RNS Number : 8088I
Software Circle PLC
25 November 2025

*Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the UK Market Abuse Regulation. With the publication of this announcement, this information is now considered to be in the public domain.*

**25 November 2025**

**Software Circle plc**
**("Software Circle", the "Company" or the "Group")**

**Unaudited Interim Results for the period ended 30 September 2025**

**Financial highlights**

| | **Six months to 30 September 2025** | Six months to 30 September 2024 |
|---|---|---|
| Revenue | **£10.2m** | £8.9m |
| Operating EBITDA ("oEBITDA")[1] | **£3.1m** | £2.3m |
| Adjusted EBITDA ("aEBITDA")[2] | **£2.3m** | £1.5m |
| Operating Cash Flow Per Share ("OCFPS")[3] | **0.5p** | 0.2p |
| Cash flow from operating and other investing activities[4] | **£1.8m** | £0.8m |
| Cash and Cash Equivalents | **£4.8m** | £12.7m |
| Earnings Per Share (EPS) | **(0.3)p** | 0.3p |
| Net debt / (cash) | **£7.1m** | £(2.4m) |

[1] oEBITDA = EBITDA before impairments, share option charges, exceptional costs, acquisition related costs, central administration costs and the capitalisation of qualifying development costs

[2] aEBITDA = oEBITDA less central administration costs

[3] OCFPS = Cash flow from operating and other investing activities divided by the weighted average number of shares

[4] Cash flow from operating and other investing activities = Cash flow from operating activities plus cash flows from investing activities less acquisition of subsidiaries net of cash and payment of deferred consideration

- Revenue increased by £1.3m, a 15% increase
- oEBITDA increased by £0.8m, growth of 33%
- aEBITDA increased by £0.8m, growth of 44%
- 4% organic revenue growth achieved across our acquisitions*
- 16% organic oEBITDA growth achieved across our acquisitions*
- On an annualised basis, Operating Return on Capital Deployed ("oROCD") increased to 25%
- OCFPS increased by 150% to 0.5p

**Operational highlights**

- Artificial Intelligence Finance Limited acquired in August 2025.

**Post period events**

- Broker Information Services Limited was acquired in October as our tenth acquisition. Together with AIF, this forms our first platform, a complementary cluster of software businesses serving the same vertical.
- Software Circle is now a group of eleven VMS businesses, with annualised run rate revenues of approximately £24m at an aEBITDA margin of 25%.

*Acquired portfolio companies excluding our legacy Nettl Systems business.


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David Hart / Piers Shimwell (Corporate Finance)
Joscelin Pinnington/ Amrit Nahal (Sales and Corporate Broking)


## Interim Statement

During the six-month period ended 30 September 2025, we continued to make strong progress. Our focus remains on building a diversified group of vertical market software (VMS) businesses, each operating autonomously within its niche, while benefiting from shared financial and operational discipline, capital allocation rigour, and the long-term stability of permanent ownership.

Our companies develop mission-critical systems, deeply embedded in the day-to-day workflows of their customers. These are not generic tools, they are specialist platforms, built and supported by passionate teams who care deeply about solving the intricate and highly specific problems of their respective markets.

Our ambition is to become the UK's leading serial acquirer and operator of such VMS businesses. To achieve this, we believe success depends on three key disciplines:

1. **Maintaining acquisition discipline** - Remaining focused on long-term returns and quality of earnings rather than pace alone.

2. **Driving improvability** - Identifying and implementing improvements using our business systems and shared learnings to enhance the performance of each acquired company consistently over time.

3 . **Funding growth in an equity-efficient way** - Balancing risk, pace, and the impact on Operating Cash Flow Per Share to compound shareholder value sustainably.

During the period, we've demonstrated meaningful progress across all three disciplines. We've expanded our portfolio, completing one acquisition within the period and a further acquisition in October, marking our ninth and tenth completed transactions since we began this strategy in 2022.

We've built a group that today is home to eleven software business units which operate within the following segments: Graphics and Ecommerce, Property, Health and Social Care Management, Professional and Financial Services, and Education. Together they now deliver, on an annualised run rate basis, £24m of revenue and approximately £8m of oEBITDA. We've deployed £36m to date, rising to £41m when considering deferred consideration and the contingent consideration payable based on current performance levels.

We continue to maintain discipline against our M&A guardrails: UK and Irish based VMS targets in clearly defined niches, majority recurring revenues, low churn, diversified customer bases and entry valuations within our aEBITDA range.

Having now surpassed our goals at "Gate 4", achieving £5 million of annualised aEBITDA, this should now afford us more financing optionality which will help us fund our journey as we progress toward our next major milestone "Gate 5", achieving £15 million of annualised aEBITDA.

We welcomed Artificial Intelligence Finance Limited ("AIF"), known as Online Application ("OA") during the first half of the financial year. They provide services to insurance and mortgage brokers as well as to lenders and insurers via a suite of software products, OA Mortgage, OA Life + CRM, OA Lender and OA Insurer. OA was acquired in August, followed closely by Broker Information Services Limited ("BIS") post period in October. OA and BIS operate within the same sector and together form our first platform. A cluster of complementary businesses within our Professional and Financial Services segment.

I'm pleased to report that Group trading continues to align with our internal forecasts. We've continued to drive organic growth within our acquired portfolio and have seen the key metrics of the Group improve again. The performance of our acquired business units remains encouraging, meeting our expectations and reinforcing the strength of our strategic direction.

**Trading Results and Cash**

Revenue rose to £10.2m (2024: £8.9m) an increase of 15%. We've driven growth in organic revenue of 4% from the acquired operating units. Overall organic revenue growth continues to be impacted by a decline in the lower margin, non-recurring revenue within our legacy Nettl Systems business, part of our Graphics & Ecommerce revenue segment. Whilst Nettl's pace of decline is slowing, its revenue fell to £2.8m (2024: £3.4m), meaning an overall decline in organic revenue of 4% (2024: 10% decline).

The Group's revenue mix continues to shift towards subscription revenue, with recurring revenues representing 73% of Group revenue (2024: 67%), supporting a further improvement in gross margin quality and earnings resilience.

Gross profit for the Group rose by 24% to £7.8m (2024: £6.3m) and our gross margin percentage increased to 76% (2024: 70%).

The addition of Total Drive in March 2025, along with organic earnings growth delivered from the existing portfolio has meant oEBITDA increased by 33% to £3.1m (2024: £2.3m) equating to 30% of revenue (2024: 26%). Our two most recent acquisitions, OA late in the period and BIS post period, will have a more significant impact on our progress in the second half of the year.

Acquisitions contributed £0.6m to the increase in oEBITDA. In addition, despite the overall decline in organic revenue, excluding Nettl, we delivered 16% organic growth in oEBITDA, adding a further £0.2m overall.

Central costs remain broadly consistent at £0.8m (2024: £0.7m). After these Central Costs, our aEBITDA increased by 44% to £2.3m (2024: £1.6m) at an improved aEBITDA margin of 22% of revenue (2024: 18%).

Operating loss was £0.8m (2024: profit £1.4m). The £2.2m movement in profitability is due to two key items. First, depreciation and amortisation charges increased to £3.0m (2024: £2.3m) as non-cash amortisation charges related to acquisitions rose to £2.3m (2024: £1.7m). Given the current scale of the Group and our level of acquisition activity, these non-cash charges currently have a more pronounced impact on reported profit, even though they do not affect cash generation. Second, the prior period included the exceptional £1.7m credit received in 2024 as a result of the divestment of the printing.com domain.

Looking ahead, as we continue to acquire profitable businesses at a similar pace, we expect the incremental earnings from those acquisitions to outweigh the relatively fixed amortisation charges arising from historical acquisition costs. Because amortisation does not scale in line with revenue or profitability, we anticipate that growing operating profits will progressively dilute its impact, supporting a sustained transition into positive net earnings.

At 30 September 2025, the Group held cash of £4.8m (31 March 2025: £8.6m). Our operating activities generated £2.3m of cash (2024: £1.5m). We've paid £4.5m in respect of acquisitions, funded through existing cash reserves, and paid £1.1m servicing debt. Total debt rose to £11.9m (31 March 2025: £10.8m) with additional deferred and contingent consideration of £2.3m arising with the OA acquisition.

On an annualised basis, our Operating Return on Capital Deployed ("oROCD") increased to 25% and our overall Return on Capital Deployed ("ROCD") to 18%, compared with 24% and 16% respectively reported for the previous full financial year. We calculate Operating and overall ROCD by dividing oEBITDA and aEBITDA respectively over Capital Deployed, being the average of the opening and closing amount of cash paid, including acquisition related expenditure, in respect of investments in subsidiary companies.

We've said that maximising Operating Cash Flow Per Share, in the long term, is the number one financial priority for us. This measure is up by 150% to 0.5p (2024: 0.2p).

**Operating Segments**

Across the portfolio, we focus relentlessly on the measures that we believe will compound shareholder value over time. We use oEBITDA and aEBITDA to assess operating performance and portfolio efficiency, we track OCFPS as our ultimate lag measure of value creation, and we monitor ROCD/oROCD to ensure our cash returns on deployed capital exceed our thresholds. These continue to guide decision-making across the Group.

Our decentralised model continues to do what it is designed to do. Leaders closest to customers make the day-to-day decisions, while we support them with shared playbooks to lift growth, expand margins and reduce churn. As a result, our acquired VMS units continue to track ahead of entry assumptions and are delivering improving returns on capital.

**Operating Segments - period ended 30 September 2025**

| **£'000** | Graphics & Ecommerce | Professional & Financial Services | Health & Social Care | Property | Education | Total Group |
|---|---|---|---|---|---|---|

| | | | | | | |
|---|---|---|---|---|---|---|
| License & Subscription revenue | 1,671 | 1,879 | 1,883 | 878 | 1,126 | 7,437 |
| Product & Service revenue | 2,357 | 263 | 15 | 2 | 120 | 2,757 |
| Total Segment Revenue | 4,028 | 2,142 | 1,898 | 880 | 1,246 | 10,194 |
| % Recurring | *41%* | *88%* | *99%* | *100%* | *90%* | *73%* |
| % Group Revenue | *40%* | *21%* | *19%* | *9%* | *12%* | *n/a* |
| Segment oEBITDA | 472 | 793 | 756 | 394 | 694 | 3,109 |
| % Group oEBITDA | *15%* | *26%* | *24%* | *13%* | *22%* | *n/a* |

In the period, we've seen the strongest organic growth in our Education segment, with 17% growth in revenue and 64% growth in oEBITDA, which has been driven by a combination of an increasing new customer count, expanding usage and adoption within our existing customer base, and disciplined cost control.

Our Professional and Financial Services segment also fared well, with growth in organic revenue of 7% and 22% in oEBITDA. This was primarily the result of revenue expansion within our existing customer base.

In our Health and Social Care segment, we saw a decline in organic revenues of 7% primarily due to an increase in churn. Investment in platform improvements is starting to have a positive impact and we expect to see revenue expansion from this investment in the latter part of the current financial year. Despite a decline in organic revenue, improved efficiency and cost control meant organic oEBITDA in the segment grew by 3%.

Our Graphics and Ecommerce segment saw the softest performance. Although licence and subscription revenue was more stable, product revenue, which represents more of the mix than is typical in our portfolio, declined, resulting in a drop in organic revenue of 11%. This, coupled with the increase in Employers National Insurance, led to a decline in oEBITDA of 25%.

Our Property segment continued its strong performance, growing revenue organically by 11%. Steady growth in new logos and usage expansion has driven this. We've invested some of this growth into the platform meaning growth in organic oEBITDA was 5%. The result of this is a new modular revenue stream which should have a positive effect in the second half of the year.

**Embedding AI Across Our Operating Units**

Across the Group, our operating units are increasingly using artificial intelligence in practical, problem-solving ways. We are embedding AI into existing workflows and products where it can create clear value for customers and teams.

Our businesses are using AI to improve response and resolution times in customer support, assist sales teams, and help product and development teams work faster while maintaining quality. In several units, AI tools are now used to extract and summarise information from large documents. This is already reducing the burden on teams when responding to due diligence questionnaires, complex tenders and security assessments, freeing colleagues to focus on higher value work and client relationships.

We are also exploring AI-driven features within our software platforms themselves, for example to highlight insights from customer data, automate routine checks or guide users through complex workflows. These initiatives are at different stages of maturity across the Group, and we are sharing learnings between operating units so that proven approaches can be adopted quickly elsewhere.

To support this, we have established an internal AI community, bringing together AI champions, product leaders and developers from across the Group to share tools, patterns and governance practices. Our focus remains on using AI safely and responsibly, with appropriate controls around data protection and security. Over time, we expect this disciplined, customer-led approach to AI to contribute to improved service quality, more efficient internal processes and a stronger competitive position for our operating units.

**Outlook**

This half year marks an inflection point for Software Circle. Moving beyond Gate 4 on an annualised basis, which should unlock debt options that give us financial flexibility without diluting shareholders.

Our focus now shifts firmly to Gate 5, achieving £15m of annualised aEBITDA and building a Group capable of sustaining its own growth through internally generated cash flow. With strong recurring revenues, disciplined capital allocation, and a growing portfolio of exceptional operating units, we are well positioned to deliver long-term, compounding value for our shareholders.

Including our latest acquisitions, on a run-rate basis and before any further M&A, we expect annualised revenue of approximately £24m and view an aEBITDA margin of approximately 25% as a realistic target as operating discipline continues to improve. Our pipeline is healthy, we remain disciplined on valuation and operational fit. The combination of decentralised execution, improving quality of earnings and a scalable funding platform underpins our confidence in compounding OCFPS over the long term.

Finally, our sincere thanks to all of our talented teams across the Group for their focus and execution in the year so far. Their work continues to strengthen the foundations of a resilient, cash-generative and enduring software group.

Matthias Riechert
Chairman
24 November 2025

Gavin Cockerill
Chief Executive Officer

**Unaudited Interim Results for the period ended 30 September 2025**
**Consolidated Statement of Comprehensive Income**
***for the six months ended 30 September 2025***

| | **Unaudited Six months to 30 September** | Unaudited Six months to 30 September | Audited Year ended 31 March |
|---|---|---|---|

| | Note | 30 September 2025 £000 Total | 30 September 2024 £000 Total | 31 March 2025 £000 Total |
|---|---|---|---|---|
| **Revenue** | 3 | **10,194** | 8,917 | 18,274 |
| Direct costs | | **(2,416)** | (2,625) | (5,028) |
| **Gross profit** | | **7,778** | 6,292 | 13,246 |
| Staff costs | | **(4,476)** | (3,073) | (7,433) |
| Other operating charges | | **(1,077)** | (1,219) | (2,404) |
| Depreciation and amortisation | | **(2,966)** | (2,277) | (4,608) |
| Profit on disposal of domain | | **-** | 1,712 | 1,712 |
| Value adjustment on consideration payable | | **(107)** | - | 191 |
| **Operating (loss) / profit** | | **(848)** | 1,435 | 704 |
| Financial income | | **62** | 187 | 386 |
| Financial expenses | 4 | **(829)** | (309) | (887) |
| Value adjustment on bond settlement | | **-** | - | (874) |
| **Net financing expense** | | **(767)** | (122) | (1,375) |
| **(Loss) / profit before tax** | | **(1,615)** | 1,313 | (671) |
| Taxation | | **397** | (68) | 342 |
| **(Loss) / profit for the period** | | **(1,218)** | 1,245 | (329) |
| **Other comprehensive income** | | | | |
| **Items that may be reclassified subsequently to profit or loss** | | | | |
| Exchange differences on translation of foreign subsidiaries | | **159** | (74) | (64) |
| **(Loss) / profit and total comprehensive income for the period** | | **(1,059)** | 1,171 | (393) |
| **Earnings per share** - Basic and diluted | 5 | **(0.31)p** | 0.32p | (0.08)p |

## Consolidated Statement of Financial Position
***at 30 September 2025***

| | Note | **Unaudited 30 September 2025 £000** | Unaudited 30 September 2024 £000 | Audited 31 March 2025 £000 |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Property, plant and equipment | | **675** | 1,150 | 764 |
| Intangible assets | 6 | **30,846** | 23,251 | 26,862 |
| **Total non-current assets** | | **31,521** | 24,401 | 27,626 |
| **Current assets** | | | | |
| Inventories | | **19** | 25 | 26 |
| Trade and other receivables | 7 | **2,277** | 2,622 | 1,881 |
| Cash and cash equivalents | | **4,798** | 12,684 | 8,566 |
| **Total current assets** | | **7,094** | 15,331 | 10,473 |
| **Total assets** | | **38,615** | 39,732 | 38,099 |
| **Current liabilities** | | | | |
| Trade and other payables | 8 | **4,227** | 4,304 | 3,830 |
| Other interest-bearing loans and borrowings | 9 | **4,185** | 8,057 | 2,692 |
| **Total current liabilities** | | **8,412** | 12,361 | 6,522 |
| **Non-current liabilities** | | | | |
| Other interest-bearing loans and borrowings | 9 | **7,683** | 2,248 | 8,108 |
| Deferred tax liabilities | | **2,130** | 2,219 | 2,075 |
| **Total non-current liabilities** | | **9,813** | 4,467 | 10,183 |
| **Total liabilities** | | **18,225** | 16,828 | 16,705 |
| **Net assets** | | **20,390** | 22,904 | 21,394 |
| **Equity** | | | | |
| Share capital | | **3,901** | 3,901 | 3,901 |
| Share premium | | **28,255** | 28,255 | 28,255 |
| Merger reserve | | **838** | 838 | 838 |
| Share based payment reserve | | **198** | 89 | 143 |
| Translation reserve | | **144** | (16) | (15) |
| Retained earnings | | **(12,946)** | (10,163) | (11,728) |
| **Total equity** | | **20,390** | 22,904 | 21,394 |

## Consolidated Statement of Changes in Shareholders Equity
***for the six months ended 30 September 2025***

| | **Share Capital £000** | **Share Premium £000** | **Merger Reserve £000** | **Share based payment reserve £000** | **Translation reserve £000** | **Retained earnings £000** | **Total £000** |
|---|---|---|---|---|---|---|---|
| Opening shareholders' funds at 1 April 2024 | 3,901 | 28,255 | 838 | 37 | 58 | (11,408) | 21,681 |
| Total comprehensive loss for | - | - | - | - | (74) | 1,245 | 1,171 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Total comprehensive loss for the period | | | | | (71) | 1,245 | 1,174 |
| Share option charge | - | - | - | 52 | - | - | 52 |
| Closing shareholders' funds at 30 September 2024 | 3,901 | 28,255 | 838 | 89 | (16) | (10,163) | 22,904 |
| Total comprehensive loss for the period | - | - | - | - | 10 | (1,574) | (1,564) |
| Transfer of translation reserve on closure of foreign subsidiaries | - | - | - | - | (9) | 9 | - |
| Share option charge | - | - | - | 54 | - | - | 54 |
| Closing shareholders' funds at 31 March 2025 | 3,901 | 28,255 | 838 | 143 | (15) | (11,728) | 21,394 |
| **Total comprehensive income for the period** | **-** | **-** | **-** | **-** | **159** | **(1,218)** | **(1,059)** |
| **Share option charge** | **-** | **-** | **-** | **55** | **-** | **-** | **55** |
| **Closing shareholders' funds at 30 September 2025** | **3,901** | **28,255** | **838** | **198** | **144** | **(12,946)** | **20,390** |

**Consolidated Statement of Cash Flows**
***for the six months ended 30 September 2025***

| | Note | **Unaudited Six months to 30 September 2025 £000** | Unaudited Six months to 30 September 2024 £000 | Audited Year ended 31 March 2025 £000 |
|---|---|---|---|---|
| **Cash flows from operating activities** | | | | |
| (Loss) / profit for the period | | **(1,218)** | 1,245 | (329) |
| *Adjustments for:* | | | | |
| Depreciation, amortisation and impairment | | **2,966** | 2,277 | 4,789 |
| Profit on disposal of plant and equipment | | **1** | (92) | (223) |
| Profit on disposal of intangible assets | 3 | **-** | (1,712) | (1,712) |
| Share based payments | | **55** | 52 | 106 |
| Financial income | | **(62)** | (187) | (386) |
| Financial expense | | **829** | 309 | 887 |
| Value adjustment on bond settlement | | **-** | - | 874 |
| Bad debt (credit) / expense | | **(44)** | (36) | 83 |
| Tax (income) / expense | | **(397)** | 68 | (342) |
| Value adjustment on consideration payable | | **107** | - | (191) |
| **Operating cash flow before changes in working capital and provisions** | | **2,237** | 1,924 | 3,556 |
| Change in trade and other receivables | | **47** | 294 | 978 |
| Change in inventories | | **7** | 8 | 7 |
| Change in trade and other payables | | **179** | (946) | (1,601) |
| **Cash generated from operations** | | **2,470** | 1,280 | 2,940 |
| Corporation tax (paid) / received | | **(134)** | 81 | (156) |
| R&D tax received | | **-** | 96 | 158 |
| **Net cash from operating activities** | | **2,336** | 1,457 | 2,942 |
| **Cash flows from investing activities** | | | | |
| Purchase of property, plant and equipment | | **(30)** | (56) | (61) |
| Disposal of plant and equipment | | **2** | 53 | 46 |
| Disposal of intangible assets | | **-** | 1,712 | 1,712 |
| Capitalised development expenditure | 6 | **(562)** | (810) | (1,292) |
| Purchase of other intangible assets | | **-** | (16) | (16) |
| Interest received | | **62** | 212 | 329 |
| Acquisition of subsidiaries net of cash | | **(3,593)** | (4,170) | (7,367) |
| Payment of deferred consideration | | **(879)** | (369) | (1,318) |
| **Net cash from investing activities** | | **(5,000)** | (3,444) | (7,967) |
| **Cash flows from financing activities** | | | | |
| Proceeds from loans | | **-** | - | 6,700 |
| Repayment of loans | | **(611)** | (181) | (7,361) |
| Finance costs paid | | **(373)** | (402) | (913) |
| Capital payment of lease liabilities | | **(78)** | (64) | (132) |
| Interest payment of lease liabilities | | **(26)** | (48) | (84) |
| **Net cash from financing activities** | | **(1,088)** | (695) | (1,790) |
| Net decrease in cash and cash equivalents | | **(3,752)** | (2,682) | (6,815) |
| Exchange difference on cash and cash equivalents | | **(16)** | (25) | (10) |
| Cash and cash equivalents at start of period | | **8,566** | 15,391 | 15,391 |
| **Cash and cash equivalents at end of period** | | **4,798** | 12,684 | 8,566 |

## Notes
***(forming part of the interim financial statements)***

**1 Basis of preparation**

Software Circle plc (the "Company") is a company incorporated and domiciled in the UK.

These financial statements do not include all information required for full annual financial statements and should be read in conjunction with the financial statements of the Company as at and for the year ended 31 March 2025. Those accounts have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was: (i) unqualified; (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report; and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

These interim financial statements are prepared on the same basis as the financial statements for the year ended 31 March 2025, in which our full set of accounting policies, including critical judgements and key sources of estimation uncertainty, can be found.

As of the balance sheet date, the Company maintains a substantial cash balance, providing a strong liquidity position to support its business operations and strategic growth plans. The cash reserves are considered sufficient to meet the current operational requirements and short-term obligations of the Company.

The Company's primary strategic objective includes expansion through acquisitions, which involves inherent risks, particularly concerning deferred consideration payments. While the Company has a significant cash balance, the Directors recognise the following risks:

- Acquisition Volume and Payment Obligations: The risk of acquiring multiple companies in a short time frame could potentially strain the Company's liquidity if not managed prudently.
- Deferred Consideration Payments: The Company must ensure that it can meet deferred consideration payments as they fall due, without compromising its operational liquidity.

To mitigate these risks, the Directors have implemented the following measures:

- Due Diligence and Acquisition Strategy: Rigorous due diligence processes are in place to evaluate potential acquisition targets, ensuring that each acquisition aligns with the Company's strategic objectives and financial capacity.
- Cash Flow Forecasting and Management: Detailed cash flow forecasting is conducted regularly to project the timing and amounts of deferred consideration payments, ensuring that adequate cash reserves are maintained.
- Contingency Planning: Contingency plans are established to address any potential shortfalls in liquidity, including securing additional financing if necessary.

After considering the Company's strong cash position, the comprehensive risk management strategies in place, and the ability to adjust the pace of acquisitions if required, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these interim financial statements.

These condensed consolidated interim financial statements were approved by the Board of Directors on 24 November 2025.

## 2 Significant accounting policies

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company in its consolidated financial statements for the year ended 31 March 2025.

## 3 Segmental information

Segmental reporting is prepared for the Group's operating segments based on the information which is presented to the Board, which reviews revenue and adjusted EBITDA by segment. The Group's costs, finance income, tax charges, non-current liabilities, net assets and capital expenditure are only reviewed by the Board at a consolidated level and therefore have not been allocated between segments in the analysis below.

### *Analysis by location of revenue*

| | UK & Ireland £000 | Europe £000 | Other £000 | Total £000 |
|---|---|---|---|---|
| **Six months ended 30 September 2025** | **9,905** | **43** | **246** | **10,194** |
| Six months ended 30 September 2024 | 8,685 | 67 | 165 | 8,917 |
| Year ended 31 March 2025 | 17,690 | 122 | 462 | 18,274 |

Revenue generated outside the UK & Ireland is in Belgium, The Netherlands, France, New Zealand, South Africa and the USA. No single customer provided the Group with over 1% of its revenue.

### *DISAGGREGATION OF REVENUE AND OPERATING PROFIT / (LOSS)*

| Period ended 30 September 2025 | Graphics & Ecommerce £000 | Professional & financial services £000 | Health & social care £000 | Property £000 | Education £000 | **Operating Total £000** | Central overhead £'000 | **Total £000** |
|---|---|---|---|---|---|---|---|---|
| Licence and subscription revenue | 1,671 | 1,879 | 1,883 | 878 | 1,126 | **7,437** | - | **7,437** |
| Product and service revenue | 2,357 | 263 | 15 | 2 | 120 | **2,757** | - | **2,757** |
| **Revenue** | 4,028 | 2,142 | 1,898 | 880 | 1,246 | **10,194** | - | **10,194** |
| | | | | | | | | |
| **adjusted EBITDA** | 472 | 793 | 756 | 394 | 694 | **3,109** | (824) | **2,285** |
| Development costs | 161 | 161 | 150 | 60 | 27 | **559** | - | **559** |
| Share based payment charges | - | - | - | - | - | **-** | (55) | **(55)** |
| Acquisition costs | - | - | - | - | - | **-** | (564) | **(564)** |
| Depreciation and amortisation | (408) | (137) | (153) | (14) | (17) | **(729)** | (2,237) | **(2,966)** |
| Value adjustments on contingent consideration | - | - | - | - | - | **-** | (107) | **(107)** |
| **Operating profit / (loss)** | 225 | 817 | 753 | 440 | 704 | **2,939** | (3,787) | **(848)** |

Acquisition costs include directly related bonuses, stamp duty, legal and professional fees and contingent consideration payments treated as a compensation expense in line with IFRS 3 due to ongoing employment clauses.

| Period ended 30 September 2024 | Graphics & Ecommerce £000 | Professional & financial services £000 | Health & social care £000 | Property £000 | Education £000 | **Operating Total £000** | Central overhead £'000 | **Total £000** |
|---|---|---|---|---|---|---|---|---|
| Licence and subscription revenue | 1,722 | 1,269 | 1,553 | 791 | 614 | **5,949** | - | **5,949** |
| Product and service revenue | 2,818 | 120 | 28 | 2 | - | **2,968** | - | **2,968** |
| **Revenue** | 4,540 | 1,389 | 1,581 | 793 | 614 | **8,917** | - | **8,917** |
| | | | | | | | | |
| **adjusted EBITDA** | 632 | 561 | 544 | 375 | 225 | **2,337** | (745) | **1,592** |
| Development costs | 299 | 140 | 330 | 41 | - | **810** | - | **810** |
| Share based payment charges | - | - | - | - | - | **-** | (52) | **(52)** |
| Acquisition costs | - | - | - | - | - | **-** | (299) | **(299)** |
| Depreciation and amortisation | (350) | (122) | (31) | (15) | (12) | **(530)** | (1,747) | **(2,277)** |
| Exceptional items | - | - | (51) | - | - | **(51)** | 1,712 | **1,661** |
| **Operating profit / (loss)** | 581 | 579 | 792 | 401 | 213 | **2,566** | (1,131) | **1,435** |

**Exceptional items**
On 2 April 2024, the Company announced the sale of the printing.com domain to JAL Equity Corp for £1,772,000. Related disposal costs totalled £60,000. £51,000 of restructuring costs were incurred in our Health & social care division to enable the required reinvestment into development of the operating unit's platform, future proofing and preparing that business for growth.

## 4 Finance expenses

| | **Unaudited Six months to 30 September 2025 £000** | Unaudited Six months to 30 September 2024 £000 | Audited Year ended 31 March 2025 £000 |
|---|---|---|---|
| Lease interest | **26** | 48 | 85 |
| Bearer bond interest | **-** | 207 | 272 |
| Loan interest | **388** | 9 | 291 |
| Facility fees | **73** | - | 56 |
| Foreign exchange losses / (gains) | **158** | (57) | (54) |
| Unwinding of discount on deferred consideration | **184** | 102 | 237 |
| **Total finance expense** | **829** | 309 | 887 |

## 5 Earnings per share
The calculations of earnings per share are based on the following profits and numbers of shares:

| | **Unaudited Six months to 30 September 2025 £000** | Unaudited Six months to 30 September 2024 £000 | Audited Year ended 31 March 2025 £000 |
|---|---|---|---|
| **(Loss) / profit after taxation for the period** | **(1,218)** | 1,245 | (329) |
| Weighted average number of shares in issue | **390,083,306** | 390,083,306 | 390,083,306 |
| Dilutive effect of share options | **-** | 2,898,742 | - |
| **Weighted average shares in issue on a diluted basis** | **390,083,306** | 392,982,048 | 390,083,306 |
| | | | |
| **Basic earnings per share** | **(0.31)p** | 0.32p | (0.08)p |
| **Diluted earnings per share** | **(0.31)p** | 0.32p | (0.08)p |

Diluted earnings per share is calculated based on the treasury method prescribed in IAS 33. This calculates the theoretical number of shares that could be purchased at the average market price in the period from the proceeds of exercised options. The difference between the number of shares under option and the theoretical number of shares that could be purchased from the proceeds of their exercise is deemed liable to be issued at nil value and represents the dilution. Where the Group has reported a net loss after tax, including the options would be anti-dilutive, therefore all outstanding options have no dilutive effect.

## 6 Intangible assets

| | **Domains & brand £000** | **Software £000** | **Development costs £000** | **Customer Lists £000** | **Technology £0000** | **Goodwill £000** | **Other £000** | **Total £000** |
|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | |
| Balance at 30 September 2024 | 363 | 4,560 | 7,336 | 7,658 | 13,443 | 5,931 | 139 | 39,430 |
| Additions - internally developed | - | - | 482 | - | - | - | - | 482 |
| Addition through subsidiary acquisition | - | - | - | 303 | 1,080 | 3,855 | - | 5,238 |
| Disposals | (337) | (251) | - | (279) | - | - | - | (867) |
| Balance at 31 March 2025 | 26 | 4,309 | 7,818 | 7,682 | 14,523 | 9,786 | 139 | 44,283 |
| Additions - internally developed | - | - | 562 | - | - | - | - | 562 |
| Addition through subsidiary acquisition (note 11) | - | - | - | 2,673 | 1,364 | 2,222 | - | 6,259 |
| **Balance at 30 September 2025** | **26** | **4,309** | **8,380** | **10,355** | **15,887** | **12,008** | **139** | **51,104** |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Amortisation and impairment** | | | | | | | | |
| Balance at 30 September 2024 | 350 | 4,540 | 5,373 | 1,523 | 4,267 | 12 | 114 | 16,179 |
| Amortisation | - | 1 | 158 | 351 | 1,598 | - | 1 | 2,109 |
| Disposals | (337) | (251) | - | (279) | - | - | - | (867) |
| Balance at 31 March 2025 | 13 | 4,290 | 5,531 | 1,595 | 5,865 | 12 | 115 | 17,421 |
| Amortisation | 1 | 2 | 519 | 447 | 1,867 | - | 2 | 2,838 |
| **Balance at 30 September 2025** | **14** | **4,292** | **6,050** | **2,042** | **7,732** | **12** | **117** | **20,259** |
| | | | | | | | | |
| **Net book value** | | | | | | | | |
| At 30 September 2024 | 13 | 20 | 1,963 | 6,135 | 9,176 | 5,919 | 25 | 23,251 |
| At 31 March 2025 | 13 | 19 | 2,287 | 6,087 | 8,658 | 9,774 | 24 | 26,862 |
| **At 30 September 2025** | **12** | **17** | **2,330** | **8,313** | **8,155** | **11,996** | **22** | **30,845** |

**7 Trade and other receivables**

| | **Unaudited 30 September 2025 £000** | Unaudited 30 September 2024 £000 | Audited 31 March 2025 £000 |
|---|---|---|---|
| Trade receivables | **1,853** | 2,440 | 1,748 |
| Less provision for trade receivables | **(362)** | (610) | (439) |
| Trade receivables net | **1,491** | 1,830 | 1,309 |
| Total financial assets other than cash and cash equivalents classified at amortised cost | **1,491** | 1,830 | 1,309 |
| | | | |
| Corporation tax | **-** | - | 96 |
| Prepayments | **395** | 312 | 260 |
| Other receivables | **391** | 480 | 216 |
| Total other receivables | **786** | 792 | 572 |
| **Total trade and other receivables** | **2,277** | 2,622 | 1,881 |

**8 Trade and other payables**

| | **Unaudited 30 September 2025 £000** | Unaudited 30 September 2024 £000 | Audited 31 March 2025 £000 |
|---|---|---|---|
| Trade payables | **486** | 599 | 504 |
| Accruals | **306** | 613 | 438 |
| Other liabilities | **1,363** | 1,277 | 1,408 |
| **Current financial liabilities measured at amortised cost** | **2,155** | 2,489 | 2,350 |
| Deferred Income | **2,072** | 1,815 | 1,480 |
| **Total trade and other payables** | **4,227** | 4,304 | 3,830 |

**9 Other interest-bearing loans and borrowings**

| **Current liabilities** | **Unaudited 30 September 2025 £000** | Unaudited 30 September 2024 £000 | Audited 31 March 2025 £000 |
|---|---|---|---|
| Lease liabilities | **156** | 83 | 159 |
| Bearer bonds | **-** | 5,905 | - |
| Loans | **521** | 177 | 634 |
| Deferred consideration | **1,687** | 1,892 | 1,634 |
| Contingent consideration | **1,821** | - | 265 |
| | **4,185** | 8,057 | 2,692 |
| **Non-current liabilities** | | | |
| Lease liabilities | **424** | 769 | 499 |
| Loans | **5,267** | - | 5,678 |
| Contingent consideration | **1,992** | 1,479 | 1,931 |
| | **7,683** | 2,248 | 8,108 |

**10 Dividend**

The Directors have not declared an Interim Dividend (2024: Nil).

**11 Acquisitions**

**Acquisition of Artificial Intelligence Finance Limited (AIF)**

Approximately 95% of the issued share capital of AIF, a provider of software to mortgage and insurance brokers, was acquired on 4 August 2025 for total consideration of up to €9,000,000. The initial consideration paid at completion was €4,330,000, with deferred consideration of €670,000 to be paid on the first anniversary of completion. Up to a further €4,000,000 is payable to acquire the remaining 5% of AIF's share capital through a put and call option, with the price payable being contingent upon the achievement of certain targets relating to the future financial performance of AIF for calendar years 2026 and 2027. The nature of the put and call option means future financial performance of AIF for calendar years 2026 and 2027. The nature of the put and call option means that the instrument is highly likely to be exercised. Due to this, management has determined that it holds a present ownership interest in the remaining 5% of the issued share capital. As a result, Non-Controlling Interest has not been recognised, instead the consideration transferred includes the present value of the expected amount payable upon exercise of the put and call option. In addition, the consideration was increased by a further €449,000 in respect of surplus cash within the business on completion, €149,000 of which was paid on completion with the remainder deferred until the agreement of completion accounts. The present value of expected consideration payments at acquisition totalled £6,181,000.

AIF met Software Circle's acquisition criteria by being a software business, by having a prominent position in its vertical market and by delivering solutions that generate revenues of a recurring nature.

For the period that AIF was owned by the Group during the period under review, it contributed revenue of £360,000, an aEBITDA of £99,000 and, due to the amortisation of intangibles arising on consolidation, a loss before tax of £14,000.

**Net assets of AIF on acquisition:**

| | Book Value £000 | Adjustments £000 | **Fair value £000** |
|---|---|---|---|
| Customer lists | - | 2,673 | **2,673** |
| Technology | - | 1,364 | **1,364** |
| Development costs | 449 | (449) | **-** |
| Property, plant and equipment | 12 | - | **12** |
| Investments in subsidiaries | 1,279 | (1,279) | **-** |
| Cash and cash equivalents | 329 | - | **329** |
| Trade and other receivables | 385 | - | **385** |
| Trade and other payables | (300) | - | **(300)** |
| Deferred tax | - | (504) | **(504)** |
| Net assets acquired | 2,154 | 1,805 | **3,959** |
| Consideration | | | **6,181** |
| **Goodwill** | | | **2,222** |

| **Consideration satisfied by:** | **£000** |
|---|---|
| Cash on completion | **3,922** |
| Deferred consideration | **775** |
| Contingent consideration | **1,484** |
| | **6,181** |

An income approach was used to value contractual customer lists and relationships, using a discount factor of 13.4%. The useful life has been estimated at 10 years. The technology was valued by using a relief from royalty approach, based on a royalty rate of 21% and using a discount factor of 13.4%. The useful life has been estimated at 3 years.

Investments in subsidiaries related to the previous acquisition of Lunar Technologies Ltd by AIF and are eliminated on consolidation.

Trade and other receivables include gross contractual amounts due of £209,000 of which £nil was expected to be uncollectible at the date of acquisition.

The goodwill arising from the acquisition of AIF is attributable to a number of factors, including the specialised knowledge and expertise of the assembled workforce and the market position.

The deferred tax liabilities recognised represent the tax effect which will result from the amortisation of the intangible assets, estimated using the tax rate substantively enacted at the balance sheet date.

**12 Post balance sheet events**

On 13 October 2025, the Company announced the acquisition of the entire issued share capital of Broker Information Services Limited (BIS), a provider of client management and quotation software for the financial broker market in Ireland. The total consideration of €8,250,000 is structured on a debt free/cash free basis. The acquisition is expected to be cash flow generative and earnings enhancing in the first year after acquisition. Initial consideration of €6,900,000 was paid on completion, less a retention for estimated net liabilities of €480,000. A further €1,350,000 of deferred consideration will be paid on the first anniversary of completion. At the time of issuing these financial statements, the completion accounts and intangible asset valuations are ongoing. As a result, values relating to the valuation of assets, intangible assets and goodwill arising on consolidation cannot yet be disclosed.

The net initial consideration was funded partially through a £4.5m drawdown from the Company's committed acquisition facility, with the remainder coming from existing cash reserves.

Following the acquisition of BIS, the amount payable under the earnout for the previously acquired AIF, as set out in note 11, has increased to a maximum of €7,500,000, dependent on a now combined earnings target for AIF and BIS across calendar years 2026 and 2027.

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