

Zinc Media Group plc
("Zinc Media", the "Group" or the "Company")

Interim results for the six months ended 30 June 2022

Zinc Media Group plc, the award-winning television, brand, content and audio production group, is pleased to announce its unaudited interim results for the six months to 30 June 2022 ("H1 2022").

Headlines

The Group is pleased to report excellent progress in H1 2022 and continues to trade in line with market expectations for the current financial year. The first half of 2022 includes the following highlights:

- Revenue of £10.8m (H1 2021: £7.0m), an increase of 54% year-on-year.
- Adjusted EBITDA¹ loss of £0.65m (H1 2021: loss of £1.1m), an improvement of £0.45m over the prior year period.
- Gross margins in the period were 33% (H1 2021: 34%), which remain significantly up on 2019 and 2020 when they were 25% and 30% respectively.
- The acquisition of The Edge Picture Company ("The Edge") post period-end, announced in August, will add scale to the existing Group, supporting long-term profitability. The Edge is one of the largest brand and corporate film making production companies in the UK. It closely aligns with the Group's other film-based production businesses and is a fantastic fit for Zinc Media.
- The Group completed a fundraise of £5m (before expenses) alongside the acquisition of The Edge. This was supported by several new and existing institutional shareholders. The proceeds of the placing were used to finance the acquisition and will also provide additional growth capital for the Group.
- As at 26 September 2022 the enlarged group has booked £27m of revenue which has or is expected to be delivered in 2022, representing an increase of £10m since the last trading update in May 2022 and an improvement of £10m compared to the same point in 2021 in relation to that financial year.
- The Group has a strong pipeline of potential new business for 2022 and 2023 and is confident of trading in line with market expectations.

Operational Highlights

- There were a number of significant programme successes in the first half of the year, which included:
 - Being awarded the weekly BBC ONE series *Sunday Morning Live* for an initial two year term in a competitive tender process;
 - The recommission of the Group's largest ever series with Channel 5;
 - The recommission from the Warner Bros. Discovery Group of *Spooked Scotland*;
 - A landmark programme for BBC ONE titled *Tom Daley: Illegal to be me*;
 - *Afghanistan: Getting Out*, a major production for the BBC; and
 - Nominations for prestigious industry awards including a BAFTA, an RTS award and two Emmys in recognition of the Group's quality and impactful content.

Outlook

¹ Adjusted EBITDA defined as EBITDA before share based payment charge, profit/loss on disposal of fixed assets and exceptional items.

- The outlook for the Group is positive, with the recent period of new business conversion underpinning the Board's confidence in meeting market expectations for the financial year, including being profitable in the second half of the year.
- The Edge are performing very well: they are having their best ever year and expect to post record revenues in 2022.
- The acquisition of The Edge will further strengthen and provide significant scale to the Group, resulting in annualised proforma Group revenues for FY22 of over £35m.

Mark Browning, Chief Executive, commented: "We are delighted with the current performance of the Group which has seen a considerable increase in turnover whilst maintaining an attractive margin, with good visibility of sustainable profitability. The organic growth, coupled with the acquisition of The Edge, provides initial scale and the Board is optimistic about the Group's outlook and views the future with confidence."

A copy of the interim results will be made available on the Company's website, zincmedia.com.

For further information, please contact:

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CHAIRMAN'S STATEMENT

The first six months of 2022 demonstrate the Group has largely recovered from the Covid pandemic with revenues up over 50% compared to the same period last year and is trading in line with market expectations for the full year. With the acquisition of The Edge, which was completed in August, and the scale this brings, we look forward to sustained profitability in 2023.

The Edge is synergistic with our current portfolio and was priced at a sensible valuation multiple. The level of support from new and existing shareholders for this acquisition has been overwhelming, and we thank all investors for their ongoing support. Together with our employees and clients, we are building a premium content creation Group with the ambition and financial backing to operate at significant scale.

The Group continues to deliver outstanding programmes and content across all divisions. The award of the BBC ONE series *Sunday Morning Live* demonstrates that the Group is ambitious to enter new markets; the renewal of the Group's largest ever series commission, *Bargain Loving Brits in the Sun* for Channel 5, demonstrates sustained creative and commercial firepower; and the brilliant *Tom Daley: Illegal to be me* for BBC ONE shows the Group continues to produce some of the most talked about factual television in the UK. With Zinc Communicate also growing by almost 80% in the period, this is a Group that is attracting the right kind of attention.

September 2022 concludes the Group's initial three year strategic plan which was announced in 2019, with all aspects successfully delivered, including the Group's latest acquisition. This is a phenomenal achievement given the significant headwinds encountered due to the Covid pandemic and current global economic conditions.

Notwithstanding inflationary pressures and the impending economic downturn, the future of Zinc Media is looking very positive. Current strong trading and the acquisition of The Edge post period end allows for the return of market forecasts. The Group is on course for a period of steady organic growth and sustainable profitability, with the Board focussed on providing returns and value to shareholders.

The Board would like to thank the management team, employees and freelancers for their professional and dedicated work, and our shareholders for their continued support.

Christopher Satterthwaite

Chairman

CEO'S REPORT

CURRENT TRADING, STRATEGY AND MARKET OUTLOOK

Trading in the first six months of the year has been strong with organic growth seeing revenues increase 54% to £10.8m (H1: 2021 £7.0m) with an adjusted EBITDA loss of £0.65m, an improvement of £0.45m over the same period in the prior year.

Following the acquisition of The Edge in August, market estimates were reinstated, and the Group is trading in line with market expectations and expecting to be profitable at EBITDA level in H2 2022.

As at 26 September 2022 the enlarged group has booked £27m of revenue which has or is expected to be delivered in 2022, representing an increase of £10m since the last trading update in May 2022, and an improvement of £10m on the same point in 2021 in relation to that financial year. The Edge's financial performance will be consolidated in the Group's results from 23 August 2022 (the date of acquisition).

The strategy for 2023 and beyond is to deliver organic growth at both the revenue and EBITDA level while maintaining healthy cash reserves and continuing to strengthen the balance sheet. As the Group delivers these objectives, it will also seek further growth through selective acquisitions. These may accelerate growth in existing business areas, further diversify Group revenues in new content genres in either television or Zinc Communicate or further build the Group's non-UK business. It remains our ambition to be a listed content producing Group operating at substantial scale.

The first six months of 2022 have seen a number of editorial highlights and new business launches in the Group.

The television labels continue to produce some of the UK's most watched television. H1 2022 saw Red Sauce win the Group's largest ever volume series, a recommission of the now highly successful *Bargain Loving Brits in the Sun* for Channel 5. This label was launched in 2020. This was recommissioned for 54 episodes and is now running in a daytime slot as well as a peak time slot and delivering excellent ratings for the channel. It has the added benefit to the buyer in that it can also run on some of the other channels owned by Viacom, making it a strong commercial proposition. Brook Lapping continues to produce highly reputable television. This includes the excellent *Afghanistan: Getting Out* which explored the chaotic withdrawal of western forces from Afghanistan, a prime-time BBC ONE documentary titled *Tom Daley: Illegal to be me*, which was broadcast to coincide with the Commonwealth Games and shone a light on the plight of many LGBTQ+ athletes from countries where it is illegal to be gay. The first half of the year also saw the launch of the Group's latest television production label, Rex, which aims to diversify television revenues into the large market for factual entertainment, which can deliver long running series and commercially valuable IP and formats.

Tern TV's Belfast based division delivered another successful series of the daytime series *Critical Incident* for BBC ONE. Tern TV Glasgow delivered their first series for Really (part of Warner Bros. Discovery) with a programme titled *Spooked Scotland*, exploring the paranormal activity north of the border. H1 2022 saw the launch of the Group's new weekly BBC ONE series *Sunday Morning Live*, which is produced in partnership with Green Inc who are based in Northern Ireland and have live television expertise. Tern TV also delivered one of the BBC's masthead Easter programmes, *Jill Halfpenny's Easter Walks*, for BBC ONE. Tern continues to be a trusted supplier to BBC Scotland, producing many programmes for the channel including *Addicted* which is presented by Darren McGarvey.

Zinc Communicate continues to grow rapidly with revenues up 78% on the same period last year. It has diversified its digital publishing revenues off the back of new products focusing on sustainable energy and producing content for the home renovation market championing green initiatives. The video marketing business, which sells and produces corporate films, secured an enviable list of new partners in the reporting period including The London Institute of Banking and Finance, Sustainable Travel International and the Association for UK Interactive Entertainment, and films are being made for blue chip companies including Shell, American Express and Easyjet. Revenues in this division are on course to double in 2022. The branded entertainment and audio division grew audio revenues with new business from the BBC, and brand partnerships with the likes of Universal Music, The Independent and The Evening Standard.

Post period end, and off the back of outstanding technical innovation in the market of post-production, the Group has launched a new UK wide business called Bumblebee Post Production. Bumblebee is led by Olly Strous, the Group's CTO, who joined Zinc Media in the summer of 2021. It offers the television and branded content

market a highly automated, fully remote technical solution for uploading content and post producing programmes and aims to be carbon neutral. It will make use of Zinc Media's existing technical hubs in London, Manchester, Glasgow and Belfast, and has already secured clients including Avalon Television and the BBC.

The Group continues to be recognised within its industries for producing market leading, high-quality content, with nominations for prestigious awards including a BAFTA award, an RTS award, two Emmy's and a Broadcast Digital Award.

The market for premium factual television along with content for brands and media owners remains strong. Broadcasters, platforms, media owners and brands continue to see content as a differentiator with their consumers. Zinc Media Group now produces for all these markets and, while growing, still maintains a relatively small market share. While there will now be some recessionary headwinds, particularly in the UK, which may well impact speed of growth, the Group remains confident of delivering further organic growth and profitability in the years ahead.

Mark Browning

Chief Executive Officer

CFO'S REPORT

INCOME STATEMENT

Group revenues in the reporting period were up by over 50% year-on-year to £10.8m (H1 2021: £7.0m). All divisions increased revenues year-on-year in the period, with London TV up 62%, Tern TV up 37% and Zinc Communicate up 78%.

Gross margins in the period were 33% (H1: 2021 34%), which remain significantly up on 2019 and 2020 when they were 25% and 30% respectively.

Gross margins were lower in the period than the full year 2021, when they reached 38%, as a result of the Group deciding to invest in winning certain lower margin contracts in order to gain a foothold in new television markets, including live TV, that can provide the Group with high volume commissions in more diverse areas. This includes multi-million pound contracts for the BBC and Channel 5.

The Group has continued to invest in anticipation of further growth in H2. It has invested in new business winning talent in television, including launching a new television label called Rex in March, in sales and production teams in Zinc Communicate, and in technology, which has led to the launch of the post-production business, Bumblebee.

These initiatives suppressed the full impact of the healthy uplift in revenue during the period, resulting in an Adjusted EBITDA loss of £0.65m. This is a £0.45m improvement year-on-year, and improved profitability is anticipated in H2 2022 in line with market expectations.

Dividend

No dividend is proposed. The Board considers the Group's investment plans, financial position and business performance in determining when to pay a dividend.

STATEMENT OF FINANCIAL POSITION

Assets

Cash at the end of June 2022 was £2.6m, having decreased by £3.0m during the period as a result of working capital required to service the increase in activity and due to the unwinding of working capital held at December 2021 where broadcasters had funded some large productions up front. Conversely trade and other receivables have increased by £3.0m since December 2021 as a result of the volume of commissions increasing markedly.

As at the end of August 2022 the Group's cash position had risen to £5.4m, driven by the proceeds from the capital fundraise in August.

Equity and Liabilities

The £0.8m reduction in equity and liabilities results from the loss for the period and a £1.0m increase in trade and other payables as a result of the increased working capital requirement in the period.

The Group had an outstanding balance on long-term debt of £3.5m as at 30 June 2022 which has remained almost unchanged (2021: £3.4m), held by two of the Company's shareholders and with no financial covenants relating to the debt. During the period the long-term debt holders agreed to extend the term of the debt by two years, such that the repayment of the debt is now due on 31 December 2024.

Post balance sheet events

The Company announced in August 2022 that it had acquired The Edge Picture Co Limited, one of the largest brand and corporate film making production companies in the UK, for an initial consideration of £1.56 million in cash and £0.54 million satisfied by the issue of 540,000 new ordinary shares in the Group, and deferred consideration of up to a further £3.875 million to be satisfied by a combination of cash and ordinary shares in the Company.

The Company also announced in August 2022 that it had raised £5.0 million (before expenses) by way of a placing of 5,037,059 ordinary shares.

The proceeds of the placing were used to finance the initial cash consideration due in respect of the acquisition and will also provide additional growth capital for the enlarged business.

Will Sawyer

Chief Financial Officer

**Zinc Media Group plc consolidated income statement
For the six months ended 30 June 2022**

		Unaudited Half Year to 30 June 2022 £'000	Unaudited Half Year to 30 June 2021 £'000	Audited Year to 31 December 2021 £'000
	Note			
Revenue	3	10,775	6,975	17,491
Cost of sales		(7,263)	(4,628)	(10,759)
Gross Profit		3,512	2,347	6,732
Operating expenses		(5,118)	(4,295)	(9,097)
Operating loss		(1,606)	(1,948)	(2,365)
Depreciation & amortisation		737	727	1,486
Share based payment charge		92	40	122
(Profit)/loss on disposal of tangible assets		-	(1)	4
Exceptional items	4	132	85	141
Adjusted EBITDA		(645)	(1,097)	(612)
Finance costs		(154)	(121)	(241)
Finance income		-	-	-
Loss before tax		(1,760)	(2,069)	(2,606)
Taxation credit		63	61	86
Loss for the period		(1,697)	(2,008)	(2,520)
Attributable to:				
Equity holders		(1,701)	(2,016)	(2,544)
Non-controlling interest		4	8	24
Retained loss for the period		(1,697)	(2,008)	(2,520)
Earnings per share				
Basic Loss per Share	5	(10.48)p	(12.61)p	(15.80)p
Diluted Loss per Share	5	(10.48)p	(12.61)p	(15.80)p

Zinc Media Group plc consolidated statement of financial position
As at 30 June 2022

	Note	Unaudited 30 June 2022 £'000	Unaudited 30 June 2021 £'000	Audited 31 December 2021 £'000
Assets				
Non-current				
Goodwill and intangible assets	6	3,464	4,153	3,800
Property, plant and equipment	7	850	842	904
Right-of-use assets	9	943	1,269	1,159
		5,257	6,264	5,863
Current assets				
Inventories		63	154	226
Trade and other receivables	8	6,327	3,505	3,887
Cash and cash equivalents		2,596	5,460	5,608
		8,986	9,119	9,721
Total assets		14,243	15,383	15,584
Equity and liabilities				
Shareholders' equity				
Called up share capital	11	20	20	20
Share premium account		4,785	4,785	4,785
Merger reserve		27	27	27
Share Based payment reserve		369	195	277
Retained earnings		(3,087)	(858)	(1,386)
Total equity attributable to equity holders of the parent		2,114	4,169	3,723
Non-controlling interests		28	18	24
Total Equity		2,142	4,187	3,747
Liabilities				
Non-current				
Borrowings		3,471	3,433	-
Deferred tax		128	218	190
Provisions		250	101	250
Lease liabilities	9	530	931	735
		4,379	4,683	1,175
Current				
Trade and other payables	10	7,300	5,987	6,799
Current tax liabilities		4	10	4
Lease liabilities	9	418	516	431
Borrowings		-	-	3,428
		7,722	6,513	10,662
Total equity and liabilities		14,243	15,383	15,584

Zinc Media Group plc consolidated statement of cash flows
For the six months ended 30 June 2022

	Unaudited	Unaudited	Audited
	Half year to	Half year	Year to
	30 June	to	31 December
	2022	30 June	2021
	£'000	£'000	£'000
Cash flows from operating activities			
Loss for the period before tax	(1,760)	(2,069)	(2,606)
Adjustments for:			
Depreciation	385	375	782
Amortisation and impairment of intangibles	352	352	704
Finance costs	154	121	241
Share based payment charge	92	40	122
(Gain)/Loss on disposal of assets	-	(1)	4
Consideration paid in shares	-	131	131
	(777)	(1,051)	(623)
Decrease/(increase) in inventories	164	30	(42)
(Increase)/decrease in trade and other receivables	(2,440)	774	392
Increase/(decrease) in trade and other payables	501	(784)	28
Cash (used in)/generated from operations	(2,552)	(1,031)	(245)
Interest on leases	-	(33)	-
Net cash flows (used in)/generated from operating activities	(2,552)	(1,064)	(245)
Investing activities			
Purchase of property, plant and equipment	(115)	(42)	(273)
Purchase of intangible assets	(16)	-	-
Net cash flows used in investing activities	(131)	(42)	(273)
Financing activities			
Interest paid	(111)	(83)	(241)
Principal elements of lease payments	(218)	(160)	(432)
Net cash flows generated used in financing activities	(329)	(243)	(673)
Net decrease in cash and cash equivalents	(3,012)	(1,349)	(1,191)
Translation differences	-	4	(6)
Cash and cash equivalents at beginning of period	5,608	6,805	6,805
Cash and cash equivalents at end of period	2,596	5,460	5,608

	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Merger reserve £'000	Retained earnings £'000	Total equity attributable to the parent £'000	Non- controlling interest £'000	Total equity £'000
Balance at 1 January 2021	20	4,654	155	27	1,158	6,014	12	6,026
Total comprehensive income for the year	-	-	-	-	(2,544)	(2,544)	24	(2,520)
Equity-settled share-based payments	-	-	122	-	-	122	-	122
Consideration paid in shares	-	131	-	-	-	131	-	131
Dividends paid	-	-	-	-	-	-	(12)	(12)
Total transactions with owners of the Company	-	131	122	-	(2,544)	(2,291)	12	(2,279)
Balance at 31 December 2021	20	4,785	277	27	(1,386)	3,723	24	3,747
Balance at 1 January 2021	20	4,654	155	27	1,158	6,014	12	6,026
Total comprehensive income for the year	-	-	-	-	(2,016)	(2,016)	8	(2,008)
Equity-settled share-based payments	-	-	40	-	-	40	-	40
Consideration paid in shares	0	131	-	-	-	131	-	131
Dividends paid	-	-	-	-	-	-	(2)	(2)
Total transactions with owners of the Company	0	131	40	-	(2,016)	(1,845)	6	(1,839)
Balance at 30 June 2021	20	4,785	195	27	(858)	4,169	18	4,187
Balance at 1 January 2022	20	4,785	277	27	(1,386)	3,723	24	3,747
Total comprehensive income for the year	-	-	-	-	(1,701)	(1,701)	4	(1,697)
Equity-settled share-based payments	-	-	92	-	-	92	-	92
Total transactions with owners of the Company	-	-	92	-	(1,701)	(1,609)	4	(1,605)
Balance at 30 June 2022	20	4,785	369	27	(3,087)	2,114	28	2,142

Notes to the consolidated financial statements

1) GENERAL INFORMATION

The Company is a public limited company incorporated in the United Kingdom. The address of its registered office is 4th Floor, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EN. Its shares are traded on the AIM Market of the London Stock Exchange plc (LSE:ZIN).

2) BASIS OF PREPARATION

The interim results for the six months ended 30 June 2022 have been prepared on the basis of the accounting policies expected to be used in the 2022 Zinc Media Group plc Annual Report and Accounts and in accordance with the recognition and measurement requirements of UK adopted International Accounting Standards (IAS) but does not include all the disclosures that would be required under IAS and should be read in conjunction with the accounts for the period ended 31 December 2021.

The same accounting policies, presentation and methods of computation are followed in these interim condensed set of financial statements as have been applied in the Group's latest annual audited financial statements.

The interim results, which were approved by the Directors on 26 September 2022, are unaudited. The interim results do not constitute statutory financial statements within the meaning of section 434 of the Companies Act 2006.

Comparative figures for the 12 months ended 31 December 2021 have been extracted from the statutory accounts for the Group for that period, which carried an unqualified audit report, did not include a reference to any matters to which the auditor drew attention by way of emphasis of matter, did not contain a statement under section 498(2) or (3) of the Companies Act 2006 and have been delivered to the Registrar of Companies.

3) SEGMENTAL INFORMATION

The operations of the group are managed in two principal business divisions that generate revenue: Zinc TV and Zinc Communicate. These divisions are the basis upon which the management reports its primary segmental information. The activities undertaken by the TV segment include the production of television. The Zinc Communicate unit includes content production for brands and businesses, publishing and audio production.

	Unaudited Half Year to 30 Jun 2022 £'000's	Unaudited Half Year to 30 Jun 2021 £'000's	Audited Year to 31 Dec 2021 £'000's
Revenues by Business Division (continuing operations)			
Zinc TV	9,135	6,054	14,565
Zinc Communicate	1,640	921	2,926
Total	10,775	6,975	17,491

4) EXCEPTIONAL ITEMS

Exceptional items are presented separately as, due to their nature or the infrequency of the events giving rise to them, this allows shareholders to understand better the elements of financial performance for the period, to facilitate comparison with prior periods and to assess better the trends of financial performance.

	Unaudited Half Year to 30 Jun 2022 £'000's	Unaudited Half Year to 30 Jun 2021 £'000's	Audited Year to 31 Dec 2021 £'000's
Reorganisation and restructuring costs	(52)	(85)	(81)
Other exceptional items	(80)	-	(60)
Total	(132)	(85)	(141)

5) EARNINGS PER SHARE

Basic loss per share (EPS) for the period equals the loss after tax from continuing operations attributable to the Company's ordinary shareholders divided by the weighted average number of issued ordinary shares.

When the Group makes a profit from continuing operations, diluted EPS equals the profit attributable to the Company's ordinary shareholders divided by the diluted weighted average number of issued ordinary shares. When the Group makes a loss from continuing operations, diluted EPS equals the loss attributable to the Company's ordinary shareholders divided by the basic (undiluted) weighted average number of issued ordinary shares. This ensures that EPS on losses is shown in full and not diluted by unexercised share options or awards.

	Unaudited Half Year to 30 Jun 2022 £'000	Unaudited Half Year to 30 Jun 2021 £'000	Audited Year to 31 Dec 2021 £'000
Weighted average number of shares used in basic and diluted earnings per share calculation	16,200,919	15,989,252	16,095,991
Potentially dilutive effect of share options	1,467,502	788,342	1,117,890
Basic Loss per Share	(10.48)p	(12.61)p	(15.80)p
Diluted Loss per Share	(10.48)p	(12.61)p	(15.80)p

6) GOODWILL AND INTANGIBLE ASSETS

	Goodwill £000	Brands £000	Customer Relationships £000	Software £000	Distribution Catalogue £000	Total £000
Net Book Value						
At 30 June 2022	3,055	64	279	37	29	3,464
At 30 June 2021	3,055	161	743	77	117	4,153
At 31 December 2021	3,055	111	511	50	73	3,800

7) PROPERTY, PLANT AND EQUIPMENT

	Land and buildings £000's	Office and computer equipment £000's	Total £000's
Net book value			
As at 30 June 2022	222	628	850
As at 30 June 2021	274	568	842
As at 31 December 2021	237	667	904

8) TRADE AND OTHER RECEIVABLES

	Unaudited 30 Jun 2022 £'000	Unaudited 30 Jun 2021 £'000	Audited 31 Dec 2021 £'000
Current			
Trade receivables	4,380	2,507	2,609
Less provision for impairment	(467)	(487)	(549)
Net trade receivables	3,913	2,020	2,060
Prepayments	526	497	325
Contract assets	1,888	988	1,502
Total	6,327	3,505	3,887

The carrying amount of trade and other receivables approximates to their fair value. The creation and release of provision for impaired receivables have been included in administration expenses in the income statement.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of asset above. The Group does not hold any collateral as security for trade receivables. The Group is not subject to any significant concentrations of credit risk.

9) LEASES AND RIGHT OF USE ASSETS

Right-of-use assets

	Short leasehold land and buildings £'000	Office and computer equipment £'000	Total £'000
Balance as at 30 June 2021	1,111	158	1,269
Additions	188	-	188
Depreciation	(260)	(36)	(296)
Balance as at 31 December 2021	1,039	122	1,161
Depreciation	(172)	(46)	(218)
Balance as at 30 June 2022	867	76	943

Lease liabilities

Lease liabilities are presented in the statement of financial position as follows:

	Unaudited 30 Jun 2022 £000's	Unaudited 30 Jun 2021 £000's	Audited 31 Dec 2021 £'000
Current	418	516	431
Non-current	530	931	735
	948	1,447	1,166

10) TRADE AND OTHER PAYABLES

	Unaudited 30 Jun 2022 £'000	Unaudited 30 Jun 2021 £'000	Audited 31 Dec 2021 £'000
Current			
Trade payables	1,297	945	764
Other payables	67	657	133
Other taxes and social security	770	296	1,348
Accruals	3,296	2,989	3,486
Contract liabilities	1,870	1,100	1,068
Total	7,300	5,987	6,799

The Directors consider that the carrying amount of trade and other payables approximates to their fair value. The Group's payables are unsecured.

11) SHARE CAPITAL

	Unaudited Half Year to 30 Jun 22		Unaudited Half Year to 30 Jun 21		Audited Year To 31 Dec 2021	
	Number of Shares	Share Capital £'000	Number of Shares	Share Capital £'000	Number of Shares	Share Capital £'000
Ordinary Shares						
At start of period	16,200,919	20	15,963,039	20	15,963,039	20
Shares issued	-	-	237,880	0.3	237,880	0.3
At end of period	16,200,919	20	16,200,919	20	16,200,919	20
Total called up share capital	16,200,919	20	16,200,919	20	16,200,919	20

12) POST BALANCE SHEET EVENTS

Acquisition of The Edge Picture Company and capital fundraise

The Company announced in August 2022 that it had acquired The Edge Picture Co Limited, one of the largest brand and corporate film making production companies in the UK, for an initial consideration of £1.56 million in cash and £0.54 million satisfied by the issue of 540,000 new ordinary shares in the Group, and deferred consideration of up to a further £3.875 million to be satisfied by a combination of cash and ordinary shares in the Company.

The Company also announced in August 2022 that it had raised £5.0 million (before expenses) by way of a placing of 5,037,059 ordinary shares.

The proceeds of the placing were used to finance the initial cash consideration due in respect of the acquisition and will also provide additional growth capital for the enlarged business.