

# Oxford Metrics

5 December 2024

Oxford Metrics plc

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

## Audited Results for the financial year ended 30 September 2024

- Established presence in smart manufacturing – taking us into new markets and applications
- Markerless technology ready to commercialise and new Vicon products to stimulate growth
- Delayed purchase decisions impacted H2 performance against exceptional FY23 comparative
- Well placed to build out smart manufacturing offering via M&A with healthy pipeline of opportunities
- Positioning for future success with trading in line in the first months of the new financial year

Note: The following minor amendments have been made to the Unaudited Preliminary Results announcement released on 3 December at 7am under RNS No 5198O:

- Under Board changes in the Chair statement confirmation that Ian Wilcock is a member of the audit and remuneration committees (rather than Chair of the Remuneration Committee)
- In the group performance table in the Financial and Segmental review, the adjusted PBT allocated to PLC has been corrected to -£1.4m (rather than £1.4m)

All other details remain unchanged. The full amended text is shown below.

Oxford Metrics plc (LSE: OMG), the smart sensing and software company, servicing life sciences, entertainment, engineering and smart manufacturing markets, announces audited results for the financial year ended 30 September 2024.

**Commenting on the results Imogen O'Connor, Chief Executive said:** "Against an exceptionally strong prior year comparator where our teams delivered more camera systems than ever before, the trend of extended buying really developed in September – historically our busiest month - impacting the overall result today. While conversion rates in the final month of the year were below historical levels, our Entertainment segment was affected most, reflecting the slowdown in the global games industry and subsequent content creation contraction. Geographically, UK and Europe tracked ahead with North America and APAC behind FY23.

Our teams have been working hard as we look to commercialise markerless – the future of our industry with Vicon setting the gold standard. Commercial delivery is in final stages and set to contribute modest revenue including annual recurring revenue in FY25.

Positioning the business for future success we have also extended our capabilities into a new growth area this year, establishing a presence in smart manufacturing. Having secured Industrial Vision Systems our first acquisition, we were delighted to welcome measurement specialists, Sempre into Oxford Metrics, post period end. With a strong balance sheet, we're well placed to capture more of this growth market as inspection automation becomes mainstream and smart manufacturing becomes the standard.

FY25 trading has started in line with management expectations with a continuation of the normalised buying behaviour and trading patterns seen in the latter part of FY24. With a continued focus on cost, efficiency and reallocating resources to high-impact areas, we are positioning the business for success in 2025 and beyond."

Continuing Operations	FY24	% Change	FY23
Revenue	£41.5m	-6%	£44.2m
Adjusted Profit Before Tax*	£3.7m	-51%	£7.5m
Adjusted* Basic Earnings per Share	2.96p	-44%	5.29p
Ordinary Dividend per Share	3.25p	18%	2.75p
Statutory Profit Before Tax*	£2.8m	-62%	£7.3m
Net Cash**	£50.7m	-22%	£64.8m

\* Profit Before Tax adjusted for share-based payments, acquisition costs and amortisation of intangibles arising on acquisition

\*\* Including Fixed Term Deposits.

## Financial and strategic highlights

- Revenue of £41.5m (FY23: £44.2m), as pipeline conversion in Vicon fell below expectations in September, typically our busiest month
- Geographically for Vicon, the UK (up 34%) and Europe (up 11%) tracked ahead, with North America (down 7%) and APAC (down 35%) behind FY23
- As expected, gross margin improved to 66.6% (FY23: 65.0%), up 1.6 percentage points on prior year
- Adjusted Profit Before Tax\* at £3.7m (FY23: £7.5m) as delayed purchase decisions impacted H2 performance against an exceptional FY23 comparative
- Strong balance sheet with net cash at £50.7m (FY23: £64.8m) to build out smart manufacturing via M&A, drive growth marketing initiative and invest in R&D
- Board proposes to maintain a progressive final dividend of 3.25p (FY23: 2.75p per share), up 18% in line with our progressive dividend policy
- Zoe Fox appointed Group CFO 1 July 2024

## Markerless – the future of our industry with commercialisation in final stages

- Our teams are working hard optimising the future of motion capture, setting the gold standard
  - Secured three more blue chip partners to enter our beta programme, taking total to 10 (H1 FY24: 7)
  - Set to be deployed in the Entertainment and Location-based Entertainment markets first
- On track for commercial delivery in FY25 and modest revenue contribution

## Established our smart manufacturing presence, extending our capabilities in a new growth market

- Acquired Industrial Vision Systems Ltd (“IVS”) adding smart manufacturing to our market-leading portfolio
  - Brands today require right first-time error-proof production
  - Manufacturers are revolutionising processes, replacing inspection methods with smart manufacturing
  - Revenue contribution of £2.9m, with good order intake throughout the year
- Post period end, acquired The Sempre Group (“Sempre”), measurement specialists solving manufacturing challenges
  - Sempre helps manufacturers be more efficient and improve quality – saving time and money
  - Immediately earnings enhancing Sempre has clear synergies with IVS
  - Adds strength to existing and exposure to new markets and new customers

## Outlook

- Trading in the first months of the financial year has started in line with management’s expectations
- Continuation of normalised trading patterns and buying behaviour seen in latter part of FY24
- Strong balance sheet with £46.7m cash at close of business 30 November 2024 provides capital allocation flexibility
- Continued focus on cost and efficiency, actively reallocating resources to high-impact areas
- Getting markerless ready and establishing new growth area, smart manufacturing positions us for future growth
- Well positioned to capitalise on growth opportunities for success in FY25 and beyond

## Vicon has started FY25 well with:

- A good spread of opportunities across all markets
- New products in the pipeline to stimulate growth
- Markerless now in final stages of commercialisation, ready to realise revenues in FY25

## Smart manufacturing has made a strong start entering FY25 with:

- A healthy pipeline and orderbook
- £1.3m already secured for IVS contributing to its healthy order book
- Good pipeline for Sempre and already seeing sales synergies with IVS opportunities
- Well placed to build out smart manufacturing via M&A programme with healthy pipeline of opportunities

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# Oxford Metrics

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## About Oxford Metrics

Oxford Metrics is a smart sensing and software company that enables the interface between the real world and its virtual twin. Our smart sensing technology 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®, moved into defence, engineering and smart manufacturing. We have a strong 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, Industrial Vision Systems, and recently acquired, The Sempre Group. [Vicon](#) is a world leader in motion measurement analysis to thousands of customers worldwide, including Red Bull, Imperial College London, Dreamscape Immersive, Industrial Light & Magic, and NASA. [Industrial Vision Systems](#) is a specialist in machine vision software and technology for high precision, automated quality control systems trusted by blue-chip, smart manufacturing companies across the globe including BD, DePuy, Jaguar Land Rover, Johnson & Johnson, Zytronic and Alkegen. [Sempre](#) is a measurement specialist solving manufacturing challenges across multiple industries. Through their expert in-house consultants and partnerships with over 25 well-known manufacturers including Jenoptik, Renishaw and Micro-Vu, Sempre offers an extensive range of products and software to customers in aerospace, automotive, medical, energy and precision engineering.

The Group is headquartered in Oxford with offices in the United Kingdom, United States and Germany. 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](http://www.oxfordmetrics.com).

# Oxford Metrics

## Chair statement

Following a solid first half performance driven by strong Vicon execution the Group entered the second half of the year with a growing pipeline. However, as we moved towards the end of the financial year, we saw customers across our markets exercising greater caution with purchasing decisions taking longer to conclude.

This has resulted in the Group reporting revenues of £41.5m (FY23: £44.2m), below initial expectations, and an Adjusted PBT\* of £3.7m (FY23: £7.5m), reflecting the trend of extended buying cycles which developed in H2 against an exceptional FY23 comparative.

It is important to note that historically, September has always been the Group's busiest trading month. FY23 was also an exceptionally strong year following the well-documented global supply chain challenges and with the team successfully delivering on pent-up demand post-pandemic.

The Entertainment segment was impacted most reflecting the widely reported slowdown in the global games industry and subsequent content creation contraction along with delays in academic funding in both the Engineering and Life Sciences segments. The Group is taking a prudent approach to optimising the cost base, increasing efficiencies and reallocating resources to high-impact areas in order to drive growth.

While the closing months produced a disappointing result overall for Oxford Metrics, this year the Group has made clear operational progress – getting markerless ready for launch and establishing our new growth area, smart manufacturing and positioning the business for future success.

Since its inception, Oxford Metrics has provided a bridge between the physical and digital world. We have always said our technology has many use cases across multiple industries and in November 2023, we made the move to establish a presence in smart manufacturing with the acquisition of Industrial Vision Systems ("IVS"). IVS brings specialised machine learning AI technology for automated quality control to the Group.

Post period end, we were pleased to announce the acquisition of the Sempre Group ("Sempre"), a measurement specialist solving manufacturing challenges across multiple industries. Immediately earnings enhancing, Sempre is a good strategic fit for the Group. It strengthens our smart manufacturing division, has clear commercial and technical synergies with IVS and brings us a deep pool of industry knowledge, an established sales and services organisation plus access to new customers, partners and products as well as taking us into new markets.

Looking ahead, with a strong balance sheet Oxford Metrics is well placed to capture much more of this new growth area.

Staying ahead of the curve, we revealed the fruits of our innovation efforts over the past few years to unveil our new markerless technology which is now a reality. With great feedback from blue chip partners, we remain on track for commercial delivery in FY25. We believe markerless provides the Group with new market opportunities and existing customers with the next generation motion capture technology.

With a continued focus on cost and efficiency the Group is actively reallocating resources to high-impact areas. Markerless will soon be in our customers hands and new Vicon products are in the pipeline to stimulate growth. In smart manufacturing we are well positioned with a healthy cash position to execute on our M&A ambitions to build out this growth opportunity in addition to the clear synergies we are already seeing with the latest Sempre acquisition.

## Dividend

The Board remains committed to our progressive dividend policy and proposes a 18.2% increase to our final dividend to 3.25p per share (FY23 final dividend £2.75p) this year.

## Share buyback programme

Post period end, we were pleased to announce a return of up to £6m of cash to shareholders through the means of an on-market share buyback programme. Given the Group's cash balance, the Board believes this will deliver further value for shareholders, while maintaining its ability to pursue future opportunities. As of 29th November 2024, the total number of voting rights in ordinary shares of 0.25 pence per share of Oxford Metrics was 129,791,684. The Board will keep under review the possibility of further buybacks.

# Oxford Metrics

## **Board changes**

On behalf of the board, colleagues and our shareholders, I want to thank our former CFO, David Deacon. David did an outstanding job helping the Group grow and prosper throughout his 15-year tenure and we wish him well in his future endeavors. We are delighted to have appointed Zoe Fox as new CFO of Oxford Metrics who joins us at a pivotal moment in our five-year plan. Having worked as an AIM CFO and with a global corporation, Zoe brings invaluable experience and has the right skill set, financial rigour and tenacity that will drive us forward on our growth plan.

Post period end, David Quantrell retired from the board as Senior Independent Non-Executive Director. We would like to thank David for his valuable input over the past six years and wish him well for the future. Naomi Climer is now our Senior Independent Non-Executive Director.

We welcomed Dr Ian Wilcock as Non-Executive Director and member of the Audit and Remuneration Committees. Ian brings over 30 years' experience, has a proven track record of growing businesses organically and through acquisition and held senior positions at smart sensor businesses that delivered ambitious growth plans.

## **Sustainability**

We are committed to working ethically and in an environmentally and socially responsible way, and believe sustainable working practices are an important enabler of our growth strategy. In the last twelve months we have focused on aligning IVS onto our sustainability model as appropriate for its size and operations. We have also taken steps to strengthening our understanding of ESG risks in our supply chain across the Group. Our Environmental, Social and Governance initiatives are available here [oxfordmetrics.com/sustainability](https://oxfordmetrics.com/sustainability) and progress is updated throughout the year.

Lastly, I want to thank everyone involved in supporting our business, our customers, shareholders, partners and employees. A special thanks to our brilliant teams across the world who have worked tirelessly throughout the year and are playing a valuable role in positioning the Group for future success.

**Roger Parry**  
**Chair**

## CEO statement

### Trend of more extended buying cycles developed in H2 against an exceptional FY23 comparative

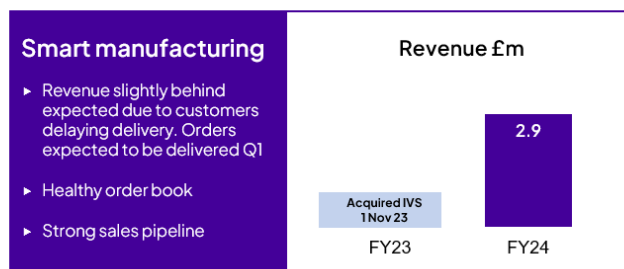
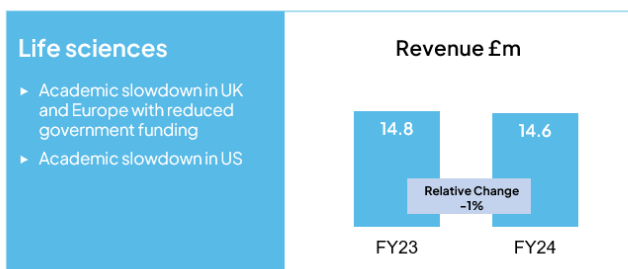
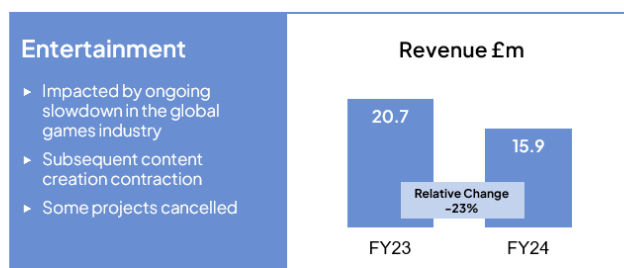
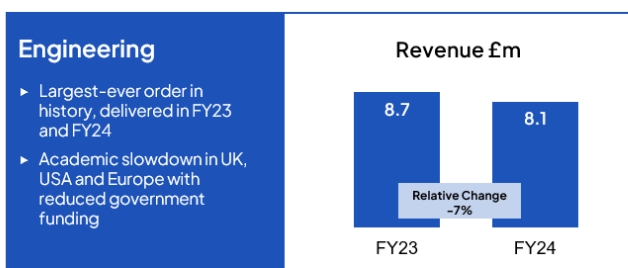
In my report this time last year, I talked about it being a year of ‘powering up’ with our Vicon division delivering a record performance as the Group secured its highest-ever order, and our teams delivered more advanced camera systems than ever before.

At the half year, with post-pandemic disruption, subsequent pent-up demand and supply chain challenges largely behind us, we outlined that Vicon had returned to pre-pandemic trading patterns. Our order book had returned to more normal levels, a trend which continued into the second half. With a consistent pipeline throughout the year, we started to see pipeline movement with extended buying cycles really developing during September - historically the Group’s busiest month with large contributions achieved.

As the Group moved into September, the pipeline conversion into revenue did not happen at the rate expected to deliver the full year number.

Globally, we saw customers across our markets exercising greater caution and purchasing decisions taking longer to conclude. Entertainment was impacted most by the widely reported and ongoing slowdown in the global games industry and subsequent content creation contraction, with some projects cancelled. Both Engineering and Life Sciences, as expected, reported slightly behind the prior year, having been subject to academic funding delays.

### FY24 market factors

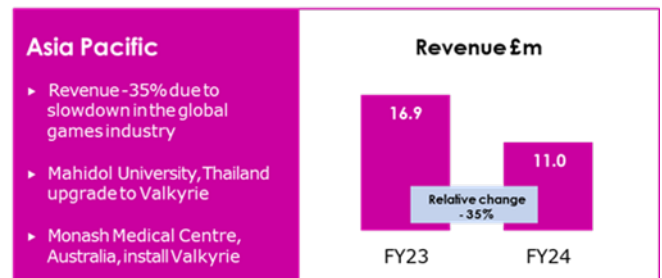
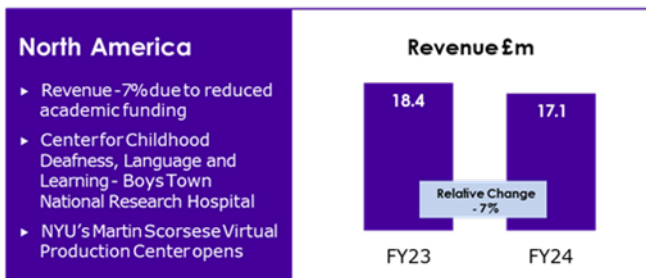
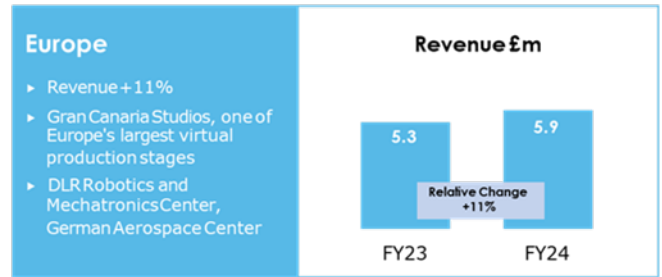
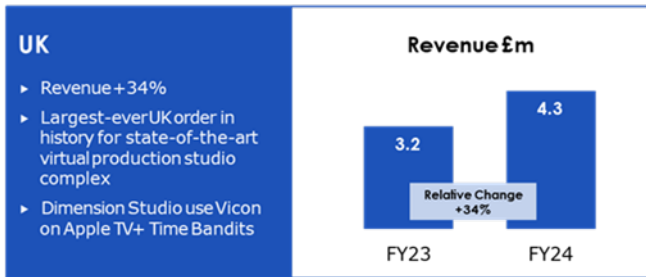


As detailed in the above segmental overview, a number of factors contributed to this shortfall. More detail can be found in the financial and segmental review.

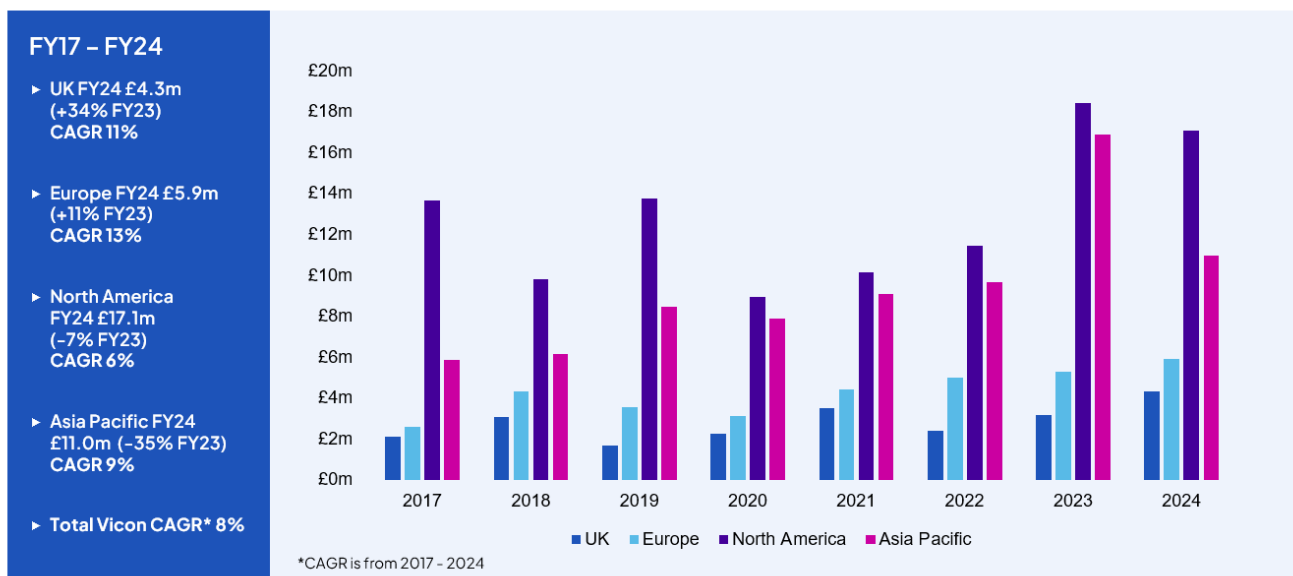
Below outlines Vicon performance in the period by geography. Geographically, the UK (up 34%) and Europe (up 11%) tracked ahead, with North America (down 7%) and APAC (down 35%) behind FY23.

# Oxford Metrics

## FY23 vs FY24 Vicon Revenue



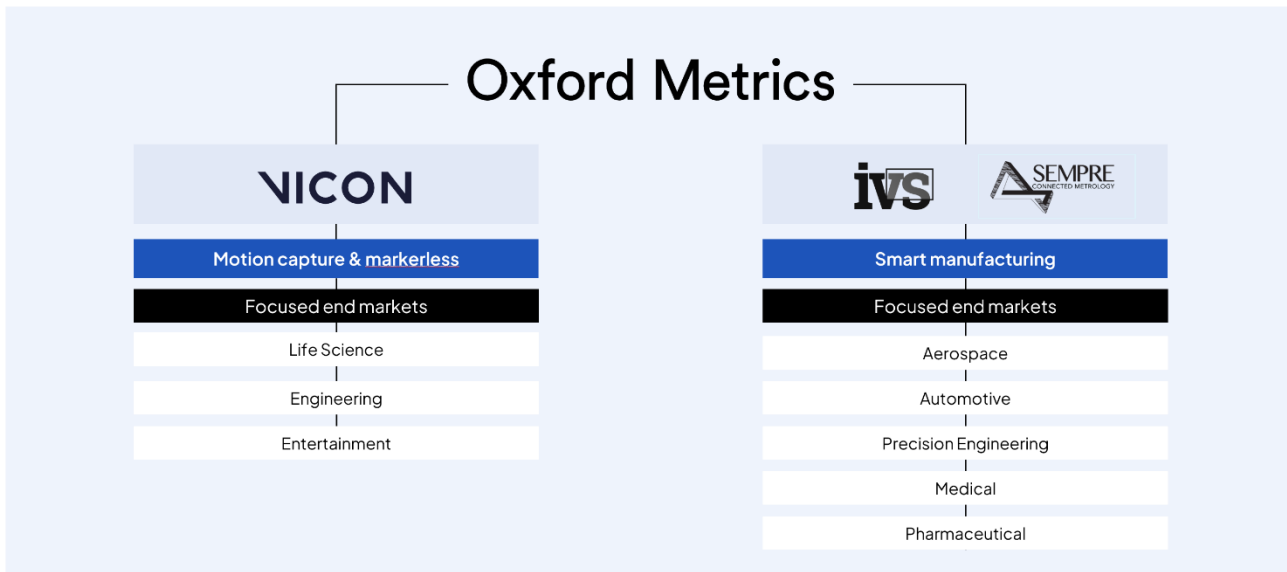
## Vicon Revenue by geography £m



## Oxford Metrics today

Markerless is on track for commercial delivery with revenues expected in FY25. We intend to be the gold standard as we are in marker based, winning more market share alongside our existing customer base and building a quality software and services revenue stream on top of the marker-based business.

## Divisional structure

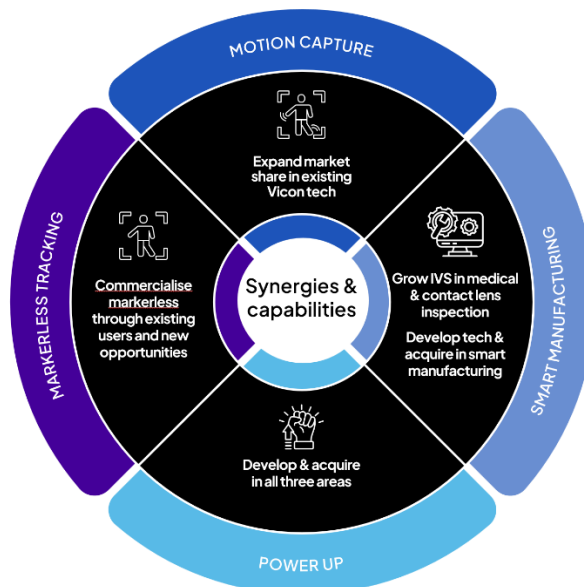


This year, we have successfully extended our sensing capabilities into a new growth area and market – smart manufacturing – acquiring Industrial Vision Systems (“IVS”). IVS has integrated well into Oxford Metrics, adding an impressive client roster to our well-established, international customer base. Our plan is to build out our smart manufacturing offering via a targeted M&A programme, so we were delighted to welcome measurement specialists, Sempre into the fold post period end, helping us to capture more of this important growth market.

After 15 years’ service David Deacon stepped down as CFO with the half year being his last. I would like to thank David for everything over the years and for a smooth handover with our new CFO, Zoe Fox, who joined us on 1 July and culturally is a fantastic fit with the financial rigour to take this business forward.

### Well positioned to capitalise on growth opportunities ahead

As part of our sense, analyze and apply strategy, we continue to make progress across the Group to extend our sensing capabilities, enhance the analysis we can perform and apply our IP by embedding into other companies’ solutions.





## Markerless

At our Capital Market's Day in April, attendees got to experience first-hand our markerless technology in action, showcased in Dreamscape's 'The Clockwork Forest' VR experience and in a smart manufacturing demo. You can watch the positive reactions to the demos [here](#).

Extending our sensing capabilities, our team continues to work hard optimising the future of motion capture, setting the gold standard. Following positive feedback and demand for this next generation technology, we have secured three more blue chip partners to enter the beta programme, taking the total to 10 cornerstone customers. Taking into consideration invaluable feedback from our dedicated partners on the beta program, eight updates have been released so far to improve and optimize the technology.

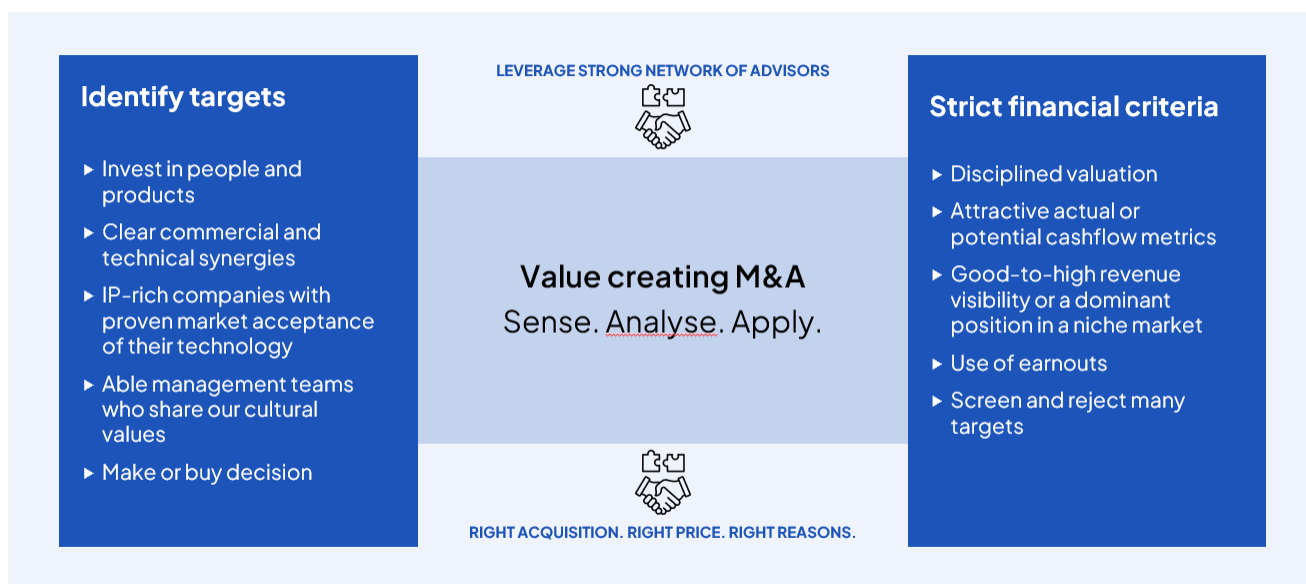
The beta programme is progressing well with customers looking forward to the first iteration of this next generation technology.

## M&A – focused on building out our smart manufacturing presence

Having acquired IVS in November 2023, we said we would develop a meaningful presence in the smart manufacturing market and strengthen our offering via a targeted M&A programme.

During the year, we continued to actively pursue M&A opportunities in smart manufacturing and post period end announced the acquisition of the Sempre Group. Sempre, a measurement specialist, helps well known, blue-chip manufacturers improve their productivity and efficiencies in aerospace, automotive, medical and precision engineering industries.

Immediately earnings enhancing, Sempre has clear commercial and technical synergies with IVS, and with a proven management team not only strengthens our offering, it emboldens our growing sales bench with its established sales and services organisation. We are excited about the opportunities as highly accurate, error-proof production is mission critical and our measurement solutions solves manufacturing challenges across a range of industries – both existing and new to us.



Oxford Metrics has a disciplined and consistent approach to M&A. We are actively pursuing a number of M&A opportunities to drive more applications into the smart manufacturing space, building the Group's position in this important market and growth area. With a healthy pipeline, we will continue to pursue opportunities that align with our strict criteria and mantra; to find the right acquisitions, at the right price, for the right reasons.

Alongside our markerless development throughout the year, FY24 saw the release of software updates across all of our existing markets. Regular software updates ensure solutions stay relevant for our customers applications, ensuring the best experience.

## AI

At Oxford Metrics we have always provided a bridge between the physical and digital world. Computer vision and machine learning is simply an application of AI – enabling continued learning and improving. Across the Group, machine learning has for many years played a role and continues to as we make technological advancements.

For example, Markerless uses the latest machine learning and AI techniques to process video imagery to create 3D visualisations. In smart manufacturing IVS brings specialised machine learning AI technology for automated quality control to the Group. With an ongoing commitment to efficiency and quality control, IVS is using AI to test and develop AI-powered automated inspection for the contact lens industry. These advancements could soon support large-scale rollouts, furthering quality control and precision in vision care.

Across Vicon and smart manufacturing, our teams continue to develop specialist machine learning programs resulting in faster deployment and greater productivity.

## Current Trading and Outlook

Trading in the first months of the financial year has started in line with management expectations with a continuation of the normalised trading patterns and buying behaviour seen in the latter part of FY24.

Our Vicon division has started the year with a good spread of opportunities across all main markets and a pipeline of new products, in addition to markerless being released throughout the year.

Our smart manufacturing division made a strong start to the year. IVS closed a number of large deals in excess of £1.3m, contributing to its healthy order book. Sempre has a good pipeline and we are already seeing sales synergies with IVS opportunities.

The Group has made clear operational progress in FY24 - getting markerless ready for launch and establishing our new growth area, smart manufacturing - positioning the business for future success.

Markerless is now in the final stages of commercialisation, ready to realise modest revenues within the new financial year.

The Group enters FY25 with a strong balance sheet with a cash position of £46.7m at close of business 30 November 2024. This provides the flexibility needed to build out our smart manufacturing division via a targeted M&A programme as we seek to extend our capabilities into yet more areas and capture more of this important growth market.

With a continued focus on cost and efficiency, actively reallocating resources to high-impact areas, we are well positioned to capitalise on the growth opportunities, setting the business up for success in 2025 and beyond.

**Imogen O'Connor**  
**CEO**

*\* Profit Before Tax adjusted for share-based payments, acquisition costs and amortisation of intangibles arising on acquisition*

## FINANCIAL AND SEGMENTAL REVIEW

### Group performance

	FY24			FY23		
	Revenue	PBT	Adj PBT	Revenue	PBT	Adj PBT
Vicon	38.6	1.1	4.9	44.2	5.7	9.2
IVS	2.9	(0.3)	0.3	-	-	-
Plc	-	2.0	(1.4)	-	1.5	(1.7)
Total Group Continued Operations	41.5	2.8	3.7	44.2	7.2	7.5
Discontinued Operations	-	(2.2)	(0.9)	-	(1.0)	(0.9)
Total Group Including Discontinued Operations	41.5	0.6	2.8	44.2	6.2	6.6

### Income Statement

As we moved towards the end of the financial year, we saw customers across our markets exercising greater caution with purchasing decisions taking longer to conclude. The Group has reported revenues of £41.5m (FY23: £44.2m), a decrease of 6% and below expectations.

The Group reports an Adjusted PBT\* from continuing operations of £3.7m (FY23: £7.5m), reflecting the trend of extended buying cycles which developed in H2 against an exceptional FY23 comparative. Historically, September has always been the Group's busiest trading month. FY23 was an exceptionally strong year following the well-documented global supply chain challenges and with the team successfully delivering on pent-up demand post-pandemic.

The year-on-year FX effects were modest: on the average FY24 USD to GBP exchange rate of 1.27 vs average FY23 USD to GBP exchange rate of 1.23 the revenues decreased by 1.6% for the Group.

Vicon reported revenues of £38.6m (FY23: £44.2m) a decrease of 13% year on year (FY23: increase of 53%), based off a very strong prior year comparator.

Having acquired IVS in November 2023 to establish our smart manufacturing offering, it delivered revenues of £2.9m for the 11 months under our ownership. Whilst revenues were behind expectation IVS exited the year with a strong order book which has continued to grow in Q1 FY25.

From a geographical perspective, Asia Pacific had a weaker year based off a very strong comparative year with a decline of 35% (FY23: increase 75%). UK and Europe both saw growth of 91% and 20% respectively (FY23: UK 33% and Europe 7%). The UK increased 91% which included the contribution of our smart manufacturing division and acquisition of IVS plus our largest UK Vicon order in history. Excluding smart manufacturing the UK growth was 36% (FY23: 33% Vicon only) and Europe growth was 11% (FY23: 7%).

Gross margin improved to 66.6% (FY23: 65.0%), up 1.6 percentage points on prior year, reflecting the utilisation of the higher cost components acquired during the supply chain challenge of the last few years and a return to more normal supply.

The gross profit for the Group was £27.6m (FY23: £28.7m), a decrease of £1.1m.

As we explained in our FY24 interim results, the decision was taken to discontinue IMeasureU (IMU), our New Zealand operation, to focus on growth areas of the business such as building out our smart manufacturing division and working hard to commercialise markerless. This has resulted in discontinued losses of £2.2m including the write off of goodwill and IP of £1.3m.

At a divisional level, vertical market segments performance and operational progress was as follows:

## Vicon

### *Life Sciences*

Life Sciences reported revenues of £14.6m (FY23: £14.8m) representing a slight decline of 1%, as expected, due to an academic slowdown and reduced government funding.

Several customers of note upgraded to our premier Valkyrie system in the year, including:

- Long-standing customer, PING, one of the world's leading golf club manufacturers. Our Valkyrie system is aiding their club fitting process, helping to improve golfers' performance. Watch PING in [action](#).
- Liverpool John Moores University's School of Sport and Exercise Sciences upgraded, enabling students, researchers and partners to use state-of-the-art equipment to enhance their understanding of the science behind human performance and behaviour.

New customer, Center for Childhood Deafness, Language and Learning at Boys Town National Research Hospital invested in a Vicon system to look into how toddlers and preschoolers develop their language and speech motor skills required for language production.

### *Entertainment*

Entertainment (which now includes Location-based Entertainment) reported revenues of £15.9m (FY23: £20.7m), representing a 23% decline, largely due to the ongoing slowdown in the global games industry and subsequent content creation contraction. This segment was impacted most.

- Our partner, Dimension Studio used Vicon to help build over a dozen worlds for Apple TV+ Time Bandits. Our Vicon system enabled them to track the position of all elements on their virtual production stage including a large number of fast-moving objects.
- Through our customer and partner, Arri Solutions, Vicon has been installed at one of Europe's largest virtual production stages to date, Gran Canaria Studios.
- NYU's newly opened facility, Martin Scorsese Virtual Production Center, fitted with our Shogun software and 40 Vicon cameras, is providing students with an immersive, hands-on education in the emerging field of storytelling through virtual production.

### *Engineering*

Engineering reported revenues of £8.1m (FY23: £8.7m) representing a slight decline of 7%, as expected with delays witnessed in academic funding.

High accuracy and low latency tracking are key in the Engineering market. Contracts were secured across automotive, aerospace, metrology and research sectors with common applications being Unmanned Aerial Vehicle (UAV) and other autonomous vehicle tracking.

- DLR Robotics and Mechatronics Center, German Aerospace Center, invested in a Valkyrie system so researchers could track exploration robots on a test site that simulates Mars and Moon test sites for robotic missions.
- Worcester Polytechnic Institute added cameras to their existing Vicon system which they use to track robots who are learning to navigate complex environments at speed and scale, tackling real-world challenges from pollination to autonomous search & rescue. Watch their small, smart and fast robots in [action](#).

### **Smart manufacturing – our new growth area, established in 2023**

Smart manufacturing reported first time revenues of £2.9m, slightly behind expectations as some customers delayed placing orders deferring production to FY25. These orders have now been partially delivered, with the remainder orders expected to be delivered in Q1.

Multiple new contracts have been secured as demand continues for automated vision inspection and quality control.

The medical sector saw the largest growth in the year, of note were the following applications:

- A prominent inhaler manufacturer invested in our state-of-the-art vision inspection technology to ensure rigorous quality control for critical components within the inhaler sub-assembly, setting a new standard for reliability and patient safety.
- A new medical client invested in six inspection systems, three units for integration within existing production lines and three high-speed standalone pellet inspection machines.
- A leading London hospital invested in a semi-automatic inspection system to verify if particulates are present in fluid filled glass containers that would otherwise contaminate the chemical-based product.

# Oxford Metrics

Multiple contracts were secured worldwide for inspection systems for high speed contact lens production lines including an automated inspection system for a new Spanish-based contact lens manufacturer.

A major initiative in automotive battery safety is underway with a well-known, UK-based, blue chip automotive manufacturer, focusing on safeguarding and automatically inspecting precision connectors on batteries to ensure strict adherence to quality and specification standards.

## *Overheads*

Sales, Support and Marketing costs were £8.8m (FY23: £8.2m) an increase of £0.6m which is due to investment in sales, sales support and marketing structure to build for growth.

Research & Development expensed through the Income Statement was £5.2m (FY23: £5.9m). The continual investment and innovation in product and services is necessary to maintain the Group's competitive position; this included the continued development of, the markerless project, which was expensed during FY23 and capitalised in FY24 reflecting the stage and the commercialisation of the project.

Administration expenses were £12.9m (FY23: £8.8m). The large increase of £4.1m year on year is mainly due to the £2.1m costs attributable to IVS, £0.8m new markerless offices and facility, £0.3m investment in cloud-based ERP system to drive efficiencies and £0.3m improving of quality assurance.

The Group is taking a prudent approach to managing the cost base, increasing efficiencies and reallocating resources to high-impact areas in order to drive growth.

Adjusted PBT\* of £3.7m (FY23: £7.5m) has been determined after adding back to the Statutory PBT £2.8m (FY23: £7.3m) non-cash items such as amortisation and impairment of acquired intangibles, share option charge and non-recurring items. A full reconciliation is available in note 6.

## **Statement of Financial Position**

The net assets of the Group amounted to £79.0 million (FY23: £81.2 million) and can be summarised as follows:

### *Goodwill and intangibles*

The balance increase to £18.7m (FY23: £10.2m) reflecting the acquisition of Industrial Vision Systems Limited for £8.8m and £3.1m (FY23: £2.1m) of capitalised development in the year less amortisation of development costs £1.6m (FY23: £1.7m) and the amortisation of acquired intangibles of £0.5m (FY23: £0.3m). During FY24 there was a disposal of £1.1m of goodwill relating to discontinuing operations.

### *Property, plant and equipment*

The value of fixed assets increased to £3.3m (FY23: £2.5m). The movement arising mainly due to investment of £1.6m (FY23: £1.5m) in the year which included leasehold improvements and furniture and fixtures for the new office in Botley, UK, a variety of IT and demonstration related equipment. Depreciation charge for the year of £1.0m (FY23: £0.6m).

### *Right of use assets (IFRS16)*

The value of Right of Use assets increased to £3.5m (FY23: £3.1m) during the year which reflected the commencement of a new lease for our new markerless UK offices based in Botley, Oxford and £0.5m relating to IVS leases.

### *Inventories*

The inventory position at the end of the financial year was £7.7m (FY23: £7.2m). This has decreased from £9m at H124 and given the normalisation of the supply chain now seen the Group is expecting to continue to drive inventory down to optimise working capital but ensuring we have sufficient inventory for growth. An additional provision of £0.3m was provided at the year end to cover inventory which was at risk of end of life or excess.

## *Trade and other receivables*

At the year-end Trade and other receivables were £8.9m (FY23: £9.9m). The net overall decrease is due to lower Vicon Trade receivables £6.7m (FY23: £7.6m), which reflected the pattern of trading seen in 2H24. There is no change in accrued interest year on year at £0.6m (FY23: £0.6m).

## *Current liabilities*

At the year-end, Trade and other payables were £7.3m (FY23: £11.3m). The decrease is reflective of the trade payables decreased at the year-end to £1.4m (FY23: £3.8m), accruals were lower at £2.6m (FY23: £3.5m) and support contract liabilities and deferred income were lower at £2.9m (FY23: £3.7m) due in part to exceptional level of customer deposits last year and trade payables reduced due to the actions to reduce the inventory within the Group.

The lease liabilities balance reported at £1.2m (FY23: £0.7m) represents the value of lease payments due within one year relating to right of use assets. The increase is due to IVS and the new facilities for Vicon, previously mentioned.

## **Statement of cashflows**

The Group finished the year with Net cash of £50.7m (FY23: £64.8m) including Fixed Term deposits of £30.0m (FY23: £42.0m). The amount on fixed term deposit was reduced at year-end in readiness for the acquisition of Sempre post year end.

Cash outflow from operating activities was £0.4m (FY23: cash inflow £3.4m).

The cash reserves were utilised in continued investment in development giving rise to a purchase of intangibles of £3.1m (FY23: £2.1m), acquisition of subsidiary undertaking IVS £6.2m, net of £1.1m cash acquired with the business and initial cash consideration paid of £7.3m payment of dividends of £3.6m (FY23: £3.2m) and the aforementioned increase in Inventory.

Surplus cash not required for the day to day working capital needs of the business is on a variety of 3-12 month bank deposits with NatWest and Lloyds Bank. Interest received in cash for the year was £2.4m (FY23: £1.2m).

## **Tax**

The Group tax credit this year is £0.1m (FY23: Charge £0.6m). The tax credit in the year arose due to various deferred tax adjustments including but not exclusively Research & Development tax credits which continues to have a beneficial effect on the level of corporation tax payable in the UK.

The Group has a net deferred tax liability of £1.9m (FY23: £1.1m).

**Zoe Fox**  
**CFO**

## CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Note	(Audited) 2024 £'000	(Audited) 2023 £'000
Revenue	3	41,459	44,240
Cost of sales		(13,868)	(15,497)
<b>Gross profit</b>		<b>27,591</b>	<b>28,743</b>
Sales, support and marketing costs		(8,795)	(8,169)
Research and development costs		(5,152)	(5,899)
Administrative expenses		(12,920)	(8,797)
<b>Operating profit</b>		<b>724</b>	<b>5,878</b>
Finance income		2,334	1,561
Finance expense		(276)	(163)
<b>Profit before taxation</b>		<b>2,782</b>	<b>7,276</b>
Taxation	7	149	(612)
Profit from continuing operations		2,931	6,664
Loss from discontinued operations net of tax		(2,173)	(1,008)
<b>Profit attributable to owners of the parent during the year</b>		<b>758</b>	<b>5,656</b>

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

Basic earnings per ordinary share (pence)	8	2.24p	5.13p
Diluted earnings per ordinary share (pence)	8	2.22p	5.10p

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

Basic earnings per ordinary share (pence)	8	0.58p	4.35p
Diluted earnings per ordinary share (pence)	8	0.56p	4.32p

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2024

	(Audited) 2024 £'000	(Audited) 2023 £'000
<b>Net profit for the year</b>	<b>758</b>	<b>5,656</b>
<b>Other comprehensive expense</b>		
<i>Items that will or may be reclassified to profit or loss</i>		
Exchange differences on retranslation of overseas subsidiaries	(406)	(110)
Tax credit on translation differences	81	
<b>Total other comprehensive expense</b>	<b>(325)</b>	<b>(110)</b>
<b>Total comprehensive income for the year attributable to owners of the parent</b>	<b>433</b>	<b>5,546</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

COMPANY NUMBER: 03998880

	(Audited) 2024 £'000	(Audited) 2023 £'000
<b>Non-current assets</b>		
Goodwill and intangible assets	18,714	10,203
Property, plant and equipment	3,257	2,480
Right of use assets	3,534	3,135
Financial asset - investments	236	236
	<b>25,741</b>	<b>16,054</b>
<b>Current assets</b>		
Inventories	7,737	7,240
Trade and other receivables	8,932	9,907
Current tax receivable	425	-
Fixed term deposits	30,000	42,000
Cash and cash equivalents	20,723	23,965
	<b>67,817</b>	<b>83,112</b>
<b>Current liabilities</b>		
Trade and other payables	(7,344)	(11,304)
Current tax payable	(124)	(275)
Deferred consideration payable	(436)	-
Bank overdraft	-	(1,174)
Lease liabilities	(1,174)	(724)
	<b>(9,078)</b>	<b>(13,477)</b>
<b>Net current assets</b>	<b>58,739</b>	<b>69,635</b>
<b>Total assets less current liabilities</b>	<b>84,480</b>	<b>85,689</b>
<b>Non-current liabilities</b>		
Other liabilities	(848)	(820)
Lease liabilities	(2,601)	(2,498)
Provisions	(59)	(48)
Deferred tax liability	(1,879)	(1,118)
	<b>(5,387)</b>	<b>(4,484)</b>
<b>Net assets</b>	<b>79,093</b>	<b>81,205</b>
<b>Capital and reserves attributable to owners of the parent</b>		
Share capital	329	326
Shares to be issued	65	65
Share premium account	19,494	19,487
Merger reserve	870	-
Retained earnings	57,865	60,451
Foreign currency translation reserve	470	876
<b>Total equity shareholders' funds</b>	<b>79,093</b>	<b>81,205</b>



## CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2024

	(Audited) 2024 £'000	(Audited) 2023 £'000
<b>Cash flows from operating activities</b>		
Profit for the year from continuing operations	2,931	6,664
Loss for the year from discontinued operations	(2,173)	(1,008)
Total profit for the year	758	5,656
Income tax (credit)/expense	(216)	594
Finance income	(2,334)	(1,561)
Finance expense	276	163
Depreciation and amortisation	4,072	2,898
Impairment of intangible assets	1,273	217
Profit on sale of property, plant and equipment	-	(8)
Share-based payments	211	59
Increase in inventories	(285)	(2,799)
Decrease/(increase) in receivables	1,108	(2,274)
(Decrease)/increase in payables	(4,540)	205
<b>Cash generated from operating activities</b>	<b>323</b>	<b>3,150</b>
Tax (paid) / received	(755)	209
<b>Net cash from operating activities</b>	<b>(432)</b>	<b>3,359</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(1,611)	(1,499)
Purchase of intangible assets	(3,086)	(2,127)
Acquisition of subsidiary undertaking, net of cash acquired	(6,231)	-
Proceeds on disposal of property, plant and equipment	12	8
Dividends received	-	--
Cash placed on fixed term deposits	(57,968)	(67,000)
Fixed term deposits maturing	69,968	80,000
Interest received	2,388	1,219
<b>Net cash generated from/(used in) investing activities</b>	<b>3,472</b>	<b>10,601</b>
<b>Cash flows from financing activities</b>		
Principal paid on lease liabilities	(825)	(579)
Interest paid	(3)	(4)
Interest paid on lease liabilities	(291)	(159)
Issue of ordinary shares	10	370
Equity dividends paid	(3,615)	(3,246)
<b>Net cash used in financing activities</b>	<b>(4,724)</b>	<b>(3,618)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,684)</b>	<b>10,342</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>22,791</b>	<b>12,679</b>
<b>Exchange loss on cash and cash equivalents</b>	<b>(384)</b>	<b>(230)</b>
	<b>20,723</b>	<b>22,791</b>
<b>Cash and cash equivalents included in current assets</b>	<b>20,723</b>	<b>23,965</b>
<b>Bank overdraft included in current liabilities</b>	<b>-</b>	<b>(1,174)</b>
	<b>20,723</b>	<b>22,791</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2024

Group	Share capital £'000	Shares to be issued £'000	Share premium account £'000	Merger Reserve £'000	Retained earnings £'000	Foreign currency translation reserve £'000	Total £'000
Balance as at 30 September 2022 (Audited)	324	65	19,094	-	57,917	986	78,386
Net profit for the year	-	-	-	-	5,656	-	5,656
Exchange differences on retranslation of overseas subsidiaries	-	-	-	-	-	(110)	(110)
Transactions with owners:							
Tax recognised directly in equity in relation to employee share option schemes	-	-	-	-	90	-	90
Dividends	-	-	-	-	(3,246)	-	(3,246)
Issue of share capital	2	-	393	-	-	-	395
Share based payment charge	-	-	-	-	34	-	34
Balance as at 30 September 2023 (Audited)	326	65	19,487	-	60,451	876	81,205
<b>Net profit for the year</b>	-	-	-	-	<b>758</b>	-	<b>758</b>
<b>Exchange differences on retranslation of overseas subsidiaries</b>	-	-	-	-	-	<b>(406)</b>	<b>(406)</b>
<b>Tax credit on translation differences</b>	-	-	-	-	<b>81</b>	-	<b>81</b>
Transactions with owners:							
Tax recognised directly in equity in relation to employee share option schemes	-	-	-	-	(21)	-	(21)
Dividends	-	-	-	-	(3,615)	-	(3,615)
Issue of share capital	3	-	7	870	-	-	880
Share based payment charge	-	-	-	-	211	-	211
<b>Balance as at 30 September 2024 (Audited)</b>	<b>329</b>	<b>65</b>	<b>19,494</b>	<b>870</b>	<b>57,865</b>	<b>470</b>	<b>79,093</b>

## 1. Basis of preparation of the financial information

The financial information in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of IFRSs, this announcement does not itself contain sufficient information to comply with IFRSs.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies which affect the reported amount of assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses during the reported period. Although the estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

The financial information for the year ended 30 September 2024 as set out in this preliminary announcement does not constitute the statutory accounts of the Group for the relevant year within the meaning of section 435 of the Companies Act 2006. The audit of the statutory financial statements for the year ended 30 September 2024 is not yet complete. These accounts will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement and will be delivered to the Registrar of Companies following the Company's annual general meeting. The Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year ended 30 September 2023 and the Consolidated Statement of Financial Position as at 30 September 2023 have been derived from the full Group accounts published in the Annual Report and Financial Statements 2023. These have been delivered to the Registrar of Companies and on which the report of the independent auditors was unqualified and did not contain a statement under section 498(2) or section 498(3) of the Companies Act 2006.

## 2. Basis of consolidation

The consolidated financial information incorporates the results of the Company and all of its subsidiary undertakings drawn up to 30 September 2024.

## 3. Revenue from contracts with customers

	(Audited) 2024 £'000	(Audited) 2023 £'000
<b>Revenue</b>		
<b>Continuing operations</b>		
Vicon UK	21,250	25,545
Vicon USA	17,340	18,695
Smart manufacturing	2,869	-
	<b>41,459</b>	<b>44,240</b>

Timing of the transfer of goods and services 2024 (Audited)	Smart Manufacturing £'000	Vicon UK £'000	Vicon USA £'000	Total £'000
Point in time	393	19,196	14,569	34,158
Over time	2,476	2,054	2,771	7,301
Total	<b>2,869</b>	<b>21,250</b>	<b>17,340</b>	<b>41,459</b>

<b>Contract Counterparties</b>				
Direct to consumers	2,869	7,866	16,356	27,091
Third party distributor	-	13,384	984	14,368
Total	<b>2,869</b>	<b>21,250</b>	<b>17,340</b>	<b>41,459</b>

<b>By destination</b>				
UK	1,761	4,326	-	6,087
Germany	-	1,077	94	1,171
Italy	-	426	-	426
Netherlands	-	659	-	659
France	3	485	-	488
Poland	-	78	-	78
Spain	234	149	-	383
Ireland	162	30	-	192

# Oxford Metrics

Czech Republic	4	1,333	-	1,337
Switzerland	-	1,268	-	1,268
Rest of Europe	72	339	-	411
<b>Total Europe</b>	<b>475</b>	<b>5,844</b>	<b>94</b>	<b>6,413</b>
Canada	480	6	1,527	2,013
USA	6	35	15,481	15,522
<b>Total North America</b>	<b>486</b>	<b>41</b>	<b>17,008</b>	<b>17,535</b>
Australia	-	1,344	8	1,352
Hong Kong	-	1,223	2	1,225
Japan	-	4,009	-	4,009
South Korea	11	874	-	885
China	-	1,530	-	1,530
India	-	477	-	477
Rest of Asia Pacific	-	1,500	1	1,501
<b>Total Asia Pacific</b>	<b>11</b>	<b>10,957</b>	<b>11</b>	<b>10,979</b>
Other	136	82	227	445
<b>Total</b>	<b>2,869</b>	<b>21,250</b>	<b>17,340</b>	<b>41,459</b>

## Timing of the transfer of goods and services

2023 (Audited)	Vicon UK £'000	Vicon USA £'000	Total £'000
Point in time	23,714	16,032	39,746
Over time	1,831	2,663	4,494
<b>Total</b>	<b>25,545</b>	<b>18,695</b>	<b>44,240</b>

## Contract Counterparties

Direct to consumers	5,341	17,673	23,014
Third party distributor	20,204	1,022	21,226
<b>Total</b>	<b>25,545</b>	<b>18,695</b>	<b>44,240</b>

## By destination

UK	3,176	-	3,176
Germany	1,973	-	1,973
Italy	633	-	633
Netherlands	646	-	646
France	155	-	155
Poland	178	-	178
Spain	88	-	88
Ireland	565	-	565
Rest of Europe	1,087	-	1,087
	5,325	-	5,325
Canada	9	1,878	1,887
USA	12	16,533	16,545
<b>Total North America</b>	<b>21</b>	<b>18,411</b>	<b>18,432</b>
Australia	939	13	952
Hong Kong	2,517	-	2,517
Japan	5,680	-	5,680
South Korea	2,835	-	2,835
China	3,957	-	3,957
India	574	-	574
Rest of Asia Pacific	397	-	397
<b>Total Asia Pacific</b>	<b>16,899</b>	<b>13</b>	<b>16,912</b>
Other	124	271	395
<b>Total</b>	<b>25,545</b>	<b>18,695</b>	<b>44,240</b>

# Oxford Metrics

	(Audited) 2024 £'000	(Audited) 2023 £'000
<b>Group revenue by market – Continuing operations</b>		
Engineering	8,100	8,708
Entertainment	15,851	20,691
Life sciences	14,639	14,841
Smart Manufacturing	2,869	-
<b>Total</b>	<b>41,459</b>	<b>44,240</b>
<b>Group revenue by type Continuing operations</b>		
Sale of hardware	33,360	36,158
Sale of software	1,753	1,974
Rendering of services	5,334	5,209
Support	1,012	899
<b>Total</b>	<b>41,459</b>	<b>44,240</b>
<b>Group revenue by origin Continuing operations</b>		
UK	22,559	23,690
Europe	1,560	1,852
North America	17,340	18,695
Asia Pacific	-	3
<b>Total</b>	<b>41,459</b>	<b>44,240</b>

## Contract balances

	2024 (Audited)	
	Contract assets £'000	Contract liabilities £'000
At 1 October 2023	-	(4,528)
On acquisition	18	(438)
Transfers from contract assets to trade receivables during the period	(18)	-
Amounts included in contract liabilities recognised as revenue during the period	-	11,524
Excess of revenue recognised over invoices raised during the period	144	-
Invoices raised in advance of performance and not recognised as revenue during the period	-	(10,578)
Foreign exchange differences	-	247
<b>At 30 September 2024</b>	<b>144</b>	<b>(3,773)</b>
	2023 (Audited)	
	Contract assets £'000	Contract liabilities £'000
At 1 October 2022	-	(6,043)
Amounts included in contract liabilities recognised as revenue during the period	-	18,400

# Oxford Metrics

Cash received in advance of performance and not recognised as revenue during the period	-	(17,138)
Foreign exchange differences	-	253
<b>At 30 September 2023</b>	-	<b>(4,528)</b>

Contract assets and contract liabilities are included within trade and other assets and trade and other payables and other liabilities respectively on the face of the statement of financial position. They arise primarily from the Group's support contracts which are delivered over time and where the cumulative payments received from customers at each balance sheet date do not necessarily equal the amount of revenue recognised on the contract.

## Remaining performance obligations

The majority of the Group's contracts are for the delivery of goods and services within the next 12 months. However, some software and support contracts are for a period greater than 12 months and the amount of revenue that will be recognised in future periods on these contracts is as follows:

At 30 September 2024 (Audited)	2025 £'000	2026 £'000	2027 £'000	2028 £'000	2029 £'000	2030 and beyond £'000
Support contracts	2,732	480	225	99	23	21
Smart Manufacturing contracts	193	-	-	-	-	-
	<b>2,925</b>	<b>480</b>	<b>225</b>	<b>99</b>	<b>23</b>	<b>21</b>

At 30 September 2023 (Audited)	2024 £'000	2025 £'000	2026 £'000	2027 £'000	2028 £'000	2029 and beyond £'000
Support contracts	3,707	493	199	86	39	4

## 4. Segmental analysis

Segment information is presented in the 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.

During the year the Group comprised the following business segments:

- Vicon Group: This is the development, production and sale of computer software and equipment for the engineering, entertainment and life science markets.
- Smart Manufacturing: This is the development, production and sale of vision inspection systems.

Other unallocated costs represent head office expenses not recharged to subsidiary companies and interest received on surplus cash balances.

Inter segment transfers are priced along the same lines as sales to external customers, with an appropriate discount being applied to encourage use of Group resources. This policy was applied consistently throughout the current and prior year. There were no significant inter segment transfers during the current or prior year.

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories and trade and other receivables. Unallocated assets comprise deferred taxation, investments and cash and cash equivalents.

# Oxford Metrics

	2024 (Audited)				2023 (Audited)			
	Adjusted profit/(loss) before tax £'000	Adjusting items £'000	Group recharges £'000	Profit/(loss) before tax £'000	Adjusted profit/(loss) before tax £'000	Adjusting items £'000	Group recharges £'000	Profit/(loss) before tax £'000
<b>Continuing operations</b>								
Vicon Group	4,919	(207)	(3,654)	1,058	9,189	(215)	(3,243)	5,731
Smart manufacturing	252	(262)	(304)	(314)	-	-	-	-
Unallocated	(1,431)	(489)	3,958	2,038	(1,690)	(8)	3,243	1,545
Total continuing operations	3,740	(958)	-	2,782	7,499	(223)	-	7,276
<b>Discontinued operations</b>								
Vicon UK - IMU	(895)	(1,345)	-	(2,240)	(954)	(72)	-	(1,026)
<b>Oxford Metrics Group</b>	<b>2,845</b>	<b>(2,303)</b>	<b>-</b>	<b>542</b>	<b>6,545</b>	<b>(295)</b>	<b>-</b>	<b>6,250</b>

	Non-current assets (Audited)		Additions to non-current assets (Audited)		Carrying amount of segment assets (Audited)		Carrying amount of segment liabilities (Audited)	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Vicon Group	16,440	15,773	4,684	5,883	35,767	41,268	(11,292)	(16,833)
Smart manufacturing	9,038	-	8,858	-	10,593	-	(1,872)	-
Unallocated	263	281	7	55	53,250	63,950	(1,301)	(1,128)
OMG Life Group*	-	-	-	-	(6,052)	(6,052)	-	-
<b>Oxford Metrics Group</b>	<b>25,741</b>	<b>16,054</b>	<b>13,549</b>	<b>5,938</b>	<b>93,558</b>	<b>99,166</b>	<b>(14,465)</b>	<b>(17,961)</b>

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



## 5. Profit for the year

The profit for the year is stated after charging / (crediting):

	(Audited) 2024 £'000	(Audited) 2023 £'000
Amortisation of right of use assets	1,021	523
Depreciation of property, plant and equipment - owned	955	639
Amortisation of intellectual property	394	274
Amortisation of customer relationships	124	-
Amortisation of brand	17	-
Amortisation of development costs	1,561	1,462
Impairment of development costs	-	217
Impairment of intellectual property	197	-
Impairment of goodwill	1,076	-
Share based payments – equity settled	-	25
Share option charges	211	34
Foreign exchange loss/(gain)	601	(108)

## 6. Reconciliation of adjusted profit before tax

The adjusted profit before tax is considered by the Board to more accurately reflect the underlying operating performance of the business on a go-forward basis and complements the statutory measure as reported in the Consolidated Income Statement.

The reconciliation of profit before tax to adjusted profit provided below includes items that are:

- non-recurring in nature, such as redundancy costs incurred from time to time and acquisition costs.
- non-cash moving items which arise from the accounting treatment of share based payments and the amortisation of acquired intangibles which affect neither future operating performance nor cash generation.

The above definition has been consistently applied historically and is the measure by which the market generally judges PBT performance.

# Oxford Metrics

	(Audited) 2024 £'000	(Audited) 2023 £'000
Profit before tax – continuing operations	2,782	7,276
Share option charges	211	34
Amortisation of intangibles arising on acquisition	452	189
Acquisition costs	295	-
<b>Adjusted profit before tax – continuing operations</b>	<b>3,740</b>	<b>7,499</b>
Profit before tax – discontinued operations	(2,240)	(1,026)
Amortisation of intangibles arising on acquisition	72	72
Impairment of goodwill and intangible assets	1,273	-
<b>Adjusted profit before tax – discontinued operations</b>	<b>(895)</b>	<b>(954)</b>
<b>Adjusted profit before tax – total operations</b>	<b>2,845</b>	<b>6,545</b>

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

Basic earnings per share (pence)	2.96p	5.29p
Diluted earnings per share (pence)	2.93p	5.26p

## 7. Taxation

The tax is based on the profit for the year and represents:

	(Audited) 2024 £'000	(Audited) 2023 £'000
United Kingdom corporation tax at 25.0% (2023: 22.0%)	1	218
Overseas taxation	288	143
Adjustments in respect of prior year	(140)	15
Current taxation	149	376
Deferred taxation	(365)	218
<b>Total taxation (credit)/expense</b>	<b>(216)</b>	<b>594</b>

In the prior year UK corporation tax was calculated at 19.0% up to 31 March 2023 and 25.0% from 1 April 2023. This gives rise to a blended tax rate of 22.0% for the prior year.

Continuing and discontinued operations:

	(Audited) 2024 £'000	(Audited) 2023 £'000
Income tax (credit)/expense from continuing operations	(149)	612
Income tax credit from discontinued operations excluding gain on sale	(67)	(18)
<b>Total tax (credit)/ expense</b>	<b>(216)</b>	<b>594</b>

At 30 September 2024, the Group had an undiscounted deferred tax asset of £2,266,000 (2023: £1,618,000). The asset comprises principally short term timing differences, future tax relief available on the exercise of outstanding employee share options in Oxford Metrics plc and unrelieved trading losses carried forward for which recoverability is reasonably certain.

Deferred tax assets and liabilities have been measured at an effective rate of 25% in both the UK and USA (2023: 25%).

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 25.0% (2023: lower than the blended rate of 22%).

# Oxford Metrics

The differences are explained as follows:

	(Audited) 2024 £'000	(Audited) 2023 £'000
Profit for the year	758	5,656
Income tax (credit)/expense including discontinued operations	(216)	594
Profit on ordinary activities before tax	542	6,250
Expected tax expense based on the rate of corporation tax in the UK of 25.0% (2023: 22.0%)	136	1,375
Effect of:		
Expenses not deductible for tax purposes	436	82
Movement in unrecognised deferred tax asset	281	149
Adjustments to tax charge in respect of prior year current tax	(140)	15
Adjustments to tax charge in respect of prior year deferred tax	(84)	(309)
Higher rates on overseas taxation	(70)	44
Research and development enhanced deduction	(775)	(682)
Effect of tax rate change	-	(80)
Total tax (credit)/expense	(216)	594

## 8. Earnings/(loss) per share

	(Audited) 2024			(Audited) 2023		
	Earnings	Weighted average number of shares	Per share amount	Earnings	Weighted average number of shares	Per share amount
	£'000	'000	pence	£'000	'000	pence
<b>Continuing operations</b>						
<b>Basic earnings per share</b>						
Earnings attributable to ordinary shareholders	2,931	131,338	2.24	6,664	130,162	5.13
Dilutive effect of employee share options	-	1,504	(0.02)	-	904	(0.03)
<b>Diluted earnings per share</b>	<b>2,931</b>	<b>132,842</b>	<b>2.22</b>	<b>6,664</b>	<b>131,066</b>	<b>5.10</b>
<b>Discontinued operations</b>						
<b>Basic earnings per share</b>						
Earnings attributable to ordinary shareholders	(2,173)	131,338	(1.66)	(1,008)	130,162	(0.78)
Dilutive effect of employee share options	-	1,504	-	-	904	-
<b>Diluted earnings per share</b>	<b>(2,173)</b>	<b>132,842</b>	<b>(1.66)</b>	<b>(1,008)</b>	<b>131,066</b>	<b>(0.78)</b>
<b>Total operations</b>						
<b>Basic earnings per share</b>						
Earnings attributable to ordinary shareholders	758	131,338	0.58	5,656	130,162	4.35
Dilutive effect of employee share options	-	1,504	(0.02)	-	904	(0.03)
<b>Diluted earnings per share</b>	<b>758</b>	<b>132,842</b>	<b>0.56</b>	<b>5,656</b>	<b>131,066</b>	<b>4.32</b>

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares (share options). For share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscriptions rights and outstanding share based payment charges attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise price of the share options.

## 9. Dividends

	(Audited) 2024 £'000	(Audited) 2023 £'000
<b>Equity - ordinary</b>		
Final 2023 paid in 2024 (2.75 pence per share)	<b>3,615</b>	-
Final 2022 paid in 2023 (2.50 pence per share)	-	3,246
	<b>3,615</b>	3,246

The directors are proposing a final dividend in respect of the financial year ended 30 September 2024 of 3.25 pence per share (2023: 2.75 pence per share) which will absorb an estimated £4,218,000 of shareholders' funds. This dividend will be paid on 5 March 2025 to shareholders who are on the register of members at close of business on 13 December 2024 subject to approval at the AGM. These dividends have not been accrued in these financial statements.

## 10. Copies of announcement

Copies of this announcement 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](http://www.oxfordmetrics.com).