

Zinc Media

Newly defined growth pillars and targets

Zinc Media continues to win significant new commissions from a wide range of channels and streamers and to build its profile in the market. FY25 market estimates are underpinned by revenues secured and due to be recognised of £35m, with £5m more under advanced discussions. Medium-term (FY28e) ambitions are focused on adding £10m of revenue and £3m of EBITDA through three growth pillars: expanding in the important Middle Eastern market; growing an entertainment portfolio; and building a reserve of intellectual property (IP) and format-led revenue. The group's current valuation remains well below values for content production capability being highlighted elsewhere in the sector.

Clarifying the levers of growth

Zinc Media already does significant business in the Middle East, which represented around 15% of FY24 group revenues. It is now expanding the type of content and its range of clients. There are particularly promising prospects in event production, where it recently earned £2.6m from one event. Zinc's ambitions are also apparent in its approach to entertainment television, which tends to be bigger ticket with significantly larger potential rewards. Its newly established label in this field, Electric Violet, has an early-stage pipeline worth £18m, which is testament to its credibility as a content provider. The third element of the growth strategy is for the group to build and exploit its reserves of owned IP. Monetisation opportunities are being explored, through dedicated YouTube channels, including for the extensive library of 'blue light' programming acquired with Raw Cut Television in October 2024. *Bargain Loving Brits in the Sun* is already on YouTube via a partnership with Fremantle.

Simplified group structure gives greater flexibility

With nine television production labels, there has been inevitable duplication and inefficiency. In H125, Zinc has restructured this group, now organised under a unified management structure, with centralised support services, including post-production. The Edge Picture Company, Zinc's brand film-making company, has also been restructured, and now also shares group support functions. Management assesses that these moves will realise a further £0.3m of annualised savings.

Valuation: Still awaiting sector value transparency

Continued rumblings regarding potential transactions in the sector (notably ITV) highlight the potential for a valuation uplift for Zinc Media. There is considerable scope for consolidation in the sector. Zinc is well-placed to expand its portfolio, build scale and achieve a stronger negotiating position with content commissioners.

Consensus estimates

Year end	Revenue (£m)	EBITDA (adj) (£m)	PBT (£m)	EPS (p)	EV/sales (x)	P/E (x)
12/23	36.6	1.4	(0.4)	(6.52)	0.3	N/A
12/24	32.3	1.5	0.3	(2.44)	0.4	N/A
12/25e	41.4	2.1	0.9	3.45	0.3	19.8

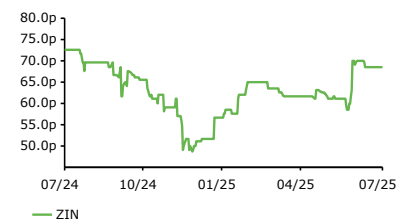
Source: LSEG Data & Analytics

Media

15 July 2025

Price 68.50p
Market cap £17m

Share price performance



Share details

Code	ZIN
Listing	AIM
Shares in issue	24.7m
Net cash at 30 June 2025	£4.2m

Business description

Zinc Media is a diversified production group comprising 11 businesses making programmes for television and content for brands and businesses.

Bull points

- Diversified portfolio of content types.
- Strong start for commissions in FY25.
- Improving gross margin mix.

Bear points

- Currently lacking scale.
- Commissioning market can be volatile.
- No guarantee of success in the entertainment market.

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