

6th June 2023

Oxford Metrics plc

("Oxford Metrics", the "Company" or the "Group")

Interim Results for the six months ended 31 March 2023

Strongest ever half year revenue performance

Healthy order book provides confidence for the second half

Investing organically whilst actively pursuing the right acquisitions

Well placed to deliver full year performance above current market expectations

Oxford Metrics plc (LSE: OMG), the smart sensing software company, servicing life sciences, entertainment and engineering markets, announces unaudited interim results for the six months ended 31 March 2023.

	H1 FY23	H1 FY22	%
Revenue	£21.3m	£12.6m	+70%
Adjusted Profit before Tax*	£4.1m	£0.3m	+1263%
Adjusted* Basic Earnings per Share	2.64p	0.41p	+544%
Statutory Profit/(Loss) before Tax	£3.9m	£0.6m	+543%
Statutory Basic Earnings per Share	2.49p	0.65p	+283%
Dividend paid	£3.3m	£2.5m	+28%
Net Cash	£63.6m	£19.6m	+224%
Order book **	£22.0m	£13.1m	+68%

* Profit/(loss) Before Tax from continuing operations before Group recharges adjusted for share-based payments, amortisation of intangibles arising on acquisition and exceptional costs

** FY22 comparative restated at \$1.23/£ exchange rate

Commenting on the results Nick Bolton, Chief Executive said:

"I am delighted to announce that Oxford Metrics is reporting its strongest ever half year trading performance, driven by the buoyant demand in all our market segments and supported by a healthy order book of £22.0m as we move into the second half.

We are on a mission to create a Group focussed on expanding market opportunities in smart sensing. In year two of delivering our five-year plan, the Group has continued to make progress to scale us towards our goals, with continued organic investment in our current product offering and new products that are well-positioned to deliver growth in the future. We continue to actively pursue M&A to find the right acquisitions, for the right reasons, at the right price.

Given the Group's performance, coupled with an encouraging sales pipeline and forward visibility of second half revenues, the Board believes that Oxford Metrics is well placed to deliver on our promise of FY23 being a year of opportunity and growth."

Financial Highlights

- Record first half with headline Group revenue of £21.3m, up 69.6% (H1 FY22: £12.5m). On a constant currency basis underlying growth was 62.5%, benefitting from buoyant order demand at Vicon
- Group adjusted profit before tax of £4.1m (H1 FY22: £0.30m)
- Adjusted earnings per share of 2.64p (H1 FY22: 0.41p)
- Clear visibility with order book of £22.0m (H1 FY22**: £13.1m)
- Strong balance sheet with net cash position of £63.6m as at 31 March 2023 (H1 FY22: £19.6m)
- Cash generated by operations of £0.4m (H1 FY22: £3.1m) with cash deployed for working capital purposes to augment inventory and underpin second half performance

Operational Highlights

With stepped-up production, Vicon delivers strong revenue and profit performance

- Vicon's revenue grew 69.6%, at a headline level, to £21.3m (H1 FY22: £12.5m)
- Buoyant demand continues:
 - Order in-take in H1 of £19.8m
 - Orders-in-hand as at 31 March 2023 of £22.0m
- Vicon secured its largest ever deal for its recently released Valkyrie system
- Strong revenue performance across all market segments:
 - **Entertainment** revenue up 178.2% to £11.0m as demand across film, TV and video games continued through the half
 - Cover, a new state-of-the-art studio in Tokyo, is now hosting 200 Valkyrie cameras for a wide range of content production
 - Segment benefitted from £3.5m of orders deferred from FY22 and fulfilled in H1
 - **Life Sciences** revenue grew by 25.5% to £5.8m with strong orders in hand of £6.1m
 - Victoria University, in Melbourne Australia, added a 40 camera Valkyrie system to an already large Vicon system capability
 - Our tracking capability is aiding Victoria University to become the first university in the world to be an official FIFA Research Institute for Football Technology
 - **Engineering** grew 15.8% to £3.1m with continued use of Vicon systems for the development of robots and robotic capabilities
 - **Location-based Entertainment** (LBE) grew 6.7% to £1.4m with partners continuing to roll-out Vicon tracking systems with future promising opportunities
 - Sandbox VR announced the opening of its 37th facility in Kentucky; and
 - Immersive Gamebox expect to be running 46 active facilities by the end of this year

Outlook

- Vicon has full visibility of second half revenues. Whilst being mindful of the production schedule and customer delivery requirements, we expect to see revenue growth in H2 2023 year-on-year
- Overall cost base in the second half is expected to rise, as costs continue to normalise following the pandemic and we continue with our investment plans to augment our ability to sense, analyse and apply
- We continue to actively pursue M&A to find the right acquisitions, for the right reasons, at the right price
- Considering the current order book, the expected rise in the cost base and with supply chain challenges diminished, the Board believes that Oxford Metrics is well placed to deliver full year results ahead of current market expectations.

Oxford Metrics

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About Oxford Metrics

Oxford Metrics develops software that enables the interface between the real world and its virtual twin. Our smart sensing software helps over 10,000 customers in more than 70 countries, including all of the world's top 10 games companies and all of the top 20 universities worldwide. Founded in 1984, we started our journey in healthcare, expanded into entertainment, winning an OSCAR® and an Emmy®, then moved into defence and engineering. We have a track record of creating value by incubating, growing and then augmenting through acquisition, unique technology businesses.

The Group trades through its market-leading division: Vicon. Vicon is a world leader in motion measurement analysis to thousands of customers worldwide, including Guy's Hospital, Industrial Light & Magic, MIT and NASA.

The Group is headquartered in Oxford with offices in California, Colorado, and Auckland. Since 2001, Oxford Metrics (LSE: OMG), has been a quoted company listed on AIM, a market operated by the London Stock Exchange. For more information about Oxford Metrics, visit www.oxfordmetrics.com

Chairman and Chief Executive's Statement

The Group reports its strongest ever half year trading performance, continuing to enjoy ongoing buoyant demand, and thus maintaining a healthy order book of £22.0m going into the second half.

The business also made progress in the second year of our five-year strategic plan, with both organic investment in new product development which is destined to deliver revenue growth in the future, and as valuations start to normalise, actively engaging with a number of M&A opportunities.

Strong first half trading – both revenue and profit growth

KPI	Revenue		PBT		Adjusted PBT*	
	H1 FY23	H1 FY22	H1 FY23	H1 FY22	H1 FY23	H1 FY22
Group	£21.3m	£12.6m	£3.9m	£0.6m	£4.1m	£0.3m

The Group reports revenues of £21.3m (H1 FY22: £12.6m), up 69.6% at a headline level and up 62.5% on a constant currency basis. H1 FY23 benefitted from the delivery of £3.5m of orders largely in the Entertainment segment, which were deferred from FY22 as outlined in our trading update on 27 September 2022. With supply chain challenges of last year diminished, Vicon successfully stepped up volume, delivering most of the opening order book whilst at the same time booking new orders in the first half of £19.8m, including Vicon's largest ever deal for our new Valkyrie system. This has served to build the current orderbook to £22.0m, which we expect to largely be delivered through the second half.

The Group also reports an improved Adjusted PBT* of £4.1m (H1 FY22: £0.3m), with the increase largely driven by delivery of the revenue performance whilst absorbing some inflationary cost pressures compared to the same time last year.

All vertical market segments performed well and reported growth through the first half.

Engineering

Engineering reported revenues of £3.1m (H1 FY22: £2.7m), representing growth of 15.8% and has orders-in-hand of £7.2m. A common application in the Engineering segment is the use of Vicon systems in the development of robots and robotic capabilities. Most recently the University of Manitoba acquired a large Valkyrie system for both Unmanned Aerial Vehicle (UAV) and ground robot tracking in an indoor facility. Their studies aim to increase the capacity in research and skills training of UAVs to help the local agricultural industry further embrace these technologies.

Entertainment

Entertainment reported revenues of £11.0m (H1 FY22 £4.0m) representing growth of 178.2%. Demand from across the film, TV and video game industries continued through the first half resulting in an £8.1m order book for the second half. Of particular note was the opening of Cover's new studio in Tokyo. This state-of-the-art facility hosts 200 Valkyrie cameras and is being used for a wide range of content production. More generally, the strength of the Asia Pacific region underpinned the performance with nearly half of revenues originating in Japan together with strong revenues in China and South Korea driven by a strong appetite for the new Valkyrie camera.

Life Sciences

Life Sciences reported revenues of £5.8m (H1 FY22: £4.6m) representing growth of 25.5% and has strong orders-in-hand of £6.1m. Victoria University, based in Melbourne Australia, added a 40 camera Valkyrie system to an already large Vicon system capability. This enhanced tracking capability is part of Victoria University becoming the first university in the world to be an official FIFA Research Institute for Football Technology. The university first collaborated with FIFA in 2016 when it developed an innovative international standard for FIFA's quality program to assess the accuracy of Electronic Performance Tracking Systems (EPTS), now widely in use across the elite game.

Location-based Entertainment (LBE)

LBE reported revenues of £1.4m (H1 FY22: £1.3m) representing growth of 6.7% and has orders in hand of £0.6m. Reported growth reflects the delivery of existing orders to satisfy current rollouts by our customers. For example, Sandbox VR recently announced the opening of its 37th facility in Kentucky and Immersive Gamebox expects to be at 46 active facilities by the end of this year. Based on the future roll-out plans of certain key partners the prospect for meaningful future growth remains promising.

Overall, Vicon reported a gross margin of 69.1% (H1 FY22: 70.7%) in the first half. This marginal decline was anticipated and is attributed to the mix of revenues arising from both the specific geographic spread of revenues and the various margin contributions of each product line. Given the mix within the current order book, we expect gross margin to continue at this level throughout the rest of this year before seeing an improvement in the next financial year.

Given the above revenue and gross margin performance coupled with a rise in the underlying cost base, before Group costs, Vicon reported an Adjusted PBT* of £4.9m (H1 FY22: £1.8m) and an unadjusted profit before tax of £3.3m (H1 FY22: £0.6m).

Having paid a final dividend of £3.3m in the first half, the Group's cash position closed at £63.6m as at 31 March 2023 (H1 FY22: £19.6m). Cash generated by operations during the first half was £0.4m compared with £3.1m in the first half of last year.

In light of the ongoing strength of the orderbook, we have proactively deployed cash to increase inventory to £6.4m (H1 FY22: £2.8m / End FY22: £4.5m). Our decision to increase inventory underpins the second half and provides some protection against any supply chain disruption.

Five-year plan progress

As our strong organic growth illustrates, we continued to make good progress against our five-year plan, which aims to increase revenues 2.5x and deliver 15% adjusted profits. This plan, launched in October 2021, recognised something fundamental was changing across our markets and thus creating new opportunities. This change was driven by the arrival of the Augmented Age - an era where humans partner with machines to achieve what neither can alone. For this augmented partnership to thrive, we need technologies which have the ability to perceive us and our surroundings. Indeed, systems must be able to capture and understand every dimension of our world in real-time – humans, objects, movements, environments.

We term such technologies as smart sensing systems, where cameras and other sensors are deeply coupled with powerful software to enable machines to transparently enhance our lives. This has long been our core area of expertise but now they are finding valuable use in an increasing array of applications. Our plan looks to capitalise on this expanded opportunity in three key ways:

1. Extend sensing capabilities through R&D, M&A and fostering key supplier partnerships.
2. Enhance the analysis we can undertake to broaden the range of applications to which our systems can be applied.
3. Apply our Intellectual Property (IP) through embedding in other firms' solutions by opening up our technology through R&D, M&A and investing in sales and support.

Investing in the five-year plan

Through the first half we drove all three vectors both organically and inorganically. Organically we continued to invest in our internal R&D team in a targeted way, where we have now added 23 new team members since the start of the five-year plan. This R&D investment has mostly been in extending our sensing capabilities and enhancing the analysis that can be achieved through our systems, including the launch of our Valkyrie system last year which has seen excellent demand. The team is working on both improving existing capabilities and adding new market-expanding functionality. This underlines our commitment to make the most of the great IP upon which the company is built to drive future growth. Indeed, the strong order book built through the first half gives us confidence that this investment is proving a worthwhile endeavour.

We said in December that, as market valuations normalise, we would have the opportunity and increased firepower to make M&A investments that broaden our applicability and extend our sensing and analysis capabilities. With strict criteria, the ideal targets are rich in IP, possessing hard-to-replicate technology, attractive cashflow metrics, good-to-high revenue visibility and able management teams. We aim to acquire such companies at a fair price and improve combined performance through commercial and technology synergies. We offer flexibility as to how deeply these businesses would be integrated – from complete integration with an existing division or being run as a separate business unit.

Identifying targets has progressed well through the first half, moving from a long list of hundreds to a defined target list of around 50 and now we now have on-going active engagements with a number of specific opportunities at various stages of maturity. The valuation mismatch between private markets and public markets continues in some cases but we believe markets are beginning to normalise, which gives us confidence in our ability to execute transactions to assist in achieving our five-year aims.

Outlook

We enter the second half in a strong position with full visibility of second half revenues for our Vicon business, and, mindful of the production schedule and customer delivery requirements, recognised revenues are expected to show growth in H2 2023 year-on-year. The business has an encouraging sales pipeline and so expects to build a good order book into the next financial year. This forward visibility provides us with confidence as well as strengthening our investment case.

Our organic investment announced as part of the five-year strategic plan to augment our ability to sense, analyse and apply will continue into the second half. With headcount associated with these investments now largely in place, the annual run rate cost base compared to the first half is likely to rise by around £1.6m.

We continue to deploy internal and external resources into M&A to deliver on the inorganic component of the five-year strategic plan. Whilst we recognise the Group has considerable

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cash resources, the Board remains resolute that every acquisition we make will be the right one, for the right reasons and at the right price.

Given this impressive first half performance and visibility of the second half, the Board believes Oxford Metrics is well placed to deliver a full year performance ahead of current market expectations in this year of opportunity and growth.

** Profit/(loss) Before Tax from continuing operations before Group recharges adjusted for share-based payments, amortisation of intangibles arising on acquisition and exceptional costs.*

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CONDENSED CONSOLIDATED INCOME STATEMENT

	Six months ended 31 March 2023 (unaudited)	Six months ended 31 March 2022 (unaudited)	Year ended 30 September 2022 (audited)	
Note	£'000	£'000	£'000	
Revenue	2	21,285	12,547	28,816
Cost of sales		(7,132)	(4,099)	(9,352)
Gross profit		14,153	8,448	19,464
Sales, support and marketing costs		(3,645)	(3,099)	(6,608)
Research and development		(3,365)	(1,676)	(3,547)
Administrative expenses		(3,761)	(3,038)	(6,814)
Operating profit		3,382	635	2,495
Finance income		547	1	305
Finance expense		(48)	(32)	(67)
Profit before taxation		3,881	604	2,733
Taxation		(638)	228	665
Profit from continuing operations		3,243	832	3,398
(Loss)/profit from discontinued operations, net of tax		-	(206)	43,519
Profit for the period attributable to owners of the parent during the period		3,243	626	46,917
Earnings per share for profit on continuing operations attributable to owners of the parent during the year				
Basic earnings per share (pence)	6	2.49p	0.65p	2.66p
Diluted earnings per share (pence)	6	2.46p	0.65p	2.62p

Earnings per share for profit on total operations attributable to owners of the parent during the year

Basic earnings per share (pence)	6	2.49p	0.49p	36.70p
Diluted earnings per share (pence)	6	2.46p	0.49p	36.11p

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000
Net profit for the period	3,243	626	46,917
Other comprehensive income			
<i>Items that will or may be reclassified to profit or loss</i>			
Exchange differences on retranslation of overseas subsidiaries	(368)	85	953
Total other comprehensive (expense)/income	(368)	85	953
Total comprehensive income for the period attributable to the owners of the parent	2,875	711	47,870

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2023 (unaudited) £'000	31 March 2022 (unaudited) £'000	30 September 2022 (audited) £'000
Non-current assets			
Goodwill and intangible assets	9,798	8,984	10,081
Property, plant and equipment	1,791	1,548	1,638
Right of use assets	1,856	1,022	1,367
Financial asset – investments	236	236	236
Deferred tax asset	977	898	1,588
	14,658	12,688	14,910
Current assets			
Inventories	6,415	2,769	4,462
Trade and other receivables	8,121	3,406	7,397
Current tax debtor	63	32	254
Fixed term deposits	52,000	-	55,000
Cash and cash equivalents	11,613	19,614	12,679
	78,212	25,821	79,792
Assets classified as held for sale	-	12,001	-
Current liabilities			
Trade and other payables	(8,653)	(8,358)	(11,287)
Current tax liability	-	(154)	-

Lease liabilities	(407)	(356)	(440)
	(9,060)	(8,868)	(11,727)
Liabilities directly associated with assets classified as held for sale	-	(6,968)	-
Net current assets	(69,152)	21,986	68,065
Total assets less current liabilities	83,810	34,674	82,975
Non-current liabilities			
Other liabilities	(1,320)	(762)	(965)
Lease liabilities	(1,577)	(839)	(1,064)
Provisions	(44)	(36)	(40)
Deferred tax liability	(2,445)	(2,186)	(2,520)
	(5,386)	(3,823)	(4,589)
Net assets	78,424	30,851	78,386

Capital and reserves attributable to the owners of the parent

Share capital	7	325	318	324
Shares to be issued		65	65	65
Share premium account		19,355	18,742	19,094
Retained earnings		58,061	11,608	57,917
Foreign currency translation reserve		618	118	986
Total equity shareholders' funds		78,424	30,851	78,386

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000
Cash flows from operating activities			
Profit for the year	3,243	626	46,917
Income tax (credit)/expense	638	(141)	(934)
Finance income	(547)	(1)	(305)
Finance expense	48	49	114
Depreciation and amortisation	1,380	1,432	2,555
Impairment of intangible assets	217	-	-
Profit on sale of property, plant and equipment	(8)	-	-
Profit on disposal of discontinued operation	-	-	(43,578)
Share based payments	62	122	139
(Increase)/decrease in inventories	(1,976)	(266)	(1,919)
Decrease in receivables	(531)	47	(3,664)
Increase in payables	(2,326)	1,200	4,187
Cash generated from operating activities	200	3,068	3,512
Tax received/(paid)	179	16	(248)
Net cash from operating activities	379	3,084	3,264
Cash flows from investing activities			
Purchase of property, plant and equipment	(467)	(340)	(588)

Purchase of intangible assets	(868)	(1,688)	(3,464)
Disposal of discontinued operation, net of cash disposed of	-	-	47,141
Proceeds on disposal of property, plant and equipment	7	30	37
Cash placed on fixed term deposit	(37,000)	-	(65,000)
Fixed term deposits maturing	40,000	-	10,000
Interest received	442	1	28
Net cash used in investing activities	2,114	(1,997)	(11,846)
Cash flows from financing activities			
Principal paid on lease liabilities	(229)	(230)	(460)
Interest paid on lease liabilities	(40)	(45)	(112)
Interest paid	(8)	(4)	(-)
Issue of ordinary shares	262	225	583
Equity dividends paid	(3,246)	(2,542)	(2,542)
Net cash used in financing activities	(3,261)	(2,596)	(2,531)
Net (decrease)/increase in cash and cash equivalents	(768)	(1,509)	(11,113)
Cash and cash equivalents at beginning of the period	12,679	22,957	22,957
Exchange gain/(loss) on cash and cash equivalents	(298)	96	835
Cash and cash equivalents at end of the period	11,613	21,544	12,679
Amount included in cash and cash equivalents	11,613	19,614	12,679
Amount included in assets classified as held for sale	-	1,930	-
Total cash and cash equivalents at end of the period	11,613	21,544	12,679

CONDENSED CONSOLIDATED STATEMENT OF CHANGES TO EQUITY

	Share Capital £'000	Shares to be issued £'000	Share premium account £'000	Retained earnings £'000	Foreign currency translation reserve £'000	Total £'000
Balance as at 30 September 2022	324	65	19,094	57,917	986	78,386
Net profit for the period	-	-	-	3,243	-	3,243
Exchange difference on retranslation of overseas subsidiaries	-	-	-	-	(368)	(368)
Transactions with owners:						
Tax recognised directly in equity in relation to employee share option schemes	-	-	-	85	-	85
Dividends	-	-	-	(3,246)	-	(3,246)
Issue of share capital	1	-	261	-	-	262
Share based payment charge	-	-	-	62	-	62
Balance as at 31 March 2023	325	65	19,355	58,061	618	78,424
Balance as at 30 September 2021	317	65	18,483	13,538	33	32,436
Net profit for the period	-	-	-	626	-	626
Exchange differences on retranslation of overseas subsidiaries	-	-	-	-	85	85
Transactions with owners:						
Tax recognised directly in equity in relation to employee share option schemes	-	-	-	(100)	-	(100)
Dividends	-	-	-	(2,542)	-	(2,542)
Issue of share capital	1	-	259	-	-	260

Share based payment charge	-	-	-	86	-	86
Balance as at 31 March 2022	318	65	18,742	11,608	118	30,851
Balance as at 30 September 2021	317	65	18,483	13,538	33	32,436
Net profit for the period	-	-	-	46,917	-	46,917
Exchange differences on retranslation of overseas subsidiaries	-	-	-	-	953	953
Transactions with owners:						
Tax recognised directly in equity in relation to employee share option schemes	-	-	-	(99)	-	(99)
Dividends	-	-	-	(2,542)	-	(2,542)
Issue of share capital	7	-	611	-	-	618
Share based payment charge	-	-	-	103	-	103
Balance as at 30 September 2022	324	65	19,094	57,917	986	78,386

The accompanying notes are an integral part of this interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM STATEMENTS

1. Basis of preparation

Oxford Metrics Plc, (the “Company”) is a company domiciled in England. The condensed consolidated interim financial statements of the Company for the six months ended 31 March 2023 comprise the Company and its subsidiaries (together referred to as the “Group”).

The condensed consolidated interim financial statements have been prepared using accounting policies consistent with those of the annual financial statements for the year ended 30 September 2022. They are in accordance with IAS 34. Other new and amended standards and interpretations issued by the IASB that will apply for the first time in the next annual financial statements are not expected to impact the Group as they are either not relevant to the Group’s activities or require accounting which is consistent with the Group’s current accounting policies.

The interim financial statements have not been audited or reviewed and the financial information contained in this report does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. The comparative figures for the year ended 30 September 2022 are not the statutory accounts but have been extracted from the Group’s 2022 financial statements which have been delivered to the Registrar of Companies. The auditors’ report on those financial statements was unqualified did not contain references to any matters to which the auditors drew attention without qualifying the report and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006.

2. Revenue from contracts with customers

All revenue shown within note 2 relates to continuing operations.

	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000
Revenue			
Vicon UK	13,765	7,523	17,338
Vicon USA	7,520	5,024	11,478
Vicon Group	21,285	12,547	28,816

	Six months ended 31 March 2023 (unaudited)		
	Vicon UK £'000	Vicon USA £'000	Total £'000
Timing of the transfer of goods and services			
Point in time	12,883	6,322	19,205
Over time	882	1,198	2,080
	13,765	7,520	21,285

Contract Counterparties

Direct to consumers	2,600	7,210	9,810
Third party distributor	11,165	310	11,475
	13,765	7,520	21,285

By destination

UK	1,182	-	1,182
Germany	1,143	-	1,143
Italy	424	-	424
Greece	59	-	59
Netherlands	258	-	258
France	621	-	621
Spain	68	-	68
Poland	105	-	105
Rest of Europe	628	-	628
Total Europe	3,306	-	3,306
Canada	-	1,518	1,518
USA	-	5,889	5,889
Total North America	-	7,407	7,407
Australia	345	7	352
Hong Kong	1,212	-	1,212
Japan	3,896	-	3,896
Korea	1,234	-	1,234
China	2,240	-	2,240
Rest of Asia Pacific	298	-	298
Total Asia Pacific	9,225	7	9,232
Other	52	106	158
Oxford Metrics Group	13,765	7,520	21,285

Six months ended 31 March 2022 (unaudited)

	Vicon UK £'000	Vicon USA £'000	Total £'000
Timing of the transfer of goods and services			
Point in time	6,556	3,933	10,489
Over time	967	1,091	2,058
	7,523	5,024	12,547
Contract Counterparties			
Direct to consumers	1,893	4,433	6,326
Third party distributor	5,630	591	6,221
	7,523	5,024	12,547
By destination			
UK	1,035	-	1,035
Germany	1,346	-	1,346
Italy	169	-	169
Greece	67	-	67
Netherlands	228	-	228
France	278	-	278
Spain	146	-	146
Rest of Europe	423	-	423
Total Europe	2,657	-	2,657
Canada	11	720	731
USA	13	4,193	4,206
Rest of North America	-	104	104
Total North America	24	5,017	5,041
Australia	429	-	429
Hong Kong	1,948	-	1,948
Japan	637	-	637
Korea	509	-	509
Rest of Asia Pacific	249	-	249
Total Asia Pacific	3,772	-	3,772
Other	35	7	42
Oxford Metrics Group	7,523	5,024	12,547

Year ended 30 September 2022
(audited)

	Vicon UK £'000	Vicon USA £'000	Total £'000
Timing of the transfer of goods and services			
Point in time	15,494	9,175	24,669
Over time	1,844	2,303	4,147
Oxford Metrics Group	17,338	11,478	28,816
Contract Counterparties			
Direct to consumers	4,256	10,529	14,785
Third party distributor	13,082	949	14,031
Oxford Metrics Group	17,338	11,478	28,816
By destination			
UK	2,396	-	2,396
Germany	2,156	-	2,156
Italy	304	-	304
Netherlands	441	-	441
France	473	-	473
Poland	332	-	332
Spain	260	-	260
Rest of Europe	1,022	-	1,022
Total Europe	4,988	-	4,988
Canada	39	1,008	1,047
USA	24	10,197	10,221
Rest of North America	-	177	177
Total North America	63	11,382	11,445
Australia	797	-	797
Hong Kong	2,539	-	2,539
Japan	2,334	-	2,334
South Korea	1,314	-	1,314
China	2,158	-	2,158
Rest of Asia Pacific	532	-	532
Total Asia Pacific	9,674	-	9,674
Other	217	96	313
Total	17,338	11,478	28,816

	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000
Vicon revenue by market			
Engineering	3,101	2,678	5,581
Entertainment	11,001	3,955	10,023
Life sciences	5,820	4,637	10,589
Location based entertainment	1,363	1,277	2,623
Total	21,285	12,547	28,816

Group revenue by type			
Sale of hardware	18,076	9,512	22,700
Sale of software	1,269	1,070	1,970
Rendering of services	1,503	1,269	3,009
SaaS	-	96	193
Support	437	600	944
Total	21,285	12,547	28,816

Group revenue by origin			
UK	12,906	6,778	16,010
Europe	859	745	1,312
North America	7,520	5,024	11,478
Asia Pacific	-	-	16
Total	21,285	12,547	28,816

3. Segmental Analysis

Segment information is presented in the condensed consolidated interim financial statements in respect of the Group's business segments, which are reported to the Chief Operating Decision Maker (CODM). The Group has identified the Board of Directors of Oxford Metrics plc, ("the Board") as the CODM. The business segment reporting reflects the Group's management and internal reporting structure.

The Group comprises the following business segments:

Vicon Group: This is the development, production and sale of computer software and equipment for the entertainment, engineering and life science markets; and

Yotta Group: This is the provision of software and services for the management of infrastructure assets for Government Agencies, Local Government and major infrastructure contractors. This segment was disposed of in the prior year.

Other unallocated costs represent head office expenses not recharged to subsidiary companies.

Business segments are analysed below:

	Segment depreciation and amortisation		
	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2021 (audited) £'000
Continuing operations			
Vicon UK	1,299	944	1,810
Vicon USA	44	89	203
Vicon Group	1,343	1,033	2,013
Unallocated	29	30	59
Total continuing operations	1,372	1,063	2,072

	Six months ended 31 March 2023 (unaudited)				Six months ended 31 March 2022 (unaudited)				Year ended 30 September 2022 (audited)			
	Adjusted	Adjusting	Group	Profit/(loss)	Adjusted	Adjusting	Group	Profit/(loss)	Adjusted	Adjusting	Group	Profit/(loss)
	profit/(loss)				profit/(loss)				profit/(loss)			
	before tax	items	recharges	before tax	before tax	items	recharges	before tax	before tax	items	recharges	before tax
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Continuing operations												
Vicon UK	2,263	(144)	1,102	3,221	299	(134)	418	583	1,590	(434)	1,426	2,582
Vicon USA	2,683	-	(2,636)	47	1,490	-	(1,443)	47	3,848	-	(3,712)	136
Vicon Group	4,946	(144)	(1,534)	3,268	1,789	(134)	(1,025)	630	5,438	(434)	(2,286)	2,718
Unallocated	(872)	(49)	1,534	613	(1,490)	(82)	1,546	(26)	(2,840)	(86)	2,941	15
Total	4,074	(193)	-	3,881	299	(216)	521	604	2,598	(520)	655	2,733

	Non-current assets			Additions to non-current assets			Carrying amount of segment assets			Carrying amount of segment liabilities		
	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000
Vicon UK	12,623	10,982	12,825	1,828	1,510	3,304	31,154	24,148	30,757	(9,751)	(8,698)	(11,007)
Vicon USA	1,454	897	1,585	170	25	566	5,933	5,925	6,613	(4,245)	(3,360)	(4,644)
Vicon Group	14,077	11,879	14,410	1,998	1,535	3,870	37,087	30,073	37,370	(13,996)	(12,058)	(15,651)
Unallocated	581	809	500	55	7	8	61,835	11,254	63,384	(450)	(633)	(665)
Yotta Group	-	-	-	-	-	661	-	15,235	-	-	(6,968)	-
OMG Life Group*	-	-	-	-	-	-	(6,052)	(6,052)	(6,052)	-	-	-
Oxford Metrics Group	14,658	12,688	14,910	2,053	1,542	4,539	92,870	50,510	94,702	(14,446)	(19,659)	(16,316)

*The negative balance within segment assets represents a cash overdraft which is part of the Group's cash offset facility.

4. Reconciliation of adjusted profit before tax

	Six months ended 31 March 2023 (unaudited) £'000	Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000
Profit before tax – continuing operations	3,881	604	2,733
Share option charges	62	86	103
Amortisation of intangibles arising on acquisition	131	130	261
Costs associated with acquisition of Contemplas	-	-	156
Reapportion Group overheads	-	(521)	(655)
Adjusted profit before tax – continuing operations	4,074	299	2,598

Adjusted earnings per share for profit on continuing operations attributable to owners of the parent during the year

Basic earnings per share (pence)	2.64p	0.41p	2.55p
Diluted earnings per share (pence)	2.61p	0.41p	2.51p

The adjusted profit before tax for the Vicon business segments is shown in detail below;

	Six months ended 31 March 2023 (unaudited) £'000	Vicon Group Six months ended 31 March 2022 (unaudited) £'000	Year ended 30 September 2022 (audited) £'000
Profit before tax	3,268	630	2,718
Share option charges	13	4	17
Amortisation of intangibles arising on acquisition	131	130	261
Costs associated with the acquisition of Contemplas	-	-	156
Reapportion Group overheads	1,534	1,025	2,286
Adjusted profit before tax	4,946	1,789	5,438

5. Taxation

The Group's consolidated effective tax rate for the six months ended 31 March 2023 was 16.3% (for the six months ended 31 March 2022: 29.5%; for the year ended 30 September 2022: 2.0% credit).

In accordance with IAS 34 the tax charge for the half year is calculated on the basis of the estimated full year tax rate.

6. Earnings per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period. The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares on the assumed conversion of all dilutive options.

	31 March 2023 (unaudited)			31 March 2022 (unaudited)			30 September 2022 (audited)		
	Earnings/(loss) £'000	Weighted average number of shares '000	Per share amount (pence)	Earnings/(loss) £'000	Weighted average number of shares '000	Per share amount (pence)	Earnings/(loss) £'000	Weighted average number of shares '000	Per share amount (pence)
Continuing operations									
Basic earnings per share									
Earnings attributable to ordinary shareholders	3,243	129,975	2.49	832	127,165	0.65	3,398	127,840	2.66
Dilutive effect of employee share options	-	1,876	(0.03)	-	1,510	-	-	2,081	(0.04)
Diluted earnings per share	3,243	131,851	2.46	832	128,675	0.65	3,398	129,921	2.62
Discontinued operations									
Basic loss per share									
Earnings attributable to ordinary shareholders	-	129,975	-	(206)	127,165	(0.16)	43,519	127,840	34.04
Dilutive effect of employee share options	-	1,876	-	-	1,510	-	-	2,081	(0.54)
Diluted loss per share	-	131,851	-	(206)	128,675	(0.16)	43,519	129,921	33.50
Total operations									
Basic earnings per share									
Loss attributable to ordinary shareholders	3,243	129,975	2.49	626	127,165	0.49	46,917	127,840	36.70
Dilutive effect of employee share options	-	1,876	(0.03)	-	1,510	-	-	2,081	(0.59)
Diluted earnings per share	3,243	131,851	2.46	626	128,675	0.49	46,917	129,921	36.11

7. Share capital

	31 March 2023 (unaudited) £'000	31 March 2022 (unaudited) £'000	30 September 2022 (audited) £'000
Allotted, called up and fully paid			
130,239,276 shares of 0.25p (31 March 2022: 127,358,390 shares of 0.25p and 30 September 2022: 129,767,652 shares of 0.25p)	325	318	324

During the six month period ended 31 March 2023 there were 444,000 shares issued relating to share options that were exercised. There were 392,500 shares issued in respect of share options exercised during the six months ended 31 March 2022 (year ended 30 September 2022: 2,801,762).

In addition, during the six month period ended 31 March 2023 27,624 shares (six month period ended 31 March 2022: 19,841 shares) were issued to the non-executive Chairman, Roger Parry, in satisfaction of salary.

8. Dividends

The following dividends were recognised as distributions to equity holders in the period:

	31 March 2023 (unaudited) £'000	31 March 2022 (unaudited) £'000	30 September 2022 (audited) £'000
Final dividend for 2022 paid in 2023 - 2.50 pence per share	3,246	-	-
Final dividend for 2021 paid in 2022 - 2.00 pence per share	-	2,542	2,542
	3,246	2,542	2,542

The final dividend for 2022 was paid to shareholders on 23 February 2023 at 2.50 pence per share, a total of £3,246,000.

9. Copies of the interim statement

Copies of the interim statement will be available from the Company's registered office at 6 Oxford Pioneer Park, Yarnton, Oxfordshire OX5 1QU, and from the Company's website: www.oxfordmetrics.com.