

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

30 September 2025

Northcoders Group plc
(‘Northcoders’ or the ‘Company’)

Interim Results

Northcoders (AIM:CODE), a UK market leading technology training business, is pleased to announce its results for the six months ended 30 June 2025 ('H1 2025' or the 'Period').

Financial Highlights

- Reported revenue of £3.7 million (H1 2024: £4.4 million)
- Gross margin remained at 67% (H1 2024: 67%)
- Expenditure/ group overheads down 20% year-on-year at £2.1million (H1 2024: £2.5 million)
- Underlying adjusted EBITDA of £0.4 million (H1 2024: £0.4 million) with an increased EBITDA margin of 11% (H1 2024: 10%)
- Adjusted EPS 1.28 pence (H1 2024: 2.58 pence)
- Strong balance sheet with net cash of £0.9 million (H1 2024: £0.7 million) excluding lease liabilities, and gross cash of £2.3 million (H1 2024: £1.3 million) following NatWest refinance.

Operating Highlights

- Our B2B Counter® consultancy division expanded contracts within Skipton Building Society, Manchester Airport Group and a major UK Government department
- UK Government funding remains unpredictable as more changes to internal departments are announced
- Group awarded OFSTED ('Office for Standards in Education, Children's Services and Skills') 'Outstanding' across all areas, making Northcoders in the top 6% of higher education providers nationally
- Next Gen Data & AI Course launched with 100% private funding
- 24 seats secured for Lancashire Skills Bootcamp funding in the Training Bootcamps division.

Current trading and outlook

- Counter® secures new £0.5 million contract with leading provider of business management software
- The Group continues to carefully monitor overheads to align with Group revenue and take swift action in response to the unpredictable UK training landscape whilst focusing on quality client outcomes
- AI and digital transformation are rapidly reshaping the workforce driving corporate demand for senior technologists
- Charlotte Prior, CFO, has notified the Board of her intention to step down as CFO and as a Director of the Company with effect from 6 April 2026.

Chris Hill, CEO of Northcoders, commented:

"In a dynamic landscape where digital transformation is a necessity, Northcoders continues to demonstrate its leading market reputation. Whilst navigating a challenging UK Government funding environment for our B2C operations, we have delivered stable profitability, which is testament to our robust operational efficiencies and the scalable power of our NCore platform.

"The immediate environment remains challenging, with regional funding delays expected to affect H2 2025 revenues with non-recurring costs expected in the second half of 2025. Although we expect the second half of the year to be weaker than the first, the Group's strong cash position, proven ability to adapt, and commitment to disciplined execution provide a solid foundation for future growth and a return to profitability in 2026.

"The Board is confident that the decisive steps being taken now, will enable Northcoders to capitalise on significant long-term opportunities in technology skills and services with an agile and innovative approach, as the Group continues to create life-changing opportunities for individuals from all walks of life and delivering greater value for our shareholders"

Investor Meet Company presentation

Northcoders will be presenting via the Investor Meet Company platform today at 12:00 p.m. (BST). The meeting will be hosted by Chris Hill (CEO) and Charlotte Prior (CFO), and there will be an opportunity for Q&A at the end of the session. Questions can be submitted pre-event via the Investor Meet Company dashboard up until 9.00 a.m. the day before the meeting or at any time during the live presentation. To sign up to the Northcoders Group presentation via Investor Meet Company please click the following link:

<https://www.investormeetcompany.com/northcoders-group-plc/register-investor>.

- Ends -

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Notes to Editors

Northcoders is a market leading provider of technology training for businesses and individuals with courses in, Software Engineering, Data Engineering and Platform Engineering. Founded in 2015, the Group's business model operates an online teaching model with head office in Manchester.

Powered by IP rich technology, Northcoders offers bootcamp courses to individuals from a range of backgrounds, delivered through virtual learning. The Group also works with blue chip corporates across multiple sectors to help them to achieve their digital requirements, with teams as a service and to supply innovative solutions for the upskilling and reskilling of employees. With a keen focus of inclusivity, diversity and quality at its core, Northcoders aims to address the digital skills gap in the UK to meet the increasing demand for digital specialists at all levels, from businesses and public agencies.

Northcoders was admitted to trading on AIM in July 2021 with the ticker CODE.L. For additional information please visit investors.northcodersgroup.com.

Introduction

The Board is pleased to present the Group's results for the six months ended 30 June 2025 ('H1 2025'). The Group achieved stable profitability, underpinned by cost control and further efficiencies delivered through our proprietary learning platform, NCore. This performance reflects Northcoders' growing reputation for high-quality technology education and its pivot to B2B consultancy, while the strengthening of internal platforms continues to support scalable delivery with reduced staff cost.

Financial performance remained resilient despite a softer revenue environment, with reported revenue of £3.7 million (H1 2024: £4.4 million). Gross margin was maintained at 67%, while underlying adjusted EBITDA held steady at £0.4 million, with EBITDA margin increasing to 11% (H1 2024: 10%). Adjusted EPS was 1.28 pence (H1 2024: 2.58 pence). The balance sheet strengthened further, supported by the NatWest refinance, with net cash of £0.9 million (H1 2024: £0.70) excluding lease liabilities, and gross cash of £2.3 million at period end (H1 2024: £1.3 million).

Operational review

As government funding for training bootcamps becomes more unpredictable, the Group has acted promptly to regain control of its revenue model and strategic vision. Instead of awaiting clarity on future frameworks, Northcoders is proactively repositioning its B2C training business and boosting the growth of Counter®, its B2B challenger consultancy brand, enabling the Group to protect its assets and refocus capacity and capability to Counter®.

Through the Northcoders brand, the Group has established an excellent reputation for quality and results, recently strengthened by an 'Outstanding' OFSTED rating. Tech Returners has developed a proven model for supporting career changers and returners, a group often overlooked in the technology sector but essential for increasing diversity and meeting the demand for experienced engineers. Counter® combines these strengths within a disruptive model that challenges the outdated traditional hire-train-deploy offering and large-scale consulting business model.

By offering clients blended teams of highly skilled engineers either from Northcoders' Alumni, or other highly qualified engineers who will transition to become highly effective Counter® technology engineers and consultants, that transition to the client at the end of an assignment creating long-term value. Supported by Northcoders' training expertise and Tech Returners' access to overlooked talent, Counter® provides a more cost-effective, higher-quality

expertise and Tech Returners access to structured talent, Counter® provides a more cost-effective, higher quality alternative to both existing and traditional providers.

The Board believes that this approach pivots the Group towards the current demands of the technology sector and away from a very unpredictable public funding arena which demands a high fixed cost base to operate following the Government's recent changes. Demand for mid-level and senior technologists remains strong, while AI and digital transformation are rapidly reshaping the workforce. The Group's operations and strategy are evolving to keep pace with these changes by integrating AI-enabled practices into both our training modules and the delivery of Counter's assignments. These initiatives ensure that Northcoders-trained engineers are equipped not only with current core skills but also with the tools needed to thrive in the changing digital landscape. By aligning our model with these trends, the Group is confident it will develop a leaner, higher-margin business that is less dependent on public funding and better aligned to creating shareholder value.

Counter® has made encouraging progress, expanding existing engagements with Skipton Building Society, Manchester Airport Group and a major governmental department while building a growing pipeline of exciting prospects across both the private and public sectors. Counter® has now moved beyond pilots into longer term assignments, with a significant new contract secured post period end with a leading technology platform provider in the SaaS sector, a new vertical for the Group sitting outside of financial services, aviation and central government.

Investment has also been made into strengthening Counter's engagement and project success team to ensure excellence in delivery, reflecting the growth of current client accounts and enhancing the probability of securing return customers alongside a growing pipeline of new client prospects. In addition, frameworks such as G-Cloud, are enabling the Counter® engagement team to uncover new opportunities across both private and public sector while strengthening the longevity of current client relationships.

In parallel, the Group has taken further steps to reduce its fixed cost base and strengthen its financial resilience. The Board has adopted a disciplined stance on overheads and non-essential expenditure, while ensuring the organisation retains sufficient agility to respond quickly to new opportunities. These actions are designed to align the business to current market conditions while protecting the Group's ability to capitalise on growth opportunities as they become available.

The Board is also focused on securing further Skills Bootcamp funding and has a high level of confidence in future outcomes, based on live conversations and bids in progress. We secured 24 seats under the Lancashire Skills Bootcamp funding initiative and outcomes across the board remain excellent, with 99% of students completing their courses and securing an interview with a potential employer or moving on to self-employment.

Looking ahead, Skills Bootcamp contracts are expected to be deployed more selectively, as a strategic mechanism to support Counter's® expansion into new disciplines and geographies. Furthermore, we successfully launched the Next Gen Data & AI course, fully funded through private sources.

Financial Review

Northcoders delivered a solid performance in the Period, generating underlying adjusted EBITDA of £0.4 million (H1 2024: £0.4 million), with EBITDA margin improving to 11% (H1 2024: 10%). This reflects the continued efficiencies achieved through the Group's core learning platform, NCore, and disciplined cost management.

Revenue for the Period was £3.7 million (H1 2024: £4.4 million), with the remaining Skills Bootcamp seats being the principal contributor and with a growing contribution from Counter.

Gross margin was maintained at a strong 67% (H1 2024: 67%). Adjusted earnings per share were 1.28 pence (H1 2024: 2.58 pence). Expenditure/ group overheads are down 20% year on year at £2.1million (H1 2024: £2.5 million), with a further reduction expected in FY 2025 and 2026.

The balance sheet strengthened further, with period-end cash of £2.3 million (H1 2024: £1.3 million), following the successful NatWest refinance, providing the Group with greater financial flexibility to support future growth.

CFO succession

In addition, the Board announces that Charlotte Prior, Chief Financial Officer, has notified the Board of her intention to step down as Chief Financial Officer and as a Director of the Company with effect from 10 April 2026 for personal reasons. Charlotte will oversee the completion of the current financial year as well as providing an orderly handover of CFO duties to her successor.

The Board will shortly initiate a succession plan and a further announcement regarding this plan will be made in due course.

Outlook

The immediate environment remains challenging, with regional funding delays affecting H2 2025 revenues and non-recurring costs expected in the second half of 2025. Although we expect the second half of the year to be weaker than the first, the Group's strong cash position, proven ability to adapt, and commitment to disciplined execution provide a solid foundation for future growth and a return to profitability in 2026.

The Board is confident that the decisive steps being taken now, repositioning bootcamps and training delivery predominantly to support Counter® recruitment, enhancing the Tech Returners programme to achieve the same goal, able to deliver local bids where needed and accelerating Counter®. This will enable Northcoders to capitalise on significant long-term opportunities in technology skills and services with an agile and innovative approach to current organisational solutions, while continuing to create life-changing opportunities for individuals from all walks of life and delivering greater value for our shareholders.

Group Statement of Comprehensive Income
For the period ended 30 June 2025

	Notes	6 months ended 30 June 2025 UNAUDITED £	6 months ended 30 June 2024 UNAUDITED £	Year ended 31 December 2024 AUDITED £
Revenue		3,671,043	4,353,628	8,819,083
Cost of sales		(1,213,889)	(1,442,751)	(2,916,871)
Gross profit		2,457,154	2,910,877	5,902,212
Other operating income		-	-	1,000
Expenditure		(2,051,967)	(2,463,001)	(4,922,462)
Adjusted EBITDA		405,187	447,876	980,750
Depreciation		(106,645)	(69,700)	(131,838)
Amortisation & impairment		(115,152)	(125,405)	(265,716)
Share based payment expense		(32,100)	(98,055)	(138,446)
Total administrative expenditure		(2,305,864)	(2,756,161)	(5,458,462)
Non-recurring items		(47,090)	-	-
Operating profit/(loss)		104,200	154,716	444,750
Investment revenues		15,304	16,255	29,957
Finance costs		(56,055)	(52,834)	(85,843)
Profit/(loss) before tax		63,449	118,137	388,864
Taxation		7,312	(9,730)	(9)
Net profit/(loss) after tax		70,761	108,407	388,855
Other comprehensive income:				
Tax relating to items not reclassified		(9,894)	(5,019)	(32,746)
Total comprehensive income/loss for the year attributable to equity shareholders of the parent		60,867	103,388	356,109
Earnings per share				
Basic (pence per share)	3	0.88	1.35	4.85
Diluted (pence per share)	3	0.88	1.34	4.85
Adjusted (pence per share)	3	1.28	2.58	6.58

Group Statement of Financial Position
As at 30 June 2025

	Notes	30 June 2025 UNAUDITED £	30 June 2024 UNAUDITED £	31 December 2024 AUDITED £
Non-current assets				
Goodwill		1,310,086	1,310,086	1,310,086
Intangible assets	4	1,992,527	1,907,123	2,054,942
Property, plant and equipment		258,000	267,534	222,149
Deferred tax assets		91,060	123,415	127,807
		3,651,673	3,608,158	3,714,984
Current assets				
Contract assets		1,199,756	1,488,995	1,624,485
Trade and other receivables		617,909	673,932	454,363
Current tax receivable		39,069	64,617	4,900
Cash and cash equivalents		2,296,082	1,308,379	1,185,780
		4,152,816	3,535,923	3,271,528
Current liabilities				
Trade and other payables		810,296	1,174,443	978,219
Contract liabilities		-	112,969	73,557
Current tax liabilities		-	-	-
Borrowings		373,718	259,749	258,276

Lease liabilities	92,101	114,509	47,583
	<u>1,276,115</u>	<u>1,661,670</u>	<u>1,357,635</u>
Net current assets	2,876,701	1,874,253	1,913,893
Non-current liabilities			
Borrowings	1,002,877	341,932	216,989
Lease liabilities	120,356	121,417	99,844
Deferred tax provision	-	-	-
	<u>1,123,233</u>	<u>463,349</u>	<u>316,703</u>
Net assets	5,405,141	5,019,062	5,312,174
EQUITY			
Called up share capital	80,115	80,115	80,115
Share premium account	4,801,444	4,801,444	4,801,444
Share option reserve	403,763	499,769	401,714
Merger reserve	500	500	500
Other reserve	946,774	946,774	946,774
Retained earnings	(827,455)	(1,309,540)	(858,322)
Total equity	5,405,141	5,019,062	5,312,174

Group Statement of Changes in Equity
For the period ended 30 June 2025

	Share capital	Share premium	Share option reserve	Merger reserve	Other reserve	Retained earnings	Total equity attributable to owners of the parent
	£	£	£	£	£	£	£
At 1 January 2024 (audited)	80,115	4,801,444	401,714	500	946,774	(1,412,928)	4,817,619
Profit for the period	-	-	-	-	-	108,407	108,407
<i>Other comprehensive income:</i>							
Tax adjustments on share based payments	-	-	-	-	-	(5,019)	(5,019)
Total comprehensive income	-	-	-	-	-	103,388	103,388
Share option expense	-	-	98,055	-	-	-	98,055
At 30 June 2024 (unaudited)	80,115	4,801,444	499,769	500	946,774	(1,309,540)	5,019,062
Profit for the period	-	-	-	-	-	280,448	280,448
<i>Other comprehensive loss:</i>							
Tax adjustments on share based payments	-	-	-	-	-	(27,727)	(27,727)
Total comprehensive income	-	-	-	-	-	252,721	252,721
Adjustment to share capital issue	-	-	-	-	-	-	-
Share option and warrants expense	-	-	-	-	-	-	-
Cancellation of share options	-	-	(168,497)	-	-	168,497	-
Share option expense	-	-	40,391	-	-	-	40,391
Issue of share capital	-	-	-	-	-	-	-

	Share capital	Share premium	Share option reserve	Merger reserve	Other reserves	Retained earnings	Total equity attributable to owners of the parent
At 31 December 2024 (audited)	80,115	4,801,444	403,763	500	946,774	(827,455)	5,405,141
Profit for the period	-	-	-	-	-	70,761	70,761
Other comprehensive income:							
Tax adjustments on share based payments	-	-	-	-	-	(9,894)	(9,894)
Total comprehensive income	-	-	-	-	-	60,867	60,867
Share option expense	-	-	-	-	-	-	-
Issue of share capital	-	-	32,100	-	-	-	32,100
At 30 June 2025 (unaudited)	80,115	4,801,444	403,763	500	946,774	(827,455)	5,405,141

Group Statement of Cashflows For the period ended 30 June 2025

Notes	6 months ended 30 June 2025 UNAUDITED £	6 month ended 30 June 2024 UNAUDITED £	Year ended 31 December 2024 AUDITED £
Cash flows from operating activities:			
Profit/(loss) for the year	70,761	108,407	388,855
<i>Adjustments for:</i>			
Tax (credit)/charge	(7,312)	9,730	9
Finance costs	56,055	52,834	85,843
Investment income	(15,304)	(16,255)	(29,957)
Gain (Loss) on disposal of PPE	-	-	(246)
Share based payment expense	32,100	98,055	138,446
Amortisation of intangible assets	148,960	125,405	263,842
Depreciation of tangible assets	76,644	69,700	131,838
	361,904	447,876	978,630
<i>Movements in working capital:</i>			
(Increase)/decrease in contract assets	424,729	(80,644)	(226,467)
(Increase)/decrease in trade and other receivables	(161,546)	(12,541)	215,361
Decrease in contract liabilities	(167,927)	(152,820)	(132,943)
Increase/(decrease) in trade and other payables	(73,558)	212,328	109,014
Cash generated from operations	383,602	414,199	943,595
Income taxes refunded	-	-	32,383
Net cash inflow from operating activities	383,602	414,199	975,978
Cash flows from investing activities			
Purchase of intangible assets	(86,545)	(285,128)	(571,384)
Purchase of property, plant and equipment	(182)	(20,248)	(38,411)
Proceeds of disposal of property, plant and equipment	1,423	-	1,656
Payment of deferred consideration	-	(85,905)	(240,902)
Purchase of subsidiaries	-	-	-
Interest received	15,304	16,255	29,957
Net cash (used in) investing activities	(70,000)	(375,026)	(819,084)
Cash flow from financing activities			
Proceeds from borrowings	1,466,400	-	-
Repayments of bank loans and borrowings	(564,940)	(171,985)	(292,520)
Payment of lease liabilities	(59,282)	(137,714)	(218,755)
Interest paid	(45,478)	(38,267)	(77,011)
Net cash from/(used in) financing activities	796,700	(347,966)	(588,286)
Net increase/(decrease) in cash and cash equivalents	1,110,302	(308,793)	(431,932)
Cash and cash equivalents at beginning of the period	1,405,700	1,617,170	1,617,170

the period	1,185,780	1,017,172	1,017,172
Cash and cash equivalents at end of the period	2,296,082	1,308,379	1,185,780

Notes to the Interim Statements
For the period ended 30 June 2025

1. General information

Northcoders Group Plc is a public company limited by shares incorporated in England and Wales. The registered address of the Company is Bloc, 17 Marble Street, Manchester, United Kingdom, M2 3AW. The consolidated financial statements (or "financial statements") incorporate the financial statements of the Company and entities (its subsidiaries) controlled by the Company (collectively comprising the "Group").

The principal activity of the Group is the provision of digital training courses.

2. Accounting policies

2.1. Basis of preparation

The financial information set out in these interim consolidated financial statements for the six months ended 30 June 2025 is unaudited. The financial information presented are not statutory accounts prepared in accordance with the Companies Act 2006, and are prepared only to comply with AIM requirements for interim reporting. Statutory accounts for the year ended 31 December 2024, on which the auditors gave an audit report which was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006, have been filed with the Registrar of Companies.

These financial statements have been prepared in accordance with international accounting standards ("IFRS") as adopted by the United Kingdom ("UK") insofar as these apply to interim financial statements.

The interim consolidated financial statements have been prepared using consistent accounting policies as those adopted in the financial statements for the year ended 31 December 2024.

The interim consolidated financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these interim consolidated financial statements are rounded to the nearest £1.

The financial statements have been prepared on the historical cost basis, modified to include the revaluation of certain financial instruments at fair value.

2.2. Basis of consolidation

The Group financial statements consolidates those of the parent company and the subsidiaries of which the parent has control. Control is established when the parent is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

Where a subsidiary undertaking is acquired/disposed of during the year, the consolidated profits or losses are recognised from/until the effective date of the acquisition/disposal, being the date on which control is obtained or lost.

All inter-company balances and transactions between group companies have been eliminated on consolidation.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by the Group.

The Group applies the acquisition method of accounting for business combinations enacted after the date of creation of the Group, as detailed further below. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair value of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group. Acquisition costs are expensed as incurred.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquired subsidiary's financial information prior to the acquisition. Assets acquired and liabilities assumed are measured at their acquisition-date fair values.

2.3. Going concern

As at 30 June 2025 the Group had significant net assets and cash.

In preparing the interim financial statements, the directors have considered the principal risks and uncertainties facing the business, along with the Group's objectives, policies and processes for managing its exposure to financial risk. In making this assessment the directors have prepared cash flows for the foreseeable future, being a period of at least 12 months from the expected date of approval

of the interim financial statements.

Forecasts are adjusted for reasonable sensitivities that address the principal risks and uncertainties to which the Group is exposed, thus creating a number of different scenarios for the board to challenge including "stress" case scenarios. Overall the directors do not believe that the outcomes of such testing gives rise to a material uncertainty around going concern.

At the time of approving the interim financial statements, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the interim financial statements.

2.4 Revenue

Revenue from providing services is recognised in the accounting period in which the services are rendered. Services are typically provided over short periods of time, spanning typically a few months at most. However, for fixed-price contracts that span accounting periods, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. Where the Group has contracts where the period between the transfer of the promised services to the customer and payment exceeds one year, the Group adjusts transaction price for the time value of money. Revenue is determined as follows:

- For consumer training bootcamps, income is received in advance of the service being provided and is recognised on a pro-rata basis across the course delivery, based on delivery dates for those courses. Apprenticeship income is a funding mechanism for the consumer revenue stream. The Group receives lump-sum drawdowns at regular intervals, which typically are billed in arrears resulting in accrued income. In addition the Group receives a contingent success fee, payable at the end. The Company makes an assessment of the probability of success and accrues this on a percentage of completion basis as the course progresses.
- For Business Solutions, amounts are invoiced in arrears for development work performed along with any associated costs, based on the number of hours spent on each contract at agreed contractual rates for those delivering the course. Where appropriate, any amounts to be invoiced are recognised as accrued revenue, and any amounts invoiced in advance are recognised as deferred revenue, in line with performance obligations per contracts with customers.
- For consultancy contracts, amounts are recognised on a pro-rata basis throughout the length of the contract unless a performance obligation states otherwise.
- For conference events, income is recognised once the event has taken place. Any income received in advance is recognised as a contract liability until the performance obligation has been satisfied.

Determining the transaction price

The Group's revenue on over-time sales is generally based on fixed price contracts but these are subject to more variability as a result of the nature of the contract. Any variable consideration is constrained in estimating contract revenue in order that it is highly probable that there will not be a future reversal in the amount of revenue recognised when the final amounts of any variations has been determined.

Allocating amounts to performance obligations

Where the contracts include multiple performance obligations, which are determined to be separate performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

2.5 Development assets

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense as incurred. Development costs incurred are capitalised after the point at which the commercial and technical feasibility of the product have been proven, and the decision to complete the development has been taken and resources made available. The expenditure capitalised is solely the cost of direct labour. Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses.

Amortisation begins when an asset is acquired or becomes available for use and is calculated on a straight-line basis to allocate the cost of assets over their estimated useful lives as follows:

Licence	4 years straight line
Technology	5 years straight line
Development costs	10 years straight line
Brand	6 years straight line
Customer relationships	6 years straight line
Customer contracts	6 years straight line

3. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

Earnings	6 months ended 30 June 2025 UNAUDITED £	6 months ended 30 June 2024 UNAUDITED £	Year ended 31 December 2024 AUDITED £
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Earnings for the purpose of basic earnings per share being net profit attributable to owners of the parent	70,761	108,407	388,855
Earnings for the purposes of diluted earnings per share	70,761	108,407	388,855

Number of shares	6 months ended 30 June 2025 UNAUDITED £	6 months ended 30 June 2024 UNAUDITED £	Year ended 31 December 2024 AUDITED £
Weighted average number of ordinary shares for the purposes of basic earnings per share	8,011,469	8,011,469	8,011,469
Effects of dilutive potential ordinary shares	-	58,484	7,945
Weighted average number of ordinary shares for the purposes of diluted earnings per share	8,011,469	8,069,953	8,019,414

Earnings per share

Earnings	6 months ended 30 June 2025 UNAUDITED	6 months ended 30 June 2024 UNAUDITED	Year ended 31 December 2024 AUDITED
Pence per weighted average shares	0.88p	1.35p	4.85p
Pence per weighted average diluted shares	0.88p	1.34p	4.85p

The Directors use adjusted earnings before exceptional costs and share based payment expenses. This creates an alternative performance measure which the Directors believe reflects a fair estimate of ongoing profitability and performance. The calculated Adjusted Earnings for the current period of accounts is as follows:

Adjusted Earnings per Share	6 months ended 30 June 2025 UNAUDITED £	6 months ended 30 June 2024 UNAUDITED £	Year ended 31 December 2024 AUDITED £
Profit/(loss) after taxation	70,761	108,407	388,885
Adjusted for:			
Share-based payment expense	32,100	98,055	138,446
Non-recurring costs	-	-	-
Adjusted Earnings	102,861	206,462	527,331
Pence per weighted average shares	1.28p	2.58p	6.58p
Pence per weighted average diluted shares	1.28p	2.56p	6.58p

4. Intangible fixed assets

	Technology £	Development costs £	Brand £	Customer relationships and contracts £	Total £
Cost					
At 1 January 2025	164,706	2,378,315	140,160	53,513	2,736,694
Additions	-	86,545	-	-	86,545
Disposals	-	-	-	-	-
At 30 June 2025	164,706	2,464,860	140,160	53,513	2,823,239
Amortisation and impairment					
At 1 January 2025	63,137	556,747	44,773	17,095	681,752
Amortisation charged for the period	16,471	116,350	11,680	4,459	148,960
Eliminated on disposals	-	-	-	-	-
At 30 June 2025	79,608	673,097	56,453	21,554	830,712
Carrying amount					
At 30 June 2025	85,098	1,791,763	83,707	31,959	1,992,527

At 30 June 2023	<u>85,098</u>	<u>1,791,703</u>	<u>83,707</u>	<u>31,339</u>	<u>1,992,847</u>
At 31 December 2024	101,569	1,821,568	95,387	36,418	2,054,942

- Ends -

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