DCD Media Plc

(“DCD Media”, the “Company” or the “Group”)

Unaudited Interim Results for the Six Months Ended 30 September 2020

DCD Media, the independent TV distribution and production group, is pleased to report unaudited interim results for the six months ended 30 September 2020.

Financial highlights

• Revenue	£5,790k (2019: £3,548k)
• Gross profit	£1,051k (2019: £1,043k)
• Operating profit	£244k (2019: £166k)
• Unadjusted profit before tax	£240k (2019: £161k)
• Adjusted EBITDA	£324k (2019: £252k)
• Adjusted profit before tax	£240k (2019: £161k)
• Cash & cash equivalents	£2,762k (31 March 2020: £2,735k)
• Adjusted basic earnings per share	8p (2019: 6p)

Operational highlights

- The Group’s trading performance showed a 63% increase in revenue for the first six months against the previous trading period at £5,790k (2019: £3.548k) and EBITDA for the period was 75% ahead at £324k (2019: £252k).
- The Company performed well during the period, and highlights include the news that DCD Rights distributed drama, **The Secrets She Keeps**, was scheduled in primetime on BBC One in the UK, sustaining a top ten ranking on the BBC iPlayer. This was a significant achievement for an internationally produced drama.
- The sixth series of **Penn & Teller: Fool Us in Vegas** was transmitted in the first half of the year and the series order was extended for a further 13 episodes for delivery at the end of the year with transmission in Q1 2021. 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 brokering of a licensing and co-production agreement for a second season of **My Life is Murder** filming in New Zealand in Q1 2021.
- September Films format and WE Produced **Bridezillas** season 13 sold to ITV network, Bell Media Canada, and Foxtel Australia as well as A&E for Africa after successful ratings from the WE TV US premiere.
- DCD Rights partnered series, **Disasters Engineered** (US title Deadly Engineering), received a nomination for a Daytime Emmy Award and a re-order for a further season from Discovery’s Science Channel.
- DCD Rights also announced sales of 62 hours of factual programming to streaming partner, Curiosity Stream, comprising largely the Open University programming.

David Craven, Executive Chairman, commented:

“We are pleased to report that strong momentum from trading achieved in the first calendar quarter of 2020 has continued into our 2021 financial year. In the six months to 30 September 2020, progressive growth in revenues and adjusted EBITDA was achieved despite the obvious economic headwinds presented by the global pandemic.

“The Group’s trading performance was in line with expectations but was nonetheless an impressive 63% increase in revenue for the first six months of the previous trading period at £5.79m (2019: £3.55m) and EBITDA for the period was some 75% ahead at £324k (2019: £252k).

“The acquisition team 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, buyer engagement has improved, particularly so given the strength of the acquisitions in the drama genre.

“DCD Rights has a stated strategy to place more emphasis and focus on the acquisition of quality ‘cornerstone’ drama content which has high sales value in its own right. This imbues the catalogue with strong sales appeal and context with major buyers, which opens a dialogue for sales on the library as a whole. We believe this is a successful strategy for a business of this size and allows the sales team to engage with buyers on a wider spectrum of genres. The performance of three key drama productions in the marketplace, namely **My Life Is Murder, The Secrets She Keeps** and **Frankie Drake,** has now validated this strategy.

“The business continues to perform well in factual programming, particularly so with the prestigious factual catalogue under the Open University brand remaining very popular for buyers interested in diverse and engaging factual programming.

“As previously reported, the Group is exposed to USD exchange fluctuations that can be sizeable and material to the Group. The Group tries its best to mitigate such risk as best it can but given the uncertainty in the economic outlook, particularly in the UK, we are unsure how this will play-out for the full year results. As at 30 September 2020 the Group has a gain of £40k recognised in its results.

“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 successful outturn for the financial year, in spite of the obvious challenges presented by the COVID-19 pandemic.

“The Board is thus confident 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. 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:

Lisa Hale
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 September 2020.

DCD Rights has acquired quality content to augment the growing library under license. The Board is confident that the underlying business remains strong and the catalogue remains commercially attractive to buyers in the global TV rights markets.

Funding, as ever, remains a challenge although 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. In the period we finalised a funding facility with our principal bankers, Coutts & Co ("Coutts"), that replaced our existing overdraft facility with them. We look forward to continuing to work with Coutts going forward.

We are pleased to report a number of notable content achievements in the period:

- **Secret Nazi Bases** - produced by Go Button Media and distributed internationally by DCD Rights won an award at the 53rd WorldFest-Houston International Film Festival. 'Villa Winter', the third episode of the series, was the recipient of a Silver Remi Award for *Best Historical Program*.

- The BBC announced that **The Secrets She Keeps** would premiere on BBC One primetime over the summer, a tremendous slot for an Australian produced drama. Back in Australia, the series premiered on Network 10, with audience ratings increasing week on week.

- SWR Media's ten-part factual series, **Deadly Engineering** distributed internationally by DCD Rights under the title **Disasters Engineered,** received a Daytime Emmy nomination for *Outstanding Educational or Informational Series*.

- Another Go Button Media series, **A World Without NASA**, was nominated as a semi-finalist at the Vienna Science Film Festival. The two-part series, distributed internationally by DCD Rights, explores the everyday technologies that we now take for granted but which were only made possible thanks to NASA's ground-breaking work in the race to the stars.

Much of the key sales activity was anticipated, in particular we are delighted that our current landmark drama productions are being well-received in the marketplace. It is also worth noting that DCD Rights announced a licensing and co-production agreement for a second season of **My Life is Murder** featuring Laura Carmichael filming in New Zealand early next year. We anticipate pre-sales to be strong as a consequence of this second season in production.

Strong trading was also driven by some specific high-level sales such as a major licensing deal for **The Secrets She Keeps.** This drama was scheduled in primetime on BBC One in July and as such is now the most high-profile production in the DCD Rights catalogue.

The DCD rights team performed particularly well through the first wave of COVID-19 and again through the summer of 2020, by successfully operating remotely and managing their stakeholder relationships with continuous conference calls and video meetings. This, together with some insightful acquisition work undertaken in the previous year, has set DCD Rights on a strong course for the remainder of FY21.

We believe DCD Rights is now in a growth phase and continuing to take market-share from other small independent distributors who have not benefitted from long-term development arrangements with emerging production companies.

As in previous periods, we are delighted to report a new series of **Penn & Teller: Fool Us in Vegas,** season 6 was transmitted over the summer of 2020 and the series order was extended for a further 13 episodes for delivery at the end of the year and subsequent transmission. DCD Rights is also now the distribution partner for the back catalogue of **Penn & Teller: Fool Us in Vegas.** The series is a result of a successful partnership with US based 1/17 Productions and we are actively working with the team there to explore other format opportunities.

The Board is confident that the Company will deliver a strong performance in the second half of FY 2021 and would like to thank its staff for their continued support through a very challenging year and wish everyone associated with the Company well for the forthcoming year.

1. Profit and Loss Review

Revenues for the six-months to 30 September 2020 were £5,790k (2019: £3,548k). Revenues have increased in the six months to September 2020 in comparison to the six months to June 2019 as a result of a significant deal concluded for **The Secrets She Keeps**.

In the period we have secured a new revolving funding line with our principal bankers Coutts. We look forward to continuing to work with Coutts.

Adjusted profit before tax was £240k (2019: £161k), resulting in an adjusted gain per share for the period of 8p (2019: 6p). The Group's statutory profit after tax was £215k (2019: £161k).

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 increased sales in the period.

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 September 2020 £'000	***Unaudited 6 months ended 30 June 2019 £'000**
Operating profit per accounts	**244**	**166**
Add: Depreciation	80	86
EBITDA	**324**	**252**
Adjusted EBITDA	**324**	**252**
Less: Net financial expense	(4)	(5)
Less: Depreciation	(80)	(86)
Adjusted PBT	**240**	**161**

** 2019 comparative numbers updated to incorporate implementation of IFRS 16 in the period to 31 March 2020. More detail on this can be found in the annual report released in September 2020.*

2. Balance Sheet Review

Intangible assets at 30 September 2020 remained unchanged at £1,017k (June 2019: £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 £9,309k (2019: £8,049k) and £10,407k (2019: £8,499k) respectively. Both are mainly up as a result of increased sales activity in the period.

Cash on hand at the period end stood at £2,762k (15 months to 31 March 2020: £2,735k). 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.

At the end of September there was no bank overdraft facility in place as we were in the process of completing a new revolving credit facility of £500k that completed in November. The facility is secured by fixed and floating charges over the Group's assets.

There was no recharge from Timeweave Ltd ("Timeweave"), its major shareholder, in the 2019 year or six months to September 2020 for director, management and financial services. As at 30 June 2019 there was a balance payable to Timeweave of £299k in relation to previous management charges that were unpaid. As at September 2020 the balance was £Nil.

During the period to 30 September 2020, the Group was recharged £13k (15 months to March 2020: £31k) 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 £119k (2019: £36k). The Group has taken advantage of payment holidays as a result of the COVID-19 outbreak with regards to PAYE and NIC as they assessed the impact it had made on the Company's trading. At 30 September 2020, amounts due to HMRC under COVID-19 arrangements were £146k and are repayable by the end of December 2020 under the repayment plan agreed with HMRC.

Called up share capital has not changed, being £12.3m at 30 September 2020, 31 March 2020 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 23 December 2020, 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
Lombard Odier Investment Managers	664,328	26.14

4. Review of operational activities

The Group consists of a rights and licencing division that generates a significant majority of the revenue of the business and also production division. However, the latter no longer actively seeks new productions, instead focussing on key franchises that continue to be a success for the Group.

Rights and Licensing

DCD Rights quickly adapted to COVID-19 conditions of working, aided by a strong technical team, and good communication through regular video conference meetings to follow our normal management structures.

As the COVID-19 lockdown was implemented the sales team were due to depart for Cannes in order to attend the MIP TV market festival, this is one of three key festivals in the year. Buyers and sellers alike co-operated to move all meetings online, to follow what was an already fully booked schedule for the sales team. Decision making was slowed by additional layers of approvals and budget re-appraisals due to the impact of COVID-19 on advertising revenues, however, DCD Rights again adapted to turn the team's attention toward the burgeoning Video on Demand (VoD) and Subscription Video On Demand (SVoD) channels, as well as our traditional broadcast and cable partners. The catalogue benefited from an increase in acquisition of new series in 2019, delivered in early 2020, and we were able to offer a full catalogue with 5 new factual series launched in the MIP TV Latest Releases brochure.

Curiosity Stream, a growing SVoD channel, acquired 62 hours of factual programming across the range of our catalogue, with particular emphasis on the Open University produced titles. In May we announced a further 120 hours of factual and factual entertainment programming sales to a broad stretch of broadcast and cable networks around the world.

Best sellers from the market included further deals for **Aussie Gold Hunters**, and new series **The Bone Detectives**, sold to UR Sweden, Foxtel Australia, as well as TVO in Canada. History series were in demand and **Nazi War Machines Uncovered** sold to Historie TV in France, Viasat History, for Central and Eastern Europe, and Scandinavia, as well as Foxtel in Australia and Prima in the Czech Republic.

During the summer, STV Productions produced and delivered a four-part series on the Royal Family for Channel 5, **The Palace and the Press**, which DCD Rights acquired and started to make sales on immediately whilst pre-planning a full October release and marketing.

In drama, **The Secrets She Keeps** starring Laura Carmichael, quickly became an international hit and was scheduled on BBC One Primetime in the UK as well as a having a successful launch in America in July on Sundance Now. DCD Rights announced further sales in Germany, Denmark and Norway, alongside those already announced in France, New Zealand, Russia, Poland, Israel and the Baltic States.

DCD Rights was instrumental in working with producers to finance new series during the period, as the financial impact of the dearth in advertising started to bite into commissioning budgets. Significant successes were a partnership with SWR Media whereby DCD combined pre-sales with investment to trigger production of a second season of the ten-part factual entertainment series **Disasters Engineered**. The series was produced by SWR, Intermission Films and DCD Rights in association with Dash Pictures for Science Network. The series was delivered from August onward and produced around the world using remote filming by internationally located cameramen and women for original interviews and local footage combined with archive. A tremendous achievement during lock down and tribute to the production team who were nominated for a Daytime Emmy Award for season one during the period.

This trend continued with an extension of our partnership with Australian Production company, Cordell Jigsaw, whereby DCD raised 57% of an A$9.5m budget to produce a second season of the ten-part drama, **My Life is Murder**, starring Lucy Lawless. DCD achieved this through a combination of investment and international pre-sales/co-production, with the remainder of the budget funded by broadcasters in Australia (Channel 10), New Zealand (TVNZ) and local offset grants. The deal delivered significant value to DCD Rights, and the series will shoot in January in New Zealand for delivery in May 2021 onwards.

Overall, the team have enjoyed a period where re-invention and ingenuity have been key. They have risen to the challenges with determination and worked hard with their trusted partners to maintain a steady flow of programming supply to the market.

Production

DCD Media's production subsidiary September Films (in a co-production with 1/17 Productions) transmitted the sixth series of **Penn & Teller: Fool Us in Vegas** over the summer of 2020 for The CW Network in the USA. A further 13 part series is due for delivery at the end of 2020 transmission in early 2021.

6. Outlook

The period has been as unusual for DCD Media as it has for almost every other facet of business life. A global pandemic led to an economic recession impacting the media marketplace. Lockdown inevitably led viewers to migrate to home entertainment and on-demand streaming. While this may have seemed a perfect opportunity for DCD Media to upsell more content for higher premiums, the business environment has been and remains challenging because there is no new normality. It is difficult in this climate to provide a meaningful outlook given the macro economic pressures and uncertainties.

What we do know is that the Board is confident that while the business will require third-party funding over the coming months, the strength of the current catalogue and buyer engagement suggests the outturn for the year remains favourable.

We expect revenues for the year to 31 March 2021 to surpass the like-for-like performance of the prior year and to deliver a profit. In the short-term, the team is confident that we will deliver a positive financial outcome in this current period, but it is imperative that the DCD Rights team partners with additional funders to provide opportunities in this expanding market.

We are immensely proud that our team have stepped up to deliver a strong performance and set the business on a course for growth amid the unprecedented economic crisis in the fall out of the COVID-19 pandemic.

David Craven
Executive Chairman
23 December 2020

Consolidated income statement (unaudited)
for the 6 months ended 30 September 2020

	Note	**Unaudited 6 months to 30 September 2020 £'000**	**Unaudited 6 months to 30 June 2019 £'000**	Audited 15 Month Period to 31 March 2020 £'000
Revenue		**5,790**	**3,548**	10,934
Cost of sales		**(4,739)**	**(2,505)**	(8,882)
Gross profit		**1,051**	**1,043**	2,052
Administration expenses		**(807)**	**(877)**	(2,198)
Operating profit/(loss)		**244**	**166**	(146)
Finance costs		**(4)**	**(5)**	(10)
Profit/(loss) before taxation		**240**	**161**	(156)
Taxation – current	2	**(25)**	**-**	-
Profit/(loss) for the period		**215**	**161**	(156)
Profit/(loss) attributable to:				
Owners of the parent		**215**	**161**	(156)
		215	**161**	(156)
Earnings per share attributable to the equity holders of the Company during the period (expressed as pence per share)				
Basic profit/(loss) per share from continuing operations		**8p**	**6p**	(6p)
Total basic profit/(loss) per share		**8p**	**6p**	**(6p)**
Diluted profit/(loss) per share from continuing operations		8p	6p	(6p)
Total diluted profit/(loss) per share		**8p**	**6p**	**(6p)**

Consolidated statement of comprehensive income (unaudited)
for the 6 months to 30 September 2020

	Unaudited 6 months to 30 September 2020 £'000	**Unaudited 6 months to 30 June 2019 £'000**	Audited 15 Month Period to 31 March 2020 £'000
Profit/(loss)	**215**	161	(156)
Total comprehensive income	**215**	161	(156)
Total comprehensive income attributable to:			
Owners of the parent	**215**	161	(156)
	215	161	(156)

Consolidated statement of financial position (unaudited)
at 30 September 2020

	Unaudited 30 September 2020 £'000	* Unaudited 30 June 2019 £'000	Audited 31 March 2020 £'000
Assets			
Non-current			
Goodwill	**1,017**	**1,017**	1,017
Property, plant and equipment	**14**	**32**	19
Right of use assets	**71**	**253**	144
Trade and other receivables	**152**	**167**	379
	1,254	**1,469**	1,559
Current assets			
Trade and other receivables	**9,309**	**8,049**	8,137
Cash and cash equivalents	**2,762**	**2,254**	2,735
	12,071	**10,303**	10,872
Liabilities			
Current liabilities			
Trade and other payables	**(10,190)**	**(8,463)**	(9,546)
Lease liabilities	**(73)**	**(253)**	(146)
Taxation and social security	**(144)**	**(36)**	(36)
	(10,407)	**(8,752)**	(9,728)
Net assets	**2,918**	**3,020**	2,703
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	**-**	**-**	-
Own shares held	**(37)**	**(37)**	(37)
Retained earnings	**(60,532)**	**(60,430)**	(60,747)
Equity attributable to owners of the parent	**2,918**	**3,020**	2,703
Total equity	**2,918**	**3,020**	2,703

** Prior year interim comparatives for 2019 are re-stated to take account of the implementation of IFRS 16 during the period to 31 March 2020.*

Consolidated statement of financial position (unaudited)
at 30 September 2020

Cash flow from operating activities including discontinued operations	**Unaudited 6 months ended 30 September 2020 £'000**	* Unaudited 6 months ended 30 June 2019 £'000	Audited 15 months to 31 March 2020 £'000
Net profit/(loss) before taxation	**240**	**161**	(156)
Adjustments for:			
Depreciation of tangible assets	**80**	**14**	208
Tax charge for period	**(25)**	**-**	-
Net bank and other interest charges	**4**	**5**	10
Net cash flows before changes in working capital	**299**	**180**	62
(Increase)/decrease in trade and other receivables	**(945)**	**1,134**	834
Increase/(decrease) in trade and other payables	**752**	**(1,312)**	(229)
Cash from continuing operations	**106**	**2**	667
Interest paid	**(4)**	**(5)**	(10)
Net cash flows from operating activities	**102**	**(3)**	657
Investing activities			
Purchase of property, plant and equipment	**(2)**	**(19)**	(20)
Net cash flows used in investing activities	**(2)**	**(19)**	(20)
Financing activities			
Repayment of finance leases	**(73)**	**-**	(178)
Net cash flows from financing activities	**(73)**	**-**	(178)
Net increase/(decrease) in cash	**27**	**(22)**	459
Cash and cash equivalents at beginning of period	**2,735**	**2,276**	2,276
Cash and cash equivalents at end of period	**2,762**	**1,908**	2,735

** Prior year interim comparatives for 2019 are re-stated to take account of the implementation of IFRS 16 during the period to 31 March 2020.*

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 2018	**12,272**	**51,215**	**1**	**-**	**(37)**	**(60,476)**	**2,975**	**-**	**2,975**
Profit 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 year	-	-	-	-	-	161	**161**	-	**161**
Balance at 30 June 2019	**12,272**	**51,215**	**-**	**-**	**(37)**	**(60,430)**	**3,020**	**-**	**3,020**
Loss and total comprehensive income for the period	-	-	-	-	-	(317)	**(317)**	-	**(317)**
Balance at 31 March 2020	**12,272**	**51,215**	**-**	**-**	**(37)**	**(60,747)**	**2,703**	**-**	**2,703**
Profit and total comprehensive income for the period	-	-	-	-	-	215	**215**	-	**215**
Balance at 30 September 2020	**12,272**	**51,215**	**-**	**-**	**(37)**	**(60,532)**	**2,918**	**-**	**2,918**

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 23 December 2020.

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 2021 and are unchanged from those disclosed in the Group's Directors' Report and consolidated financial statements for the period ended 31 March 2020. 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 September 2020 and the six months ended 30 June 2019 is unaudited and does not constitute the Group's statutory financial statements for those periods. The comparative financial information for the fifteen months ended 31 March 2020 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 September 2020. 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 fifteen-month period ended 31 March 2020.

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.

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 £25k (2019: £Nil) recognised in the period. No deferred tax asset has been recognised in relation to brought forward losses within group companies.

Notes to the interim financial statements (unaudited)

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 2020 £'000	6 months to 30 June 2019 £'000
Profit attributable to ordinary shareholders:		
Basic	**203**	**161**
Adjusted basic profit	**203**	**161**
	No.	**No.**
Weighted average number of shares in issue:		
Basic	**2,541,419**	**2,541,419**
Profit per share (pence):		
Basic	**8**	**6**
Adjusted basic	**8**	**6**

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.