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Unaudited preliminary results

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TPXimpact Holdings PLC

24 June 2025

TPXimpact Holdings PLC

("TPXimpact", the "Group" or the "Company")

Unaudited preliminary results for the year ended 31 March 2025

Strong performance despite short-term UK public sector disruption

TPXimpact Holdings PLC (AIM: TPX), the technology-enabled services company focused on people-powered digital transformation, announces its unaudited preliminary results for the year ended 31 March 2025 ("FY25") and a trading update for the year ending 31 March 2026 ("FY26").

FY25 Financial Highlights:

- Strong performance, improving adjusted EBITDA and adjusted EBITDA margin on a reduced revenue base
- £70m new business won in the year
- Revenue from continuing operations (like-for-like) down 8.2% to £77.3m (FY24: £84.3m)
- Adjusted EBITDA[1] up 21.3% to £5.6m (FY24: £4.6m)
- Adjusted EBITDA margin improved by 1.8 margin points to 7.3% (FY24: 5.5%), towards the upper end of our 1-2% year-on-year margin growth range
- Gross margin improved by 350 basis points to 28.6% (FY24: 25.1%)
- Reported operating loss of £(8.7)m (FY24: £(22.8)m), after including £4.5m non-cash impairment charge on goodwill (FY24: £14.5m)
- Adjusted profit before tax[1] from continuing operations of £3.3m (FY24: £1.8m)
- Reported loss before tax from continuing operations of £(10.0)m (FY24: £(24.8)m)
- Adjusted diluted earnings per share from continuing operations of 3.0p (FY24: 2.1p)
- Reported diluted loss per share from continuing operations of (10.1)p (FY24: (24.5)p)
- Net debt at 31 March 2025 of £8.5m (FY24: £7.1m). Leverage ratio at 31 March 2025 of 1.51 (FY24: 1.54), which was at the lower end of our target leverage range of 1.5-2.0x

Operational and Impact Highlights:

- Successfully executed the second year of our three-year plan
- Simplified the business into three core areas: Digital Transformation, manifesto and KITS ("Keep IT Simple")
- Year-end total headcount of 608 people (including contractors), down 9% from prior year
- Improved gender pay gap to 7%, down from 8% last year and 20% three years ago
- Ethnically diverse representation remained relatively high at 20%, compared to 22% last year (UK population is 18%[3])
- Carbon intensity decreased from 19.9[2] to 16.7 tCO2e/£1m of revenue

Post-Period Trading and Outlook:

- £19m of new business won in the first two months of FY26, including two contracts with the UK government announced in May 2025; strong pipeline of opportunities despite the comprehensive spending review not concluding until 11 June
- FY26 outlook unchanged. Management is focused on protecting and growing profits in FY26 and targets a FY26 adjusted EBITDA range of £6-7m
- Management also expects net debt to reduce, targeting a year-end range of £7-8m, resulting in reduced leverage of around 1.0-1.5x net debt to adjusted EBITDA, well within the Company's banking covenants

1 In measuring our performance, the financial measures that we use include those which have been derived from our reported results in order to eliminate factors which distort period-on-period comparisons. These are considered non-GAAP financial measures and include measures such as like-for-like revenue, adjusted EBITDA and net debt. All are defined in note 7 of the financial statements.

2 We have recalculated our emissions back to FY22 due to a change in classification treatment

3 18% of the UK population belong to a Black, Asian, mixed or other ethnic group (2021 Census data)

Bjorn Conway, Chief Executive Officer, commented:

"This has been a year of significant market disruption, particularly across the UK public sector, and I'm proud of the resilience and focus TPXimpact has shown in navigating these challenges. While our financial results reflect the impact of contract delays and spending reviews, we have taken decisive steps to protect profitability and create a more efficient, sustainable business.

Our continued commitment to operational discipline and purpose-led transformation has enabled us to maintain a strong financial foundation and improve margins-important achievements in a difficult market. We've stayed true to our values, advancing our commitments on inclusion, sustainability and social impact, while continuing to invest in our people and the future of our business.

As we enter the final year of our three-year plan, our strategy is clear: to strengthen our revenue base, accelerate profitability and unlock new growth opportunities, all guided by the values and purpose that define who we are. I'm grateful to our talented team, our clients and our shareholders for their continued support and belief in what we're building together.

While our near-term focus remains on disciplined execution and margin improvement, we are laying the foundation for sustainable revenue growth beyond this plan, positioning us for long-term value creation."

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About TPXimpact

We believe in a world enriched by people-powered digital transformation. Working in collaboration with organisations, we're on a mission to accelerate positive change and build a future where people, places and the planet are supported to thrive.

Led by passionate people, TPXimpact works closely with its clients in agile, multidisciplinary teams; challenging assumptions, testing new approaches and building confidence and capabilities. Combining our rich heritage with expertise in human-centred design, data, experience and technology, we work to create sustainable solutions with the flexibility to learn, evolve and change.

The business is being increasingly recognised as a leading alternative digital transformation provider to the UK public services sector, with over 90% of its client base representing public services.

More information is available at **www.tpximpact.com**.

CEO Statement

In a year defined by significant market challenges, particularly within the UK public sector following the change in government and subsequent spending reviews, I am pleased to report that TPXimpact has demonstrated resilience and strategic agility. While revenues have not met our initial expectations, we have taken decisive action to protect the profitability of the business and position ourselves for sustainable growth.

Through disciplined cost control and operational efficiency, we have maintained a sound financial foundation despite the headwinds, ensuring that our net debt remains comfortably within our banking covenants. These measures reflect our commitment to financial stability whilst ensuring the business has a robust platform for growth.

Market Context and Financial Performance

The past year has been marked by widespread contract delays and spending reviews across the UK public sector, impacting the entire industry. While these headwinds contributed to an 8.2% decline in revenue to £77.3m (FY24: £84.3m), our strategic focus on operational efficiency and cost control has delivered meaningful improvements across key profitability metrics.

Gross margin increased to 28.6% (FY24: 25.1%), driven by tighter project execution, resource planning and greater commercial discipline. This improvement reflects the scalability of our model and provides a strong foundation for future operating leverage as markets recover. Adjusted EBITDA rose to £5.6m (FY24: £4.6m), with adjusted EBITDA margin improving to 7.3% (FY24: 5.5%). Restructuring costs and working capital movements resulted in a modest increase in net debt (excluding lease liabilities) to £8.5m and a leverage ratio of 1.51x net debt to adjusted EBITDA. This is at the lower end of our target leverage range of 1.5-2.0x.

Strategic Focus and Operational Improvements

Year two of our three-year plan was characterised as "Form and Integrate" and we have made significant progress. Our three core businesses, Digital Transformation, manifesto and KITS, have been streamlined to deliver greater value to our clients.

Throughout recent market challenges, we have remained focused on operational efficiency, taking difficult but necessary steps to restructure the organisation. This review has been guided by a clear objective: to protect and strengthen the areas of our business that deliver the greatest value to our clients, while scaling back in areas where future demand is limited. The restructuring resulted in 69 employees leaving the business during FY25.

Our total headcount at year-end has decreased by 9%, reflecting the strategic right-sizing measures implemented earlier this year. Our permanent-to-contractor ratio remains approximately 70:30, allowing us to deploy resources quickly and efficiently while continuing to recruit full-time employees as new opportunities arise and market conditions improve.

Commitment to Purpose and Values

Throughout this period, we have remained committed to our PACT values-Purpose, Accountability, Craft, and Togetherness. The principles behind our B-Corp certification continue to be a source of pride and a guiding framework for our operations, ensuring that our business decisions reflect our commitment to people, places, and the planet.

We have maintained our investment in key purpose initiatives, including our Future Leaders programme, which continues to provide opportunities for young entrepreneurs from underrepresented backgrounds. Our commitment to diversity and inclusion remains unwavering, with ongoing efforts to improve representation and equity across the organisation. We have more than halved our gender pay gap (GPG) over the past two years and are currently tracking at 7%. Our equality pay uplifts and focus on progression have made a difference to GPG.

We've continued to break down barriers to entry and progression by becoming a Disability Confident Committed Employer, a Living Wage Employer and joining the Social Mobility Index.

Environmental, Social and Governance

We have continued to make progress on our environmental commitments, with all our offices now running on renewable electricity and our carbon intensity showing further improvement to 16.7 tCO2e/£1m of revenue (FY24: 19.9[2]). Our procurement and sustainability teams have strengthened our supply chain oversight, ensuring that our operations align with our values and commitments.

Our MSAT (Modern Slavery Assessment Tool) score has improved to 88% (FY24: 70%), reflecting our enhanced approach to modern slavery prevention throughout our supply chain. We remain on track to achieve our target of 90% next year.

Our social value proposition remains central to our client offering, particularly in the public sector, where social impact requirements are increasingly embedded in procurement criteria. We have further refined our approach to measuring and reporting social value, ensuring that we can demonstrate tangible impact across our projects and operations.

People and Culture

In a year of significant change, our people have demonstrated remarkable resilience, adaptability, and commitment. We have increased our focus on leadership development and skills enhancement, ensuring that our teams are equipped to navigate the evolving market landscape and deliver excellence for our clients.

In 2025, the organisation's Inclusion & Belonging survey score rose to 65%, up from 62%[1] the previous year. This score reflects how strongly employees feel a sense of belonging, psychological safety, and inclusion, key indicators of overall engagement and well-being at work. Notably, more employees reported feeling they can bring their authentic selves to work and feel part of the organisation.

An updated inclusion action plan is being developed in partnership with the Inclusion Council to build on this progress. The organisation is proud of the continued commitment employees show to its mission and values and remains focused on areas needing further attention, particularly the ethnicity pay gap.

1 FY24 employee inclusion scores restated to provide a like-for-like comparison

2 We have recalculated our emissions back to FY22 due to a change in classification treatment

Looking Ahead

The fundamental drivers of digital transformation remain strong, with organisations across sectors seeking to enhance efficiency, improve service delivery, and drive innovation.

We are focused on extending our reach beyond our traditional markets, exploring opportunities in adjacent sectors and service areas where our capabilities can deliver significant value. We are also investing in our capabilities in emerging technologies, including responsible AI, where we see substantial growth potential.

Our financial strategy remains focused on margin improvement, cash generation and debt reduction. We have implemented enhanced financial controls and forecasting mechanisms to ensure that we can navigate the ongoing market uncertainties while seizing opportunities as they arise. We have set clear priorities for the year ahead: stabilising revenue, protecting and growing profitability, and targeting an FY26 Adjusted EBITDA of £6-7m. In parallel, we aim to reduce net debt to £7-8m, bringing leverage down to approximately 1.0-1.5x net debt to adjusted EBITDA.

Conclusion

Whilst the past year has presented significant challenges, we have remained resilient and adapted to the market environment to ensure the long-term sustainability and success of the business.

I remain deeply grateful to our people for their unwavering commitment during this period of change, to our clients for their continued trust and partnership and to our shareholders for their support and confidence in our strategy.

With greater policy certainty and uplift in public investment following the government's spending review, we see growing demand across our core markets, from health and housing, to justice, education and infrastructure. These trends play directly to our strengths in digital service design, data integration, platform engineering and agile delivery.

The return of multi-year budgets across government creates the conditions for longer-term digital transformation, not just short-term delivery. With a proven track record in designing and scaling impactful services, TPXimpact is well placed to be a strategic partner to departments as they mature their digital roadmaps, build internal capability and deliver lasting productivity gains.

In FY26, we will continue to invest in key areas, including responsible AI, automation and low-carbon digital platforms to stay ahead of client needs and market expectations.

These combined strengths position TPXimpact as one of the UK's most relevant technology service companies; purpose-led, outcomes-driven and directly aligned to where government is investing for long-term impact

Financial Review

The unaudited preliminary results for the year ended 31 March 2025 ("FY25") reflect continued positive momentum and robust operational execution across the Group. This was demonstrated by growth in EBITDA and adjusted EBITDA margin, with a further material reduction in gross borrowings, despite a decrease in revenue when compared to the prior year.

Revenue decreased by 8.2% to £77.3m (FY24: £84.3m), reflecting softer demand across both central government and the not-for-profit sector. This was driven by slower decision-making following the change in government and funding constraints outlined in the Chancellor's Autumn Statement in October 2024.

Over 90% of our revenue was generated from public sector clients, with Central Government accounting for around 68%. We continue to see significant opportunity in the private sector, supported by established relationships in financial services and utilities. Our top 10 clients contributed 72% of total revenues.

Cost of sales decreased by over 12% to £55.2m (FY24: £63.1m), resulting in gross profit of £22.1m (FY24: £21.2m), up over 4% year-on-year. Gross margin increased to 28.6% from 25.1% in FY24, a reflection of the strategic decisions taken earlier in the year to streamline our structure and focus on delivering value more efficiently.

Our total headcount has decreased by 9%, reflecting the strategic right-sizing measures implemented earlier this year. Our permanent-to-contractor ratio remains approximately 70:30, allowing us to maintain agility in workforce deployment while continuing to recruit full-time employees as new opportunities arise and market conditions improve.

Utilisation and productivity improved across the business, most notably in our Digital Transformation unit. These gains were driven by targeted restructuring efforts in FY25, aimed at aligning our delivery capacity with softer market demand. As a direct result, utilisation rates rose and contributed to a significant improvement in profitability. Adjusted EBITDA increased by 21.3% to £5.6m (FY24: £4.6m), with adjusted EBITDA margin rising to 7.3% (FY24: 5.5%), a notable achievement in a year of declining revenue. While the restructuring involved some one-off costs, reported as exceptional items, these actions were critical to establishing a leaner, more agile operating model. Employee retention dipped slightly to 86%, down from 88% in FY24.

Reported operating loss from continuing operations was £(8.7)m (FY24: £(22.8)m), including non-cash goodwill impairment charges of £4.5m (FY24: £14.5m). Share-based payment charges were flat at £1.4m (FY24: £1.4m), while restructuring and transformation costs increased to £2.1m (FY24: £1.4m) as a result of the restructuring actions described above. Amortisation of acquired intangibles reduced to £5.4m (FY24: £7.7m).

Core administrative expenses were broadly flat at £18.0m (FY24: £17.7m), reflecting disciplined cost control and selective investment in back-office functions.

Adjusted profit before tax from continuing operations was £3.3m (FY24: £1.8m) and reported loss before tax was £(10.0)m (FY24: £(24.8)m). Net finance costs decreased to £1.3m (FY24: £2.0m) due to lower interest rates and average borrowings. A tax credit of £0.9m (FY24: £2.7m) reflected deferred tax benefits.

Adjusted diluted earnings per share from continuing operations increased to 3.0p (FY24: 2.1p), while reported diluted loss per share was (10.1)p (FY24: (24.5)p).

The Board will continue to review dividend policy however, no dividend is proposed for FY25.

Net Debt and Cash Flow

Net debt (excluding lease liabilities) at 31 March 2025 was £8.5m, at the lower end of our 1.5x to 2.0x target (FY24: £7.1m). The £1.4m increase in net debt in the year reflects net cash generated from operations of £1.0m, a corporation tax refund of £0.4m, offset by interest paid of £1.1m, share repurchases for the Company EBT (Employee Benefit Trust) of £0.7m, and long-term lease payments of £1.0m. Debt repayments of £3.0m reduced gross borrowings to £13.2m by year-end. A further £1.5m repayment since year-end brought gross borrowings down to £11.7m by 20 June 2025. The leverage ratio at 31 March 2025 stood at 1.51 (net debt/12-month adjusted EBITDA), and all banking covenants were comfortably met.

Current Trading

In the first two months of FY26, profitability remained on budget and ahead of the same period in FY25. We secured £19m in new business during the first two months of FY26, and the pipeline of qualified opportunities remains robust, positioning us well for continued momentum.

Unaudited preliminary results for the year ended 31 March 2025

Consolidated Income Statement

For the year ended 31 March 2025

	Note	Unaudited 2025 £'000	Audited 2024 £'000
Revenue		77,340	84,269
Cost of sales		(55,213)	(63,090)
Gross profit		**22,127**	**21,179**
Administrative expenses		(31,336)	(44,384)
Other income		489	404
Operating loss		**(8,720)**	**(22,801)**
Finance income		89	-
Finance costs		(1,408)	(2,046)
Loss before tax from continuing operations		**(10,039)**	**(24,847)**
Taxation		884	2,664
Loss after tax from continuing operations		**(9.155)**	**(22,183)**
Profit after tax from discontinued operations		-	1,811
Net loss		**(9,155)**	**(20,372)**
Other comprehensive (loss)/income:			
Exchange differences on translation of foreign operations		-	(22)
Exchange adjustments recycled to the income statement on disposal of discontinued operations		-	94

Total comprehensive loss for the year		**(9,155)**	**(20,300)**
Earnings per share from continuing and discontinued operations			
Basic (p)	6	(10.1p)	(22.5p)
Fully diluted (p)	6	(10.1p)	(22.5p)
Earnings per share from continuing operations			
Basic (p)	6	(10.1p)	(24.5p)
Fully diluted (p)	6	(10.1p)	(24.5p)

Consolidated Statement of Financial Position

At 31 March 2025

	Note	**Unaudited 2025 £'000**	**Audited 2024 £'000**
Non-current assets			
Goodwill	4	35,713	40,167
Intangible assets		8,790	14,173
Property, plant and equipment		67	220
Right of use assets		1,204	1,546
Other investments		2,188	2,188
Deferred tax assets		260	613
Total non-current assets		**48,222**	**58,907**
Current assets			
Trade and other receivables		11,088	11,449
Contract assets		2,598	3,214
Corporate tax asset		331	437
Cash and cash equivalents		4,647	8,934
Total current assets		**18,664**	**24,034**
Total assets		**66,886**	**82,941**
Current liabilities			
Trade and other payables		(6,371)	(7,762)
Contract liabilities		(2,885)	(1,784)
Other taxes and social security costs		(885)	(4,250)
Lease liabilities		(1,639)	(714)
Total current liabilities		**(11,780)**	**(14,510)**
Non-current liabilities			
Deferred tax liabilities		(2,187)	(3,537)
Borrowings	5	(13,145)	(16,050)

Lease liabilities	(444)	(1,009)
Total non-current liabilities	**(15,776)**	**(20,596)**
Total liabilities	**(27,556)**	**(35,106)**
Net assets	**39,330**	**47,835**
Equity		
Share capital	922	922
Share premium	6,538	6,538
Merger reserve	45,972	50,449
Capital redemption reserve	15	15
Own shares	(1,109)	(955)
Retained earnings	(13,008)	(9,134)
Total equity	**39,330**	**47,835**

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Share capital	**Share premium**	**Merger reserve**	**Capital redemption reserve**	**Own shares**	**Retained earnings**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
At 1 April 2024	922	6,538	50,449	15	(955)	(9,134)	47,835
Loss for the year	-	-	-	-	-	(9,155)	(9,155)
Transfer to retained earnings	-	-	(4,477)	-	-	4,477	-
Transactions with owners							
Own shares transferred from EBT	-	-	-	-	557	(545)	12
Own shares purchased by EBT	-	-	-	-	(711)	-	(711)
Share-based payments	-	-	-	-	-	1,349	1,349
At 31 March 2025 (Unaudited)	**922**	**6,538**	**45,972**	**15**	**(1,109)**	**(13,008)**	**39,330**

Consolidated Statement of Changes in Equity

For the year ended 31 March 2024

	Share capital	Share premium	Merger reserve	Capital redemption reserve	Own shares	Foreign exchange reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2023	919	6,538	73,474	15	(983)	(72)	(13,206)	66,685
Loss for the year	-	-	-	-	-	-	(20,372)	(20,372)
Exchange differences on translation of foreign operations	-	-	-	-	-	(22)	-	(22)
Exchange adjustments recycled to the income statement on disposal of discontinued operations	-	-	-	-	-	94	-	94
Transfer to retained earnings	-	-	(23,254)	-	-	-	23,254	-
Transactions with owners								
Shares issued	3	-	229	-	-	-	-	232
Own shares transferred from EBT	-	-	-	-	28	-	(28)	-
Share-based payments	-	-	-	-	-	-	1,218	1,218
At 31 March 2024 (Audited)	**922**	**6,538**	**50,449**	**15**	**(955)**	**-**	**(9,134)**	**47,835**

Consolidated Statement of Cash Flows

[redacted]

	Unaudited 2025 £'000	Audited 2024[1] £'000
Cash flows from operating activities:		
Loss before taxation from total operations	(10,039)	(23,014)
Adjustments for:		
Depreciation	979	931
Amortisation of intangible assets	5,383	7,681
Impairment of intangible assets	-	1,673
Impairment of goodwill	4,477	14,492
Impairment of goodwill and intangible assets on classification as held for sale	-	1,848
Share-based payments	1,421	1,390
Foreign exchange losses	-	38
Finance income	(89)	-
Finance costs	1,408	2,057
Loss from fair value movement of contingent consideration	-	7
Loss on disposal of property, plant and equipment	-	16
Gain on sale of discontinued operations	-	(3,580)
Working capital adjustments:		
Decrease in trade and other receivables	977	4,111
Decrease in trade and other payables	(3,522)	(346)
Net cash generated from operations	995	7,304
Tax received	437	236
Net operating cash flows	1,432	7,540

Consolidated Statement of Cash Flows continued

[redacted]

Cash flows from investing activities:		
Interest received	89	-
Disposal of subsidiaries[2]	-	6,071
Purchase of property, plant and equipment	-	(37)
Additions to intangibles	-	(170)
Proceeds from sale of property, plant and equipment	-	12
Net cash generated from/(used in) investing activities	89	5,876
Cash flows from financing activities:		
New borrowings	2,000	-
Repayment of borrowings	(5,000)	(8,300)
Proceeds from exercise of share options	12	-
Purchase of own shares	(711)	-
Payment of lease liabilities	(1,005)	(718)
Interest paid	(1,104)	(2,211)
Net cash used in financing activities	(5,808)	(11,229)
Net (decrease)/increase in cash and cash equivalents	(4,287)	2,187
Cash and cash equivalents at beginning of the year	8,934	6,772
Effect of exchange rate fluctuations on cash held	-	(25)
Cash and cash equivalents at the end of the year	4,647	8,934
Comprising:		
Cash at bank and in hand	4,647	8,882
Cash held by trust	-	52
Cash and cash equivalents at end of the year	4,647	8,934

1 In prior year, the cash flows of discontinued operations are immaterial to the Consolidated Statement of Cash Flows and so have not been presented separately.
2 In prior year, disposal of subsidiaries comprises cash consideration received of £7.5 million less cash disposed of £1.4 million.

Notes to the Consolidated Financial Statements

1. General information

TPXimpact Holdings plc is a public limited company incorporated in England and Wales under the Companies Act 2006 with registered number 10533096. The Company's shares are publicly traded on AIM, part of the London Stock Exchange.

The address of the registered office is The Hickman, Second Floor, 2 Whitechapel Road, London, United Kingdom, E1 1EW. The principal activity of the Group is the provision of digitally native technology services to clients within the commercial, government and non-government organisation (NGO) sectors.

The financial information set out in this announcement does not comprise the Group's statutory accounts as defined in section 434 of the Companies Act 2006 for the year ended 31 March 2025. The statutory accounts for the year ended 31 March 2025 have not yet been delivered to the Registrar of Companies, nor have the auditors yet reported on them. This preliminary announcement does not constitute statutory accounts under section 435 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2024 have been delivered to the Registrar of Companies. These accounts received an unqualified auditors' report and did not contain any statements under section 498 of the Companies Act 2006.

2. Basis of preparation

The unaudited consolidated preliminary financial statements have been prepared in accordance with UK-adopted international accounting standards, with the Companies Act 2006 and the AIM rules for Companies. The financial statements are presented in pound sterling (GBP), which is the functional currency of the parent company.

Going concern

After reviewing the budgets and cash projections for the next twelve months and beyond, the Directors believe that the Company has adequate resources to continue operations for the foreseeable future and to meet the requirements of its debt covenants. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

3. Accounting policies

The accounting policies used in the preparation of the unaudited preliminary consolidated financial statements for the year ended 31 March 2025 are in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) and are consistent with those which were adopted in the annual statutory financial statements for the year ended 31 March 2024.

4. Goodwill

Goodwill decreased by £4.5 million during the year ended 31 March 2025 due to impairment charges in relation to manifesto.

5. Borrowings

At 31 March 2025, the Group had a revolving credit facility with HSBC of £25 million with a £15 million accordion of which £13.2 million had been drawn down following net repayments during the year of £3.0 million. In June

2025, a further £1.5 million was repaid.

6. Earnings per share

	2025 Number of shares '000	2024 Number of shares '000
Weighted average number of shares for calculating basic earnings per share	90,450	90,368
Weighted average number of dilutive shares	5,498	3,142
Weighted average number of shares for calculating diluted earnings per share	95,948	93,510

	2025 £'000	2025 £'000
Loss after tax from continuing operations	(9,155)	(22,183)
Profit after tax from discontinued operations	-	1,811
Loss after tax from total operations	(9,155)	(20,372)
Adjusted profit after tax from continuing operations[1]	2,883	1,919

Earnings per share is calculated as follows:

	2025	2024
Basic earnings per share		
Basic earnings per share from continuing operations	(10.1p)	(24.5p)
Basic earnings per share from discontinued operations	-	2.0p
Basic earnings per share from total operations	(10.1p)	(22.5p)
Adjusted basic earnings per share from continuing operations	3.2p	2.1p
Diluted earnings per share		
Diluted earnings per share from continuing operations[2]	(10.1p)	(24.5p)
Diluted earnings per share from discontinued operations[2]	-	2.0p
Diluted earnings per share from total operations[2]	(10.1p)	(22.5p)
Adjusted diluted earnings per share from continuing operations	3.0p	2.1p

1 Adjusted profit after tax on continuing operations is defined in note 7.
2 The weighted average shares used in the basic EPS calculation has also been used for reported diluted EPS due to the anti-dilutive effect of the weighted average shares calculated for the reported diluted EPS calculation.

7. Alternative performance measures (unaudited)

In measuring our performance, the financial measures that we use include those which have been derived from our reported results in order to eliminate factors which distort period-on-period comparisons. These are considered non-GAAP financial measures, and include measures such as like-for-like revenue, adjusted EBITDA and net debt (excluding lease liabilities). We believe this information, along with comparable GAAP measurements, is useful to shareholders and analysts in providing a basis for measuring our financial performance.

Like-for-like

Like-for-like comparisons are calculated by comparing current year results for continuing operations (which includes acquisitions from the relevant date of completion) to prior year results, adjusted to include the results of acquisitions for the commensurate period in the prior year. In the year ended 31 March 2025, there were no differences in the like-for-like and reported comparisons due to there being no acquisitions in either year.

Reconciliation of net debt (excluding lease liabilities):

	2025 £'000	2024 £'000
Cash and cash equivalents	4,647	8,934
Borrowings due after one year[1]	(13,145)	(16,050)
Net debt	**(8,498)**	**(7,116)**

1 Borrowings due after one year comprise gross borrowings less unamortised debt issuance costs.

Reconciliation of operating loss to adjusted EBITDA:

	2025 £'000	2024 £'000
Operating loss	**(8,720)**	**(22,801)**
Amortisation of intangible assets	5,383	7,657
Depreciation	979	789
Loss from fair value movement of contingent consideration	-	7
Impairment of intangible assets	-	1,673
Impairment of goodwill	4,477	14,492
Share-based payments[1]	1,421	1,425

Restructuring and transformation costs	2,074	1,387
Adjusted EBITDA	**5,614**	**4,629**

1 Includes social security costs.

Reconciliation of loss before tax to adjusted profit after tax:

	2025 £'000	2024 £'000
Loss before tax on continuing operations	**(10,039)**	**(24,847)**
Amortisation of intangible assets	5,383	7,657
Loss from fair value movement of contingent consideration	-	7
Impairment of intangible assets	-	1,673
Impairment of goodwill	4,477	14,492
Share-based payments[1]	1,421	1,425
Restructuring and transformation costs	2,074	1,387
Adjusted profit before tax on continuing operations	**3,316**	**1,794**
Tax (excluding impact of amortisation of intangible assets and share-based payments)	(433)	125
Adjusted profit after tax on continuing operations	**2,883**	**1,919**

1 Includes social security costs.

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