7am, 25 September 2025

Interim Results for the 6 months ended 30 June 2025
and update on cost savings plan

Interim Results for the 6-months ended 30 June 2025

- Total revenue of £90.0m (Jun-24: £90.4m) as Studios growth offsets advertising declines:
  - Total advertising revenue (TAR) of £45.6m (2024: £50.7m) down 10%, driven by national linear advertising down 16% impacted by Euros 2024 in the comparator
  - Studios revenue grows to £42.2m (2024: £37.5m), up 13%, despite difficult commissioning market
- Adjusted operating profit of £6.7m, down 37% on H1 2024, reflecting decline in TAR and inflationary pressures partly offset by cost savings
  - Studios breakeven, in line with prior year and seasonal norm
  - Audience profit of £9.1m, down 25% given operating leverage associated with TAR performance
- Statutory operating profit of £3.3m (2024: £6.5m) reflects restructuring costs of £2m associated with review of unscripted label portfolio
  - Loss before tax of £0.2m (2024: profit of £4.8m)
- Net debt of £35.7m, including production financing of £5.2m; lower than start of year (total net debt £38.7m including production financing of £9.9m)
  - Leverage (net debt/EBITDA) at half year at 1.6 times (covenant max 3 times)
- STV remains most popular peak-time channel in Scotland; STV Player delivered highest ever H1 viewing, up 8% year on year to 37m hours
- 30 commissions won by STV Studios in 2025 YTD; high-end drama, *Army of Shadows*, commissioned by C4 for Two Cities in recent weeks
- Plans for STV Radio launch on track
- No change to FY25 outlook as guided in July

Financial Summary - 6 months to 30 June	**2025**	2024	vs 2024
Revenue	**£90.0m**	£90.4m	-
Total advertising revenue	**£45.6m**	£50.7m	-10%
Operating profit	**£3.3m**	£6.5m	-49%
Adjusted operating profit*	**£6.7m**	£10.6m	-37%
(Loss)/profit after tax	**(£0.3m)**	£7.1m	n/a
Statutory basic EPS	**(0.1p)**	12.4p	n/a
Adjusted basic EPS*	**7.1p**	15.5p	-54%
Net debt+	**£35.7m**	£28.0m	+£7.7m
Dividend per share	**Nil**	3.9p	

* For reconciliation of adjusted to statutory results, see note 8

\+ Group banking and production finance facilities, excluding lease liabilities (see note 20)

Cost savings plan and cash management flexibility

- Management is implementing a comprehensive cost savings programme to protect profitability and provide balance sheet flexibility in response to the deterioration in the advertising and content commissioning markets, and ensure the business is well set for growth as market conditions improve.
    - Cost savings programme to deliver additional cost savings of £3m per annum with c.£2.5m to be delivered in FY26 and expected cost of change of c.£1m. These savings are incremental to the previously announced target of £5m run rate by end 2026.
    - Review of the unscripted label portfolio in STV Studios with actions taken to stop development activity in STV Studios Entertainment and make no further investment in Mighty Productions.
- The Group's 2030 pension deficit recovery plan includes flexibility around the timing of contribution payments during 2026 and 2027.
- The Group recently increased its bank facility from £70m to £75m by accessing £5m of its £20m accordion, and amended covenants to provide increased headroom; currently £30m undrawn.
- Re-phasing of non-essential capital expenditure over next 18-24 months.

Outlook

- No change to full year 2025 outlook as guided in July: Q3 TAR expected to be down c.8%; visibility remains limited with current indications for October looking similar.
- STV Studios total orderbook of £40m at end of August, of which £19m expected to be recognised as revenue in 2025 with the balance in 2026. Commissioning decisions expected in the coming weeks on a number of unscripted and scripted developments at advance stage.
- STV Radio progressing to plan with licence granted by Ofcom, presenter line up announced, and first advertising partner secured.

FY25 guidance	Revenue	Adjusted operating margin
Audience	£90m-£95m	13%-15%
STV Studios	£75m-£85m	c.4%
Group	£165m-£180m	c.7%

Dividend

- Given the uncertain trading environment, the Board is not proposing an interim dividend and will continue to review the position and provide a further update at the full year results.

Rufus Radcliffe, Chief Executive, commented:
"I have every confidence that STV will navigate the currently difficult trading environment in both our key markets, successfully implement our FastFwd strategy, and deliver sustainable value to our shareholders.

"We recognise that our cost savings programme impacts colleagues across the business, and we are committed to supporting people through this change. These steps are necessary to strengthen our financial resilience and position STV for long-term growth.

"The launch of STV Radio is on track, viewing on the STV Player is at an all-time high, and we are delighted that Army of Shadows has been commissioned by Channel 4 from Two Cities."

There will be a presentation for analysts today, 25 September 2025, at 12.30pm, via Zoom. Should you wish to attend the presentation, please contact Angela Wilson, angela.wilson@stv.tv or telephone 0141 300 3000.

Enquiries:
STV Group plc:
Kirstin Stevenson, Head of Communications, Tel: 07803 970106

Camarco:
Geoffrey Pelham-Lane, Tel: 07733 124 226
Ben Woodford, Tel: 07790 653 341

FINANCIAL AND OPERATING REVIEW

Group overview

Total revenue was in line with the first half of 2024 at £90.0m (2024: £90.4m), with growth in the Studios division offsetting declines in total advertising revenue. Total advertising revenue (TAR) of £45.6m was 10% down year on year, reflecting the Euros in the comparator, and impacted by national linear advertising down 16%. Compared to 2023, TAR was up 3% in the first half.

Adjusted operating profit of £6.7m was down 37% on the prior half year due to the flow-through to profit of lower advertising revenues. Adjusted operating margin was 7.4% (2024: 11.7%).

The adjusted operating profit performance is before adjusting items of £3.4m relating to:

- Restructuring of the STV Studios unscripted label portfolio, which resulted in a series of actions including stopping development activity in STV Studios Entertainment and cessation of funding to Mighty Productions. Non-cash costs of £2m have been recognised reflecting the write-off of development stock and investment value respectively; and
- Amortisation of intangible assets of £0.9m (2024: £0.8m); and includes
- HETV tax credits of £0.5m (2024: £2.3m), which are reflected as a contribution towards costs in the adjusted results but reflected as tax income in the statutory position (see note 8 to the interim financial statements).

On a statutory basis, the Group generated operating profit of £3.3m (2024: £6.5m).

Total finance costs were £4.5m (2024: £3.9m), including interest on the Group's borrowings of £1.8m (2024: £1.7m), £0.5m (2024: £nil) in relation to forward currency contracts in Two Cities, and non-cash interest on lease liabilities of £0.2m (2024: £0.2m). The balance of total finance costs is shown as adjusting items and comprises non-cash costs in relation to the Group's defined benefit pension schemes of £1.1m (2024: £1.1m) and the unwind of the discount on put option liabilities of £0.9m (2024: £0.9m).

The Group recognised £1.1m of other income as an adjusting item in the first half of the year (2024: £2.3m). These amounts relate to step acquisitions of production labels and revaluation of put option liabilities to fair value at the balance sheet date (note 8).

Net debt (excluding lease liabilities) at 30 June 2025 of £35.7m (Dec-24: £38.7m) comprises drawdowns under the Group's revolving credit facility of £42.0m (Dec-24: £40.0m) net of unamortised financing fees of £0.6m (Dec-24: £0.4m), other loans in a subsidiary company of £nil (Dec-24: £0.3m), amounts drawn under non-recourse production financing facilities of £5.2m (Dec-24: £9.9m) and net cash balances of £10.9m (Dec-24: £11.1m).

The Group's key financial covenants are leverage (net debt/EBITDA), which must be less than 3 times, and interest cover, which must be at least 4 times. Reflecting total net debt of the Group, leverage was 1.6x at the end of June (Dec-24: 1.5x) with interest cover 7.1x (Dec-24: 8.5x). See note 18 for further details on borrowings and banking arrangements.

The accounting deficit on the Group's defined benefit pension schemes has decreased to £44.4m at the half year (Dec-24: £48.3m) as a result of contributions paid and actuarial gains. The next triennial valuation is due at 31 December 2026. With the priority of maintaining the current recovery plan end date of October 2030, the Group has agreed flexibility with the pension scheme trustees in relation to the timing of contribution payments during FY26 and FY27 (see note 21).

AUDIENCE DIVISION

In the first half of the year, STV remained the most popular peak time channel in Scotland with a viewing share of 21% and delivering 96% of the top 500 commercial audiences.

Together, STV and STV Player reached 3.5m viewers per month, which is 76% of Scots. STV's peak time commercial TV share was greater than any other commercial media group across linear and digital platforms, and STV has a higher viewing share than the ad-tier of Netflix, Disney+ and Prime Video combined.

STV Player achieved its best ever H1 in viewing terms, delivering 37m viewing hours, an increase of 8% year on year.

STV's drama has out-performed all our commercial competitors across H1, with our top drama, crime thriller *Protection*, +40% greater than closest rival *Patience* on Channel 4. Soaps also continue to attract strong audiences: whilst overall viewing to soaps (*Emmerdale* and *Coronation Street*) is down 3% year on year, on-demand viewing on STV Player has increased by 48%, with *Emmerdale* and *Coronation Street* the top two performers on STV Player. In third position is *Brookside*, which we acquired in 2023 and has delivered 10.6m hours of viewing to date.

Our most watched moment of the year was in the Scotland v England Six Nations match, which attracted a peak audience of 750k. STV is also the nation's top destination for entertainment, with Scots spending more time watching entertainment programming, such as *I'm A Celebrity...* and *Britain's Got Talen*t, with STV than any other broadcaster or platform.

STV News at Six remains the most watched news programme in Scotland for the 6th year, with a 30% viewing share, and the latest Ofcom news consumption report confirms that STV News is the number one choice for news about Scotland. STV's digital news amassed a total of 226m views across H1, with shifting trends in consumption resulting in a 207% increase in video views. YouTube views were up 33% (+1.2m) year on year and TikTok views +154% (+25m) year on year.

Partnerships remain paramount for our audience business, and we secured some key STV Player-only acquisitions in H1, boosting our inventory and driving viewer engagement.

In January, STV Player teamed up with Premier Sports in a unique deal that combined our ad-free programming with live sports and on-demand content from Premier Sports, including football, rugby, and motorsports.

Audio

In March, STV announced its intention to launch a new national commercial radio station, aimed at 35–54 year-olds and available on DAB, online and Smart Speaker. Plans are on track. We have secured our Ofcom licence and our first commercial partner in Tunnock's and are assembling a talented team with a wealth of experience, including Graham Bryce (former COO, Bauer) as MD, David Treasurer (ex-BBC Radio Scotland and Global) as Programme Director, and high-profile, award-winning DJs Ewen Cameron and Cat Harvey as our breakfast show hosts. Studio space is being created at the Company's offices in Glasgow.

Financials

The Audience division reported revenue of £47.8m in H1 2025 (2024: £52.9m). Total advertising revenue of £45.6m was down 10% year on year and the driver of the overall performance. Adjusted operating profit of £9.1m was realised (2024: £12.2m) at a margin of 19% (2024: 23%).

STV STUDIOS

As the number of unscripted commissions slowed in late Q2, a review of the labels across the portfolio was undertaken resulting in a series of actions including stopping development activity in STV Studios Entertainment and ceasing continued investment in Mighty Productions. Across the scripted labels, in addition to the recently announced commission of a new six-part series for Channel 4 secured by Two Cities Television, commissioning decisions are expected in the coming weeks on several ideas in advance development.

So far this year, STV Studios (including its minorities) has secured 30 new commissions, including several original formats and returning series.

- STV Studios Factual will produce new army docuseries *The Troops* for BBC Scotland and iPlayer; a 5th series of *The Travelling Auctioneers* for BBC One and the 32nd series of *Antiques Road Trip* (BBC One).
- STV Studios Entertainment secured an 11th series of *Celebrity Catchphrase* for ITV.
- Crackit Productions secured two series commissions for Channel 4 with *Crime Scene Cleaners* and *Supercruising: Life at Sea*.
- Rumpus Media, which became a wholly owned label in H2 2024, secured a 4-part series from More4.

2025 saw the release of the second series of *The Fortune Hotel* on ITV from Tuesday's Child, alongside multiple returners that continued to deliver loyal audiences for broadcasters including *The Hit List*, *Antiques Road Trip*, *The Travelling Auctioneers* and *The Yorkshire Auction House*. The multi-award winning *Blue Lights* returns to the BBC on 29 September for a much-anticipated third series.

In May we announced our plans to invest in a new branded content start-up, Fan Club, led by ex-C4 Digital Commissioner Joe Churchill, which brings a distinct new offering to our family of labels.

Financials

STV Studios delivered revenue of £42.2m in the first half of 2025 (2024: £37.5m), growth of 13% in a very difficult market. The seasonality of the division is such that most of the adjusted operating profit is generated in the second half of the year and the first half breakeven performance continued to reflect that traditional H1/H2 split.

REGULATORY

Public Service Media (PSM) is hugely valued by viewers but very much under threat. STV welcomed Ofcom's report on the future of PSM this summer, in particular their recommendation that such content should be prominent on third party platforms, and that adequate funding is necessary to sustain a broad range of content to ensure it is commercially viable, such as regional news. We were also pleased to see a strong recommendation on the need for an urgent plan around the future of TV distribution, which is currently commercially unsustainable. Universality is key, particularly in certain rural areas of Scotland with limited digital coverage. Partnership working will be key to ensure PSMs can continue to deliver for audiences, and we are very open to industry collaboration.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board considers the principal risks and uncertainties affecting the business activities of the Group are consistent with those disclosed in the Company's Annual Report and Accounts 2024:

- Regulatory environment
- Market volatility and impact on revenue generation
- Reliance on ITV for quality network programming and effective national sales
- Changing viewing habits
- Cyber-attack or data breach incident
- Defined benefit pension scheme shortfalls resulting in increasing employer contributions
- Recruitment and retention of people

Further details of the Group's policies on principal risks and uncertainties can be found in the annual report, a copy of which is available at www.stvplc.tv.

Unaudited condensed interim income statement
Six months ended 30 June 2025

	Note	**2025** Adjusted results £m	**2025** Adjusting items (note 8) £m	**2025** Statutory results £m	2024* Adjusted results £m	2024* Adjusting items (note 8) £m	2024* Statutory results £m
Revenue	7	**90.0**	**-**	**90.0**	90.4	-	90.4
Operating expenses		**(83.3)**	**(3.4)**	**(86.7)**	(79.8)	(4.1)	(83.9)
Operating profit		**6.7**	**(3.4)**	**3.3**	10.6	(4.1)	6.5
Finance costs							
- borrowings		**(1.8)**	**-**	**(1.8)**	(1.7)	-	(1.7)
- defined benefit pension schemes		**-**	**(1.1)**	**(1.1)**	-	(1.1)	(1.1)
- lease interest		**(0.2)**	**-**	**(0.2)**	(0.2)	-	(0.2)
- other finance costs		**(0.5)**	**(0.9)**	**(1.4)**	-	(0.9)	(0.9)
Total finance costs		**(2.5)**	**(2.0)**	**(4.5)**	(1.9)	(2.0)	(3.9)
Other gains and losses		**-**	**1.1**	**1.1**	-	2.3	2.3
Share of loss of associates		**(0.1)**	**-**	**(0.1)**	(0.1)	-	(0.1)
(Loss)/profit before tax		**4.1**	**(4.3)**	**(0.2)**	8.6	(3.8)	4.8
Tax (charge) / credit	9	**(1.0)**	**0.9**	**(0.1)**	(0.1)	2.4	2.3
(Loss)/profit for the period		**3.1**	**(3.4)**	**(0.3)**	8.5	(1.4)	7.1
Attributable to:							
Owners of the parent		**3.4**	**(3.4)**	**-**	7.1	(1.4)	5.7
Non-controlling interests		**(0.3)**	**-**	**(0.3)**	1.4	-	1.4
		3.1	**(3.4)**	**(0.3)**	8.5	(1.4)	7.1
Earnings per share							
Basic	10	**7.1p**		**(0.1)p**	15.5p		12.4p
Diluted	10	**7.1p**		**(0.1)p**	15.1p		12.1p

*Presentation in the prior year has been updated to reflect the treatment of HETV tax credits in the column for adjusting items for transparency

The above unaudited condensed interim income statement should be read in conjunction with the accompanying unaudited notes.

Unaudited condensed interim statement of comprehensive income
Six months ended 30 June 2025

	2025	2024
	£m	£m
(Loss)/profit for the period	**(0.3)**	7.1
Items that will not be reclassified to profit or loss:		
Gain on re-measurement of defined benefit pension schemes	**0.6**	5.9
Deferred tax charge	**(0.2)**	(1.5)
Other comprehensive income – net of tax	**0.4**	4.4
Total comprehensive income for the period	**0.1**	11.5
Attributable to:		
Owners of the parent	**0.4**	10.1
Non-controlling interests	**(0.3)**	1.4
	0.1	11.5

The above unaudited condensed interim statement of comprehensive income should be read in conjunction with the accompanying unaudited notes.

Unaudited condensed interim balance sheet
As at 30 June 2025

	Note	**30 June 2025 £m**	31 December 2024 £m
Non-current assets			
Intangible assets	12	**36.8**	36.5
Property, plant and equipment	13	**7.3**	6.8
Right-of-use assets	13	**17.1**	16.2
Investments		**1.7**	2.3
Deferred tax asset	14	**19.3**	19.5
Trade and other receivables	17	**0.2**	0.5
		82.4	81.8
Current assets			
Inventories	16	**36.7**	28.8
Trade and other receivables	17	**44.2**	48.0
Cash and cash equivalents		**10.9**	11.1
		91.8	87.9
Total assets		**174.2**	169.7
Equity			
Ordinary shares	19	**23.3**	23.3
Share premium		**115.1**	115.1
Capital redemption reserve		**0.2**	0.2
Merger reserve		**173.4**	173.4
Other reserve		**1.9**	2.1
Accumulated losses		**(318.7)**	(316.0)
Shareholders' equity		**(4.8)**	(1.9)
Non-controlling interests		**(11.3)**	(11.0)
Total equity		**(16.1)**	(12.9)
Non-current liabilities			
Borrowings	18	**41.4**	39.6
Lease liabilities		**17.7**	16.6
Retirement benefit obligations	21	**44.4**	48.3
Deferred tax liabilities	14	**3.5**	3.8
Trade and other payables		**9.1**	15.2
		116.1	123.5
Current liabilities			
Borrowings	18	**5.2**	10.2
Trade and other payables		**68.1**	48.1
Lease liabilities		**0.9**	0.8
		74.2	59.1
Total liabilities		**190.3**	182.6
Total equity and liabilities		**174.2**	169.7

The above unaudited condensed interim balance sheet should be read in conjunction with the accompanying unaudited notes.

Unaudited condensed interim statement of changes in equity
Six months ended 30 June 2025

	Share capital £m	Share premium £m	Capital redemption reserve £m	Merger reserve £m	Other reserve £m	Accumulated losses £m	Attributable to owners of the parent £m	Non-controlling interest £m	Total equity £m
At 1 January 2025	23.3	115.1	0.2	173.4	2.1	(316.0)	(1.9)	(11.0)	(12.9)
Loss for the period	-	-	-	-	-	-	-	(0.3)	(0.3)
Other comprehensive income	-	-	-	-	-	0.4	0.4	-	0.4
Total comprehensive income/(loss) for the period	-	-	-	-	-	0.4	0.4	(0.3)	0.1
Share based compensation	-	-	-	-	(0.2)	0.2	-	-	-
Dividends paid (note 11)	-	-	-	-	-	(3.3)	(3.3)	-	(3.3)
At 30 June 2025	**23.3**	**115.1**	**0.2**	**173.4**	**1.9**	**(318.7)**	**(4.8)**	**(11.3)**	**(16.1)**
At 1 January 2024	23.3	115.1	0.2	173.4	2.4	(321.9)	(7.5)	(5.1)	(12.6)
Profit for the period	-	-	-	-	-	5.7	5.7	1.4	7.1
Other comprehensive income	-	-	-	-	-	4.4	4.4	-	4.4
Total comprehensive income for the period	-	-	-	-	-	10.1	10.1	1.4	11.5
Share based compensation	-	-	-	-	0.1	-	0.1	-	0.1
Dividends paid (note 11)	-	-	-	-	-	(3.4)	(3.4)	(0.5)	(3.9)
Changes in non-controlling interest (note 15)	-	-	-	-	-	0.2	0.2	(4.6)	(4.4)
At 30 June 2024	**23.3**	**115.1**	**0.2**	**173.4**	**2.5**	**(315.0)**	**(0.5)**	**(8.8)**	**(9.3)**

The above unaudited condensed interim statement of changes in equity should be read in conjunction with the accompanying unaudited notes.

Unaudited condensed interim statement of cash flows
Six months ended 30 June 2025

	Note	**2025 £m**	2024 £m
Operating activities			
Cash generated by operations	20	**16.2**	23.0
Interest and fees paid in relation to bank facilities		**(2.1)**	(1.6)
Corporation tax received/(paid)		**0.7**	(0.9)
Pension deficit funding - recovery plan payment		**(5.1)**	(5.0)
Net cash generated by operating activities		**9.7**	15.5
Investing activities			
Acquisition of subsidiary undertakings, net of cash acquired	15	**(0.3)**	(0.9)
Loan repayment from/(provided to) associate		**0.1**	(0.2)
Purchase of intangible assets		**(0.4)**	(0.3)
Purchase of property, plant and equipment		**(1.5)**	(0.2)
Exercise of put options	15	**-**	(4.4)
Purchase of shares in associate and other investments		**(0.7)**	-
Net cash used in investing activities		**(2.8)**	(6.0)
Financing activities			
Payment of obligations under leases		**(0.8)**	(1.0)
Borrowings drawn		**9.8**	13.4
Borrowings repaid		**(12.8)**	(8.2)
Dividends paid to equity holders	11	**(3.3)**	(3.4)
Dividends paid to non-controlling interests		**-**	(0.5)
Foreign exchange loss		**-**	(0.1)
Net cash (used in) / generated by financing activities		**(7.1)**	0.2
Net movement in cash and cash equivalents		**(0.2)**	9.7
Cash and cash equivalents, including overdraft balances, at beginning of period		**11.1**	9.3
Cash and cash equivalents, including overdraft balances, at end of period		**10.9**	19.0

	30 June 2025	31 December 2024
Cash and cash equivalents	**10.9**	11.1
Bank overdrafts	**-**	-
Cash and cash equivalents, including overdraft balances, at end of period	**10.9**	11.1

Unaudited notes to the condensed interim financial statements
Six months ended 30 June 2025

1. General information

STV Group plc (the "Company") is a public limited company incorporated and domiciled in Scotland and listed on the London Stock Exchange. The address of the registered office is Pacific Quay, Glasgow, G51 1PQ.

The principal activities of the Company and its subsidiaries (together "the Group") are the production and broadcasting of television programmes, provision of internet services and the sale of advertising airtime and space in these media.

These condensed interim financial statements were approved for issue on 25 September 2025 and have been reviewed, not audited. They do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2024 were approved by the Board of Directors on 11 March 2025 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter and did not contain any statement under section 498 of the Companies Act 2006.

2. Basis of preparation

These unaudited condensed interim financial statements for the six months ended 30 June 2025 have been prepared based on the accounting policies set out in the 2024 annual financial statements and in accordance with UK adopted IAS 34 and the Disclosure Guidance and Transparency Rules sourcebook of the UK's Financial Conduct Authority. These should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024 which were prepared in accordance with United Kingdom adopted international accounting standards. The condensed interim financial statements and the annual report are available on the Group's website at www.stvplc.tv.

The annual financial statements for the year to 31 December 2025 will be prepared in accordance with United Kingdom adopted international accounting standards.

Going concern

At 30 June 2025, the Group was in a net debt position (excluding lease liabilities) of £35.7m comprising drawdowns under its revolving credit facility of £42.0m and production financing of £5.2m, partially offset by unamortised finance fees of £0.6m and net cash balances of £10.9m. The Group is in a net current asset position and generates cash from operations that enables it to meet its liabilities as they fall due, and other obligations. Headroom under the Group's banking facilities at 30 June 2025 was £28m under the RCF plus the £20m accordion facility (31 December 2024: £30m plus £10m accordion). Subsequent to the balance sheet date, the Group has amended its banking facilities (see note 18).

During the 6 months ended 30 June 2025 and to the date of these condensed financial statements, the Group has operated well within its key financial covenants of leverage (ratio of net debt to EBITDA) and interest cover, which must be less than 3 times and more than 4 times, respectively. At 30 June 2025, the Group's leverage was 1.6 times and its interest cover was 7.1 times, both well within covenant limits.

As part of the going concern review, the Group considers forecasts of the advertising and commissioning markets to determine the impact on liquidity. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate within the level of its current available funding and financial covenants.

The Directors performed a full review of principal risks and uncertainties during 2024 as part of its process to review and approve the three-year plan covering the period to 31 December 2027.

A severe but plausible downside scenario was identified that reflected crystallisation of several risks, principally in relation to advertising revenues and the number and scale of programme commissions anticipated to be won and delivered in the period. This scenario did not make any assumptions around a broad UK economic recovery but reflected the benefit of certain mitigating actions within the control of management, including the flexibility agreed with pension trustees on the timing of contributions payable (note 21). Under this scenario, the Group is projected to generate sufficient cash to enable it to continue in operation and remain within the covenant levels under the Group banking arrangements.

Following completion of these activities, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation for at least 12 months from the date of this report. Accordingly, the Group continues to adopt the going concern basis in preparing its consolidated financial statements.

3. Accounting policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024. There were no changes to accounting standards in the period that had any material impact on the financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

4. Judgements and estimates

Judgements

In the course of preparing the condensed interim financial statements, no judgements have been made in applying the Group's accounting policies that had a significant effect on the amounts recognised in the condensed interim financial statements, other than those involving estimation below.

Estimates

The preparation of the Group's condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the condensed interim financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Inventory

Deferred programme production stock forms part of inventory and is stated in the financial statements at the lower of cost and net realisable value. The key assumption is estimating the likely future revenues for which associated programme costs are expensed in line with. A detailed forecast of future secondary sales is prepared by management based on historic experience and expected future trends. £0.7m was expensed through the income statement in the period (30 June 2024: £0.7m).

Pension obligations

The present value of pension obligations depends on several factors that are determined on an actuarial basis using a number of key assumptions. The assumptions used in determining the projected benefit obligation for pensions include the discount rate and mortality rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each period. This is the rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Regarding mortality, the base tables used are updated every three years (to coincide with triennial valuations) or more frequently when there is evidence of a change in experience. The CMI tables relating to future improvements in mortality are updated when new information is available, usually annually. Other key assumptions for pension obligations are based in part on current market conditions. Refer to note 21 for further disclosure.

5. Financial risk management and financial instruments

The Group's activities expose it to a variety of financial risks, to varying degrees: currency risk, credit risk, liquidity risk and cash flow interest rate risk.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

There have been no changes in any risk management policies since the year end.

6. Seasonality of operations

In line with the UK advertising market, the autumn season provides the Group with its highest level of advertising revenues, as trading picks up from the quieter summer months. The Studios division delivers the majority of programmes to commissioners in the second half of the year.

7. Business segments

Information reported to the Group's Chief Executive for the purposes of resource allocation and assessment of segment performance is by product. Following the announcement in May 2025 that the Group would be combining its Broadcast and Digital divisions into a single Audience division, the organisation and leadership structure has been updated, as has the reporting provided to the Chief Executive.

On this basis, the Group's reportable segments are now Audience and Studios. The 2024 comparators have been restated accordingly, with the previous disclosures for Broadcast and Digital combined into Audience.

	Audience		Studios		Total	
Six months	**2025**	2024	**2025**	2024	**2025**	2024
	£m	£m	**£m**	£m	**£m**	
Revenue						
Sales	**52.2**	56.8	**43.1**	38.4	**95.3**	95.2
Intra-segment sales	**(4.4)**	(3.9)	**(0.9)**	(0.9)	**(5.3)**	(4.8)
Segment revenue	**47.8**	52.9	**42.2**	37.5	**90.0**	90.4
Segment result						
Adjusted operating profit	**9.1**	12.2	-	0.1	**9.1**	12.3
Unallocated corporate expenses					**(2.4)**	(1.7)
Adjusted operating profit					**6.7**	10.6
Adjusting items in operating profit (note 8)					**(3.4)**	(4.1)
Other adjusting items - finance costs (note 8)					**(2.0)**	(2.0)
Finance costs					**(2.5)**	(1.9)
Other gains and losses (note 8)					**1.1**	2.3
Share of loss of associates					**(0.1)**	(0.1)
(Loss)/profit before tax					**(0.2)**	4.8
Tax (charge)/credit					**(0.1)**	2.3
(Loss)/profit for the period					**(0.3)**	7.1

Adjusted operating profit (as shown above) is the statutory operating profit before adjusting items and includes High-End Television (HETV) tax credits receivable. The HETV tax credits relate solely to the Studios operating segment.

The only significant changes in total assets from the amount disclosed in the last annual financial statements are due to the seasonality of operations, both in terms of the advertising market and delivery of programmes. Please see note 6 for further details.

8. Adjusting items and reconciliation of statutory results to adjusted results

In reporting financial information, the Group presents alternative performance measures (APMs) which are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for or superior to IFRS measures, provide stakeholders with additional helpful information on the performance of the business.

Below is a reconciliation of the statutory results to the adjusted results:

	2025 Operating profit £m	**2025 Profit before tax £m**	**2025 Basic EPS pence**	2024 Operating Profit £m	2024 Profit before tax £m	2024 Basic EPS pence
Statutory result	**3.3**	**(0.2)**	**(0.1)p**	6.5	4.8	12.4p
Acquisition and integration costs (i)*	**-**	**-**		0.5	0.5	
Restructuring costs (ii)*	**2.0**	**2.0**		0.5	0.5	
Amortisation of intangible assets (iii)*	**0.9**	**0.9**		0.8	0.8	
HETV tax credit (iv)*	**0.5**	**0.5**		2.3	2.3	
IAS 19 net finance costs (v)	**-**	**1.1**		-	1.1	
Other finance costs (vi)	**-**	**0.9**		-	0.9	
Other gains and losses (vii)	**-**	**(1.1)**		-	(2.3)	
Adjusted results	**6.7**	**4.1**	**7.1p**	10.6	8.6	15.5p

*These items make up the adjusting items of £3.4m (2024: £4.1m) within operating profit in the income statement.

(i) Acquisition and integration costs
On 6 July 2023, the Group acquired Greenbird Media Limited. In the prior half year, a cost of £0.5m was recognised being the earn outs payable to founding members, professional fees and restructuring costs.

(ii) Restructuring costs
In H1 2025, restructuring costs relate to amounts written off following a review of the unscripted label portfolio. No further investment will be made in Mighty Productions with the carrying value written off in full (£1.1m) and following the cessation of development activity in STV Entertainment, development stock of £0.8m has been written off. Related one-off cash costs of £0.1m were incurred.

In the prior half year, restructuring costs of £0.5m were incurred in relation to execution of the previously announced Group cost saving plan to deliver £5m savings per annum by the end of FY26.

(iii) Amortisation of intangible assets
Following the acquisitions detailed in note 15, the Group has undertaken fair value assessments of the assets acquired and liabilities assumed. The fair value attributable to intellectual property has been amortised in the period, resulting in a total charge of £0.9m (2024: £0.8m). Amortisation of assets acquired through business combinations are included within adjusted results as they are acquisition-related and, in line with our treatment of other acquisition-related costs, we consider that they do not reflect the underlying trading performance of the Group.

(iv) High-End Television tax credit
The Group meets the eligibility criteria to claim tax relief on the production of certain programmes. This incentive was introduced in the UK to support the creative industries and is a critical factor when assessing the viability of investment decisions in the production of qualifying programmes. These production tax credits are reported within the total tax charge in the income statement in accordance with IAS 12. However, STV considers the production tax credits to be a contribution to production costs and therefore more aligned to working capital in nature.

Therefore, the adjusted results for the Group reflect these credits as a contribution to operating costs and not a tax item. The tax credit regime is transitioning to an 'above the line' Audio-Visual Expenditure credits ('AVEC') arrangement which is accounted for in a similar way to the alternative performance measure presented above.

Due to the timing of expenditure for the relevant productions and the transition period between the regimes, the tax credit of £0.5m recognised in the current period (2024: £2.3m) will be claimed under the HETV regime and therefore has been adjusted in the results.

(v) IAS 19 net finance costs
IAS 19 net finance costs are excluded from non-statutory measures as they are non-cash costs that relate to legacy defined benefit pension schemes.

(vi) Other finance costs
The Group has liabilities relating to amounts payable to minority shareholders under put options at the date of acquisition of Greenbird Media Limited, Two Cities Television Limited and Hello Halo Productions Limited. A finance cost of £0.9m (2024: £0.9m) has been recognised in the period in relation to the unwinding of the discount on these liabilities.

(vii) Other gains and losses
Other gains and losses of £1.1m (2024: £2.3m) have arisen in relation to (i) acquisitions achieved in stages; and (ii) acquired put option liabilities being revalued to fair value at the balance sheet date (note 15).

9. Tax (charge)/credit

	Six months 2025 £m	Six months 2024 £m
The (charge)/credit for taxation is as follows:		
Underlying charge for the current period	**(0.9)**	(0.1)
Adjustment in respect of prior periods	**(0.1)**	-
Charge for the period before adjusting items	**(1.0)**	(0.1)
Tax credit on adjusting items	**0.4**	0.1
High-end television tax credit	**0.5**	2.3
Credit for the period - adjusting items	**0.9**	2.4
(Charge)/credit for the period	**(0.1)**	2.3

The tax on the results for the six month period is charged at the rate that represents the best estimate of the effective tax rate (ETR) expected for the full year, applied to the pre-tax result for the six month period.

The deferred tax assets at 30 June 2025 have been measured using the rates that are expected to apply in the periods when the underlying timing differences, on which deferred tax is recognised, are expected to unwind.

10. Earnings per share

The calculation of earnings per share is based on earnings after tax and the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held for use by the STV Employee Benefit Trust.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of the weighted average of dilutive potential ordinary shares. The Group has one type of dilutive potential ordinary share namely share options granted to employees.

The adjusted earnings per share figures that have also been calculated are based on earnings before adjusting items that are significant in nature and/or quantum and not expected to recur every year and are therefore considered to be distortive. The adjusting items recognised in the current and prior years are detailed in note 8 and presented below net of the related tax effect. Adjusted earnings per share have been presented to provide shareholders with an additional measure of the Group's year on year performance.

Earnings per share	**Six months 2025 Pence**	Six months 2024 Pence
Basic earnings per share	**(0.1)p**	12.4p
Diluted earnings per share	**(0.1)p**	12.1p
Adjusted basic earnings per share	**7.1p**	15.5p
Adjusted diluted earnings per share	**7.1p**	15.1p

The following summarises the earnings and share data used in the calculation of earnings per share:

Earnings	**Six months 2025 £m**	Six months 2024 £m
Result for the period attributable to equity shareholders	**-**	5.7
Adjusting items in operating profit (net of tax)	**2.5**	1.7
IAS 19 net financing cost	**1.1**	1.1
Other finance costs	**0.9**	0.9
Other gains and losses	**(1.1)**	(2.3)
Adjusted profit	**3.4**	7.1

Number of shares	**Million**	Million
Weighted average number of ordinary shares in issue	**46.0**	46.0
Dilution due to share options	**0.2**	1.2
Total weighted average number of ordinary shares in issue	**46.2**	47.2

11. Dividends

A final dividend of £3.3m relating to the year ended 31 December 2024 was paid from the parent company's accumulated realised profits in May 2025 (30 June 2024: final dividend relating to the year ended 31 December 2023 of £3.4m, paid in May 2024).

The Board is not proposing an interim dividend in respect of the current financial year in light of the current uncertain trading environment. The Board will keep the position under review.

12. Intangible assets

During the six months ended 30 June 2025, the Group incurred expenditure of £0.4m on web development (£0.7m in the year to 31 December 2024; £0.3m in the six months ended 30 June 2024). In addition, the Group acquired £0.1m of intellectual property and recognised £1.2m of goodwill in relation to the acquisition of Flicker Productions Limited (see note 15). There were disposals of £nil net book value in the current period and in the year ended 31 December 2024.

13. Property, plant and equipment and right-of-use assets

During the six months ended 30 June 2025, the Group incurred expenditure of £1.5m on property, plant and equipment (£0.7m in the year ended 31 December 2024; £0.2m in the six months ended 30 June 2024). There were disposals of £nil net book value in the current period and £0.2m net book value in the year ended 31 December 2024.

During the six months ended 30 June 2025, there were additions of £1.7m to right-of-use assets (£0.4m in the year ended 31 December 2024; £nil in the six months ended 30 June 2024) with £0.1m added following the Flicker acquisition (see note 15). There were disposals in the current period of £0.1m net book value, £0.6m net book value for the year ended 31 December 2024 and £0.6m net book value for period ended 30 June 2024.

14. Deferred tax

At 30 June 2025, total deferred tax assets of £19.3m were recognised on the balance sheet (31 December 2024: £19.5m). Of this, £11.1m relates to the deficit on the Group's defined benefit pension schemes (31 December 2024: £12.1m) and the balance of £8.2m relates to tax losses, accelerated capital allowances and short-term timing differences (31 December 2024: £7.4m).

At 30 June 2025, total deferred tax liabilities of £3.5m were recognised on the balance sheet (31 December 2024: £3.8m). These relate to liabilities recognised in regard to the acquisition of Greenbird Media Limited and Two Cities Television Limited.

15. Business combinations

Flicker Productions Limited

In July 2023, the Group acquired a minority stake of 40% in Flicker Productions Limited ("Flicker"), as part of the acquisition of Greenbird Media Limited group. On 8 April 2025, the Group increased its equity stake in Flicker to a majority holding of 100% following a restructuring of the shareholding agreed with the previous majority owners of the company, which resulted in the additional 60% transferring to the Group for nominal consideration.

In line with accounting requirements for a business combination achieved in stages, the initial stake of 40% has been remeasured at fair value at the acquisition date, resulting in a gain of £0.1m, which is presented within other gains and losses on the face of the income statement.

The Group has completed the majority of its work in relation to assessing the fair values of identifiable assets acquired and liabilities assumed with only a small number of minor points to be finalised. Therefore, the fair values have been presented as provisional in the table below but it is not anticipated that there will be any material changes between the provisional and final position, which will be finalised within 12 months from the date of acquisition, as required by the relevant accounting standard.

Provisional fair value of identifiable assets and liabilities of Flicker Productions Limited	2025 £m
Intangible assets	**0.1**
Right of use asset	**0.1**
Inventory	**0.2**
Trade and other receivables	**0.1**
Cash and cash equivalents	**0.1**
Trade and other payables	**(1.4)**
Contract liabilities	**(0.2)**
Lease liabilities	**(0.1)**
Fair value of net identifiable liabilities	**(1.1)**
Goodwill	**1.2**
Consideration	**0.1**

Total net cash inflow relating to acquisition of Flicker Productions Limited	£m
Consideration paid	**-**
Cash and cash equivalents acquired	**0.1**
Total cash inflow	**0.1**

Goodwill of £1.2m represents the value placed on the opportunity to enhance the future growth prospects of the STV Studios unscripted division through increasing the volume of new productions, formats and intellectual property. This has been calculated as the fair value of the consideration transferred less the net of the fair value of the identifiable assets acquired and liabilities assumed.

From the date of acquisition, Flicker contributed £0.4m of revenue and £nil of adjusted operating profit to the Group's results.

Hello Halo Productions Limited

During the period, the Group finalised its fair value assessment of the identifiable assets acquired and liabilities assumed of Hello Halo Productions Limited and subsidiary company, acquired on 30 August 2024. The table below sets out the adjustments that have been made to the provisional fair values previously disclosed within the annual financial statements for year ended 31 December 2024, to reach the final position.

Fair value of identifiable assets and liabilities of Hello Halo Productions Limited and subsidiary company

	Provisional £m	Adjustments £m	Final £m
Intangible assets	**0.2**	**(0.2)**	**-**
Inventory	**2.1**	**0.2**	**2.3**
Trade and other receivables	**1.3**	**-**	**1.3**
Contract assets	**0.1**	**-**	**0.1**
Cash and cash equivalents	**-**	**0.3**	**0.3**
Deferred tax liabilities	**(0.1)**	**0.1**	**-**
Trade and other payables	**(3.3)**	**(0.5)**	**(3.8)**
Contract liabilities	**(3.2)**	**-**	**(3.2)**
Fair value of net identifiable liabilities	**(2.9)**	**(0.1)**	**(3.0)**
Non-controlling interest measured at proportionate share of identifiable net liabilities	**-**	**-**	**-**
Adjustments to non-controlling interest regarding derivative put options	**2.8**	**-**	**2.8**
Goodwill	**1.9**	**0.1**	**2.0**
Consideration	**1.8**	**-**	**1.8**
	£m	**£m**	**£m**
Present value of expected liability on put options	**2.8**	**-**	**2.8**

Rumpus Media Limited

During the period, the Group finalised its fair value assessment of the identifiable assets acquired and liabilities assumed of Rumpus Media Limited, acquired on 17 July 2024. The table below sets out the adjustments that have been made to the provisional fair values previously disclosed within the annual financial statements for year ended 31 December 2024, to reach the final position.

Fair value of identifiable assets and liabilities of Rumpus Media Limited

	Provisional £m	Adjustments £m	Final £m
Intangible assets	**0.4**	**(0.4)**	**-**
Inventory	**0.4**	**-**	**0.4**
Trade and other receivables	**0.8**	**-**	**0.8**
Contract assets	**0.3**	**-**	**0.3**
Cash and cash equivalents	**0.7**	**-**	**0.7**
Deferred tax liabilities	**(0.1)**	**0.1**	**-**
Trade and other payables	**(1.1)**	**-**	**(1.1)**
Contract liabilities	**(0.9)**	**-**	**(0.9)**
Borrowings	**(0.3)**	**-**	**(0.3)**
Fair value of net identifiable assets/(liabilities)	**0.2**	**(0.3)**	**(0.1)**
Goodwill	**0.2**	**0.3**	**0.5**
Consideration	**0.4**	**-**	**0.4**

Summary of acquisition related transactions for period ended 30 June 2025

	Two Cities £m	Hello Halo £m	Flicker £m	Greenbird Media £m	Total £m
Cash (outflow)/inflow					
Consideration paid, net of cash acquired	-	-	0.1	-	0.1
Deferred consideration paid	-	-	-	(0.4)	(0.4)
Acquisition of subsidiary undertakings, net of cash acquired	**-**	**-**	**0.1**	**(0.4)**	**(0.3)**
Other gains and (losses)					
Revaluation of initial investment held to fair value at acquisition date	-	-	0.1	-	0.1
Revaluation of expected liability of put options to fair value as at 30 Jun 2025	(0.2)	1.0	-	0.2	1.0
	(0.2)	**1.0**	**0.1**	**0.2**	**1.1**

Summary of acquisition related transactions for period ended 30 June 2024

	Two Cities £m	Greenbird Media £m	Total £m
Cash outflow			
Consideration paid, net of cash acquired	(0.4)	-	(0.4)
Deferred consideration paid	-	(0.5)	(0.5)
Acquisition of subsidiary undertakings, net of cash acquired	**(0.4)**	**(0.5)**	**(0.9)**
Purchase of additional shares in subsidiary undertakings / exercise of put options	**-**	**(4.4)**	**(4.4)**

Changes in non-controlling interest

Proportionate share of net (assets)/liabilities at acquisition date	(2.0)	-	(2.0)
Present value of expected liability on put options recognised on acquisition	6.7	-	6.7
Adjustments recognised following finalisation of fair value of assets and liabilities acquired	-	(0.3)	(0.3)
	4.7	**(0.3)**	**4.4**

Other gains and (losses)

Revaluation of initial investment held to fair value at acquisition date	2.3	-	2.3
	2.3	**-**	**2.3**

16. Inventory

	30 June 2025 £m	31 December 2024 £m
Deferred programme production stock	**13.8**	14.2
Programme production work in progress	**22.9**	14.6
	36.7	28.8

17. Trade and other receivables

	30 June 2025 £m	31 December 2024 £m
Trade receivables	**13.4**	16.3
Prepayments	**4.7**	4.1
Contract assets	**8.1**	9.0
Other receivables	**8.8**	15.3
Income tax recoverable	**9.4**	3.8
	44.4	48.5
Amounts included in current assets	**44.2**	48.0
Amounts included in non-current assets	**0.2**	0.5
	44.4	48.5

18. Borrowings

Non-current borrowings

At the balance sheet date, the Group had a £70m revolving credit facility ("RCF") with a £20m accordion (uncommitted) for a minimum 3-year term with two 1-year extension options that was entered into in February 2025. Total borrowings at the balance sheet date under the RCF were £41.4m, made up of £42.0m facility drawings offset by £0.6m unamortised finance fees (31 December 2024: £39.6m, being £40.0m drawings offset by £0.4m unamortised finance fees). The principle financial covenants are leverage (the ratio of net debt to EBITDA), which must be below 3 times, and interest cover (which must be higher than 4 times). Leverage at the end of June 2025 was 1.6 times (2024: 1.4 times) and interest cover was 7.1 times (2024: 9.8 times).

Since the balance sheet date, the Group has agreed a facility amendment with lenders to provide incremental cash management and balance sheet flexibility. The RCF has been increased to £75m through accessing the accordion facility, with covenants amended during FY26.

<u>Current borrowings</u>
The Group had loans of £5.2m (31 December 2024: £9.9m) for production financing in the period. At 31 December 2024, one of the Group's subsidiaries had another loan for £0.3m.

19. Share capital

Issued share capital at 30 June 2025 and 31 December 2024 amounted to £23.3m relating to 46,722,499 ordinary shares with a par value of £0.50 per share. All issued shares are fully paid

20. Notes to the condensed interim statement of cash flows

	Six months 2025 £m	Six months 2024 £m
Operating profit	**3.3**	6.5
Adjustments for:		
Depreciation on property, plant and equipment	**1.0**	1.3
Amortisation of intangible assets	**1.2**	1.0
Amortisation of right-of-use assets	**0.8**	0.8
Write-off of assets	**1.9**	-
Share based payments	**-**	0.1
(Increase)/decrease in inventories	**(8.5)**	12.2
Decrease/(increase) in trade and other receivables	**2.8**	(8.8)
Increase in trade and other payables	**13.7**	9.9
Cash generated by operations	**16.2**	23.0

Net debt reconciliation

	Revolving credit facility	**Production financing**	**Net cash & cash equiv inc overdrafts**	**Net debt**	**Lease liabilities**	**Net debt inc. lease liabilities**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
At 1 January 2025	(39.9)	(9.9)	11.1	(38.7)	(17.4)	(56.1)
Cash flows	(1.0)	4.7	(0.2)	3.5	0.8	4.3
Non-cash movements (i)	(0.5)	-	-	(0.5)	(2.0)	(2.5)
At 30 June 2025	**(41.4)**	**(5.2)**	**10.9**	**(35.7)**	**(18.6)**	**(54.3)**

Net debt excluding production financing was £30.5m (31 December 2024: £28.8m).

(i) Non-cash movements relate to the amortisation of borrowing costs (for long-term borrowings), and interest charged on lease liabilities net of derecognition for liabilities relating to terminated leases.

21. Retirement benefit schemes

The fair value of the assets and the present value of the liabilities in the Group's defined benefit pension schemes at each balance sheet date was:

	At 30 June 2025 £m	At 31 December 2024 £m
Defined benefit scheme obligations	**(312.8)**	(319.1)
Defined benefit scheme assets	**268.4**	270.8
Net pension deficit	**(44.4)**	(48.3)

The reduction in the net pension deficit is driven by Company contributions to the Schemes and actuarial gains. This has been offset by interest cost and admin expense recognised.

Assumptions used to estimate the scheme obligations

The significant actuarial assumptions used for accounting purposes reflect prevailing market conditions in the UK and are as follows:

	At 30 June 2025 %	At 31 December 2024 %
Rate of increase in salaries	**nil**	nil
Rate of increase of pensions in payment	**3.00**	3.25
Discount rate	**5.45**	5.45
Rate of price inflation (RPI)	**3.00**	3.25

Assumptions regarding future mortality experience are set based on advice, published statistics and experience in each scheme and are reflected in the table below.

Average life expectancy in years of a pensioner retiring at age 65:

	At 30 June 2025	At 31 December 2024
Retiring at balance sheet date:		
Male	**20.8**	20.7
Female	**23.0**	22.9
Retiring in 25 years		
Male	**21.9**	21.9
Female	**24.0**	24.0

The sensitivities regarding the principal assumptions used to measure the defined benefit obligation are set out below:

Assumption	**Change in assumption**	**Impact on scheme liabilities**
Discount rate	Increase/decrease by 0.25%	Decrease/increase by 2%
Rate of price inflation (RPI)	Increase/decrease by 0.25%	Increase/decrease by 1%
Rate of mortality	Decrease by 1 year	Decrease by 4%

These sensitivities have been calculated to show the movement in the defined benefit obligations in isolation, and assuming no other changes in market conditions at the balance sheet date.

Funding arrangements
Deficit recovery plans end in October 2030, within which the Company has flexibility for the timing of deficit recovery payments to the end of FY27. Under this arrangement, the 2025 deficit recovery payments remain £10.2m. Payments in respect of FY26 will be c.£5m with flexibility to pay these contributions in a single amount in respect of December 2026, in January 2027.

The recovery plans are designed to enable the schemes to reach a fully funded position, using prudent assumptions about the future, by 2030.

22. Transactions with related parties

The Group provided advertising with an estimated fair value of £0.1m (2024: £0.2m) for nil consideration to the charity organisation STV Appeal. The charity purchased advertising from the Group for a total of £0.1m (2024: £0.1m).

23. Post balance sheet events

Subsequent to the balance sheet date, the Group has had discussions with lenders and pension scheme trustees as detailed in notes 18 and 21.

Statement of Directors' Responsibilities

We confirm that to the best of our knowledge, these condensed consolidated interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- An indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- Material related party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

The directors of STV Group plc are listed in the Annual Report and Accounts for 31 December 2024.

A list of current directors is maintained on the STV plc website: www.stvplc.tv

For and on behalf of the Board:

Lindsay Dixon
Chief Financial & Operating Officer
Date: 25 September 2025

Independent review report to STV Group plc

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 which comprises the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and related notes 1 to 23.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2025 is not prepared, in all material respects, in accordance with United Kingdom adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council for use in the United Kingdom (ISRE (UK) 2410). A review of interim financial information consists of making inquiries, 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.

As disclosed in note 2, the annual financial statements of the group are prepared in accordance with United Kingdom adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with United Kingdom adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusion Relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This Conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410; however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly financial report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our Conclusion, including our Conclusion Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the company in accordance with ISRE (UK) 2410. Our work has been undertaken so that we might state to the company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our review work, for this report, or for the conclusions we have formed.

Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom
Date: 25 September 2025