269)
Dividends paid to shareholders	—	—	—	—	—	(90)	(90)
30 June 2020 (as restated) [1]	**20,641**	**255**	**5,587**	**5,793**	**32,276**	**857**	**33,133**
(Loss)/profit for the period	—	—	—	(1,637)	(1,637)	70	(1,567)
Other comprehensive expense	—	—	(126)	—	(126)	—	(126)
Total comprehensive (expense)/income for the period	—	—	**(126)**	**(1,637)**	**(1,763)**	**70**	**(1,693)**
Shares issued for cash	5	—	—	(5)	—	—	—
Share options charge	—	—	—	(236)	(236)	—	(236)
Acquisition of non-controlling interests	—	—	—	27	27	(431)	(404)
Dividends paid to non-controlling interests	—	—	—	—	—	(54)	(54)
31 December 2020	**20,646**	**255**	**5,461**	**3,942**	**30,304**	**442**	**30,746**
(Loss)/profit for the period	—	—	—	(1,688)	(1,688)	76	(1,612)
Other comprehensive expense	—	—	(704)	—	(704)	—	(704)
Total comprehensive (expense)/income for the period	—	—	**(704)**	**(1,688)**	**(2,392)**	**76**	**(2,316)**
Shares issued for cash	—	—	—	—	—	—	—
Share options charge	—	—	—	64	64	—	64
Acquisition of non-controlling interests	—	—	—	—	—	—	—
Dividends paid to shareholders	—	—	—	—	—	(93)	(93)
30 June 2021	**20,646**	**255**	**4,757**	**2,318**	**27,976**	**425**	**28,401**

1. During 2020 a misstatement was discovered in the balance sheet of FirmDecisions ASJP LLC as at 31 December 2019. The error related to the misstatement of accrued income and revenue balances. In accordance with IAS 8, the financial statements for 2019 have been restated to reflect this adjustment. The impact was a reduction of £600,000 in Group revenue, a reduction of £148,000 in retained earnings brought forward as at 1 January 2019, and a reduction of £748,000 in accrued income as at 31 December 2019.

Consolidated Cash Flow Statement
for the six months ended 30 June 2021

	Note	Unaudited 6 months ended 30 June 2021 £'000s	Unaudited 6 months ended 30 June 2020 £'000s
Cash flows from operating activities			
Cash generated from operations	10	2,886	4,310
Finance expenses paid		(295)	(269)
Finance income received		3	6
Income taxes paid		(1,071)	(1,259)
Net cash from operating activities		**1,523**	**2,788**
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired		—	(597)
Disposal of division		—	18
Payments to acquire non-controlling interests		(1,291)	(155)
Payment of contingent consideration		(123)	—
Purchase of property, plant and equipment		(50)	(76)
Purchase of intangible assets		(579)	(564)
Net cash flow from investing activities		**(2,043)**	**(1,374)**
Cash flows from financing activities			
Proceeds from bank borrowings		—	5,000
Bank loan fees paid		(36)	—
Proceeds from government borrowings		—	803
Repayments of lease liabilities		(897)	(925)
Dilapidation payments		—	(300)
Dividends paid to shareholders		—	—
Dividends paid to non-controlling interests		(92)	(90)
Net cash flow from financing activities		**(1,025)**	**4,488**
Net (decrease)/increase in cash, cash equivalents and bank overdrafts		**(1,545)**	**5,902**
Cash, cash equivalents and bank overdrafts at beginning of period (as at 31 December 2020)		11,121	8,237
Effect of exchange rate changes on cash and cash equivalents		(308)	380
Cash, cash equivalents and bank overdrafts at end of period	7	**9,268**	**14,519**

Notes to the interim financial statements for the six months ended 30 June 2021

1. Accounting policies

Basis of preparation

The condensed consolidated interim financial statements for the six months ended 30 June 2021 have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting'. These interim financial statements should be read in conjunction with the Group's Annual Report and Accounts for the year ended 31 December 2020, which have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 ('IFRS') and the applicable legal requirements of the Companies Act 2006.

The condensed consolidated interim financial statements have been prepared on a going concern basis. The Group meets its day-to-day working capital requirements through its cash reserves and borrowings, described in note 8. As at 30 June 2021, the Group had cash balances of £9,268,000 and undrawn bank facilities available of £5,000,000, and was cash generative and within its banking covenants.

The lenders, Barclays and NatWest Bank, have agreed covenant modifications where required in order to negate the risk of any future covenant breaches.

During the year, the Group continued to trade within the limits of its banking facilities and associated covenants. Modified covenants were agreed with the lenders with effect from July 2020. These require the Group to maintain minimum liquidity of at least £5 million, increasing to £7 million from September 2021, at the end of every month during that period. From September 2021, an interest cover covenant will be re-introduced at > 4.0 and an adjusted leverage covenant will also be re-introduced, initially at < 4.0, increasing to < 4.25 in December 2021 and again to < 4.5 in March 2022, then reducing to < 3.5 in June 2022. The quarterly covenants previously in force (based on EBITDA multiples: interest cover > 4.0; adjusted leverage < 2.5; and adjusted deferred consideration leverage < 3.0) will apply again from September 2022 onwards.

In assessing the going concern status of the Group and Company, the Directors have considered the Group's forecasts and projections, taking account of reasonably possible changes in trading performance and the Group's cash flows, liquidity and bank facilities. Specifically, the Directors have prepared a model to forecast covenant compliance and liquidity to 31 December 2022 that includes a base case and a severe but plausible downside case.

The base case assumes growth in revenue and EBITDA when compared to the outturn of 2020 and assumes that trading will recover to 2019 levels by 31 December 2022. The severe but plausible case assumes a downside adjustment to revenue of 7%, without the offset of any mitigating factors within the control of the Directors. Under both of these cases, there is headroom on covenant compliance and liquidity throughout the going concern period.

The Directors have also considered a scenario that leads to a breach in covenants; a form of reverse stress test. Actual trading in 2021 to date and the proportion of secured revenue at this time, is well ahead of last year and whilst there is inherent uncertainty in trading for Q4 of 2021 and into 2022, revenue in 2022 would need to show a slight contraction on revenue in 2021, without any cost mitigating factors within the control of the Directors, for there to be a breach in covenants. These scenarios are not deemed plausible by the Directors.

1. Accounting policies (continued)

New Accounting Standards issued but not yet applied

The following new standard has been published that is mandatory to the Group's future accounting periods but has not been adopted early in these financial statements:

- Annual Improvements to IFRS Standards 2018-2020 Cycle effective on or after 1 January 2022.

The adoption of the standard noted above is not expected to significantly affect future periods.

2. Segmental reporting

In accordance with IFRS 8 the Group's operating segments are based on the reports reviewed by the Executive Directors that are used to make strategic decisions.

The Group reports its results in two business practices (Media and Analytics & Tech), as this most accurately reflects the way the Group is being managed.

The Executive Directors are the Group's chief operating decision-makers. They assess the performance of the operating segments based on operating profit before highlighted items. This measurement basis excludes the effects of expenditure such as restructuring costs, purchased intangible amortisation and equity-settled share-based payments from the operating segments. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

The segment information provided to the Executive Directors for the reportable segments for the period ended 30 June 2021 is as follows:

Unaudited 6 months ended 30 June 2021

	Media £'000	Analytics & Tech £'000	Reportable Segments £'000	Unallocated £'000	Total £'000
Revenue	26,810	5,199	**32,009**	—	**32,009**
Operating profit/(loss) before highlighted items	5,274	431	**5,705**	(3,423)	**2,282**

Included within operating profit before highlighted items is a credit of £178,000 relating to government assistance measures implemented as a result of the pandemic. These measures have been in place from April 2020 and have run until June 2021. They include job retention schemes, reduced payroll tax liabilities, waivers of payroll tax and cash flow boosts.

2. Segmental reporting (continued)

Unaudited 6 month period ended 30 June 2020

	Media £'000	Analytics & Tech £'000	Reportable Segments £'000	Unallocated £'000	Total £'000
Revenue	21,907	4,850	26,757	—	26,757
Operating profit/(loss) before highlighted items	2,354	(718)	1,636	(3,011)	(1,375)

Included within operating profit before highlighted items is a credit of £495,000 relating to government assistance measures implemented as a result of the pandemic. These measures were in place from April 2020 onwards. The measures include job retention schemes, reduced payroll tax liabilities, waivers of payroll tax and cash flow boosts.

A reconciliation of segment operating profit/(loss) before highlighted items to total (loss) before tax is provided below:

	Unaudited 6 months ended 30 June 2021 £'000	Unaudited 6 months ended 30 June 2020 £'000
Reportable segment operating profit before highlighted items	**5,705**	1,636
Unallocated costs:		
Staff costs	**(2,010)**	(1,752)
Property costs	**(292)**	(669)
Exchange rate movements	**(172)**	198
Other administrative expenses	**(949)**	(788)
Operating profit/(loss) before highlighted items	**2,282**	(1,375)
Highlighted items (note 3)	**(3,153)**	181
Operating (loss)	**(871)**	(1,194)
Net finance costs	**(263)**	(523)
(Loss) before tax	**(1,134)**	(1,717)

3. Highlighted items

Highlighted items comprise items which are highlighted in the income statement because separate disclosure is considered relevant in understanding the underlying performance of the business.

	Unaudited 6 months ended 30 June 2021	Unaudited 6 months ended 30 June 2020
	£'000s	£'000s
Share option charge/(credit)	**164**	(1,651)
Amortisation of purchased intangibles	**549**	556
Post-acquisition remuneration charges contingent on performance	**2,420**	146
Severance and reorganisation costs	**—**	367
Acquisition, integration and strategic costs	**20**	401
Total highlighted items before tax	**3,153**	(181)
Taxation (credit)/charge	**(283)**	52
Total highlighted items after tax	**2,870**	(129)

Share option charges include the non-cash IFRS 2 charge of £64,000 (June 2020: credit of £1,609,000) along with the cash element in relation to the exercising of share options, a charge of £100,000 (June 2020: credit of £42,000). The IFRS 2 credit arose in the prior period predominantly due to the lapse of 4,200,000 options awarded under an Executive Incentive Plan in 2010.

Amortisation of purchased intangibles relates to acquisitions made in prior years of £549,000 (June 2020: £545,000) and in the current period of £nil (June 2020: £11,000).

Severance and reorganisation costs in the prior period of £367,000 relate to restructuring within the UK, US and France businesses.

Post-acquisition remuneration charges contingent on performance of £2,420,000 (June 2020: £146,000) relates to an accrual for post-date remuneration relating to the prior year acquisition of Digital Decisions B.V.

The table below shows the movement in the post-date remuneration accrual in the current period:

	Total '000
At 1 January 2021	—
Charged to the income statement	**2,567**
Discounting credited to the income statement	**(128)**
Foreign exchange released to the income statement	**(20)**
At 30 June 2021	**2,420**

This contingent consideration is payable based on the performance in the two years ended 31 December 2022. This will be calculated as 6 times the average profit generated in those two years from digital media products developed by the Digital Innovation Centre, less the initial consideration of £700,000 paid in January 2020.

3. Highlighted items (continued)

Payment of the deferred contingent consideration is dependent upon the principal vendor remaining in employment with the Group. Therefore, as required under IFRS 3, this payment is to be accounted for as post-date remuneration with the total amount expected to be payable in 2023 being accrued on a straight-line basis over the earn-out period.

The current estimate of the amount expected to be payable in 2023 is £10.2m of which 25% has been accrued as at 30 June 2021. Discounting of £0.1m has been applied and therefore the resulting fair value accrual is £2.4m.

This consideration is payable in a mixture of cash and/or Ebiquity shares, with the mix to be determined by Ebiquity, subject to the vendor's option to request that a certain proportion be paid in cash.

This amount will be revised at each half year, based on the latest projections, with any adjustments being treated as a highlighted item.

The acquisition, integration and strategic costs of £20,000 (June 2020: £401,000) relates to financial restructuring of £12,000 (June 2020: £50,000) and the remaining £8,000 (June 2020: £245,000) was incurred relating to the adjustment to the fair value of contingent consideration in relation to prior year acquisitions to the latest prevailing exchange rates.

Also included in the acquisitions, integration and strategic costs in the prior year was £42,000 in relation to the subleasing arrangement of the Chicago office which was more than offset by the rental income from the subleasing arrangement of £70,000. In addition, £54,000 was incurred in relation to the acquisitions of Digital Decisions B.V. and the Italian minority buyout. The final portion in the prior year related to the movement in the period of the impairment to the right-of-use assets of £80,000 in accordance with IFRS 16.

4. Earnings per share

The calculation of basic and diluted earnings per share is based on the following data:

	Unaudited 6 months ended 30 June 2021 £'000s	Unaudited 6 months ended 30 June 2020 £'000s
Earnings for the purpose of basic earnings per share being net profit attributable to equity holders of the parent	**(1,688)**	(2,066)
Adjustments:		
Impact of highlighted items (net of tax) [1]	**2,868**	135
Earnings for the purpose of underlying earnings per share	**1,180**	(2,201)
Number of shares:		
Weighted average number of shares during the period		
– basic	**82,583,254**	80,565,910
– dilutive effect of share options	**828,817**	573,149
– diluted	**83,412,071**	81,139,059
Basic (loss) per share [2]	**(2.04)p**	(2.57)p
Diluted (loss) per share [3]	**(2.04)p**	(2.57)p
Underlying basic earnings/(loss) per share [4]	**1.43p**	(2.73)p
Underlying diluted earnings/(loss) per share [5]	**1.41p**	(2.73)p

[1] Highlighted items (see note 3), stated net of their total tax and non-controlling interest impact.

[2] Basic earnings per share is calculated by dividing profit attributable to shareholders by the basic average number of shares

[3] Diluted earnings per share is calculated by dividing profit attributable to shareholders by the basic average number of shares and also including the dilutive impact of share options

[4] Underlying basic earnings per share is calculated by dividing underlying profit attributable to shareholders by the basic average number of shares

[5] Underlying diluted earnings per share is calculated by dividing underlying profit attributable to shareholders by the basic average number of shares and also including the dilutive impact of share options

5. Goodwill

	£'000
Cost	
At 1 January 2021	37,751
Foreign exchange differences	(579)
At 30 June 2021	**37,172**
Accumulated impairment	
At 1 January 2021	(9,188)
Foreign exchange differences	236
At 30 June 2021	**(8,952)**
Net book value	
At 30 June 2021	**28,220**
At 31 December 2020	28,563

6. Other intangible assets

	Capitalised development costs £'000s	Computer software £'000s	Purchased intangible assets [1] £'000s	Total intangible assets £'000s
Cost				
At 1 January 2021	4,891	2,542	16,581	24,014
Additions	568	12	—	**580**
Foreign exchange	(50)	(27)	(336)	**(413)**
At 30 June 2021	**5,409**	**2,527**	**16,245**	**24,181**
Amortisation				
At 1 January 2021	(1,745)	(2,147)	(13,987)	(17,879)
Charge for the period [2]	(458)	(109)	(549)	**(1,116)**
Foreign exchange	32	26	261	**319**
At 30 June 2021	**(2,171)**	**(2,230)**	**(14,275)**	**(18,676)**
Net book value				
At 30 June 2021 [3]	3,238	297	1,970	5,505
At 31 December 2020	3,146	395	2,593	6,064

[1] Purchased intangible assets consist principally of customer relationships with a typical useful life of three to 10 years.

[2] Amortisation is charged within administrative expenses so as to write off the cost of the intangible assets over their estimated useful lives. The amortisation of purchased intangible assets is included as a highlighted administrative expense.

[3] Of the net book value of capitalised development costs, £2,267,000 remains in development at 30 June 2021.

7. Cash, cash equivalents and bank overdrafts

Cash, cash equivalents and bank overdrafts include the following for the purposes of the cash flow statement:

	30 June 2021 £'000	31 December 2020 £'000
Cash and cash equivalents	**9,268**	11,121
Bank overdraft (note 8)	**—**	—
Cash, cash equivalents and bank overdrafts	**9,268**	11,121

8. Financial liabilities

	30 June 2021 £'000	31 December 2020 £'000
Current		
Bank overdraft	**—**	—
Loan fees [1]	**(59)**	(45)
Contingent consideration	**551**	1,957
	492	1,912
Non-current		
Bank borrowings	**19,000**	19,000
Government borrowings	**724**	750
Loan fees [1]	**(69)**	(75)
	19,655	19,675
Total financial liabilities	**20,147**	21,587

[1] Loan fees were payable on amending the banking facility and are being recognised in the income statement on a straight-line basis to the maturity date of the facility, this being September 2023.

	Bank borrowings £'000	Government borrowings £'000	Contingent consideration £'000	Total £'000
At 1 January 2021	**18,880**	**750**	**1,960**	**21,590**
Paid	**(36)**	**—**	**(1,414)**	**(1,450)**
Charged to the income statement	**28**	**—**	**41**	**69**
Discounting charged to the income statement	—	—	**45**	**45**
Foreign exchange recognised in the translation reserve	—	**(26)**	—	**(26)**
Foreign exchange released to the income statement	—	—	**(81)**	**(81)**
At 30 June 2021	**18,872**	**724**	**551**	**20,147**

All bank borrowings are held jointly with Barclays and NatWest. The committed facility, totalling £24 million, comprises a revolving credit facility ('RCF') of £23 million (of which £19 million was drawn as at 30 June 2021 (31 December 2020: £19 million)) and £1 million available as an overdraft for working capital purposes. The RCF has a maturity date of 20 September 2023. The drawn RCF and any further drawings under the RCF are repayable on maturity of the facility. The facility may be used for deferred consideration payments on past acquisitions, to fund future potential acquisitions, and for general working capital requirements.

Loan arrangement fees of £128,000 (31 December 2020: £120,000) are offset against the term loan and are being amortised over the period of the loan. £59,000 of loan arrangement fees have been included within creditors due within one year and the balancing £69,000 have been included within creditors due after more than one year.

The facility bears variable interest of LIBOR plus a margin of 2.50%. The margin rate is able to be lowered each quarter end depending on the Group's net debt to EBITDA ratio.

8. Financial liabilities (continued)

The undrawn amount of the revolving credit facility is liable to a fee of 40% of the prevailing margin. The Group may elect to prepay all or part of the outstanding loan subject to a break fee, by giving five business days' notice.

All amounts owing to the bank are guaranteed by way of fixed and floating charges over the current and future assets of the Group. As such, a composite guarantee has been given by all significant subsidiary companies in the UK, US, Germany and Australia.

Government borrowings represent an amount received as a part of the US Paycheck Protection Programme. Loan forgiveness was applied for after the period end and it was subsequently confirmed that this application was successful. Therefore, in the annual results to December 2021 this balance will be treated as a grant rather than a loan and will be released to the income statement.

Contingent consideration represents additional amounts that are expected to be payable for acquisitions made by the Group and is held at fair value at the statement of financial position date. All amounts were fully paid by July 2021.

9. Dividends

No dividend was paid in respect of the year ending 31 December 2020. No dividend is being declared for the six months ended 30 June 2021. Dividends were paid to non-controlling interests as shown in the consolidated statement of changes in equity.

10. Cash generated from operations

	Unaudited 6 months ended 30 June 2021 £'000	Unaudited 6 months ended 30 June 2020 £'000
(Loss) before taxation	**(1,134)**	(1,717)
Adjustments for:		
Depreciation	**1,295**	1,383
Amortisation (note 6)	**1,116**	994
Gain on disposal	**4**	(1)
Impairment of right-of-use assets	**—**	80
Unrealised foreign exchange gain	**343**	(54)
Share option charge/(credit) (note 3)	**64**	(1,609)
Finance income	**(10)**	(6)
Finance expenses	**448**	448
Contingent consideration revaluations	**2,429**	245
	4,555	(237)
(Increase)/decrease in trade and other receivables	**(665)**	4,837
(Decrease) in trade and other payables (including accruals and contract liabilities)	**(1,004)**	(290)
Movement in provisions	**—**	—
Cash generated by operations	**2,886**	4,310

11. Events after the reporting period

Subsequent to the period end, on 10 August 2021, confirmation was received that the Small Business Administration had authorised full forgiveness of $999,707 for our Paycheck Protection Program (PPP) Loan. As a result, the PPP Loan (plus accrued interest) has been converted to a grant and will not be repayable.

The amount of £724,000 ($999,707) included in the statement of financial position as a liability as at 30 June 2021 will therefore be released to the income statement in H2 2021 within salary costs, in accordance with IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*.

INDEPENDENT REVIEW REPORT TO EBIQUITY PLC
Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Ebiquity plc's condensed consolidated interim financial statements (the "interim financial statements") in the interim report of Ebiquity plc for the 6 month period ended 30 June 2021 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the AIM Rules for Companies.

What we have reviewed

The interim financial statements comprise:

- the consolidated statement of financial position as at 30 June 2021;
- the consolidated income statement and consolidated statement of comprehensive income for the period then ended;
- the consolidated cash flow statement for the period then ended;
- the consolidated statement of changes in equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the interim report have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the AIM Rules for Companies.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The interim report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the AIM Rules for Companies which require that the financial information must be presented and prepared in a form consistent with that which will be adopted in the company's annual financial statements.

Our responsibility is to express a conclusion on the interim financial statements in the interim report based on our review. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the AIM Rules for Companies and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What a review of interim financial statements involves

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

PricewaterhouseCoopers LLP
Chartered Accountants
London

23 September 2021