

Pebble Beach Systems Group plc **Results for the half-year ended 30 June 2025**

Pebble Beach Systems Group plc (AIM: "PEB", "Pebble" or the "Group"), a leading global software business specialising in playout automation and integrated channel solutions for the broadcast and streaming markets, is pleased to announce its unaudited half-year results for the six months ended 30 June 2025 ("H1 25" the "Period").

Financial highlights

- Strong order intake in the Period. Up 33% to £6.5m (H1 24: £4.9m), underpinned by strong SLA renewals and favourable timing on project order intake
- Overall Group revenue in the Period was £5.9m (H1 24: £5.3m), 12% up year on year
- Service Level Agreement ("SLA") revenue up 7% to £3.3m (H1 24: £3.1m), with the Group seeing the benefits from the price rise exercise carried out in FY24 ensuring charges are at the appropriate level for the standard of support contracted
- Project revenue up 20% to £2.6m (H1 24: £2.2m), as a result of favourable timing of project order intake in the Period. This order intake provides the Group with good visibility over full year project revenues
- Revenue in North American has grown by 125% to £1.7m for Q1 25 (Q1 24: £0.7m) as a result of business won supporting global streaming services as they bring live content to their platforms
- Increased adjusted EBITDA¹ of £2.0m (H1 24: £1.4m) and improved adjusted EBITDA¹ margin of 33% (H1 24: 27%), as a result of the strong revenue performance and the strategic action taken in Q1 25 to reduce overheads
- Q1 25 strategic actions also scaled back the development of IP only technologies, due to the ongoing delay in full-scale adoption, which is delivering significant cash savings from reduced capitalised development expenditure
- Cash generated from operating activities (before interest and exceptional items) of £1.8m (H1 24: £1.4m), up 28%
- The Q1 strategic actions have helped the Group deliver a Cash EBITDA² of £1.3m in the Period (H1 24: £0.2m)
- Profit before tax of £0.5m (H1 24: £0.3m)
- Adjusted earnings per share up to 0.8p (H1 24: 0.3p)
- Gross bank debt reduced by £0.5m in last six months to £4.1m at 30 June 2025 (H1 24: £5.1m). Net debt at 30 June 2025 was £3.4m (H1 24: £4.8m) (excluding IFRS 16 leases)
- Board continues to expect strong cash generation from the Group with a focus on delivering a net cash position during 2026

Operational highlights

- The Group's strategic action, which commenced and completed in Q1 25, has delivered a rebalancing that has resulted in annualised cash savings of approximately £2.0m. These savings have been achieved through reduced overheads coupled with a decreased level of investment into research and development thus materially increasing the Group's sustainable free cash inflows
- Focus on existing core capabilities as a broadcast solutions specialist
- Continuing development of existing playout and integrated channel products and services for current customers and new prospects

Current trading and outlook

- The Group's weighted pipeline value remains strong at £10.6m, 8% up on last year's value (H1 24: £9.8m)
- As noted above, favourable timing of project orders in 2025 has resulted in an improved visibility of 2025 project revenue. This good visibility over full year project revenue will reduce the pressure typically experienced during Q4 to deliver full year market expectations

John Varney, Non-Executive Chairman of Pebble Beach Systems Group plc, said:

"Our strategic action announced in January 2025, commenced and completed in Q1 25, has delivered the expected rebalancing which will result in annualised cash savings and sustainable free cash inflows increasing materially in FY25 and beyond. Given the significantly improved cash generation expected to be delivered from the Group, we remain focused on achieving a net cash position during FY 2026.

With the Group entering H2 2025 with a solid sales pipeline along with improved visibility of future recurring revenues, the Board remains confident in delivering against its recently upgraded market expectations for the year.

Given these encouraging results, as previously reported, the Board remains focused on driving further organic growth complemented by inorganic growth, when appropriate".

Notes

¹ Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) a non-GAAP measure, is EBITDA before non-recurring items and foreign exchange gains/losses.

² Cash EBITDA is Adjusted EBITDA less capitalised development costs, an internal measure

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The Company is quoted on the LSE AIM market (PEB.L). More information can be found at www.pebbleplc.com.

About Pebble Beach Systems

Pebble Beach Systems (trading as Pebble) is a world leader in designing and delivering automation, integrated channel and virtualised playout solutions, with scalable products designed for applications of all sizes. Founded in 2000, Pebble has commissioned systems in more than 70 countries, with proven installations ranging from single up to over 150 channels in operation, and around 2000 channels currently on air under the control of our automation technology. An innovative, agile company, Pebble is focused on discovering its customers' requirements and pain points, designing solutions which will address these elegantly and efficiently, and delivering and supporting these professionally and in accordance with its users' needs.

Forward-looking statements

Certain statements in this announcement are forward-looking. Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to be correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. The Group undertakes no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast.

CHAIRMAN'S STATEMENT

Introduction

The Group has performed well in the Period, consistent with the trading update published in July 2025, and has also been able to undertake significant strategic actions to improve its operational efficiency. Overall, this has led to an improved financial performance and improved outlook for the future of the Group.

The Group achieved a 33% increase in overall orders received in the Period (H1 FY24: 12%). This growth is driven by strong SLA renewals and favourable timing of project orders. As a result, the Group now has greater confidence in meeting full-year market expectations, with orders projected to be more evenly spread throughout the year than has been the case previously.

Pleasingly SLA orders increased by 10% following the price rise exercise undertaken in 2024 and an increase in multi year SLA orders. The increase in SLAs continues to improve visibility of future revenue.

Financial performance

Revenue was 12% up on the comparative period at £5.9 million (H1 24: £5.3 million), of which recurring revenue was £3.3 million (H1 24: £3.1 million) representing 55% of Group revenue (H1 24: 57%).

In addition to the strong revenue performance and following the strategic action taken in Q1 25 that lowered the Group's cost base, the Group has achieved an adjusted EBITDA¹ of £2.0m (H1 24: £1.4m) with an improved adjusted EBITDA margin of 33% (H1 24: 27%). The Group expects to report a further improvement in adjusted EBITDA margin in H2 25, benefiting from a full half-year of cost savings.

The decrease in cost base has resulted in a net profit of £0.46 million (H1 24: £0.29 million). The Net profit of the Group includes the non recurring costs of £0.75 million (H1 24: £0.04 million) as a result of the strategic initiatives taken by the Board of a reduced charge for the amortisation of intangible assets as a consequence of the impairment charge recorded in the last financial year and improved foreign exchange gains.

The improvement in profit has resulted in an adjusted EPS of 0.8p (H1 24: 0.3p). Adjusted EPS is based on profit excluding exceptionals and FOREX adjustments.

Cash conversion in H1 25, excluding exceptional items, has remained strong with 101% of adjusted EBITDA being converted to operating cash (H1 24: 101%).

A key part of the strategic initiative was to scale back the Group's development of IP native technology and this has also seen a reduction in the Group's capitalised development costs in H1 25 which totalled £0.6 million (H1 24: £1.2 million).

A net debt position of £3.4 million (excluding IFRS 16 leases) represents a 28% reduction from the comparable period

last year (H1 24: £4.8 million) as the Group has continued to pay off the long-term debt at the same rate as last year. The Board is pleased to reiterate its focus on ensuring the Group moves to a net cash position during 2026.

Operational performance

Project orders of £3.6 million have been strong for H1 (H1 24: £2.2 million); a level last seen in H1 22. This timing is favourable as it gives the Group more certainty for its full year project revenue and reduces the historic overreliance on having to deliver a strong Q4 to deliver full year revenue expectations.

Given the weighted pipeline value for expected orders of £10.6 million (8% up on last year's value), the Board is confident of the outlook and future revenue generation going into H2 and FY26.

We continue to invest in the development of our existing products.

Cash flows and net debt

The Group held cash and cash equivalents of £0.6 million at 30 June 2025 (H1 24: £0.2 million). The table below summarises the cash flows for the half year.

	2025	2024
	£'m	£'m
Cash generated from operating activities	1.8	1.4
Interest paid	(0.2)	(0.3)
Non-recurring items paid	(0.6)	-
Net cash generated from operating activities	1.0	1.1
Net cash used in investing activities	(0.6)	(1.2)
Net cash used in financing activities	(0.5)	(0.5)
Effect of foreign exchange rate changes	(0.1)	-
Net (decrease)/increase in cash and cash equivalents	(0.2)	(0.6)
Cash and cash equivalents at 1 January	0.8	0.8
Cash and cash equivalents at 30 June	0.6	0.2

As at 30 June 2025 net debt (including IFRS 16 leases) was £3.6 million (H1 24: £4.9 million). Cash £0.6 million (H1 24: £0.2 million) and bank debt of £4.1 million (H1 24: £5.0 million) and IFRS 16 leases of £0.1 million (H1 24: £0.1 million). The Group was using all £4.1 million of its available facilities at 30 June 2025, having re-paid £0.5 million in the period.

Going concern

The directors are required to assess the Group's ability to continue to trade as a going concern. The Board concluded, from its thorough assessment of the detailed forecasts, that the Group will have sufficient resources to meet its liabilities during the review period through to 30 September 2026 and that it is appropriate that the Group prepare accounts on a going concern basis (see note 3 below).

Principal risks and uncertainties

The principal risks and uncertainties facing the Group remain consistent with the principal risks and uncertainties reported in the Group's 31 December 2024 Annual Report.

Current trading and outlook

With a strong order intake underpinning H2 25 revenue and a healthy pipeline, the Group is confident of delivering a strong H2 25, in line with recently upgraded market guidance. We now have better visibility of a solid outlook for 2026 and, beyond that, visibility of recurring revenue which provides a strong platform for continued performance.

The Board remains focused on driving further organic growth complemented by inorganic growth, when appropriate, as opportunities to enhance our technology are identified.

With our forecast expected to deliver the market expectations and, given the improved trading being experienced by the Group and the strong cash generation expected to be delivered as the Group benefits from the strategic initiatives taken in the Period, the Board remains confident for the future prospects for the Group."

John Vamey
Non-Executive Chairman

		6 months to 30 June 2025 (Unaudited) £'000	6 months to 30 June 2024 (Unaudited) £'000	Year ended 31 December 2024 (Audited) £'000
	Notes			
Revenue	4	5,905	5,256	11,453
Cost of sales		(1,419)	(1,145)	(2,647)
Gross profit		4,486	4,111	8,806
Sales and marketing expenses		(1,234)	(1,443)	(2,809)
Research and development expenses		(633)	(776)	(4,131)
Administrative expenses		(1,275)	(1,285)	(2,350)
Foreign exchange gains/(losses)		81	(21)	(108)
Other expenses	5	(754)	(37)	(190)
Operating profit/ (loss)	5	671	549	(782)
Operating profit/ (loss) is analysed as:				
Adjusted EBITDA		1,952	1,400	3,276
Non-recurring items		(754)	(37)	(229)
Share based payment expense		–	–	39
Exchange gains/(losses) credited/(charged) to the income statement		81	(21)	(108)
Impairment of intangibles		–	–	(2,741)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		1,279	1,342	237
Depreciation		(79)	(82)	(189)
Amortisation of capitalised development costs		(529)	(711)	(830)
Finance costs		(206)	(255)	(521)
Profit/ (loss) before tax		465	294	(1,303)
Tax	6	(4)	(4)	(5)
Profit/ (loss) for the period being attributable to owners of the parent		461	290	(1,308)
Earnings per share attributable to the owners of the parent during the period				
Basic earnings per share	7	0.4p	0.2p	(1.1p)
Diluted earnings per share				
Diluted earnings per share	7	0.4p	0.2p	(1.1p)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME for the half year ended 30 June 2025

	6 months to 30 June 2025 (Unaudited) £'000	6 months to 30 June 2024 (Unaudited) £'000	Year ended 31 December 2024 (Audited) £'000
Profit/ (loss) for the financial year	461	290	(1,308)
Other comprehensive income - items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of overseas operations	-	-	-
Total profit/ (loss) for the period attributable to owners of the parent	461	290	(1,308)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY for the half year ended 30 June 2025

Ordinary shares £000	Share premium £000	Capital redemption reserve £000	Merger reserve £000	Translation reserve £000	Accumulated losses £000	Total £000
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At 1 January 2025	3,115	6,800	617	1,882	(176)	(12,732)	(494)
Retained profit for the period	-	-	-	-	-	461	461
Exchange differences on translation of overseas operations	-	-	-	-	(97)	-	(97)
Total comprehensive income/expense for the period	-	-	-	-	(97)	461	364
At 30 June 2025 (Unaudited)	3,115	6,800	617	1,882	(273)	(12,271)	130
At 1 January 2024	3,115	6,800	617	29,778	(176)	(39,281)	853
Retained profit for the period	-	-	-	-	-	290	290
Total comprehensive income/expense for the period	-	-	-	-	-	290	290
At 30 June 2024 (Unaudited)	3,115	6,800	617	29,778	(176)	(38,991)	1,143
At 1 January 2024	3,115	6,800	617	29,778	(176)	(39,281)	(853)
Transfer of reserves	-	-	-	(27,896)	-	27,896	-
Total transfer of reserves	-	-	-	(27,896)	-	27,896	-
Share based payments: value of employee services	-	-	-	-	-	(39)	(39)
Transactions with owners	-	-	-	-	-	(39)	(39)
Loss for the year	-	-	-	-	-	(1,308)	(1,308)
Total comprehensive income/expense for the period	-	-	-	-	-	(1,308)	(1,308)
At 31 December 2024 (Audited)	3,115	6,800	617	1,882	(176)	(12,732)	(494)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2025

	Notes	30 June 2025 (Unaudited) £'000	30 June 2024 (Unaudited) £'000	31 December 2024 (Audited) £'000
Assets				
Non-current assets				
Intangible assets	8	5,850	7,561	5,765
Property, plant and equipment		330	364	410
Other non-current assets		12	12	12
		6,192	7,937	6,187
Current assets				
Inventories		415	371	411
Trade and other receivables		2,970	3,429	4,110
Cash and cash equivalents		608	246	840
		3,993	4,046	5,361
Liabilities				
Current liabilities				
Financial liabilities - borrowings		1,000	1,000	1,000
Trade and other payables		5,914	5,374	7,099
Lease liabilities - current		59	51	68
		6,973	6,425	8,167
Net current liabilities		(2,980)	(2,379)	(2,806)
Non-current liabilities				
Financial liabilities - borrowings		3,050	4,050	3,550
Other taxes - non-current		196	295	199
Lease liabilities - non-current		96	70	126
		3,342	4,415	3,875
Net asset/(liabilities)		(130)	1,143	(494)
Equity attributable to owners of the parent				
Ordinary shares		3,115	3,115	3,115
Share premium account		6,800	6,800	6,800
Capital redemption reserve		617	617	617
Merger reserve		1,882	29,778	1,882
Translation reserve		(273)	(175)	(172)
Retained earnings		(12,271)	(38,992)	(12,736)
Total equity		(130)	1,143	(494)

CONSOLIDATED STATEMENT OF CASH FLOWS
for the half year ended 30 June 2025

	Notes	6 months to 30 June 2025 (Unaudited) £'000	6 months to 30 June 2024 (Unaudited) £'000	Year ended 31 December 2024 (Audited) £'000
Cash flows from operating activities				
Cash generated from operations	9	1,851	1,415	4,128
Interest paid		(206)	(255)	(520)
Taxation paid		(4)	-	(5)
Non-recurring item paid		(625)		
Net cash from operating activities		1,016	1,160	3,603
Cash flows from investing activities				
Purchase of property, plant and equipment		-	(41)	(170)
Expenditure on capitalised development costs		(614)	(1,165)	(2,229)
Net cash used in investing activities		(614)	(1,206)	(2,399)
Cash flows from financing activities				
Net cash used in repayment of financing activities		(500)	(500)	(1,000)
Principal elements of lease payments		(39)	(4)	(69)
Net cash used in financing activities		(539)	(504)	(1,069)
Net (decrease)/increase in cash and cash equivalents		(136)	(550)	135
Effect of foreign exchange rate changes		(95)	-	(91)
Cash and cash equivalents and overdrafts at 1 January		840	796	796
Cash and cash equivalents and overdrafts at period end		608	246	840
Net debt (excluding IFRS 16 leases) comprises:				
Cash and cash equivalents and overdrafts		608	246	840
Borrowings		(4,050)	(5,050)	(4,550)
Net debt (excluding IFRS 16 leases) at period end		(3,442)	(4,804)	(3,710)

NOTES TO THE HALF-YEAR REPORT
for the six months ended 30 June 2025

1. GENERAL INFORMATION

The Pebble Beach Systems Group is a leading global software business specialising in playout automation and integrated channel solutions for the broadcast and streaming markets.

The Company is a public limited company and is quoted on the Alternative Investment Market (AIM) of the London Stock Exchange. The Company is incorporated and domiciled in the UK, with registered number of 04082188. The address of its registered office is Unit 1, First Quarter, Blenheim Road, Epsom, Surrey, KT19 9QN.

This half-year results announcement was approved by the Board on 19 August 2025.

2. BASIS OF PREPARATION

The financial information for the period ended 30 June 2025 set out in this half-year report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2024 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified.

material statements was unqualified.

The half-year financial information has been prepared using the same accounting policies and estimation techniques as will be adopted in the Group financial statements for the year ending 31 December 2025. The Group financial statements for the year ended 31 December 2024 were prepared under UK-adopted international accounting standards. These interim financial statements have been prepared on a consistent basis and format. The Group has not applied IAS 34 'Interim Financial Reporting', which is not mandatory for AIM companies, in the preparation of these interim financial statements.

3. GOING CONCERN

The directors are required to assess the Company's and the Group's ability to continue to trade as a going concern.

The Directors, having made suitable enquiries and analysis of the accounts, consider that the Group has adequate resources to continue in business for the foreseeable future and therefore continue to adopt the going concern basis in preparing the interim financial statements. In making this assessment, which covers a minimum period of twelve months from approval of this half-year report, the Directors have considered the Group's trading forecast, cash flow forecasts, available headroom and projected financial covenants on the banking facility, the levels of opportunities in the pipeline and recurring support revenue.

We maintain a good relationship with our bank. The current loan agreement secures the facility until 30 October 2026 with banking covenants and a repayment schedule in place. The directors are confident that any loan extensions required post October 2026 would be granted given the historic track record.

We have a strong order book and pipeline which underpin our third and fourth quarter revenue as well as H1 2026.

4. SEGMENTAL REPORTING

The Group's internal organisational and management structure and its system of internal financial reporting to the Board of Directors comprise of Pebble Beach Systems Limited and Group. The chief operating decision-maker has been identified as the Executive.

The Board reviews the Group's internal financial reporting in order to assess performance and allocate resources. Management have therefore determined that the operating segments for the Group will be based on these reports.

The Pebble Beach Systems Limited business is responsible for the sales and marketing of all Group software products and services.

The table below shows the analysis of Group external revenue and operating profit or loss by business segment.

	Pebble Beach Systems £'000	Group £'000	Total £'000
6 months to 30 June 2025 (Unaudited)			
Total revenue	5,905	-	5,905
Adjusted EBITDA	2,278	(326)	1,952
Depreciation	(79)	-	(79)
Amortisation of capitalised development costs	(529)	-	(529)
Non-recurring items	(715)	(39)	(754)
Exchange gains	81	-	81
Finance costs	(15)	(191)	(206)
Finance income	213	(213)	-
Profit/(loss) before taxation	1,234	(769)	465
Taxation	(4)	-	(4)
Profit/(loss) for the period being attributable to owners of the parent	1,230	(769)	461
6 months to 30 June 2024 (Unaudited)			
Total revenue	5,256	-	5,256
Adjusted EBITDA	1,634	(234)	1,400
Depreciation	(82)	-	(82)
Amortisation of capitalised development costs	(711)	-	(711)
Non-recurring items	(37)	-	(37)
Exchange gains	(21)	-	(21)
Finance costs	(5)	(250)	(255)
Finance income	149	(149)	-
Profit/(loss) before taxation	927	(633)	294
Taxation	(4)	-	(4)
Profit/(loss) for the period being attributable to owners of the parent	923	(633)	290
Year to 31 December 2024 (Audited)			
Total revenue	11,453	-	11,453
Adjusted EBITDA	3,780	(504)	3,276
Depreciation	(189)	-	(189)
Amortisation of capitalised development costs	(830)	-	(830)
Share based payment expense	-	39	39
Non-recurring items	(229)	-	(229)
Exchange (losses)/gains	(108)	-	(108)
Impairment of intangible assets	(2,741)	-	(2,741)
Finance costs	(40)	(481)	(521)
Intercompany finance income/(costs)	368	(368)	-
Profit/(loss) before taxation	11	(1,314)	(1,303)

Taxation	(5)	-	(5)
Profit/(loss) for the year being attributable to owners of the parent	6	(1,314)	(1,308)

Geographic external revenue analysis

The revenue analysis in the table below is based on the geographical location of the customer of the business.

	6 months to 30 June 2025 (Unaudited)	6 months to 30 June 2024 (Unaudited)	Year ended 31 December 2024 (Audited)
	Total £'000	Total £'000	Total £'000
By market			
UK & Europe	2,505	2,921	7,506
North America	1,653	735	1,297
Latin America	278	304	567
Middle East	1,222	1,170	1,801
Asia / Pacific	247	126	282
	5,905	5,256	11,453

Net assets/(liabilities)

The table below summarises the net liabilities of the Group by division. Balance sheet reporting is disclosed by the divisional assets and liabilities of the Group as this is consistent with the presentation of internal information provided to the Executive Management Board and the Board of Directors.

	6 months to 30 June 2025 Total (Unaudited) £'000	6 months to 30 June 2024 Total (Unaudited) £'000	Year ended 31 December 2024 Total (Audited) £'000
By division:			
Pebble Beach Systems	4,166	6,485	4,422
Group	(4,296)	(5,342)	(4,916)
	(130)	(1,143)	494

5. OPERATING PROFIT OR LOSS

The following items have been included in arriving at the operating profit or loss for the business:

	6 months to 30 June 2025 Total (Unaudited) £'000	6 months to 30 June 2024 Total (Unaudited) £'000	Year ended 31 December 2024 Total (Audited) £'000
Inventory recognised as an expense	725	451	1,348
Director and employee costs	2,855	3,675	6,778
Depreciation of property, plant and equipment	79	82	189
Non-recurring items	754	37	229
Exchange (gains)/losses (credited)/charged to profit and loss	(81)	21	108
Amortisation of capitalised development costs	529	711	830

The following items are excluded from management's assessment of profit or loss because by their nature they could not be reliably measured at the reporting date:

distort the annual trend in the Group's earnings. These are excluded to reflect performance in a consistent manner and are in line with how the business is managed and measured on a day-to-day basis:

	6 months to 30 June 2025 Total (Unaudited)	6 months to 30 June 2024 Total (Unaudited)	Year ended 31 December 2024 Total (Audited)
Strategic advice in connection with strategic options for the company	-	37	39
Severance pay	-	-	191
Redundancy costs following strategic actions announced January 25	754	-	-
	754	37	229

6. INCOME TAX EXPENSE

	6 months to 30 June 2025 Total (Unaudited) £'000	6 months to 30 June 2024 Total (Unaudited) £'000	Year ended 31 December 2024 Total (Audited) £'000
<i>Current tax</i>			
UK corporation tax	-	-	-
Foreign Tax - current year	4	4	5
Total current tax	4	4	5
<i>Deferred tax</i>			
UK corporation tax	-	-	-
Total deferred tax	-	-	-
Total taxation	4	4	5

7. EARNINGS PER ORDINARY SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

For diluted earnings per share the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. The dilutive shares are those share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year. The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the year during which the options were outstanding.

Reconciliations of the earnings and weighted average number of shares used in the calculations are set out below.

6 months to 30 June 2025 (Unaudited)

	Earnings £'000	Weighted average number of shares '000s	Earnings per share pence
Basic earnings per share			
Profit attributable to ordinary shareholders	461		0.4p
Basic earnings per share	461	124,477	0.4p
Diluted earnings per share			
Profit attributable to ordinary shareholders	461		0.4p
Diluted earnings per share	461	127,354	0.4p

6 months to 30 June 2024 (Unaudited)

	Earnings £'000	Weighted average number of shares '000s	Earnings per share pence
Basic earnings per share			
Profit attributable to ordinary shareholders	290		0.2p
Basic earnings per share	290	124,477	0.2p
Diluted earnings per share			
Profit attributable to ordinary shareholders	290		0.2p
Diluted earnings per share	290	125,875	0.2p

Year ended 31 December 2024 (Audited)

Weighted

	Earnings £'000	Weighted average number of shares '000s	Earnings per share pence
Basic earnings per share			
Loss attributable to ordinary shareholders	(1,308)		(1.1)p
Basic earnings per share	(1,308)	124,477	(1.1)p
Diluted earnings per share			
Loss attributable to ordinary shareholders	(1,308)		(1.1)p
Diluted earnings per share	(1,308)	124,477*	(1.1)p

* Due to the loss for the year for 2024 share options were anti-dilutive and so removed from the calculations for diluted EPS

Adjusted earnings

The directors believe that adjusted EBITDA, adjusted earnings and adjusted earnings per share provide additional useful information on underlying trends to shareholders. These measures are used by management for internal performance analysis and incentive compensation arrangements. The term "adjusted" is not a defined term used under IFRS and may not therefore be comparable with similarly titled profit measurements reported by other companies. The principal adjustments made are in respect of the amortisation of intangibles, share based payment expense, non-recurring items and exchange gains or losses charged to the income statement and their related tax effects.

The reconciliation between reported and underlying earnings and basic earnings per share is shown below:

	6 months to 30 June 2025		6 months to 30 June 2024		Year ended 31 December 2024	
	Total (Unaudited) Earnings		Total (Unaudited) Earnings		Total (Audited) Earnings	
	£'000	Pence	£'000	Pence	£'000	Pence
Reported earnings and earnings per share	461	0.4p	290	0.2p	(1,308)	(1.1)p
Share based payment expense	-	0.0p	-	0.0p	(39)	0.0p
Exchange (gains)/losses	(61)	0.0p	16	0.0p	185	0.1p
Non-recurring items	611	0.4p	37	0.1p	81	0.1p
Impairment of intangibles	-	-	-	-	2,220	1.8p
Adjusted earnings and earnings per share	1,011	0.8p	343	0.3p	1,139	0.9p

8. INTANGIBLE ASSETS

	Goodwill relationships £'000	Acquired customer relationships £'000	Acquired intellectual property £'000	Capitalised development costs £'000	Total £'000
Cost					
At 1 January 2024 (audited)	3,218	4,493	3,350	10,850	21,911
Additions (unaudited)	-	-	-	1,165	1,165
At 30 June 2024 (unaudited)	3,218	4,493	3,350	12,015	23,076
At 1 January 2024 (audited)	3,218	4,493	3,350	10,850	21,911
Additions (audited)	-	-	-	2,229	2,229
At 1 January 2025 (audited)	3,218	4,493	3,350	13,079	24,140
Additions (unaudited)	-	-	-	615	615
At 30 June 2025 (unaudited)	3,218	4,493	3,350	13,694	24,755
Accumulated amortisation					
At 1 January 2024 (audited)	-	4,493	3,350	6,961	14,804
Charge for the period (unaudited)	-	-	-	711	711
At 30 June 2024 (unaudited)	-	4,493	3,350	7,672	15,515
At 1 January 2024 (audited)	-	4,493	3,350	6,961	14,804
Charge for the year (audited)	-	-	-	830	830
Impairment loss (audited)	-	-	-	2,741	2,741
At 1 January 2025 (audited)	-	4,493	3,350	10,532	18,375
Charge for the period (unaudited)	-	-	-	530	530
At 30 June 2025 (unaudited)	-	4,493	3,350	11,062	18,905
Net book value					
At 30 June 2025 (unaudited)	3,218	-	-	2,632	5,850
At 31 December 2024 (audited)	3,218	-	-	2,547	5,765
At 30 June 2024 (unaudited)	3,218	-	-	4,343	7,561
At 1 January 2024 (audited)	3,218	-	-	3,889	7,107

The amortisation of development costs is included in research and development expenses in the Consolidated Group Income Statement. Within capitalised development costs there are £9.1 million (6 months to June 2024: £5.4 million) of fully written down assets that are still in use, an increase of 66% which is a result of the impairment of PRIMA in the year to December 2024.

9. CASH FLOW GENERATED FROM OPERATING ACTIVITIES

Reconciliation of profit or loss before taxation to net cash flows from operating activities.

	6 months to 30 June 2025 Total (Unaudited) £'000	6 months to 30 June 2024 Total (Unaudited) £'000	Year ended 31 December 2024 Total (Audited) £'000
Profit/(loss) before tax	465	294	(1,303)
Depreciation of property, plant and equipment	79	82	189
(Profit)/loss on disposal of property, plant and equipment	-	26	-
Amortisation and impairment of development costs	529	711	830
Impairment of intangibles	-	-	2,741
Loss on disposal of property, plant and equipment	-	-	6
Non-recurring items	625	-	229
Share based payment expense	-	-	(39)
Finance costs	206	255	521
Decrease/(increase) in other non-current assets	-	-	-
Decrease/(increase) in inventories	(5)	(68)	(108)
Decrease/(increase) in trade and other receivables	1,140	889	208
Increase/(decrease) in trade and other payables	(1,188)	(774)	854
Net cash generated from operating activities	1,851	1,415	4,128

10. NET FUNDS

Reconciliation of change in cash and cash equivalents to movement in net debt:

	Net cash and cash equivalents £'000	Other borrowings £'000	Total net debt £'000
At 1 January 2025	840	(4,744)	(3,904)
Cash flow for the period before financing	307	-	307
Movement in borrowings in the period	(500)	500	-
Principal lease payments	(39)	39	-
Exchange rate adjustments	-	-	-
Cash and cash equivalents at 30 June 2025 (Unaudited)	608	(4,205)	(3,597)
At 1 January 2024	796	(5,675)	(4,879)
Cash flow for the period before financing	(46)	-	(46)
Movement in borrowings in the period	(500)	500	-
Principal lease payments	(4)	4	-
Exchange rate adjustments	-	-	-
Cash and cash equivalents at 30 June 2024 (Unaudited)	246	(5,171)	(4,925)
At 1 January 2024	796	(5,675)	(4,879)
Cash flow for the year before financing	1,204	-	1,204
Movement in borrowings in the year	(1,000)	1,000	-
New finance leases	-	(138)	(138)
Principal lease payments	(69)	69	-
Exchange rate adjustments	(91)	-	(91)
Cash and cash equivalents at 31 December 2024 (Audited)	840	(4,744)	(3,904)

Ends

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