STV Interim Results to 30 June 2025

25 September 2025

Amadeus, Two Cities for Sky

Agenda

Introduction	Paul Reynolds
Overview	Rufus Radcliffe
Finance Review	Lindsay Dixon
Strategic Update	Rufus Radcliffe
Q&A	

H1 position and short-term outlook

- Revenue of £90.0m and adjusted operating profit of £6.7m delivered in H1
- Q3 TAR expected to be down c.8%, as previously guided; October looking similar
- Studios orderbook at end August of £40m
  - Excludes new commission from Two Cities Television for C4, for delivery in FY27
  - UK unscripted market remains difficult
- Management cost savings programme developed; implementation started
- No interim dividend proposed given uncertain trading environment

No change to guidance for FY25

	Revenue	Adj. operating margin
Audience	£90-95m	13-15%
Studios	£75-85m	c.4%
Group	£165-180m	c.7%

Cost saving expectations for full year re-confirmed at £2.5m

Measures in place to protect profits and cash

- Cost savings programme
  - £3m reduction in cost base per annum, incremental to existing £5m target for FY26
    - c.£2.5m to be delivered in 2026 with c.£1m cost of change
    - Further savings being targeted in News, requiring changes to our licences; in discussion with OFCOM
- Pension contribution flexibility
  - Recovery plan maintained Oct-30; flexibility over timing of payments in 2026 & 2027
- Non-essential CAPEX rephased
- Bank facility amendments secured to provide additional downside headroom

Finance Review

Lindsay Dixon

H1 2025 key financials

Metric	H1 2025	Comparison	Change
Total Revenue	£90.0m	2024	flat
Total Advertising Revenue	£45.6m	2024	-10%
National Advertising Revenue	£28.5m	2024	-16%
Regional Advertising Revenue	£7.5m	2024	+2%
Digital Revenue	£10.8m	2024	+5%
Studios Revenue	£42.2m	2024	+13%
Adjusted Operating Profit	£6.7m	2024	-37%
Adjusted Operating Margin	7.4%	2024	-4.3pps
Adjusted EPS	7.1p	2024	-54%
Total Net Debt*	£35.7m	Dec 2024	£38.7m

* Includes non-recourse production financing of £5.2m at June 2025 (Dec-24: £9.9m)

Group results

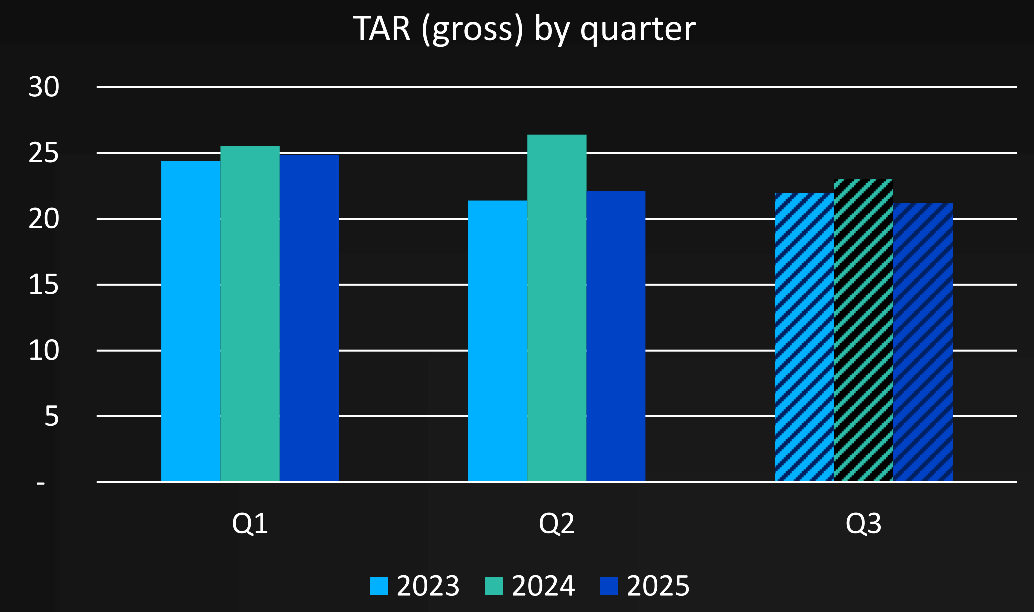
- Audience revenues driven by TAR down 10%
- Studios revenues in growth despite difficult commissioning backdrop
- Adjusted operating profit reflects declines in TAR and inflationary pressures, partly offset by savings
- Finance costs includes £0.5m unrealised loss on forward contract (offsets gain in PY)
    - Interest on borrowings in line with 2024
- Main adjusting item in operating profit is non-cash restructuring charge (£2m) related to unscripted label portfolio review

	H1 2025 £m	H1 2024 £m	Change
Revenue			
- Audience	47.8	52.9	-9%
- Studios	42.2	37.5	+13%
	90.0	**90.4**	
Adjusted operating profit*			
- Audience	9.1	12.2	-25%
- Studios	-	0.1	-
- Corporate costs	(2.4)	(1.7)	
	6.7	**10.6**	**-37%**
*Adjusted operating margin**	*7.4%*	*11.7%*	
Share of associates	(0.1)	(0.1)	
Finance costs (excl. adjusting items)	(2.5)	(1.9)	
Adjusted PBT *	**4.1**	**8.6**	**-52%**
Adjusted EPS (pence) *	7.1p	15.5p	-54%

* Before adjusting items (see detail in appendix)

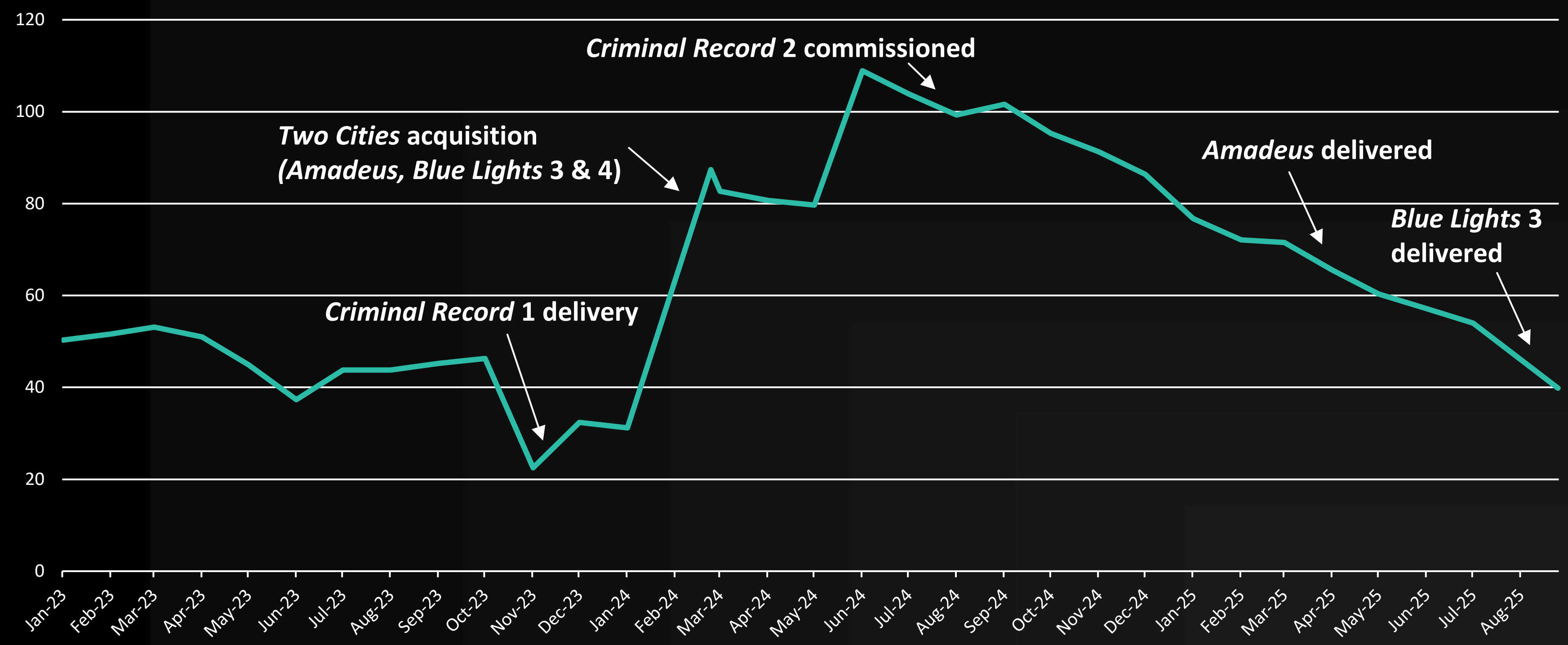
Advertising revenue

	2025 v 2024		2025 v 2023	
	H1	Q3 outlook	H1	Q3 outlook
National	-16%	-10%	-4%	-7%
Regional	+2%	-15%	+3%	+1%
VOD	+5%	+8%	+18%	+13%
TAR	-10%	-8%	+3%	-4%



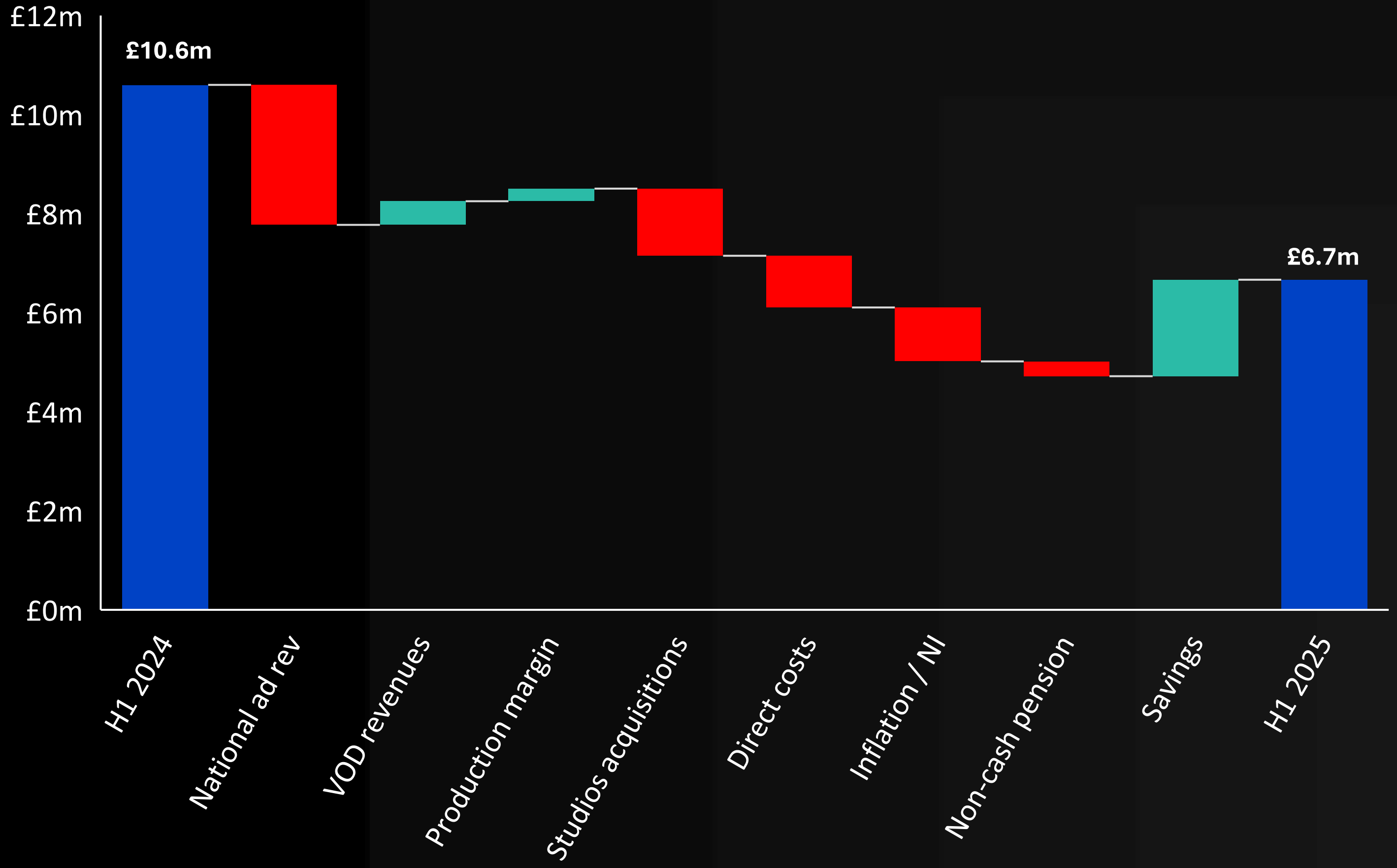
- H1 TAR in growth compared to 2023 (gross, excluding national VOD commission introduced in 2024)
- Q3 TAR guidance maintained at down c.8%

Studios orderbook



- Total orderbook at end August of £40m
  - Unscripted orderbook £22m; scripted £18m
- Revenue from orderbook to be realised in FY25 £19m and FY26 £21m
- Commissioning decisions expected soon on a number of ideas in advanced development

Adjusted operating profit



- More than 70% profit decline driven by national linear advertising
- Net impact from Studios investments since Jun-24 is reduction of £1.4m
- Savings include:
  - Full year effect of H2 2024 savings (£1.2m)
  - Savings in H1 2025 (£0.7m)

Net debt & leverage

	RCF Utilisation	Cash on hand	Core Corporate debt	Non-recourse prod fin	Total net debt
At 1 January 2025	**(39.9)**	**11.1**	**(28.8)**	**(9.9)**	**(38.7)**
Net cash movements	-	(0.2)	(0.2)	-	(0.2)
Net (drawdown)/repayment	(1.7)	-	(1.7)	4.7	3.0
Amortisation of fees	0.2	-	0.2	-	0.2
At 30 June 2025	**(41.4)**	**10.9**	**(30.5)**	**(5.2)**	**(35.7)**
Leverage at 30 June 2025			1.4x		1.6x

- Core RCF net debt broadly in line with start of year
- Production financing being re-paid as programmes delivered to commissioners and tax credits collected
- Leverage covenant max 3x
- Total net debt expected to increase to year end to £45-50m depending on advertising revenues

Bank facility amended - additional downside headroom

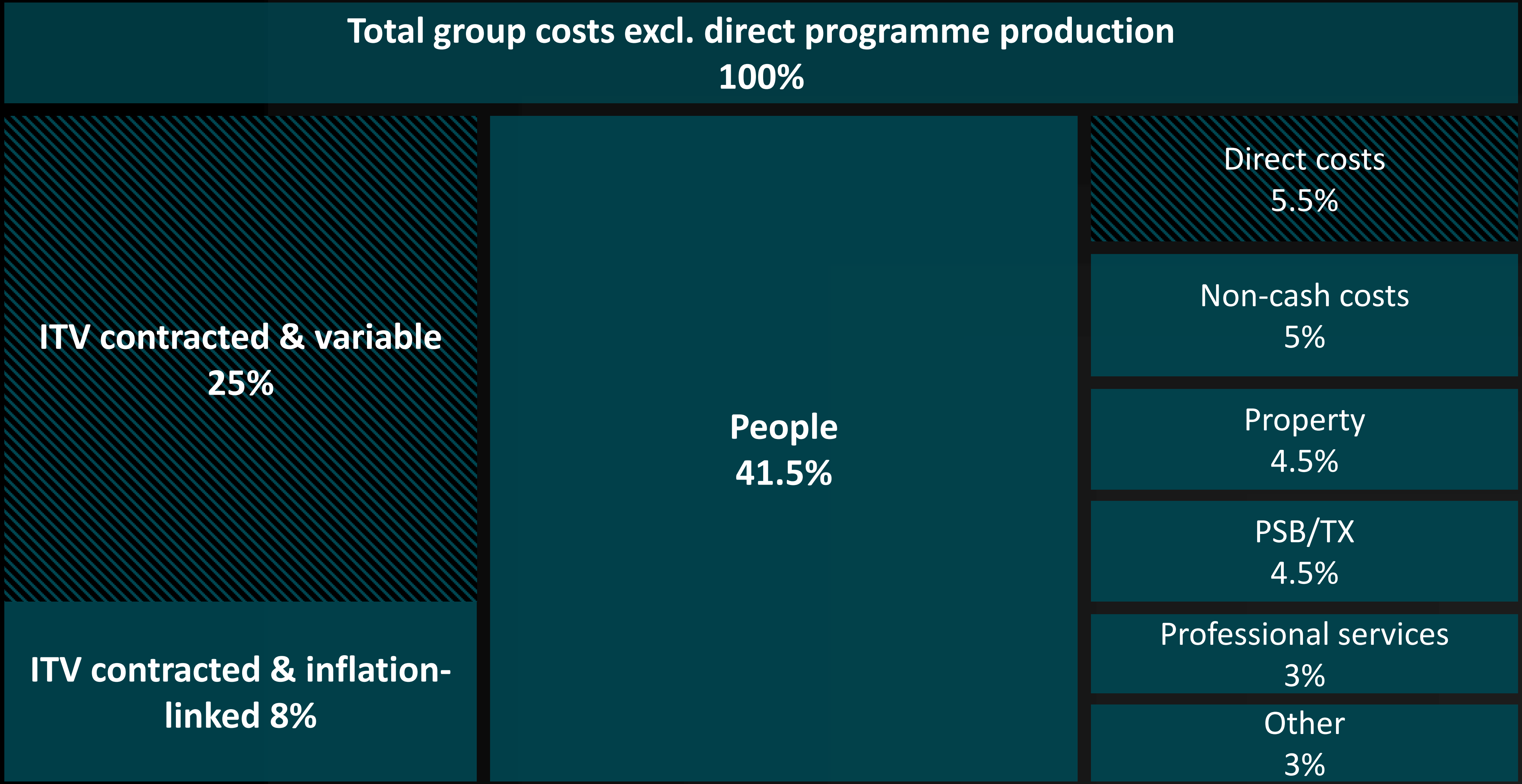
- Facility increased to £75m (from £70m) to February 2027
- Leverage covenant amendments during 2026 to provide additional headroom for cash management flexibility
  - Management central case shows business continues to operate within existing facility
- Strong support from both relationship banks

Pension deficit continues to reduce

	H1 2025	FY 2024	H1 2024
Assets (£m)	268.4	270.8	284.0
Liabilities (£m)	(312.8)	(319.1)	(329.4)
Deficit (£m)	**(44.4)**	**(48.3)**	**(45.4)**
Key assumptions:			
Discount rate	5.45%	5.45%	5.10%
RPI	3.00%	3.25%	3.30%

- Recovery plan ends October 2030 – on track to achieve
- Flexibility agreed with trustees for contributions payable in FY26/27
  - Total payable c£20m, which can be heavily skewed to FY27
  - FY26 payments £1-6m
- Next triennial valuation due end December 2026

Overview of the Group's cost base



Addressable cost base and savings plan

- Addressable cost base is c.40% of the total
  - Excludes costs to ITV, direct sales teams, other direct costs
  - Non-cash also excluded as addressed through capex re-phasing
- Cost savings plan to save £3m pa, equivalent to c.8% of addressable costs
- Implementation to deliver c.£2.5m savings in FY26, incremental to existing £5m target
  - Estimated cost of change c.£1m
- Any changes to STV News would result in additional savings

Strategic Update & Outlook

Rufus Radcliffe

FAST FWD

FastFwd Strategic Delivery

- Active Studios portfolio management
- Studios IP generation
- Accelerated merger of broadcast and digital
- Stabilised viewing performance
- Expanded advertising proposition - STV Radio on track
- News provision of the future

FAST FWD

Our simplified structure and strategic focus allows us to adapt to difficult market conditions

Audience

Scotland's leading platform for audiences and advertisers

Building the audience

Video + **Audio**

Monetising the audience

Core Advertising Services | **Advanced Advertising** | **New Ventures**

Content

A globally recognised content powerhouse

- International business and mindset
- Strong organic and inorganic potential
- The best home for ambitious, creative talent

Cost-optimised, high-reach video and audio business driving a sustainable and expanded Scottish audience, and a growing international content business

FAST FWD

Structural and cyclical headwinds continue in advertising and viewing

We are focused on delivering a future proofed sustainable Audience division

Resilient viewing

Daily Reach: (27%)

1.3m

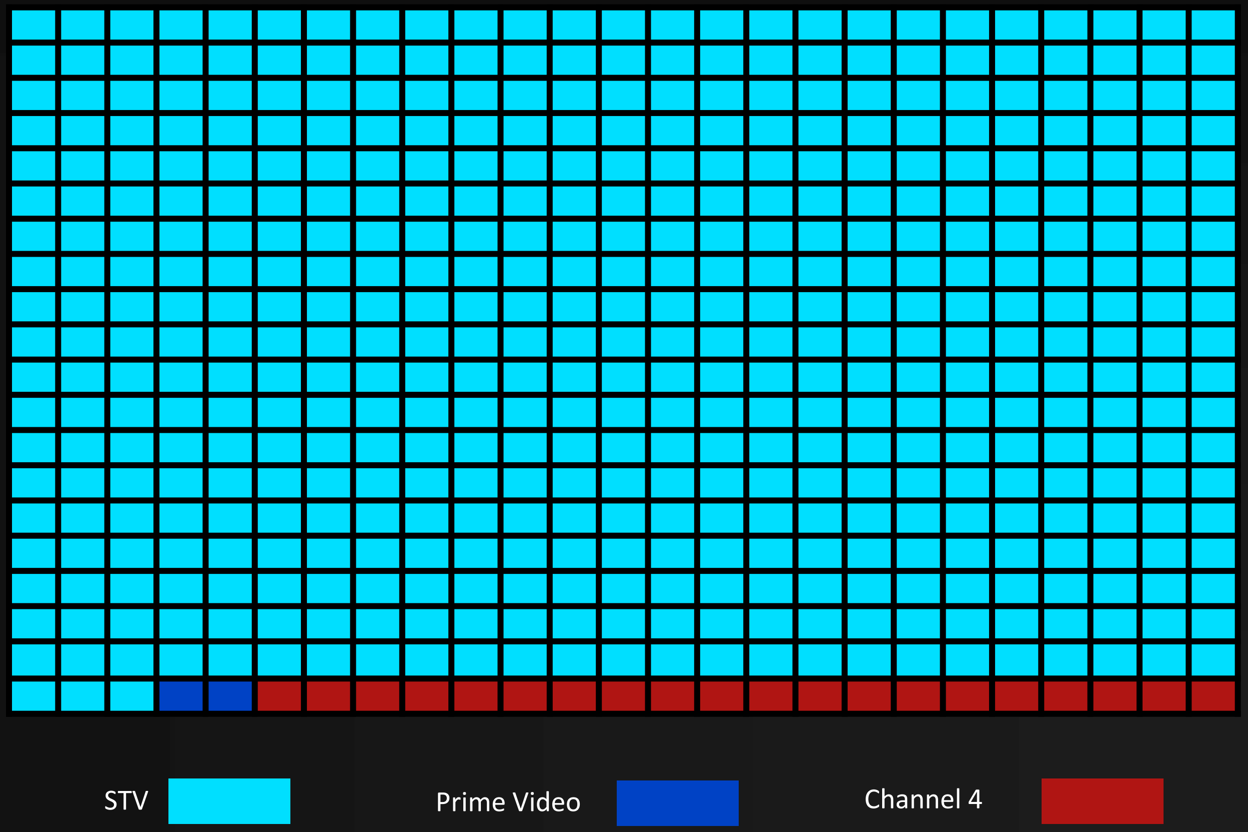
Weekly Reach: (55%)

2.6m

Monthly Reach: (76%)

3.5m

STV delivered 96% of top 500 commercial audiences H1'25



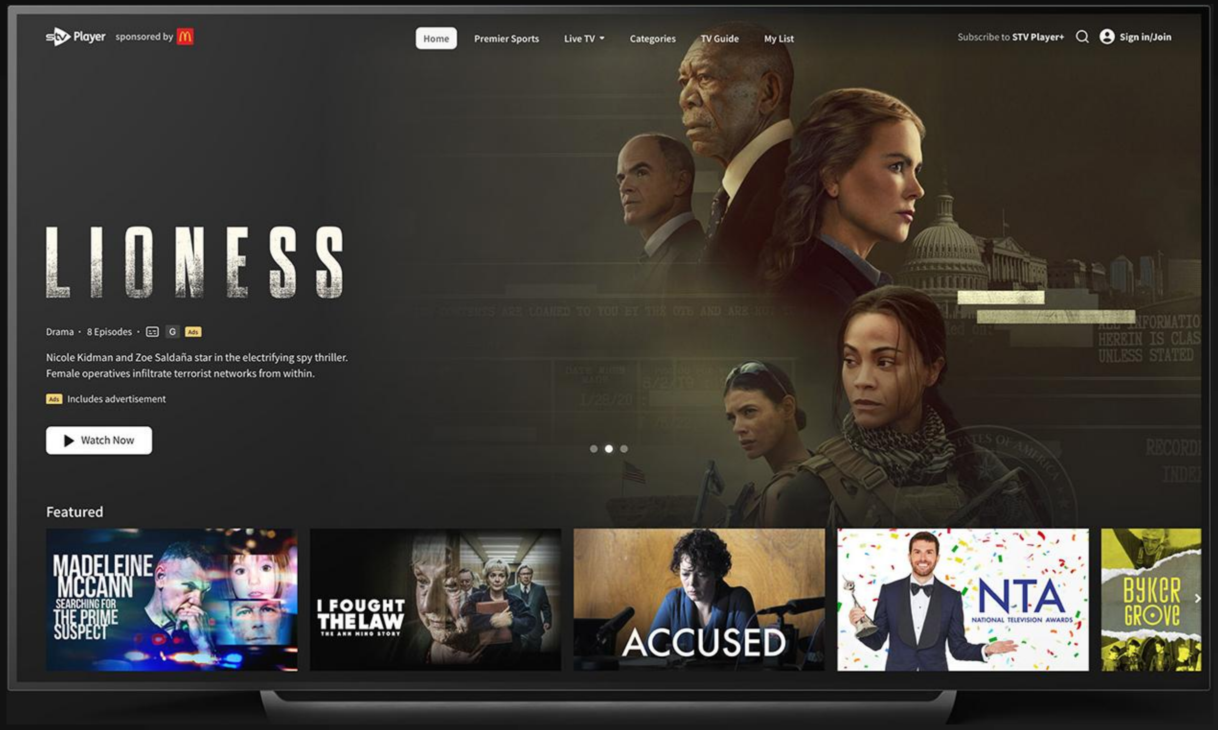
Source = BARB(AV) H1'25, 1min reach, 4 screen, STV linear and non linear.

Source: Barb (AV), H125 Scot, TV set

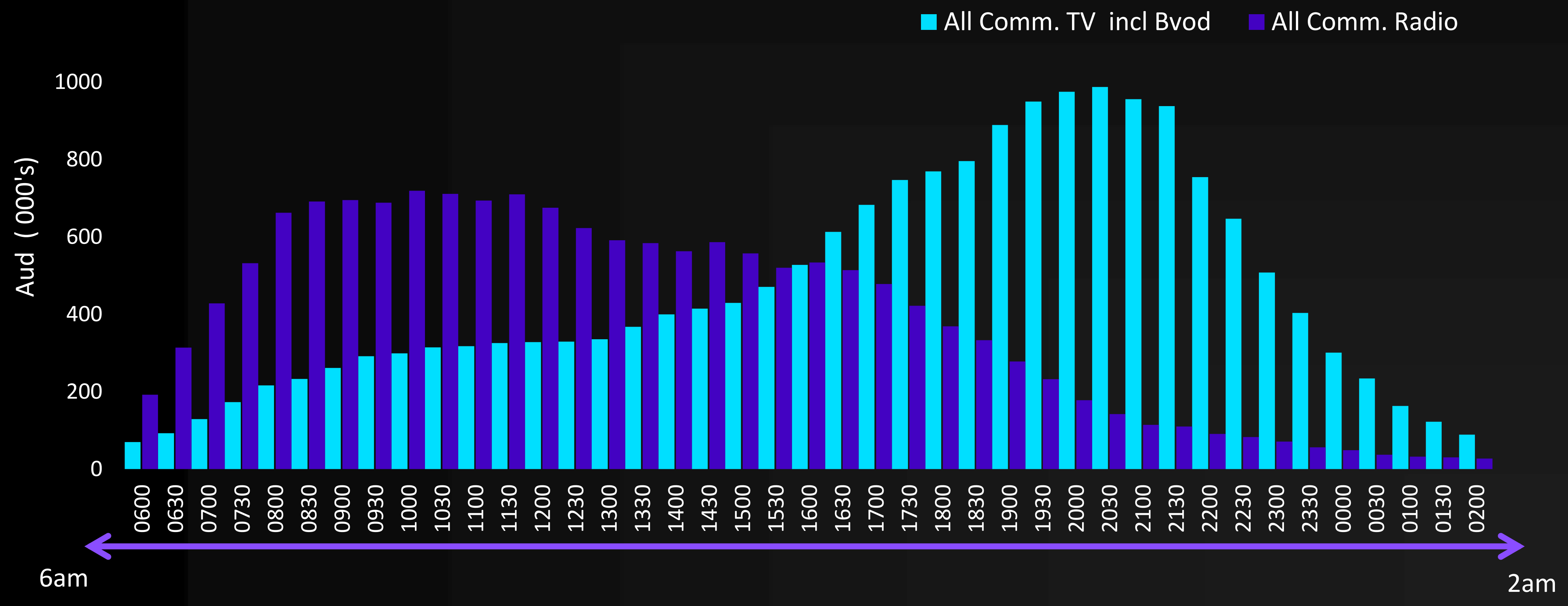
FAST FWD

stv Player

- Best ever H1 for viewing: 37m hours, +8% (+2.9m)
- Third party viewing grew +16% YoY
- 54% of drama viewing for U45s



STV audio business is strategically complementary



Source: Barb - All Commercial TV & BVOD, Scotland : Weekdays 2024, avg aud by daypart ; Radio = RAJAR Jul - Dec'24 All commercial Radio in Scotland Mon - Fri by daypart

Ramping up to launch

- Significant STV Radio brand awareness
- OFCOM DSP licence granted
- Tunnock's confirmed as first advertiser
- Marquee breakfast show and daytime presenter line-up confirmed

FAST FWD

STV's growing advertiser proposition

- Scotland’s leading advertising platform
  - Mass
  - Targeted
  - Micro-targeted
  - New formats
  - Video + Audio
- TV is most effective advertising platform*
- TV and radio multiplier effect +20%**

stv

- Thinkbox Profit ROI, Full Payback Profit Ability 2; Ebiquity, EssenceMediacom, Gain Theory, Mindshare, Wavemaker UK; 141 brands (UK), £1.8Bn media spend

** Source: Thinkbox 2024, voting Demand Generation,

FAST FWD

STV News

- News plays key role in STV brand
- *STV News at Six* is Scotland's most watched news programme
- Consumption of news is changing:
  - Digital proposition to be enhanced
  - Total cost base must be reduced
- Discussions started with OFCOM
  - Licence changes
  - Retain news gathering resource; reduce cost and complexity

Slow down in UK unscripted PSB commissioning

Content

A globally recognised content powerhouse

- International business and mindset
- Strong organic and inorganic potential
- The best home for ambitious, creative talent

Focus on returnable IP and long-term value-creation

SCRIPTED:

- *Blue Lights* series 3 & 4 — BBC ONE
- *Amadeus* — sky
- *Criminal Record* series 2 — Apple tv+
- *The Witness* — NETFLIX
- *Army Of Shadows* — Channel 4

UN-SCRIPTED:

- 15 returning series
- 12 new, returnable series

Secondary sales £2m in H1 2025, in line with H1 2024

FAST FWD

Long-term growth drivers

- **Global demand for premium drama and formats**

  STV Studios has strong relationships with streamers, broadcasters and international co-producers

- **Leading nations and regions producer**

  PSBs need to actively commission outside of London – *Bridge of Lies*, *The Hit List*, *Game of Wool*

- **Strong returns from current investments**

  Momentum in labels like Hello Halo, Two Cities, Tuesday’s Child and Crackit

- **Future scaling for growth**

  Can be achieved through accessible freelance community, not rising permanent headcount

STV Studios

FAST FWD

Active unscripted portfolio management

- STV Studios Entertainment closed for new development in H2 2025
- No further investment in Mighty Productions
- Laser focus on right sizing development spend on stable and growing market segments

STV Studios

Priorities for next 6 months:

Diversifying Audience proposition:

- STV Player growth
- New digital ad products
- Launch STV Radio
- Change to STV News output

Studios portfolio management:

- Right-size portfolio for market conditions
- Focus development on returnable IP to drive margin
- Leverage nations and regions status

Underpinned by execution of cost savings plan

FAST FWD

Creating long-term value

Audience

- Grow digital revenue
- Further diversification through audio
- Mass commercial audiences
- Strategic cost management

Studios

- Creative leaders with deep customer relationships
- Grow returnable, international IP
- Strong development slate
- Strategic cost management

Cost-optimized, high reach video and audio business driving a sustainable and expanded Scottish audience and a growing international content business

Appendices

Blue Lights, Two Cities for BBC

Divisional p&ls

Audience	H1 2025 £m	H1 2024 £m	Change v 2024
Revenue			
- National advertising	28.5	34.1	-16%
- Regional advertising	7.5	7.4	2%
- Digital revenue	10.8	10.3	5%
- Other	1.0	1.1	-9%
	47.8	**52.9**	**-9%**
Operating costs	**(38.7)**	**(40.7)**	**5%**
Operating profit	**9.1**	**12.2**	**-25%**
Operating margin	19.1%	23.0%	

Studios	H1 2025 £m	H1 2024 £m	Change v 2024
Revenue	42.2	37.5	13%
Operating costs	(42.2)	(37.4)	-13%
Operating profit	-	0.1	-
Operating margin	0%	0%	

Adjusting items

	H1 2025		H1 2024	
	Operating Profit	PBT	Operating Profit	PBT
Adjusted result	6.7	4.1	10.6	8.6
Operating Items:				
Restructuring costs	(2.0)	(2.0)	(0.5)	(0.5)
Amortisation of intangible assets	(0.9)	(0.9)	(0.8)	(0.8)
HETV tax credits	(0.5)	(0.5)	(2.3)	(2.3)
Acquisition & integration	-	-	(0.5)	(0.5)
Finance costs:				
IAS19 net finance costs	-	(1.1)	-	(1.1)
Other finance costs	-	(0.9)	-	(0.9)
Other gains & losses	-	1.1	-	2.3
	3.3	(0.2)	6.5	4.8

- Restructuring costs mainly non-cash - write-off investment (£1.1m) and development stock (£0.8m)
- Other finance costs - unwind of discount on put/call option liabilities
- Other gains and losses – fair value adjustments relating to put option liabilities (non-cash)