PINEWOOD

Pinewood Group Limited

Report as at and for the 3 months to 30 June 2024

First quarter highlights – FY25

Company and industry highlights

- The BFI reported UK film and high-end television ("HETV") production spend for the quarter to June 2024 of £0.9 billion, a threefold increase from the £0.2 billion spend of Q1 2024. This trend is attributable to the gradual return to production following the US writers' and actors' strikes during 2023, rather than a general uptick in the market.
- Productions continue to return to our studios following these strikes and with the prospect of an IATSE crew strike now looking unlikely. A total of 18 productions are onsite across Pinewood and Shepperton Studios and at Pinewood Toronto Studios ('PTS'). We expect production activity to pick up throughout the year.
- The Shepperton Studios' expansion programme (c.940k sq ft total area) completed in FY24, and the production accommodation was fully let for the entire quarter(1) to Amazon MGM Studios ('Amazon') and Netflix under long-term contracts.
- Strong Adjusted EBITDA growth of 42% to £31 million (Q1 FY24: £22 million) for the Group, with growth principally driven by the additional capacity at Shepperton Studios.
- Adjusted EBITDA margin was 63.5%, 1.7ppt higher than the comparable period last year.
- Now in its third year, a new cohort of trainees began on Pinewood's 'Behind the Screen' programme, which aims to help those currently out of work take their first step into the world of film and TV.

Financial highlights

The table below provides an overview of key performance indicators for the period:

	3 months to 30 Jun 2024 £'000	3 months to 30 Jun 2023 £'000	Year to 31 Mar 2024 £'000
Turnover	**49,342**	35,691	146,473
Adjusted EBITDA	**31,324**	22,041	86,048
Adjusted EBITDA margin	**63.5%**	61.8%	58.7%
Cash generated from operations	**20,874**	4,918	88,694
Adjusted capital expenditure*	**(4,654)**	(76,476)	(199,897)
Senior secured notes	**(1,340,296)**	(1,050,000)	(1,800,000)
Bank loans	**(101,152)**	(104,031)	(102,355)
UK Government gilts	**300,000**	-	-
Cash and cash equivalents	**91,565**	154,117	828,136
Adjusted net debt	**(1,049,883)**	(999,914)	(1,074,219)

Following a refinancing in March 2024, the Group held cash balances of £828.1 million at the start of the financial year. In April 2024, the Group repaid £459.7 million principal value of senior secured notes with the proceeds and invested £290.3 million in fixed-rate UK Government gilts with principal value of £300.0 million, maturing in September 2025.

Well positioned for growth with the industry strikes now behind us

David Conway, CEO, commented:

"Following completion of our growth programme, it is of note that we have started this financial year with significantly more stage and other production space than at the same point last year, and I am delighted that our customers are settling into our newly expanded Shepperton Studios and Pinewood Toronto Studios sites.

Our UK and Toronto studios are increasingly busy, with 18 productions at various stages of production currently on site. This is just one illustration of the industry starting to rebuild after a tough 2023 for the sector due to strike action in the US."

The next Investor update is scheduled for 13 November 2024.

Footnotes applicable to this announcement:

(1) Construction of two sound stages and one office/ workshop building was completed, and under long-term rental contract by the end of April 2024. This concluded the delivery of the current studio expansion works at Shepperton Studios.

*** Capital expenditure** represents the total purchase of property, plant and equipment, purchase of intangible assets, investment in and repayment from participating interests, net of proceeds from disposal of property, plant and equipment, intangibles, investments, and participating interests.

** **Excluding adjusted items**

*** **Contribution** represents gross profit excluding depreciation charges, but before any indirect costs such as maintenance, business rates, security, cleaning and other costs, which cannot be allocated by business line

For further information, please write to Investor.Relations@pinewoodgroup.com

General information

Pinewood is the leading independent operator of the real estate that is required for the production of film and television content. Founded in 1936 and headquartered in the United Kingdom, Pinewood owns premium, large-scale facilities also known as studios, for hosting film, television and other media productions. Our studios are located in prime locations, which makes Pinewood, Shepperton and Pinewood Toronto Studios the preferred choice for major film and high-end television production companies. Pinewood branded studios have hosted over 2,600 films and nearly 900 TV productions, among them +170 Oscar winners, +230 BAFTA winners and numerous blockbuster film productions with budgets of over US$100 million.

Presentation of financial information

Unless otherwise indicated, the financial information presented in this report is the historical consolidated financial information of the Group. This report includes or derives information from the following financial sources:

- The unaudited consolidated financial information of the Group as of and for the 3 months ended 30 June 2024 ("Q1 FY25"), and the comparative period as of and for the 3 months ended 30 June 2023 ("Q1 FY24") prepared in accordance with FRS 104: "Interim Financial Reporting".
- The audited consolidated financial information of the Group as of and for the year ended 31 March 2024 ("FY24"), and the comparative period as of and for the year ended 31 March 2023 ("FY23") prepared in accordance with FRS 102: "The Financial Reporting Standard Applicable in the UK and Republic of Ireland". The financial year for the Group runs from 1 April following the previous financial year end to 31 March each calendar year.

Further information for the noteholders

This report was prepared in accordance with the indentures dated 25 September 2019, and 2 December 2021 among Pinewood Finco PLC, as issuer, the guarantors named therein, Deutsche Trustee Company Limited, as Trustee, and Deutsche Bank AG London Branch, as security agent, and principal paying agent, and Deutsche Bank Luxembourg S.A. as transfer agent and registrar. This report was also prepared in accordance with the indenture dated 28 March 2024 among Pinewood Finco PLC, as issuer, the guarantors named therein, Deutsche Trustee Company Limited, as Trustee, and Deutsche Bank AG London Branch, as security agent, principal paying agent and transfer agent and Deutsche Bank Luxembourg S.A. as registrar.

This report may include forward-looking statements. All statements other than statements of historical fact included in this report, including those regarding the Group's financial position, business and acquisition strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the out-turned results, performance or achievements of the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. Many factors could cause the out-turned results, performance, or achievements to differ materially from those in the forward-looking statements. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this interim report. The Group expressly disclaims any obligations or undertaking, except as required by applicable law and regulations to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

The financial results presented in this presentation are preliminary and may change. This financial information includes calculations or figures that have been prepared internally by management and have not been reviewed or audited by our independent auditors. There can be no assurance that the Group's actual results for the period presented herein will not differ from the preliminary financial data presented herein and such changes could be material. This preliminary financial data should not be viewed as a substitute for full financial statements prepared in accordance with FRS 102 and is not necessarily indicative of the results to be achieved for any future periods. This preliminary financial information, and previously reported amounts, could be impacted by the effects of further review by the Board of Directors.

Use of non-GAAP financial information

This report contains certain non-UK GAAP and non-IFRS financial measures and ratios, including, adjusted EBITDA, adjusted EBITDA margin, adjusted net debt, and certain other measures (collectively, "**Non-GAAP Measures**") that are not required by, or presented in accordance with UK GAAP, IFRS or the accounting measures of any other jurisdiction. In addition, where narrative information given in this report excludes the impact of adjusted items and, therefore, refers to non-GAAP measures, this is indicated in the information given.

In this report, "adjusted EBITDA" is calculated as profit before interest receivable and similar income, interest payable and similar charges, tax charge/credit on profit/loss, depreciation of property, plant and equipment, impairment of long-term assets, amortisation of goodwill and intangibles, gain/loss on disposal of property, plant and equipment, intangibles, participating interests and investments, and adjusted items.

In this interim report, "adjusted EBITDA margin" is calculated as adjusted EBITDA (which includes the impact of income from participating interests and based on financial statements prepared in accordance with UK GAAP) divided by turnover (which does not include the impact of turnover from participating interests).

In this report, "adjusted net debt" is calculated as debt, ignoring accrued interest and the unamortised loan issue costs, net of cash balances and deposits where the tenure on the deposit accounts are equal to or less than one year.

Financial update for the period to 30 June 2024

Adjusted results of operations

	3 months to	
	30 Jun 2024 £'000	30 Jun 2023 £'000
Turnover	**49,342**	35,691
Cost of sales	**(26,627)**	(15,829)
Gross profit	**22,715**	19,862
Selling, distribution and administrative expenses	**(3,719)**	(3,301)
Other operating (expense)/income **	**-**	-
**Operating profit ** **	**18,996**	16,561
Income from participating interests	**137**	463
Interest receivable and similar income	**5,849**	3,917
Interest payable and similar charges	**(18,234)**	(11,079)
**Profit before taxation ** **	**6,748**	9,862
Tax charge **	**(2,219)**	(2,983)
**Profit after taxation ** **	**4,529**	6,879

Turnover

The quarter to June 2024 reflects the first reporting period since the completion of the Group's latest growth programme and, consequently, quarterly revenue of £49.3 million was 38% or £13.6 million ahead of the prior year period (Q1 FY24: £35.7 million). Revenue growth from the additional fully-let Global Studios capacity, was marginally offset by other smaller reductions as our customers gradually returned to content production following the industry strikes in 2023.

Incremental studio capacity was delivered by the Shepperton Studios expansion programme, a full quarter of trading at PTS following the acquisition of the Toronto studio in May 2023, together with the new long-term contract with Amazon for five stages and associated accommodation at PTS which began in December 2023. The first, smaller North West phase of the Shepperton Studios expansion was fully let from October 2023, and there was a phased start to the long-term rental contracts at the Shepperton South development over the course of February to April 2024.

With levels of content production continuing to build across the start of the financial year, a healthy but lower level of studio resale income was recognised in Global Studios. Further, as energy prices reduce, energy costs that are passed through at cost to customers were lower than the prior year quarter. Finally, Post Production revenues continued to grow compared with the end of the last financial year, although have remained lower than the prior year quarter as discussed later in this report.

Cost of sales

Cost of sales increased by £10.8 million to £26.6 million in the quarter (Q1 FY24: £15.8 million). Increased depreciation as a result of the Group's growth projects, mainly being the Shepperton Studios expansion, contributed £6.8 million of this increase compared with the same quarter last year. Indirect costs associated with the studio expansion (e.g. business rates, insurance, security services) delivered most of the remaining cost increase, with business rates payable on the new Shepperton accommodation now subject to the UK Government's 40% relief scheme. In legacy areas of the estate, the anticipated increase in business rates after the benefit of the Government's transitional relief scheme, was offset by the reduction in the cost of energy as noted above.

Gross profit

Gross profit for the quarter was £22.7 million (Q1 FY24: £19.9 million), an increase of £2.8 million compared with the prior year quarter. Again, this increase was driven by growth projects, with some offsetting effects such as depreciation charges, other operating costs and business rates from the expansions.

The gross profit margin for the quarter of 46.0% was 9.6ppt below the prior year period (Q1 FY24: 55.6%). Whilst the studio expansion created positive impacts on the Group's gross profit, the associated depreciation created a non-cash drag on the Group's gross profit margin percentage.

Selling, distribution, administrative and other income/ expenses*

Selling, distribution, administrative and other expenses totalled £3.7 million in the quarter, an increase of £0.4 million compared with the prior year quarter (Q1 FY24: £3.3 million). The increase in costs was predominantly due to an additional one month of goodwill amortisation arising on the acquisition of PTS. The additional studio capacity in the UK did not impact the overall selling and administrative costs, due to economies of scale within the business model.

Operating profit *

Adjusted operating profit for the quarter of £19.0 million was £2.4 million above that of the prior year quarter (Q1 FY24: £16.6 million).

The resultant operating profit margin for the quarter of 38.5% was 7.9ppt lower than the prior year quarter (Q1 FY24: 46.4%). This was because the EBITDA benefit of increased studio capacity was offset by the depreciation charges associated with the Shepperton expansion and the depreciation and amortisation of fair value accounting on acquisition of PTS.

Income from participating interests

Our associate lighting business, PMBS Holding Limited ('PMBS'), offers lighting services across numerous UK-based film studios and has an exclusive lighting contract at the Group's UK studios. As with other businesses offering production services to film and HETV productions, lighting services were significantly curtailed during the industry strikes in 2023. Due to their position in the production cycle, the lighting industry is waiting to realise the full benefit of production activity resuming. PMBS continued to return to the studios in the quarter, and the Group recognised its £0.1 million share of their post-tax results.

Interest receivable and similar income

Interest receivable and similar income of £5.8 million in the quarter was £1.9 million above that of the prior year quarter (Q1 FY24: £3.9 million). Following the refinancing and tender offer of the £750 million 3.25% senior secured notes in March 2024, £290.3 million of funds received were invested in fixed-rate UK Government gilts, which delivered £2.8 million of additional interest income in the quarter. This increase was partially offset by a lower level of fair value gains on our financial instruments, together with lower interest receivable from the Group's parent company following an injection of funds towards the end of April 2023 for the acquisition of PTS.

Interest payable and similar charges

Interest payable and similar charges, at £18.2 million in the quarter, were £7.1 million higher than those of the prior year quarter (Q1 FY24: £11.1 million). This increase was substantially due to a refinancing at the end of March 2024, with £750 million 6.0% senior secured notes raised, and the repayment of principal value £459.7 million 3.25% senior secured notes.

Tax charge *

Adjusted Profit before tax in the quarter was £6.7 million (Q1 FY24: £9.9 million), with the £2.4 million improvement in adjusted operating profit, more than offset by £5.2 million higher net interest charges and £0.4 million lower returns from participating interests. The adjusted tax charge for the quarter was £2.2 million (Q1 FY24: £3.0 million), which represents an adjusted effective tax rate of 32.9% (Q1 FY24: 30.2%). In both periods, the adjusted effective tax rate is impacted by goodwill amortisation charges which are not deductible for tax purposes, and depreciation charges associated with certain assets which do not attract tax-related capital allowances.

Segmental reporting

The Group manages and reports its business under the following segments:

- ***Global Studios*** represents our core business, being the provision of production accommodation to film and high-end television production companies, together with the rental of other serviced accommodation at our studios.
- ***Production Services*** represents our ancillary businesses, including Post Production, Television, as well as international sales and marketing and profit sharing agreements.

Key information reported by business segment and geographic area is:

	3 months to	
	30 Jun 2024 £'000	30 Jun 2023 £'000
Revenue by operating segment		
Global Studios	**46,533**	31,616
Production Services	**2,809**	4,075
Total revenue	**49,342**	35,691
Revenue by Geography		
UK	**44,725**	33,582
North America	**4,617**	2,109
Total revenue	**49,342**	35,691
Contribution ***		
Global Studios	**43,051**	27,220
Production Services	**1,380**	2,434
Total segmental Contribution	**44,431**	29,654

Revenue

During the quarter, Global Studios' revenue improved by £14.9 million. The recent growth programme delivered additional studio capacity at Shepperton Studios, a full quarter of trading at PTS following the acquisition of the studios in May 2023, together with PTS's new long-term contract with Amazon. The £1.3 million reduction in Production Services' revenues mainly related to the continuing impact of the strikes on our Post Production business as customers' content production schedules remain impacted, and a reduction in the commissioning of TV shows by UK broadcasters (experienced across the market) impacting TV studio rentals.

Contribution***

Contribution represents gross profit excluding (i) depreciation charges and (ii) indirect costs, which cannot be attributed by business line, such as security, cleaning, maintenance, and business rates.

The Global Studios increase in contribution of £15.8 million compared with the prior year quarter was due to growth projects described in the sections above, partially offset by a healthy but lower level of resale income at the legacy studios. The £1.1 million reduction in Production Services' contribution was due to impacts described in the Revenue section above.

Adjusted EBITDA

Adjusted EBITDA at £31.3 million (Q1 FY24: £22.0 million) reflected strong underlying growth in Global Studios capacity, mainly at Shepperton Studios, and the start of PTS's new long-term contract with Amazon. This increase was slightly reduced by the residual impact of the strikes on the Production Services contribution and our associate lighting company's equity returns, together with a reduction in resale income from the particularly high level seen in Q1 of last year.

Adjusted EBITDA margin of 63.5% in the first quarter of the financial year was 1.7ppt above that of the 61.8% margin achieved in the prior year quarter. The additional higher contribution margin arising from studio expansion in Global Studios, more than offset the lower returns from the Production Services and associated lighting businesses.

Reconciliation of profit after taxation to adjusted EBITDA	**3 months to**	
	30 Jun 2024 £'000	30 Jun 2023 £'000
Profit after taxation (incl. adjusted items)	**4,123**	5,950
Tax charge on profit	**2,057**	2,599
Net interest payable and other charges	**12,385**	7,162
Depreciation of property, plant and equipment	**10,806**	4,026
Amortisation of intangible assets	**1,385**	991
Loss on disposal of property, plant & equipment	**-**	-
EBITDA	**30,756**	20,728
Adjusted items	**568**	1,313
Adjusted EBITDA	**31,324**	22,041

Adjusted items

During the 3-month periods to 30 June 2024 and 30 June 2023, there was one item presented as an adjusted item. In financial year to 31 March 2022, the Group had set aside funds to establish a long-term incentive plan to incentivise and retain certain senior members of staff following the recapitalisation of the business in that financial year. Payments made under this plan are also intended to reward individuals for their past performance in developing the Group. In the period to 30 June 2024, the plan gave rise to adjusted charges of £0.6 million (Q1 FY24: £1.3 million), with associated tax credits at 28.5% of £0.2 million (Q1 FY24: £0.4 million). Continuing the treatment from last year, this has been presented as an adjusted item as the incentive plan is considered unusual in size and is, therefore, of limited long-term predictive value. The long-term incentive plan is expected to give rise to charges and payments over the period to December 2025.

Liquidity and capital resources

Group statement of cash flows

The Group commenced the year with cash and cash equivalents of £828.1 million, having closed a refinancing under a tender offer of the Group's £750.0 million 3.25% senior secured notes due September 2025 on the last working day of the previous financial year. In April 2024, £454.0 million was used to settle notes with a principal value of £459.7 million, and £290.3 million was invested in fixed-rate UK Government gilts, maturing in September 2025 when the remaining notes are due to be settled. Largely as a result of these investing and financing activities at the start of the financial year, as expected, the Group's cash and cash equivalents balances reduced in the quarter to £91.6 million.

	Quarter to	
	30 Jun 2024 £'000	30 Jun 2023 £'000
Cash flow from operating activities before working capital changes	**30,615**	20,264
Net change in working capital	**(9,741)**	(15,346)
Cash generated/ (used) by operations	**20,874**	4,918
Net interest paid	**(5,204)**	(5,860)
Net income tax refunded/ (paid)	**1,592**	(360)
Net cash flow from/ (used by) operating activities	**17,262**	(1,302)
Investment in subsidiaries	**-**	(246,493)
Purchase of property, plant and equipment net of disposal proceeds	**(4,654)**	(76,476)
Purchase of securities	**(290,300)**	-
Repayment of loan by parent company	**-**	125,000
Net cash flow used in investing activities	**(294,954)**	(197,969)
Net cash flow (used in)/ from financing activities	**(458,713)**	102,101
Net (decrease)/ increase in cash and cash equivalents	**(736,405)**	(97,170)
Currency exchange movement	**(166)**	(885)
Cash and cash equivalents at the start of the period	**828,136**	252,172
Cash and cash equivalents at the end of the period	**91,565**	154,117

Net cash flow from operating activities

Cash generated through operating activities, after interest and tax, of £17.3 million reflected an improvement of £18.6 million compared with the prior year quarter. This improvement was due to the following factors:

i. A £10.3 million increase in cash flows from operating activities before movement in working capital to £30.6 million (Q1 FY24: £20.3 million), mainly attributable to a £9.3 million increase in adjusted EBITDA as described above as well as other smaller factors.

ii. A £5.6 million lower working capital outflow to £9.7 million in the quarter (Q1 FY24: £15.3 million). A significant proportion of rentals are received in advance of each calendar year, and the working capital outflows in both periods are largely due to the net unwind of the resultant deferred income balances. However, with the start of the new leases being phased across the end of FY24 and into FY25, certain rentals for Q1 and Q2 FY25 were billed and received in the quarter, so leading to a one-off improvement in working capital at the start of the leases.

iii. A £0.7 million reduction in net interest payments, following a higher level of bank interest received on the refinancing proceeds held prior to the repayment of a tranche of the 3.25% senior secured notes and the investment of the remaining proceeds into UK Government gilts.

iv. A £2.0 million improvement in income tax to £1.6 million recovered (Q1 FY24: £0.4 million paid). The Group is claiming capital allowance tax benefits on expenditure in relation to the studio expansion programme in the UK. Whilst these allowances offset UK taxable profits in the prior year, in Q1 FY25 the Group made its first instalment of UK corporation tax whilst continuing to benefit in part from unused allowances brought forward from prior years. These payments in the UK and tax payments in Canada, were more than offset by a refund of UK corporation tax following a finalised capital allowance claim for prior years.

Net cash flow from investing activities

Net cash outflow from investing activities totalled £295.0 million in the quarter (Q1 FY24: £198.0 million). The Group invested £290.3 million of proceeds from the recent refinancing in gilts maturing in September 2025, and invested a further £4.7 million in capital expenditure*, mainly being the remaining elements of the studio expansion programme at Shepperton.

In the prior year quarter, the Group received a partial repayment of £125.0 million for the loan to its parent company and invested £246.5 million in the acquisition of PTS. Additionally, the Group invested £76.5 million in capital expenditure* which also predominantly related to UK studio expansion programme.

Net cash flow from financing activities

Net cash flow from financing activities amounted to a £458.7 million outflow (Q1 FY24: £102.1 million inflow). Following the refinancing in March 2024, the Group paid £454.0 million to settle a tranche of the senior notes due September 2025, together with £4.7 million of fees associated with the recent refinancing exercise.

In the prior year quarter, the Group received £102.1 million from a bank loan raised to fund the acquisition of PTS.

Adjusted net debt

Adjusted net debt comprises the principal amount of the Group's senior secured notes, bank loans and any drawing under the Group's RCF (thereby ignoring interest accruals, capitalised issue fees paid and premiums received), net of cash and cash equivalents as well as deposits and securities of tenure of no more than 24 months.

	30 Jun 2024 £'000	**31 Mar 2024 £'000**	**31 Jun 2023 £'000**
Senior secured notes	(1,340,296)	(1,800,000)	(1,050,000)
Bank loans	(101,152)	(102,355)	(104,031)
Revolving credit facility	-	-	-
Less:			
Cash and cash equivalents	91,565	828,136	154,117
UK Government gilts	300,000	-	-
Adjusted net debt	**(1,049,883)**	**(1,074,219)**	**(999,914)**

Adjusted net debt at 30 June 2024 was £1,049.9 million, based on £1,340.3 million of senior secured notes, a Canadian $ bank loan of £101.2 million, cash and cash equivalents of £91.6 million and UK Government gilts. In April 2024, £290.3 million of proceeds from the March 2024 refinancing were invested in fixed-rate UK Government gilts with a principal value of £300.0 million. The Group plans to hold these gilts until maturity in September 2025, which coincides with the maturity of the remaining 3.25% notes.

Cash and cash equivalents were held with several banks rated A/A1/A+ or higher. Separately, the UK Government gilts are held in custodian accounts. The Group does not invest in money market funds.

The Group's Loan to Value ("LTV") metric was to 34.9%. This is based on the UK valuation performed by JLL at March 2024, as well as the JLL valuation of Pinewood Toronto Studios of C$445 million (c.£257 million) as of April 2023.

Finally, we may from time to time seek to retire or purchase our outstanding debt through cash purchases in open market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material.

Pinewood Group Limited

Interim condensed consolidated financial statements

Period ended 30 June 2024

Company Registration Number: 03889552

Group Statement of Comprehensive Income
for the three month period ended 30 June 2024

		3 months ended 30 June 2024			3 months ended 30 June 2023			Full year 31 Mar 2024
		Adjusted	**Adjusted items**	**Total**	Adjusted	Adjusted items	Total	Total
	Note	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000	£'000
Turnover	3	**49,342**	**-**	**49,342**	35,691	-	35,691	146,473
Cost of sales		**(26,627)**	**-**	**(26,627)**	(15,829)	-	(15,829)	(71,399)
Gross profit		**22,715**	**-**	**22,715**	19,862	-	19,862	75,074
Selling and distribution costs		**(179)**	**-**	**(179)**	(231)	-	(231)	(1,241)
Administrative expenses		**(3,540)**	**-**	**(3,540)**	(3,070)	-	(3,070)	(13,423)
Other operating expenses	2	**-**	**(568)**	**(568)**	-	(1,313)	(1,313)	(4,226)
Operating profit/(loss)	4	**18,996**	**(568)**	**18,428**	16,561	(1,313)	15,248	56,184
Income/(loss) from participating interests	8	**137**	**-**	**137**	463	-	463	(1,295)
Interest receivable and similar income	5	**5,849**	**-**	**5,849**	3,917	-	3,917	13,971
Interest payable and similar charges	6	**(18,234)**	**-**	**(18,234)**	(11,079)	-	(11,079)	(44,275)
Profit/(loss) before taxation		**6,748**	**(568)**	**6,180**	9,862	(1,313)	8,549	24,585
Tax (charge)/credit	2,7	**(2,219)**	**162**	**(2,057)**	(2,983)	384	(2,599)	(8,252)
Profit/(loss) after taxation attributable to equity shareholders		**4,529**	**(406)**	**4,123**	6,879	(929)	5,950	16,333
Other comprehensive income								
Currency exchange differences		**(1,695)**	**-**	**(1,695)**	1,237	-	1,237	(1,135)
Net cash flow hedging (losses)/gains		**(69)**	**-**	**(69)**	598	-	598	1,635
Net cash flow hedging gains transferred to profit or loss		**(334)**	**-**	**(334)**	-	-	-	(1,731)
Total other comprehensive (loss)/income		**(2,098)**	**-**	**(2,098)**	1,835	-	1,835	(1,231)
Total comprehensive income/(loss)		**2,431**	**(406)**	**2,025**	8,714	(929)	7,785	15,102

The notes on pages 18 to 30 form part of these financial statements.

Group Statement of Financial Position

as at 30 June 2024

	Note	**30 June 2024 £'000**	30 June 2023 £'000	31 Mar 2024 £'000
Assets				
Non-current assets				
Intangible assets	9	**44,380**	49,956	46,252
Property, plant and equipment	10	**1,153,322**	1,073,447	1,165,504
Interests in associates	8	**9,461**	10,708	9,229
Derivative financial instruments	16	**964**	2,575	1,181
Securities	11	**291,258**	-	-
Trade and other receivables	12	**234,504**	227,862	232,844
		1,733,889	1,364,548	1,455,010
Current assets				
Inventories		**72**	77	72
Derivative financial instruments	16	**856**	1,761	1,278
Securities	11	**1,907**	-	-
Trade and other receivables	12	**25,812**	27,236	36,054
Cash and cash equivalents		**91,565**	154,117	828,136
		120,212	183,191	865,540
Total assets		**1,854,101**	1,547,739	2,320,550
Equity and liabilities				
Share capital	13	**1**	1	1
Translation reserve	14	**(693)**	3,374	1,002
Cashflow hedge reserve	14	**858**	1,955	1,261
Retained earnings	14	**226,478**	211,972	222,355
Total equity		**226,644**	217,302	224,619
Non-current liabilities				
Interest bearing loans and borrowings	15	**1,434,610**	1,149,353	1,435,616
Deferred tax liabilities		**65,301**	61,269	65,069
		1,499,911	1,210,622	1,500,685
Current liabilities				
Interest bearing loans and borrowings	15	**15,280**	7,464	458,492
Trade and other payables	17	**106,486**	106,406	130,905
Provisions	18	**5,780**	5,945	5,849
		127,546	119,815	595,246
Total liabilities		**1,627,457**	1,330,437	2,095,931
Total equity and liabilities		**1,854,101**	1,547,739	2,320,550

Group Statement of Cash Flows

for the three month period ended 30 June 2024

	Note	3 months ended 30 Jun **2024** **£'000**	2023 £'000	Year ended 31 Mar 2024 £'000
Cash flow from operating activities:				
Profit before taxation		**6,180**	8,549	24,585
Adjustments to reconcile profit before taxation to net cash flows:				
Depreciation and amortisation	4	**12,191**	5,017	26,933
(Income)/loss from participating interests	8	**(137)**	(463)	1,295
Unrealised foreign exchange (gain)/loss		**(4)**	(1)	1
Interest receivable and similar income	5	**(5,849)**	(3,917)	(13,971)
Interest payable and similar charges	6	**18,234**	11,079	44,275
Cash flow from operating activities before changes in working capital		**30,615**	20,264	83,118
Decrease/(increase) in trade and other receivables		**7,404**	1,396	(2,666)
Decrease in inventories		**-**	29	34
(Decrease)/increase in trade and other payables		**(17,145)**	(16,771)	8,208
Cash generated from operations		**20,874**	4,918	88,694
Interest paid		**(7,383)**	(7,251)	(43,500)
Interest received		**2,179**	1,391	5,015
Net income tax recovered/(paid)		**1,592**	(360)	(328)
Net cash flow from/(used in) operating activities		**17,262**	(1,302)	49,881
Cash flow (used in)/from investing activities:				
Investment in subsidiaries (net of acquired cash)		**-**	(246,493)	(247,942)
Purchase of property, plant and equipment		**(4,654)**	(76,476)	(199,865)
Purchase of intangible assets		**-**	-	(32)
Purchase of securities		**(290,300)**	-	-
Repayment of loan by parent company		**-**	125,000	125,000
Net cash flow used in investing activities		**(294,954)**	(197,969)	(322,839)
Cash flow (used in)/from financing activities:				
Settlement of Senior Secured Notes tender offer		**(453,958)**	-	-
Payment of Senior Secured Notes tender offer fees		**(488)**	-	-
Proceeds from term loan financing net of fees		**-**	102,101	101,520
Proceeds from issue of Senior Secured Notes net of fees		**-**	-	750,000
Payment of Senior Secured Notes issue costs and finance arrangement fees		**(4,267)**	-	(1,613)
Net cash flow (used in)/from financing activities		**(458,713)**	102,101	849,907
Net (decrease)/increase in cash and cash equivalents		**(736,405)**	(97,170)	576,949
Currency exchange movement		**(166)**	(885)	(985)
Cash and cash equivalents at the start of the period		**828,136**	252,172	252,172
Cash and cash equivalents at the end of the period		**91,565**	154,117	828,136

Reconciliation of Movement in Net Debt
for the three month period ended 30 June 2024

	3 months ended 30 June		Year ended
	2024	2023	31 Mar 2024
	£'000	£'000	£'000
Net (decrease)/increase in cash and cash equivalents	**(736,405)**	(97,170)	576,949
Currency exchange movement	**1,067**	(2,160)	(474)
Payment of interest on Senior Secured Notes	**5,506**	5,393	35,250
Payment of interest on term loan (net of cash flow hedging receipt)	**1,495**	1,465	5,852
Proceeds from issue of Senior Secured Notes	**-**	-	(750,000)
Proceeds from term loan financing (net of fees paid)	**-**	(102,101)	(101,520)
Payment of Senior Secured Notes issue costs	**-**	-	1,056
Movement in loan issue costs accrued	**33**	414	3,949
Settlement of Senior Secured Notes tender offer	**453,958**	-	-
Gain on Senior Secured Notes tender offer	**-**	-	4,054
Interest expense on Senior Secured Notes	**(16,355)**	(8,992)	(36,753)
Interest expense on term loan (including effect of cash flow hedging)	**(1,560)**	(987)	(5,538)
Derivative gains recognised in other comprehensive income	**(548)**	2,862	1,717
Movement in net debt	**(292,809)**	(201,276)	(265,458)
Net debt at the start of the period	**(1,063,790)**	(798,332)	(798,332)
Net debt at the end of the period	**(1,356,599)**	(999,608)	(1,063,790)
Net debt at the end of the period excluding restricted cash	**(1,358,287)**	(1,001,296)	(1,065,478)

Group Statement of Changes in Equity

for the three month period ended 30 June 2024

	Share capital £'000	Translation reserve £'000	Cashflow hedge reserve £'000	Retained earnings £'000	Total Equity £'000
At 01 April 2024	**1**	**1,002**	**1,261**	**222,355**	**224,619**
Profit for the period	**-**	**-**	**-**	**4,123**	**4,123**
Net cash flow hedging losses (net of tax)	**-**	**-**	**(69)**	**-**	**(69)**
Net cash flow hedging gains transferred to profit or loss	**-**	**-**	**(334)**	**-**	**(334)**
Currency exchange differences	**-**	**(1,695)**	**-**	**-**	**(1,695)**
Total comprehensive (loss)/income for the period	**-**	**(1,695)**	**(403)**	**4,123**	**2,025**
At 30 June 2024	**1**	**(693)**	**858**	**226,478**	**226,644**
At 01 April 2023	1	2,137	-	206,022	208,160
Profit for the year	-	-	-	16,333	16,333
Net cash flow hedging gains	-	-	1,635	-	1,635
Net cash flow hedging gains transferred to profit or loss	-	-	(1,731)	-	(1,731)
Currency exchange differences	-	(1,135)	-	-	(1,135)
Total comprehensive (loss)/income for the year	-	(1,135)	(96)	16,333	15,102
Cash flow hedge reserve reclassified to goodwill	-	-	1,357	-	1,357
At 31 March 2024	1	1,002	1,261	222,355	224,619
At 01 April 2023	1	2,137	-	206,022	208,160
Profit for the period	-	-	-	5,950	5,950
Net cash flow hedging losses (net of tax)	-	-	598	-	598
Currency exchange differences	-	1,237	-	-	1,237
Total comprehensive income for the period	-	1,237	598	5,950	7,785
Cash flow hedge reserves reclassified to goodwill	-	-	1,357	-	1,357
At 30 June 2023	1	3,374	1,955	211,972	217,302

Notes to the Condensed Consolidated Financial Statements

for the three month period ended 30 June 2024

1. Accounting convention, significant judgements and key sources of estimation uncertainty

These financial statements have been prepared under FRS 104 'Interim Financial Reporting' and under the historic cost convention, modified to include certain financial instruments at fair value.

The principal accounting policies are stated in the annual consolidated financial statements of Pinewood Group Limited for the year ended 31 March 2024, which were prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The same accounting policies and methods of computation are followed in these interim financial statements and the accounting policies have been applied throughout the periods presented.

Where it has been presented, the information for the year ended 31 March 2024 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor's report on those accounts was not qualified, did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying the report and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

Significant judgements and key sources of estimation uncertainty

There have been no significant changes to the Group's significant judgements and key sources of estimation uncertainty as described in the annual consolidated financial statements for the year ended 31 March 2024.

Going concern

In assessing the going concern basis, the Directors considered the Group's business activities, the financial position of the Group and the Group's financial risk management objectives and policies. The Group meets its day-to-day operating requirements through its cash resources and operating cashflows. There are no material uncertainties relating to events or conditions that may cast doubt on the ability of the Group to continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. The Group, therefore, continues to adopt the going concern basis of accounting in preparing the financial statements.

Seasonality of operations

The nature of the Group's revenue streams means that there is very little seasonal variability in results.

2. Adjusted items

The Group has a long-term incentive plan to incentivise and retain certain senior members of staff. Payments made under this plan are also intended to reward individuals for their past performance in developing the Group.

During the three months ended 30 June 2024, the plan gave rise to exceptional charges of £568k (2023: £1,313k) with associated tax credits of £162k (2023: £384k). This has been presented as an adjusted item as the incentive plan is considered unusual in size, and is therefore of limited long-term predictive value. The incentive plan is expected to give rise to further charges over its life to 2025.

3. Segmental Reporting

Turnover and segment information

IFRS 8: "Operating Segments" requires that the Group identifies its operating segments on the basis of internal reports provided to the Chief Operating Decision Maker. These operating segments may be aggregated and combined into reportable segments where they are sufficiently similar in terms of factors such as the nature and type of service provided by the segments, and their economic characteristics.

The Group has the following reportable segments:

- Global Studios represents our core business, being the provision of production accommodation to film and HETV production companies, together with the rental of other serviced accommodation to the related creative industries companies based at our studios.
- Production Services represents our other operating segments including Post Production, TV, international sales and marketing agreements, and profit-sharing agreements.

Segmental Contribution is the key measure used by the Group to measure segmental performance, reflecting the profitability and cash generation performance and capacity that is controllable by segment managers. It is defined as gross profit excluding depreciation charges but before indirect costs such as business rates, security, cleaning and other costs that cannot be allocated by business line.

Notes to the Condensed Consolidated Financial Statements (continued)

for the three month period ended 30 June 2024

3. Segmental Reporting (continued)

Key information reported by business segment and geographic area is:

	3 months ended 30 Jun **2024** **£'000**	2023 £'000	Year ended 31 Mar 2024 £'000
Revenue			
Global Studios	**46,533**	31,616	135,573
Production Services	**2,809**	4,075	10,900
Total revenue	**49,342**	35,691	146,473
Revenue by geography			
UK	**44,725**	33,582	132,470
North America	**4,617**	2,109	14,003
Total revenue	**49,342**	35,691	146,473
Contribution			
Global Studios	**43,051**	27,220	118,014
Production Services	**1,380**	2,434	6,234
Total segmental Contribution	**44,431**	29,654	124,248

The segmental Contribution result presented above is reconciled to gross profit as presented in the Group Income Statement, which can be used to reconcile gross profit to profit before tax. Indirect costs are those costs of sale that are controlled centrally, rather than at the operating segment level, such as insurance, business rates and similar taxes, and health and safety and security costs. Such costs cannot be allocated by business line.

	3 months ended 30 Jun **2024** **£'000**	2023 £'000	Year ended 31 Mar 2024 £'000
Total segmental Contribution	**44,431**	29,654	124,248
Indirect costs excluding depreciation	**(10,910)**	(5,766)	(27,596)
Depreciation	**(10,806)**	(4,026)	(21,578)
Gross profit	**22,715**	19,862	75,074

Notes to the Condensed Consolidated Financial Statements (continued)

for the three month period ended 30 June 2024

4. Operating profit

	3 months ended 30 Jun		Year ended
	2024	2023	31 Mar 2024
Operating profit is stated after charging/(crediting):	**£'000**	£'000	£'000
Depreciation of property, plant and equipment	**10,806**	4,026	21,578
Operating lease payments	**711**	805	2,519
Amortisation of software	**100**	102	400
Amortisation of goodwill	**1,285**	889	4,955
Net foreign exchange (gains)/losses	**(93)**	3	97

Depreciation charges are included within cost of sales. Amortisation of intangible assets is included within administrative expenses. Profits and losses on disposal are included within other operating income/expenses.

5. Interest receivable and similar income

	3 months ended 30 Jun		Year ended
	2024	2023	31 Mar 2024
	£'000	£'000	£'000
On financial instruments measured at amortised cost:			
Interest receivable from associates	**95**	88	367
Interest receivable on loan due from parent undertaking	**1,660**	1,969	6,951
Bank interest receivable	**1,018**	886	2,636
Interest receivable on gilts	**2,865**	-	-
Other interest receivable	**145**	246	127
	5,783	3,189	10,081
On financial instruments measured at fair value through profit or loss:			
Gains on derivative financial instruments (including interest accruals)	**66**	728	382
	66	728	382
	5,849	3,917	10,463

In the year ended 31 March 2024, the Group recognised a gain of £3.5 million in relation to its repurchase of Senior Secured Notes issued under its 2025 indenture. This gain was presented as an adjusted item and is therefore not included in the amounts presented above. See the financial statements for the year ended 31 March 2024 for more information.

6. Interest payable and similar charges

	3 months ended 30 Jun		Year ended
	2024	2023	31 Mar 2024
	£'000	£'000	£'000
On financial instruments measured at amortised cost:			
Senior Secured Notes	**16,355**	8,992	36,753
Term loan	**1,560**	987	5,538
Revolving credit facility	**-**	-	72
On other instruments:			
Other interest	**319**	1,100	1,912
	18,234	11,079	44,275

Notes to the Condensed Consolidated Financial Statements (continued)

for the three month period ended 30 June 2024

7. Taxation

Analysis of charge for the period:	3 months ended 30 Jun **2024** **£'000**	2023 £'000	Year ended 31 Mar 2024 £'000
Current tax:			
UK corporation tax charge	**869**	35	69
Amounts payable for group tax relief	**298**	825	1,705
Foreign income tax	**4**	2	162
Foreign tax suffered	**13**	22	75
Double taxation credit	**(9)**	(14)	(68)
Amounts over provided in previous periods	**-**	-	(700)
	1,175	870	1,243
Deferred tax:			
Relating to origination and reversal of timing differences	**882**	1,729	6,853
Amounts under provided in previous periods	**-**	-	156
	882	1,729	7,009
Tax charge in the Group statement of comprehensive income	**2,057**	2,599	8,252
The tax charge in the Group statement of comprehensive income comprises:			
Tax charge on profit for the period before adjusted items	**2,219**	2,983	8,976
Amounts over provided in previous periods before adjusted items	**-**	-	(544)
Tax benefit of adjusted items	**(162)**	(384)	(180)
Tax charge in the Group statement of comprehensive income	**2,057**	2,599	8,252

The tax charge for the period has been calculated based on an estimate of the annual effective tax rate expected for the full financial year applied to the period's pre-tax accounting profits.

8. Interests in associates

	30 Jun 2024 £'000	30 Jun 2023 £'000	31 Mar 2024 £'000
Equity	**4,505**	6,126	4,368
Loan notes	**4,956**	4,582	4,861
Total investment in associates	**9,461**	10,708	9,229

The carrying value of the Group's equity investment in its associate was as follows:

	30 Jun 2024 £'000	30 Jun 2023 £'000	31 Mar 2024 £'000
At beginning of period	**4,368**	5,663	5,663
Share of profit/(loss)	**137**	463	(1,295)
At end of period	**4,505**	6,126	4,368

Notes to the Condensed Consolidated Financial Statements (continued)

for the three month period ended 30 June 2024

8. Interests in associates (continued)

At 30 June 2024, the Group had interests in the following associate:

Company name	Principal activity	Country of incorporation	% equity interest
PMBS Holding Limited	Holding company	United Kingdom	25%

9. Intangible assets

	Software £'000	Goodwill £'000	Total £'000
At 1 April 2024	4,106	53,138	57,244
Exchange differences	-	(542)	(542)
At 30 June 2024	**4,106**	**52,596**	**56,702**
Amortisation			
At 1 April 2024	1,591	9,401	10,992
Provided during the period	100	1,285	1,385
Exchange differences	-	(55)	(55)
At 30 June 2024	**1,691**	**10,631**	**12,322**
Net book value			
At 30 June 2024	**2,415**	**41,965**	**44,380**
At 31 March 2024	2,515	43,737	46,252

10. Property, plant and equipment

	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Assets under construction £'000	Total £'000
Cost				
At 1 April 2024	1,036,983	166,431	88,346	1,291,760
Additions	47	159	1,401	1,607
Reclassifications	50,042	22,167	(72,209)	-
Exchange movements	(3,043)	(20)	(1)	(3,064)
At 30 June 2024	**1,084,029**	**188,737**	**17,537**	**1,290,303**
Depreciation				
At 1 April 2024	94,310	31,946	-	126,256
Provided during the period	6,550	4,256	-	10,806
Exchange movements	(73)	(8)	-	(81)
At 30 June 2024	**100,787**	**36,194**	**-**	**136,981**
Net book value				
At 30 June 2024	**983,242**	**152,543**	**17,537**	**1,153,322**
At 31 March 2024	942,673	134,485	88,346	1,165,504

At 30 June 2024, assets under construction mainly comprises costs associated with undeveloped land adjacent to our studios, along with various small programmes to maintain and further develop our existing facilities. Such assets are not depreciated until the development or asset is available for use.

11. Securities

	30 Jun 2024 £'000	30 Jun 2023 £'000	31 Mar 2024 £'000
Non-current securities	**291,258**	-	-
Current securities interest accruals	**1,907**	-	-

In April 2024, as part of its treasury management activities in respect of the Group's Senior Secured Notes maturing in September 2025, the Company purchased United Kingdom Treasury gilts of principal value £300 million. The gilts mature in September 2025 and bear coupon interest at 2%, payable in March and September. The gilts were purchased for a cost of £290 million and are expected to be held to maturity, with funds being used to repay the remainder of Senior Secured Notes due September 2025.

Notes to the Condensed Consolidated Financial Statements (continued)

for the three month period ended 30 June 2024

12. Trade and other receivables

	30 Jun 2024 £'000	30 Jun 2023 £'000	31 Mar 2024 £'000
Amount falling due within one year:			
Trade receivables	**10,825**	4,891	13,571
Prepayments and other receivables	**13,194**	11,542	17,819
Term loan interest prepayment	**719**	626	679
Corporation tax receivable	**1,074**	1,019	3,557
Value added tax	**-**	9,158	428
	25,812	27,236	36,054
Amount falling due after more than one year:			
Loans due from parent undertakings	**234,504**	227,862	232,844
	234,504	227,862	232,844
	260,316	255,098	268,898

Amounts due from the parent company are due for repayment in September 2025 and bear interest at 3.55%.

13. Share capital

	30 Jun 2024 £'000	30 Jun 2023 £'000	31 Mar 2024 £'000
1,000 Ordinary shares of £1 each (30 June 2023: 1,000 Ordinary shares of £1 each)	**1**	1	1

The Ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

Notes to the Condensed Consolidated Financial Statements (continued)

for the three month period ended 30 June 2024

14. Reserves

Translation reserve

The translation reserve represents the cumulative foreign currency impact of the translation of operations with a functional currency other than sterling, and related funding balances, in line with the Group's foreign currency accounting policy.

Cashflow hedge reserve

The cashflow hedge reserve represents the effective part of forward contracts designated as hedges of the variability in cash flows arising from foreign currency and interest rate risk associated with firm commitments and highly probable forecast transactions.

Retained earnings

Retained earnings represent cumulative profit and loss net of distributions to shareholders.

15. Interest bearing loans and borrowings

Details of the carrying values of liabilities under the Group's borrowing facilities are shown below.

	Maturity	**30 Jun 2024 £'000**	30 Jun 2023 £'000	31 Mar 2024 £'000
Non-current borrowings:				
3.25% Senior Secured Notes	September 2025	**290,971**	748,655	291,129
3.625% Senior Secured Notes	November 2027	**298,467**	297,983	298,330
6% Senior Secured Notes	March 2030	**745,088**	-	744,997
Term loans	April 2028	**100,084**	102,715	101,160
Other credit facilities	See below	**-**	-	-
Non-current drawn loan facilities		**1,434,610**	1,149,353	1,435,616
Current borrowings				
Senior Secured Notes interest accruals		**15,280**	7,464	4,422
3.25% Senior Secured Notes		**-**	-	454,070
Current drawn loan facilities		**15,280**	7,464	458,492
Total Borrowings				
Senior Secured Notes		**1,334,526**	1,046,638	1,788,526
Senior Secured Notes interest accruals		**15,280**	7,464	4,422
Term loans		**100,084**	102,715	101,160
		1,449,890	1,156,817	1,894,108

Other credit facilities include a £76 million UK revolving credit facility that bears interest at SONIA plus a variable margin when drawn. The facility expires in three tranches: £1.0 million in March 2025, £15.0 million in May 2027 and £60.0 million in September 2029. The remainder of the Group's other credit facilities arise in Canada for a total of C$5 million, bearing interest at a floating rate plus a margin when drawn. The C$ facilities expire in April 2028.

15. Interest bearing loans and borrowings (continued)

The Senior Secured Notes due September 2025 totalled an aggregate principal amount of £750 million, with coupon interest of 3.25% payable in March and September. In March 2024 the Group accepted notes under the 2025 indenture for repurchase. These notes totalled a principal amount of £459.7 million, for consideration of £454.0 million. Accordingly, the Group revised its forecasts of cash flows under this indenture, and reduced the carrying amount of the financial instrument at 31 March 2024. The Senior Secured Notes were repurchased in line with the accepted offer on 2 April 2024.

The Senior Secured Notes due November 2027 total an aggregate principal amount of £300 million, with coupon interest of 3.625% payable in May and November.

In March 2024 the group issued £750 million aggregate principal amount of Senior Secured Notes at par. The notes mature in March 2030 and bear interest at a rate of 6.0%, payable in September and March.

The term loan is for a principal amount of C$175 million and carries interest at a floating rate linked to CORRA. Interest is payable quarterly in May, August, November and February. The loan may be repaid each quarter without penalty until April 2028. The loan is designated as a hedged item in a cash flow hedging relationship with the Group’s C$ interest rate swap in order to mitigate interest rate risk arising from the floating rate.

UK facilities are secured on certain principal UK assets of the Group. Canadian facilities are secured on the Group’s Canadian assets, and are guaranteed by Pinewood Group Limited up to the maximum level of the facilities.

Notes to the Condensed Consolidated Financial Statements (continued)
for the three month period ended 30 June 2024

15. Interest bearing loans and borrowings (continued)

The available drawn and undrawn committed facilities are as follows.

At 30 June 2024	Within 1 year £'000	1 – 5 years £'000	5+ years £'000	Total £'000
Facilities:				
Senior secured notes	-	590,296	750,000	1,340,296
Term loans	-	101,152	-	101,152
Other credit facilities	1,000	17,890	60,000	78,890
Total facilities	**1,000**	**709,338**	**810,000**	**1,520,338**
Drawn loans:				
Senior secured notes	-	(590,296)	(750,000)	(1,340,296)
Term loans		(101,152)	-	(101,152)
Other credit facilities	-	-	-	-
Total drawn loans	**-**	**(691,448)**	**(750,000)**	**(1,441,448)**
Undrawn facilities:				
Senior secured notes	-	-	-	-
Term loans	-	-	-	-
Other credit facilities	1,000	17,890	60,000	78,890
Undrawn committed facilities	**1,000**	**17,890**	**60,000**	**78,890**

At 30 June 2023	Within 1 year £'000	1 – 5 years £'000	5+ years £'000	Total £'000
Facilities:				
Senior secured notes	-	1,050,000	-	1,050,000
Term loans	-	104,031	-	104,031
Other credit facilities	-	77,972	-	77,972
Total facilities	**-**	**1,232,003**	**-**	**1,232,003**
Drawn loans:				
Senior secured notes	-	(1,050,000)	-	(1,050,000)
Term loans		(104,031)		(104,031)
Other credit facilities	-	-	-	-
Total drawn loans	**-**	**(1,154,031)**	**-**	**(1,154,031)**
Undrawn facilities:				
Senior secured notes	-	-	-	-
Term loans	-	-	-	-
Other credit facilities	-	77,972	-	77,972
Undrawn committed facilities	**-**	**77,972**	**-**	**77,972**

Notes to the Condensed Consolidated Financial Statements (continued)

for the three month period ended 30 June 2024

16. Derivative financial instruments

The Group's interest rate swaps are recognised as derivative financial instruments.

	30 Jun 2024 £'000	30 Jun 2023 £'000	31 Mar 2024 £'000
Derivative financial assets carried at fair value:			
Non-current derivative financial instrument assets	**813**	1,870	956
Financial instruments in cash flow hedging relationships			
Current derivative financial instrument assets	**856**	1,761	1,278
Non-current derivative financial instrument assets	**151**	705	225

Interest rate swaps

To minimise the volatility in cash flows from a change in interest rates, the Group holds interest rate swaps as economic hedges against drawn and undrawn debt obligations. The main terms of the Group's interest rate swaps, including the notional amounts, are detailed below.

	Maturity	**30 Jun 2024 '000**	30 Jun 2023 '000	31 Mar 2024 '000
Receive SONIA/pay fixed	April 2025	£25,000	£25,000	£25,000
Receive CORRA/pay fixed	April 2028	C$175,000	C$175,000	C$175,000

Fair value movements on the GBP interest rate swap are recognised in the statement of comprehensive income within interest payable and receivable. The swap settles in cash on a quarterly basis in arrears.

The Canadian dollar swap is designated in a cash flow hedging relationship with the Group's floating rate Canadian dollar term loan. Accordingly gains and losses are recognised in other comprehensive income and recycled to interest payable in order to achieve a fixed rate of interest charged on the loan. In line with interest payable over the term of the loan, interest payments on the swap are made quarterly. During the period to 30 June 2024, both the swap and the term loan, were amended to refer to CORRA as an underlying interest rate benchmark. These changes were made in response to interest rate benchmark reform, and have resulted in bases for determining contractual cash flows that are economically equivalent to those bases used immediately before the change. Therefore, in line with FRS 102, such changes have been considered as part of the re-estimation of cash flows of the related financial instruments, and not a modification or cancellation of those instruments. The Group's hedge accounting for this relationship has continued accordingly.

The fair value of the swaps is determined by reference to market interest rate curves.

17. Trade and other payables

	30 Jun 2024 £'000	30 Jun 2023 £'000	31 Mar 2024 £'000
Trade payables	**2,997**	8,741	11,010
Value added tax	**4,351**	-	-
Other payables	**494**	721	371
Accruals and deferred income	**61,476**	51,150	79,582
Amounts due to parent company	**10,516**	7,235	10,231
Capital expenditure related payables	**26,652**	38,559	29,711
	106,486	106,406	130,905

17. Trade and other payables (continued)

Amounts due to the parent company are interest free and have no fixed repayment terms.

No fixed security has been given in respect of any of the items listed above.

As described in Note 18, estimated land remediation costs have been re-presented as provisions.

At 30 June 2024, the Group had no material capital commitments contracted for, but not provided in the financial statements (30 June 2023: £84.2 million) in respect of Property, plant and equipment. In the prior year, capital commitments mainly arose from the expansion of Shepperton Studios.

18. Provisions

	30 Jun 2024 £'000	30 Jun 2023 £'000	31 Mar 2024 £'000
At beginning of the year	**5,849**	-	-
Acquired	**-**	5,882	5,882
Exchange differences	**(69)**	63	(33)
Balance at period/ year end	**5,780**	5,945	5,849

Provisions relate to estimated land remediation costs. The provisions are classified as current as the Group expects to perform works within the next twelve months.

Estimated land remediation costs have been re-presented as provisions. These amounts were originally included in capital expenditure related payables at 30 June 2023 and 31 March 2024.

19. Events after the reporting date

There are no events after the reporting date requiring adjustment or disclosure in the financial statements.

20. Principal risks and uncertainties

There are no significant changes to the principal risks and uncertainties disclosed in the consolidated financial statements of Pinewood Group Limited.