DCD Media Plc

("DCD Media", the "Company" or the "Group")

Unaudited Interim Results for the Six Months Ended 30 June 2019

DCD Media, the independent TV distribution and production group, is pleased to report unaudited interim results for the six months ended 30 June 2019.

Financial highlights

• Revenue	£3,548k (2018: £3,369k)
• Gross profit	£1,043k (2018: £977k)
• Operating profit	£161k (2018: £114k)
• Unadjusted profit before tax	£161k (2018: £111k)
• Adjusted EBITDA	£175k (2018: £129k)
• Adjusted profit before tax	£161k (2018: £111k)
• Cash & cash equivalents	£2,254k (FY2018: £2,276k)
• Adjusted basic earnings per share	6p (2018: 5p)

Operational highlights

- DCD Rights continued to invest heavily in new programming as a consequence of extended funding from its primary funding partner.
- The fifth series of **Penn & Teller: Fool Us in Vegas** was transmitted in H1 2019. The highly successful series is a co-production between 1/17 Productions and September Films for The CW Network in the USA.
- DCD Rights announced the sale of two leading Australian drama series, **The Hunting** and **My Life is Murder** to UK broadcasters Channel 5 and UKTV respectively.
- September Films format and WE Produced **Bridezillas** season 12 sold to ITV network as well as A&E for Africa after successful ratings from the WE TV US premiere.
- DCD Rights renewed its output deal with The Open University to distribute their prestigious factual catalogue of 160 hours of diverse and engaging factual programming.
- DCD Rights signed pre-sales for three market tailored factual series with Discovery UK, which combined with DCD investment against international rights, triggered production for a total of 30 hours for new series **Disasters Engineered**, **My Life is Murder** and **The Lady Killers**.
- DCD Rights acquired the rights to two new series of bestselling Australian factual series **Aussie Gold** seasons 5 & 6 to deliver a further 40 hours of programming over 2020 and 2021.
- Rize's popular children's reality show **Got What It Takes?** finished its fourth season during the first half of the year and it again rated successfully on CBBC, the BBC's children's television strand. The fourth season is due to start in Q4 2019.

David Craven, Executive Chairman, commented:

“DCD Rights continued to acquire high quality TV content across a range of genres in the first half of the year. As the business acquired new titles in the catalogue, sales revenue generated from the increased investment has marginally improved compared to HY18, with gross sales of £3.5m vs £3.4m in the same period last year.

“The business reports an adjusted pre-tax profit of £175k in HY19 compared with £125k in the same period in 2018 and top line revenue of £3.5m (2018: £3.4m). The DCD Rights senior management team has responded well to the challenge to increase the catalogue in quality and depth through additional hours on offer, however, the team have renewed their efforts to source premium content which is marketable in short-order.

“Recent financial performances have been characterised by delays between striking license agreements, delivery of completed production and actually realising the initial sales revenue. This problem can be resolved by acquiring the most marketable titles on offer and by fostering strong long-term relationships with successful independent producers.

“There has been a sustained focus in recent years on the acquisition of quality drama content which has high sales value in its own right. However, it provides the catalogue with strong appeal and context with major buyers which opens a dialogue for sales on the library as a whole. We believe this is the appropriate strategy for a business of this size and allows the sales team to engage with buyers on a wider spectrum of genres.

“The business continues to excel in factual programming as DCD Rights was delighted to report it had renewed its output deal with the BBC’s Open University to distribute the prestigious factual catalogue of 160 hours of diverse and engaging factual programming.

“As previously reported a sizeable portion of the DCD Rights income is earned in US Dollars and while last year exchange rate movements were not favourable for the Company, the strengthening of the USD relative to the GBP has marginally improved the net financial performance in the period.

“The Board remains confident in the rights and licencing business. The DCD Rights sales team continues with very positive engagement in the sales market and looks forward to a vibrant and successful MIPCOM in October which is the global market for entertainment content across all platforms.

“The Board is confident also that the catalogue remains attractive to its network of buyers in the mid-term, particularly with the strength of new exciting titles which have been added during the period.

“As the business continues to acquire quality content, the Board remains focused on evaluating additional third-party funding sources to help leverage more licensed content and further increase the hours of TV content on offer to buyers.”

The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014.

For further information please contact:

Lucy Pryke
Investor Relations/ Media Relations
DCD Media plc

Tel: +44 (0)20 3869 0190
ir@dcdmedia.co.uk

Stuart Andrews, Carl Holmes and Giles Rolls
finnCap
Tel: +44 (0)20 7220 0500

Executive Chairman’s Statement

This announcement presents the unaudited interim results for the Group for the six months ended 30 June 2019.

The DCD Rights team have continued to acquire high quality content to augment the growing library under license with the increased funding facility which was made available in prior periods. The Board is therefore confident that the underlying business remains strong in 2019 and the catalogue remains commercially attractive to buyers in the global TV rights markets.

The funding partnership with Back Catalogue Distribution independent programming fund has continued its commitment to DCD Rights by driving more programming through the production to licensing cycle. The Back Catalogue Distribution board has also continued to support investment in co-production arrangements which fosters longer-term relationships with independent producers.

The London based DCD Rights team led by our veteran rights CEO Nicky Davies Williams continue to perform well as they seek to acquire the best available content in the market at competitive rates. Engagement with the buying networks has never been stronger, and as reported in previous periods, the shift towards on-demand content aggregation further widens the scope for available buyers on a global scale.

We are pleased to report a number of notable content achievements in the first half of the year.

As in previous years, DCD Media’s proprietary formats continue to perform well. The long-running **Bridezillas** franchise continued to remain appealing to global audiences. September films format and WE Produced Bridezillas season 12 sold to ITV network as well as A&E for Africa after successful ratings from the WE TV US premiere.

Elsewhere in the business, the team announced the sale of two leading and highly rated Australian drama series **The Hunting** and **My Life is Murder** to UK broadcasters Channel 5 and UKTV respectively. The sales team signed pre-sales for three new factual series with Discovery UK which combined with DCD investment against international rights triggered production for a total of 30 hours of production for new series including, **The Lady Killers**.

Also notable in the period was the acquisition of the rights to two new series of best-selling Australian factual series **Aussie Gold** seasons 5 and 6 to deliver a further 40 hours of programming over 2020 and 2021.

We are particularly pleased to have renewed the Company’s output deal with The Open University to distribute the renowned factual catalogue of 160 hours of diverse and engaging factual programming. The output deal includes new programming such as **Hannah Fry’s Mysterious World of Maths** as well as a broad range of history and science programming such as **Empire of the Tsars**: **Romanov Russia** with Lucy Worsley and **The Beginning and End of the Universe** with Jim Al-Khalili.

Earlier in the spring, MIP TV featured the launch of a new factual slate of programming including **Secret Nazi Bases** which was bought by multiple networks including SBS Australia, Planete France, A&E Africa, Prima Czech, Emirates Cable, A&E Networks, Eastern Europe, True Visions Thailand, Discovery Spain and Proseiben Germany.

English historian, Bettany Hughes’ **The Nile:5000 Years of History** sold to SBS Australia, Viasat Scandinavia, TV Ontario, Knowledge Network Canada and Acorn TV USA. Also launched was a new series of Tern TV Productions highly popular **Art Detective** with season 4 selling to Foxtel Australia, Acorn TV USA and Sky Television NZ. In North America the Ovation Channel USA acquired a package of multiple factual titles including new seasons of **World’s Greatest Songwriters**, **The Greenhouse Effect**, **Eat Grow Love** and music series **Berlin Live**.

As we look forward to MIPCOM this autumn, we believe sales revenue is likely to improve against last year but with our low-cost structure, the business is expected to deliver growth on 2018’s performance as a result of the efforts of the DCD Rights team to exploit the strong investment in the library in recent periods.

The Board would like to thank its staff for their continued support and wish everyone well for the remainder of 2019.

1. Profit and Loss Review

Revenues for the six months to 30 June 2019 were £3,548k (2018: £3,369k). Revenues across the business remain steady with a small increase of £179k seen against the same period in 2018.

We continue to benefit from funding support from our existing external finance provider and our major shareholder, Timeweave. The funding support both funders have provided allows us to be competitive in the tender process for new titles and content, while we add to our burgeoning catalogue.

Adjusted profit before tax was £161k (2018: £111k), resulting in an adjusted gain per share for the period of 6p (2018: 5p). The Group's statutory profit after tax was £161k (2018: £80k).

Adjusted profit or loss before tax (PBT) is the measure used by the Group to indicate operating performance and aims to reflect normalised trading before exceptional, restructuring items and non-cash impairment charges, but after net finance costs. The change in PBT is largely down to decreased sales due to timing of DCD Rights income and contract completion.

A reconciliation of the Group's operating profit to Adjusted Profit before Tax and Earnings before Interest Tax Depreciation and Amortisation (EBITDA) is shown below:

	Unaudited 6 months ended 30 June 2019 £'000	**Unaudited 6 months ended 30 June 2018 £'000**
Operating profit per accounts	**161**	**114**
Add: Net amortisation and capitalisation of programme rights	-	-
Add: Impairment of programme rights	-	-
Add: Amortisation of trade names	-	-
Add: Depreciation	14	15
EBITDA	**175**	**129**
Add: Restructuring income	-	-
Adjusted EBITDA	**175**	**129**
Less: Net financial expense	-	(3)
Less: Depreciation	(14)	(15)
Adjusted PBT	**161**	**111**

2. Balance Sheet Review

Intangible assets as at 30 June 2019 stood at £1,017k (2018: £1,017k). There has been no movement in the balance since 2017 with carrying values fully justified through future cashflows of the businesses.

Trade and other receivables and trade and other payables at £8,049k (2018: £10,275k) and £8,499k (2018: £10,288k) respectively. Debtors are down 22% on the previous year while creditors are down 17% accordingly.

Cash on hand at the period end stood at £2,254k (FY2018: £2,276k). The majority of the Group's cash balances represent working capital commitment in relation to programme making and cash held in DCD Rights' client accounts and therefore is not all considered to be free cash.

Bank overdrafts are secured by a fixed charge over the Group's intangible programme rights and a floating charge over the remaining assets of the Group. The bank overdraft facility of £150k has been extended to the 30 November 2019 and is repayable on demand. The Directors expect an overdraft facility to be available to the Group for the foreseeable future.

The total convertible loan debt at 30 June 2019 stood at £Nil (2018: £77k) including accrued interest. The balance as at 31 December 2018 was £Nil. As mentioned in the 2018 financial statements, released in May 2019, the convertible loan debt was settled in the 2018 year with no balance remaining as at the end of the year.

At the end of 2016, the Group had accrued £0.9m of recharges including VAT for director, management and financial services from Timeweave Ltd ("Timeweave"), its major shareholder. In 2018, the Group was recharged £108k which was repaid in the year. There has been no recharge from Timeweave in the 2019 year. As at 30 June 2019 the balance payable to Timeweave is £299k. The Group aims to repay management charges as they fall due going forward while aiming to repay the remaining outstanding balance as and when this is possible.

During the period to 30 June 2019, the Group was recharged £13k (FY 2018: £17k) for director and managerial services from Ultimate Finance Group Ltd, a company under common ownership.

The amounts recoverable from HMRC in relation to VAT and social security stood at £36k (2018: £32k).

There is a tax charge of £Nil (2018: £32k) recognised in the period as there are sufficient tax losses in the companies to cover the profit made in the period. No deferred tax asset has been recognised in relation to these losses.

Called up share capital has not changed, being £12.3m at 30 June 2018, 31 December 2018 and 30 June 2019.

No interim dividend is proposed for the period. Adjusted earnings per share are disclosed in note 3 to the interim financial statements.

3. Substantial shareholdings

As at 27 September 2019, the following notifications had been made by holders of beneficial interests in 3% or more of the Company's issued ordinary share capital as follows:

	No. of £1 ordinary shares	%
Timeweave Ltd	1,818,377	71.55

4. Review of operational activities

The Group consists of two key divisions: rights and licensing, and production.

Rights and Licensing

DCD Rights kicked the year off at NATPE, the North and South American TV market, and announced a major deal with Britbox USA who acquired all 27 series of **Taggart**, the classic STV produced detective drama. The total 110 episodes will be available on the USA service this year.

An Accidental Studio, the documentary feature, premiered at the Curzon Cinema Mayfair attended by Michael Palin and Terry Gilliam followed by its TV Premiere on AMC's UK Network. The DCD Rights distributed film was made by Bill & Ben Productions / Propellor Films for AMC Networks International and DCD Rights.

In March, DCD Rights confirmed the renewal of the output deal with The Open University to distribute their prestigious catalogue of factual programming. The output includes new programming such as **Hannah Fry's Mysterious World of Maths** as well as a broad range of history and science programming such as **Empire of the Tsars: Romanov Russia** with Lucy Worsley and **The Beginning and End of the Universe** with Jim Al-Khalili.

Real Detective: North of the Border won the prestigious Canadian Screen Award for *Best Factual Series* as well as *Best Picture Editing in a Factual Series*. The Open University produced **The Joy of Winning** with Hannah Fry won *Best International Film* at the Czech Republic's AFO Science Programming awards.

MIP TV in April featured the launch of a new factual slate of programming including **Secret Nazi Bases** which was bought by multiple networks including SBS Australia, Planete France, A&E Africa, Prima Czech, Emirates Cable, A&E Networks, Eastern Europe, True Visions Thailand, Discovery Spain and Proseiben Germany. Bettany Hughes' **The Nile: 5000 Years of History** sold to SBS Australia, Viasat Scandinavia, TV Ontario, Knowledge Network Canada and Acorn TV USA. Also launched was a new series of Tern TV Productions' popular **Art Detective** with new season 4 selling to Foxtel Australia, Acorn TV USA and Sky Television NZ. The Ovation Channel USA acquired a package of multiple factual titles including new seasons of **World's Greatest Songwriters**, **The Greenhouse Effect**, **Eat Grow Love** and music series **Berlin Live**.

DCD's growing drama catalogue featured key sales in the UK for the new dramas launched in Cannes, namely, **The Hunting** starring Asher Keddie and Richard Roxburgh sold to Channel 5, and **My Life is Murder** starring Lucy Lawless sold to UK TV's popular crime drama network, Alibi.

Overall, the consolidation of the marketplace and major channel groups that continued throughout last year has started to stabilize, creating a growth in demand for channel and market tailored programming, but increasingly in a co-production/pre-sale model, rather than full commissions. DCD has increasingly grown closer producer partnerships by utilising our investment funds toward managing co-production and pre-sales in partnership with channels and producers alike, allowing DCD Rights to part underwrite production as well as gain valuable rights for international sales. During the first half of the year major pre-sales were signed for 3 new series using this model, **Disasters Engineered**, a 10 part series for Discovery UK, **Ten Steps to Murder** and **The Ladykillers**, both 10 x 60' for Discovery UK.

Production

DCD Media's production subsidiary September Films (in a co-production with 1/17 Productions) transmitted the fifth series of **Penn & Teller: Fool Us in Vegas** in H1 2019 for The CW Network in the USA. Furthermore, Rize USA's hugely popular talent show for teenagers **Got What It Takes?** is due to air in H2 2019 for its fifth series. The Group continues to focus on its key production franchises that includes these titles.

5. Change in accounting reference date

The Board have considered and approved a change in the accounting reference date. The reason for the change is to manage deal flow given the lack of availability for many contracting parties around Christmas and New Year - the end of the current fiscal year. This change will allow management to focus on obtaining the best possible deals rather than being concerned with the logistics of closing deals during the holiday season which is the case currently. As such the Group plans to move to a 31 March year end with the current period of account running from 1 January 2019 to 31 March 2020, being a 15-month period.

6. Outlook

The Board of DCD Media is confident that while the business has contracted in the last 18 months, the market back-drop for the Company remains favourable. The expansion of the market has been driven by the digital revolution with new and existing video-on-demand operators forcing traditional players to raise their game. As multi-platform consumption continues to drive global demand for quality original content, DCD Media is well positioned with a fresh catalogue of high-quality programming.

The support from its funding partners in the last few years has enabled DCD to buy with confidence in what is a more competitive acquisitions market, such that the team feels it now has the strongest content offer it has had in the last five years.

We expect revenues for the 12 months to December 2019 to surpass the prior year and to return the Group to profit. This is driven by a good order book and from continued support from external funding providers.

In the short-term, as the team prepares to market key new content offerings in the third-party licensed library at MIPCOM in October 2019, we are confident that we will deliver a positive financial outcome in the current period. Beyond that, it is imperative the DCD Rights team works with additional funders to deliver a scaled product in the marketplace given the abundant opportunities in this expanding market.

David Craven
Executive Chairman
30 September 2019

Consolidated income statement (unaudited) for the 6 months ended 30 June 2019

	Note	**Unaudited 6 months to 30 June 2019 £'000**	Unaudited 6 months to 30 June 2018 £'000	Audited Year to 31 December 2018 £'000
Revenue		**3,548**	**3,369**	7,051
Cost of sales		**(2,505)**	**(2,392)**	(5,392)
Impairment of programme rights		**-**	**-**	(19)
Gross profit		**1,043**	**977**	1,640
Administration expenses		**(882)**	**(920)**	(1,715)
Other income		**-**	**22**	-
Operating profit		**161**	**79**	(75)
Finance income/(costs)		**-**	**(3)**	17
Profit before taxation		**161**	**76**	(58)
Taxation - current	2	**-**	**(32)**	(13)
Profit for the period from continuing operations		**161**	**44**	(71)
Profit / (loss) on discontinued operations net of tax		**-**	**35**	35
Profit for the period		**161**	**79**	(36)
Profit attributable to:				
Owners of the parent		**161**	**79**	(36)
		161	**79**	(36)
Earnings per share attributable to the equity holders of the Company during the period (expressed as pence per share)				
Basic profit per share from continuing operations		**6p**	2p	(2p)
Basic earnings per share from discontinued operations		**-**	1p	1p
Total basic profit per share		**6p**	3p	**(1p)**
Diluted profit per share from continuing operations		6p	2p	(2p)
Diluted earnings per share from discontinued operations		-	1p	1p
Total diluted profit per share		**6p**	3p	**(1p)**

Consolidated statement of comprehensive income (unaudited) for the 6 months to 30 June 2019

	Unaudited 6 months to 30 June 2019 £'000	Unaudited 6 months to 30 June 2018 £'000	Audited Year to 31 December 2018 £'000
Profit/(loss)	**161**	79	(36)
Total comprehensive income	**161**	79	(36)
Total comprehensive expenses attributable to:			
Owners of the parent	**161**	79	(36)
	161	79	(36)

Consolidated statement of financial position (unaudited) at 30 June 2019

	Unaudited 30 June 2019 £'000	Unaudited 30 June 2018 £'000	Audited 31 December 2018 £'000
Assets			
Non-current			
Goodwill	**1,017**	**1,017**	1,017
Other intangible assets	**-**	**19**	-
Property, plant and equipment	**32**	**42**	27
Trade and other receivables	**167**	**78**	279
	1,216	**1,156**	1,323
Current assets			
Trade and other receivables	**8,049**	**10,190**	9,071
Taxation and social security	**-**	**85**	-
Cash and cash equivalents	**2,254**	**1,908**	2,276
	10,303	**12,183**	11,347
Liabilities			
Current liabilities			
Unsecured convertible loan	**-**	**(76)**	-
Trade and other payables	**(8,463)**	**(10,256)**	(9,769)
Taxation and social security	**(36)**	**(32)**	(42)
	(8,499)	**(10,364)**	(9,811)
Net assets	**3,020**	**2,975**	2,859
Equity			
Called up share capital	**12,272**	**12,272**	12,272
Share premium account	**51,215**	**51,215**	51,215
Equity element of convertible loan	**-**	**1**	-
Own shares held	**(37)**	**(37)**	(37)
Retained earnings	**(60,430)**	**(60,476)**	(60,591)
Equity attributable to owners of the parent	**3,020**	**2,975**	2,859
Total equity	**3,020**	**2,975**	2,859

Consolidated statement of cash flows (unaudited) for the 6 months ended 30 June 2019

Cash flow from operating activities including discontinued operations	**Unaudited 6 months ended 30 June 2019 £'000**	Unaudited 6 months ended 30 June 2018 £'000	Audited Year ended 31 December 2018 £'000
Net profit/(loss) before taxation	**161**	**111**	(23)
Adjustments for:			
Depreciation of tangible assets	**14**	**15**	29
Amortisation and impairment of intangible assets	**-**	**-**	19
Net bank and other interest charges/(income)	**-**	**3**	(17)
Net cash flows before changes in working capital	**175**	**128**	(6)
Decrease/(increase) in trade and other receivables	**1,134**	**646**	1,650
(Decrease)/increase in trade and other payables	**(1,312)**	**(165)**	(651)
Cash from continuing operations	**(3)**	**609**	993
Cash flow from discontinued operations			
Net profit/(loss) before taxation	**-**	**35**	35
Adjustments for:			
(Profit)/loss on discontinued operations	**-**	**(35)**	(35)
Net cash flows before changes in working capital	**-**	**-**	-
Interest paid	**-**	**(3)**	-
Net cash flows from operating activities	**(3)**	**606**	993
Investing activities			
Purchase of property, plant and equipment	**(19)**	**(21)**	(21)
Net cash flows used in investing activities	**(19)**	**(21)**	(21)
Financing activities			
Settlement of convertible loans	**-**	**-**	(19)
Net cash flows from financing activities	**-**	**-**	(19)
Net increase/(decrease) in cash	**(22)**	**585**	953
Cash and cash equivalents at beginning of period	**2,276**	**1,323**	1,323
Cash and cash equivalents at end of period	**2,254**	**1,908**	2,276

Statement of changes in equity (unaudited)

	Share capital	Share premium	Equity element of convertible loan	Translation reserve	Own Shares Held	Retained earnings	Equity attributable to owners of the parent	Amounts attributable to non-controlling interest	Total equity
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Balance at 30 June 2017	**12,272**	**51,215**	**1**	**-**	**(37)**	**(60,649)**	**2,802**	**-**	**2,802**
Profit and total comprehensive income for the period	-	-	-	-	-	94	**94**	-	94
Balance at 31 December 2017	**12,272**	**51,215**	**1**	**-**	**(37)**	**(60,555)**	**2,896**	**-**	**2,896**
Profit and total comprehensive income for the year	-	-	-	-	-	79	**79**	-	**79**
Balance at 30 June 2018	**12,272**	**51,215**	**1**	**-**	**(37)**	**(60,476)**	**2,975**	**-**	**2,975**
Loss and total comprehensive income for the period	-	-	(1)	-	-	(115)	**(116)**	-	**(116)**
Balance at 31 December 2018	**12,272**	**51,215**	**-**	**-**	**(37)**	**(60,591)**	**2,859**	**-**	**2,859**
Profit and total comprehensive income for the period	-	-	-	-	-	161	**161**	-	**161**
Balance at 30 June 2019	**12,272**	**51,215**	**-**	**-**	**-**	**(60,430)**	**3,020**	**-**	**3,020**

Notes to the interim financial statements (unaudited)

Nature of operations and general information

During the period, the principal activity of DCD Media Plc and subsidiaries (the Group) was the worldwide distribution of programmes for television and other media; the Group also distributes programmes on behalf of other independent producers.

DCD Media Plc is the Group's ultimate parent company, and it is incorporated and registered in England and Wales. The address of DCD Media Plc's registered office is 9th Floor, Winchester House, 259 - 269 Old Marylebone Road, London, NW1 5RA, and its principal place of business is London. DCD Media Plc's shares are listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

DCD Media Plc's condensed consolidated interim financial statements are presented in Pounds Sterling (£), which is also the functional currency of the parent company.

These condensed consolidated interim financial statements have been approved for issue by the Board of Directors on 30 September 2019.

The Board have considered and approved a change in the accounting reference date. The reason for the change is to manage deal flow given the lack of availability for many contracting parties around Christmas and New Year - the end of the current fiscal year. This change will allow management to focus on obtaining the best possible deals rather than being concerned with the logistics of closing deals during the holiday season which is the case currently. As such the Group plans to move to a 31 March year end with the current period of account running from 1 January 2019 to 31 March 2020, being a 15-month period.

The financial information in the half yearly report has been prepared using the recognition and measurement principles of International Accounting Standards, International Financial Reporting Standards and Interpretations adopted for use in the European Union (collectively Adopted IFRSs). The principal accounting policies used in preparing the half yearly report are those the Group expects to apply in its financial statements for the period ending 31 March 2020 and are unchanged from those disclosed in the Group's Directors' Report and consolidated financial statements for the year ended 31 December 2018. This interim report has neither been audited nor reviewed pursuant to guidance issued by the Audit Practice Board.

The financial information for the six months ended 30 June 2019 and the six months ended 30 June 2018 is unaudited and does not constitute the Group's statutory financial statements for those periods. The comparative financial information for the full year ended 31 December 2018 has, however, been derived from the audited statutory financial statements for that period. A copy of those statutory financial statements has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified.

While the financial figures included in this half-yearly report have been computed in accordance with IFRSs applicable to interim periods, this half-yearly report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34.

1. Basis of preparation

These interim condensed consolidated financial statements (the Interim Financial Statements) are for the six months ended 30 June 2019. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2018.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements and remain unchanged form those set out in the previous audited consolidated financial statements.

Basis of preparation – Going Concern

In considering the going concern basis of preparation of the Group's financial statements, the Board have prepared profit and cash flow projections which incorporate reasonably foreseeable impacts of the ongoing challenging market environment.

The Directors' forecasts and projections, which make allowance for reasonably possible changes in its trading performance, show that, with the ongoing support of its lenders and its bank, the Group can continue to generate cash to meet its obligations as they fall due.

The Directors, after making enquiries, have a reasonable expectation that the Company and the Group will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Notes to the interim financial statements (unaudited)

The financial statements do not include the adjustments that would result if the Group or Company were unable to continue as a going concern.

2. Tax

There is a tax charge of £Nil (2017: £32k) recognised in the period. No deferred tax asset has been recognised in relation to brought forward losses within group companies.

3. Profit per share

The calculation of the basic profit per share is based on the profit attributable to ordinary shareholders divided by the average number of shares in issue during the period.

	6 months to 30 June 2019 £'000	6 months to 30 June 2018 £'000
Profit attributable to ordinary shareholders:		
Basic	**161**	**79**
Adjusted basic profit	**161**	**111**
	No.	**No.**
Weighted average number of shares in issue:		
Basic	**2,541,419**	**2,541,419**
Profit per share (pence):		
Basic	**6**	**3**
Adjusted basic	**6**	**5**

4. Dividends

The Directors do not propose to recommend the payment of a dividend.

5. Publication of non-statutory accounts

Copies of the Interim Financial Statements are available from the registered office of DCD Media Plc or from the website – www.dcdmedia.co.uk. The address of the registered office is: 9th Floor, Winchester House, 259-269 Old Marylebone Road, London, NW1 5RA.