2022 FULL YEAR RESULTS

March 2023

Local solutions

GLOBAL IMPACTS

DELIVERING EXPERIENCES BEYOND EXPECTATIONS

Midwich Group Plc

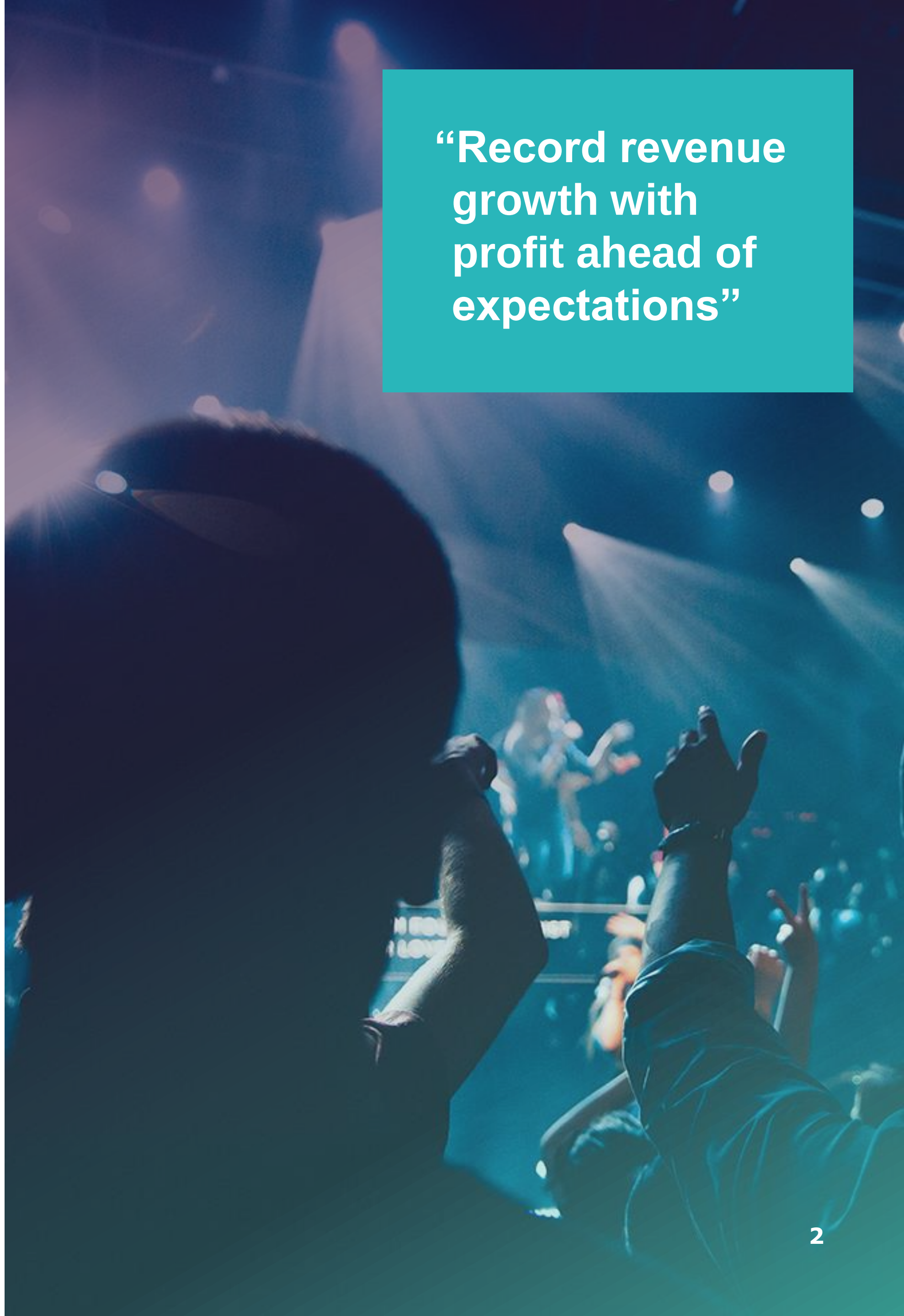
FINANCIAL HIGHLIGHTS

Revenue	Growth	Organic growth
£1,204m	**40.7%**	**20.7%**
2021: £856m	CFX: 38.6%	2021: 18.9%

Gross Margin	Adjusted operating profit[1]	Adjusted PBT[2]
15.3%	**£51.1m**	**£45.2m**
2021: 15.3%	Margin: 4.2%	2021: £31.9m

Final Dividend	Total Dividend	Adjusted EPS
10.5p	**15.0p**	**36.1p**
2021: 7.8p	2021: 11.1p[3]	2021: 25.6p

Operating cash conversion[4]	Adj net debt[5]	Adj. leverage[5]
54.3%	**£96m**	**1.6x**
2021: 45.2%	2021: £58m	2021: 1.4x



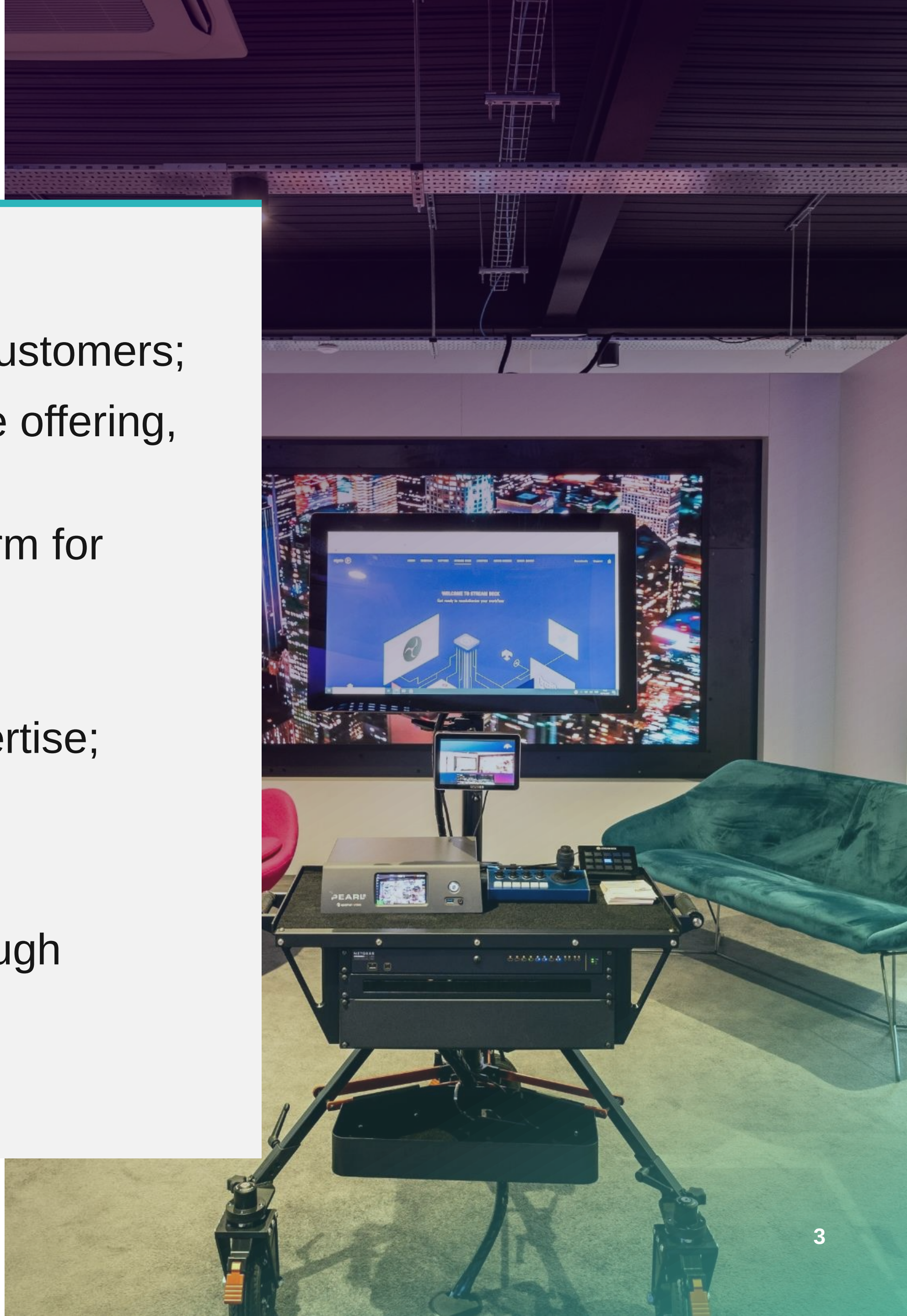
"Record revenue growth with profit ahead of expectations"

Notes
1 Adjustments are acquisition costs, share based payments, amortization
2 Adjustments are acquisition costs, share based payments, amortization, fx gains/losses on acquisition borrowings, put and call option finance costs
3 Excludes special dividend of 3.0p paid in July 2021
4 Adjusted operating cash/Adjusted EBITDA
5 Excludes lease liabilities. Adjusted leverage includes proforma earnings from acquisitions completed within the last 12 months

Midwich Group Plc

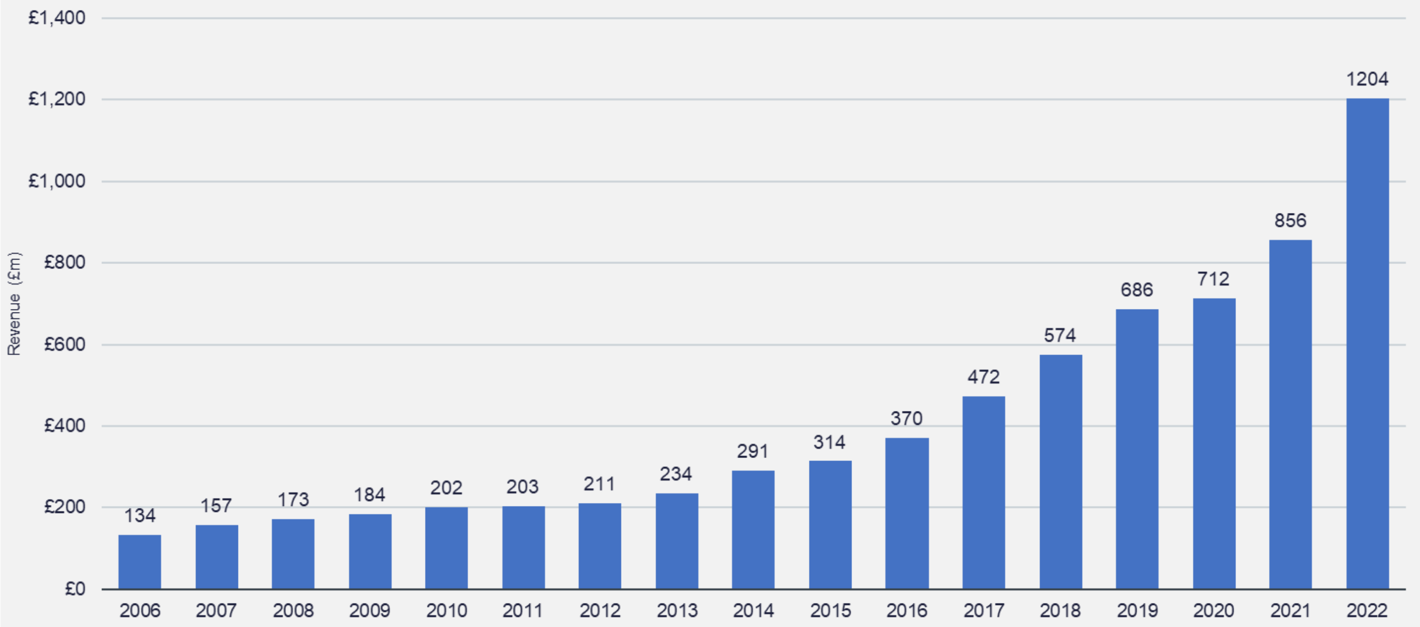
STRENGTHS AND DEFENSIBILITY

- ✓ Focus on the AV market;
- ✓ Key long-term, value-add relationships with major vendors and customers;
- ✓ High value-add distribution with specialisms and bespoke service offering, acting as a key differentiator;
- ✓ Leading competitive position and established international platform for future growth;
- ✓ Compelling drivers for a market with proven long-term growth;
- ✓ Experienced management team with long-standing industry expertise;
- ✓ Proven buy and build capabilities;
- ✓ Ability to drive strong organic growth;
- ✓ Strong financial track record and delivery of growth strategy through economic cycles;
- ✓ Proven ability to manage cash in a challenging market.



LONG TRACK RECORD OF GROWTH

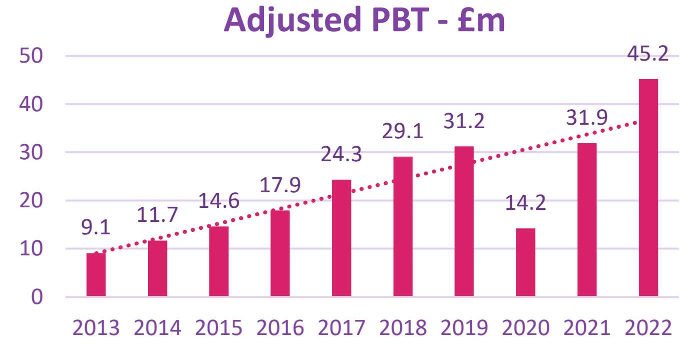
Sixteen years of unbroken revenue growth



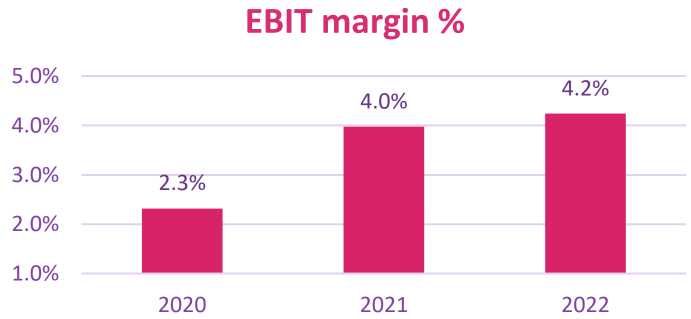
CAGR over 16 years of 15% (21% since 2019)

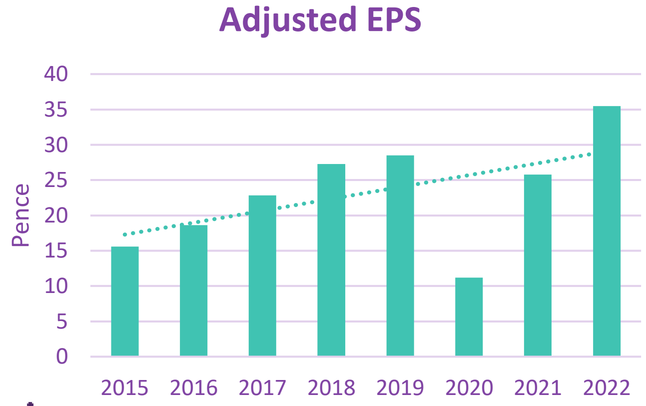
The Group has achieved compound annual growth in revenue and adjusted operating profit since IPO in 2016 of 22% and 19% respectively, testament to the strength of our long-term strategy and the quality of our teams.

PROFITABILITY TRENDS



CAGR of 19.5%





EPS 26.6% higher than in 2019

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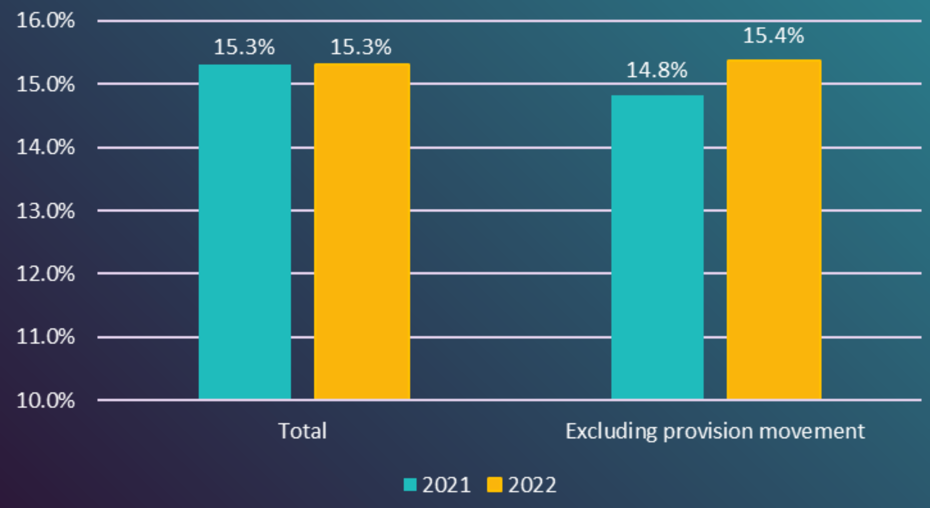
Gross Margin

Gross margin in line with the prior year at 15.3%. Gap closed from H1.

Good recovery in live events ("in-person" activities) offset by aged stock provision swing despite significant recovery in H2.



Further improvement likely to be influenced by:

- Continued recovery in higher margin product areas – often linked to "in-person" activities;
- Retention rate of lower gross margin business which has grown in past two years;
- Margins achieved by acquired businesses;
- Product availability particularly at the higher end.

CURRENT LANDSCAPE

General Market Conditions

- All geographical markets now open;
- Product shortages largely eased – still some delays in audio/ technical products;
- Global logistics back to pre-pandemic levels;
- Corporate market stronger;
- Education sector remains strong;
- Live events and entertainment much improved;
- Retail investment will take some time to fully recover;
- Strong attendance at ISE trade show in February;
- Some signs of general economic softness – particularly with consumer demand.

Our Business

- Order books reducing, reflecting improved product supply;
- Overall demand is still strong;
- New vendor and technology development continues;
- Strong future acquisition pipeline, with a number of transactions in due diligence;
- Staff workload still high (volume of product supply normalised but deliveries still unpredictable).

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LONG TERM GROWTH STRATEGY REMAINS UNCHANGED

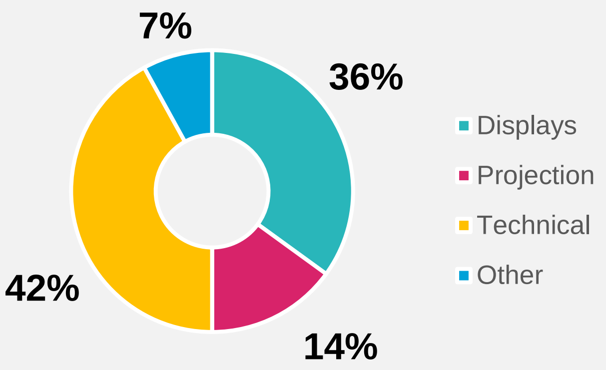
	Why?	How?	Success Measures
Specialisation	Relevance Profitability Defensibility	Portfolio management Acquisition Value add services	Growth in technical product sales[1] Long term growth in gross margin
Geographical Coverage	Support Projects Share of wallet	Acquisition Investment	Number of territories Market presence Number of customers
Scale	Efficiency Profitability Cross selling	Focus Sharing Expertise Referral Acquisition	EBIT % growth Growth in acquired companies Product offering

[1]Technical products generally require specialist technical knowledge to sell and often form part of complex solutions

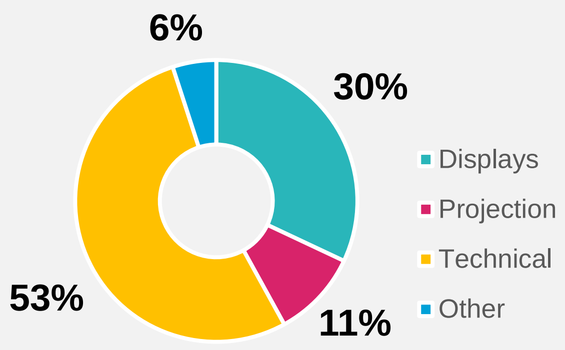
REVENUE DEVELOPMENT OF THE BUSINESS

Specialisation

2021



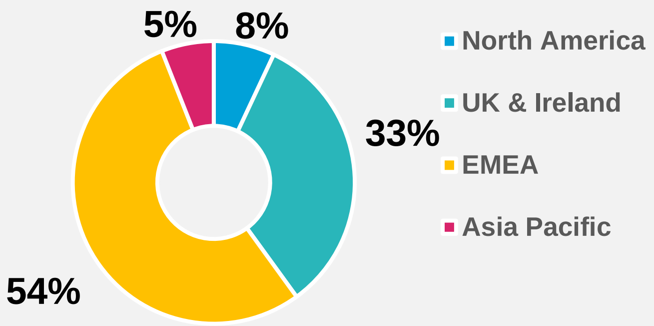
2022



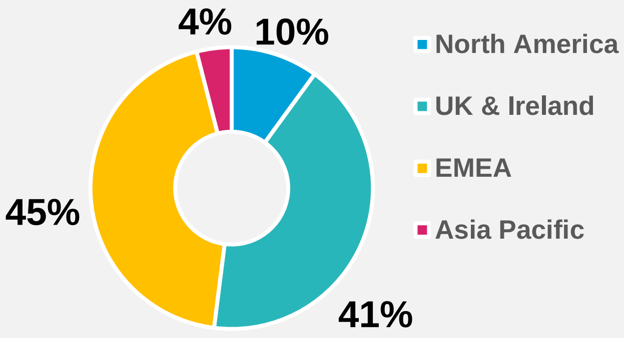
- New technical product categories increase this segment significantly (2019 36%);
- Displays and projection now 41% of sales (2019 57%);

Geographical Coverage

2021



2022



- Material acquisitions in UK in H1 2022 change mix away from long term trend;
- Significant growth in US business.

LOW CONCENTRATION OF CUSTOMERS AND VENDORS

Vendors

- Largest supplier accounts for 11% of sales;
- Top 10 vendors account for 45% sales;
- 12 of our top 20 vendors have started working with us in the last 5 years;
- Total vendors 860 – of which 113 had sales over £1 million;
- One third of our top 20 vendors are in UC&C – was zero 3 years ago.

- Reduced vendor concentration dilutes risk
- Significant gains from winning and growing new vendors
- Broad and deep portfolio difficult to replicate

Customers

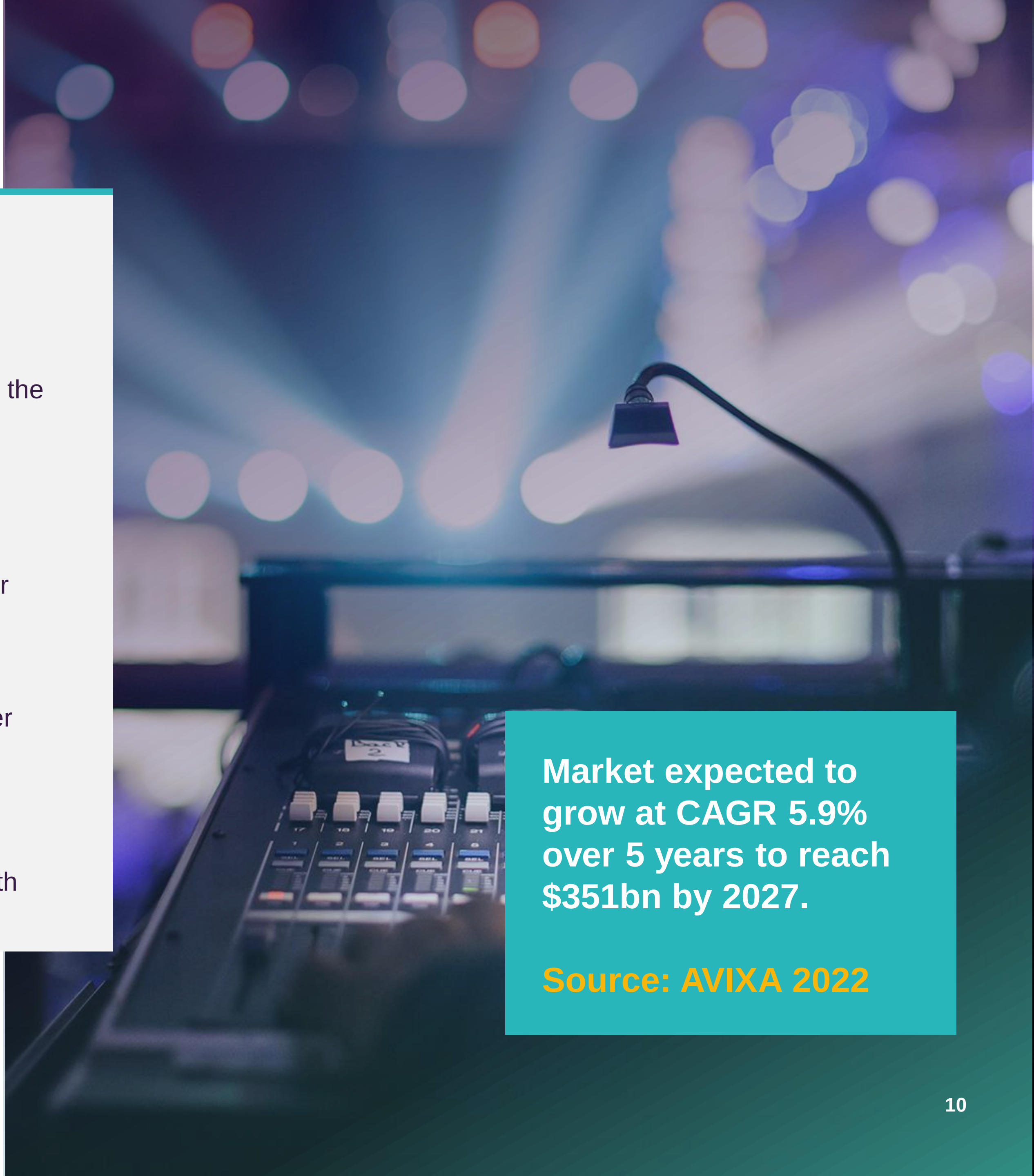
- Largest customer accounted for 1.7% of revenue over multiple territories;
- Top 10 customers accounted for 11% total revenue;
- Around 50% of top 20 customers have international operations;
- Top 261 customers accounted for 50% of group revenue;
- Over 20,000 customers spent under £100k with us;
- Total traded accounts over 22,000.

- Low customer concentration mitigates risk
- Our global network supports a significant number of major accounts
- Long tail of accounts difficult to reach

AVIXA MARKET REPORT 2022

Macro Pro AV industry trends:

- Return of in-person activities has resulted in significant demand increase which suppliers are struggling to keep up with
- General recession risk higher, but “if confidence in gathering in-person is still on the upswing when a recession hits, that will mitigate the contractionary impact of a recession”
- Office rent, construction and employer plan data support strong outlook for corporate vertical
- Pro AV prices increasing less than inflation. End users waiting for product rather than paying extra to get early
- Resource planning becoming even more critical
- Pro AV market growth 11% in 2021 (ahead of previous expectation) and a further 10.5% in 2022 by which time the market will be larger than it was in 2019
- CAGR of 5.9% predicted for the five years to 2027. Market size will grow from $263bn to $351bn
- Growth similar across regions with APAC the fastest at 6.6% (driven by India with growth in corporate and middle classes looking to spend)



Market expected to grow at CAGR 5.9% over 5 years to reach $351bn by 2027.

Source: AVIXA 2022

AVIXA MARKET REPORT 2022

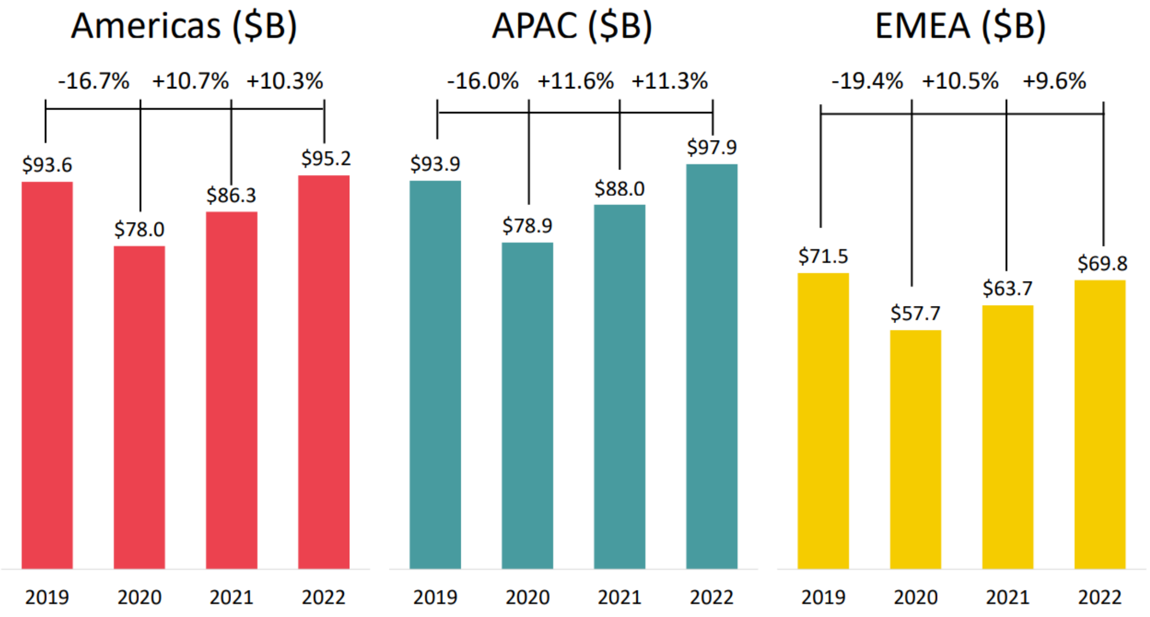
Rate of impact and recovery remain uneven across the regions.

Europe feels the impact of the conflict in Ukraine, while APAC experiences more rapid growth.

The APAC region remains on a strong path of double digit, despite more localized challenges with COVID.

The Americas are seeing a strong return of demand, though inflation and recession are slightly suppressing growth.

EMEA faces the greatest headwinds due to the wide-reaching impacts of the conflict in Ukraine, though growth is still relatively strong.



Our growth in 2022 (CFX):

North America – 60%

EMEA (incl UK&I) – 38% (Organic 17%)

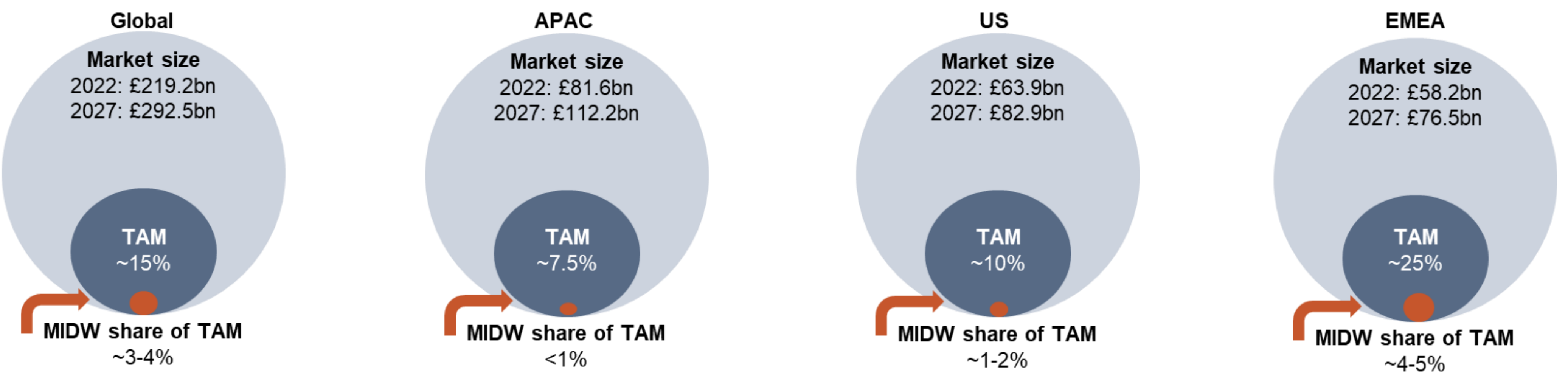
UK&I – 72% (Organic 18%)

Midwich growth is materially faster than the market in each region

Two of the three regions are now above pre pandemic levels

SIGNIFICANT MARKET OPPORTUNITY

Our TAM by Global Region



Substantial addressable Market

Opportunity to grow remains Significant

Note: Assumes £1=$1.22 in 2022 and 2027 and £1-= $1.37 in 2021

Addressable market is an estimate based on:
Total market size less estimates for:
- Integrator value add
- Manufacturer direct sales
- Low margin business not of interest
- Geographical markets not of interest currently (eg Russia, China, South America)

Possible additions not taken into account:
- Manufacturers switching direct business through the channel
- Expansion of our channel services offering

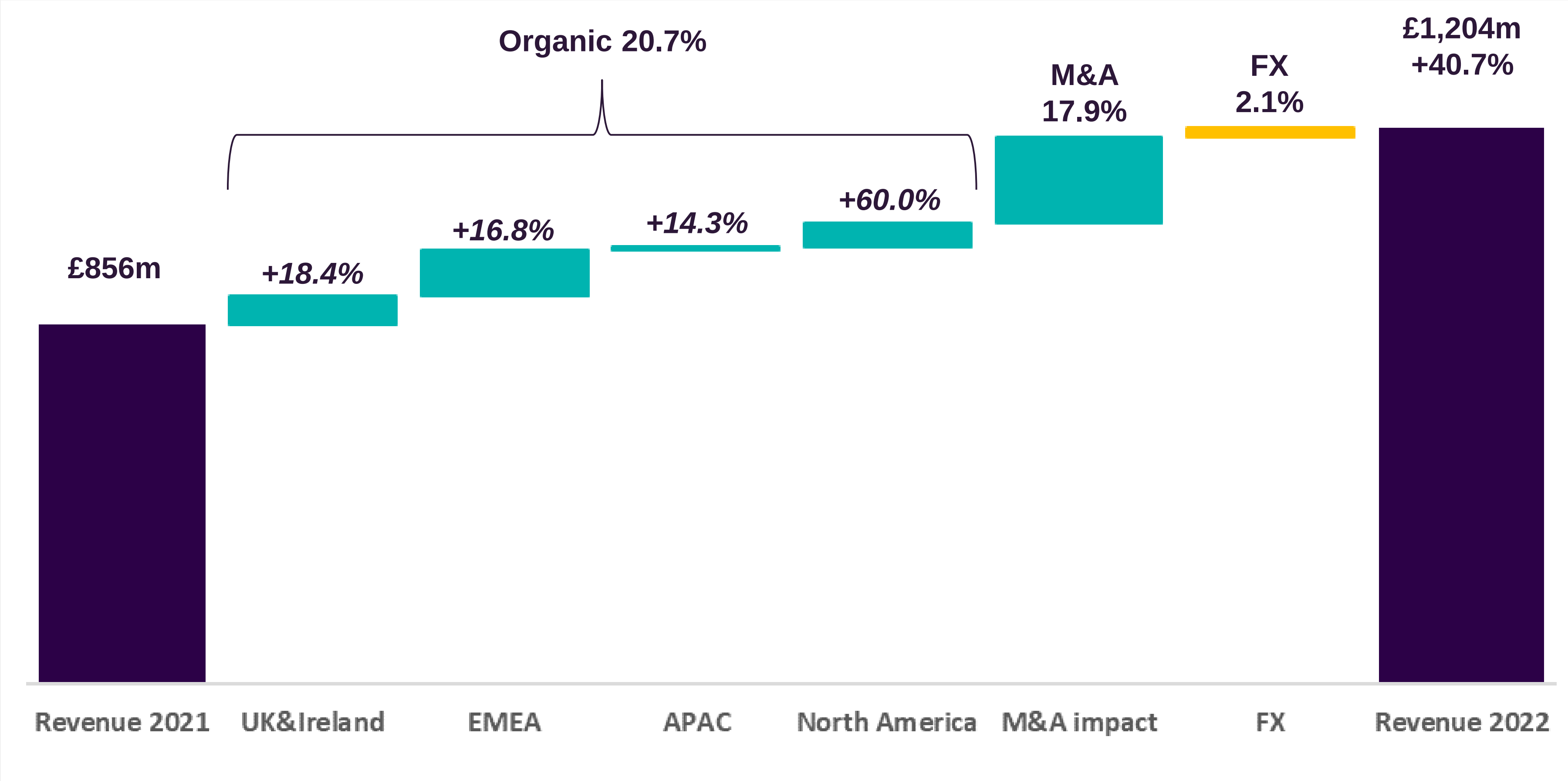
Targeting addressable market opportunity:
- Larger sales resource to penetrate deeper into customer base
- Expand range of brands within current segments
- Expand into new technologies in markets where we don't have an offering
- Expand into new countries

2027 global revenue scenarios:
(£ million)

Impact of increasing share of TAM		
5%	7%	10%
2,194	3,071	4,388

TAM = Our assessment of the Target Addressable Market

REVENUE BRIDGE 2022



vs 2021

38.6%
Revenue increase (CFX)

20.7%
Organic revenue increase

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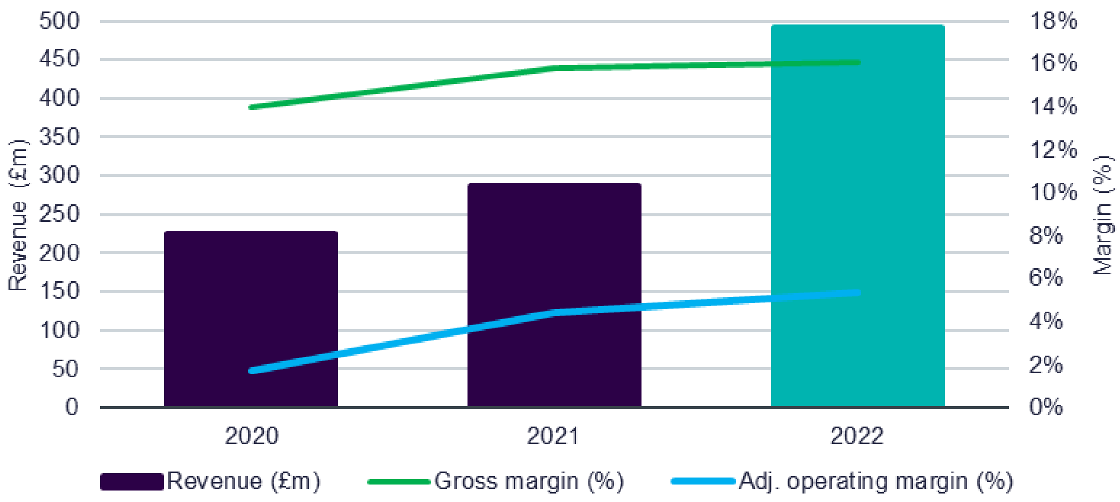
UK & IRELAND (41% GROUP REVENUE)

- Performance in the UK & Ireland was significantly ahead of last year, with revenue up 72%, including the benefit of acquisitions at the start of the year. Organic growth of 18.4%.
- Technical product categories, such as audio and lighting were particularly strong, as were high end projector sales.
- Gross margin improvement reflects the growth in technical products.
- Acquisitions of DVS and Nimans (in Q1 2022) have been integrated, are performing well and generating cross sell opportunities. Gross margins from the acquisitions are in line with the overall region.
- Record UK&I operating profit at £26.5m (+108% vs 2021).



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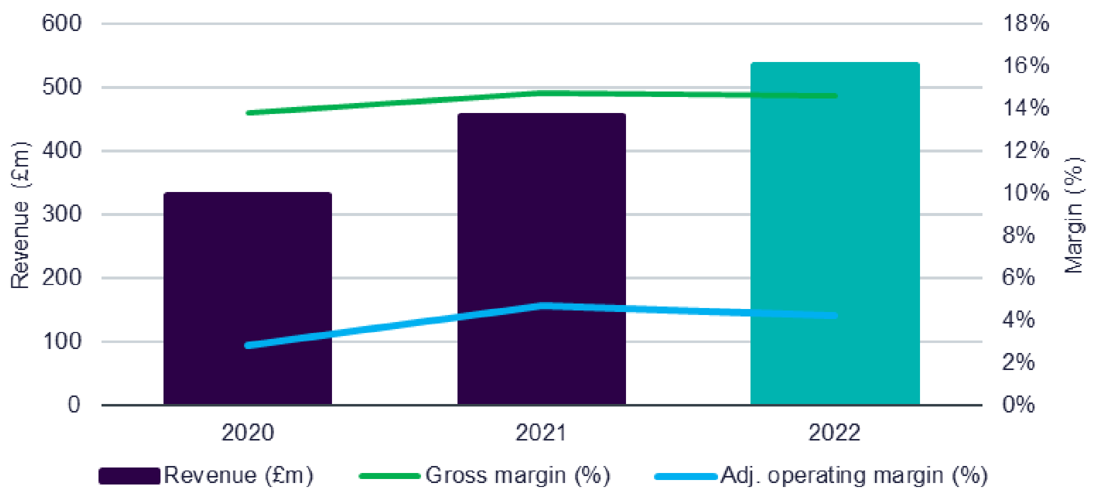
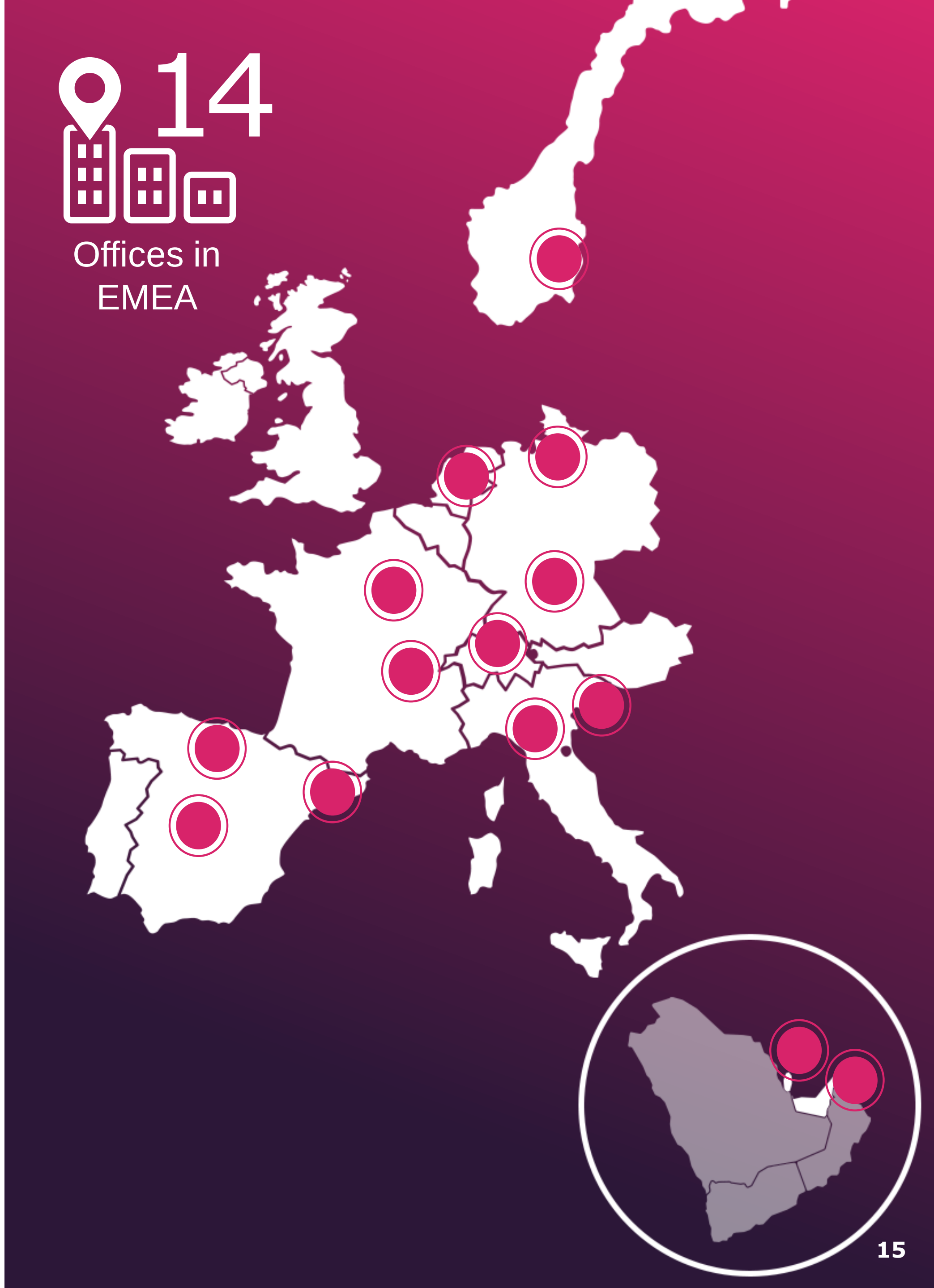
EMEA (45% GROUP REVENUE)

- The EMEA region comprises our businesses in France, Germany, Switzerland, Benelux, Norway, Italy, Iberia, and the Middle East.
- Revenue, on a constant currency basis, increased by 16.8% to £535.0 million, with organic growth also being 16.8%.
- Our audio-focused higher margin businesses in Iberia, Italy and the Middle East performed particularly well in the year with the return of in person activities and improved availability of product. We saw high single digit revenue growth in the main territories of Germany and France.
- Gross margins in EMEA decreased by 0.1% to 14.6% due to some aged stock headwinds.
- Adjusted operating profit in EMEA increased by 6.8% (3.2% on a constant currency basis).





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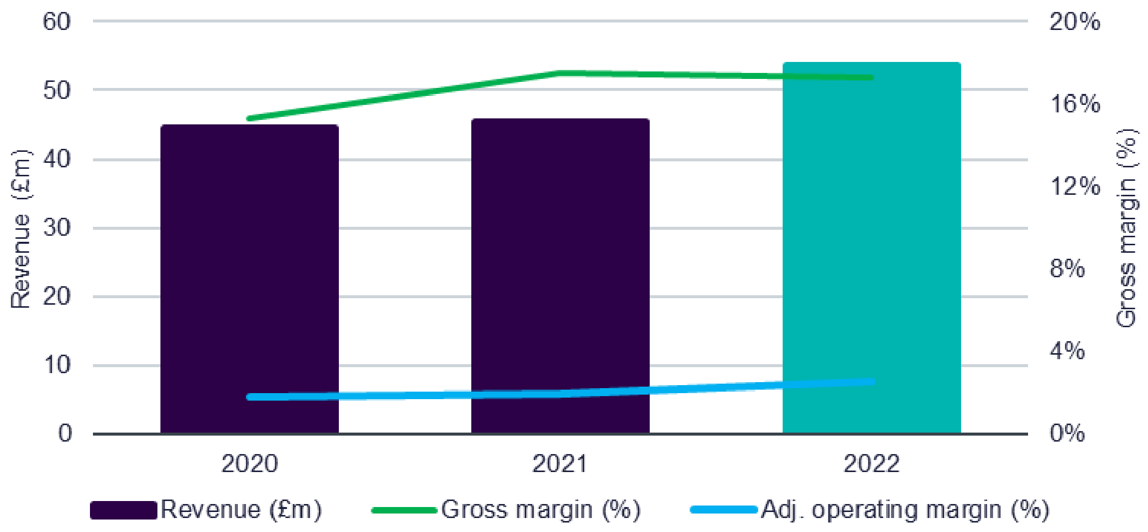
ASIA PACIFIC (4% GROUP REVENUE)

- After a delayed post-pandemic reopening in the region, our Asia Pacific business improved in the latter part of the year and finished with revenue growth of 18.5% to £53.8 million (14.3% growth on a constant currency basis).
- The overall gross margin percentage dropped slightly due to a relatively strong performance in the lower margin displays product category.
- Adjusted operating profit of £1.4 million was 48.8% higher than 2021 (42.3% on a constant currency basis).



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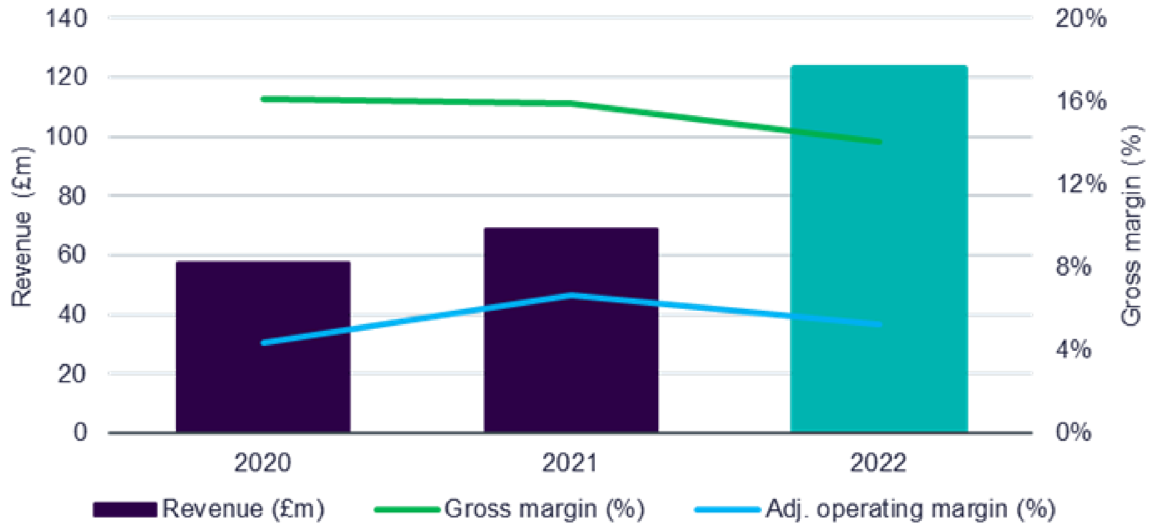
NORTH AMERICA (10% GROUP REVENUE)

- Starin, our North American business, performed well in the year, with revenues increasing by 78.2% to £123.1 million (60.0% in US$).
- The gross margin at 14% achieved was below the 2021 level, due the increase in unified communications mix, but we believe this is still strong for a business in the US market. Our 2021 profitability in this region was particularly positively impacted by aged stock provision movements.
- Our focus in North America has been to expand our sales and business management teams, to gain market share through high service levels and to win strong new brands. In each of these respects the business performed well in 2022.
- Adjusted operating profit was £6.4 million – a 41.3% increase on 2021 (27.1% in US$) and 5.2% of revenue in the year.



Note, 2020 excludes fulfilment activity exited at the end of that year.

Office in North America

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TRADING RESULTS

Summary Income Statement				
£m	2022	2021	Actual change	Constant currency change
Revenue	**1,204.1**	**856.0**	41%	39%
Gross profit *Margin*	**183.7** *15.3%*	**131.3** *15.3%*	40%	38%
EBITDA (Adj.)	**58.4**	**40.1**		
Adjusted operating profit *Margin*	***51.1*** *4.2%*	**34.0** *4.0%*	50%	46%
Net finance expense	(5.9)	(2.1)		
Adjusted PBT	**45.2**	**31.9**	41%	38%
Taxation	(11.1)	(8.0)		
Adjusted PAT	**34.1**	**23.9**	42%	39%
Adjusted EPS (p)	**36.08**	**25.63**	41%	
DPS (p)	**15.0**	**11.1**[1]		

Notes
1 Excludes special dividend of 3.0p paid in July 2021

- **Record revenue growth of 41%.**
- **Organic growth of 20.7% with significant market share gains.**
- **Gross margin in line with 2021; ahead of prior year by c.0.5% excluding the impact of aged stock.**
- **Further operating leverage with adj. operating profit margin improving to 4.2%.**
- **Interest rate increases are a headwind on finance costs.**
- **Adjusted effective tax rate of 24.5% (2021: 25%) reflects balanced growth by region.**
- **Final dividend of 10.5p per share proposed (payable June 2023) following an interim dividend of 4.5p per share.**

STRONG BALANCE SHEET

Balance Sheet (31 December)		
£m	**2022**	**2021**
Non-current assets	**150.9**	**107.5**
Inventories	159.8	125.8
Trade and other receivables	218.6	124.3
Trade and other payables	(227.8)	(143.9)
Net working capital (ex cash)	**150.6**	**106.2**
Cash and cash equivalents	25.8	15.5
Borrowings (ex leases)	(121.8)	(73.5)
Leases	(23.4)	(21.0)
Other short term net liabilities	(9.7)	(6.8)
Other long term liabilities	(38.3)	(13.5)
Net assets	**134.1**	**114.4**
Net debt (reported)	**119.4**	**79.0**
Adj net debt (ex leases)	**96.0**	**58.0**
Net working capital as % of revenue	*12.5%*	*12.4%*

- **Non-current assets: Acquisitions of DVS and Nimans in Q1 2022.**
- **Increase in working capital reflects the growth in revenue.**
- **Adjusted net debt of £96.0m (£58.0m at December 2021).**
- **Adjusted net debt equivalent to 1.6x Adj EBITDA (December 2021: 1.4x).**
- **Multibank RCF facility of £175m: c.40% utilised at 31 December 2022.**
- **Approximately £100m of other facilities in place – mainly working capital.**
- **Other liabilities include estimated payments for put/call options and deferred consideration**
  - **£9.3m due <12 months**
  - **£24.1m due >12 months**

INVESTING IN GROWTH

Cash Flow		
£m	**2022**	**2021**
Adjusted EBITDA	**58.5**	**40.1**
(Increase) in stock	(15.7)	(36.5)
(Increase) in receivables	(70.7)	(12.5)
Increase in adjusted payables	59.6	27.0
Adjusted cash flow from operations	**31.7**	**18.1**
Adjusted EBITDA cash conversion	***54%***	***45%***
Other cash items:		
Interest payments	(5.7)	(2.4)
Income tax	(9.1)	(5.2)
Acquisitions/deferred consideration	(26.5)	(30.1)
Debt acquired	(6.7)	-
Net capex	(10.9)	(5.5)
Right of use assets (mainly facility leases)	(2.8)	(6.6)
Dividends paid	(10.9)	(5.6)
Other (incl FX)	0.4	(2.4)
(Increase)/decrease in net debt	**(40.4)**	**(39.7)**

- **Adjusted net cash flow from operations of £31.7m (2021: £18.1m).**
- **Strong cash conversion of 54% given the high level of organic growth (+21%) and associated working capital impact.**
- **Long term guidance (at more measured revenue growth) is 70-80% cash conversion.**
- **Collections continue to hold up well and trade credit insurance remains in place for most of the Group.**
- **Acquisitions/deferred consideration/cash acquired includes the acquisition of DVS and Nimans together with the final payments for Earpro and Prase.**
- **Capex increase reflects ERP investment.**

ACQUISITIONS

January 2022	February 2022
Cardiff, UK	**Manchester, UK**

Cardiff, UK (January 2022)

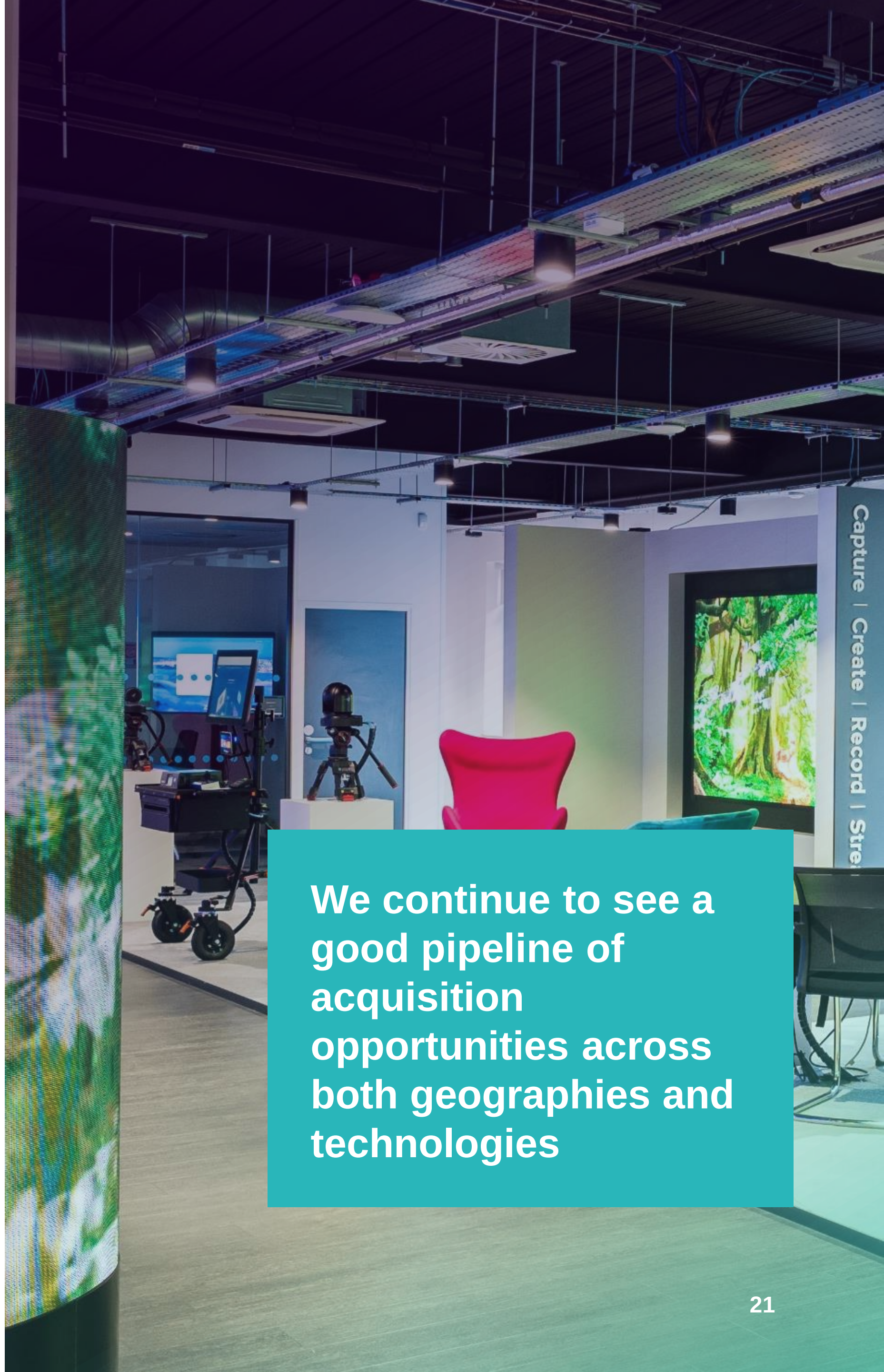
- 2019/20 revenue £37.4m
- Specialist security products distributor
- Strength in CCTV, intercom and access control
- Strong technical support, including project design
- Entry into the security market for the Group

dvs™ DELIVERING VISION

Manchester, UK (February 2022)

- 2020 revenue £114m
- Long established and highly regarded distributor of UC, telecoms, networking and AV technologies
- Brings new skills and vendors to our UC offering

nimans



We continue to see a good pipeline of acquisition opportunities across both geographies and technologies

SUMMARY AND OUTLOOK

Proven long-term financial track record

Revenue growth every year since 2005

19.5% CAGR of adjusted PBT over 9 years

Good cash generation

Strong market position

Market leadership positions

Proven acquisition model

Strong organic growth

Positioned for growth

New vendors and technologies

Acquisitions meeting expectations

Further M&A in pipeline

Positive outlook

AV market growth expected over next five years

Broadening technology portfolio

2022 PBT growth over 41%

Midwich Group Plc

2023 trading in line with recently upgraded expectations

APPENDICES

Midwich Group Plc

EXPERIENCED MANAGEMENT TEAM AND BOARD

Andrew Herbert
Non-Executive Chairman

Group Finance Director of Domino Printing Sciences plc from 1998 until the sale of the company to Brother Industries in 2015

Fellow of the Chartered Institute of Management Accountants

Stephen Fenby
Managing Director

Joined Midwich as Finance Director in 2004 before becoming Managing Director in 2010

Has led Group's acquisition and development programmes

Chartered accountant

Stephen Lamb
Finance Director

Joined end July 2018

Previously senior finance roles at Iron Mountain, Regus and Experian

Strong international and M&A experience

ACA qualified

Mike Ashley
Non-Executive Director

Extensive retail and consumer experience through senior roles at Boots, Argos and Dixons.

Previous roles have included CCO at Holland & Barrett and Travis Perkins P&H Division

As CEO, led the turnaround and sale of Harvard International PLC

Hilary Wright
Non-Executive Director

Was Group HR Director of Domino Printing Sciences plc from 2016 until her retirement in 2019.

Extensive experience of international and M&A related HR strategy and operations

Fellow of Chartered Institute of Personnel and Development

EXECUTIVE LEADERSHIP TEAM

Stephen Fenby
Managing Director

Joined Midwich as Finance Director in 2004 before becoming Managing Director in 2010

Has led Group's acquisition and development programmes

Chartered accountant

Tom Sumner
Managing Director - EMEA

Joined Midwich in 2007

Integration of Sidev business into the Group from 2010.

Development of the Group's expansion into Europe.

Tom has a BSc in Business Management

Mark Lowe
Managing Director – UK and Ireland

Joined Midwich Business Management team in 2004

Relocated to Midwich ANZ with his family to develop the business.

Managed major projects including pre and post acquisition strategies

In 2017 became COO and in 2018 became Managing Director of Midwich.

Stephen Lamb
Finance Director

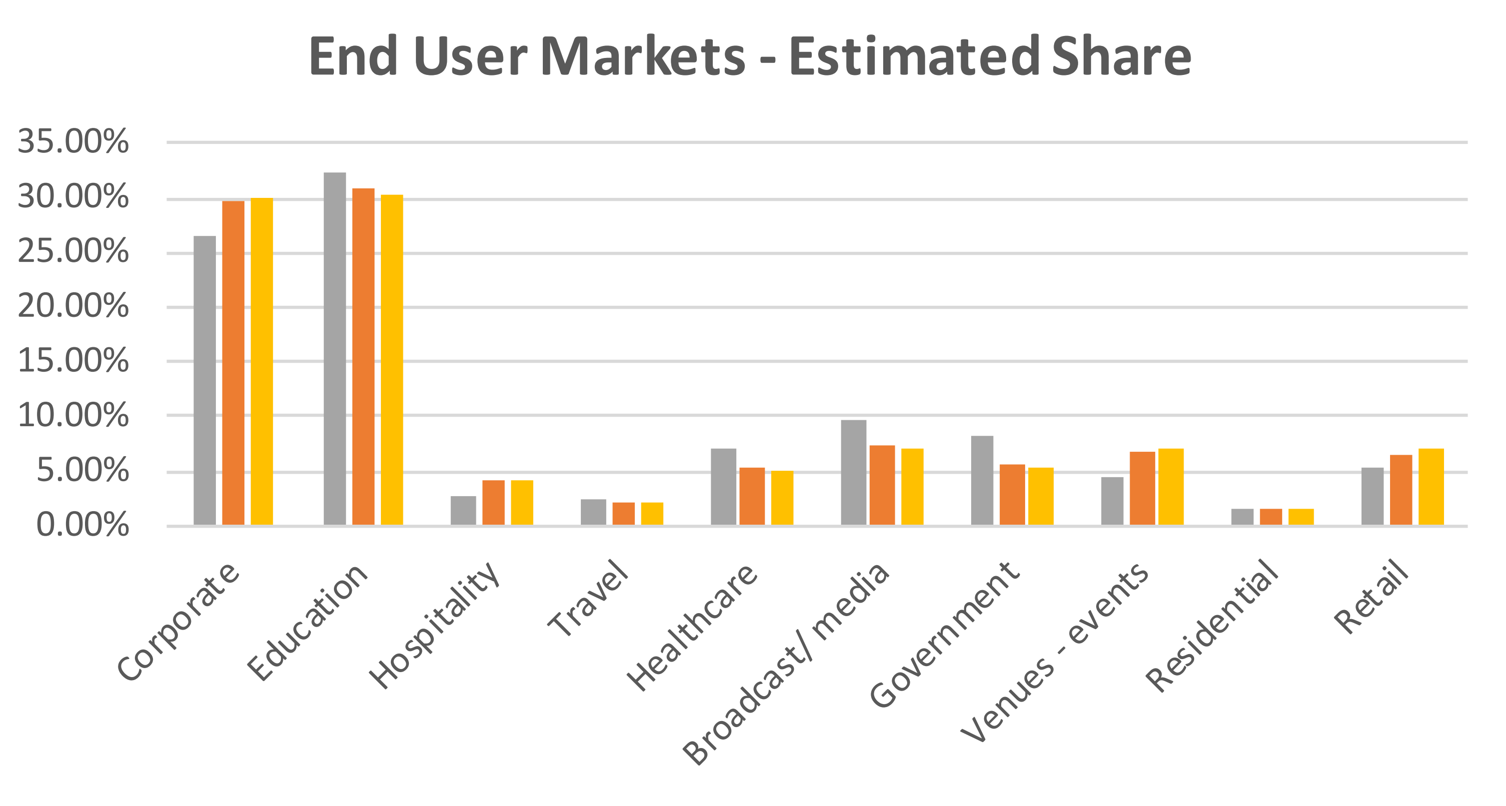
Joined Midwich as Finance Director in July 2018

Previously senior finance roles at Iron Mountain, Regus and Experian

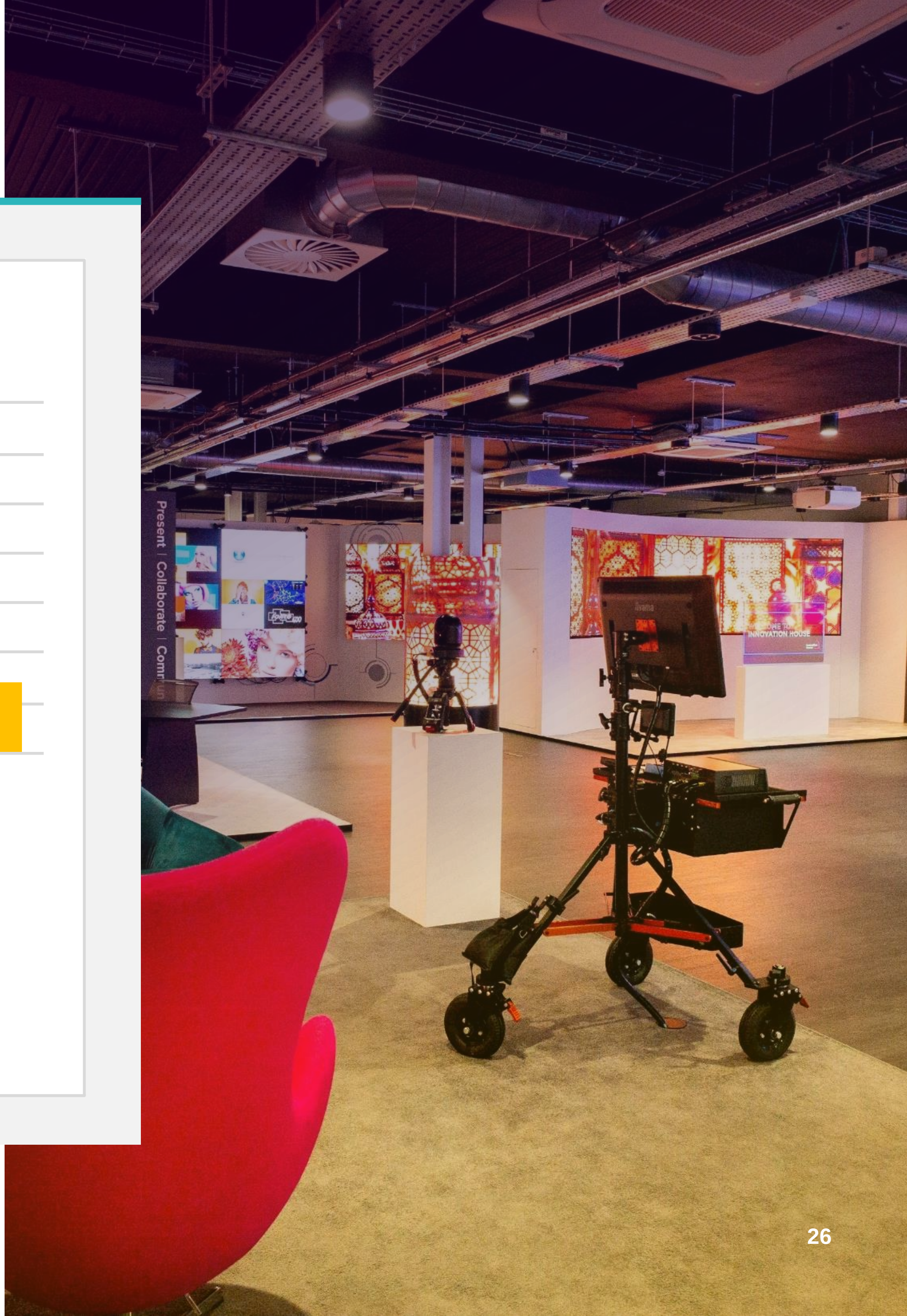
Strong international and M&A experience

ACA qualified

END USER MARKETS



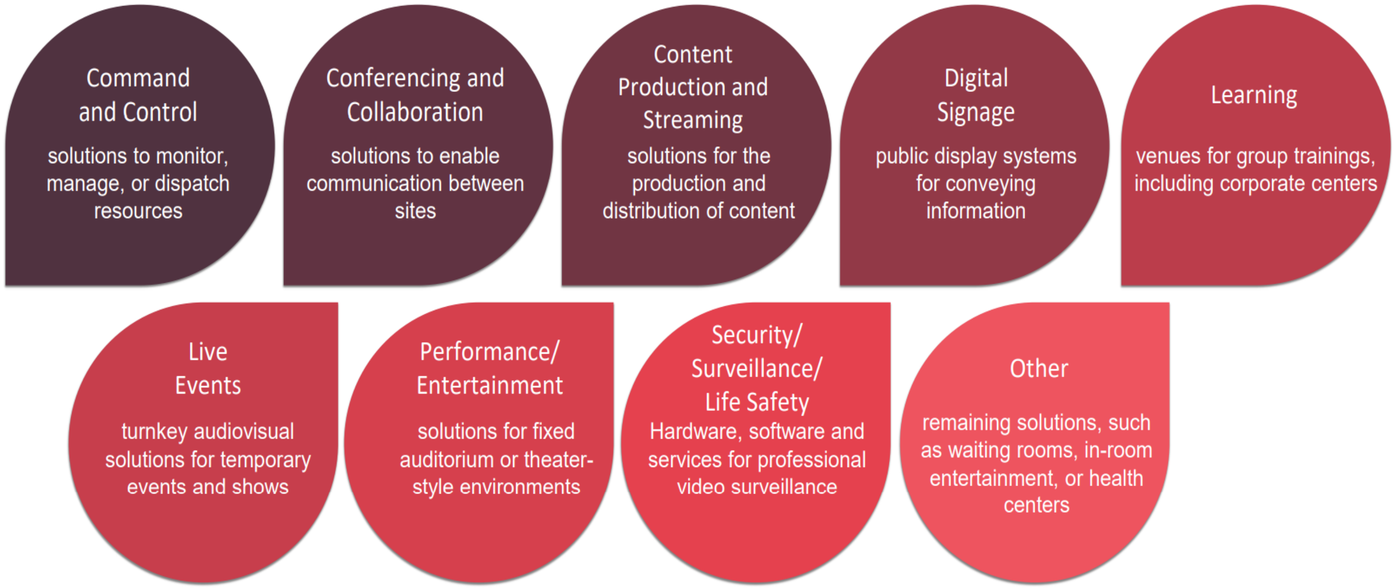
Source: Midwich estimates



AVIXA MARKET REPORT 2022

IOTA and pro AV encapsulate ten key solution types.

Each of these represents a specific bundling of products and services to solve business needs.



Command and control:
Control rooms

Conferencing and collaboration:
Hardware and software that enable communication between two or more sites

Content production and streaming:
Audio/ video capture and production of content over video network, theatre or streaming

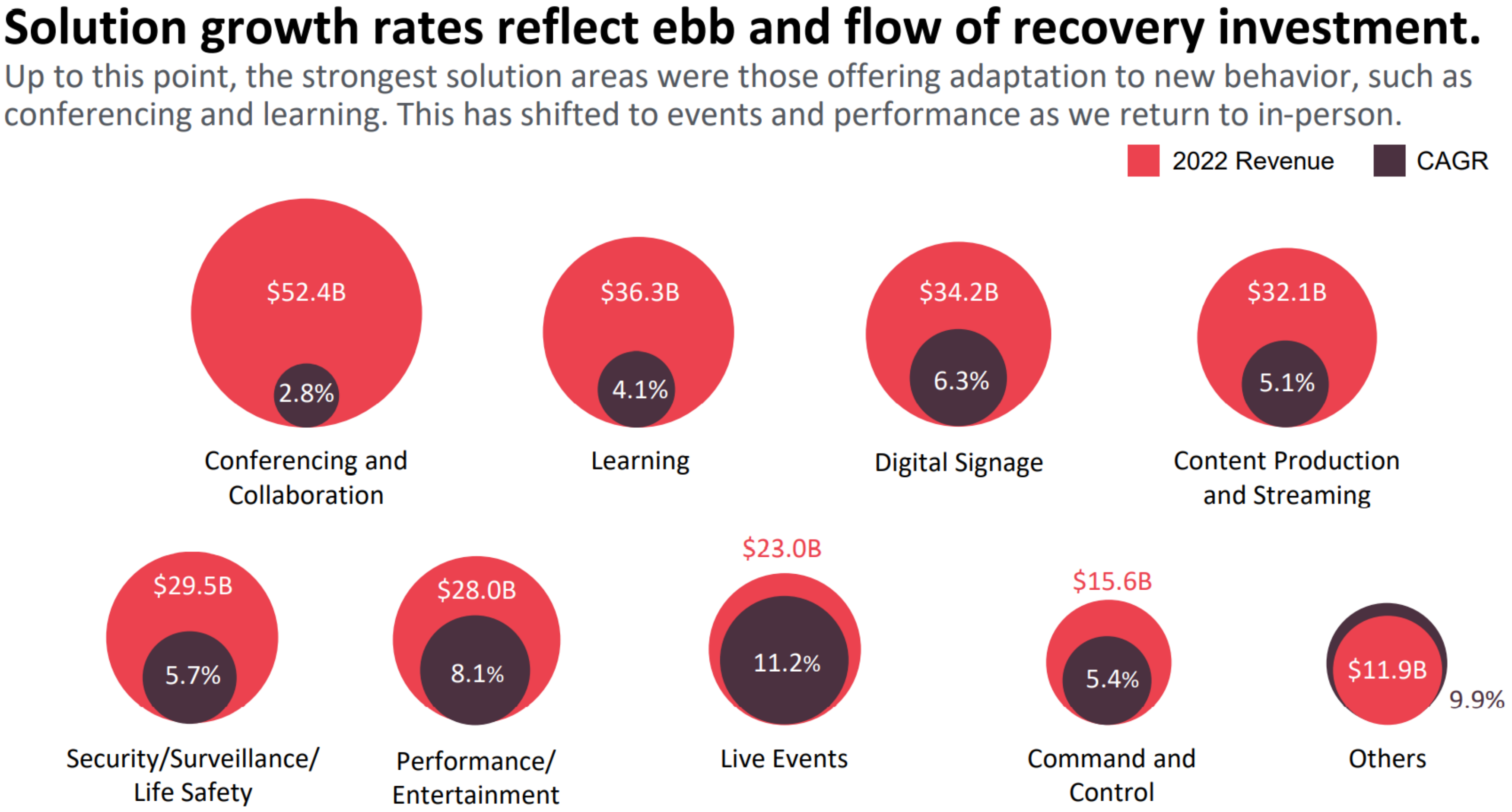
Digital signage:
Display, media servers and software to display content out of home

Live events:
Hardware and software used to provide turnkey live event AV solutions for shows or temporary facilities. Includes rental and staging equipment

Performance/ entertainment:
Theatre solutions of permanent nature – eg cinema, home theatre, theatre installations in museums, houses of worship, entertainment venues

Other:
Eg Specialist medical displays, professional graphics displays

AVIXA MARKET REPORT 2022



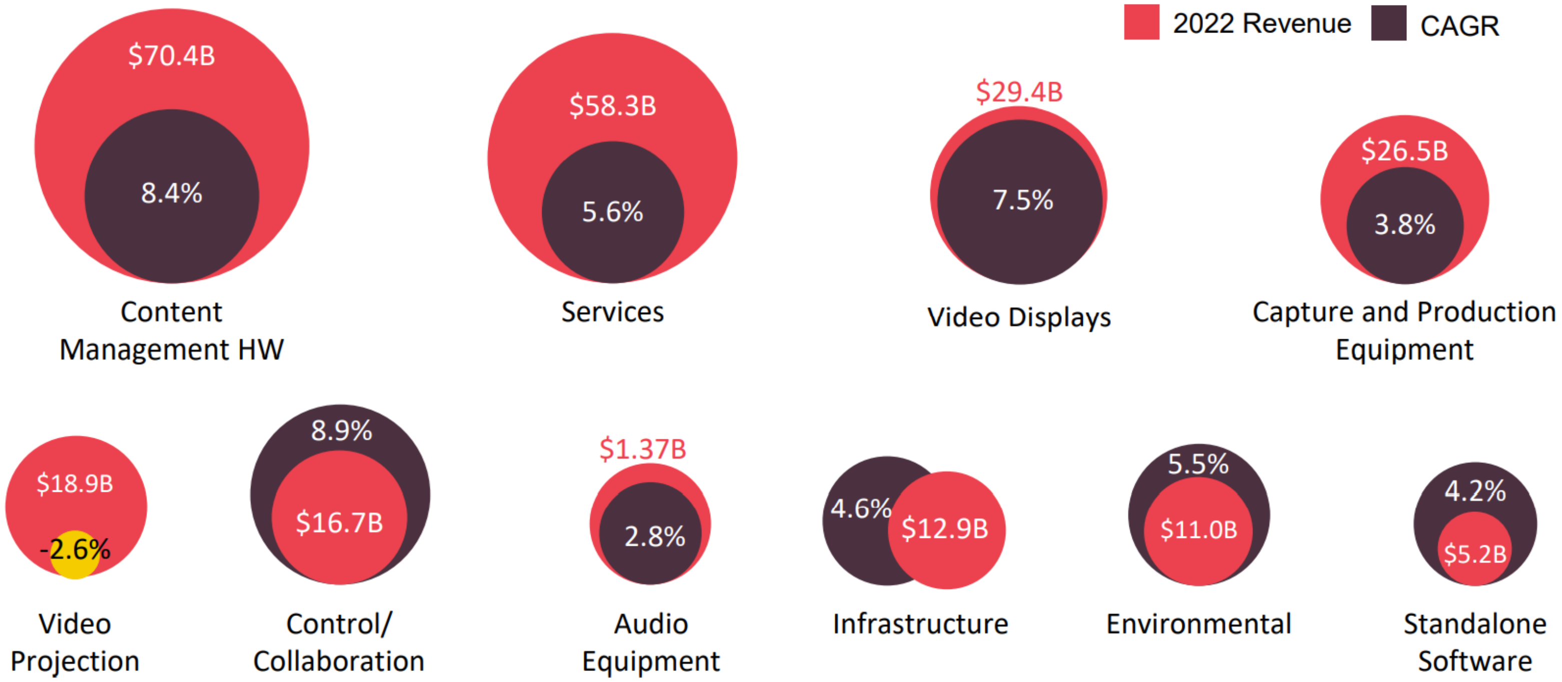
Growth in hybrid learning expecting to slow after the investment made in the last two years

Strong surge in live performance

AVIXA MARKET REPORT 2022

Content management and control key growth segments.

Reliance on back-end systems remains a key theme within pro AV solutions, as content management hardware dominates revenues and growth. Control and collaboration systems also gain as companies double down on support for hybrid.



Display growth driven particularly by LED (12.4% CAGR) although flat panel displays still expected to grow at the average market rate

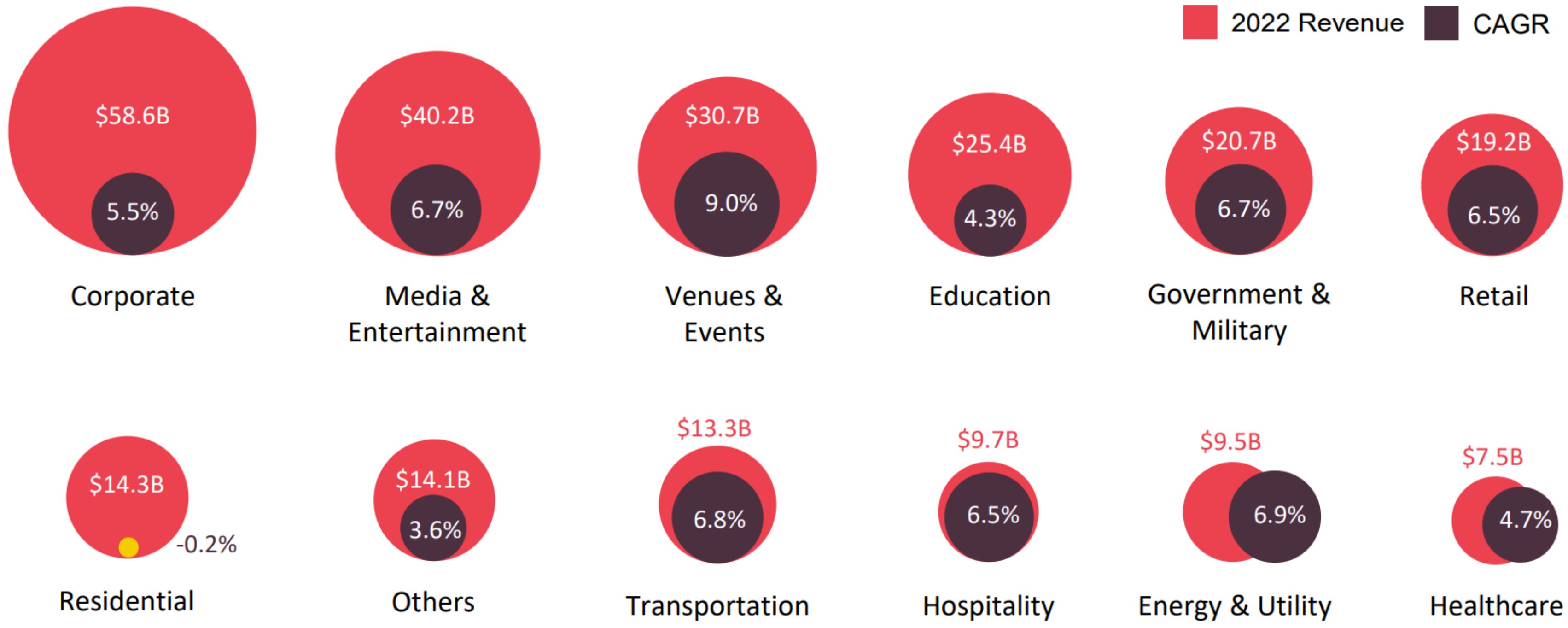
Expected strong growth in cameras for conferencing or surveillance

Definitions:
Content management hardware includes servers, media players, servers and storage

AVIXA MARKET REPORT 2022

Fastest growing markets include many that are recession resistant.

While pandemic recovery drives high growth in venues, media, and hospitality, others are benefitting from more stable investment. This includes government, energy, and transportation.



Five year expected growth rates

Despite different growth rates, market segments remain in the same order

Drop in residential segment as people spend less time at home

AVIXA MARKET REPORT 2022

Recovery years* for the markets highlight pandemic response.

Early recovery for healthcare and education came as a result of early spending to help those markets respond to the pandemic. Longer-term recovery for venues and retail reflects more lasting impacts.

First Out	Mid-Range	Long-Term
Healthcare (2020)	Corporate (2022)	Others (2023)
Education (2021)	Media & Entertainment (2022)	Venues & Events (2024)
Government/ Military (2021)	Residential (2022)	Retail (2025)
Energy/ Utility (2021)	Transportation (2022)	

*The recovery year is the year in which revenues for pro AV exceed the peak values set in 2019

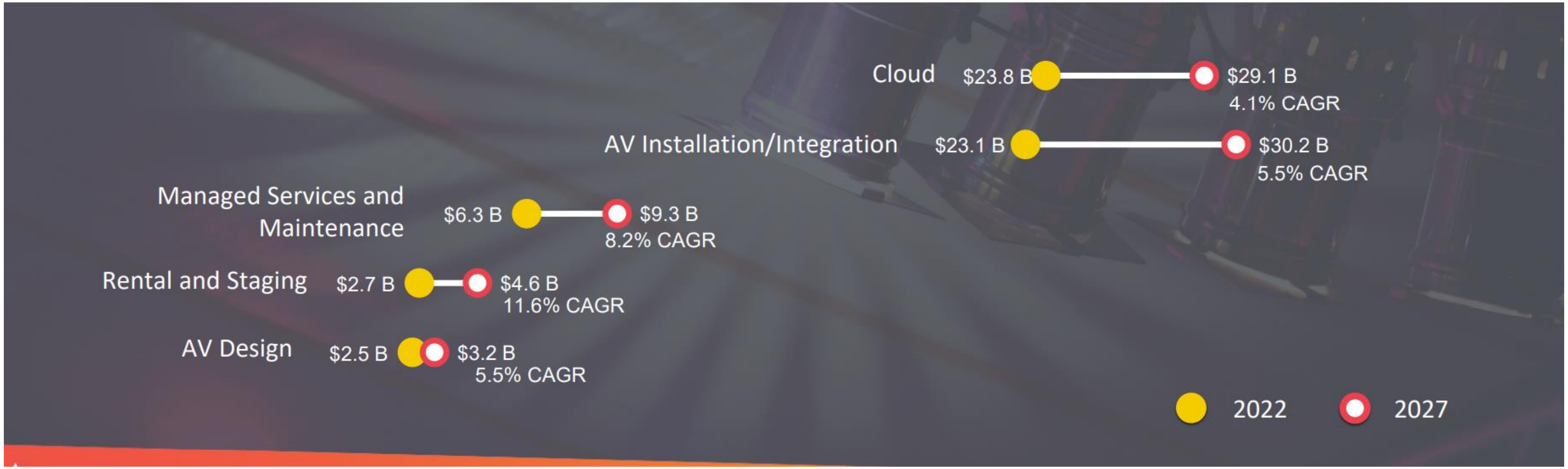
AVIXA MARKET REPORT 2022

Integration services regaining top spot as demand increases.

Demand for integration services is rising as end users resume project work in the core markets. This is shifting revenue back from heavy emphasis on cloud services. Manage services are rising, though with some blurring to cloud given remote nature of them.

With in-person activity returning, more of the traditional AV services are once again in demand. This includes integration and rental and staging.

Cloud has become an alternative solution to on-premise hardware. It also facilitates other service offerings like a managed service or content service.



Midwich Group Plc

BRUNICO ARENA - ICE RINK AUDIO

- New building requiring best-in-class sound for players and audiences.
- Prase, a Midwich Group company, supported integrator to test the sound distance and reverberation, delivered a full simulation of the audio coverage.
- Prase supported the design of the audio system and product selection to deliver the best audio solution with technology capable of withstanding the icy temperatures.
- Delivering the bespoke solution in time was essential ahead of the ice floor being installed.
- Prase managed a custom plane shipment from the US and supported the whole installation process including calibration and commissioning.

CASE STUDY

ROYAL SHAKESPEARE COMPANY – BARBICAN

- Award-winning sound designer Tony Gayle took up the RSC's challenge of designing a unique soundscape.
- Delivered through a HARMAN JBL Professional compact line array sound system, supplied by Autograph Sound via Midwich Group company Sound Technology Ltd.
- Representatives from Autograph's loudspeaker department undertook training at Sound Technology Ltd's demo facility in Hertfordshire.
- Tony Gayle went on to win the WhatsOnStage Award for Best Sound Design for his work on My Neighbour Totoro, with the production recently nominated for nine Olivier Awards.

WHY MIDWICH?

WHY OUR CUSTOMERS CHOOSE US

- Nurturing long-term relationships
- Training and events
- Vertical market focus
- Credit/business services
- Working together
- 100% Trade only
- Market and web services
- Award-winning distribution
- Personal approach

WHY OUR VENDORS CHOOSE US

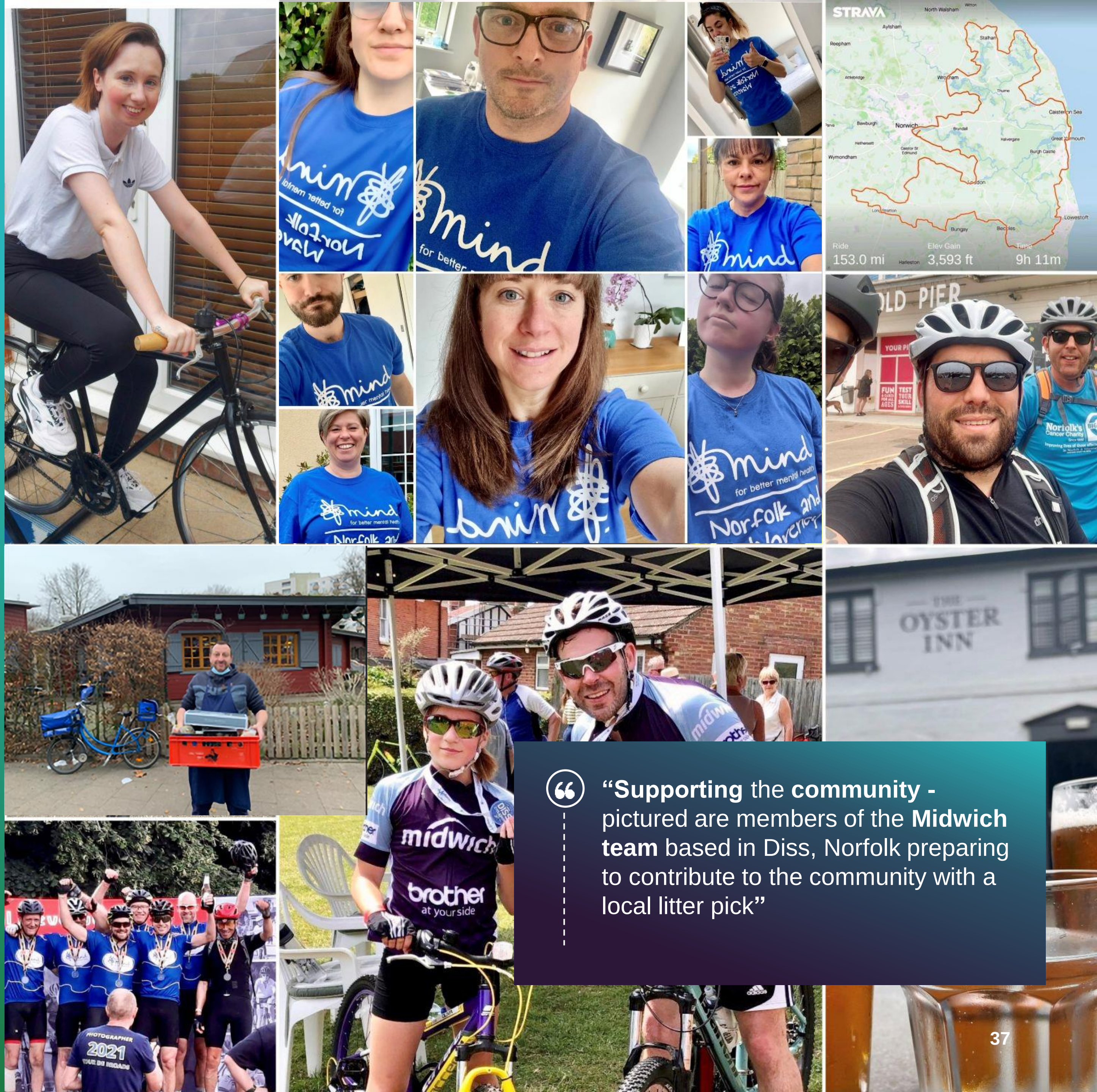
- Market focus
- Efficient logistics
- Scale and flexibility
- Marketing and sales support
- Events
- Cross-border projects
- Market intelligence and trends
- Long-term relationships

DEMAND DRIVERS IN THE AV INDUSTRY

Driver	Reason	Examples
Cost Saving	Reduces people costs	• Touch screen in shopping centre reduces need for help desk staff • Touch screen ordering in fast food outlet reduces serving staff
	Reduces waste	• Elimination of posters reduces paper waste
Improve efficiency/ effectiveness	Saves time	• Video conferencing means less travelling time for executives
	Allows rapid changes to marketing proposition	• Digital signage allows pricing and promotions to be updated dynamically from central point
	Improves performance	• Collaboration solutions make business meetings more effective through easy sharing and development of ideas across wide geographies • Video walls in security/ military centres enable rapid assessment of situations and improved decision making
	Improves Learning	• Collaborative learning solutions in classrooms give teachers real time analysis of students' understanding of lessons • Interactive displays facilitate improved learning in the classroom
Give competitive advantage	New revenue sources	• Digital signage enables petrol forecourts to sell advertising • Commercial Grade AV required to host global Esports tournaments. "Sports of the future will be played on AV not a grass pitch"
	Improve customer proposition	• Displays, audio and lighting improve ambiance in high street retail - giving a competitive advantage over on-line • Video walls in gyms show inspiring content to users • Extensive use of innovative AV in concerts improves audience experience • AV in museums improves visitor engagement and learning enjoyment
	Data analytics helps focus business strategy	• Use of facial recognition and ANR enables collection of customer data and focused promotional activity
Matches user/ employee expectations	Extensive use of mobile devices gives expectation	• Use of AV in workplace fits with how people live their personal lives, giving sense of congruence
Safeguarding	Evidence to protect against litigation	• Multi angle and camera view high definition recording of operating theatres to protect patients and surgeons in the event of alleged medical negligence
	Real time monitoring and surveillance	• Large videowall canvases displaying high numbers of CCTV streams with operator ability to enlarge one or more streams and track persons of interest live with facial and gait recognition as they move within camera zones • Audio and PAVA equipment for the hearing impaired and to voice evacuation regulations to ensure equal opportunities

Midwich
Because we care

ENVIRONMENTAL, SOCIAL & GOVERNANCE



“Supporting the **community** - pictured are members of the **Midwich team** based in Diss, Norfolk preparing to contribute to the community with a local litter pick”

Midwich
Group Plc

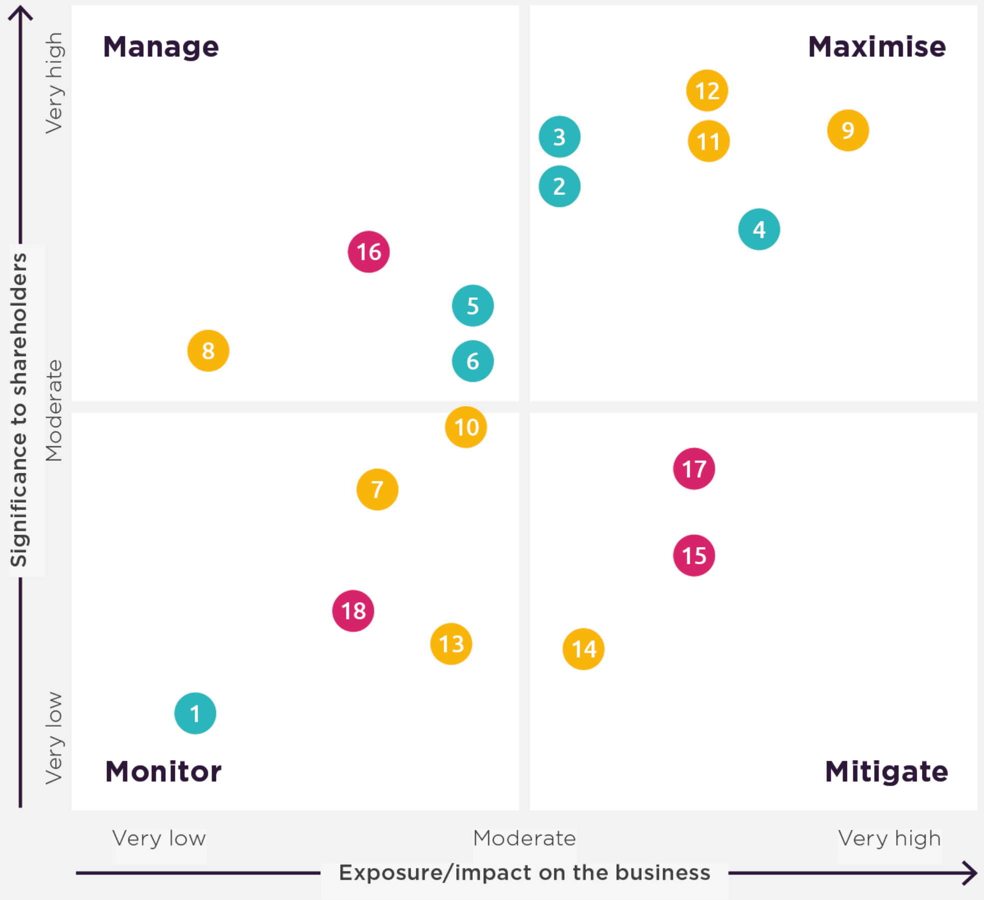
MATERIALITY ASSESSMENT

Working with an external consultant we conducted a detailed materiality assessment to prioritise our focus and inform our strategy decisions.

RISK HEATMAP

Current risk assessments taking account of current mitigations

■ Environmental ■ Social ■ Governance



Maximise

- 2 Energy management
- 3 Greenhouse gas emissions
- 4 Logistics and transport
- 9 Employee inclusivity
- 11 Employee training and development
- 12 Employee wellbeing

Manage

- 5 Packaging
- 6 Product lifecycle management
- 8 Community involvement
- 16 Fair operating practices

Mitigate

- 14 Product security
- 15 Executive remuneration
- 17 Responsible procurement

Monitor

- 1 Biodiversity loss
- 7 Child labour and human trafficking
- 10 Employee health and safety
- 13 Product accessibility
- 18 Responsible tax

Midwich Group Plc

NEW MIDWICH SUSTAINABILITY STRATEGY

We have developed a sustainability strategy focused on 4 key areas.

> Our strategy harnesses the collective power of our culture and is underpinned by strong governance and responsible behaviours."
>
> **Hilary Wright**
> Non-Executive Director

OUR PEOPLE AND GIVING BACK

To care about our team and local community, develop skills and diverse talent to support our business and sector, now and in the future and be a resource to the local community, benefiting all involved.

OUR ENVIRONMENTAL PERFORMANCE

To manage and reduce emissions and energy consumption in our own business and influence key impacts in our supply chain.

OUR SOLUTIONS

To promote AV solutions that help people to communicate, collaborate and work more efficiently.

INFLUENCING OUR CHANNEL

To support a sustainable value chain to ensure its long-term success and maximise collective benefit.

MIDWICH SUSTAINABILITY: FOCUS FOR 2023

Our people and giving back

To care about our team and local community. Developing skills and talent that will support our business and sector, now and in the future. Be a resource to the local community, benefiting all involved.

Measures of success

- Engagement survey results
- Employee share ownership
- Average length of service
- Charitable contributions
- Community volunteering

Our environmental performance

To manage and reduce emissions and energy consumption in our own business and influence key impacts in our supply chain.

Measures of success

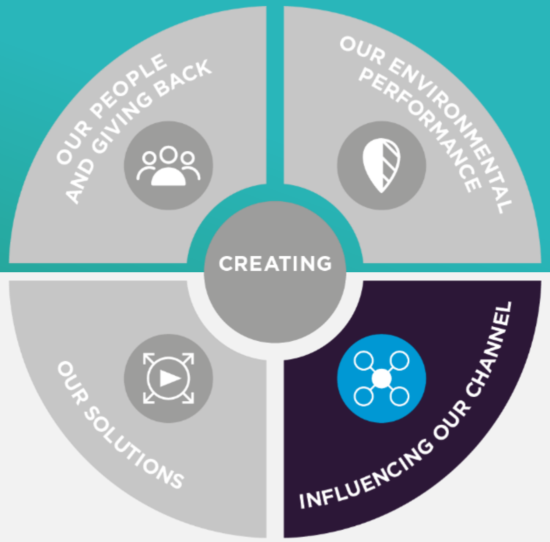
- Inclusion of TCFD aligned reporting (2023 annual report)
- Establishment of carbon reduction targets
- Further progress to reduce intensity ratios
- A greater proportion of energy from renewables
- Committed time to local conservation projects

Our solutions

To promote AV solutions that help people to communicate, collaborate and work more efficiently.

Measures of success

- Macroeconomic statistics for commuting time/mileage
- Customer/end user feedback



Our channel

To support a sustainable value chain to ensure its long-term success and maximise collective benefit.

Measures of success

- Number of key vendors with a net zero commitment
- Customer/end user feedback

GROUP RESULTS HIGHLIGHTS

12 MONTHS ENDED 31 DECEMBER 2022

	12 months to 31 December 2022 £m	12 months to 31 December 2021 £m	Growth %	Constant currency growth %
Revenue	1,204.1	856.0	41%	39%
Gross Profit	183.7	131.3	40%	38%
Gross profit margin	15.3%	15.3%		
Adjusted operating profit[1]	51.1	34.0	50%	46%
Adjusted profit before tax[2]	45.2	31.9	41%	38%
Adjusted profit after tax[2]	34.1	23.9	42%	39%
Adjusted EPS[2]	36.08	25.63	41%	

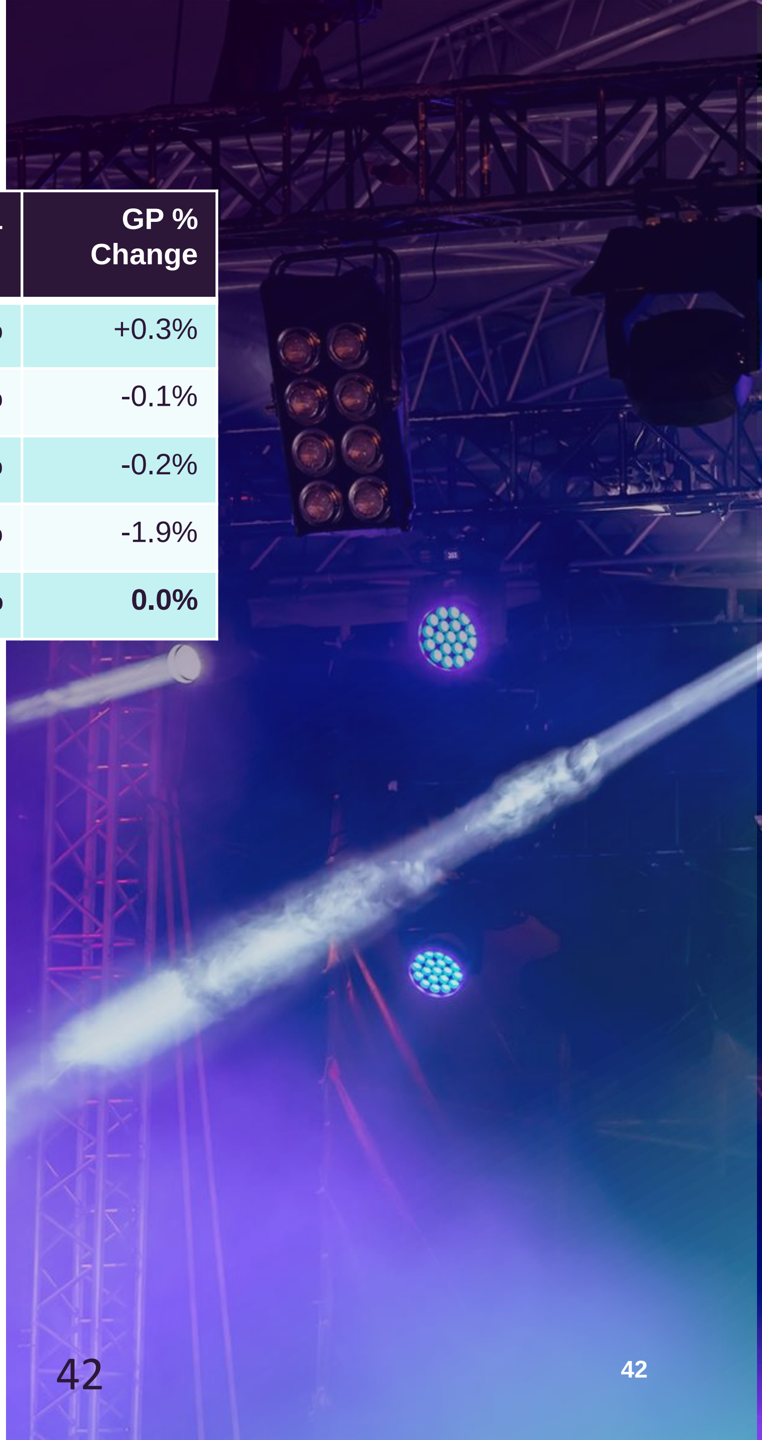
1 Adjustments are costs relating to the initial public offering, acquisition costs, share based payments, amortization of acquired intangibles
2 Adjustments are costs relating to the initial public offering, acquisition costs, share based payments, amortization of acquired intangibles and put and call option finance costs

REGIONAL RESULTS HIGHLIGHTS – 2022

Region	Revenue 2022 £m	Revenue 2021 £m	CFX %	Org %	GP % 2022	GP % 2021	GP % Change
UK&I	492.2	286.1	72.1%	18.4%	16.1%	15.8%	+0.3%
EMEA	535.0	455.4	16.8%	16.8%	14.6%	14.7%	-0.1%
APAC	53.8	45.4	14.3%	14.3%	17.3%	17.5%	-0.2%
North America	123.1	69.1	60.0%	60.0%	14.0%	15.9%	-1.9%
Total	**1,204.1**	**856.0**	**38.6%**	**20.7%**	**15.3%**	**15.3%**	**0.0%**

Adjusted operating profit[1]	2022 £m	2021 £m	CFX %
UK&I	26.5	12.7	108.5%
EMEA	22.7	21.4	3.2%
APAC	1.4	0.9	42.3%
North America	6.4	4.6	27.1%
Group	(5.9)	(5.5)	
Total	**51.1**	**34.0**	**46.2%**

1 Adjustments are costs relating to the initial public offering, acquisition costs, share based payments, amortization of acquired intangibles



Midwich Group Plc

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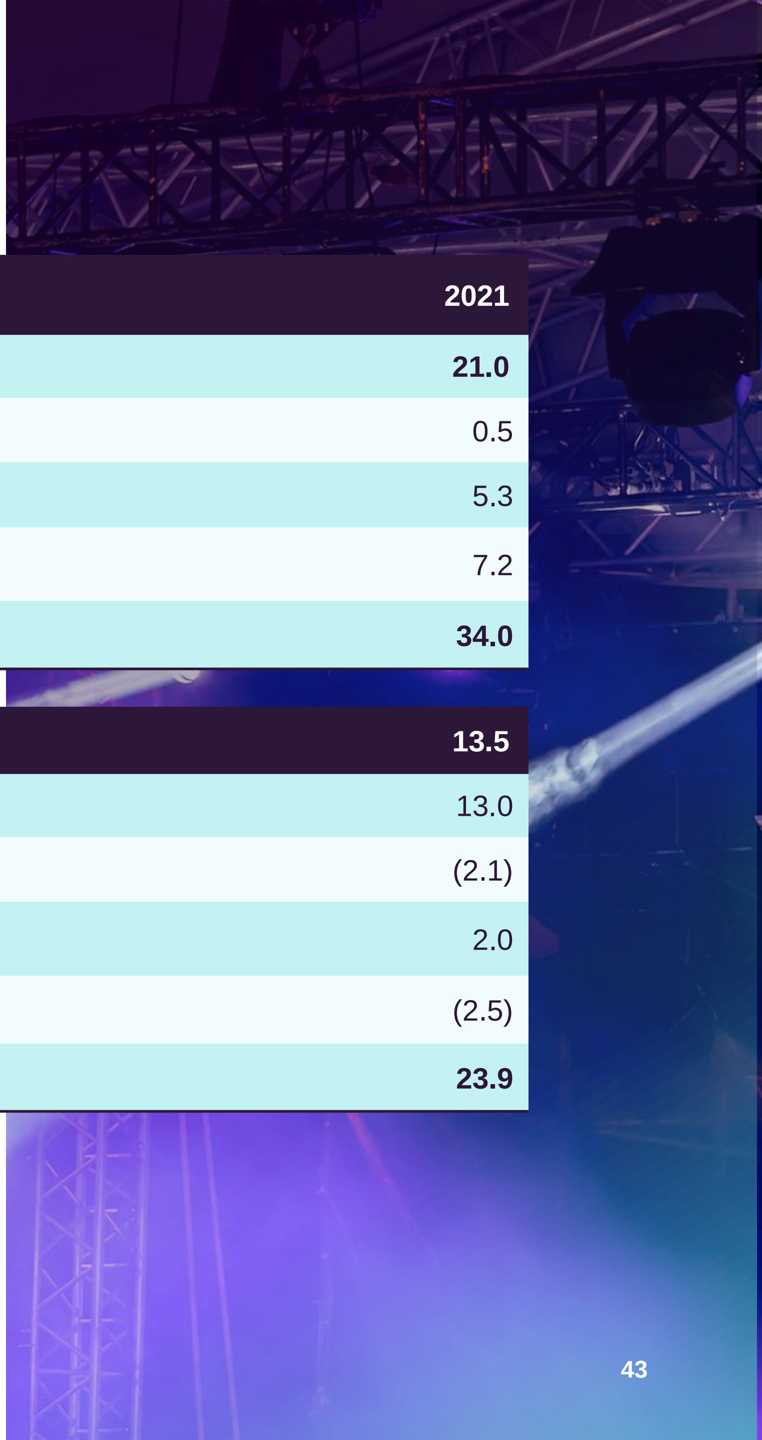
ADJUSTMENTS TO STATUTORY RESULTS – 2022



£m	2022	2021
Statutory operating profit/(loss)	**35.0**	**21.0**
Acquisition related expenses	0.4	0.5
Share based payments and employer taxes	6.2	5.3
Amortisation of acquired intangibles	9.4	7.2
Adjusted operating profit	**51.1**	**34.0**

Statutory profit after tax	**16.9**	**13.5**
Operating profit adjustments (above)	16.1	13.0
Derivative movements and FX gains/losses on borrowing for acquisitions	(1.2)	(2.1)
Finance costs – change in carrying value of deferred consideration/Put & call options	5.3	2.0
Tax impact of adjustments	(3.0)	(2.5)
Adjusted profit after tax	**34.1**	**23.9**

Note, adjusted profit after tax after non-controlling interests is £31.4m for 2022 (£22.6m for 2021)

MODELLING CONSIDERATIONS

Acquisitions	2023 deferred consideration for DVS/Nimans £9.3m paid in Q1. Up to £14m to be paid in 2024 past acquisitions.
ERP amortisation	ERP programme resumed with initial "go live" expected late 2023. Amortisation of core platform will be c£2.5m per annum.
Interest (adjusted)	Expected to be c.£9m in 2023 before any M&A.
Tax	Effective rate in 2023 at 26-27% of adjusted profit (UK tax increases). Increasing to 27-28% for 2024 (UAE implements corporation tax).
FX	Small positive impact from Euro/US$ based on current assumptions.
Capex	Full year to be c£12m including ERP and rental assets
Dividend policy	Dividends to be covered 2-2.5 times by adjusted earnings

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