ITV2 Limited

Strategic Report for the year ended 31 December 2025

The Directors present their Strategic Report for the year ended 31 December 2025.

Principal activities
ITV2 Limited (the "Company") is licensed by Ofcom to broadcast digital programme services in the UK. The company holds the broadcast licences for the ITV2, ITV4 and ITVBe channels.

Fair review of the business
The results for the Company show a profit for the year of £46,193,000 (2024: £55,635,000). At the statement of financial position date the Company had net assets of £115,926,000 (2024: £69,733,000).

Corporate restructure
During 2025, the Company's ultimate parent entity, ITV plc, restructured its investments to simplify the overall Group holding structure and ensure that businesses within the same segment report to a common parent. This involved ITV plc incorporating ITV M&E Holdings Limited, to serve as the parent holding company for the Media & Entertainment business. There was no change to the immediate parent of the Company.

Future developments
The Directors do not anticipate any significant developments or changes to the Company.

KPIs
The Directors of the ITV plc Group manage the Group’s operations on a divisional basis with this Company being included within the Media and Entertainment division. For this reason, the Company’s Directors use the ITV plc Media and Entertainment division’s Operating and Performance Review in managing and understanding the development, performance and position of the Company. The KPI's and business review is included on pages 22 to 27 of ITV plc’s 2025 Annual Report.

Principal risks and uncertainties
The key business risks and uncertainties affecting the Company are considered to relate to the erosion of television’s share of advertising, decline in audience as competition from other commercial channels increases and the retention of key staff.

A comprehensive strategic review of the Company's strategy, outlining the development, performance and position of the Company's business can be found in the Strategic Report of the group in the ITV plc Annual Report. The Annual Report of ITV plc is available to the public and may be obtained from www.itvplc.com or the Company Secretary, ITV White City, 201 Wood Lane, London, W12 7RU.

Post balance sheet events

On 6 July 2026, ITV plc announced the sale of the ITV Media and Entertainment business, which includes the Company, to Sky. The transaction is subject to regulatory approvals. The regulatory process has already started with the UK Competition and Markets Authority (CMA) launching its review process. Given that this is a media merger, ITV expects the Secretary of State to issue a Public Interest Intervention Notice in due course. The transaction may go to a phase two CMA review and if it does then it is likely that the transaction will complete in H2 2027.

The sale does not impact the operation of the Company and its principal activities as described in these financial statements.

Section 172 (1) Statement - Directors Statement in performance of their duties under section 172(1)

The Board of ITV plc are responsible for governance and oversight across the ITV Group and the duties under Section 172(1) of the Companies Act 2006 ('s172') in respect of ITV plc. As ITV2 Limited (the 'Company') is part of the ITV Group, its directors (the "Directors") believe that certain matters they are responsible for under s172 in respect of the Company have been considered to an appropriate extent by the Board of ITV plc in relation both to the ITV Group and the Company and reference to this is made below.

The Directors consider and approve relevant matters during the year. To the extent necessary for an understanding of the development, performance and position of the Company, an explanation of how the Directors have specifically considered the matters set out in s172 is set out below:

• **The long term:** The Directors remain focused on driving the ITV Group strategy to transform the Media and Entertainment business. In 2025, the Company continued to address the structural changes in the viewer landscape while maintaining its position as a destination for mass audiences. In 2025, ITV2 remained the number one digital channel for the 16-34 demographic for the ninth consecutive year. This reach is critical to maintaining value for advertisers. The Directors have overseen the continued integration of the Company's content into ITVX, which saw total streaming hours increase by 16% in 2025. ITVX has now returned its entire investment four years earlier than originally expected. In 2025, the Group delivered £63 million in permanent non-content cost savings, including £50 million from the strategic cost programme. The Directors considered the Group's ongoing discussions regarding the future of the M&E division to ensure long-term shareholder interests are safeguarded.

• **Employees:** As in previous years, the Company does not have any direct employees. However, the Directors remain aligned with the ITV Group's workforce engagement policies, which in 2025 included the first publication of a class pay gap and the addition of colleague network chairs to the Cultural Advisory Council to enhance inclusivity.

• **Business relationships - suppliers, customers:** The Directors are committed to fostering strong relationships with their key stakeholders which include viewers, suppliers, advertisers, platform owners, legislators and regulators. The Directors recognise that an understanding of the issues relating to these stakeholders is fundamental to building and maintaining the successful relationships, enabling the Company to take advantage of the strong and mutually beneficial opportunities needed to ensure the success of the Company. As the Company is fully embedded within the ITV Group governance structure, the Directors seek to align themselves with ITV plc's engagement mechanisms and an explanation of how the Directors of ITV plc have had regard to the need to foster the Company's business relationships are set out on pages 64 to 72 of ITV plc's 2025 annual report which does not form a part of this report, with detail on viewers and subscribers page 65,customers (including advertisers) page 66, citizens page 68 and programme participants on page 70.

• **Community & environment:** The Directors have regard to the impact of its operations on the environment and consider that as a result of being embedded within the ITV Group governance structure, the Directors of ITV plc have taken the lead in carrying out the duties in respect of the community and wider environmental issues. Further information on how ITV aims to reduce its carbon emissions and waste, and source responsibly is set out on page 31 of ITV plc's 2025 annual report, which does not form a part of this report.

High standards of business conduct: The Board's intention is to ensure that the Company operates in an ethical and responsible way. As a part of the ITV Group it recognises that a healthy corporate culture is the cornerstone of high standards of business conduct and governance as set on page 32 of the ITV plc Annual Report. ITV's culture also pervades its business dealings with stakeholders outside of the organisation.

Approved by the Board on 18 September 2026 and signed on its behalf by:

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S Clarke
Director