Pinewood Group Limited

Report as at and for

the 6 months to

30 September 2022

Second quarter highlights

Operational and industry highlights

- The BFI reported that the combined UK film and high-end television ("HETV") production spend for the 9-month period ending September 2022 was £4.4 billion from 306 productions; the second highest combined spend for this period on record and down by c. 6% from the high of last year. The annual spend to September 2022 was £5.3 billion, down 18% year-on-year
- Since productions returned from the pandemic-induced hiatus in 2020, our UK studios have witnessed a period of intense activity. The studios continue to be busy; currently there are 16 productions at the studios, of which one is filming
- The Post-production business performed strongly in the quarter, continuing the trend from H2 FY22
- Revenue up by 12% to £55.3 million (Q2 YTD FY22: £49.5 million) and adjusted EBITDA up by 3% to £33.8 million (Q2 YTD FY22: £32.7 million); adjusted EBITDA margin of 61% (Q2 YTD FY22: 66%)

Strategic highlights

- Pinewood has secured new equity capital from investors committed to the Group's long-term growth
- Expansion projects: Solid progress continues to be made with our expansion programme. All of the expansion space under construction is pre-let to Disney, Netflix and Prime Video (Amazon):
  - Pinewood West real estate optimisation ("REO"): during October, completed construction of the five new stages at Pinewood West; these have been handed over to Disney under the terms of the long-term contract and rent is now being received
  - Shepperton North West: the project will deliver three sound stages and other production accommodation (c. 165k sq ft total area) together with a six acre backlot. Construction is progressing well, with roofing and cladding underway; completion expected summer CY23
  - Shepperton South: the project will deliver 14 sound stages and other production accommodation (c. 800k sq ft total area). Groundworks and steel installation are substantially complete, and mechanical and electrical installation to production offices and stages has now commenced; completion expected end H2 CY23
  - Pinewood South (future): submitted a revised planning application in July to develop a 1.4 million sq ft scheme comprising production accommodation, an education/business hub and a nature reserve; initial decision expected during Q1 CY23
  - Pinewood East Phase 3 (future): the last phase of development at Pinewood East which currently has planning permission for 4 new sound stages (c. 150k sq ft total area). We are refining the design and expect to submit a revised planning application in due course

Financial highlights

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

	6 months to 30 Sep 2022 £'000	**6 months to 30 Sep 2021 £'000**	**Year to 31 Mar 2022 £'000**
Turnover	55,322	49,510	102,926
Adjusted EBITDA	33,755	32,659	68,149
Adjusted EBITDA margin	61.0%	66.0%	66.2%
Cash generated from operations	(2,917)	2,676	60,580
Capital expenditure*	(134,441)	(35,888)	(100,004)
Adjusted net debt	(678,816)	(501,477)	(525,525)

Turnover

Turnover rose by 12% to £55.3 million (Q2 YTD FY22: £49.5 million), with 6ppt of the increase being delivered by the underlying business and the remaining 6ppt due to the rise in energy prices and customer consumption recharged principally at cost to our two long-term contract customers. The Post-production business performed strongly, continuing its trend since H2 FY22, and UK studios delivered income from its production accommodation, which is let under the long-term contracts, and with amounts billed linked to inflation and escalating over the course of the contracts.

Adjusted EBITDA

Adjusted EBITDA increased by c. 3% to £33.8 million (Q2 YTD FY22: £32.7 million). This growth was supported by Post-production, with the business continuing to benefit from increased demand for its international versioning services. UK studios also contributed to the growth, underpinned by the annual indexation provisions within the long-term contracts. The growth was partially offset by increased costs due to inflation and other cost increases relating to maintenance and insurance. The Group is undertaking a planned post-pandemic maintenance catch-up programme during FY23. Insurance costs have also increased with the inclusion of the five new stages at Pinewood West and a tightening of the insurance market at the start of the year.

Other operating expenses of £nil was an improvement on the prior year period (Q2 YTD FY22: £0.5 million expense), due to FY22 including the repayment of £0.5 million of funds granted under the Government's Coronavirus Job Retention Scheme ("CJRS"). Finally, our associate company (PMBS Holdings Ltd, "PMBS") delivered positive results from providing lighting services to productions in the first half of the year, with our share of results totalling £1.4 million (Q2 YTD FY22: £1.0 million).

The adjusted EBITDA margin of 61.0% was 5.0ppt lower than the 66.0% margin in the same period last year. The drop in margin is principally driven by the increase in energy revenues, with energy charges largely passed through at cost to our long-term contract customers.

Reconciliation of profit after taxation to adjusted EBITDA

	6 months ended 30 Sep 2022 £'000	**6 months ended 30 Sep 2021 £'000**	**Year ended 31 Mar 2022 £'000**
Profit after taxation	14,537	15,095	31,345
Tax charge on profit	4,119	5,321	9,770
Net interest payable and other charges	9,637	6,594	15,897
Depreciation of property, plant and equipment	4,959	5,196	10,257
Amortisation of intangible assets	472	472	946
Loss/(profit) on disposal of property, plant & equipment and investments	31	(19)	(66)
EBITDA	**33,755**	**32,659**	**68,149**
Adjusted items	-	-	-
Adjusted EBITDA	**33,755**	**32,659**	**68,149**

Cash flow and capital expenditure

The cash and cash equivalents balance at 30 September 2022 was £306.1 million, having reduced due to a cash outflow of £179.0 million from £484.5 million since the start of the financial year, slightly offset by a small foreign exchange gain.

The cash outflow of £179.0 million is explained by an outflow of £19.6 million through the Group's operating activities, after interest and tax payments, and investing £134.4 million in capital expenditure* in the period, predominantly in relation to the expansion programmes at Pinewood and Shepperton. Additionally, the Group placed a further £25.0 million of funds into bank accounts which require advance notice of withdrawal, bringing the total amount invested in these products to £65.1 million. Due to their tenure, these deposits are shown separately from cash and cash equivalents on the balance sheet, in accordance with FRS102.

Adjusted Net debt and liquidity

Adjusted net debt on 30 September 2022 was £678.8 million, based on £1,050.0 million of senior secured notes, and cash and cash equivalents and bank deposits totalling £371.2 million. Cash, cash equivalents and bank deposits are held with several banks which are rated A2/A/A or higher; the Group does not invest in money market funds.

Adjusted net debt comprises the senior secured notes' principal amount (thereby ignoring interest accruals, capitalised issue fees paid and premiums received), net of cash and cash equivalents and deposits of tenure no more than one year, as detailed below.

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Senior secured note principal amount	1,050,000	750,000	1,050,000
Less:			
Cash and cash equivalents	(306,075)	(248,523)	(484,458)
Deposits with tenure less than 1 year	(65,109)	-	(40,017)
Adjusted net debt	**678,816**	**501,477**	**525,525**

Recent developments

Pinewood Group has been acquired by PGV SCSp ("PGV"), an entity established for the purpose of owning and expanding Pinewood (the "Transaction").

Investors in PGV include some of the world's leading institutional investors, who committed the capital to execute the Transaction, as well as additional capital to support Pinewood's future growth. PGV is a long-term vehicle with no designated termination date.

The Transaction was executed through the transfer of all outstanding shares in Venus Grafton S.À R.L., the indirect holding company of Pinewood, to PGV from a subsidiary of PW Real Estate Fund III LP, a fund managed by Aermont Capital Management S.À R.L. ("Aermont").

PGV is also managed by Aermont and, therefore, the Transaction does not constitute a Change of Control with respect to the Senior Secured Notes issued by Pinewood Finco PLC.

Paul Golding, CEO, commented:

"I am pleased to report another positive set of results for the first half of the year.

We completed the five stages at Pinewood West for Disney on budget, a great achievement given construction was started during Covid and continued through a time of high inflation. Our expansion of Shepperton is progressing well and we expect to complete the first phase by next summer.

We have been working to bring new capital into the Group for the last few months and the outcome is excellent for the business. Investors in PGV, the owner of Pinewood, comprise highly reputable sovereign and state pension funds and with their commitment, the Group is well placed to continue to grow for many years to come."

The next Investor update is scheduled for 22 February 2023.

Footnotes applicable to this announcement:

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

General information

Pinewood is the leading independent provider 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 freehold studios are located in prime locations near London and make Pinewood and Shepperton preferred choices for major film production companies. Pinewood branded studios have hosted over 2,500 films, among them 172 Oscar winners, 234 BAFTA winners and numerous blockbuster film productions with budgets of over $100.0 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 September 2022 ("Q2 FY23"), and the comparative period as of and for the 3 months ended 30 September 2021 ("Q2 FY22"), prepared in accordance with FRS 104: "Interim Financial Reporting".
- The unaudited consolidated financial information of the Group as of and for the 6 months ended 30 September 2022 ("Q2 YTD FY23"), and the comparative period as of and for the 6 months ended 30 September 2021 ("Q2 YTD FY22"), 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 2022 ("FY22"), 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 indenture dated 25 September 2019 and the indenture dated 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 as principal paying agent and Deutsche Bank Luxembourg S.A. as transfer agent and 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 3 months ended 30 September 2022

Group Statement of Comprehensive Income

Turnover

Group revenue, at £27.3 million, increased by £2.2 million since the prior year period (Q2 FY22: £25.1 million). Over 40% of this increase was delivered by underlying business improvements. The remaining increase is attributable to energy, which has been impacted by higher prices and is principally recharged at cost to our long-term contract customers.

The underlying performance improvement was generated across both the UK studios and Post-production businesses. The UK studios have performed well in the quarter, with annual inflation-linked indexation provisions under the two long-term contracts resulting in our billings and revenues increasing since Q2 FY22. Post-production continued to deliver high levels of foreign language versioning and the mixing and recording theatres attracted an increased level of usage by third parties.

The International business, comprising sales and marketing agreements with studios in Toronto and the Dominican Republic, performed in-line with the prior year period.

Cost of sales

Cost of sales expenditure increased by £2.7 million to £11.8 million (Q2 FY22: £9.1 million). Over a half of this increase was due to energy costs, which were impacted by higher prices, and principally recharged at cost to our long-term contract customers, with only a small proportion impacting the Group's cost base. Other increases were seen in costs incurred to maintain and operate the sites, together with a one-off post-pandemic maintenance catch-up programme commencing in the quarter. The cost of insurance has also risen in the year, due to the five new stages at Pinewood being brought into the insurance portfolio and a tightening of conditions in the insurance market.

Gross profit

Gross profit at £15.5 million was £0.5 million lower than the prior year period (Q2 FY22: £16.0 million). This was principally driven by a planned one-off maintenance catch-up programme, an increase in studio insurance costs and a slightly higher level of energy costs incurred by the Group.

The gross profit margin reduced by 7.0 ppt to 56.8% (Q2 FY22: 63.8%). Excluding the increase in customer related energy revenues and costs, the gross profit margin in Q2 FY23 would have been 4.3ppt lower than the prior year period, which is largely due to the higher spend on maintenance, insurance and the Group's own energy costs as described above.

Selling, distribution and administrative expenses

Selling, distribution and administrative expenses, together totalling £2.4 million, were relatively level with those of Q2 FY22 (Q2 FY22: £2.1 million), with the increase relating to the Group's growth plan.

Other operating income/expenses

Other operating expenses of £nil remained level with the prior year period (Q2 FY22: £nil).

Operating profit

Operating profit of £13.1 million (Q2 FY22: £13.9 million) decreased by £0.8 million from the prior year period. The resultant operating profit margin of 47.9% (Q2 FY22: 55.5%) was adversely impacted due to higher energy prices as described above. Excluding the increase in customer-related energy revenues and costs, the operating profit margin for Q2 FY23 would have improved by 2.3ppt to 50.2%.

Income from participating interests

Our associate company, PMBS, which has an exclusive lighting contract at the UK studios, continues to deliver positive results. As a result, income from participating interests has been recognised at £0.7 million (Q2 FY22: £1.0 million), which has increased the carrying value of the Group's equity interest in PMBS to £3.4 million at 30 September 2022.

Financial update for the 3 months ended 30 September 2022 (continued)

Group Statement of Comprehensive Income (continued)

Interest receivable and similar income

Interest receivable and similar income, which includes income earned on the loan to the Group's parent company, was £5.1 million (Q2 FY22: £3.1 million). The improvement from the prior year period was from an increase in bank and other interest income of £0.7 million and a £1.3 million increase in fair value gains on the Group's derivative financial instruments.

Interest payable and similar charges

Interest payable and similar charges increased by £2.9 million to £9.3 million (Q2 FY22: £6.4 million). This increase followed the issue of £300.0 million of 3.625% senior secured notes due November 2027 in December 2021.

Tax charge

The Group closed the period with profit before tax of £9.5 million (Q2 FY22: £11.6 million). However, the tax charge at £2.1 million (Q2 FY22: £2.2 million) was broadly level with the prior year period and the effective tax rate in the period was 21.8% (Q2 FY22: 19.3%). As a result, the profit after tax for the period was £7.4 million (Q2 FY22: £9.3 million).

The effective tax rate in Q2 FY23 is higher than the 19% main rate of UK corporation tax, as the charge is predominantly in relation to deferred tax rather than current tax. Given the level of construction at the studios, the Group expects to claim sufficient capital allowances such that tax is not payable in FY23. As the deferred tax balances are expected to unwind from FY24 onwards, they are provided for at a rate of 25%, which is the rate payable from 1 April 2023 as determined by the Finance Act 2021. This higher rate of tax in the Q2 FY23 income statement has been supressed by the permanent benefit of year-one super-deduction capital allowances at 130% of qualifying spend, and by income from participating interests.

Liquidity and capital resources

Cash flow

The cash and cash equivalents balance at 30 September 2022 was £306.1 million, having decreased by a cash outflow of £97.2 million from £402.9 million since 30 June 2022, slightly offset by a small foreign exchange gain. During the quarter, the Group consumed £12.3 million of cash from its operations after interest and tax payments and spent £84.9 million on capital expenditure*, which related predominantly to the Group's expansion programmes at Pinewood and Shepperton studios.

In addition to the £306.1 million of cash and cash equivalents, the Group also maintained £65.1 million of funds in bank accounts which require advance notice of withdrawal. Due to their tenure, these deposits are shown separately from cash and cash equivalents on the balance sheet, in accordance with FRS102.

Financial update for the 6 months ended 30 September 2022

Group Statement of Comprehensive Income

Turnover

Group revenue, at £55.3 million, increased by £5.8 million since the prior year period (Q2 YTD FY22: £49.5 million). Around a half of this increase was delivered by underlying business improvements. The remaining increase is attributable to energy, which has been impacted by higher prices and is principally recharged at cost to our long-term contract customers.

The underlying performance improvement was generated across both the UK studios and Post-production businesses.

All the UK studios production accommodation is let to our key customers under long-term contracts, with the contracts containing annual indexation provisions. As a result of these provisions, our billings and revenues have increased compared with the 6 months ended 30 September 2021. Although, as required by UK GAAP, some of these indexation provisions result in certain rental revenues being recognised on a straight-line basis over the term, rather than increasing each year. Consequently, in this respect, these revenues were held level with that of Q2 YTD FY22 and were adjusted upwards by £1.0 million compared with the contractual amounts due, which is lower than the £1.3 million upwards adjustment recognised in the comparative period.

Following strong performance in the second half of FY22, Post-production continued to deliver high levels of foreign language versioning throughout the first half of FY23. The mixing and recording theatres also attracted an increased level of usage by third parties. This offsets a slight reduction in revenues in our TV business, which had a slower start to the year.

The International business performed in-line with the prior year period, and income continued to be generated from our two agreements with studios in Toronto and the Dominican Republic.

Cost of sales

Cost of sales expenditure increased by £5.1 million to £23.8 million (Q2 YTD FY22: £18.7 million). This increase is largely due to energy costs, which were impacted by higher prices, and which are principally recharged at cost to our long-term contract customers. There was only a relatively small impact on the cost of our own energy consumption.

Increases were also seen in costs incurred to maintain and operate the sites, with a planned one-off post-pandemic maintenance catch-up programme in FY23 commencing in the period. The cost of insurance has also risen in the year, due to the new stages at Pinewood being brought into the insurance portfolio and a tightening of conditions in the insurance market.

Gross profit

Gross profit at £31.5 million was £0.7 million higher than that in the prior year period (Q2 YTD FY22: £30.8 million). However, due to the spike in energy prices having increased the Group's revenues, with energy charges principally passed through at cost to our long-term contract customers, the gross profit margin reduced by 5.1 ppt to 57.0% (Q2 YTD FY22: 62.1%).

Excluding the increase in customer-related energy revenues and costs, the gross profit margin in Q2 YTD FY23 would have been only 1.9ppt lower than the prior year period. This small underlying decline in gross profit margin was due mainly to the post-pandemic maintenance catch-up, higher insurance costs and a higher cost of energy retained by the Group.

Selling, distribution and administrative expenses

Selling, distribution and administrative expenses, together totalling £4.6 million, increased slightly above the prior year period (Q2 YTD FY22: £4.2 million), with the Group's focus on its growth plan and central costs reverting to normal levels following the pandemic.

Financial update for the 6 months ended 30 September 2022 (continued)

Group Statement of Comprehensive Income (continued)

Other operating income/expenses

Other operating expenses were £nil in the period (Q2 YTD FY22: £0.5 million expense), with the prior year period reflecting the repayment of £0.5 million of funds granted under the CJRS.

Operating profit

Operating profit of £26.9 million was £0.9 million higher than the prior year period (Q2 YTD FY22: £26.0 million). The resultant operating profit margin of 48.6% (Q2 YTD FY22: 52.6%) was adversely impacted by the higher energy prices as described above. Excluding the increase in customer related energy revenues and costs, the operating profit margin for Q2 YTD FY23 would have improved by 1.7ppt to 51.3%.

Income from participating interests

Our associate company, PMBS, continues to deliver positive results and income from participating interests has been recognised at £1.4 million (Q2 YTD FY22: £1.0 million). Consequently, the carrying value of the Group's equity interest in PMBS has risen to £3.4 million at 30 September 2022.

Interest receivable and similar income

Interest receivable and similar income, which includes income earned on the loan to the Group's parent company, was £8.8 million (Q2 YTD FY22: £6.1 million). The improvement from the prior year period followed an increase in bank and other interest income of £1.1 million and £1.6 million increase in fair value gains on the Group's derivative financial instruments.

Interest payable and similar charges

Interest payable and similar charges increased by £5.7 million to £18.4 million (Q2 YTD FY22: £12.7 million). This increase followed the issue, in December 2021, of £300.0 million of 3.625% senior secured notes due November 2027, to complete the studio expansion at Shepperton.

Tax charge

The Group closed the period with profit before tax of £18.7 million (Q2 YTD FY22: £20.4 million), representing a £1.3 million improvement from trading and £3.0 million higher net interest charges, since the prior year period. The tax charge decreased by £1.2 million to £4.1 million (Q2 YTD FY22: £5.3 million) and the effective tax rate in the period was 22.1% (Q2 YTD FY22: 26.1%). As a result, the profit after tax for the period was £14.5 million (Q2 YTD FY22: £15.1 million).

The tax charge in Q2 FY23 is higher than the 19% main rate of UK corporation tax, as the charge is predominantly in relation to deferred tax rather than current tax. Given the level of construction at the studios, we expect to claim sufficient capital allowances such that tax is not payable in FY23. As the deferred tax balances are expected to unwind from FY24 onwards, they are provided for at a rate of 25%, being the tax rate payable from 1 April 2023 as determined by the Finance Act 2021. This higher rate of tax in the Q2 FY23 income statement has been suppressed by the permanent benefit of year-one super-deduction capital allowances at 130% of qualifying spend, and by income from participating interests.

The high effective tax rate in FY22 is largely due to the main rate of UK corporation tax increasing from 19% to 25% from 1 April 2023 as noted above; the rates were incorporated in the Group's deferred tax position in H1 FY22 when the Finance Bill was substantively enacted, so increasing the effective rate for the period by 5.8ppt.

Financial update for the 6 months ended 30 September 2022 (continued)

Liquidity and capital resources

Cash flow

The cash and cash equivalents balance at 30 September 2022 was £306.1 million, having reduced due to a cash outflow of £179.0 million from £484.5 million since the start of the financial year, slightly offset by a small foreign exchange gain.

The Group consumed £19.6 million through its operating activities, after interest and tax payments, and invested £134.4 million in capital expenditure* in the period, predominantly in relation to the expansion programmes at Pinewood and Shepperton. The Group placed a further £25.0 million of funds into bank accounts which require advance notice of withdrawal, bringing the total amount invested in these products to £65.1 million. Due to their tenure, these deposits are shown separately from cash and cash equivalents on the balance sheet, in accordance with FRS102.

Net cash flow from operating activities

The Group consumed £6.5 million more cash through operating activities after interest and tax than during the prior year period, with an outflow of £19.6 million (Q2 YTD FY22: £13.1 million outflow). This period-on-period change is due to the following factors:

i. A £0.6 million higher cash inflow from operating activities before movement in working capital to £32.3 million (Q2 YTD FY22: £31.7 million), due to the £0.9 million improvement in operating profit as described above, excluding the effect of £0.3 million of lower depreciation charges.
ii. A £6.2 million higher outflow of working capital in the year, principally due to the increased VAT on our greater levels of capital expenditure, with the VAT scheduled to be recovered after the balance sheet date.
iii. A £3.9 million increase in net interest payments, following the issue of £300.0 million of 3.625% senior secured notes in December 2021, reduced by higher levels of bank interest received.
iv. A £3.0 million reduction in income tax paid. The Group anticipates claiming capital allowances on spend in relation to the ongoing studio expansion programme, which is expected to substantially offset UK taxable profits for FY23. Tax remains payable in the year, to the relevant tax jurisdictions, for our International business.

Net cash flow from investing activities

Net cash outflow from investing activities totalled £159.4 million (Q2 YTD FY22: £35.9 million), with £134.4 million of the spend relating to capital expenditure* and largely attributable the Group's expansion programmes at Pinewood and Shepperton studios. Further, the Group placed £25.0 million of cash on short-term deposit (Q2 YTD FY22: £nil) as part of its treasury management programme to optimise the security of and the return from funds pending capital investment.

In the same period last year, expenditure of £35.9 million related to the construction of the new stages at Pinewood West, enabling works at the first phase of the Shepperton expansion (North West) and the design of the second larger phase (South).

Net cash flow from financing activities

Net cash flow from financing activities was £nil (Q2 YTD FY22: £0.1 million outflow).

Pinewood Group Limited

Interim condensed consolidated financial statements

Period ended 30 September 2022

Company Registration Number: 03889552

Group Statement of Comprehensive Income

for the six month period ended 30 September 2022

		6 months ended 30 Sep 2022			6 months ended 30 Sep 2021			Full year 31 Mar 2022
		Adjusted	**Adjusted items**	**Total**	Adjusted	Adjusted items	Total	Total
	Note	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000	£'000
Turnover		**55,322**	**-**	**55,322**	49,510	-	49,510	102,926
Cost of sales		**(23,791)**	**-**	**(23,791)**	(18,744)	-	(18,744)	(39,333)
Gross profit		**31,531**	**-**	**31,531**	30,766	-	30,766	63,593
Selling and distribution costs		**(505)**	**-**	**(505)**	(386)	-	(386)	(796)
Administrative expenses		**(4,136)**	**-**	**(4,136)**	(3,855)	-	(3,855)	(7,292)
Other operating expense		**(23)**	**-**	**(23)**	(504)	-	(504)	(446)
Operating profit	2	**26,867**	**-**	**26,867**	26,021	-	26,021	55,059
Income from participating interests	6	**1,426**	**-**	**1,426**	989	-	989	1,953
Interest receivable and similar income	3	**8,808**	**-**	**8,808**	6,082	-	6,082	13,103
Interest payable and similar charges	4	**(18,445)**	**-**	**(18,445)**	(12,676)	-	(12,676)	(29,000)
Profit before taxation		**18,656**	**-**	**18,656**	20,416	-	20,416	41,115
Tax charge	5	**(4,119)**	**-**	**(4,119)**	(5,321)	-	(5,321)	(9,770)
Profit after taxation attributable to equity shareholders		**14,537**	**-**	**14,537**	15,095	-	15,095	31,345
Other comprehensive income								
Currency exchange differences		**540**	**-**	**540**	111	-	111	294
Total comprehensive income		**15,077**	**-**	**15,077**	15,206	-	15,206	31,639

The notes on pages 15 to 24 form part of these financial statements.

Group Statement of Financial Position

as at 30 September 2022

	Note	**30 Sep 2022 £'000**	30 Sep 2021 £'000	31 Mar 2022 £'000
Assets				
Non-current assets				
Intangible assets	7	**4,455**	5,369	4,889
Property, plant and equipment	8	**580,375**	362,747	420,050
Interests in associates	6	**7,700**	4,984	6,108
Derivative financial instruments	14	**1,997**	-	8
Trade and other receivables	9	**345,353**	334,273	339,813
		939,880	707,373	770,868
Current assets				
Inventories		**89**	51	46
Trade and other receivables	9	**23,975**	9,255	27,473
Deposits	10	**65,109**	-	40,017
Cash and cash equivalents		**306,075**	248,523	484,458
		395,248	257,829	551,994
Total assets		**1,335,128**	965,202	1,322,862
Equity and liabilities				
Share capital	11	**1**	1	1
Translation reserve	12	**2,529**	1,711	1,989
Retained earnings	12	**192,421**	161,729	177,884
Total equity		**194,951**	163,441	179,874
Non-current liabilities				
Interest bearing loans and borrowings	13	**1,046,033**	747,870	1,045,539
Derivative financial instruments	14	**-**	1,201	-
Deferred tax liabilities		**9,453**	5,039	5,487
		1,055,486	754,110	1,051,026
Current liabilities				
Interest bearing loans and borrowings	13	**4,112**	-	3,564
Derivative financial instruments	14	**-**	409	125
Trade and other payables	15	**80,579**	47,242	88,273
		84,691	47,651	91,962
Total liabilities		**1,140,177**	801,761	1,142,988
Total equity and liabilities		**1,335,128**	965,202	1,322,862

Group Statement of Cash Flows

for the six month period ended 30 September 2022

	Note	6 months ended 30 Sep 2022 £'000	2021 £'000	Year ended 31 Mar 2022 £'000
Cash flow from operating activities:				
Profit before taxation		**18,656**	20,416	41,115
Adjustments to reconcile profit before taxation to net cash flows:				
Depreciation and amortisation	2	**5,431**	5,668	11,203
Profit on disposal of investments	2	**-**	(19)	(141)
Loss on disposal of property, plant and equipment	2	**31**	-	75
Income from participating interests	6	**(1,426)**	(989)	(1,953)
Unrealised foreign exchange gain		**(1)**	-	-
Interest receivable and similar income	3	**(8,808)**	(6,082)	(13,103)
Interest payable and similar charges	4	**18,445**	12,676	29,000
Cash flow from operating activities before changes in working capital		**32,328**	31,670	66,196
Increase in trade and other receivables		**(7,892)**	(2,125)	(8,237)
(Increase)/decrease in inventories		**(43)**	8	13
(Decrease)/increase in trade and other payables		**(27,310)**	(26,877)	2,608
Cash (used in)/generated from operations		**(2,917)**	2,676	60,580
Interest paid		**(17,567)**	(12,843)	(25,642)
Interest received		**952**	156	479
Net income tax paid		**(68)**	(3,133)	(5,436)
Net cash flow (used in)/from operating activities		**(19,600)**	(13,144)	29,981
Cash flow (used in)/from investing activities:				
Purchase of property, plant and equipment		**(134,849)**	(35,814)	(100,059)
Purchase of intangible assets		**(25)**	(93)	(86)
Proceeds from disposal of property, plant and equipment		**433**	-	-
Proceeds from disposal of investments		**-**	19	141
Amounts placed on deposit		**(25,000)**	-	(40,000)
Net cash flow used in investing activities		**(159,441)**	(35,888)	(140,004)
Cash flow from/(used in) financing activities:				
Proceeds from issue of loan notes		**-**	-	300,000
Payment of loan issue costs and finance arrangement fees		**-**	(147)	(3,379)
Net cash flow (used in)/from financing activities		**-**	(147)	296,621
Net (decrease)/increase in cash and cash equivalents		**(179,041)**	(49,179)	186,598
Currency exchange movement		**658**	106	264
Cash and cash equivalents at the start of the period		**484,458**	297,596	297,596
Cash and cash equivalents at the end of the period		**306,075**	248,523	484,458

Reconciliation of Movement in Net Debt
for the six month period ended 30 September 2022

	6 months ended 30 Sep		Year ended
	2022	2021	31 Mar 2022
	£'000	£'000	£'000
Net (decrease)/increase in cash and cash equivalents	**(179,041)**	(49,179)	186,598
Currency exchange movement	**658**	106	264
Payment of interest on loan notes	**17,074**	12,188	24,375
Proceeds from issue of loan notes	**-**	-	(300,000)
Payment of loan issue costs and finance arrangement fees	**-**	147	3,379
Movement in loan issue costs accrued	**-**	(90)	(90)
Loan arrangement costs recognised within other receivables	**-**	-	(597)
Interest expense on loan notes	**(18,116)**	(12,460)	(28,515)
Movement in net debt	**(179,425)**	(49,288)	(114,586)
Net debt at the start of the period	**(564,645)**	(450,059)	(450,059)
Net debt at the end of the period	**(744,070)**	(499,347)	(564,645)
Net debt at the end of the period excluding restricted cash	**(745,758)**	(501,102)	(566,400)

Group Statement of Changes in Equity
for the six month period ended 30 September 2022

	Share capital £'000	**Translation reserve £'000**	**Retained earnings £'000**	**Total Equity £'000**
At 01 April 2022	**1**	**1,989**	**177,884**	**179,874**
Profit for the period	**-**	**-**	**14,537**	**14,537**
Currency exchange differences	**-**	**540**	**-**	**540**
Total comprehensive income for the period	**-**	**540**	**14,537**	**15,077**
At 30 September 2022	**1**	**2,529**	**192,421**	**194,951**
At 01 April 2021	1	1,600	146,634	148,235
Profit for the year	-	-	31,345	31,345
Currency exchange differences	-	294	-	294
Total comprehensive income for the year	-	294	31,345	31,639
Transfer in respect of dissolved foreign entities	-	95	(95)	-
Shares issued and allotted as bonus shares	226,000	-	(226,000)	-
Cancellation of bonus shares	(226,000)	-	226,000	-
At 31 March 2022	1	1,989	177,884	179,874
At 01 April 2021	1	1,600	146,634	148,235
Profit for the period	-	-	15,095	15,095
Currency exchange differences	-	111	-	111
Total comprehensive income for the period	-	111	15,095	15,206
At 30 September 2021	1	1,711	161,729	163,441

Notes to the Condensed Consolidated Financial Statements
for the six month period ended 30 September 2022

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 2022 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 consistently throughout the periods presented.

There have been no changes to the Group's significant judgements as described in the annual consolidated financial statements for the year ended 31 March 2022. There have been no significant changes to the key sources of estimation uncertainty described in those financial statements.

Where it has been presented, the information for the year ended 31 March 2022 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.

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.

Turnover and segment information
The Group identifies its operating segments based on a combination of factors, including the nature and type of service provided and differences in regulatory environment. Operating segments are aggregated where there is a high degree of consistency across these factors, and the segments have similar economic characteristics. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group has only one reportable segment involving the provision of studio and related services to the film, television and wider creative industries. All turnover, expenses, corporate activities and non-current assets can be assigned to this segment.

Notes to the Condensed Consolidated Financial Statements (continued)

for the six month period ended 30 September 2022

2. Operating profit

Operating profit is stated after charging/(crediting):	6 months ended 30 Sep **2022** **£'000**	2021 £'000	Year ended 31 Mar 2022 £'000
Depreciation of property, plant and equipment	**4,959**	5,196	10,257
Loss on disposal of property, plant and equipment	**31**	-	75
Operating lease payments	**898**	641	1,271
Profit on disposal of investments	**-**	(19)	(141)
Net Government grants (received)/returned	**(8)**	527	470
Amortisation of software	**192**	192	386
Amortisation of goodwill	**280**	280	560
Net foreign exchange (gains)/losses	**(7)**	4	7

Government grants in the prior year relate mainly to the UK's Coronavirus Job Retention Scheme, and are presented within other operating income/expenses. During the year ended 31 March 2022, in light of the positive result achieved in the previous year, the Group repaid an element of this support related to retained employees.

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.

3. Interest receivable and similar income

	6 months ended 30 Sep **2022** **£'000**	2021 £'000	Year ended 31 Mar 2022 £'000
On financial instruments measured at amortised cost:			
Interest receivable from associates	**166**	154	314
Interest receivable on loan due from parent undertaking	**5,540**	5,540	11,080
Bank interest receivable	**1,044**	47	384
Other interest receivable	**222**	108	111
	6,972	5,849	11,889
On financial instruments measured at fair value:			
Gains on derivative financial instruments (including interest accruals)	**1,836**	233	1,214
	1,836	233	1,214
	8,808	6,082	13,103

Notes to the Condensed Consolidated Financial Statements (continued)
for the six month period ended 30 September 2022

4. Interest payable and similar charges

	6 months ended 30 Sep **2022** **£'000**	2021 £'000	Year ended 31 Mar 2022 £'000
On financial instruments measured at amortised cost:			
Senior secured notes	**18,116**	12,460	28,515
On other instruments:			
Other interest	**329**	216	485
	18,445	12,676	29,000

5. Taxation

(a) Analysis of charge for the period:	6 months to 30 Sep **2022** **£'000**	2021 £'000	Year ended 31 Mar 2022 £'000
Current tax:			
UK corporation tax charge	**23**	2,990	6,037
Amounts payable for group tax relief	**-**	1,036	2,096
Foreign income tax	**11**	15	37
Foreign tax suffered	**34**	34	68
Double taxation credit	**(23)**	(24)	(46)
Amounts under/(over) provided in previous periods	**107**	-	(140)
	152	4,051	8,052
Deferred tax:			
Relating to origination and reversal of timing differences	**3,967**	84	420
Effect of change in deferred tax rates on opening balances	**-**	1,186	1,186
Amounts under provided in previous periods	**-**	-	112
	3,967	1,270	1,718
Tax charge in the Group statement of comprehensive income	**4,119**	5,321	9,770

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.

6. Interests in associates

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Equity	**3,379**	989	1,953
Loan notes	**4,321**	3,995	4,155
Total investment in associates	**7,700**	4,984	6,108

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

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
At beginning of period	**1,953**	-	-
Share of profit	**1,426**	989	1,953
At end of period	**3,379**	989	1,953

At 30 September 2022, 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%

7. Intangible assets

	Software £'000	**Goodwill £'000**	**Total £'000**
Cost			
At 31 March 2021	3,973	5,604	9,577
Additions	40	-	40
At 30 September 2021	4,013	5,604	9,617
Adjustments	(6)	-	(6)
At 31 March 2022	4,007	5,604	9,611
Additions	38	-	38
At 30 September 2022	**4,045**	**5,604**	**9,649**
Amortisation			
At 31 March 2021	413	3,363	3,776
Provided during the period	192	280	472
At 30 September 2021	605	3,643	4,248
Provided during the period	194	280	474
At 31 March 2022	799	3,923	4,722
Provided during the period	192	280	472
At 30 September 2022	**991**	**4,203**	**5,194**
Net book value			
At 30 September 2022	**3,054**	**1,401**	**4,455**
At 31 March 2022	3,208	1,681	4,889
At 30 September 2021	3,408	1,961	5,369
At 31 March 2021	3,560	2,241	5,801

8. Property, plant and equipment

	Freehold land and buildings £'000	Fixtures, fittings and equipment £'000	Assets under construction £'000	Total £'000
Cost				
At 31 March 2021	349,871	37,888	26,592	414,351
Additions	5,365	1,010	36,198	42,573
Disposals	(86)	(856)	-	(942)
Exchange movements	-	5	-	5
At 30 September 2021	355,150	38,047	62,790	455,987
Additions	2,817	982	59,682	63,481
Disposals	(804)	(1,269)	-	(2,073)
Exchange movements	-	4	-	4
At 31 March 2022	357,163	37,764	122,472	517,399
Additions	73	835	164,407	165,315
Reclassifications	43,658	245	(43,903)	-
Disposals	-	(2,125)	-	(2,125)
Exchange movements	-	(2)	-	(2)
At 30 September 2022	**400,894**	**36,717**	**242,976**	**680,587**
Depreciation				
At 31 March 2021	62,970	26,011	-	88,981
Provided during the period	3,795	1,401	-	5,196
Disposals	(86)	(856)	-	(942)
Exchange movements	-	5	-	5
At 30 September 2021	66,679	26,561	-	93,240
Provided during the period	3,770	1,291	-	5,061
Disposals	(90)	(866)	-	(956)
Exchange movements	-	4	-	4
At 31 March 2022	70,359	26,990	-	97,349
Provided during the period	3,800	1,159	-	4,959
Disposals	-	(2,094)	-	(2,094)
Exchange movements	-	(2)	-	(2)
At 30 September 2022	**74,159**	**26,053**	-	**100,212**
Net book value				
At 30 September 2022	**326,735**	**10,664**	**242,976**	**580,375**
At 31 March 2022	286,804	10,774	122,472	420,050
At 30 September 2021	288,471	11,486	62,790	362,747
At 31 March 2021	286,901	11,877	26,592	325,370

As at 30 September 2022, assets under construction mainly comprises costs associated with the development of land at Shepperton Studios. Such assets are not depreciated until the development is available for use.

Notes to the Condensed Consolidated Financial Statements (continued)

for the six month period ended 30 September 2022

9. Trade and other receivables

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Amount falling due within one year:			
Trade receivables	**3,917**	2,889	2,667
Prepayments and other receivables	**8,599**	4,127	17,641
Corporation tax receivable	**362**	771	287
Value added tax	**11,097**	1,468	6,878
	23,975	9,255	27,473
Amount falling due after more than one year:			
Loans due from parent undertakings	**345,353**	334,273	339,813
	345,353	334,273	339,813
	369,328	343,528	367,286

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

10. Deposits

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Deposits	**65,109**	-	40,017

Deposits comprise balances held in interest bearing accounts that require advance notice of withdrawal.

11. Share capital

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
1,000 Ordinary shares of £1 each (30 September 2021: 57,409,926 Ordinary shares of 0.001p 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.

In March 2022, as part of a wider review of equity reserves across the Group, Pinewood Group Limited issued and subsequently reduced Ordinary share capital by an amount of £226 million. The nominal value of each Ordinary share was revised to £1.

12. 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.

Retained earnings

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

13. Interest bearing loans and borrowings

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

	Maturity	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Non-current borrowings:				
Revolving credit facility	March 2025/May 2027	**-**	-	-
3.25% senior secured notes	September 2025	**748,355**	747,870	748,058
3.625% senior secured notes	November 2027	**297,678**	-	297,481
Non-current drawn loan facilities		**1,046,033**	**747,870**	**1,045,539**
Current borrowings				
Senior secured notes interest accruals		**4,112**	-	3,564
Current drawn loan facilities		**4,112**	-	3,564
Total Borrowings				
Senior secured notes		**1,046,033**	747,870	1,045,539
Senior secured notes interest accruals		**4,112**	-	3,564
		1,050,145	747,870	1,049,103

If drawn, the revolving credit facility bears interest at SONIA plus a variable margin. £15 million of the facility expires in March 2025. The remainder of the facility expires in May 2027.

The senior secured notes due September 2025 total an aggregate principal amount of £750 million, with coupon interest of 3.25% payable in March and September. 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.

These facilities are secured on certain of the principal assets of the Group.

13. Interest bearing loans and borrowings (continued)

The available drawn and undrawn committed facilities are as follows.

At 30 September 2022	Within 1 year £'000	1 – 5 years £'000	5+ years £'000	Total £'000
Facilities:				
Revolving credit facility	-	75,000	-	75,000
Senior secured notes	-	750,000	300,000	1,050,000
Total facilities	-	**825,000**	**300,000**	**1,125,000**
Drawn loans:				
Revolving credit facility	-	-	-	-
Senior secured notes	-	(750,000)	(300,000)	(1,050,000)
Total drawn loans	-	**(750,000)**	**(300,000)**	**(1,050,000)**
Undrawn facilities:				
Revolving credit facility	-	75,000	-	75,000
Senior secured notes	-	-	-	-
Undrawn committed facilities	-	**75,000**	-	**75,000**

At 30 September 2021	Within 1 year £'000	1 – 5 years £'000	5+ years £'000	Total £'000
Facilities:				
Revolving credit facility	-	50,000	-	50,000
Senior secured notes	-	750,000	-	750,000
Total facilities	-	800,000	-	800,000
Drawn loans:				
Revolving credit facility	-	-	-	-
Senior secured notes	-	(750,000)	-	(750,000)
Total drawn loans	-	(750,000)	-	(750,000)
Undrawn facilities:				
Revolving credit facility	-	50,000	-	50,000
Senior secured notes	-	-	-	-
Undrawn committed facilities	-	50,000	-	50,000

14. Derivative financial instruments

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

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Financial assets/(liabilities) carried at fair value:			
Non-current derivative financial instrument assets	**1,997**	-	8
Non-current derivative financial instrument liabilities	**-**	(1,201)	-
Current derivative financial instrument liabilities	**-**	(409)	(125)

Interest rate swaps

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

Effective interest rate %	**Maturity**	**30 Sep 2022 £'000**	30 Sep 2021 £'000	31 Mar 2022 £'000
2.00% + variable margin	April 2025	**25,000**	25,000	25,000
2.16% + variable margin	April 2022	-	25,000	25,000
		25,000	50,000	50,000

Fair value movements on interest rate swaps are recognised in the statement of comprehensive income within interest payable and receivable. The swaps settle in cash on a quarterly basis. The fair value of the swaps is determined by reference to market interest rate curves.

15. Trade and other payables

	30 Sep 2022 £'000	30 Sep 2021 £'000	31 Mar 2022 £'000
Trade payables	**1,909**	1,803	5,268
Corporation tax payable	**252**	-	145
Other payables	**538**	471	550
Accruals and deferred income	**20,638**	17,624	43,691
Amounts due to parent company	**8,954**	8,772	9,810
Capital expenditure related payables	**48,288**	18,572	28,809
	80,579	47,242	88,273

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.

At 30 September 2022, the Group had total capital commitments contracted for, but not provided in the financial statements, of £219 million (30 September 2021: £130 million) in respect of property, plant and equipment, mainly arising from the expansion of Shepperton Studios. In 2021 the commitments also include amounts in respect of the redevelopment of Pinewood West.

16. Events after the reporting date

During November 2022, Pinewood Group was acquired by PGV SCSp, an entity managed by Aermont Capital Management S.À R.L., created for the purpose of owning and expanding Pinewood. Further information is disclosed on page 3.

17. 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.