RNS Number : 0707Q
Synectics PLC
08 July 2025

8 July 2025

Synectics plc
("Synectics", the "Company" or the "Group")

Interim results for the six months ended 31 May 2025

H1 2025 performance underpinned by solid order book and ongoing new business momentum
Trading remains comfortably in line with FY 2025 market expectations[1]

Synectics plc (AIM: SNX), a leader in advanced security and surveillance solutions, announces its unaudited interim results for the six months ended 31 May 2025 ("H1 2025" or the "Period").

Financial highlights

- Revenue increased by 35% to £35.5 million (H1 2024: £26.3 million)
- Underlying operating profit[2] up 48% to £3.3 million (H1 2024: £2.2 million)
- Adjusted EBITDA[3] increased by 47% to £4.2 million (H1 2024: £2.8 million)
- Adjusted, diluted earnings per share[4] rose by 59% to 16.4 pence (H1 2024: 10.3 pence)
- Net cash at 31 May 2025 of £12.1 million with no bank debt[5] (31 May 2024: £6.4 million, 30 November 2024: £9.6 million)
- Order book at 31 May 2025 of £35.1 million (31 May 2024: £30.2 million, 30 November 2024: £38.5 million)
- Interim dividend increased to 2.2 pence per share (H1 2024: 2.0 pence per share)

Operational highlights

- Solid customer demand, including several key contract wins:
    - £2.0 million secured with West Midlands Police
    - US 2.2 million with high-profile gaming resort in South-East Asia as well as US 4.8 million contract extension
    - £1.1 million pilot with Stagecoach, the UK's largest bus and coach operator
    - Strengthened long-standing partnership with PENN Entertainment, Inc, having secured two further contracts in the US
    - Two new customers gained in the Philippines, further expanding Synergy Software deployment in the region
- Early steps taken to strengthen partner network and build regional presence, including new senior appointments in the UAE and North America, and for the partner programme
- Announcement of Paul Williams as Chief Financial Officer, effective from 26 August 2025

Outlook

- Solid order book at 31 May 2025, for delivery across the remainder of FY 2025 and into FY 2026
- Continued contract momentum across key sectors, underpinning confidence in FY 2025
- Trading remains comfortably in line with FY 2025 market expectations[1]

Commenting on the results, Amanda Larnder, Chief Executive Officer and Chief Financial Officer, said:

"Synectics has delivered strong financial results for the first half, underpinned by the planned delivery of a major customer contract which contributed to meaningful growth in both revenue and profit.

"We are seeing encouraging early progress of our refreshed strategy, including building activity in our core sectors, strengthening our partner network, and continuing to invest in technology capability to support long-term growth.

"With a solid order book, a strong cash position and a clear focus, we are well placed to deliver on our longer-term priorities."

[1] FY 2025 market expectations are revenue of £65.0 million and adjusted profit before tax of £5.3 million, before share-based payments of c.£0.5 million

[2] Underlying operating profit represents profit before tax, finance income and costs, share-based payment charge and non-underlying items; see note 5.

[3] [illegible]

[3] Adjusted EBITDA represents profit before finance income and costs, tax, depreciation, amortisation, share-based payment charge and non-underlying items.

[4] Adjusted diluted earnings per share are based on profit after tax but before share-based payment charge and non-underlying items.

[5] Excluding IFRS 16 lease liabilities.

For further information, please contact:

Synectics plc	Tel: +44 (0) 114 280 2828
Amanda Larnder, Chief Executive Officer and Chief Financial Officer	www.synecticsplc.com
Claire Stewart, Company Secretary	
email: info@synecticsplc.com	
Shore Capital	Tel: +44 (0) 20 7408 4090
Corporate Advisory - Tom Griffiths / David Coaten / George Payne	
Corporate Broking - Fiona Conroy	
Vigo Consulting	Tel: +44 (0) 20 7390 0230
Jeremy Garcia / Fiona Hetherington / Peter Jacob	
synectics@vigoconsulting.com	

About Synectics plc

Synectics plc (AIM: SNX) is a leader in advanced security and surveillance solutions that help protect people, property and assets around the world.

It transforms customer operations by seamlessly integrating systems, technologies, and data into a unified solution - enhancing safety, improving efficiency, and enabling smarter, faster decision-making and response capabilities.

With its technical expertise, decades of experience, and strong partnerships, Synectics sets itself apart by delivering innovation and service that drive real value and long-term success.

Find out more at https://synecticsplc.com/.

Chief Executive Officer's Statement

Introduction

I am pleased to report a good performance for Synectics in H1 2025. We have continued to make steady progress across our core markets, delivering growth in both revenue and profitability, while making early positive progress against our refreshed strategy.

While it is still early in this process, our clear focus on five defined sectors: critical infrastructure, energy, public space, transport, and leisure and hospitality, is helping to shape our priorities and guide targeted investment.

I would like to thank our teams across the business for their ongoing commitment and hard work, which continues to drive Synectics forward.

Financial Summary

Synectics delivered a strong financial performance in H1 2025, with strong growth in both revenue and operating profit. Revenue increased by 35% to £35.5 million (H1 2024: £26.3 million) driven by particularly strong growth in the leisure and hospitality sector, reflecting the planned delivery of a major casino contract during the Period.

Growth was also delivered in the critical infrastructure and transport sectors. Gross margin remained robust at 41.0% (H1 2024: 42.5%).

Underlying[2] operating profit increased by 48% to £3.3 million (H1 2024: £2.2 million), reflecting increased sales volumes and disciplined cost control, alongside continued investment in technology, sales and business development, and operational capability to support long-term growth.

Adjusted[3] EBITDA was up by 47% to £4.2 million (H1 2024: £2.8 million), with adjusted[4] diluted earnings per share up 59% to 16.4 pence (H1 2024: 10.3 pence).

The Company ended the Period with a solid order book of £35.1 million (31 May 2024: £30.2 million; 30 November 2024: £38.5 million), with the prior year-end figure reflecting the inclusion of the significant contract awarded by a major casino operator, the majority of which was delivered in the Period.

The Group remains debt free, with a strong cash balance at 31 May 2025 of £12.1 million (31 May 2024: £6.4 million, 30 November 2024: £9.6 million), providing flexibility to support organic investment and pursue strategic M&A opportunities as they arise.

Reflecting the Board's continued confidence in the business' long-term prospects, an increased interim dividend of 2.2 pence per share (H1 2024: 2.0 pence per share) will be paid on 22 August 2025 to shareholders on the register at the close of business on 25 July 2025. The ex-dividend date will be 24 July 2025.

Delivering our Refreshed Strategy

In the 2024 full year results, we outlined a refreshed strategy to align our long-term objectives, accelerate growth and position the Group for long-term value creation. Built around four clear priorities, this strategy is designed to deepen our presence in specialist markets, strengthen recurring revenue, and scale the business in a sustainable way. Our priorities are to:

- Expand our market presence in both core and adjacent markets, by concentrating on areas where we have proven

technical and operational expertise;
- Invest in technology to drive innovation and deliver differentiated, customer-focused solutions;
- Develop and maintain excellent customer relationships through consistently high-quality service, trust and performance; and
- Develop and expand our partner network to support global market growth by reaching customers more effectively.

Since setting out our refreshed strategy earlier this year, we have taken initial steps to build our market presence and, while it is still early in this process, we are actively progressing commercial activity in key regions. In parallel, our work to assess the scale and viability of adjacent market opportunities, including global data centres and the renewable energy market, continues. We are seeing positive early engagement, although market entry is expected to take time, reflecting both the nature of these sectors and the need to establish the right relationships and structure for sustainable growth.

We also continue to strengthen how we work with partners to support scalable international growth. During 2024, we launched a unified global partner programme, supported by a new online portal. A Head of Partner Programme has now joined the business to drive structured engagement and ensure we maximise the potential of both existing and new partner relationships.

Looking ahead, we remain focused on executing our refreshed strategy. While some initiatives will take time to deliver a material impact, we are encouraged by the early momentum. With clear priorities, targeted investment, and a more focused sector-led approach, we believe the business is well positioned to drive sustainable growth over the medium term.

People

Our people remain central to the success of Synectics, and we continue to invest in building a positive, inclusive and engaging culture that enables everyone to thrive.

We recently hosted our first UK Employee Summit, bringing teams together from across the Group to hear more about our future priorities, share ideas and spend time with colleagues from different parts of the business. The response was overwhelmingly positive and reinforced the importance of meaningful engagement in helping our people feel connected to the direction of the business and their role within it.

We also launched our new internal communications platform. This is an important step in improving how we communicate across locations, share updates, and recognise achievements.

I am proud of the progress we have made so far. Continuing to support our people and foster a culture where they can thrive will remain a key priority as we move the business forward.

Business Review - Synectic Systems

Synectic Systems develops and delivers its technology-led solutions to specialist markets globally through local systems integrators and channel partners. Capabilities centre around a proprietary software platform, Synergy, that is tailored to the unique requirements of each customer, and specialist hardware for oil and gas markets built on our COEX camera range.

	H1 2025 **£m**	**H1 2024** **£m**	**Inc/(dec)** **£m**
Revenues			
Critical Infrastructure	1.1	1.9	(0.8)
Energy	5.7	6.5	(0.8)
Public Space	1.6	2.3	(0.7)
Transport	1.6	1.1	0.5
Leisure & Hospitality	13.6	5.6	8.0
Total revenue	23.6	17.4	6.2
Gross margin	47.4%	48.4%	(1.0)ppt
Underlying operating profit	3.9	2.9	35%
Underlying operating margin	16.7%	16.7%	-

Synectic Systems delivered strong growth in the first half, with revenues increasing by 36% to £23.6 million (H1 2024: £17.4 million). This was driven primarily by a significant increase in revenue from the leisure and hospitality sector, particularly gaming. In line with management's expectations, a substantial proportion of the major contract with a leading casino operator was delivered during the Period, contributing materially to the uplift. We also secured a five-year extension to the existing contract with this customer, worth at least US 4.8 million, reflecting the customer's ongoing confidence in our Synergy platform and its ability to scale with their evolving requirements.

Gross margins dropped as expected by 1 percentage point due to the mix of projects with particularly high margins in the previous year.

Underlying operating profit increased to £3.9 million (H1 2024: £2.9 million), with operating margins holding steady at 16.7%. While margins remained flat, this reflects continued investment in our growth priorities , including expanding our technology development team, strengthening sales and marketing, implementing a new ERP system, and progressing the development of our subscription pricing model. These initiatives are aligned with our long-term strategy and are expected to support scalable, recurring growth over time.

Within the energy sector, we continue to see stable demand across our customer base, particularly in the Floating Liquefied Natural Gas and Floating Production Storage and Offloading markets. Revenues were £0.8 million lower than the corresponding period, which had benefited from the delivery of Saudi Aramco's significant Zuluf project. We are seeing some slippage in expected order timing, as project approvals in the oil and gas sector are taking longer than anticipated. More frequently, projects are being re-evaluated or re-engineered following the design work, primarily due to higher-than-expected cost estimates. Despite this, the overall outlook remains positive, and we anticipate increased activity in the second half of FY 2025.

We are also progressing our efforts to enter the renewable energy sector, focusing on wind and carbon capture markets. We are seeing encouraging engagement with potential customers, although initial contract awards are expected to take time to materialise given the relatively lengthy investment approval process.

Following the receipt of our trade licence in the UAE, we have appointed a Head of Business Development in the region, bringing significant in-country experience. As the UAE continues to invest in mega-resorts, infrastructure and gated communities, we believe Synectic Systems is well positioned to support growing demand for advanced security and communities, we believe Synectic Systems is well-positioned to support growing demand for advanced security and surveillance solutions.

In addition, we have appointed a Head of Partner Programme to lead the expansion and improvement of how we work with our customers. The role will focus on strengthening relationships with our existing partners and building a more scalable, structured approach to partner engagement, including improved support and commercial alignment. This will enable us to extend our market reach more effectively while maintaining the high standards of delivery and service that our customers expect.

Business Review - Ocular

Ocular delivers integrated solutions, service, and support directly to end-users in the UK and Ireland - principally within public space, transport, and national infrastructure - utilising a combination of the Group's proprietary technology and third-party products.

	H1 2025 £m	H1 2024 £m	Inc/(dec) £m
Revenues			
Critical Infrastructure	4.6	2.0	2.6
Public Space	2.1	2.9	(0.8)
Transport	5.4	4.4	1.0
Leisure & Hospitality	0.5	0.4	0.1
Total revenue	**12.6**	9.7	2.9
Gross margin	**26.7%**	28.5%	(1.8)ppts
Underlying operating profit	**0.8**	0.7	0.1
Underlying operating margin	**6.1%**	6.7%	(0.6)ppts

Following its rebranding to Ocular, the business continues to make positive progress across its target sectors. Work is ongoing to refine and align Ocular's go-to-market strategy with its core sector focus, supported by investment in leadership and sales and marketing capability. In parallel, the business is securing new customer wins and expanding its presence in key markets.

Revenues increased by 29% to £12.6 million (H1 2024: £9.7 million), driven by strong growth in transport and critical infrastructure markets. Within transport, demand is being driven by the shift to IP-based systems, increased investment in electric vehicle fleets, and the need for connected technologies that enhance both fleet oversight and the passenger experience. In critical infrastructure, revenue growth during the period was primarily driven by delivery of large projects with National Grid.

Gross margin fell by 1.8 percentage points to 26.7% (H1 2024: 28.5%), reflecting a high level of delivery of certain critical infrastructure projects during the Period, where margins are typically tighter due to the nature of competitive procurement frameworks. Despite this, underlying operating profit increased by 17% to £0.8 million, with operating margin at 6.1% (H1 2024: 6.7%). The slight decline in operating margin reflects ongoing investment in sales and business development capacity to support future growth.

Ocular was awarded a £2.0 million project with long-standing customer West Midlands Police for the installation of security systems across custodial suites and police stations. This further strengthens Ocular's position as a trusted provider to UK policing and reflects its deep knowledge in complex public sector environments.

In May 2025, Ocular announced a contract with Stagecoach, the UK's largest bus and coach operator, to pilot its new On-Board Hub solution, a connected platform that integrates CCTV, telematics, and diagnostics to improve fleet efficiency, operator oversight, and the passenger experience. This pilot supports Stagecoach's commitment to digital transformation and represents a significant opportunity for future deployment across the wider fleet.

Demand for Ocular's solutions continues to be driven by the need for flexible, reliable systems that protect people and infrastructure in a rapidly evolving risk landscape. The business is focused on aligning its go-to-market approach with sector-specific needs, leveraging its innovation and technical expertise to support long-term growth.

Ocular remains focused on long-term, sustainable growth by continuing to align its go-to-market strategy with sector-specific needs, strengthening its leadership position through thought leadership and technical innovation.

Innovation

We remain focused on enhancing our technical capabilities and strengthening the integration of best-in-class technologies that address the evolving operational and security challenges faced by our customers.

Building on last year's launch of Synergy DETECT, our first suite of AI-driven tools, we will shortly be launching the next addition to our AI capabilities. This upcoming release will further expand the platform's analytics offering, supporting the growing customer demand for real-time intelligence and faster, more effective incident response.

In parallel, we continue to invest in edge-based analytics across both our IP and COEX camera ranges, while also progressing the evolution of Synergy to support hybrid and subscription-based deployments. Our investment in specialist sectors remains a core part of our platform strategy.

This sustained focus on innovation is enabling us to reinforce our position in existing markets while creating the technical capability to scale over time.

Board

On 19 June 2025, we announced the appointment of Paul Williams as Chief Financial Officer with effect from 26 August 2025. Paul brings significant experience in the IT and software sectors, as well as strong capital markets expertise. We look forward to welcoming him to the team and benefiting from the breadth of his knowledge and experience.

Outlook

We are encouraged by the continued momentum across the business. Looking ahead, the combination of a secured order book and an active sales pipeline provides visibility over a significant proportion of the expected full-year outturn.

Trading remains comfortably in line with market expectations for FY 2025[1], and we expect revenue to be broadly balanced between the first and second halves. As planned, we anticipate a step-up in operating costs in H2 2025, reflecting increased investment in product development, and commercial and operational capabilities. These investments are aligned with our long-term growth priorities and are expected to begin contributing to financial performance during FY 2026, with a more material impact anticipated over the medium term.

Our strategic focus remains on deepening our presence in core sectors, expanding into adjacent opportunities, and building scalable, recurring revenue. While some of these initiatives will take time to deliver material impact, we are encouraged by the early progress.

With a strong balance sheet, growing market recognition, and a focused strategy in place, we remain confident in the Group's immediate and medium-term outlook.

Amanda Larnder
Chief Executive Officer and Chief Financial Officer
7 July 2025

Consolidated income statement
For the six months ended 31 May 2025

		Unaudited six months ended 31 May 2025			Unaudited six months ended 31 May 2024		
	Notes	Underlying £'000	Non-underlying items (note 5) £'000	Total £000	Underlying £'000	Non-underlying items (note 5) £'000	Total £'000
Revenue	4	**35,485**	**-**	**35,485**	26,272	-	26,272
Cost of sales		**(20,944)**	**-**	**(20,944)**	(15,095)	-	(15,095)
Gross profit		**14,541**	**-**	**14,541**	11,177	-	11,177
Operating expenses		**(11,567)**	**-**	**(11,567)**	(9,015)	(335)	(9,350)
Adjusted[1] EBITDA	3	**4,177**	**-**	**4,177**	2,849	(335)	2,514
Share-based payment charge		**(284)**	**-**	**(284)**	(44)	-	(44)
Depreciation and amortisation		**(919)**	**-**	**(919)**	(643)	-	(643)
Operating profit		**2,974**	**-**	**2,974**	2,162	(335)	1,827
Finance income		**69**	**-**	**69**	-	-	-
Finance costs		**(44)**	**-**	**(44)**	(57)	-	(57)
Profit before tax		**2,999**	**-**	**2,999**	2,105	(335)	1,770
Income tax expense	6	**(383)**	**-**	**(383)**	(412)	59	(353)
Profit for the period attributable to equity holders of the Parent		**2,616**	**-**	**2,616**	1,693	(276)	1,417
Earnings per share	8						
Basic				**15.4p**			8.4p
Diluted				**14.8p**			8.4p
Adjusted[2] basic				**17.1p**			10.3p
Adjusted[2] diluted				**16.4p**			10.3p

[1] Adjusted EBITDA represents profit before finance income and costs, tax, depreciation, amortisation, and share-based payment charge.

[2] Adjusted earnings per share excludes non-underlying items and share-based payment charges

Consolidated statement of comprehensive income
For the six months ended 31 May 2025

	Unaudited six months ended 31 May 2025 £000	Unaudited six months ended 31 May 2024 £000
Profit for the period	**2,616**	1,417
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	**(271)**	(6)
Gains/(losses) on a hedge of a net investment taken to equity	**46**	(42)
	(225)	(48)
Tax on items that may be reclassified	**(12)**	-
	(237)	(48)
Total comprehensive income for the period attributable to equity holders of the Parent	**2,379**	1,369

Consolidated statement of financial position

As at 31 May 2025

	Unaudited 31 May 2025 £000	**Unaudited 31 May 2024 £000**	30 Nov 2024 £000
Non-current assets			
Property, plant and equipment	**3,634**	**3,508**	3,801
Goodwill and intangible assets	**22,706**	**21,473**	22,248
Deferred tax assets	**1,665**	**1,966**	1,488
	28,005	**26,947**	27,537
Current assets			
Inventories	**6,678**	**5,906**	9,244
Trade and other receivables	**13,046**	**10,794**	14,124
Contract assets	**4,825**	**8,078**	5,378
Cash and cash equivalents	**12,120**	**6,414**	9,559
	36,669	**31,192**	38,305
Total assets	**64,674**	**58,139**	65,842
Current liabilities			
Trade and other payables	**(13,037)**	**(11,037)**	(13,665)
Contract liabilities	**(3,168)**	**(3,327)**	(6,428)
Lease liabilities	**(650)**	**(571)**	(701)
Tax liabilities	**(638)**	**(185)**	(268)
Provisions	**(868)**	**(303)**	(556)
	(18,361)	**(15,423)**	(21,618)
Non-current liabilities			
Provisions	**(605)**	**(887)**	(741)
Lease liabilities	**(1,034)**	**(1,037)**	(1,189)
Deferred tax liabilities	**(964)**	**(1,009)**	(963)
	(2,603)	**(2,933)**	(2,893)
Total liabilities	**(20,964)**	**(18,356)**	(24,511)
Net assets	**43,710**	**39,783**	41,331
Equity attributable to equity holders of the Parent			
Called up share capital	**3,559**	**3,559**	3,559
Share premium account	**16,043**	**16,043**	16,043
Merger reserve	**9,971**	**9,971**	9,971
Other reserves	**(1,223)**	**(1,436)**	(1,417)
Currency translation reserve	**669**	**864**	906
Retained earnings	**14,691**	**10,782**	12,269
Total equity	**43,710**	**39,783**	41,331

Consolidated statement of changes in equity

For the six months ended 31 May 2025

	Called up share capital £000	Share premium account £000	Merger reserve £000	Other reserves £000	Currency translation reserve £000	Retained earnings £000	Total £000
At 1 December 2023	3,559	16,043	9,971	(1,436)	912	9,828	38,877
Profit for the period	-	-	-	-	-	1,417	1,417
Other comprehensive income							
Currency translation adjustment	-	-	-	-	(48)	-	(48)
Total other comprehensive income	-	-	-	-	(48)	-	(48)
Total comprehensive income	-	-	-	-	(48)	1,417	1,369
Dividends paid	-	-	-	-	-	(507)	(507)
Credit in relation to share-based payments	-	-	-	-	-	44	44
At 31 May 2024	3,559	16,043	9,971	(1,436)	864	10,782	39,783
Profit for the period	-	-	-	-	-	1,762	1,762
Other comprehensive income							
Currency translation adjustment	-	-	-	-	12	-	12
Tax relating to components of other comprehensive income	-	-	-	-	30	-	30
Total other comprehensive income	-	-	-	-	42	-	42
Total comprehensive income	-	-	-	-	42	1,762	1,804
Dividends paid	-	-	-	-	-	(338)	(338)
Share scheme interests realised in the year	-	-	-	19	-	-	19
Credit in relation to share-based payments	-	-	-	-	-	63	63
At 30 November 2024	3,559	16,043	9,971	(1,417)	906	12,269	41,331
Profit for the period	-	-	-	-	-	2,616	2,616
Other comprehensive income							
Currency translation adjustment	-	-	-	-	(225)	-	(225)
Tax relating to components of other							

comprehensive income	-	-	-	-	(12)	-	(12)
Total other comprehensive income	-	-	-	-	(237)	-	(237)
Total comprehensive income	-	-	-	-	(237)	2,616	2,379
Dividends paid	-	-	-	-	-	(427)	(427)
Share scheme interests realised in the year	-	-	-	194	-	(51)	143
Credit in relation to share-based payments	-	-	-	-	-	284	284
At 31 May 2025	3,559	16,043	9,971	(1,223)	669	14,691	43,710

Consolidated cash flow statement

For the six months ended 31 May 2025

	Unaudited six months ended 31 May 2025 £000	Unaudited six months ended 31 May 2024 £000
Cash flows from operating activities		
Profit for the period	**2,616**	**1,417**
Income tax expense	**383**	**353**
Finance (income) / costs	**(25)**	**57**
Depreciation and amortisation charge	**919**	**643**
Net foreign exchange differences	**143**	**134**
Non-underlying items	**-**	**335**
Cash flow on non-underlying items	**-**	**(235)**
Net movement in provisions	**230**	**(88)**
Share-based payment charge	**284**	**44**
Operating cash flows before movement in working capital	**4,550**	**2,660**
Decrease / (increase) in inventories	**2,489**	**(961)**
Decrease in trade, other and contract receivables	**1,323**	**1,809**
(Decrease) / increase in trade, other and contract payables	**(3,395)**	**94**
Cash generated from operations	**4,967**	**3,602**
Tax (paid)/ received	**(213)**	**28**
Net cash from operating activities	**4,754**	**3,630**
Cash flows from investing activities		
Purchase of property, plant and equipment	**(259)**	**(224)**
Capitalised development costs	**(615)**	**(555)**
Purchased software	**(223)**	**(2)**
Net cash used in investing activities	**(1,097)**	**(781)**
Cash flows from financing activities		
Lease payments	**(415)**	**(361)**
Net Interest received / (paid)	**68**	**(19)**
Dividends paid	**(427)**	**(507)**
Net cash used in financing activities	**(774)**	**(887)**
Net increase in cash and cash equivalents	**2,883**	**1,962**
Effect of exchange rate changes on cash	**(322)**	**(152)**
Cash and cash equivalents at the beginning of the period	**9,559**	**4,604**
Cash and cash equivalents at the end of the period	**12,120**	**6,414**

Notes

For the six months ended 31 May 2025

1 General information

These condensed consolidated interim financial statements were approved by the Board of Directors on 7 July 2025.

2 Basis of preparation

These consolidated interim financial statements of the Group are for the six months ended 31 May 2025.

These interim financial statements do not include all the information and disclosures normally included in the annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the Group's annual financial statements for the year ended 30 November 2024.

These interim financial statements for the six months to 31 May 2025 have not been audited or reviewed by an auditor pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information.

The condensed consolidated interim financial statements have been prepared on the basis of the accounting policies expected to be adopted by the Group for the year ending 30 November 2025. The Group did not have to change its accounting policies as a result of adopting new standards.

AIM-listed companies are not required to comply with IAS 34 'Interim Financial Reporting' and accordingly the Company has taken advantage of this exemption.

3 Alternative performance measures

Adjusted EBITDA and adjusted EBIT are now key performance measures for the Group and are derived as follows:

	Unaudited six months ended 31 May 2025			Unaudited six months ended 31 May 2024		
	Underlying £'000	Non-underlying items (note 5) £'000	Total £000	Underlying £'000	Non-underlying items (note 5) £'000	Total £'000
Profit before tax	2,999	-	2,999	2,105	(335)	1,770
Add back:						
Finance income and costs	(25)	-	(25)	57	-	57
Share-based payments	284	-	284	44	-	44
Adjusted EBIT	3,258	-	3,258	2,206	(335)	1,871
Depreciation	551		551	455	-	455
Amortisation	368	-	368	188	-	188
Adjusted EBITDA	4,177	-	4,177	2,849	(335)	2,514

Adjusted EPS:

The Group monitors adjusted EPS. In calculating earnings for adjusted EPS, net profit is adjusted to eliminate the post-tax impact of non-underlying items and the share-based payment charge. Note 8 includes a reconciliation of earnings used for adjusted EPS.

4 Segmental analysis

Revenue by operating segment

	Unaudited six months ended 31 May 2025 £000	Unaudited six months ended 31 May 2024 £000
Systems	**23,597**	**17,378**
Ocular	**12,563**	**9,718**
Total segmental revenue	**36,160**	**27,096**
Reconciliation to consolidated revenue:		
Intra-Group sales	**(675)**	**(824)**
	35,485	**26,272**

Underlying operating result by operating segment

	Unaudited six months ended 31 May 2025 £000	Unaudited six months ended 31 May 2024 £000
Systems	**3,922**	2,897
Ocular	**762**	650
Total segmental underlying operating profit	**4,684**	3,547
Reconciliation to consolidated underlying operating profit:		
Central costs	**(1,710)**	(1,385)
	2,974	2,162

Underlying operating profit is reconciled to total operating profit as follows:

	Unaudited six months ended 31 May 2025 £000	Unaudited six months ended 31 May 2024 £000
Underlying operating profit	**2,974**	2,162
Non-underlying items	**-**	(335)
	2,974	1,827

5 Non-underlying items

	Unaudited six months ended 31 May 2025 £000	Unaudited six months ended 31 May 2024 £000
Costs associated with restructuring and transformation	**-**	235
Write-off of deferred consideration	**-**	100
	-	335

As at 30 November 2022, a deferred consideration asset was recognised in relation to the contingent consideration payable on the sale of SSS Management Services Ltd ('SSS'). The consideration was contingent on certain performance criteria of SSS in the twelve months following the sale, which have not been met. Therefore, the consideration was not received, and the asset was written off in the comparative period.

6 Taxation

The tax expense of £383,000 (2024: £353,000) for the period is based on the estimated rate of corporation tax that is likely to be effective for the year ending 30 November 2025.

7 Dividends

An interim dividend of 2.2p per share, totalling approximately £372,000 (2024: £338,000) will be paid on 22 August 2025 to shareholders on the register at the close of business on 25 July 2025. The ex-dividend date will be 24 July 2025.

8 Earnings per share

Earnings per share are as follows:

	Unaudited six months ended 31 May 2025 Pence per share	Unaudited six months ended 31 May 2024 Pence per share
Basic earnings per share	**15.4**	8.4
Diluted earnings per share	**14.8**	8.4
Adjusted basic earnings per share	**17.1**	10.3
Adjusted diluted earnings per share	**16.4**	10.3

Adjusted earnings per share excludes non-underlying items and share-based payment charges.

The calculations of basic and adjusted earnings per share are based upon:

	Unaudited six months ended 31 May 2025 £000	Unaudited six months ended 31 May 2024 £000
Earnings for basic and diluted earnings per share	**2,616**	**1,417**
Share-based payments	**284**	**44**
Non-underlying items	**-**	**335**
Tax thereon	**-**	**(59)**
Earnings for adjusted basic and diluted earnings per share	**2,900**	**1,737**

	Unaudited six months ended 31 May 2025 000	Unaudited six months ended 31 May 2024 000
Weighted average number of ordinary shares - basic calculation	**16,957**	**16,889**
Dilutive potential ordinary shares arising from share options	**698**	**23**
Weighted average number of ordinary shares - diluted calculation	**17,655**	**16,912**

9 Availability of results

Copies of this statement are available on the Group's website (www.synecticsplc.com) and will be available shortly from Synectics plc, Synectics House, 3-4 Broadfield Close, Sheffield, England S8 0XN.

END

IR EAPXXEAPSEFA