

Tracsis plc
('Tracsis', 'the Company' or 'the Group')

Audited results for the year ended 31 July 2025

Improved H2 trading performance, with continued growth in annual recurring revenue

Tracsis plc (LSE: TRCS), a leading transport technology provider, is pleased to announce its audited final results for the year ended 31 July 2025.

Financial Highlights:

Financial Results (£m)	2025	2024	
Revenue	81.9	81.0	+1%
Adjusted EBITDA *	12.6	12.8	-1%
Adjusted EBITDA * %	15.4%	15.7%	-39bps
Cash	23.4	19.8	
Adjusted diluted earnings per share *	24.8p	25.1p	-1%
Statutory Results			
Operating profit	1.0	1.0	+4%
Profit before tax	1.6	1.0	+60%
Basic earnings per share	1.7p	1.6p	+6%
Final dividend per share	1.4p	1.3p	+8%
Total dividend per share	2.6p	2.4p	+8%

- Performance in line with revised guidance announced on 24 April 2025
- Improved H2 trading performance including recovery of Traffic Data and Events profitability
- Like-for-like revenue up 3% excluding Transport Consultancy revenue no longer pursued¹
 - Rail Technology & Services revenue up 1% despite continued Network Rail Control Period 7 ("CP7") funding constraints reducing UK Remote Condition Monitoring ("RCM") hardware revenue by 42%, offset with growth across all other UK product categories
 - Data, Analytics, Consultancy & Events like-for-like revenue¹ up 5%
- Adjusted EBITDA broadly consistent with FY24 as Rail Technology & Services growth offset CP7 headwinds; consistent performance in Data, Analytics, Consultancy & Events
- Healthy cash generation and strong balance sheet to invest in growth
- £3m share buyback programme completed with progressive dividend maintained
- £2.4m of exceptional costs (FY24: £3.0m) including completion of Group operating model transformation

Strategic Highlights:

- Recurring revenue growth:
 - Rail Technology & Services recurring licence revenue² up 6% to £23.2m (FY24: £21.8m)
 - Consumer-driven Pay-As-You-Go ("PAYG") and delay repay transactional revenue³ up 17% to £4.1m (FY24: £3.5m)
- Multi-year contract wins support future revenue growth:
 - Ongoing delivery of FY25 wins including Tap Converter contract with Rail Delivery Group and RailHub development with Network Rail
 - Post year-end award of multi-year GeolIntelligence contract with the UK government, underpinning FY26 growth for the Data, Analytics, Consultancy & Events Division
- Good progress in executing our strategy to deliver sustainable, long-term growth:
 - Rail Technology & Services unified under one global leadership team and delivery model, improving execution and scalability
 - Investment initiated post year-end in next generation Operations & Planning software platform to maintain market-leading UK position and support international expansion
 - Continue to evaluate M&A opportunities in line with disciplined criteria

Current Trading and Outlook:

- Q1 trading in line with expectations and the Board expects to deliver adjusted EBITDA in line with market expectations for the full year⁴
- Well positioned to benefit from long-term structural trends, despite ongoing UK Rail market headwinds
- Focus remains on growing recurring software licence and consumer-driven transactional revenues whilst continuing to diversify internationally

David Frost, Chief Executive Officer, commented:

"The Group has delivered full year performance in line with revised guidance, with an improved trading result in the second half of the year. That reflects the capability, determination and professionalism of our people and I want to thank everyone across Tracsis for their contribution.

Although parts of the UK rail market remain challenged by funding and procurement timing, our focus is on what we can control. During the year we grew recurring revenue, and we have successfully secured new multi-year contracts in both Divisions. In the second half of the year we delivered improved profitability in Traffic Data and Events. As a result, we end the year with stronger momentum and a more resilient platform.

Entering FY26, I am pleased with how we are delivering on commitments and executing to plan in our core markets while making progress in positioning the business for scalable, long-term growth.

Unifying our Rail Technology & Services operations under one global leadership team is a major step forward and will enable smoother and more consistent delivery as we grow. At the same time, we have started the investment in our next generation Operations & Planning software platform to reinforce our UK market leadership and create a more scalable foundation with greater optionality for international expansion.

With a strong balance sheet and healthy cash flow, we are well positioned to invest with discipline, grow our higher-margin recurring revenue, and pursue M&A opportunities both in rail and in attractive adjacencies that accelerate growth and further strengthen our strategic position. There is more to do, but the fundamentals of the business are strong and the opportunity ahead of us is significant."

Presentation and Overview videos

Tracsis is hosting an online presentation open to all investors on Friday 21 November 2025 at 1.00pm UK time. Anyone wishing to connect should register [here](#)

A video overview of the results featuring CEO David Frost and CFO Andy Kelly is available to view [here](#)

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The information communicated in this announcement is inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

** In addition to statutory reporting, Tracsis plc reports alternative performance measures ("APMs") which are not defined or specified under the requirements of International Financial Reporting Standards ("IFRS"). These metrics adjust for certain items which impact upon*

IFRS measures, to aid the user in understanding the activity taking place across the Group's businesses. APMs are used by the Directors and management for performance analysis, planning, reporting and incentive purposes. A summary of APMs used and their closest equivalent statutory measures is given in note 10.

¹ Excluding revenue from Transport Consultancy activities no longer being pursued (FY25: £0.2m, FY24: £1.6m)

² Revenue from software licences where the product has been deployed with the end customer. Includes annual renewals and multi-year contracts

³ Revenue from processing consumer PAYG smart ticketing and delay repay transactions

⁴ The Company is aware of four analysts publishing independent research. The Company compiled analyst expectations for the year ended 31 July 2026 is for a mean adjusted EBITDA of £13.3m, with a range from £13.0m to £13.8m.

Management Overview

Summary

Improved H2 trading performance

- H2 FY25 trading performance improved versus prior periods, reflecting strong fundamentals and actions taken to address lower H1 FY25 profitability in Traffic Data and Events. H2 FY25 adjusted EBITDA margin of 19.2% was 331 bps higher than H2 FY24 and 878 bps higher than H1 FY25
- Growth in all UK Rail Technology product categories except RCM, which continues to be impacted by CP7 funding levels
- Healthy cash generation underpinned by recurring and repeat revenues in both divisions

Growth in recurring revenue supported by multi-year contract wins

- Recurring software licence revenue increased by 6% to £23.2m (FY24: £21.8m), driven by UK growth including two successful TRACS Enterprise deployments
- Consumer-driven transaction revenue increased by 17% to £4.1m (FY24: £3.5m) following FY24 PAYG and delay repay deployments
- Delivery is progressing on multi-year contracts won in the year including Tap Converter with the Rail Delivery Group, embedding Tracsis' ticketing technology as the back-office solution for a UK rollout of PAYG on the National Rail network. Development work is ongoing with deployment to customers expected to start in 2026
- Post year-end award of multi-year Geointelligence contract to support future revenue growth. The contract is for an initial 5 years with the option to extend for a further 5 years, and has a total maximum revenue value in excess of £9m over the 10-year term

North America positioned for long-term opportunity

- Healthy pipeline of Train Dispatch opportunities across passenger, freight and industrial operators, though timelines remain subject to evolving customer requirements
- Cost base further streamlined while maintaining commercial and delivery capability
- Positive long-term outlook supported by industry demand for new technology providers

Progress in laying the foundations for future growth

- Transformation of the Group's Rail Technology & Services operating model completed. All global Rail Technology & Services activities are now being led by a single management team under a common global delivery model, enabling more consistent execution
- Investment initiated in next generation Operations & Planning software platform, developing a modular SaaS-native scalable product platform to reinforce UK market leadership and support targeted international expansion
- £35m revolving credit facility established to provide additional financing headroom, flexibility and strategic optionality

Outlook

UK rail market headwinds likely to persist throughout FY26

- CP7 funding remains constrained, with RCM hardware volumes continuing at lower than historical levels. Volumes are expected to increase as CP7 progresses and larger infrastructure projects are approved, though timings remain uncertain
- While Tracsis' products and services are well aligned with the UK government's strategic plans for the future of UK Rail, the proposed renationalisation of Train Operating Companies ("TOC's"), alongside the creation of Great British Railways, is driving extended procurement timelines
- The Group has an installed base generating significant recurring revenues. These have been unaffected by near-term headwinds, with FY25 renewals secured in line with expectations, including multi-year agreements
- Smart ticketing activity has also been unaffected. Tap Converter is progressing and Tracsis is participating in the Rail Delivery Group digital pay-as-you-go ("DPAYG") trials that are now underway, utilising its Hopsta platform on the Northern Rail network between Harrogate and Leeds

FY26 expectations are unchanged

- The Board expects FY26 performance to be in line with market expectations, supported by:
 - o Recurring revenues from its large installed base
 - o Consumer-driven transactional revenues at a similar level to FY25
 - o A significant confirmed orderbook
 - o Expected run rate activity and pipeline conversion consistent with FY25
 - o A pipeline of rail technology opportunities, though procurement timelines remain protracted

Growth Strategy

A clear purpose and favourable long-term macro trends

- Our purpose is to make transport work - safely, efficiently and sustainably
- Strong, enduring market drivers in the UK, North America and other international markets as transport industries seek digital solutions that improve efficiency, performance, productivity and safety
- Well differentiated market position with proven technology, deep sector expertise, and a track record as a trusted partner to transport operators, infrastructure providers and government agencies

A plan for growth transformation

- Successful organisational transformation over the past two years has strengthened the Group's resilience, improved revenue quality and enhanced its ability to secure strategic, multi-year contracts
- Pivoting to a technology product business delivering scalable, SaaS-native application software platforms for UK and international markets through a global delivery model, with targeted investment in skills and capabilities
- Recurring revenue focus: prioritising growth in software licence and consumer-driven transactional revenue to drive margin accretion and continued strong cashflow

Four growth vectors to scale the business

1. Core Market Growth

- Deepen engagement with core transport customers by expanding SaaS solutions, cross-selling and embedding Tracsis platforms into end-to-end operations
- Capture rail digitalisation including smart ticketing, timetable optimisation, crew and rolling stock scheduling, safety platforms and predictive analytics

2. Technology Investment

- Consolidate product portfolio into modular SaaS-native platforms to enable faster, lower-cost deployment especially into international markets
- Execute market-led product roadmaps supported by a common software architecture to accelerate new product development and commercialisation

3. Extend Market Opportunity

- Expand geographically, leveraging UK leadership and reputation to scale in North America and select other countries where Tracsis has a clear product-market fit and strong line-of-sight to success
- Enter adjacent transport technology markets in smart infrastructure, multi-modal travel and digital

- Enter adjacent transport technology markets in smart infrastructure, multi-modal travel and digital ticketing
- Expand in high-growth markets with demand for smart mobility and digital infrastructure

4. Inorganic Growth

- Accelerate growth through disciplined M&A to build out the technology stack and address attractive transport market applications in the UK and internationally, supplementing organic growth

Capital allocation to deliver long-term shareholder value

The Group's cash balance, robust fundamentals and healthy cash generation position it well to continue to invest in growth. We will allocate capital in line with our growth strategy, with a clear focus on growing high margin recurring revenues:

1. Organic Growth

- Capex and working capital to support operational delivery
- Product development to consolidate our portfolio into modular application software platforms and to access international markets
- Investment in our people

2. M&A

- Disciplined criteria focused on recurring revenue growth, earnings accretion and cash generation
- Integration of acquisitions into the Group's global delivery model
- Ongoing portfolio discipline to focus on core activities

3. Returns to Shareholders

- Maintain progressive dividend

Financial Overview

Trading Performance

Total Group revenue of £81.9m was 1% (£0.9m) higher than the prior year (FY24: £81.0m). After adjusting for non-repeating revenue from the Transport Consultancy activities no longer being pursued as previously announced, revenue on a like-for-like basis¹ was 3% (£2.2m) higher than the prior period. Rail Technology & Services revenue increased by 1% (£0.3m) and Data, Analytics, Consultancy & Events revenue increased by 5% (£1.9m) on a like-for-like basis.

Adjusted EBITDA of £12.6m was 1% (£0.2m) lower than in the prior year (FY24: £12.8m), with an adjusted EBITDA margin of 15.4% vs 15.7% in FY24. The Group's EBITDA performance was impacted by Network Rail CP7 funding constraints that resulted in a 42% reduction in UK RCM hardware revenue. This was largely offset by healthy profit growth elsewhere in the Rail Technology & Services Division, which is benefiting from transformation actions taken to streamline this business.

Profit before tax of £1.6m was 60% (£0.6m) higher than prior year (FY24: £1.0m), despite the £0.2m decrease in adjusted EBITDA outlined above. This reflects the following items:

- £2.5m depreciation charge at a similar level to the prior period (FY24: £2.4m);
- £5.9m amortisation of intangible assets (FY24: £5.5m) higher than the prior year including the accelerated amortisation of marketing-related intangibles in North America having rebranded to Tracsis;
- £2.4m exceptional costs principally relating to the transformation of the Group's operating model (FY24: £3.0m);
- £0.4m of share based payment charges (FY24: £0.9m) lower than the prior period reflecting a lower level of awards during FY25;
- £0.4m other operating expense (FY24: <£0.1m income) reflecting the reversal of accrued receivables estimated in prior years for research and development tax credits; and
- £0.6m net finance income (FY24: <£0.1m) reflecting increased returns on cash balances including the benefit from actions taken to centralise cash management activities as part of the Group transformation.

Adjusted earnings per share decreased by 1% to 25.2 pence (FY24: 25.5 pence). Statutory earnings per share increased to 1.7 pence (FY24: 1.6 pence).

The Group continues to have significant levels of cash and remains debt free. Cash generation remains healthy. At 31 July 2025 the Group's cash balances were £23.4m, which is £3.6m higher than the prior year (31 July 2024: £19.8m). During the year the Group returned £3.7m cash to shareholders through dividends and share buyback.

Divisional Performance

Rail Technology & Services

Modest revenue growth despite Network Rail CP7 funding constraints. Large installed base of mission-critical solutions with continued progress in long-term drivers of value.

Revenue	£37.9m (FY24: £37.6m)	+1%
Recurring Software Licence Revenue ²	£23.2m (FY24: £21.8m)	+6%
Consumer-Driven Transactional Revenue ³	£4.1m (FY24: £3.5m)	+17%
Adjusted EBITDA*	£9.6m (FY24: £9.8m)	-2%
Profit Before Tax	£2.8m (FY24: £2.7m)	+5%

- **Revenue increased by 1% (£0.3m)**

- o Rail Technology UK £33.4m, +5% (£1.5m) vs FY24. Growth in all product categories except RCM hardware which declined due to previously signposted Network Rail CP7 funding impact. In addition to growth in recurring and transactional revenues, this also includes the benefit from work to deliver the next funded phase of RailHub to expand the functionality of this safety and risk management system, and the first phases of work to deliver the PAYG Tap Converter contract.
- o Rail Technology North America £4.5m, -21% (-£1.2m) vs FY24. Lower level of project delivery revenue following completion of a Train Dispatch deployment in September 2024.

- **Ongoing growth in recurring software licence revenue and revenue from consumer activity**

- o Recurring software licence revenue £23.2m, +6% (£1.4m) vs FY24. Growth is mainly in the UK from the Operations and Planning portfolio including the benefit of the two FY25 TRACS Enterprise deployments.
- o Consumer-driven transactional revenue £4.1m, +17% (£0.6m) vs FY24. Growth is driven by new customer deployments completed during FY24 as previously announced: two PAYG smart ticketing and one delay repay deployment.

- **Adjusted EBITDA decreased by 2% (£0.2m)**

- o c.£1.5m adverse EBITDA impact from lower UK RCM hardware revenue.
- o Margin improvement across the rest of the portfolio.
- o Further cost out actions taken in North America during the year.

- **Profit before tax increased by 5% (£0.1m)**

- o £1.5m exceptional costs, including headcount reductions in North America and termination of a very low margin customer contract in the UK.
- o £0.3m increased level of interest received on cash balances, offset by higher amortisation charge.

Data, Analytics, Consultancy & Events

Modest growth, with improved H2 trading performance following actions taken to improve profitability in Traffic Data and Events.

Revenue	£43.9m (FY24: £43.4m)	+1%
Like-for-like Revenue ¹	£43.7m (FY24: £41.8m)	+5%
Adjusted EBITDA *	£3.0m (FY24: £2.9m)	+1%
Profit / (loss) Before Tax	£0.2m (FY24: (£0.8m))	n/a

- **Reported revenue increased by 1% (£0.5m)**

- o Traffic Data & Events revenue £32.5m, +7% (£2.2m) vs FY24. Activity levels in Events remained high throughout the year, including the benefit from new wins. The business delivered record revenue as a result, in excess of £20m. This more than offset lower revenue from our Traffic Data business, including the previously announced headwind from one customer suffering a cyber attack during H1 of FY25. That issue has been resolved and there was a recovery in revenue through H2 of FY25.
- o Professional Services revenue £11.4m, -13% (£1.8m) vs FY24. Principally reflects the non-repeat of certain low margin, non-software related activities that were delivered through the Group's Transport Consultancy business, as previously announced. These delivered £0.2m revenue in FY25 from completion of the final projects in the orderbook, and £1.6m revenue in FY24. There was also a lower level of revenue Data Analytics/GIS revenue in the year. Post year-end this business has won a new multi-year GeolIntelligence contract in the UK that underpins our growth expectations for FY26.

- **Revenue increased by 5% (£1.9m) on a like-for-like basis**

- **Adjusted EBITDA increased by 1% (£0.1m)**

- o Improved H2 profitability in Traffic Data and Events following actions taken. We took a series of actions to address the significant decrease in gross margin experienced across the Traffic Data and Events

businesses during H1 FY25. These included operational changes, pricing, and close control of expenditure. As a result of these actions, these businesses delivered a significantly improved trading performance during H2 FY25, achieving an adjusted EBITDA margin that was 400 bps higher than H2 FY24. We expect the full benefit of these actions to be delivered in FY26.

• **Profit before tax of £0.2m is £1.0m better than the prior period**

- o Reflects lower transformation costs. Transformation Costs of £0.3m in FY25 include the final headcount reductions from the Group transformation programme and headcount actions taken to improve profitability in Traffic Data and Events.

Exceptional Costs

Over the last two years the Group has completed a programme of actions to transform its operating model, focused around enhancing our technology development and delivery capabilities. The principal focus has been in the Rail Technology & Services Division, where previously separate operating businesses have been integrated under a single leadership team and operating model, enabling us to establish a consistent approach to how we develop and deliver application software based on industry best practice. From 1 August 2025 our Rail Technology operations in North America have been brought into this structure, meaning that all activities in this Division are now managed on a global basis.

Alongside this, we have taken other one-off actions that better position the Group to deliver long-term scalable growth and improved profitability. These actions included upgrading operating systems and processes, streamlining the Group's operating footprint, exiting from low-margin activities and contracts, addressing other legacy operating and compliance challenges and rationalising the Group's cost base. During the summer of FY25 we completed a CEO transition, alongside which we are embedding a leadership structure to deliver the Group's strategy to scale the business focused around application software products with increasing international diversification.

The costs associated with executing these actions are material and non-recurring in nature. Consistent with the Group's accounting policy, these costs have been reported as exceptional items in FY24 and FY25, to aid the reader in understanding the underlying trading performance of the business. During FY25 we incurred £2.4m of costs associated with these activities (FY24: £3.0m), of which £2.0m were cash costs (FY24: £2.7m).

Cash Generation

Free cash flow increased to £7.7m (FY24: £5.4m) despite the small decrease in adjusted EBITDA described above. This included the benefit from favourable working capital movements including the unwind of the large trade receivables balance at 31 July 2024, a higher level of net interest received including the benefit from actions taken to centralise cash management activities as part of the Group transformation, and a lower level of cash outflows relating to exceptional items. This was partly offset by £0.8m of capitalised development costs (FY24: £0.5m) including product development in Rail Technology and operational systems in Data, Analytics, Consultancy and Events. During the year the Group purchased £0.3m of intangible assets (FY24: £nil) relating to a Traffic Data AI platform that was previously provided by a supplier, that will deliver future cost savings.

Free Cash Flow*

	Year ended 31 July 2025 £'m	Year ended 31 July 2024 £'m
Adjusted EBITDA *	12.6	12.8
Changes in working capital	0.6	(0.5)
Purchase of property, plant and equipment and intangible assets (net of proceeds from disposal)	(0.9)	(1.2)
Lease liability payments (net of lease receivable receipts)	(1.4)	(1.4)
Capitalised development costs	(0.8)	(0.5)
Tax paid	(1.6)	(1.7)
Net interest received	0.6	0.2
Other ⁴	-	-
Free cash flow before exceptional items	9.1	7.7
Cash outflows on exceptional items	(1.4)	(2.3)
Free Cash Flow	7.7	5.4

During H2 of FY25 the Group completed its previously announced share buyback programme, repurchasing the full £3.0m (FY24: £nil). Dividends paid to shareholders were £0.8m (FY24: £0.7m) and there was a total of £0.3m of

transaction costs associated with implementing the new £35m Revolving Credit Facility (FY24: £nil). There was no material impact from foreign exchange movements (FY24: £0.1m favourable).

As a result, total cash balances increased by £3.6m to £23.4m.

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¹ Excluding revenue from Transport Consultancy activities no longer being pursued (FY25: £0.2m, FY24: £1.6m)

² Revenue from software licences where the product has been deployed with the end customer. Includes annual renewals and multi-year contracts

³ Revenue from processing consumer PAYG smart ticketing and delay repay transactions

⁴ Includes profit or loss on disposal of property, plant and equipment or internally-generated intangible assets and proceeds from exercise of share options.

Dividend

The Board remains committed to a progressive dividend policy. The Board has recommended a final dividend of 1.4 pence per share. The final dividend, subject to shareholder approval at the forthcoming Annual General Meeting, will be paid on 12 February 2026 to shareholders on the register at the close of business on 30 January 2026. This will bring the total dividend for the year to 2.6 pence per share.

Board

Chris Barnes stepped down from his role of Chief Executive Officer and Board member on 31 July 2025. He was replaced by David Frost, who joined the business on 9 July 2025 and assumed the role of Chief Executive Officer and Board member on 1 August.

Summary and Outlook

The Group has delivered an improved H2 trading performance, with continued growth in recurring software licence and consumer-driven transactional revenues. Actions taken to transform the Group's operating model have strengthened the Group's resilience, improved revenue quality and enhanced its ability to secure strategic, multi-year contracts. Entering FY26, our focus remains firmly on delivery and execution, and we are on track.

We see significant opportunity as transport industries seek digital solutions that improve efficiency, performance, productivity and safety. Tracsis has a clear purpose that is well aligned with these macro drivers, and has a strategy to deliver sustainable long-term shareholder value, with organic growth supplemented by disciplined M&A. In executing this strategy, we will pivot to being a technology product business delivering scalable, SaaS-native application software platforms, with a focus on recurring revenues and with increasing international diversification.

With a strong balance sheet and healthy cash flow, the Group is well placed to invest with discipline. Post year-end we have started the development of our next generation Operations and Planning software platform to reinforce our leading UK position and support international expansion. This will create a common reference architecture that will underpin accelerated future development across the whole groupwide portfolio. We continue to evaluate M&A opportunities in line with disciplined criteria, and to review our portfolio for alignment with our long-term strategy.

Trading in the early part of FY26 has been in line with the Board's expectations. The Board expects to deliver FY26 performance in line with market expectations, while making further progress in executing its growth transformation strategy.

Consolidated statement of comprehensive income for the year ended 31 July 2025

	Notes	2025 £000	2024 £000
Revenue	3a	81,890	81,022
Cost of sales		(34,508)	(35,009)
Gross profit		47,382	46,013
Administrative costs		(46,372)	(45,046)
Adjusted EBITDA*	3b, 10	12,574	12,759
Depreciation		(2,488)	(2,371)
Amortisation of intangible assets		(5,926)	(5,526)
Other operating (expense)/income	5	(357)	7
Share-based payment charges		(432)	(899)
Operating profit before exceptional items		3,371	3,970
Exceptional items	4	(2,361)	(3,003)
Operating profit		1,010	967
Net finance income		578	28
Profit before tax	3b	1,588	995
Taxation	6	(1,068)	(507)
Profit after tax		520	488
Other comprehensive expense			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		(356)	(295)
Total comprehensive income for the year		164	193
Earnings per ordinary share			
Basic	7	1.72p	1.62p
Diluted	7	1.69p	1.59p

* Earnings before net finance income, tax, depreciation, amortisation, exceptional items, other operating income and share-based payment charges - see note 10.

Consolidated balance sheet as at 31 July 2025

	Notes	2025 £000	2024 £000
Non-current assets			
Property, plant and equipment		5,326	4,992
Intangible assets	11	47,503	52,610
Investments - equity		-	-
Deferred tax assets		1,869	1,376
		54,698	58,978
Current assets			
Inventories		1,156	1,512
Trade and other receivables		18,688	21,536
Current tax receivables		40	1,011
Cash and cash equivalents		23,389	19,773
		43,273	43,832
Total assets		97,971	102,810
Non-current liabilities			
Lease liabilities		1,851	737
Deferred tax liabilities		6,264	7,132
		8,115	7,869
Current liabilities			
Lease liabilities		792	1,123
Trade and other payables		22,945	25,498
Provisions		664	-
Contingent consideration payable	8	158	151
Current tax liabilities		290	-
		24,849	26,772
Total liabilities		32,964	34,641
Net assets		65,007	68,169
Equity attributable to equity holders of the Company			
Called up share capital		119	121
Share premium		6,535	6,535
Merger reserve		6,161	6,161
Retained earnings		52,760	55,567

Capital redemption reserve	3	-
Translation reserve	(521)	(165)
Fair value reserve	(50)	(50)
Total equity	65,007	68,169

Consolidated statement of changes in equity for the year ended 31 July 2025

	Share capital £000	Share premium £000	Merger reserve £000	Retained earnings £000	Capital redemption reserve £000	Translation reserve £000	Fair value reserve £000	Total £000
At 1 August 2023	120	6,535	6,161	54,875	-	130	(50)	67,771
Profit for the year	-	-	-	488	-	-	-	488
Other comprehensive expense	-	-	-	-	-	(295)	-	(295)
Total comprehensive income/(expense)	-	-	-	488	-	(295)	-	193
Transactions with owners:								
Dividends (note 9)	-	-	-	(695)	-	-	-	(695)
Share-based payment credit	-	-	-	899	-	-	-	899
Exercise of share options	1	-	-	-	-	-	-	1
At 31 July 2024	121	6,535	6,161	55,567	-	(165)	(50)	68,169
At 1 August 2024	121	6,535	6,161	55,567	-	(165)	(50)	68,169
Profit for the year	-	-	-	520	-	-	-	520
Other comprehensive expense	-	-	-	-	-	(356)	-	(356)
Total comprehensive income/(expense)	-	-	-	520	-	(356)	-	164
Transactions with owners:								
Dividends (note 9)	-	-	-	(759)	-	-	-	(759)
Buy-back of ordinary shares (note 12)	(3)	-	-	(2,985)	3	-	-	(2,985)
Buy-back transaction costs (note 12)	-	-	-	(15)	-	-	-	(15)
Share-based payment credit	-	-	-	432	-	-	-	432
Exercise of share options	1	-	-	-	-	-	-	1
At 31 July 2025	119	6,535	6,161	52,760	3	(521)	(50)	65,007

Consolidated cash flow statement for the year ended 31 July 2025

	Notes	2025 £000	2024* £000
Operating activities			
Profit for the year		520	488
Net finance income		(578)	(28)
Depreciation		2,488	2,371
Amortisation of intangible assets		5,926	5,526
Exceptional items	4	2,361	3,003
Exceptional operating cash flows	4	(1,445)	(2,283)
Profit on disposal of property, plant and equipment		(4)	(15)
Loss on disposal of internally generated intangible assets		85	-
Other operating income	5	357	(7)
Income tax charge	6	1,068	507
Share-based payment charges		432	899
Net exchange differences		7	-
Operating cash inflow before changes in working capital		11,217	10,461
Movement in inventories		(13)	(48)
Movement in trade and other receivables		3,610	(2,394)
Movement in trade and other payables		(2,778)	1,962
Movement in provisions		(195)	-
Cash generated from operations		11,841	9,981
Interest received		581	171
Income taxes paid		(1,590)	(1,652)
Net cash flow from operating activities		10,832	8,500

Investing activities		
Purchase of property, plant and equipment	(671)	(1,487)
Proceeds from disposal of property, plant and equipment	36	241
Capitalised development costs	(835)	(462)
Purchase of intangible assets	(312)	-
Payment of deferred consideration	-	(315)
Net cash flow used in investing activities	(1,782)	(2,023)
Financing activities		
Dividends paid	9	(759)
Proceeds from exercise of share options		1
Payments for ordinary shares bought back	12	(2,985)
Share buy-back transaction costs	12	(15)
Debt facility transaction costs		(323)
Lease liability payments		(1,380)
Lease receivable receipts		-
Net cash flow used in financing activities	(5,461)	(2,103)
Net increase in cash and cash equivalents	3,589	4,374
Exchange adjustments	27	92
Cash and cash equivalents at the beginning of the year	19,773	15,307
Cash and cash equivalents at the end of the year	23,389	19,773

* Net cash flow from operating activities has been represented in the comparative period to show exceptional operating cash outflows of £2,283,000 on a separate line; movement in trade and other payables has been reduced by £446,000 in respect of items that related to exceptional items accordingly.

Notes to the Consolidated Financial Statements

1. Financial information

The financial information set out herein does not constitute the Group's statutory accounts for the year ended 31 July 2025 or the year ended 31 July 2024 within the meaning of sections 434 of the Companies Act 2006, but is derived from those accounts. The audited accounts for the year ended 31 July 2025 will be posted to all shareholders in due course and will be available on the Group's website. The auditors have reported on those accounts and expressed an unmodified audit opinion which did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The financial information for the year ended 31 July 2024 is derived from the statutory accounts for that year, which have been delivered to the Registrar of Companies. The auditors have reported on those accounts and expressed an unmodified audit opinion which did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group.

The Directors consider that the key judgements and estimates made in the preparation of the Group consolidated financial statements remain as those set out in the financial statements for the year ended 31 July 2024, other than:

Estimates

Recoverable amount of deferred tax assets

The Group has recognised deferred tax assets in respect of tax losses, principally in respect of Rail Technology & Services - North America. Judgement has been applied in determining the extent to which these taxable losses will be utilised against future taxable profits, as explained in note 6. The key assumptions used in the calculations are set out in note 6.

2. Basis of preparation

a) Statement of compliance

The Group consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards ("IFRSs").

b) Basis of measurement

The Accounts have been prepared under the historical cost convention, except for the valuation of investments, contingent consideration, financial liabilities and initial valuation of assets and liabilities acquired in business combinations which are included on a fair value basis.

c) Presentation currency

These consolidated financial statements are presented in sterling. All financial information presented in sterling has been rounded to the nearest thousand.

d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

e) Accounting developments

A number of new IFRSs have been endorsed by the UK Endorsement Board with effective dates such that they fall to be applied by the Group.

The following standards and amendments to UK-adopted International Accounts Standards are the only changes of relevance to these financial statements that have been applied in the year ended 31 July 2025:

- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current".

These amendments had no material impact on either the Group's or Company's financial statements.

There are no other relevant standards, interpretations or amendments that required mandatory application in the current year.

Future developments

There are a number of new standards and amendments issued by the International Accounting Standards Board ("IASB") that will be effective for financial statements after this reporting period, once endorsed by the UK Endorsement Board. The most relevant changes for the Group are:

- IFRS 18 "Presentation and Disclosure in Financial Statements", effective for periods beginning on or after 1 January 2027; and
- Amendments to IFRS 7 and IFRS 9 "Amendments to the Classification and Measurement of Financial Instruments", effective for periods beginning on or after 1 January 2026.

Based on preliminary assessments, the adoption of these standards and amendments is not expected to have a significant impact on either the Group's results or financial position. The adoption of IFRS 18 introduces new required subtotals in profit or loss, including profit or loss before financing and income taxes.

f) Going concern

The Group is debt free, has substantial cash resources and has access to an uncommitted £2m overdraft facility and to a committed £35m revolving credit facility. At 31 July 2025 the Group had net cash and cash equivalents totalling £23.4m. The Board has prepared cash flow forecasts for the period through to January 2027 based upon assumptions for trading, the requirements for cash resources and expected performance against debt covenants; these forecasts consider reasonably possible changes in trading financial performance as well as potential merger and acquisition activity.

Further to this, management prepared a severe but plausible scenario, reducing revenues from budget and including a more pessimistic view of working capital. There was still ample liquidity and covenant headroom under this scenario. A reverse stress test was also considered. The revenue and cash flow assumptions required to eliminate any headroom under the reverse stress test are considered by the Board to be highly unlikely.

Based upon this analysis, the Board has concluded that the Group has adequate working capital resources and that it is appropriate to use the going concern basis for the preparation of the consolidated financial statements.

3. Revenue and segmental analysis

a) Revenue

Revenue is summarised below:

	2025 £000	2024 £000
Rail Technology & Services	37,945	37,608
Data, Analytics, Consultancy & Events	43,945	43,414
Total revenue	81,890	81,022

Revenue can also be analysed as follows:

	2025 £000	2024 £000
Rail Technology & Services	37,945	37,608
Data, Analytics, Consultancy & Events	43,945	43,414

Rail Technology & Services - United Kingdom	33,446	31,902
Rail Technology & Services - North America	4,499	5,706
Rail Technology & Services	37,945	37,608
Traffic Data & Events	32,563	30,269
Professional Services	11,382	13,145
Data, Analytics, Consultancy & Events	43,945	43,414
Total revenue	81,890	81,022

Revenue to come from contracts entered into with performance obligations not fulfilled or only partially fulfilled amounted to £27.8m as at 31 July 2025, of which £18.3m is expected to be recognised within one year, and £9.5m after one year (£20.0m as at 31 July 2024, with £14.2m to be recognised within one year and £5.8m after one year).

Analysis of revenue based on whether it is recognised over time or at a point in time is provided below:

	2025 £000	2024 £000
Recognised over time	22,980	22,122
At a point in time	14,965	15,486
Rail Technology & Services	37,945	37,608
Recognised over time	1,219	222
At a point in time	42,726	43,192
Data, Analytics, Consultancy & Events	43,945	43,414
Recognised over time	24,199	22,344
At a point in time	57,691	58,678
Total revenue	81,890	81,022

Major customers

Transactions with the Group's largest customer represent 7% of the Group's total revenues (2024: 8%).

Geographical split of revenue

Geographical analysis of revenue by customer location is provided below:

	2025 £000	2024 £000
United Kingdom	66,827	64,823
Ireland	9,095	9,687
Rest of Europe	513	401
North America	4,601	4,373
Rest of the World	854	1,738
Total revenue	81,890	81,022

b) Segmental analysis

The Group has divided its results into two segments being Rail Technology & Services and Data, Analytics, Consultancy & Events consistent with the disclosure in the 2024 financial statements.

The Group has a wide range of products and services for the rail industry, such as software, hosting services and remote condition monitoring, and these have been included within the Rail Technology & Services segment as they have similar customer bases (such as train operating companies and infrastructure providers). Traffic data collection, event planning and traffic management, data, analytics and consultancy offerings have similar economic characteristics and distribution methods and so have been included within the Data, Analytics, Consultancy & Events segment.

In accordance with IFRS 8 "Operating Segments", the Group has made the following considerations to arrive at the disclosure made in these financial statements. IFRS 8 requires consideration of the Chief Operating Decision Maker ("CODM") within the Group. In line with the Group's internal reporting framework and management structure, the key strategic and operating decisions are made by the Executive Directors, who review internal monthly management reports, budgets and forecast information as part of this. Accordingly, the Executive Directors are deemed to be the CODM.

Operating segments have then been identified based on the internal reporting information and management structures within the Group. From such information it has been noted that the CODM reviews the business as two operating segments, receiving internal information on that basis. The management structure and allocation of key resources, such as operational and administrative resources, are arranged on a centralised basis.

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Board of Directors. Segment profit is used to measure performance. There are no material inter-

by the Board of Directors. Segment profit is used to measure performance. There are no material inter-segment transactions; however, when they do occur, pricing between segments is determined on an arm's length basis. Revenues disclosed below materially represent revenues to external customers. Segmental profit before tax has been further analysed to allocate amortisation and exceptional items. Segmental assets and liabilities have been further analysed to allocate intangibles and investments, contingent consideration and deferred consideration to each individual segment.

	2025			
	Data, Analytics, Rail Consultancy & Technology Services			Total
	£000	Events	Unallocated	£000
Income statement				
Total revenue for reportable segments	37,945	43,945	-	81,890
Cost of sales	(6,347)	(28,161)	-	(34,508)
Gross profit	31,598	15,784	-	47,382
Underlying administrative costs	(21,985)	(12,823)	-	(34,808)
Adjusted EBITDA for reportable segments	9,613	2,961	-	12,574
Amortisation of intangible assets	(4,683)	(1,243)	-	(5,926)
Depreciation	(927)	(1,561)	-	(2,488)
Exceptional items - net	(1,474)	(298)	(589)	(2,361)
Other operating expense	-	-	(357)	(357)
Share-based payment charges	-	-	(432)	(432)
Interest receivable - net	283	295	-	578
Consolidated profit before tax	2,812	154	(1,378)	1,588

Staff costs are split between segments as follows.

	Data, Analytics, Rail Consultancy & Technology Services			
	£000	Events	Unallocated	Total
	£000	£000	£000	£000
Total staff costs	(17,558)	(27,538)	(760)	(45,856)

	2024			
	Data, Analytics, Rail Consultancy & Technology Services			Total
	£000	Events	Unallocated	£000
Income statement				
Total revenue for reportable segments	37,608	43,414	-	81,022
Cost of sales	(6,466)	(28,543)	-	(35,009)
Gross profit	31,142	14,871	-	46,013
Underlying administrative costs	(21,319)	(11,935)	-	(33,254)
Adjusted EBITDA for reportable segments	9,823	2,936	-	12,759
Amortisation of intangible assets	(4,301)	(1,225)	-	(5,526)
Depreciation	(1,005)	(1,366)	-	(2,371)
Exceptional items - net	(1,816)	(1,187)	-	(3,003)
Other operating income	-	-	7	7
Share-based payment charges	-	-	(899)	(899)
Interest receivable - net	(31)	59	-	28
Consolidated profit before tax	2,670	(783)	(892)	995

Staff costs are split between segments as follows.

	Data, Analytics, Rail Consultancy & Technology Services			
	£000	Events	Unallocated	Total
	£000	£000	£000	£000
Total staff costs	(16,245)	(27,276)	(899)	(44,420)

	2023			
	Technology & Services £000	Data, Analytics, Rail Consultancy & Events £000	Unallocated £000	Total £000
Assets				
Total other assets for reportable segments	10,256	14,954	-	25,210
Intangible assets and investments	39,075	8,428	-	47,503
Deferred tax assets	-	-	1,869	1,869
Cash and cash equivalents	15,181	8,208	-	23,389
Consolidated total assets	64,512	31,590	1,869	97,971
Liabilities				
Total other liabilities for reportable segments	(16,542)	(10,000)	-	(26,542)
Deferred tax liabilities	-	-	(6,264)	(6,264)
Contingent consideration	-	(158)	-	(158)
Consolidated total liabilities	(16,542)	(10,158)	(6,264)	(32,964)

	2024			
	Technology & Services £000	Data, Analytics, Rail Consultancy & Events £000	Unallocated £000	Total £000
Assets				
Total other assets for reportable segments	13,318	15,733	-	29,051
Intangible assets and investments	43,876	8,734	-	52,610
Deferred tax assets	-	-	1,376	1,376
Cash and cash equivalents	14,446	5,327	-	19,773
Consolidated total assets	71,640	29,794	1,376	102,810
Liabilities				
Total other liabilities for reportable segments	(17,999)	(9,359)	-	(27,358)
Deferred tax liabilities	-	-	(7,132)	(7,132)
Contingent consideration	-	(151)	-	(151)
Consolidated total liabilities	(17,999)	(9,510)	(7,132)	(34,641)

4. Exceptional items

The Group incurred exceptional items in 2025 and 2024 which are analysed as follows:

	2025 £000	2024 £000
Non-cash:		
Unwind of discounting of contingent consideration	4	14
Transformation costs - footprint	-	260
Transformation costs - other	377	-
Cash:		
Transformation costs - headcount	1,228	1,201
Transformation costs - IT	-	650
Transformation costs - footprint	147	225
Transformation costs - other	-	653
Contract termination costs	453	-
Other exceptional costs	152	-
Total exceptional items	2,361	3,003
	2025 £000	2024 £000
Split:		
Non-cash	381	274
Cash	1,980	2,729
Total	2,361	3,003

2025

As described in the Group's Annual Report for the year ended 31 July 2024, the Group is undertaking a series of actions to transform its operating model. These actions will establish a consistent and scalable approach to how the Group develops and delivers application software solutions based around industry best practice, as well as ensuring that its operating systems, processes and footprint are aligned with this operating model. These changes will improve the timeliness, quality and repeatability of delivery, which will enable the Group to accelerate its future growth trajectory.

The Group's accounting policy is to classify items which are significant by their size or nature and/or which are considered non-recurring as exceptional operating items. The costs associated with delivering this

considered non-recurring as exceptional operating items. The costs associated with delivering this programme of actions have been reported as exceptional operating items consistent with this policy since they are material in size and nature, and are non-recurring.

Exceptional costs of £1,752,000 associated with delivering this programme of actions have been recognised in the income statement during the period. These costs principally relate to: headcount reductions where roles are duplicated or no longer required; costs of reducing the Group's physical and legal entity footprint; and other non-cash costs comprising a charge for provision against obsolete inventory following the decision to not pursue new contracts for certain non-software related activities in North America.

Included in the £1,752,000 transformation costs - headcount, are costs of £589,000 associated with the CEO succession. These have been reported as exceptional operating items since they are material in size and nature, and are non-recurring. This includes the executive search costs incurred by the Nomination Committee in identifying a new CEO, as well as the remuneration arrangements for Chris Barnes.

Contract termination costs of £453,000 were incurred following the termination of a low margin Rail Technology & Services customer contract in the UK. These include associated legal fees and an estimate of the costs required to provide future customer support consistent with the agreed contract settlement.

Other compliance costs of £152,000 relate to the resolution of an isolated compliance incident at a Data, Analytics, Consultancy & Events customer site.

A further charge totalling £4,000 has been recognised which reflects the unwinding of the discount on contingent consideration. The acquisition-specific discount rate applied was 10.0%. A breakdown of the remaining fair value of contingent consideration by acquisition is included in note 8. These costs are deemed to be exceptional items due to the size and volatility of the items which can vary significantly from year to year.

Of the cash exceptional costs of £1,980,000 recognised during the year, £981,000 of the associated cash flows will fall into subsequent periods. £446,000 of exceptional cash outflows occurred during the year in respect of exceptional costs recognised in previous periods.

2024

In the previous financial year, exceptional costs of £2,989,000 were recognised to transform the Group's operating model.

A further charge totalling £14,000 was recognised for the unwinding of the discount on contingent consideration.

5. Other operating income and expense

The Group does not qualify as an SME for research and development costs for UK corporation tax purposes and as such is governed by the large company "above the line" credit. Other operating expenses of £357,000 in the year represent the reversal of accrued receivables estimated in prior years in respect of these credits (2024: £7,000 income).

6. Taxation

Reconciliation of the effective tax rate:

	2025 £000	2025 %	2024 £000	2024 %
Profit before tax for the period	1,588		995	
Expected tax charge based on the standard rate of corporation tax in the UK of 25.0% (2024: 25.0%)	397	25.0	249	25.0
Expenses not deductible for tax purposes	373	23.5	134	13.5
Adjustments in respect of previous years	402	25.3	144	14.5
Overseas tax not at UK tax rate	(408)	(25.7)	(378)	(38.0)
Share-based payments differences	304	19.2	358	36.0
Total tax charge	1,068	67.3	507	51.0

The Group has £4,975,000 recognised and no unrecognised tax losses carried forward (2024: £3,302,000 recognised and £nil unrecognised).

Deferred tax assets for losses principally relate to Rail Technology & Services operations in United States of America where net operating losses of £4,975,000 are expected to be utilised against future taxable profits generated over a five-year period projected from the balance sheet date. These forecast future taxable profits include assumptions on new work being secured. While the Directors consider those assumptions to be reasonable, winning or losing bids for a relatively small number of pieces of new work could have a material effect on the value of taxable profits against which the net operating losses can be relieved.

7. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the year ended 31 July 2025 was based on the profit attributable to ordinary shareholders of £520,000 (2024: £488,000) and a weighted average number of ordinary shares in

issue of 30,284,000 (2024: 30,169,000), calculated as set out below.

Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 July 2025 was based on the profit attributable to ordinary shareholders of £520,000 (2024: £488,000) and a weighted average number of ordinary shares in issue after adjustment for the effects of all dilutive potential ordinary shares of 30,812,000 (2024: 30,628,000) calculated as set out below.

	2025 £000	2024 £000
Profit after tax	520	488

Weighted average number of ordinary shares

In thousands of shares	2025	2024
Issued ordinary shares at 1 August	30,326	29,958
Effect of shares issued for cash	53	211
Effect of share buy-back	(95)	-
Weighted average number of shares for the year to 31 July	30,284	30,169

For the purposes of calculating basic earnings per share	30,284	30,169
Adjustment for the effects of all dilutive potential ordinary shares	528	459
For the purposes of calculating diluted earnings per share	30,812	30,628

Basic earnings per share	1.72p	1.62p
Diluted earnings per share	1.69p	1.59p

Adjusted EPS

In addition, adjusted profit EPS is calculated below on the grounds that it is a common metric used by the market in monitoring similar businesses. These figures are relevant to the Group, are provided to enable a comparison to similar businesses, and are metrics used by equity analysts who cover the Group. Amortisation of acquired intangible assets and share-based payment charges are deemed to be non-cash at the point of recognition in nature, and exceptional items by their very nature are one-off, and therefore excluded in order to assist with the understanding of underlying trading. A reconciliation of this figure is provided below.

	2025 £000	2024 £000
Profit after tax	520	488
Amortisation of acquired intangible assets	5,846	5,526
Share-based payment charges	432	899
Exceptional items - net	2,361	3,003
Other operating expense / (income)	357	(7)
Tax impact of the above adjusting items	(1,885)	(2,213)
Adjusted profit for EPS purposes	7,631	7,696

Weighted average number of ordinary shares

In thousands of shares	2025	2024
For the purposes of calculating basic earnings per share	30,284	30,169
Adjustment for the effects of all dilutive potential ordinary shares	528	459
For the purposes of calculating diluted earnings per share	30,812	30,628

Basic adjusted earnings per share	25.20p	25.51p
Diluted adjusted earnings per share	24.77p	25.13p

8. Contingent consideration

In 2022 the Group acquired The Icon Group Limited ("Icon"). Under the share purchase agreement, contingent consideration is payable which is based on the profitability of Icon in the three-year period after the acquisition, and on the successful renewal of certain key contracts in the four-year period after acquisition. Contingent consideration is payable in Euros up to a maximum of €1,750,000 (£1,511,000). Based on reduced activity under certain contracts and current expectations regarding the renewal of certain contracts, the fair value of the amount payable was assessed as €183,000 (£158,000) at 31 July 2025.

As detailed in note 4, a net exceptional charge of £4,000 was recognised, following the unwind of the discounting as at 31 July 2025. At the balance sheet date, the Directors assessed the fair value of the remaining amounts payable which were deemed to be as follows:

	2025 £000	2024 £000
The Icon Group Limited	158	151

Contingent consideration payable in respect of the Group's past acquisitions is considered to be a "Level 3 financial liability" as defined by IFRS 13. These liabilities are carried at fair value, which is based on the estimated amounts payable under the provisions of the share purchase agreements which specify the specific arrangements and calculations relating to each acquisition. This involves assumptions about future profit

forecasts, which result from assumptions about revenues and costs, and the resulting liability is discounted back to the present value using an appropriate discount rate and an estimate of when it is expected to be payable. A range of outcomes is considered, and a probability/likelihood weighting is applied to each of them in order to produce a weighted assessment of the amount payable.

The Group has considered multiple scenarios in estimating the fair value of contingent consideration payable in the future. In all cases, contingent consideration payable could range from zero to the maximum amount included in the Icon share purchase agreement as detailed in this note. A 10% increase in the Icon revenue forecast would result in an increase in the fair value of contingent consideration of £nil.

The movement on contingent consideration can be summarised as follows:

	2025 £000	2024 £000
At the start of the year	151	139
Unwind of discounting	4	14
Exchange adjustment	3	(2)
At the end of the year	158	151

The ageing profile of the remaining liabilities can be summarised as follows:

	2025 £000	2024 £000
Payable in less than one year	158	151
Payable in more than one year	-	-
Total	158	151

9. Dividends

The Board intends to pursue a sustainable and progressive dividend policy, having regard to the development of the Group.

The cash cost of dividend payments made during the year is below:

	2025 £000	2024 £000
Final dividend for 2022/23	-	362
Interim dividend for 2023/24	-	333
Final dividend for 2023/24	395	-
Interim dividend for 2024/25	364	-
Total dividends paid	759	695

The dividends paid or proposed in respect of each financial year are as follows:

	2025 £000	2024 £000
Interim dividend for 2023/24 of 1.1p per share paid	-	333
Final dividend for 2023/24 of 1.3p per share paid	-	395
Interim dividend for 2024/25 of 1.2p per share paid	364	-
Final dividend for 2024/25 of 1.4p per share proposed	416	-

The total dividends paid or proposed in respect of each financial year ended 31 July were as follows:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total dividends paid per share	2.6p	2.4p	2.2p	2.0p	£nil	£nil	1.8p	1.6p	1.4p	1.2p

10. Reconciliation of alternative performance measures ("APMs")

The Group uses APMs, which are not defined or specified under the requirements of International Financial Reporting Standards ("IFRS"). These metrics adjust for certain items which impact upon IFRS measures, to aid the user in understanding the activity taking place across the Group's businesses. The largest components of the adjusting items, being depreciation, amortisation and share-based payments, are "non-cash" items and are separately analysed to assist with the understanding of underlying trading. Share-based payments are adjusted to reflect the underlying performance of the Group as the fair value on initial recognition is impacted by market volatility that does not correlate directly to trading performance. APMs are used by the Directors and management for performance analysis, planning, reporting and incentive purposes.

Adjusted EBITDA

Calculated as earnings before net finance income or expense, tax, depreciation, amortisation, exceptional items, other operating income or expense and share-based payment charges. This metric is used to show the underlying trading performance of the Group from period to period in a consistent manner and is a key management incentive metric. The closest equivalent statutory measure is profit before tax. Adjusted EBITDA can be reconciled to statutory profit before tax as set out below:

	2025	2024
	£000	£000
Profit before tax	1,588	995
Net finance income	(578)	(28)
Share-based payment charges	432	899
Exceptional items	2,361	3,003
Other operating expense/(income)	357	(7)
Amortisation of intangible assets	5,926	5,526
Depreciation	2,488	2,371
Adjusted EBITDA	12,574	12,759

Calculated as profit after tax before amortisation of acquired intangible assets, share-based payment charges, exceptional items and other operating income or expense divided by the weighted average number of ordinary shares in issue during the period. This is a common metric used by the market in monitoring similar businesses and is used by equity analysts who cover the Group to better understand the underlying performance of the Group. See note 7: Earnings per share.

Calculated as net cash flow from operating activities after purchase of property, plant and equipment, proceeds from disposal of property, plant and equipment, proceeds from exercise of share options, lease liability payments, lease receivable receipts, purchase of intangible assets and capitalised development costs, and before payment of contingent consideration. This measure reflects the cash generated in the period that is available to invest in accordance with the Group's growth strategy and capital allocation policy.

	2025 £000	2024 £000
Net cash flow from operating activities	10,832	8,500
Add back: exceptional operating cash flows	1,445	2,283
Purchase of property, plant and equipment	(671)	(1,487)
Proceeds from disposal of property, plant and equipment	36	241
Capitalised development costs	(835)	(462)
Purchase of intangible assets	(312)	-
Proceeds from exercise of share options	1	1
Lease liability payments	(1,380)	(1,441)
Lease receivable receipts	-	32
Free cash flow before exceptional items	9,116	7,667
Cash flows on exceptional items	(1,445)	(2,283)
Free cash flow	7,671	5,384

The period end carrying values of internally generated intangible assets and intangible assets arising from the Group's acquisitions are analysed by group of cash-generating units in the following table:

[illegible]

2,348	2,316	1,311	1,929	409	527	88	-	-	-	-	-	4,156	4,772
18,026	18,159	17,363	20,187	10,569	12,706	1,423	761	122	205	-	592	47,503	52,610

- (1) Comprises CGUs: Rail Operations and Planning (Safety Information Systems Limited, Datasys Integration Limited and Bellvedi Limited), MPEC Technology Limited, Ontrac Technology Limited and Customer Experience (Tracsis Rail Technology and Services Limited - formerly iBlocks Limited - and Tracsis Travel Compensation Services Limited).
- (2) Comprises CGU: Railcomm LLC.
- (3) Comprises CGUs: Tracsis Traffic Data Limited, Tracsis Events Limited and Customer Insights (Tracsis Rail Consultancy Limited).
- (4) Comprises CGUs: Compass Informatics Limited and The Icon Group Limited.

In accordance with the requirements of IAS 36 "Impairment of Assets", goodwill is allocated to groups of the Group's cash-generating units ("CGUs") which are expected to benefit from the combination. These groups of CGUs are not larger than the operating segments of the Group. Each group of CGUs is assessed for impairment annually or whenever there is a specific indicator of impairment.

As part of the annual impairment test review, the carrying value of goodwill has been assessed with reference to value in use over a projected period between three and five years together with a terminal value. This reflects the projected cash flows of the CGU based on the actual operating results, the most recent Board-approved budget and management projections.

The key assumptions on which the value in use calculations are based relate to business performance over the projected period, long-term growth rates beyond the projected period and the discount rates applied. The key judgements are the level of revenue and margins anticipated and the proportion of operating profit converted into cash flow in each year. Forecasts are based on past experience and take into account current and future market conditions and opportunities.

	Pre-tax discount rate	Post-tax discount rate	Projected period (years)	Short-term growth rate *	Long-term annual growth rate
2025					
Rail Technology & Services - United Kingdom	19.3%	14.9%	3	7.0%	2.0%
Rail Technology & Services - North America	17.4%	13.4%	5	22.8%	2.1%
Traffic Data & Events	19.4%	14.9%	3	1.2%	2.0%
Data Analytics/GIS	13.7%	12.2%	3	13.5%	2.0%
	Pre-tax discount rate	Post-tax discount rate	Projected period (years)	Short-term growth rate *	Long-term annual growth rate
2024					
Rail Technology & Services - United Kingdom	18.7%	14.4%	3	9.9%	2.0%
Rail Technology & Services - North America	17.6%	13.5%	3	29.2%	2.0%
Traffic Data & Events	18.9%	14.4%	3	1.5%	2.0%
Data Analytics/GIS	14.5%	12.9%	3	6.0%	2.0%

* The short-term revenue growth rate is the compound annual growth rate over the projected period, based from the most recent financial year.

Sensitivities of reasonably possible changes have been considered for the Rail Technology & Services - United Kingdom, Traffic Data & Events and Data Analytics / GIS groups of CGUs and resulted in the recoverable amount exceeding the carrying amount for each group as follows:

- a 1% point increase in the discount rate; and
- a 1% point reduction in the long-term growth rate.

The discount rate applied would need to increase by more than 10.0% points before the carrying amount would not exceed the recoverable amount in any of these three groups of CGUs.

The Rail Technology & Services - North America CGU group is sensitive to changes in forecasting assumptions. A key assumption within its value in use is the revenue growth opportunity. While the Directors are confident that the business can achieve strong revenue growth and that is reflected in the forecasts used to calculate the value in use of the CGU, this revenue growth is not guaranteed, and future revenue could be affected by various factors including the risks identified in our summary of the Group's principal risks in its Annual Report.

The forecast cash flows include assumptions on new work being secured. While the Directors consider those assumptions to be reasonable, winning or losing bids for a relatively small number of pieces of new work could have a material effect on the value in use of the CGU.

Post-tax discount rates were estimated based on an external valuation expert's weighted average cost of capital calculation; these were converted to pre-tax discount rates for use in the value in use calculations.

The projected period covers the visible pipeline period and duration of assumed customer implementation contracts from the pipeline.

The short-term growth rate reflects a probability-weighted conversion of the qualified sales pipeline, with weightings applied based on the stage of each opportunity within the sales cycle.

The long-term growth rate reflects the long-term inflation assumption.

A decrease in the short-term growth rate from 22.8% to a compound annual growth rate of 20.5% and maintaining a

A reduction in the short-term growth rate from 22.0% to a compound annual growth rate of 20.0% and maintaining a long-term growth rate of 2.1% per annum would reduce the headroom against the non-current assets to £nil. This assumes no cost mitigations over the forecast period other than the costs of sales that would be saved from the lost revenue.

In a scenario where the short-term growth rate reduced to a compound annual growth rate of 18.9%, with a long-term growth rate of 2.1% per annum and no cost mitigations over the forecast period other than the costs of sales saved, the CGU group's carrying amount would exceed its value in use by £2.3m.

The Directors consider these scenarios possible but unlikely based on the identified market opportunities for its products and services, the successful go-live of a major dispatch project during September 2024, and the opportunity to take cost mitigation actions in the event that revenues are materially lower than the base case forecast.

12. Share capital

	2025 Number	2025 £	2024 Number	2024 £
Allotted, called up and fully paid:				
Ordinary shares of 0.4p each	29,732,116	118,928	30,325,682	121,303

The following share transactions have taken place during the year ended 31 July 2025:

	2025 Number	2024 Number
At the start of the year	30,325,682	29,957,908
Shares bought back and cancelled	(674,510)	-
Exercised share options	80,944	367,774
At the end of the year	29,732,116	30,325,682

During the year, the Company purchased from the open market, and cancelled, a number of ordinary shares as part of a previously announced share buy-back programme. The purchases were made in accordance with the general authority of the Company to repurchase ordinary shares granted by shareholders at the Company's Annual General Meeting held on 22 January 2025.

The shares were acquired at an average price of £4.43 per share, with prices ranging from £3.10 to £5.07. The total cost of £3,000,000, including £15,000 of transaction costs, was deducted from ordinary shareholder equity.

During the year, a number of options were exercised from the employee schemes all with an exercise price of 0.4p; all took place at the nominal value

13. Subsequent events

There have been no disclosable events subsequent to the balance sheet date.

14. Annual Report and Annual General Meeting

The Company anticipates dispatching a copy of its annual report and accounts, or otherwise making it available, to all shareholders on or around 5 December 2025. A copy will also be available on the Company's website: www.tracsis.com. The Annual General Meeting of the Company will be held at Nexus, Discovery Way, Leeds, LS2 3AA on 14 January 2026 at 9am.

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