2022 Half Year Results

September 2022

DELIVERING EXPERIENCES
BEYOND EXPECTATIONS

Midwich Group Plc

FINANCIAL HIGHLIGHTS

Revenue
£569m
2021: £390m

Growth
45.8%
CFX: 46.2%

Organic growth
27.9%
2021: 26%

Gross Margin
14.9%
2021: 15.1%

Adjusted PBT[1]
£19.2m
2021: £13.0m

Adj. PBT margin[1]
3.4%
2021: 3.3%

Adjusted EPS
15.42p
2021: 10.08p

Interim Dividend
4.5p
2021: 3.3p

Operating cash conversion[2]
(32%)
2021: (31%)

Adj. net debt[3]
£112.5m
2021: £56.0m

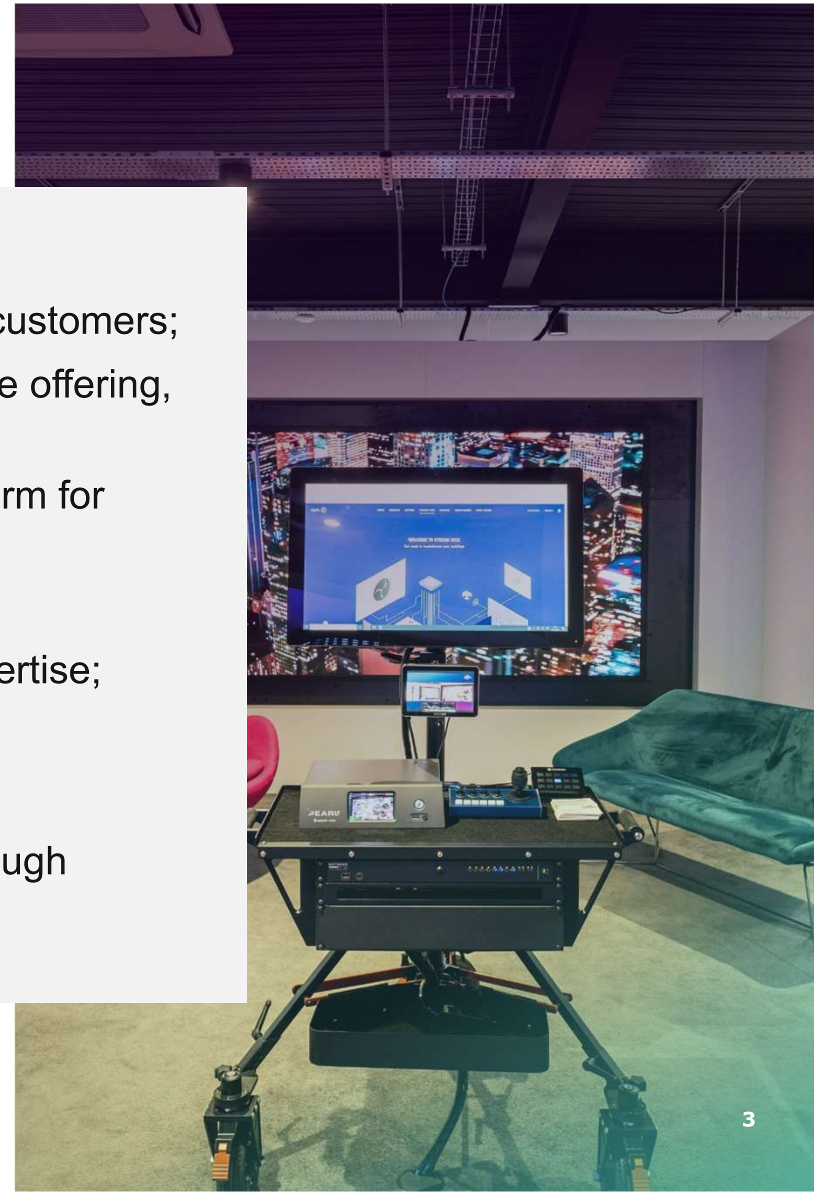
Adjusted leverage[3]
2.1x
2021: 1.7x

Notes
1 Adjustments are acquisition costs, share based payments, amortization, fx gains/losses on acquisition borrowings, put and call option finance costs
2 Adjusted operating cash flow/Adjusted EBITDA
3 Excludes lease liabilities. Adjusted leverage includes proforma annualised earnings from acquisitions completed in the last 12 months

Midwich Group Plc

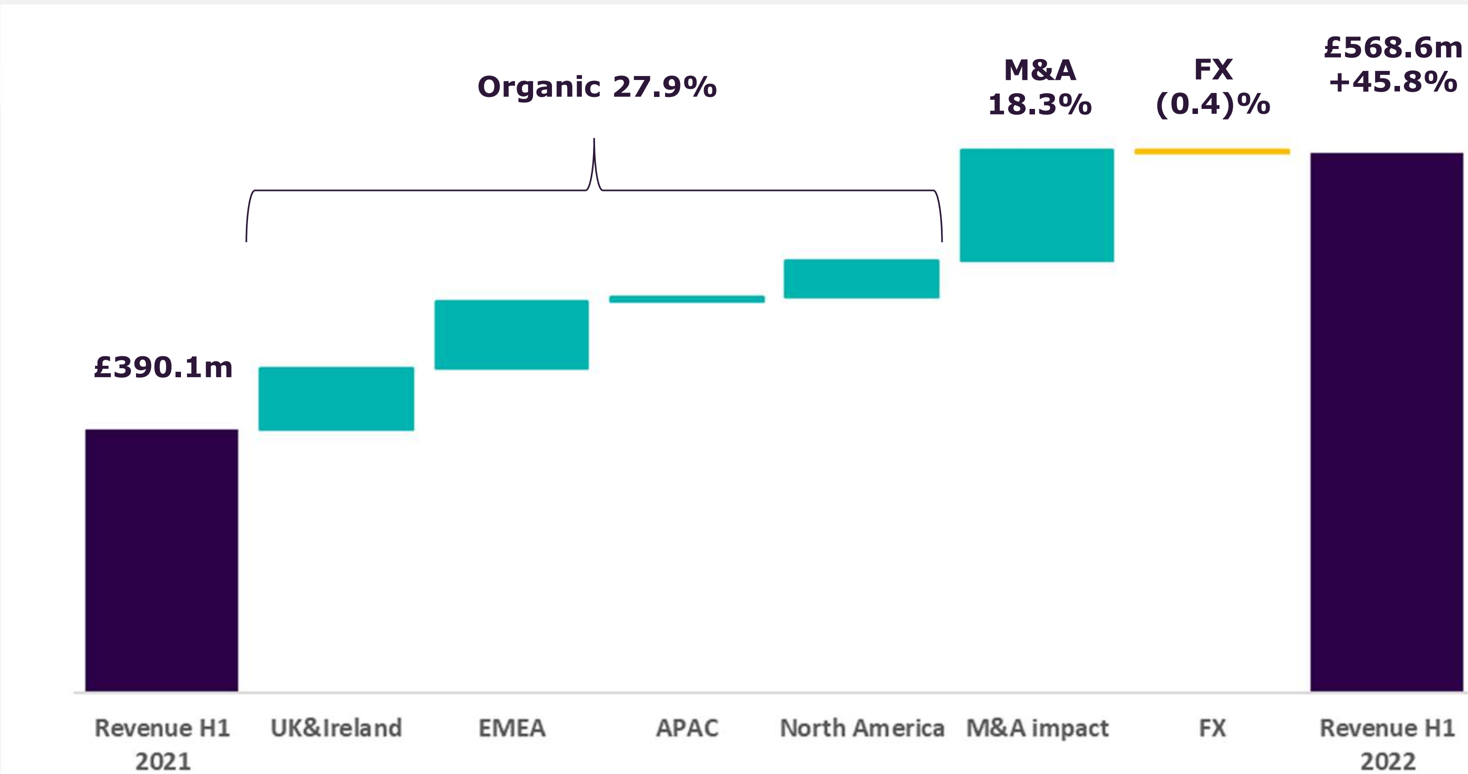
STRENGTHS AND DEFENSIBILITY

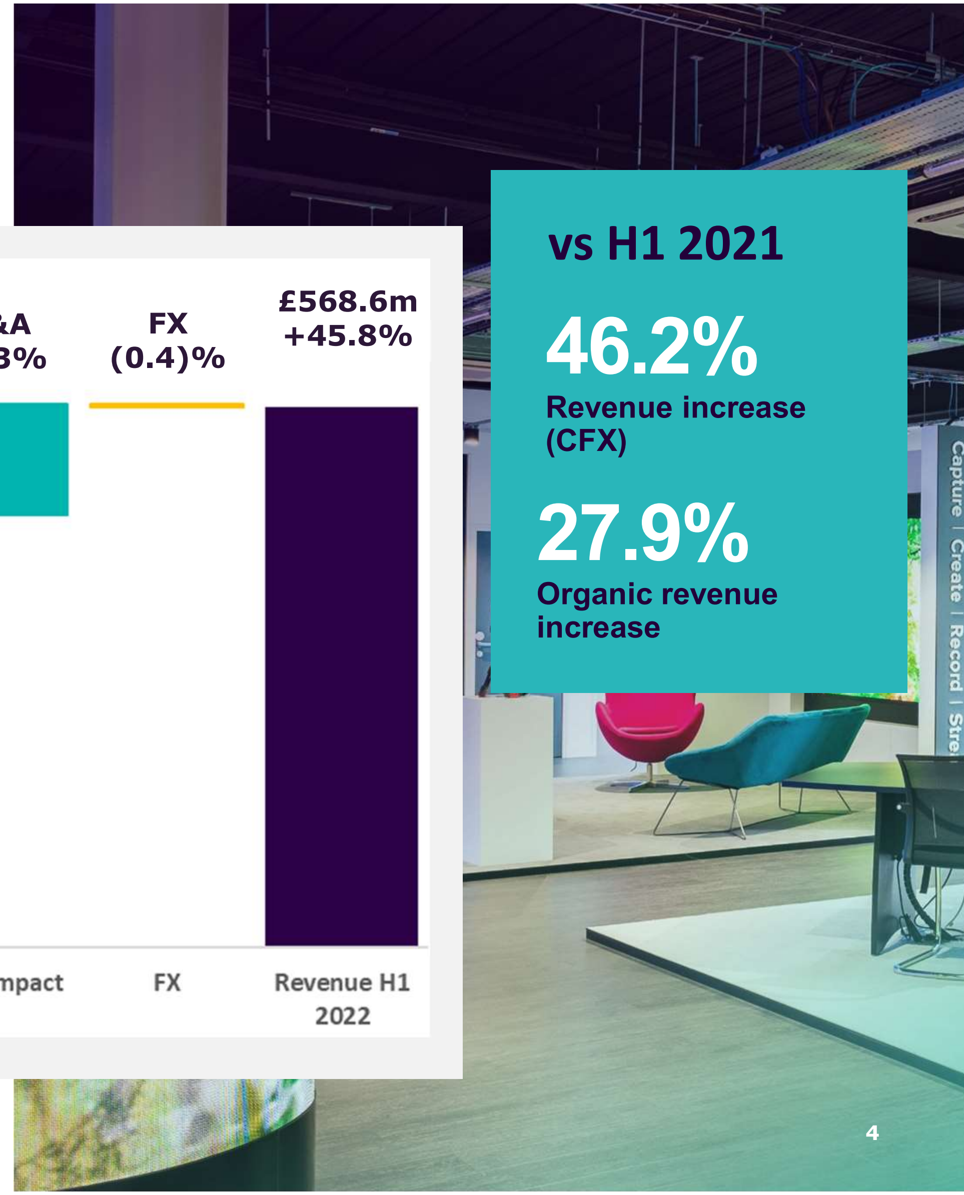
- ✓ Focus on the AV market;
- ✓ Key long-term, value-add relationships with major vendors and customers;
- ✓ High value-add distribution with specialisms and bespoke service offering, acting as a key differentiator;
- ✓ Leading competitive position and established international platform for future growth;
- ✓ 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.



REVENUE BRIDGE 2022

Organic growth well ahead of the market





vs H1 2021

46.2%
Revenue increase (CFX)

27.9%
Organic revenue increase

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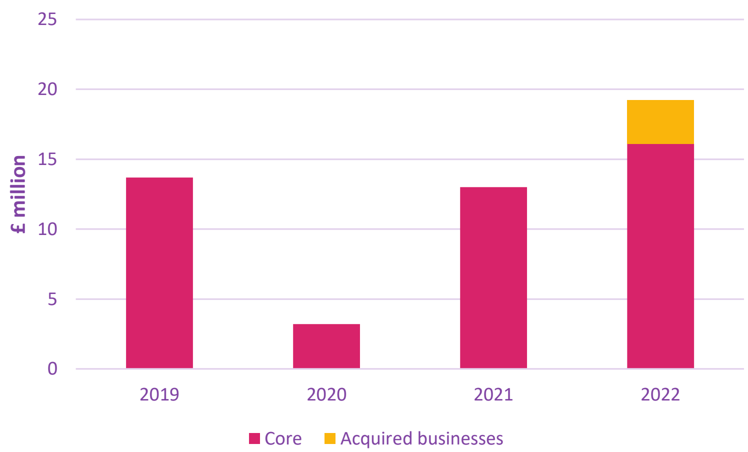
PROFITABILITY TRENDS

Adjusted PBT



c.25% organic adjusted PBT growth

Net margin improved from 3.3% to 3.4%

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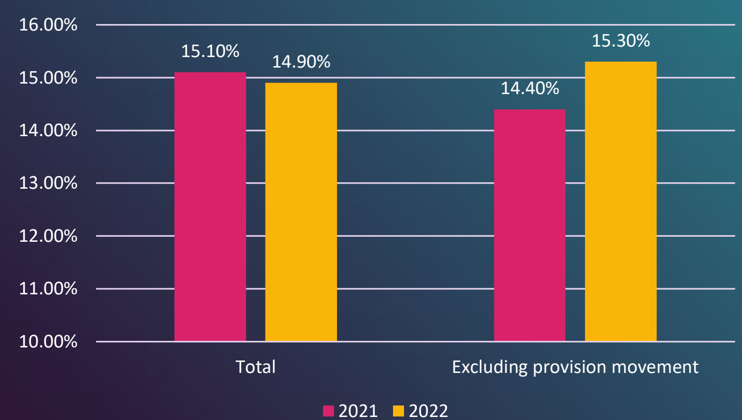
Gross Margin

Gross margin slightly lower at 14.9% (2021 15.1%)

Partial recovery in live events (“in-person” activities) more than offset by aged stock provision movement (which is expected to largely reverse)



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

- Markets are now mostly open;
- Many product shortages – although flat panels back to near normal;
- Global logistics costs still high, but started to fall;
- Corporate market recovering;
- Education sector remains strong;
- Full recovery in live events and entertainment sectors delayed;
- Retail investment will take some time to fully recover;
- Currently no direct impact from Ukraine conflict, although some European sentiment affected.

Our Business

- Order books remain high primarily due to customers trying to reserve stock early, or to missing components;
- New vendor and technology development continues;
- Continued flow of potential bolt-on M&A deals. Significant number of potential sellers approaching us;
- Unpredictable product supplies leading to higher workload.

LONG TERM STRATEGY REMAINS UNCHANGED

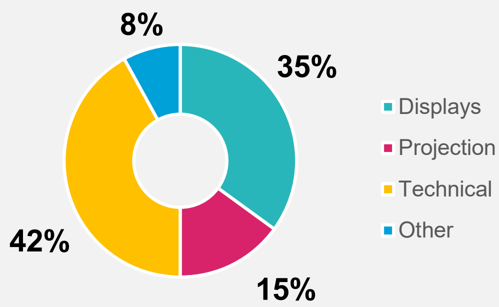
	Why?	How?	Success Measures
Specialisation	Relevance Profitability Defensibility	Portfolio management Acquisition Value add services	Growth in technical product sales[1] Long term growth in gross margin
Geographical Coverage	Support Projects Share of wallet	Acquisition Investment	Number of territories 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

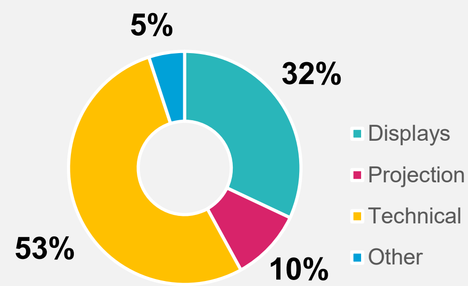
PROGRESS

Specialisation

2021



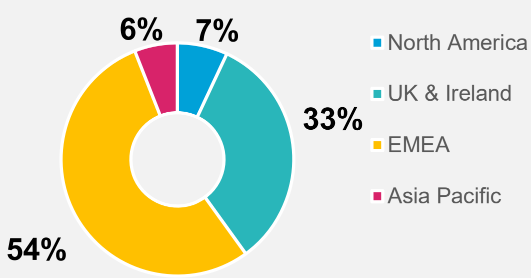
2022



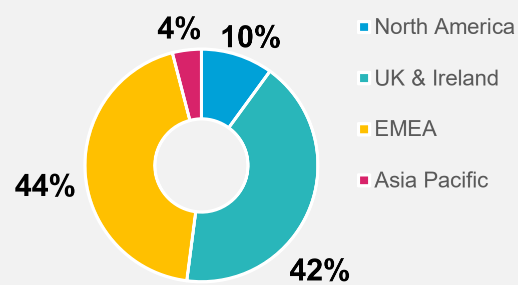
- New technical product categories increase this segment significantly;
- Displays growth of over 30% and expected 6% decline in projection result in mainstream products now only 42% of total revenue.

Geographical Coverage

2021



2022



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

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

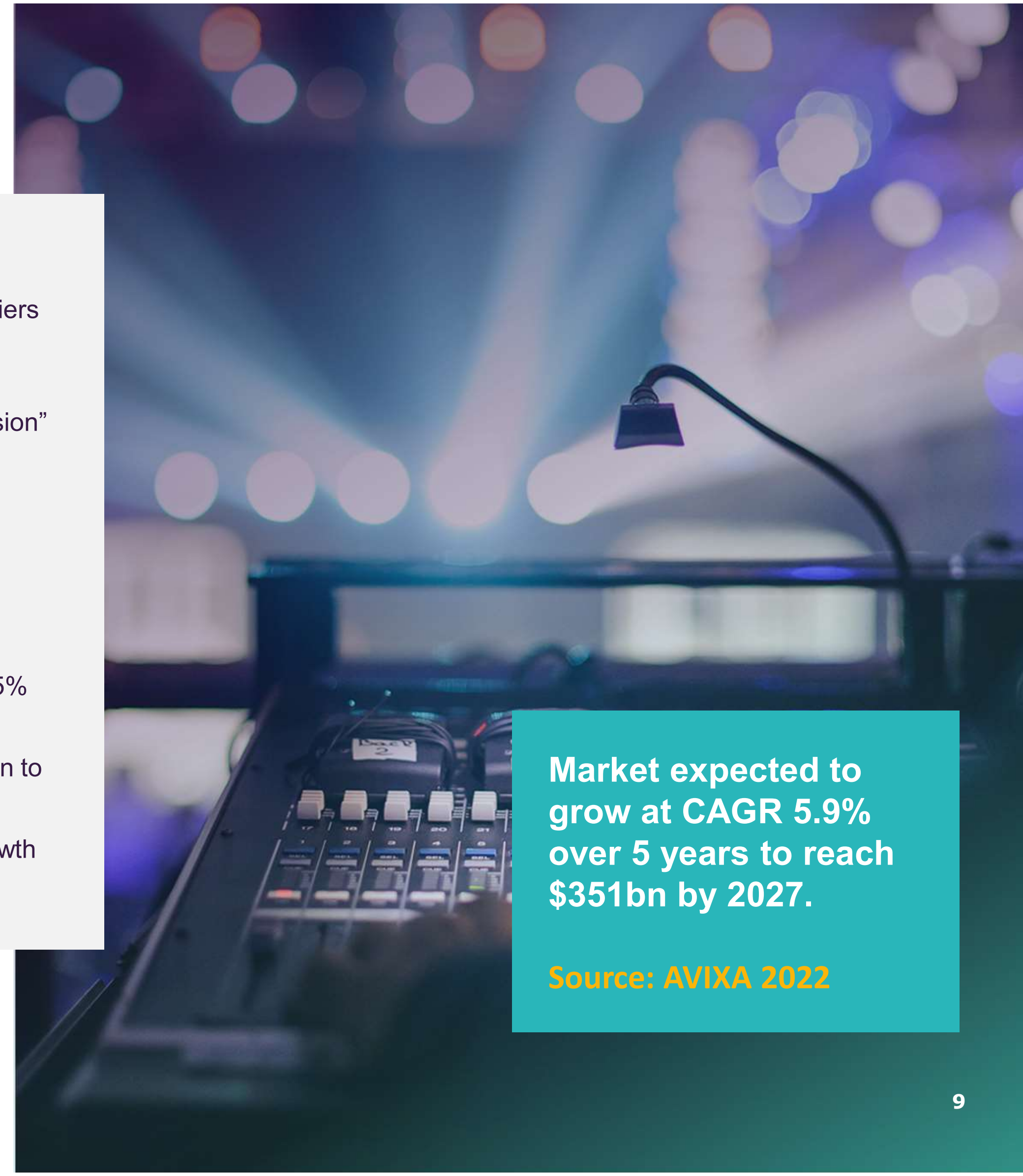
Pro AV prices increasing less than inflation. End users waiting for product rather than paying extra to get early

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

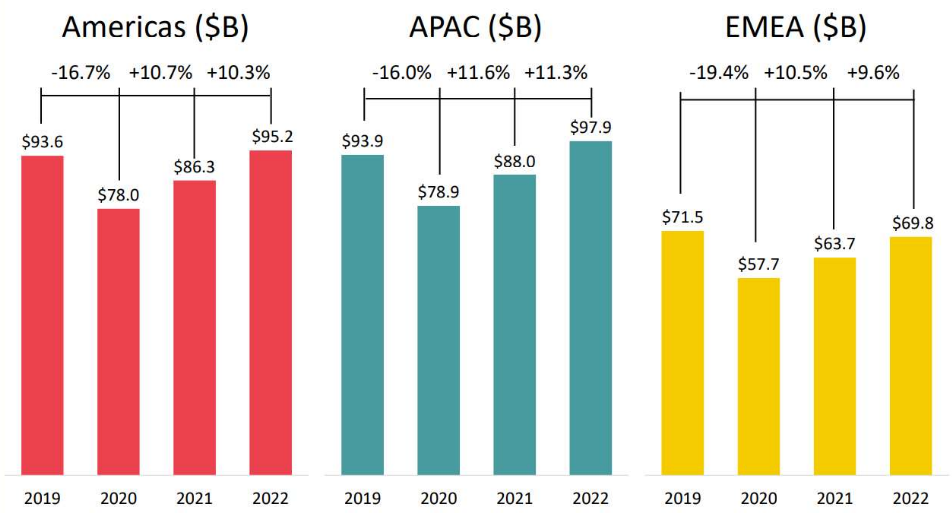
Rate of impact and recovery remain uneven across the regions.

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 H1:

North America – 90%+

EMEA (incl UK&I) – 40%+ (organic 20%+).

UK&I 85% - organic 30%+

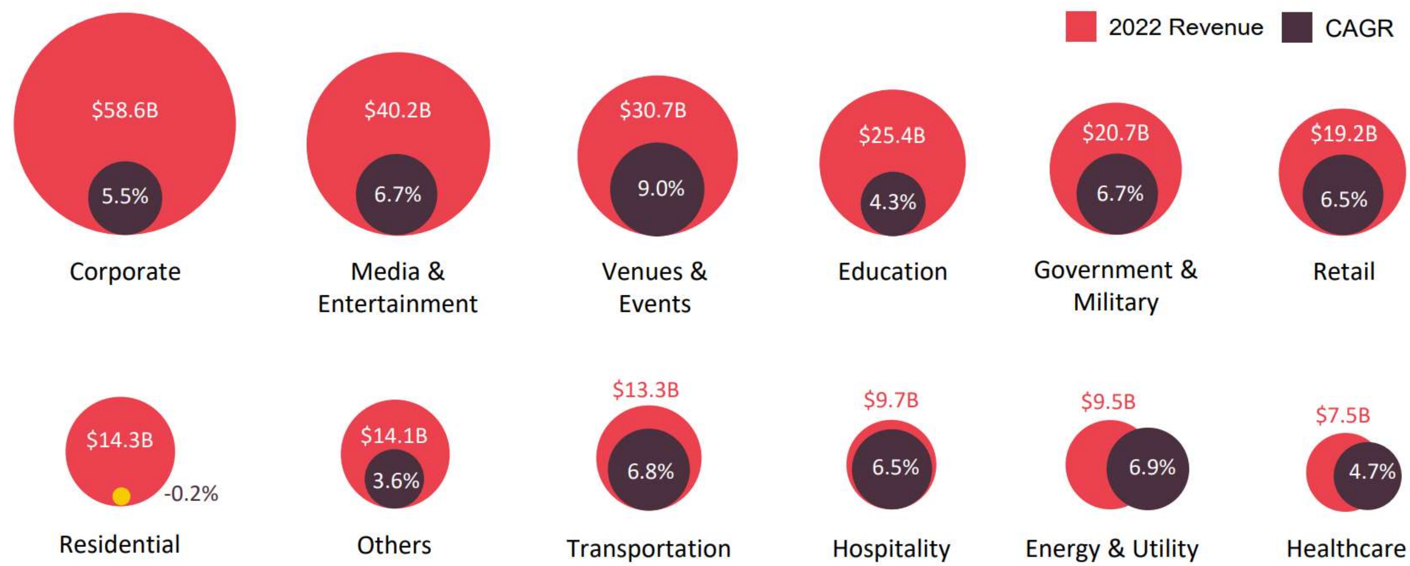
Midwich growth is materially faster than the market in each region

Two of the three regions are now above pre pandemic levels

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

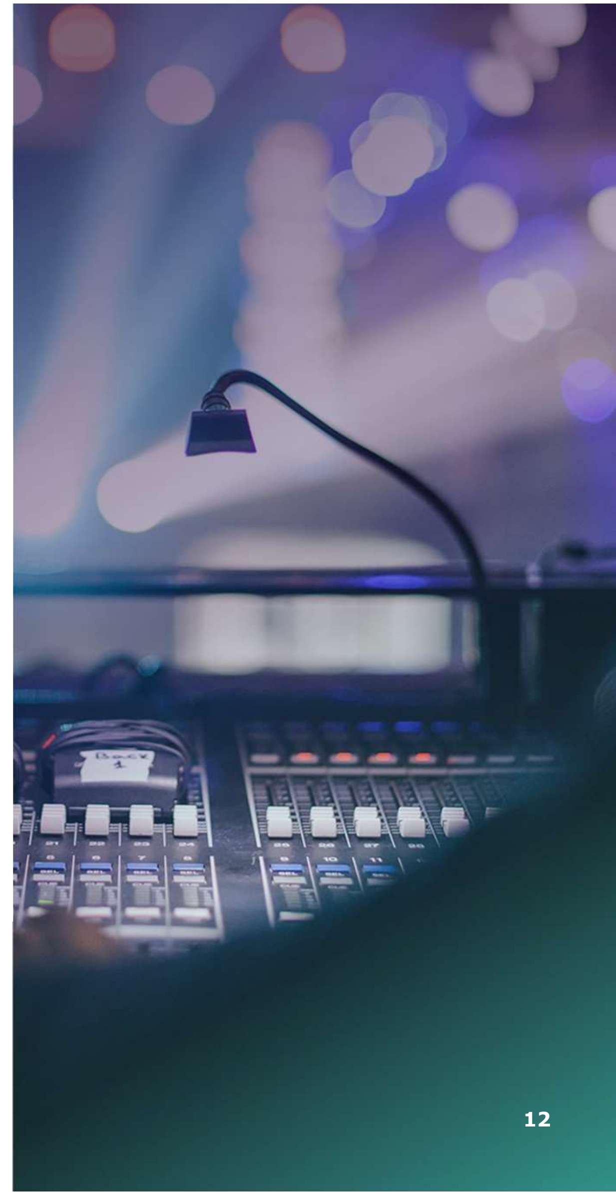
AVIXA MARKET REPORT 2022

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



MARKET OPPORTUNITY

£ million	Global	EMEA	UK	Germany	France	MENA	Italy	US	APAC
2027	292,500	76,518	7,765	11,028	7,254	11,067	3,965	82,899	112,203
2022	219,167	58,168	5,932	8,580	5,659	8,226	3,018	63,906	81,580
2021	172,840	46,256	4,662	6,749	4,458	6,468	2,349	50,542	63,900
Addressable market:	15%	25%	25%	25%	25%	25%	25%	10%	7.5%
Share of total market:	<1%	1%	5-6%	3-4%	2%	<1%	1-2%	<1%	<1%
Share addressable market:	3-4%	4-5%	20-25%	10-15%	5-10%	1-2%	4-5%	1-2%	<1%

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

Addressable market is an estimate based on:

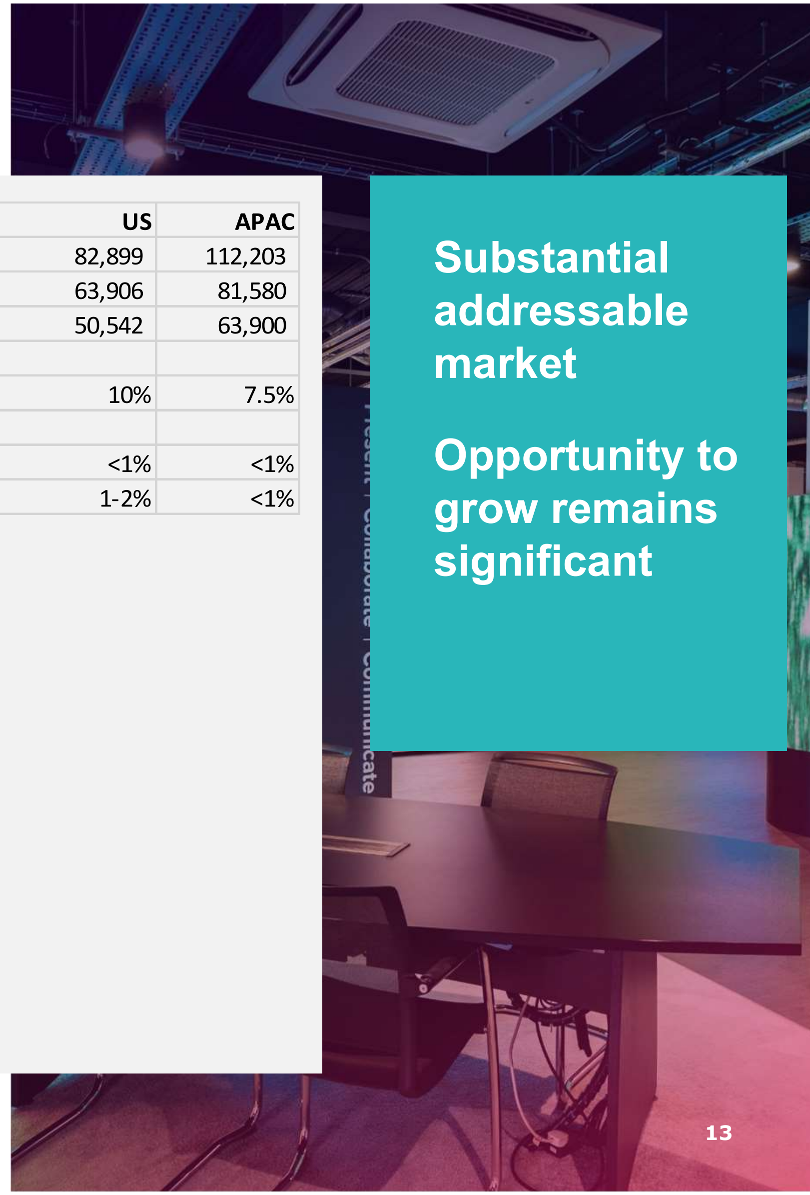
Total market size less estimates for:
- Integrator value add
- Manufacturer direct sales
- Low margin business not of interest
- Geographical markets not of interest currently (eg Russia, China, South America)

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



Substantial addressable market

Opportunity to grow remains significant

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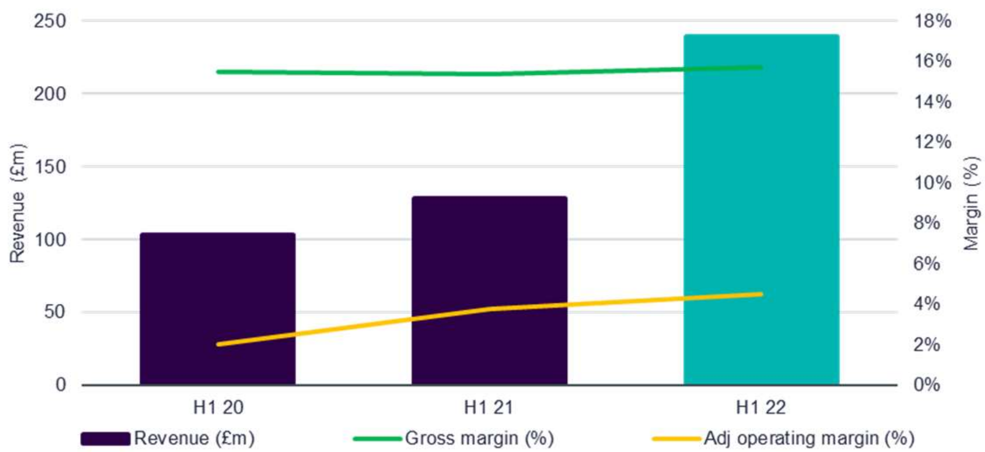
UK & IRELAND (42% GROUP REVENUE)

- Performance in the UK & Ireland was significantly ahead of H1 2021, with revenue up 86%, including the benefit of acquisitions at the start of the year.
- Organic growth of 30.6% reflects market share gains including the benefit from new vendors and technologies added in the last two years together with further recovery in the corporate and live events markets together.
- Strong margin improvement across product categories as mix normalises, although there is still scope for further improvement as rental activity rebuilds post-pandemic.
- Acquisitions of DVS and Nimans (in Q1 2022) have been integrated, are performing well and generating cross sell opportunities.
- Record UK&I operating profit at £10.8m (+119% vs H1 2021)



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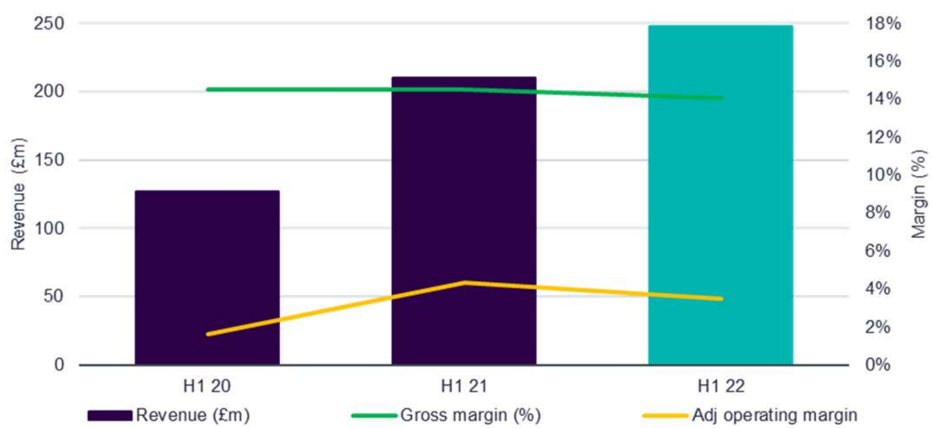
EMEA (44% GROUP REVENUE)

- EMEA revenue growth of 20.4% (CFX) to £247.9m with growth in every country due to a broad end user market recovery and further market share gains. Live events, corporate and retail end user markets continue to improve, albeit partially offset by the normalisation of broadcast volumes from pandemic record highs.
- Some softening of gross margin due to availability restrictions on high margin product lines and costs of holding extra stock to manage volatility of supply – which has improved in recent weeks.
- Operating profit broadly in line with prior year at £8.7m.



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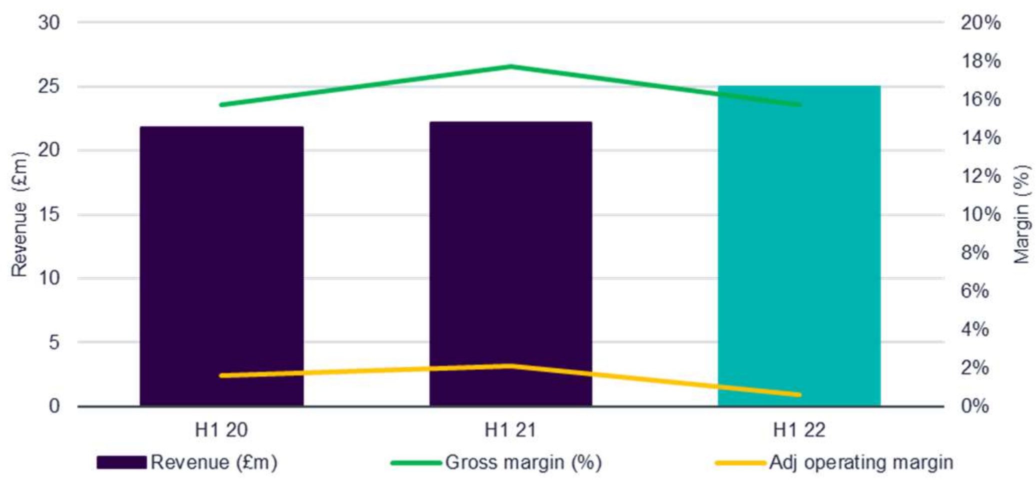
ASIA PACIFIC (4% GROUP REVENUE)

- The region continued to be impacted by COVID-19 in H1 2022 in ANZ with lockdowns at the beginning of the period and product supply challenges continuing.
- Revenue improved by 12.2%, driven by an increase in the mix of lower margin product sales, resulting in a drop in regional gross margin. Operating profit was £0.2m (2021: £0.5m).
- The business is well positioned for the market recovery and there are early signs of increased project activity returning.



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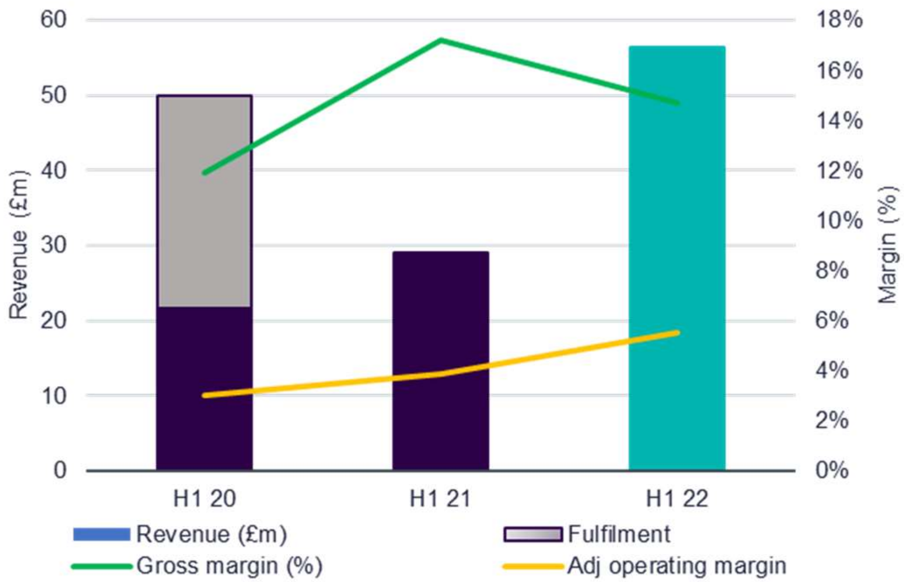
NORTH AMERICA (10% GROUP REVENUE)

- Starin revenue of £56.4m grew by 81.5% (CFX) vs H1 2021 reflecting market share gains from both new vendors and expanded customer relationships.
- Gross margin of 14.7% in line with our plan after one off impacts from fulfilment exit in prior periods.
- The business continues to add new brands and staff, whilst differentiating through value add.
- Operating profit was £3.1m (+156% at CFX).



STRONG REVENUE AND PROFIT PERFORMANCE

Summary Income Statement

£m	H1 2022	H1 2021	Actual change	Constant currency change
Revenue	**568.6**	**390.1**	46%	46%
Gross profit *Margin*	***84.7*** *14.9%*	**59.1** *15.1%*	43%	44%
EBITDA (Adj.)	**23.8**	**16.7**		
Adjusted operating profit *Margin*	***20.2*** *3.6%*	**13.9** *3.6%*	45%	45%
Net finance expense	(1.0)	(0.9)		
Adjusted PBT *Margin*	**19.2** *3.4%*	**13.0** *3.3%*	47%	47%
Taxation	(4.8)	(3.6)		
Adjusted PAT	**14.4**	**9.4**	53%	53%
Adjusted EPS (p)	**15.42**	**10.08**	53%	
Special DPS (p)	**-**	**3.0**		
Interim DPS (p)	**4.5**	**3.3**		

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- Exceptional revenue growth of 46.2% (CFX) to £569m;
- Organic growth of 27.9% reflects market share gains in all regions and further recovery in end user markets;
- Gross margin was broadly in line with prior year. The Group has seen a partial return of live events and in-person activities in a number of markets. Should these conditions continue, the Board expects to see stronger gross margins coming through in the second half of the year;
- Record adjusted PBT at £19.2m up 47.1% (CFX) on prior year;
- Adjusted effective tax rate of 24.9% (2020: 27.8%) reflects favourable mix shift with strong profit growth in UK&I and the Middle East;
- Adjusted EPS growth of 53% to 15.42p per share;
- Interim dividend up by 36% to 4.5p per share.

STRONG BALANCE SHEET

Balance Sheet (30 June)		
£m	**2022**	**2021**
Non-current assets	**151.5**	**105.4**
Inventories	171.4	117.8
Trade and other receivables	216.8	127.3
Trade and other payables	(233.4)	(139.0)
Net working capital (ex cash)	**154.8**	**106.1**
Cash and cash equivalents	17.4	19.9
Borrowings (ex leases)	(129.9)	(75.9)
Leases	(23.0)	(17.2)
Other short term liabilities	(4.3)	(14.2)
Other long term liabilities	(43.3)	(14.9)
Net assets	**123.3**	**109.2**
Net debt (reported)	**135.5**	**73.3**
Adj net debt (ex leases)	**112.5**	**56.0**
Net working capital as % of annualised revenue	*13.6%*	*13.6%*

- Acquisitions of DVS and Nimans in Q1 2022;
- Increase in working capital reflects the impact of M&A combined with the growth in business activity;
- Adjusted net debt of £112.5m (£56.0m at December 2021);
- Adjusted net debt equivalent to 2.1x Adj EBITDA (June 2021: 1.7x). Covenant 3x Adj EBITDA;
- Multibank RCF facility of £80m; remains well within covenants;
- In total over £200m of facilities in place groupwide – mainly working capital;
- Other liabilities include estimated payments for put/call options and deferred consideration
- £3.6m due <12 months
- £29.0m due >12 months.

INVESTING IN GROWTH

Cash Flow		
£m	**2022**	**2021**
Adjusted EBITDA	**23.8**	**16.7**
Decrease/(Increase) in stock	(27.3)	(28.7)
Decrease/(Increase) in receivables	(68.8)	(15.5)
(Decrease)/Increase in adjusted payables	64.8	22.4
Cash flow from operations	**(7.6)**	**(5.1)**
Adjusted EBITDA cash conversion	***(32%)***	***(31%)***
Other cash items:		
Interest payments	(1.8)	(1.0)
Income tax	(3.7)	(3.3)
Acquisitions/deferred consideration net of cash	(23.5)	(21.1)
(Debt) acquired	(6.6)	-
Net share proceeds	-	-
Net capex	(5.4)	(1.7)
Capital element of lease payments	(3.8)	(2.2)
Dividends paid	(6.9)	-
Other (incl FX)	2.8	0.4
(Increase)/decrease in net debt	**(56.5)**	**(34.0)**

- Net cash outflow from operations before tax of £7.6m (H1 2021: £5.1m);
- In line with normal H1 seasonal working capital patterns adjusted EBITDA cash conversion was -32%. This reflects investment in working capital to support business growth and manage inventory supply risks;
- Collections have held 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 acquisition of the remaining shares in Earpro;
- Capex includes expenditure on the Group’s new ERP solution and rental equipment.

ACQUISITIONS

January 2022	February 2022
Cardiff, UK	**Manchester, UK**
• 2019/20 revenue £37.4m • Specialist security products distributor • Strength in CCTV, intercom and access control • Strong technical support, including project design	• 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
dvs™ DELIVERING VISION	nimans

SUMMARY AND OUTLOOK

Proven historical financial track record

Revenue growth every year since 2005

17% CAGR of adjusted PBT over 8 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

H1 2022 PBT growth nearly 50%

Midwich Group Plc

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

Michael Broadbent
Managing Director
– Asia Pacific

Joined as Managing Director in June 2014

30 years' experience within the Australian and New Zealand commercial audio visual market.

10 of these as owner of a leading Australian integrator

Senior roles in companies such as Rexel, Panasonic distributor.

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 and more recently the Middle East.

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.

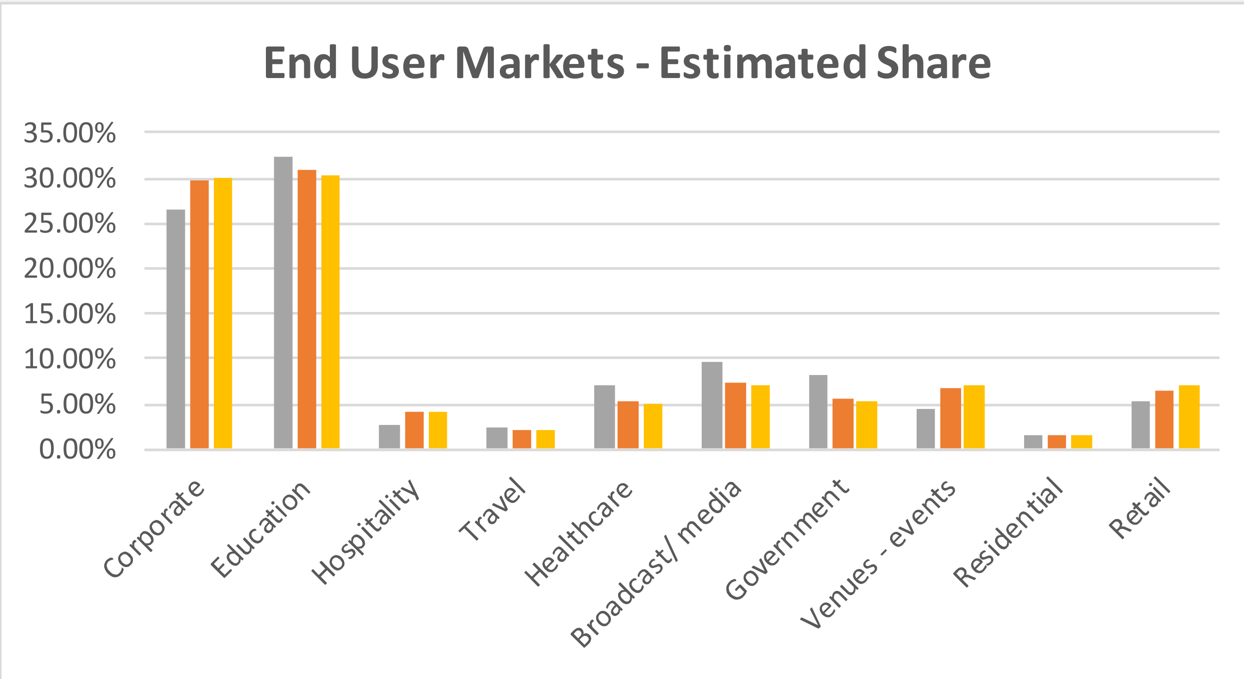
Lutz Kern
Regional Director - DACH

After working in the AV industry for many years, established Kern & Stelly in 2004 with colleague Andreas Stelly

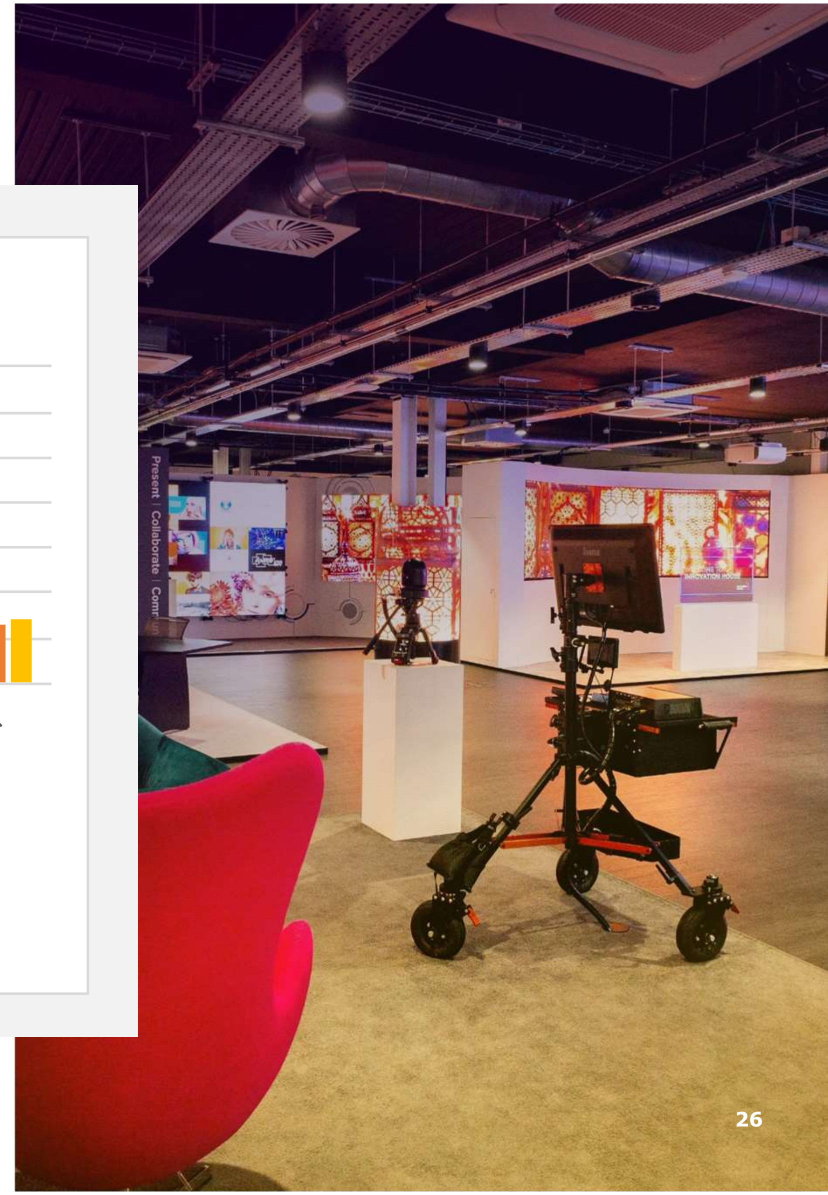
K&S became part of the Midwich Group in 2013 and has grown to become the largest specialist AV distributor in Germany

Lutz now oversees all our businesses in the DACH region

END USER MARKETS



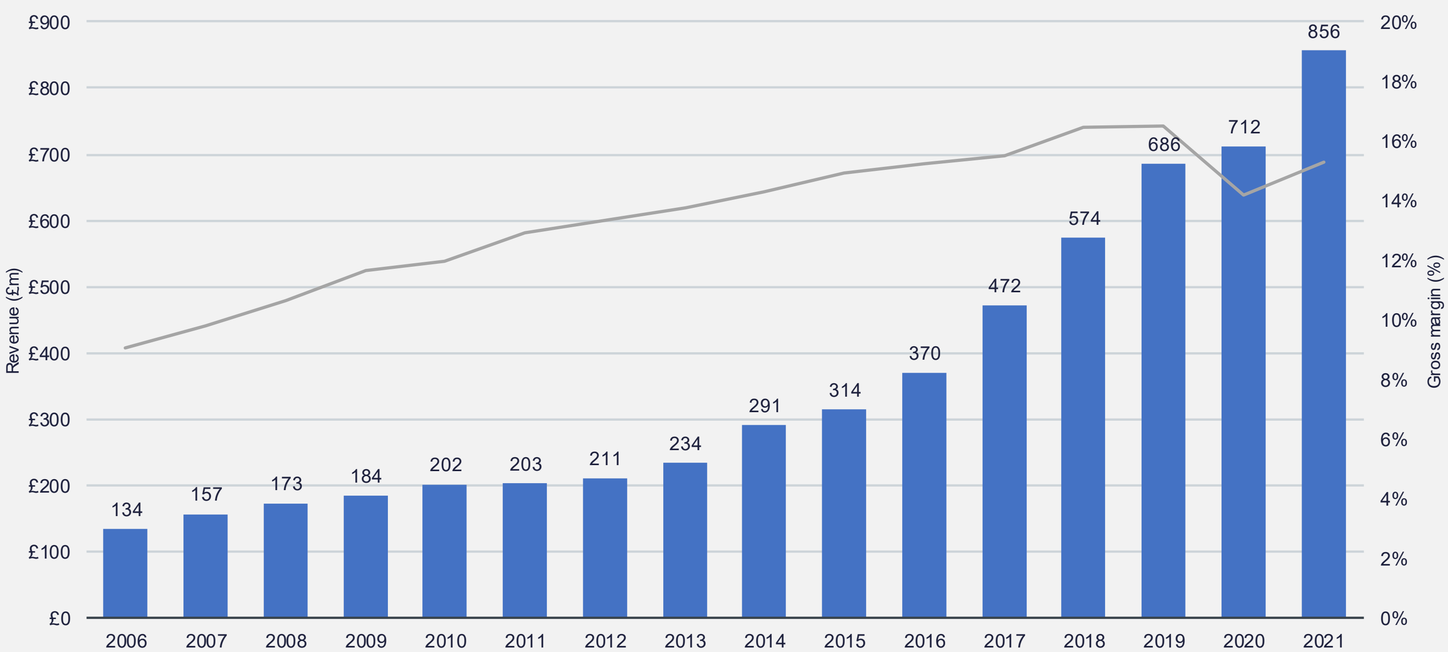
Source: Midwich estimates

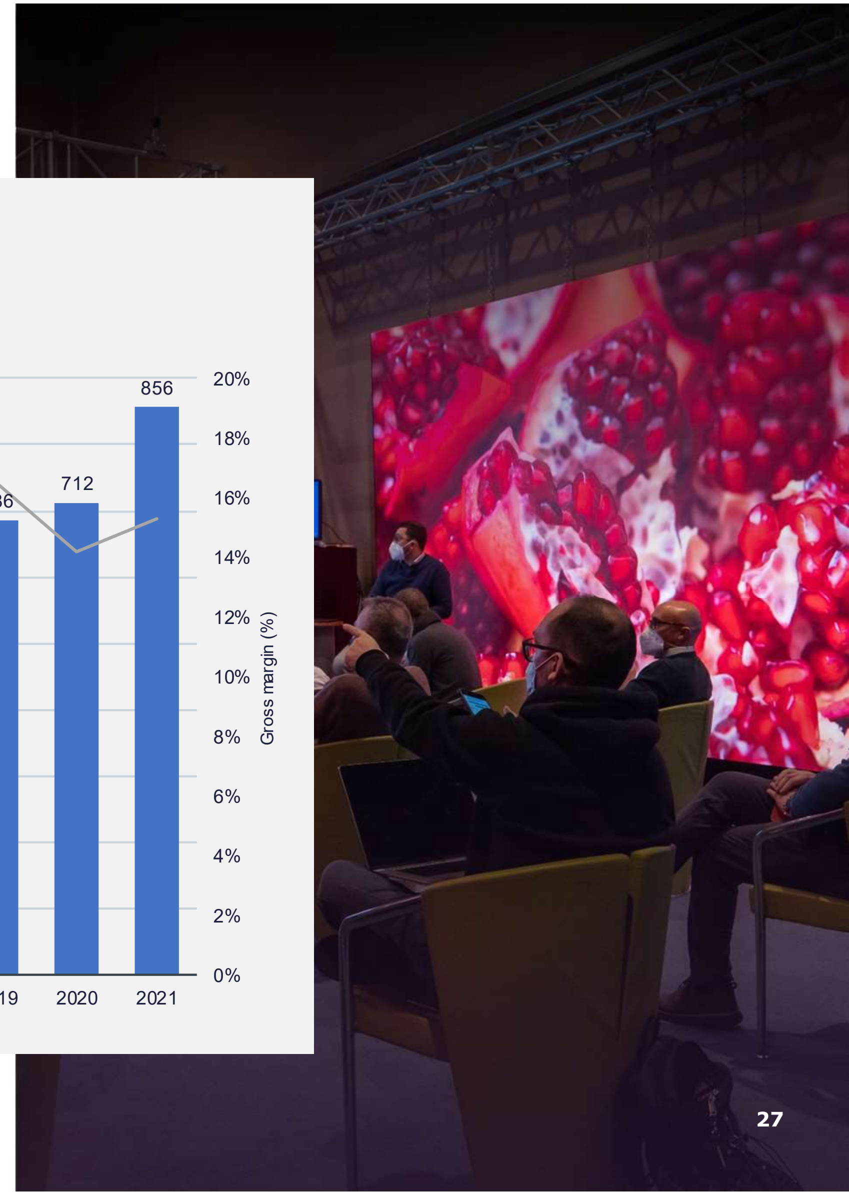


LONG TRACK RECORD OF GROWTH

Fifteen years of unbroken revenue growth.

GP% growth in fourteen of those years





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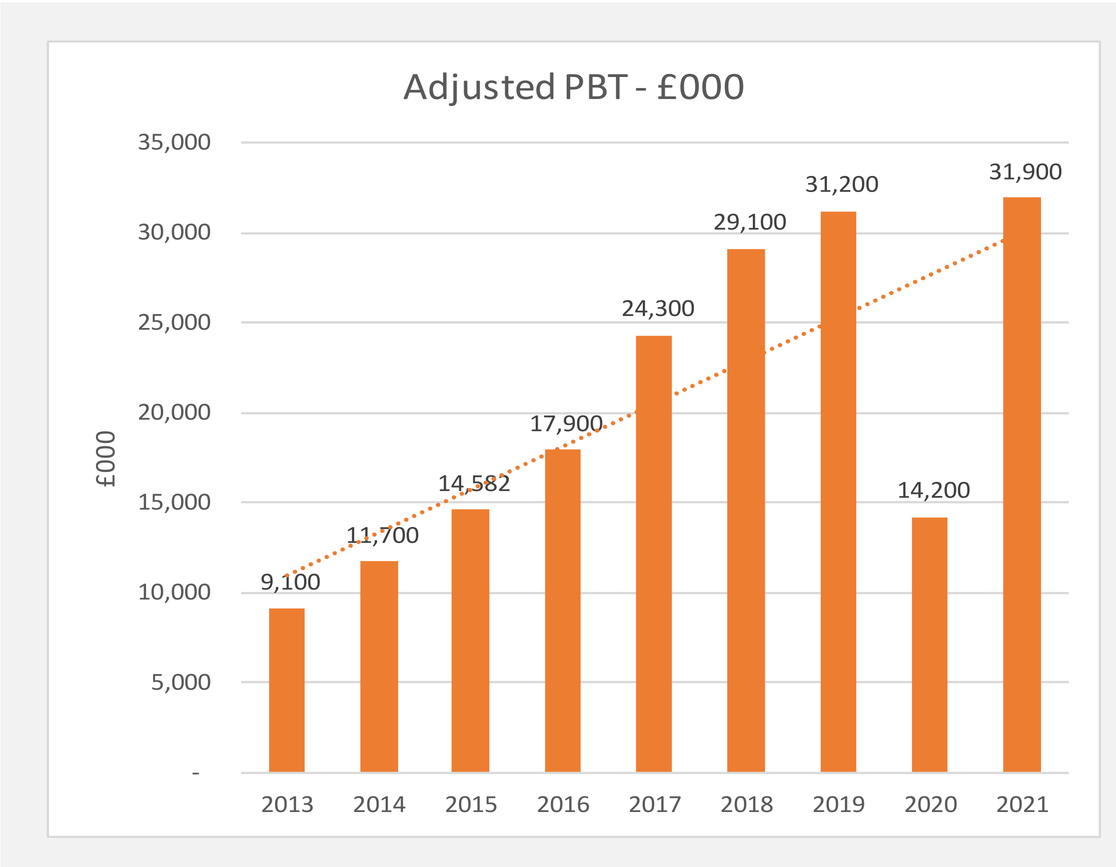
LONG TERM ADJUSTED PBT TREND



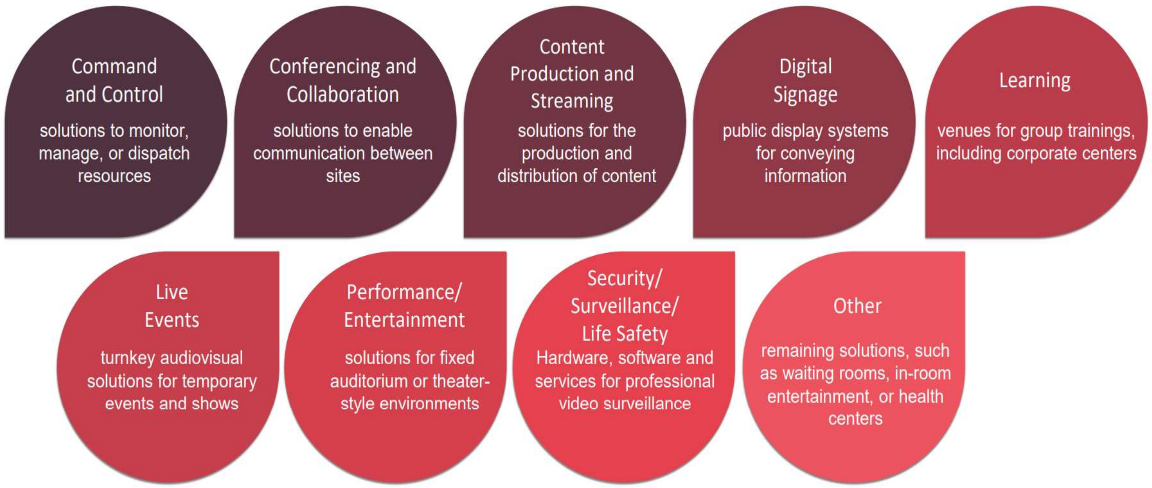
CAGR of 17%

Midwich
Group Plc

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

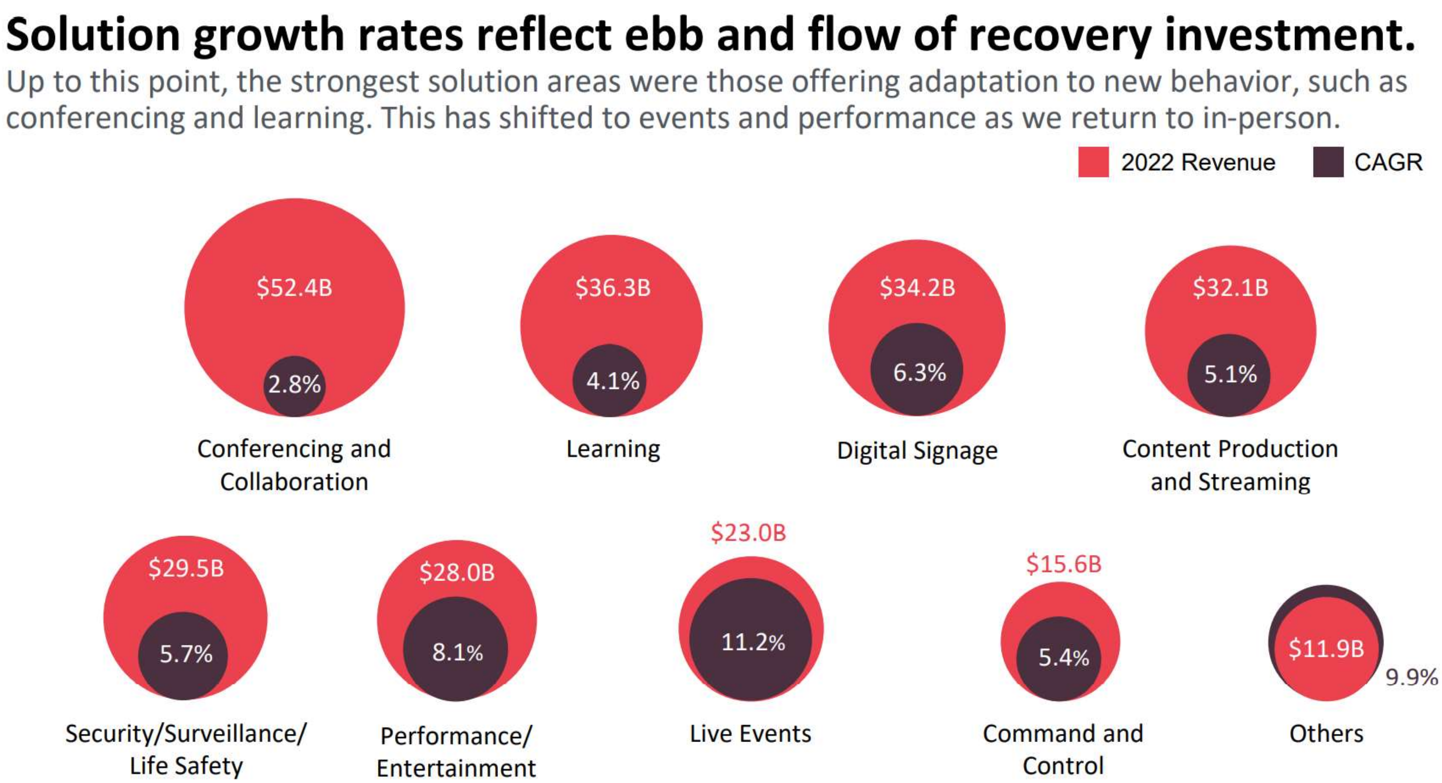
Digital signage:
Display, media servers and software to display content out of home

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

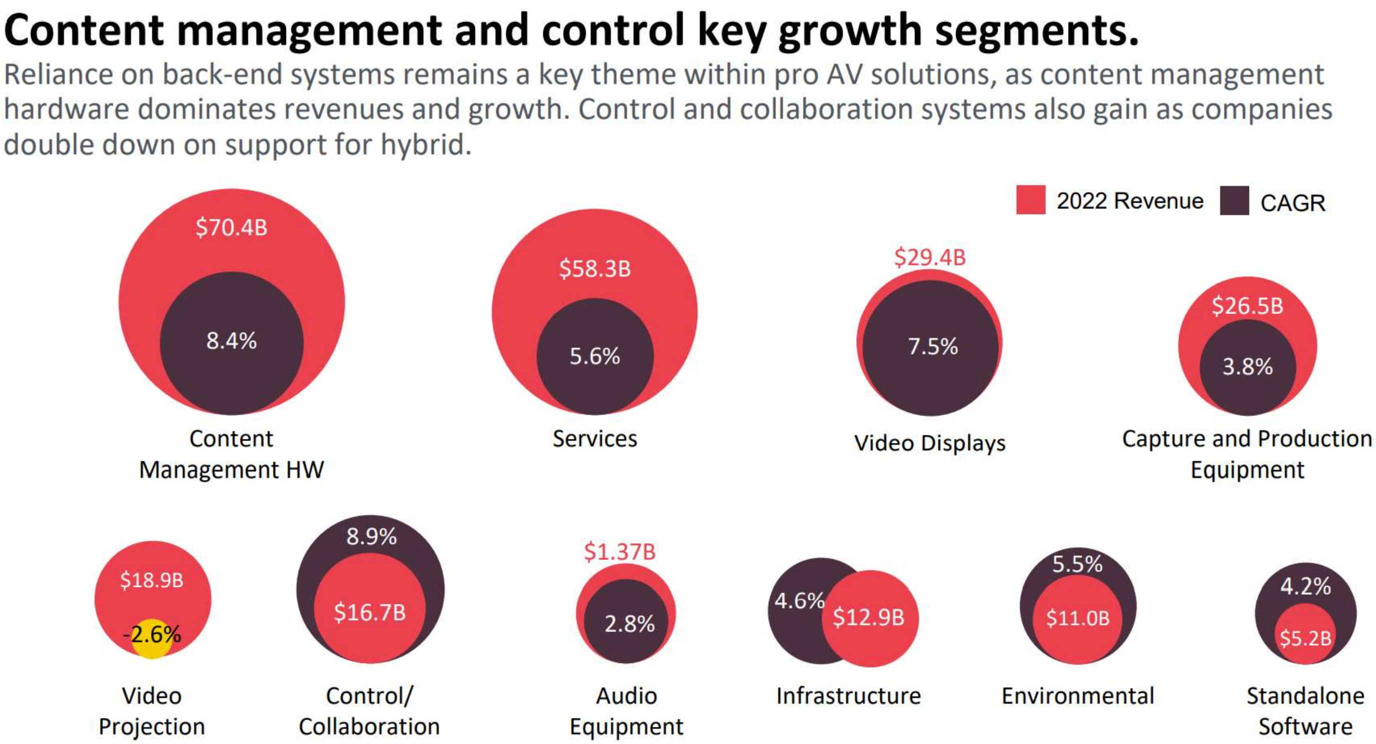
AVIXA MARKET REPORT 2022



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



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

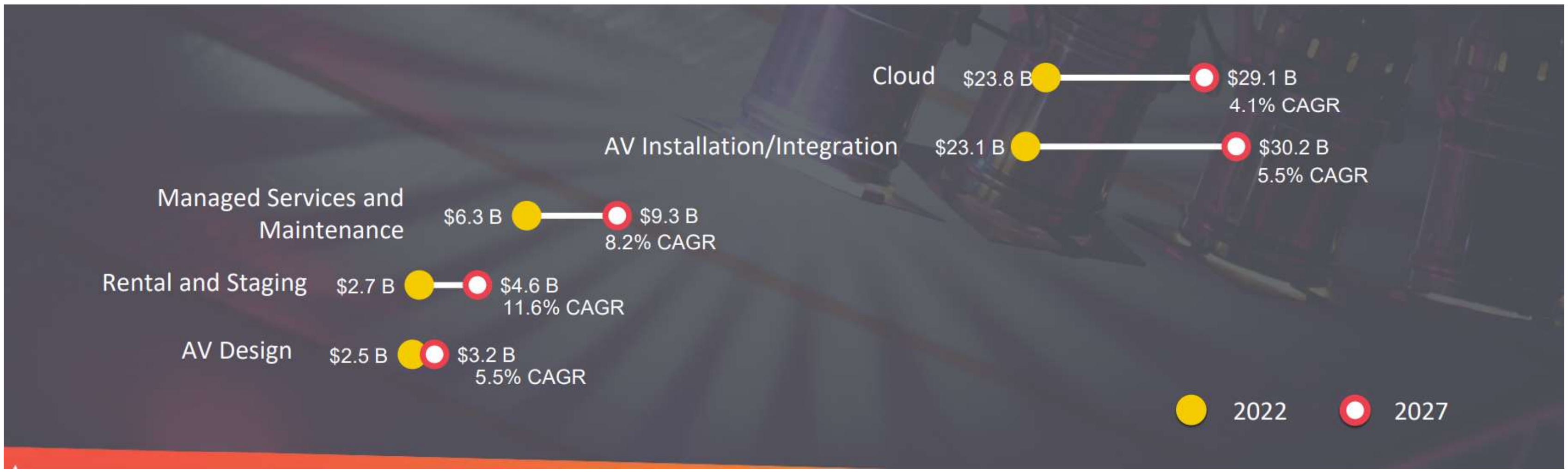
AVIXA MARKET REPORT 2022

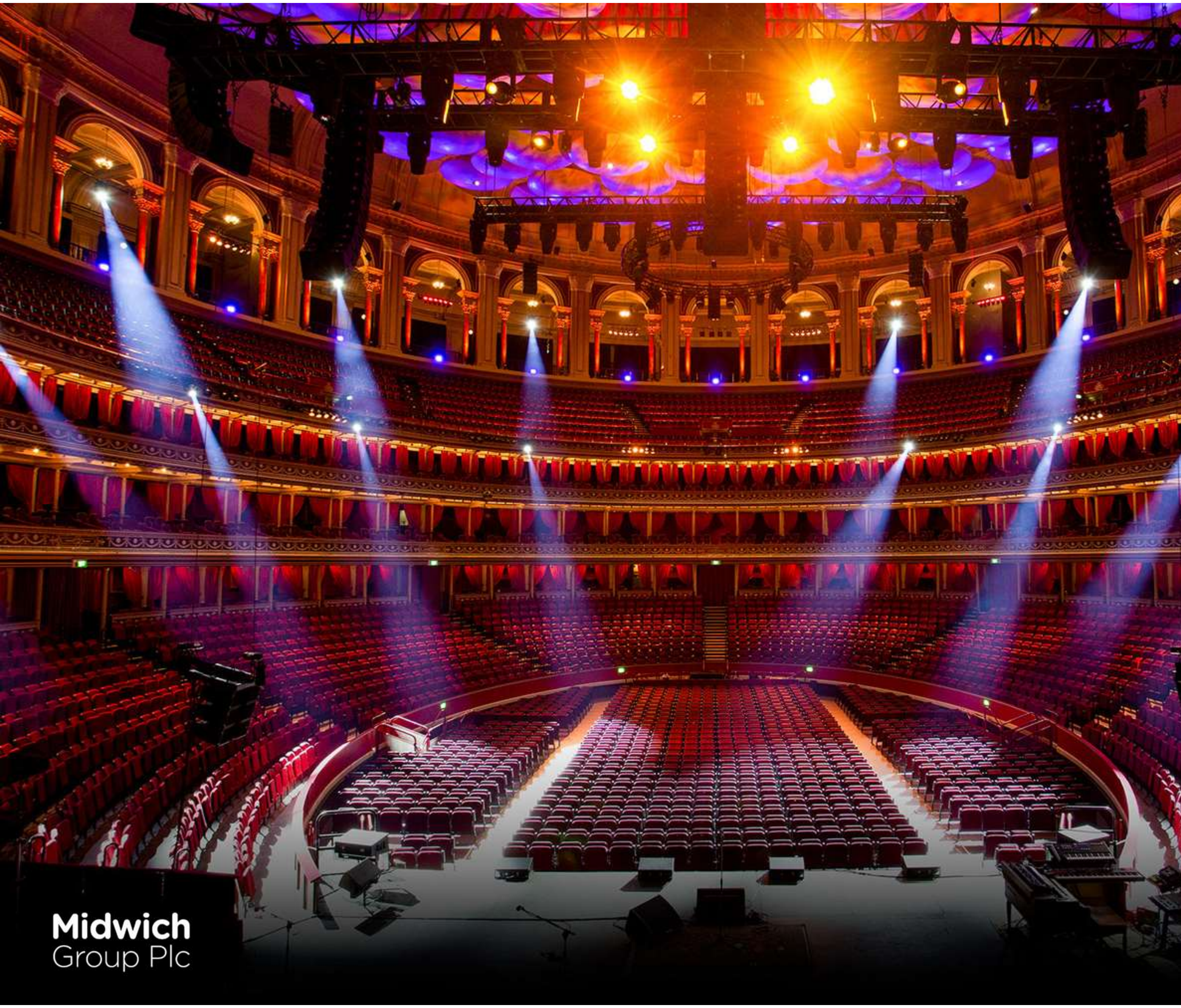
Integration services regaining top spot as demand increases.

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.





CASE STUDY

ROYAL ALBERT HALL

- Return to live events and increased focus on investing in the experience.
- Sound Technology, a Midwich Group company, demonstrated the lights in situation, enabling technicians to live test and see the difference they made.
- This new lighting was an opportuniy to invest in lighter, brighter LED technology.
- The additional benefit is the enegry saving that LED lighting delivers.

CASE STUDY

IKEA
FLAGSHIP LONDON STORE

- Retail now has to be an experience.
- IKEA's goal was to make visiting their stores 'family friendly', making it feel like a fun day out.
- AV was key to delivering interactive and immersive experiences.
- The outcome of investing in AV is that shoppers spend longer in the store and that specific space.
- In this particular instance, staff shared photos with colleagues and now other IKEA stores want to create the same successful experiences.

TESCO INVESTS ACQUISITION SUCCESS

- Midwich acquired DVS, a specialist security distributor in Jan 2022.
- Traditional security deal to roll out a solution across multiple Tesco stores.
- Displays strategically placed within high value or high volume theft areas for customer awareness.
- Cross selling opportunity meant DVS could now source screens from Midwich with 100 iiyama screens supplied.
- Delivering cross market sales within the Midwich Group as many more security solutions require displays.

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

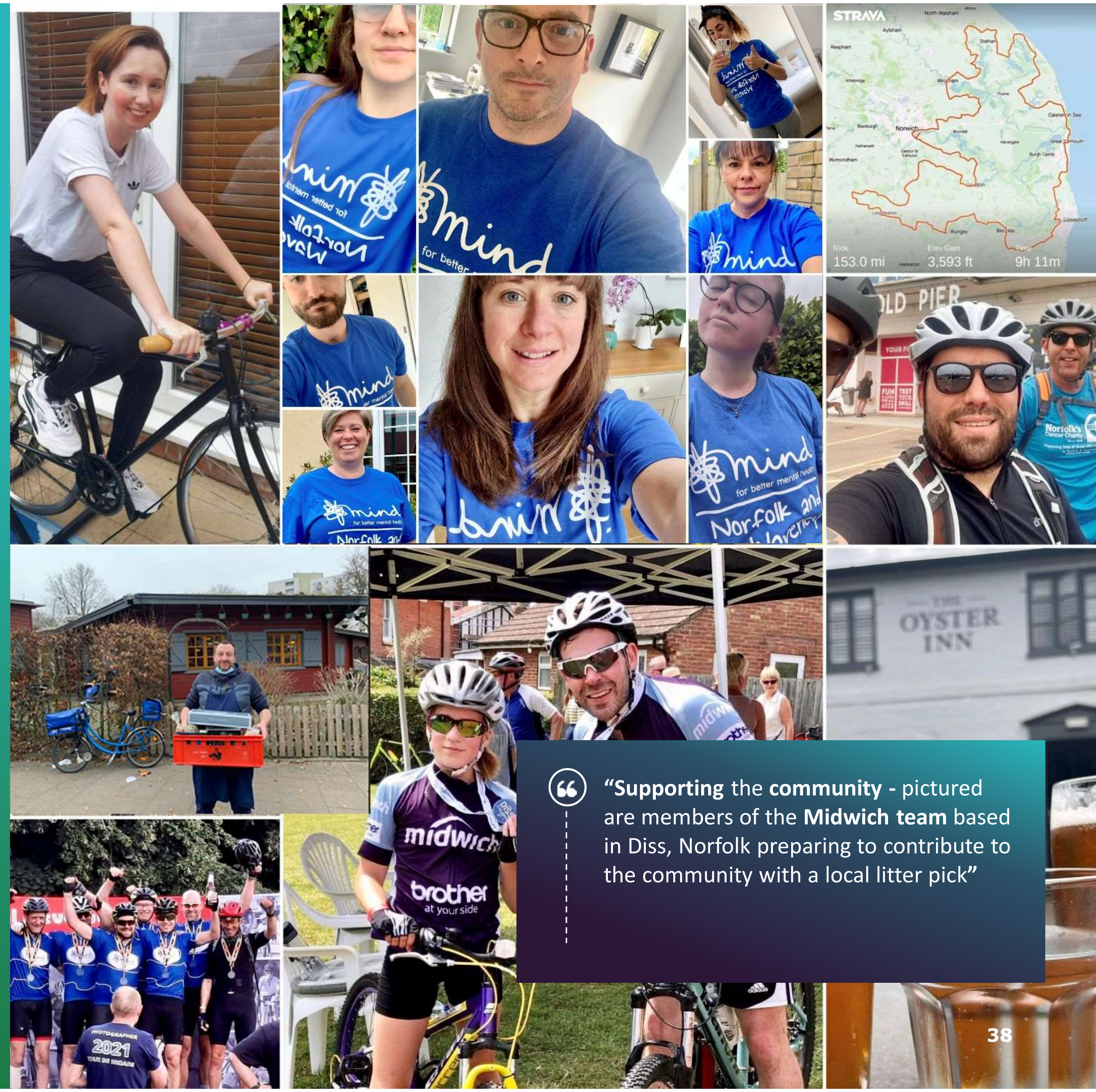
- Market focus
- Efficient logistics
- Scale and flexibility
- Marketing and sales support
- Events
- Cross-border projects
- Market intelligence and trends
- Long-term relationships

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
RESPONSIBILITY



“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**”**

ENVIRONMENTAL SOCIAL RESPONSIBILITY

We continue to take our commitment to Environmental and Social Responsibility seriously.

Our People

We continue to take our social responsibilities seriously, looking after and developing employees. Supporting them through wellbeing programmes, provision of access to additional mental health services and the formalisation of hybrid working.

Targets 2022

Welcome our teams back to our offices and promote hybrid working

Invest in our facilities to make them great places to work

The Environment

In addition to our programme to reduce CO2 emissions, we have continued to act to reduce our environmental impact through a sustainable approach to new offices and experience centres and a further shift to low emission fleet vehicles.

Targets 2022

To complete our baseline CO2 emissions audit

To report on our environmental strategy and approach to carbon reduction

Community & Charity Support

We continue to support local, national, and international charities across the Group. Adapting our "generosity amplified" approach, working in local communities where possible and bringing staff together virtually to raise vital funds for causes that matter.

Targets 2022

To contribute over £25,000 to our chosen charities

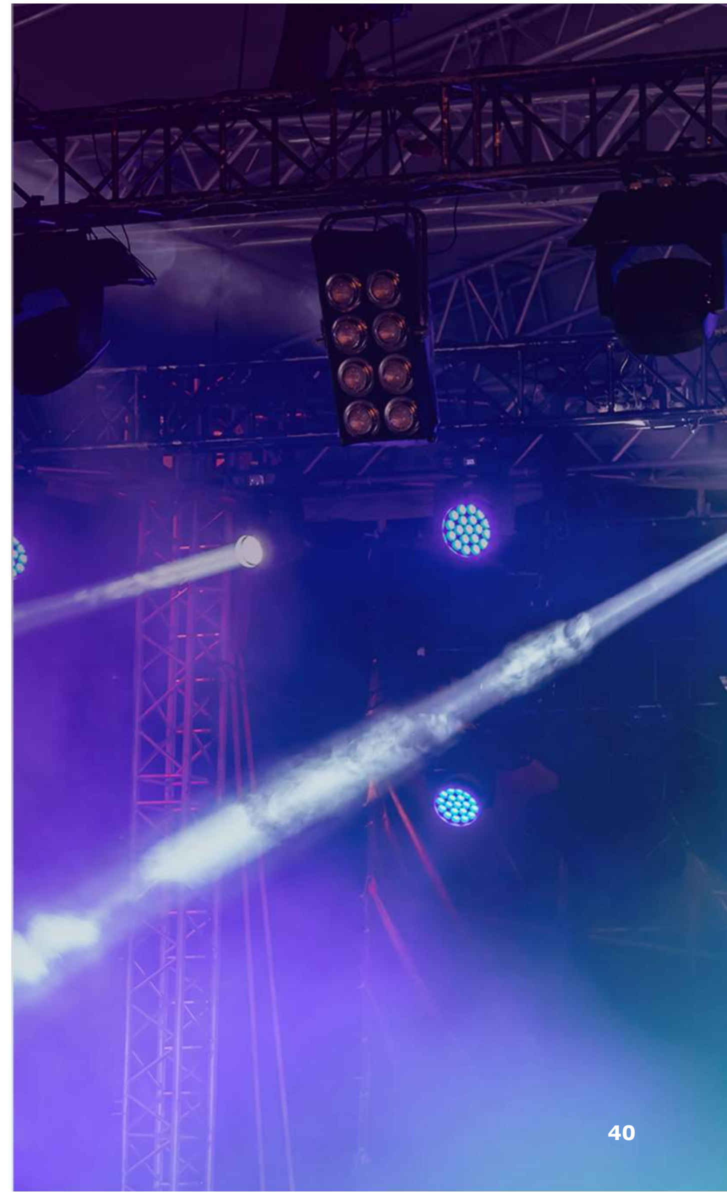
To launch the "The Gift of AV" initiative in the UK

GROUP RESULTS HIGHLIGHTS

6 MONTHS ENDED 30 JUNE 2022

	6 months to 30 June 2022 £m	6 months to 30 June 2021 £m	Growth %	Constant currency growth %
Revenue	568.6	390.1	46%	46%
Gross Profit	84.7	59.1	43%	44%
Gross profit margin	14.9%	15.1%		
Adjusted operating profit[1]	20.2	13.9	45%	45%
Adjusted profit before tax[2]	19.2	13.0	47%	47%
Adjusted profit after tax[2]	14.4	9.4	53%	53%
Adjusted EPS[2]	15.42	10.08	53%	

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

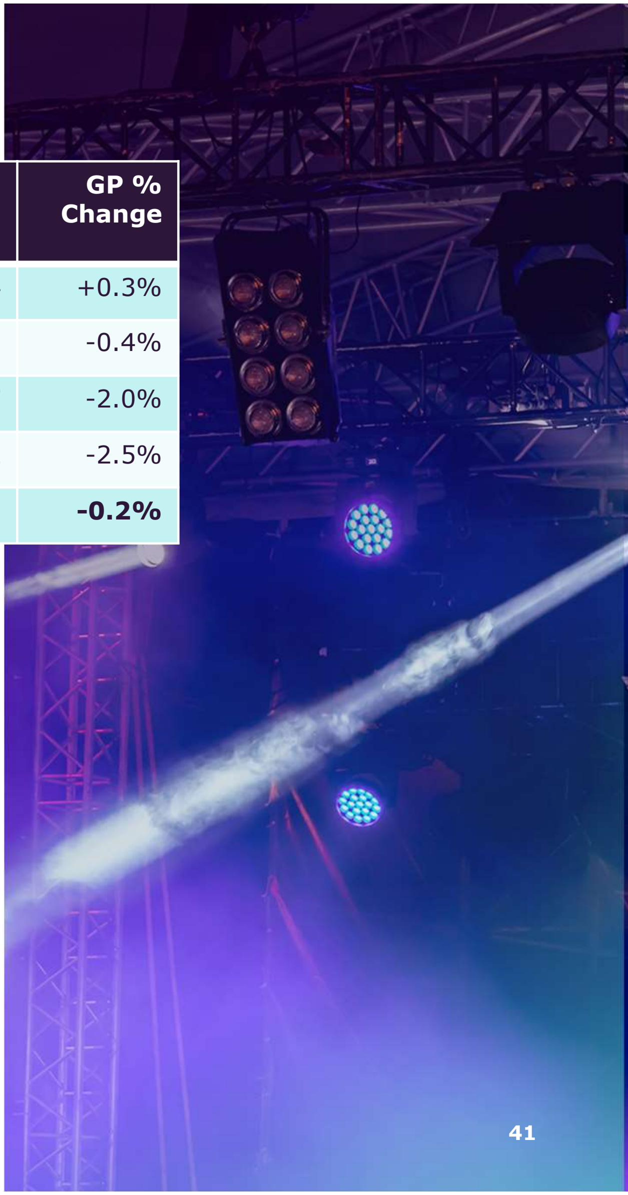


REGIONAL RESULTS HIGHLIGHTS – H1 2022

Region	Revenue H1 2022 £m	Revenue H1 2021 £m	CFX %	Org %	GP % 2022	GP % 2021	GP % Change
UK&I	239.3	128.6	86.3	30.6	15.7	15.4	+0.3%
EMEA	247.9	210.2	20.4	20.4	14.1	14.5	-0.4%
APAC	25.0	22.2	12.2	12.2	15.7	17.7	-2.0%
North America	56.4	29.1	81.5	81.5	14.7	17.2	-2.5%
Total	**568.6**	**390.1**	**46.2**	**27.9**	**14.9**	**15.1**	**-0.2%**

Adjusted operating profit[1]	£m	£m	CFX %
UK&I	10.8	4.9	119.7
EMEA	8.7	9.1	(3.0)
APAC	0.2	0.5	(68.2)
North America	3.1	1.1	156.4
Group	(2.6)	(1.7)	
Total	**20.2**	**13.9**	**44.5**

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

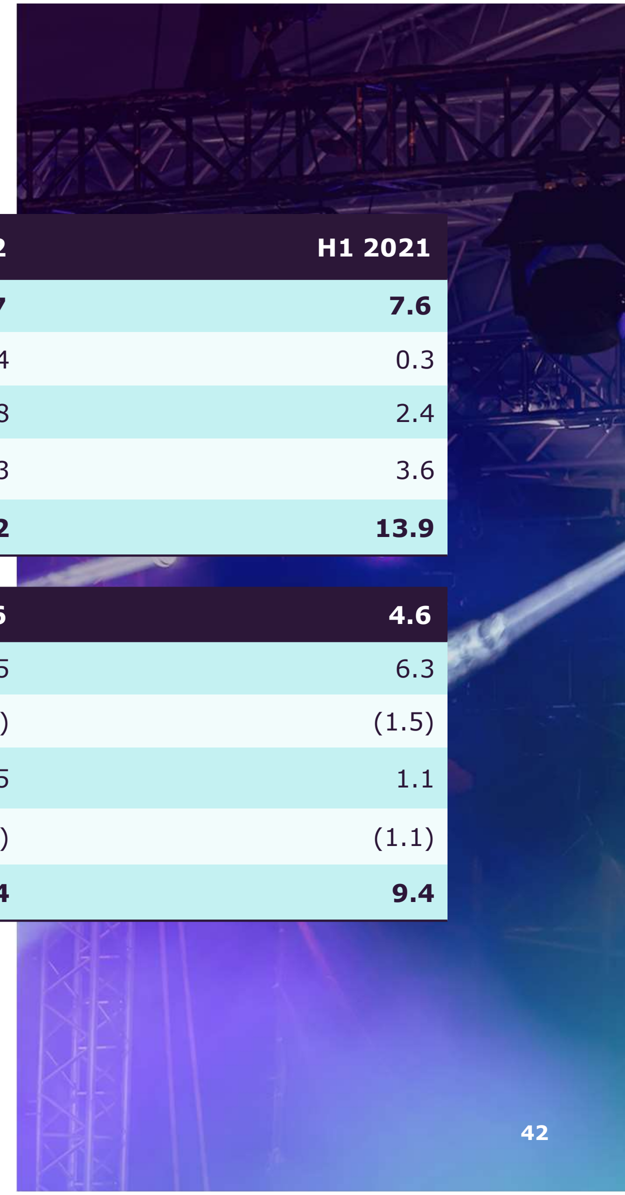


ADJUSTMENTS TO STATUTORY RESULTS – H1 2022

£m	H1 2022	H1 2021
Statutory operating profit/(loss)	**12.7**	**7.6**
Acquisition related expenses	0.4	0.3
Share based payments and employer taxes	2.8	2.4
Amortisation of acquired intangibles	4.3	3.6
Adjusted operating profit	**20.2**	**13.9**

Statutory profit after tax	**7.6**	**4.6**
Operating profit adjustments (above)	7.5	6.3
Derivative movements and FX gains/losses on borrowing for acquisitions	(0.2)	(1.5)
Finance costs – change in carrying value of deferred consideration/Put & call options	1.5	1.1
Tax impact of adjustments	(2.0)	(1.1)
Adjusted profit after tax	**14.4**	**9.4**

Note, adjusted profit after tax after non-controlling interests is £13.6m for H1 2022 (£8.9m for H1 2021)



MODELLING CONSIDERATIONS

Acquisitions	Acquisition of minority shares c£2.8m in H2 2022 Deferred consideration for DVS/Nimans result in c£10m of M&A payments in Q1 2023
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 £3.5m in 2022 after Q1 M&A
Tax	Effective rate in 2022 at c25% of adjusted profit, increasing to 27% for 2023
FX	Euro weakness broadly offset by USD gains
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


Midwich
Group Plc