



NEWS RELEASE

Interim results

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Kainos Group plc

10 November 2025

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Kainos Group plc ('Kainos' or the 'Group') Interim results for the six months ended 30 September 2025

Strong sales performance across the Group underpins positive outlook

Kainos Group plc (KNOS), a UK-headquartered IT provider with expertise across three divisions - Digital Services, Workday Services and Workday Products - is pleased to announce its results for the six months ended 30 September 2025.

Financial highlights

	H1 26	H1 25	Change
Revenue	£196.1m	£183.1m	+7%
Statutory profit before tax	£28.4m	£34.2m	-17%
Adjusted pre-tax profit ⁽¹⁾	£32.0m	£38.2m	-16%

Diluted earnings per share	16.7p	20.1p	-17%
Adjusted diluted earnings per share	18.9p	22.5p	-16%
Interim dividend per share	9.8p	9.3p	+5%
Bookings	£227.9m	£179.5m	+27%
Product annual recurring revenue (ARR)	£77.5m	£65.1m	+19%
Contracted backlog	£396.9m	£354.1m	+12%
Cash⁽²⁾	£105.5m	£151.6m	-30%

Very strong sales execution drives revenue growth, with full-year profit expectations maintained despite the previously anticipated first-half cost increases

- Revenue increased 7% (7% organic, 9% ccy) to £196.1 million (H1 25: £183.1 million).
- Adjusted pre-tax profit declined by 16% (-12% ccy) to £32.0 million, with an adjusted profit margin of 16% (H1 25: 21%), in part due to a full period of investment to support our Workday partnership, increased National Insurance costs and the use of contractors and third-party suppliers to provide short-term delivery capacity.
- Very strong sales performance drove bookings 27% higher to £227.9 million (H1 25: £179.5 million), with excellent performance across all three divisions.
- Contracted backlog at the period end increased 12% to £396.9 million (H1 25: £354.1 million).
- Robust period-end cash⁽²⁾ of £105.5 million (H1 25: £151.6 million), with cash conversion at 48% (H1 25: 75%), reflecting the payment of restructuring costs provided for in FY25 and the return to revenue growth resulting in an increase in working capital.
- Board announces intention to launch a further share buyback programme of £30.0 million, with effect from the end of the current buyback programme on 19 November, to be executed over a period of six months.

Operational highlights

Workday Products continued its strong revenue growth and remains firmly on track to reach our ARR targets of £100 million by the end of 2026 and £200 million by the end of 2030

- Workday Products' ARR increased by 19% (19% ccy) to £77.5 million (H1 25: £65.1 million), resulting in revenue growing by 14% (19% ccy) to £39.2 million (H1 25: £34.3 million).
- We reached the important industry milestone of \$100 million of ARR in July 2025, which only around 1% of all SaaS companies achieve.
- Workday Products now has more than 600 customers (H1 25: more than 500), with an average annual customer value of £128k (H1 25: £127k) and around 40% taking two or more products (H1 25: around 33%).
- We continued to invest in our product portfolios, with research & development expenditure rising by 12% to £8.6 million (H1 25: £7.7 million), all of which was expensed in the period. Sales & marketing spend increased by 61% to £10.0 million (H1 25: £6.2 million), including £2.6 million of additional costs associated with a full six months of our Workday partnership costs.
- We deepened our Workday partnership with an exclusive resell arrangement, shortly after the period end. Workday has chosen our newly developed Pay Transparency product to launch a "Pay Transparency Analyzer powered by Kainos" solution for its customers, ahead of the European Pay Transparency Directive coming into force from June 2026.

Digital Services revenue growth driven by an excellent performance in the healthcare sector and continued growth in North America. The division secured several significant healthcare and public sector contracts in the UK

- Digital Services' revenue increased by 6% (7% ccy) to £103.5 million (H1 25: £97.3 million).
- Revenue in healthcare grew by 33% to £29.6 million (H1 25: £22.3(13) million), while public sector revenue reduced by 3% to £59.7 million (H1 25: £61.4(3) million). New contracts secured in H1 26 are expected to lead to meaningful revenue growth in both sectors in the second half of the financial year.
We deprioritised new customer acquisition in the commercial sector to concentrate on supporting existing commercial customers and invest in the growth opportunities in other parts of Digital Services. As a result, revenue was 39% lower at £6.4 million (H1 25: £10.5(3) million).
- Our North American business continued to grow rapidly, with revenue growth of 152% (139% organic) to £7.8 million (H1 25: £3.1 million).
- Canada is our primary North American market and is highly attractive to us, as it is investing to catch up in digital government and looking to the UK for examples of success. We have significantly bolstered our position with the acquisition of Davis Pierrynowski Limited (Davis Pier) on 15 September 2025. Davis Pier is a consultancy specialising in addressing complex challenges for public sector and community organisations. We have successfully partnered with Davis Pier since 2022 and we are delighted to welcome its 120 colleagues to our team.

Strong sales performance in Workday Services returned the business to growth in the first half, with further progress expected in the second half

- We are the leading pan-European Workday consulting specialist and the seventh largest globally by certified consultant numbers.
- Revenue in the period was 4% higher than H1 25 (6% ccy) at £53.4 million (H1 25: £51.5 million), as growth in the Americas outperformed a slower recovery in EMEA.
- We continued to make good progress in new markets, with revenue in Australia and New Zealand growing quickly and opportunities emerging in Latin America.
- Bookings increased by 35% to £54.0 million (H1 25: £39.9 million), with a contracted backlog of £62.1 million at the period end (H1 25: £61.1 million).

We continue to benefit from our geographical breadth, with international markets now generating 43% of Group revenue (H1 25: 41%)

- International revenue was £84.9 million, up 13% (H1 25: £75.4 million).
- Workday Services and Workday Products have a particularly strong international client base, with 83% of their aggregate revenues coming from these international customers (H1 25: 82%).

Excellent customer service drives customer satisfaction and retention

- Our customers continued to rate our services as 'excellent', with a Net Promoter Score of 70([4]) (H1 25: 58).
- Existing customers generated revenue of £166.6 million (H1 25: £148.9 million), up 12%.
- Our total customer numbers increased to 1,169 (H1 25: 1,022).

The commitment and engagement of our colleagues underpins our business performance

- We have 3,132 people (H1 25: 3,029) across 18 countries, with our employee retention remaining strong at 92% (H1 25: 93%).
- Engagement levels remain high, measuring 75% (H1 25: 76%) in our internal surveys.
- We were again rated one of the '50 Best Places to Work in the UK' by Glassdoor, improving our ranking to 14th (2024: 32nd), and achieved 'Great Places to work in the Americas' for the second year in a row.

Continued growth in our AI business, with revenues increasing 6%, as we help customers harness the potential of AI

- Revenues for AI and related projects increased 6% to £15.3 million (H1 25: £14.4 million).
- AI adoption is well-embedded with over 65% of our Digital Services project teams now fully enabled. For our customers, we have delivered over 300 AI & Data projects across the public, healthcare, and commercial sectors, including 48 in the period.
- Since 2018, Kainos has been the fourth largest supplier of AI to the UK Public Sector, with over £65 million in awarded contracts.
- Kainos has three of the 41 AI solutions currently available on the Workday Marketplace, reflecting our leadership in delivering trusted, Workday-approved innovation, and we launched our first Agentic AI solution on the Workday Agent Marketplace in the period.
- Our recently launched Microsoft AI Centre of Excellence is advancing the development of an AI-first business model and working closely with Microsoft to develop and extend agentic technologies.

Continued to refresh and strengthen the Board

- Shruthi Chindalur was appointed as an independent Non-Executive Director with effect from 24 September 2025, bringing 25 years' experience in the technology, SaaS, and AdTech sectors.

Current trading and outlook

With our strong sales performance in the first half creating excellent revenue visibility for the remainder of the year, we expect the following in H2 26:

- Continued growth in Workday Products and further progress towards our ARR targets, supported by the recent launch of our Pay Transparency Analyzer solution.
- A meaningful revenue increase in Digital Services, as we deliver the healthcare and public sector contract wins from the first half and continue to grow our North American business, including the first full period of contribution from Davis Pier.
- A return to revenue growth in Workday Services, driven by improved results in our core European and North American markets as well as further progress in Australia, New Zealand and Latin America.

We are maintaining a prudent outlook for profitability and expect Adjusted PBT to be in line with current consensus forecasts.

Looking further ahead, we operate in markets with clear long-term structural drivers, including the emerging opportunities from wider AI adoption and customers' continued focus on deploying digitisation to improve efficiency and effectiveness. We remain confident in our strategy to capture and deliver on these opportunities. Backed by a robust backlog, healthy pipeline, solid balance sheet, disciplined capital allocation, and strong cash flow, we have a firm foundation from which to drive long-term shareholder value.

Commenting on the results, CEO Brendan Mooney said:

"This was a positive six months for Kainos, underpinned by our success in securing several new contracts with new and existing customers. This positions us for accelerated growth in the second half, with each of our divisions set to increase revenue. We therefore anticipate a strong performance for Kainos as a whole.

"We continue to be excited by the potential for Workday Products, with rising demand for our existing products and the recent launch of our Pay Transparency product, in partnership with Workday. We remain on track to achieve our ARR targets of £100 million by the end of 2026 and £200 million by the end of 2030.

"The UK Government sees technology as central to its mission to improve the quality and efficiency of public services, while making them easier for citizens to access. The significant programme wins in the period are testament to our capabilities in the public and healthcare sectors. We also look forward to continued progress in North America, reinforced by our newly acquired Davis Pier business in Canada.

"Workday Services has returned to revenue growth, as our core European and North American markets improve and we grow further in other international markets.

"Our success depends on nurturing long-term customer relationships and ensuring our people remain engaged and committed. We are deeply grateful for our customers' continued trust in us and for the energy and talent of our colleagues."

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About Kainos Group plc

Kainos Group plc is a UK-headquartered provider of sophisticated IT services to major public sector, commercial and healthcare customers and a developer of software applications. Our shares are listed on the London Stock Exchange (LSE: KNOS).

Our expertise spans three divisions: Digital Services, Workday Services, and Workday Products.

Digital Services

Our Digital Services customers face a range of business challenges, including the need to improve their customer service, reduce costs and increase productivity. We help them to solve these problems by developing and supporting custom digital service platforms. Our solutions enable customers and their users to work smarter, faster and better, while ensuring the platforms are secure, accessible and cost effective.

Workday Services

We are a respected partner to Workday Inc., providing a comprehensive range of services to support customers deploying Workday's Finance, HR and Planning products. Our experience in complex deployments means we are trusted to launch, test, expand and support Workday systems.

Workday Products

We have developed proprietary software products that complement Workday by enhancing our customers' system security and compliance and improving their document generation and storage. Over 600 global customers now use one or more of our products, with adoption growing rapidly.

Our people

Our people are central to our success. We employ more than 3,100 people in 18 countries across Europe, Asia and the Americas.

Find out more

You can discover more about us at www.kainos.com.

CAUTIONARY STATEMENT

This report includes statements that are, or may be deemed to be, "forward-looking statements". These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this report, but such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

Definition of terms

We use the following definitions for our key metrics:

Active customer: a customer who has signed a contract with us within the last three months or has generated revenue in the last six months.

Adjusted earnings per share (basic and diluted): adjusted profit after tax divided by the weighted average number of ordinary shares outstanding (basic) or weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares (diluted).

Adjusted EBITDA: adjusted pre-tax profit excluding interest, tax, depreciation of property, plant and equipment and right-of-use assets, and amortisation of intangible assets.

Adjusted pre-tax profit: profit before tax excluding the effect of share-based payments expense, acquisition-related expenses including amortisation of acquired intangible assets and deferred consideration (including post combination remuneration expense).

Adjusted profit margin: adjusted profit as a percentage of revenue for the period.

Agentic AI: refers to intelligent systems that can autonomously plan, decide, and act to achieve defined goals, working across multiple steps and systems with minimal human intervention. These agents combine reasoning, learning, and action capabilities to deliver outcomes, not just insights, while operating within clear ethical, governance, and organisational boundaries.

Annual recurring revenue (ARR): the total of the annualised committed subscription value contracted at the end of the reporting period.

Bookings: the total value of sales contracted during the period.

Cash conversion: cash generated from operating activities as a percentage of adjusted EBITDA.

Constant currency (ccy): excludes the effect of foreign currency exchange rate fluctuations on period-on-period performance by translating the relevant prior period figure at current period average exchange rates.

Contracted backlog: the value of contracted revenue that has yet to be recognised.

Existing customer revenue: total revenue recognised from customers in the current period who were also customers in the preceding year.

International revenue: total revenue derived from locations outside of UK and Ireland.

Net Promoter Score (NPS): a metric that organisations use to measure customer loyalty toward their brand, product or service, which can range from -100 to +100. Bain & Co, the creators of the metric, held that a score above 0 is good; 20+ is favourable; 50+ is excellent and 80+ is world class.

Organic revenue: our revenue excluding revenue from acquisitions completed in the current and comparative reporting periods.

Software as a service (SaaS): a software distribution model that delivers application programmes over the internet, with users typically accessing the programme through a web browser. Users pay an ongoing subscription to use the software rather than purchasing it once and installing it.

REVIEW

Our overall performance

In the first half of FY26 we built on our solid performance in the final quarter of the prior year and delivered further sequential improvement, with Group revenue up 7%. All three divisions achieved a strong sales outcome, giving us high visibility of the revenue growth we expect to achieve in the second half of FY26.

Workday Products continued to grow rapidly, passing \$100m ARR and remains on track to achieve our published ARR targets of £100 million by the end of 2026 and £200 million by the end of 2030.

Digital Services increased revenue by 6% because of an excellent performance in the healthcare sector and continued momentum in North America. In the public sector, revenues were modestly lower and commercial revenues were well down, in a market that remained subdued and which we have strategically deprioritised.

Revenue in Workday Services was 4% higher, with growth in North America and further progress in Australia, New Zealand and Latin America, partially offset by reduced revenue in Europe.

Adjusted pre-tax profit reduced by 16% (-12% ccy) to £32.0 million (H1 25: £38.2 million), resulting in a 16% margin (H1 25: 21%). This reflected several factors, including the first full period of investment to support our Workday partnership (+£2.6 million, see below for further information), higher employer National Insurance costs (+£1.5 million) and our short-term usage of contractors (+£3.7 million) and third-party suppliers to enable us to deliver our pipeline and achieve the growth we expect in the remainder of the year. We are recruiting our own staff to fill these positions and expect to displace some of these higher costs during FY27. Overall, we remain firmly on track to achieve consensus for full-year adjusted pre-tax profit.

The strong sales performance resulted in bookings rising by 27% to £227.9 million (H1 25: £179.5 million). The contracted backlog at the period end was 12% higher at £396.9 million (H1 25: £354.1 million).

Total investment in our Workday software products was £18.6 million (H1 25: £13.9 million), up 34%, as we invested in building Pay Transparency Analyzer and continued to support the rapid growth in Workday Products and take advantage of the scale of the opportunity. Within this, research & development investment rose by 12% to £8.6 million (H1 25: £7.7 million), all of which was expensed. Our product-related sales & marketing investment (including £3.8 million of Workday partnership costs), was £10.0 million, up 61% (H1 25: £6.2 million).

Our business model is highly cash generative. However, cash conversion in the period was lower than typical at 48% (H1 25: 75%), reflecting the payment of restructuring costs provided for in FY25 and the return to revenue growth resulting in an increase in working capital.

At 30 September 2025 we had a cash balance (including treasury deposits) of £105.5 million (H1 25: £151.6 million), after returning £28.2 million to shareholders through a share buyback in the period, beginning construction of our new Belfast office and acquiring Davis Pier in Canada. Including the share buyback we conducted in H2 25, we have returned £50.8 million to shareholders since the end of H1 25.

Workday Products performance

ARR at the period end was £77.5 million (H1 25: £65.1 million), up 19% (19% ccy). During the first half ARR passed \$100 million, which is widely seen as a significant milestone for a SaaS company, with only around 1% achieving this milestone. Our momentum in the period keeps us firmly on track to achieve our ARR targets of £100 million by the end of 2026 and £200 million by the end of 2030.

As a result, Workday Products revenue increased by 14% (19% ccy) to £39.2 million (H1 25: £34.3 million), benefiting from continued good sales execution across our product range. More than 600 customers now use our products, with nearly 40% taking multiple products. The period-end backlog increased 27% to £160.3 million (H1 25: £126.6 million).

We have continued to deepen our relationship with Workday, building on the enhanced strategic partnership we agreed in FY25. Shortly after the period end, Workday announced the launch of a new solution for customers, called "Pay Transparency Analyzer powered by Kainos". This will see Workday exclusively selling our newly developed Pay Transparency product through its own salesforce, making it a highly cost-effective route to the broadest possible market for our products. The product will support companies with meeting new EU pay disclosure regulations, which come into force in 2026.

Our software products

In addition to Pay Transparency, we have four products, three of which sit within our Smart Suite product offering:

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- Smart Test (launched in 2014) is the leading platform for Workday customers to automatically test and verify that their unique Workday configuration is operating effectively.

- Smart Audit (2021) is a compliance-monitoring tool that allows Workday customers to maintain operational security controls across their Workday environments.
- Smart Shield (2022) is a data-masking tool that ensures sensitive data remains controlled when Workday environments are made available to broader internal or external teams.

Employee Document Management (2023) improves the experience of generating and storing documents inside Workday, while supporting an organisation's global compliance requirements.

Digital Services performance

Our Digital Services division builds highly cost-effective solutions that make public-facing services more accessible and easier to use for citizens, patients and customers.

Overall, Digital Services had a positive six months, with revenue increasing by 6% (7% ccy) to £103.5 million (H1 25: £97.3 million). Bookings rose by 13% to £116.2 million (H1 25: £102.8 million), while the contracted backlog was 5% up at £174.5 million (H1 25: £166.3 million).

Public sector

Revenue from public sector customers fell by 3% to £59.7 million (H1 25: £61.4(3) million) although we expect meaningful revenue growth in the second half of the year, as the combination of strong sales execution and a more-predictable market environment enabled us to secure several significant new programmes in the period. These included new contracts with the Home Office and the Driver and Vehicle Standards Agency (DVSA). We have now partnered with DVSA for more than a decade and the new four-year contract, worth up to £73 million, will see us deliver a platform making it easier for learner drivers to schedule their tests.

The UK Government has an ambition to improve public services by using technology and we were pleased that the quality of our work was recognised in the period. In partnership with the Department for Environment, Food and Rural Affairs, we won the Digital Transformation Project of the Year at the 2025 Digital Revolution Awards. The project created a robust new digital inspection system, to protect the UK's biosecurity while maintaining the flow of vital agricultural and food imports into the UK.

Healthcare sector

We currently partner with over 50 customers across the UK public healthcare system, including national, regional and local bodies, and clinical research institutes. Revenue was up 33% to £29.6 million (H1 25: £22.3(3) million).

During H1 26 we won significant contracts with NHS England (NHSE), including a Digital Health Checks project to encourage people to adopt healthier lifestyles. These will contribute to further strong revenue growth in the second half of the year.

We have not yet seen any disruption from the Government's plan to move NHSE back into its direct control. Many of the new programmes we won in the first half were the result of NHSE's long-term investments, which have continued. In addition, the Government has announced its new 10 Year Health Plan for England, which includes a commitment to make the NHS "the most digitally accessible health system in the world". This has led to renewed focus and investment in a number of areas, as the Government looks to shift the NHS focus from treatment to prevention, and from analogue to digital. Kainos is well positioned in these areas of investment, such as preventative healthcare, genomics, health data and AI.

Commercial sector

Activity in the commercial sector has been muted for some time and the market remained subdued in H1 26, resulting in revenue for our smallest segment declining by 39% to £6.4 million (H1 25: £10.5(3) million). This sector now accounts for just 6% of divisional revenue (H1 25: 12%) and we are deprioritising it to concentrate on our growth in the healthcare and public sectors, including Canada. We will continue to support our existing commercial customers, while we consider how to address the significant opportunity we still see in this sector in the medium term.

North America

The UK was an early adopter of digital transformation, which provides us with the opportunity to use our skills and credibility to replicate our home market success in other regions.

International revenue more than doubled to £7.8 million (H1 25: £3.1 million). North America is our largest international market and we have organically expanded our team to almost 60 colleagues, mainly located in Canada.

In September 2025, we were pleased to announce the acquisition of Davis Pier, a high-growth Canadian consultancy that specialises in addressing complex challenges for public sector and community organisations across Canada. We have partnered with Davis Pier since 2022 to accelerate digital transformation for our shared clients and deliver solutions that create tangible social impact for citizens. Its team of 120 people will join our Digital Services division in Canada and continue to operate under the Davis Pier brand.

We see strong growth potential in Canada. It needs to invest in digital government, where it currently ranks 47th globally versus seventh for the UK. Canada looks to the UK for tangible examples of success and there is frequent co-operative contact between the countries, at all levels. Kainos and Davis Pier have strong shared values and cultures that prioritise customers, people and impact. This, along with the continued commitment of Davis Pier's CEO, Mike Davis, make us confident of achieving further growth.

Workday Services performance

We are Workday's leading partner in Europe and a full services partner in the US, which is Workday's biggest market. At the end of the period, we had 822 accredited Workday consultants (H1 25: 788), ranking us seventh globally.

Workday Services' revenue in the period was 4% higher (6% ccy) at £53.4 million (H1 25: £51.5 million). Revenue in North America showed good growth, with the region generating 54% of divisional revenue (H1 25: 50%). European revenue was lower, with these customers contributing 44% of revenue (H1 25: 50%).

The strong sales performance in the period will drive further revenue growth in the remainder of FY26. Sales bookings increased by 35% to £54.0 million (H1 25: £39.9 million), contributing to a contracted backlog of £62.1 million at the period end (H1 25: £61.1 million). We have noted in previous reports that the number of Workday partners has increased and we have therefore been more selective about the projects we bid for, focusing on those where the customer values our experience and capabilities, rather than those seeking the lowest price.

Our businesses in Australia and New Zealand are growing rapidly from a small base and exceeding our initial expectations. We are also exploring opportunities in Latin America.

Our people

Our success is driven by our people's ability, energy and expertise. We are therefore pleased that our employee retention remains high, at 92% over the past 12 months (H1 2025: 93%). Our headcount at the period end was 3,132, up from 2,865 at the start of the period and 3,029 at H1 25. The increase reflects the 120 colleagues who joined us from Davis Pier and a temporary rise in contractor numbers during H1 26, as they are generally quicker to recruit than permanent employees. We intend to backfill these roles with permanent employees, though the proportion of contractors still remains relatively low, at 4% of our colleagues (H1 25: 2%).

We capture feedback each month through Workday Peakon. This shows employee engagement remains strong, with their overall satisfaction and enthusiasm with work being rated at 75% (H1 25: 76%). We also retained our top 50 ranking in Glassdoor's Best Places to Work in the UK 2025. In September 2025, we had an overall approval rating on Glassdoor of 78% and 72% of respondents would recommend working at Kainos to a friend.

Our customers

Consistently delivering for our customers is at the heart of our business. It creates strong relationships, which in turn generate high levels of repeat business, while our reputation for delivery also helps us to win new work.

We continued to perform strongly during the period, as reflected by:

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- Our Net Promoter Score (NPS) of 70 (H1 25: 58), maintaining our record of consistently high customer satisfaction. A score above 50 is viewed as 'excellent';
 - Existing customers generating 85% of our revenue (H1 25: 81%), as they continue to trust us to deliver for them; and
 - Further new customer wins, giving us 1,169 active customers at the period end (H1 25: 1,022).

Artificial intelligence

Our vision for AI is to guide and deliver responsible adoption and to solve real-world problems.

In H1 26, our AI-related revenue grew by 6% versus H1 25, as we continue to work closely with our customers to help them realise value from AI. Many engagements are at an early stage and modest in scale but they are already delivering impact, particularly by using AI assistants to help people find the right information more quickly and make better decisions. Aligned to this, we are advancing the application of Agentic AI through our innovation initiatives.

Workday remains a major focus for us and we are one of approximately 15 global partners selected as a design partner for the **Workday Agent System of Record (ASoR)**. We have published our first agent to the Workday Agent Marketplace and showcased five agents at Workday Rising in September 2025, to illustrate Agentic AI's potential to transform how human and

digital workers interact. We also continue to have **three products live on the Workday AI Marketplace**, all carrying Workday's Responsible AI designation.

Our Microsoft AI Centre of Excellence is advancing the development of an AI-first business model. The team is working in close partnership with Microsoft to extend the boundaries of agentic technologies, with a focus on creating and commercialising agent-based solutions through the Microsoft Commercial Marketplace. Recent customers include a regulatory intelligence agent for a RegTech customer and an AI-enabled search capability for a UK police force.

We continue to demonstrate thought leadership through events such as AICON, the AI conference, and the Beyond Boundaries podcast. At AICON, we focused on the implementation of advanced AI solutions, discussed the approach to adoption across geographies, and explored the possible futures of AI. Through our podcast, we discussed the future of AI and its impact on business and society - responsible AI, agentic AI and the digital workforce of the future. These activities reinforce our role as a trusted partner for customers navigating the complexities of AI adoption.

Within our own business, we continue to adopt AI developer tools, with 65% of our projects now using it to enhance productivity and delivery speed. We are also working with customers to extend the responsible use of these tools across remaining projects, recognising that adoption levels depend on our customers' readiness and addressing their safety concerns.

Looking ahead, our focus is on helping customers scale from small, early opportunities to broad enterprise adoption, as AI moves beyond the hype and into real value creation. We see growing demand for AI agents that improve decision-making, streamline access to information and unlock productivity across sectors. We are positioned, through our Workday, Microsoft and AWS partnerships, to help customers adopt AI responsibly and at scale.

Innovation, research and development

We innovate to stay ahead by enhancing existing solutions, creating new ideas and exploring technologies that will shape our future and our clients'. This work is driven by structured frameworks, targeted R&D investment and horizon scanning, supported by specialist teams in AI, ethics and security.

R&D expenditure

Our research and development expenditure for the period, including product investment, amounted to £8.6 million, up 12% (H1 25: £7.7 million), all of which was expensed.

Workday Product Innovation: EU Pay Transparency

Among this period's highlights is the development of our EU Pay Transparency solution, developed under the Workday Built on Workday programme and aligned with the EU Pay Transparency Directive. This product enables organisations to:

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- Analyse compensation, performance and demographic data to detect pay gaps and inequities.
 - Use AI to uncover root causes and provide recommendations for closing gaps.
 - Deliver pre-built, country-specific reports and dashboards to simplify compliance and audits.

The solution is being sold **exclusively through Workday**, giving customers seamless access and alignment with its roadmap.

Assessing the technologies of the future

Our foresight programme focuses on four priority areas shaping next-generation services and products:

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- Artificial Intelligence - AI native teams, Small Language Models, Agentic AI, Sustainable AI.
 - Quantum - Applied Quantum Computing, Quantum Security, ecosystem partnerships.
 - Autonomous Systems - Robotics & drones, autonomous agents, digital twins, sensor and observation data.
 - Future Healthcare - Preventative care, advanced sensing & diagnosis, digital care models, genomics & life sciences.

These domains guide our R&D priorities, client innovation work and investment decisions.

Financial review

Revenue

Group revenue for the period increased by 7% (9% ccy) to £196.1 million (H1 25: £183.1 million). Workday Products was the fastest-growing part of the Group, with its revenue increasing by 14% (19% ccy) to £39.2 million (H1 25: £34.3 million). Digital Services also had a positive six months overall, with revenue up 6% (7% ccy) to £103.5 million (H1 25: £97.3 million). Workday Services' revenue was 4% (6% ccy) higher at £53.4 million (H1 25: £51.5 million). The Group business review provides more information on divisional revenue performance.

Gross margin

Our overall gross margin decreased to 48.0% (H1 25: 50.3%).

Workday Products' margin remained stable at 77.7% (H1 25: 78.4%).

Digital Services' gross margin reduced to 35.8% (H1 25: 38.4%), reflecting the particular mix of business in the period. In this division, we increased the proportion of engagements where we partnered with other organisations to deliver for customers and this is typically at a lower margin.

While Workday Services' margin was lower at 49.8% (H1 25: 54.0%) due to rate pressure, this showed sequential improvement on the 49.2% margin achieved in H2 25.

Operating expenses

Operating expenses increased by 10% to £68.3 million (H1 25: £61.9 million).

Under the terms of our strategic partnership with Workday announced in July 2024, we pay annual fees of approximately £7.8 million. The total charge for the period was £3.8 million (H1 25: £1.2 million), reflecting a full six months of these costs, compared with two months in H1 25.

Our investment in product development increased to £8.6 million (H1 25: £7.7 million), all of which was expensed during the period. We recognised £2.1 million of Research & Development Expenditure Credit (RDEC) income during the period (H1 25: £1.6 million).

Alternative performance measures (APMs)

We use several APMs to monitor our performance and assist management's decision-making, including 'adjusted profit before tax', 'adjusted EBITDA', 'cash conversion' and 'adjusted diluted and basic earnings per share'.

We believe these measures are better indicators of trading performance, assist comparison between periods and provide useful information for users of the financial statements. However, our APMs are not defined in UK-adopted International Accounting Standards and while they are similar to the metrics used by comparable companies, our definitions may differ from similarly titled performance measures and disclosures by other entities. As such, these measures should not be considered in isolation but as supplementary information to the financial statements.

In calculating our APMs, we consistently adjust for the following items:

Costs directly attributable to acquisitions

These include:

-
- amortisation of acquired intangible assets;
 - deferred consideration, including compensation for post-combination services; and
 - acquisition-related expenses, such as legal and professional costs incurred mainly in the period of acquisition.

These costs are unique to each acquisition and can vary significantly between periods, depending on the timing and size of any transactions, the nature of intangible assets acquired and the structure of the consideration. We therefore consider that these costs do not reflect underlying operations.

Share-based payment costs

Although share-based payments are an important aspect of our employee compensation, we believe excluding this expense aids understanding of our business performance and comparison to our peers' results. Our arrangements consist of both equity-settled and cash-settled schemes and the factors influencing the expense, such as the market value of our shares, forfeiture rates and volatility, are generally beyond our control and may not correlate with the operation of the business.

Significant and non-recurring items

In previous periods we have excluded gains relating to the sale of property, plant and equipment and fair value movements in investment property. We also exclude any restructuring costs incurred. We consider that adjusting for these costs enables more meaningful period-to-period comparisons.

Adjusted profit measures

Our adjusted profit measures reconcile to the reported numbers as follows

	6 months to 30 Sep 2025 (£000s)	6 months to 30 Sep 2024 (£000s)	12 months to 31 Mar 2025 (£000s)
Profit before tax	28,368	34,202	48,640
Share-based payment expense and related costs	2,872	3,104	5,930
Amortisation of acquired intangible assets	365	414	836
Restructuring costs	-	-	8,411
Compensation for post-combination services	285	414	877
Acquisition-related expenses	140	16	948
Adjusted profit before tax	32,030	38,150	65,642

	6 months to 30 Sep 2025 (£000s)	6 months to 30 Sep 2024 (£000s)	12 months to 31 Mar 2025 (£000s)
Profit after tax	20,580	25,425	35,560
<i>After tax impact of:</i>			
Share-based payment expense and related costs	2,084	2,306	4,335
Amortisation of acquired intangible assets	271	324	645
Restructuring costs	-	-	6,194
Compensation for post-combination services	285	414	877
Acquisition-related expenses	140	16	693
Adjusted profit after tax	23,360	28,485	48,304

Adjusted EBITDA

	6 months to 30 Sep 2025 (£000s)	6 months to 30 Sep 2024 (£000s)	12 months to 31 Mar 2025 (£000s)
Adjusted profit before tax	32,030	38,150	65,642
Depreciation of property, plant and equipment	1,681	1,660	3,381
Depreciation of right-of-use assets	624	615	1,277
Finance expense	194	164	333
Finance income	(2,474)	(3,509)	(6,440)
Adjusted EBITDA	32,055	37,080	64,193

Adjusted profit before tax decreased by 16% to £32.0 million (H1 25: £38.2 million). Profit before tax decreased by 17% to £28.4 million (H1 25: £34.2 million).

Corporation tax charge

The total tax charge for H1 26 is £7.8 million (H1 25: £8.8 million). This equates to an effective tax rate of 27% (H1 25: 26%), which is higher than the UK corporation tax rate, primarily due to the impact of higher tax rates in the United States. The expected tax rate for FY26 is 27% (FY25: 26%).

Earnings per share

Adjusted diluted earnings per share declined by 16% to 18.9 pence (H1 25: 22.5 pence, while diluted earnings per share for the period was 16.7 pence (H1 25: 20.1 pence), a reduction of 17%. Further information is provided in note 8 to the condensed consolidated financial statements.

Financial position

We continue to have a strong financial position, with a substantial cash balance (see below), no debt and net assets of £104.6 million (31 March 2025: £138.0 million).

The acquisition of Davis Pier resulted in goodwill increasing to £42.8 million (31 March 2025: £37.3 million) and intangible assets rising from £4.2 million at 31 March 2025 to £11.4 million at the period end. More information can be found in note 10 to the condensed consolidated financial statements.

The combined underlying net trade receivables and accrued income balance increased by 29% to £70.0 million (31 March 2025: £54.2 million) reflecting the return to revenue growth in the period. Trade payables and accruals rose to £57.6 million (31 March 2025: £54.3 million).

The final dividend for FY25 of £22.9 million has been included as a current liability in these financial statements. This dividend was approved by shareholders at the Annual General Meeting on 23 September 2025 and paid to shareholders on 24 October 2025.

Cash and cash conversion

The Group is highly cash generative, with our Workday Products business in particular having an attractive cash profile, as we receive payment from customers annually in advance. However cash conversion, which is cash generated by operating activities as a percentage of adjusted EBITDA, was lower than usual at 48% (H1 25: 75%). The payment in the period of restructuring costs provided for in FY25 impacted this by 13%, with a return to revenue growth having a further negative impact on cash conversion.

At 30 September 2025, we held cash and treasury deposits of £105.5 million (31 March 2025: £133.7 million). The movement in the period includes:

- £28.2 million returned to shareholders through a share buyback (see Capital allocation policy below);
- £2.1 million of cash outflows relating to the start of construction of our new Belfast office, which is set to open in 2027; and
- £7.7 million in relation to the acquisition of Davis Pier.

Interim dividend

The Board has declared an interim dividend of 9.8 pence per share for H1 26 (H1 25: 9.3 pence). This will be paid on 12 December 2025 to shareholders on the register at the close of business on 21 November 2025, with an ex-dividend date of 20 November 2025.

Capital allocation policy

Kainos has a strong unlevered balance sheet and continues to generate significant operating cash flow. The Board's main priorities for utilising our cash are to grow the business organically and through acquisition, and to reward shareholders through increased earnings and our progressive dividend policy, while retaining a robust capital base.

When the Group has surplus cash, the Board will consider returns of capital to shareholders. During the period, we completed the share buyback of £30 million announced in November 2024, purchasing 1,054,544 shares at a cost of £7.4 million. On 19 May 2025, we announced a further share buyback programme of up to £30.0 million, under which we acquired a further 2,738,434 shares in the period, at a cost of £20.9 million. Since the period end, we have acquired an additional 741,111 shares at a cost of £7.1 million, bringing the total returned to date to shareholders through both buyback programmes to £57.8 million.

We continue to apply the Board's capital allocation framework and as announced on 10 November 2025, we will launch a further share buyback programme of £30.0 million, with effect from the end of the current share buyback programme on 19 November, to be executed over a period of six months.

Further information can be found in notes 14 and 16 to the condensed consolidated financial statements.

As a result of the two share buyback programmes, we cancelled 3,952,667 shares during the period, with 43,490 shares purchased but not cancelled at the period end.

The Board will continue to review its capital allocation policy and further distributions to shareholders, taking into account other potential uses of capital that may drive value for shareholders over the medium term.

Related party transactions

There have been no new, nor material changes in related party transactions from those described in the last annual report.

RISKS & UNCERTAINTIES

There are several potential risks and uncertainties which could have a material impact on the Group's performance over the remaining six months of the financial year and could cause actual results to differ materially from forecast and historic results.

The Directors do not consider that the principal risks and uncertainties described in the Annual Report for the year ended 31 March 2025 have changed, although we continue to ensure that these risks are effectively managed. A detailed explanation of the risks summarised below, and how the Group seeks to mitigate the risks, can be found on pages 60 - 65 of the Annual Report for the year ended 31 March 2025 (available on the Group's website www.kainos.com).

Risk	Description
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1. Cyber and information security	Cyber threats are constantly adapting and increasing in number, frequency and sophistication. We must maintain appropriate controls and protective measures to ensure the confidentiality, integrity and availability of our IT systems, both internally and as part of our service offerings to customers.
2. Global macro-economic events	We may be affected by: - the instability of the financial system, market disruptions or suspensions; - a material downturn in the financial markets or an economic recession; - the insolvency, closure, consolidation or rationalisation of parts of our customer base; - increased geopolitical instability; or - major changes in UK Government structure, such as the reorganisation of key public sector bodies (e.g. the merger of NHS England into the Department of Health and Social Care).
3. Exchange rate fluctuations	There is a risk of material detrimental movement in foreign exchange rates.
4. Partner relationships	Our partner arrangements may include access to proprietary materials such as training, know-how or branding, which we require to deliver or enhance our services. A deterioration in strategic partner relationships could result in us losing access to essential intellectual property or services, which could impact partner-influenced sales.
5. Increasing complexity of global data protection laws	We need to comply with legal, regulatory and contractual information security and data privacy requirements. In Europe, GDPR mandates a suite of data privacy controls to mitigate the risk of unauthorised disclosure of personal information. Other jurisdictions have similar measures and as we expand into new regions, it is imperative that we understand and adhere to the applicable controls.
6. Long-term climate change and sustainability	With investors and other stakeholders increasingly focusing on sustainability and climate, there is reputational risk for us if we decide not to act or act too slowly.
7. Non-compliance with laws and regulations	We must comply with laws and regulations applicable to us and design our products and services to comply with laws and regulations applicable to our customers.
8. Unsafe use of AI	Using AI technology without appropriate safeguards or ethical considerations could lead to the mishandling of sensitive data, privacy violations and reputational damage through bias, discrimination or use of technology which does not consider ethical concerns.
9. Increasing customer demands in a competitive skills market	Demand for skills in areas such as business development, low code, data and AI, cyber security and application development may introduce challenges when recruiting new people and retaining our current skilled employees.

GOING CONCERN

As further outlined in note 2 to the condensed consolidated financial statements, the Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, which is a period of not less than 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed consolidated financial statements.

Condensed consolidated income statement for the six months ended 30 September 2025

Continuing operations	Note	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (audited) (£000s)
Revenue	5	196,135	183,113	367,246
Cost of sales	5	(101,970)	(91,065)	(191,337)
Gross profit		94,165	92,048	175,909
Operating expenses				

Restructuring costs	-	-	(8,411)
Other operating expenses	(68,292)	(61,929)	(125,643)
Total operating expenses	(68,292)	(61,929)	(134,054)
Impairment gain (including amounts recovered) on trade receivables and accrued income	215	738	678
Operating profit	26,088	30,857	42,533
Finance income	2,474	3,509	6,440
Finance expense	(194)	(164)	(333)
Profit before tax	28,368	34,202	48,640
Income tax expense	6	(7,777)	(13,080)
Profit for the period	20,580	25,425	35,560

Profit attributable to equity holders of the parent Company

Condensed consolidated statement of comprehensive income for the six months ended 30 September 2025

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (audited) (£000s)
Profit for the period	20,580	25,425	35,560
Items that may be reclassified subsequently to profit or loss:			
Foreign operations - foreign currency translation differences	464	(2,110)	(1,595)
Total comprehensive income for the period	21,044	23,315	33,965

Total comprehensive income attributable to equity holders of the parent Company

Earnings per share

Basic	8	17.0p	20.3p	28.4p
Diluted	8	16.7p	20.1p	28.2p

Condensed consolidated statement of financial position as at 30 September 2025

	Note	30 Sep 2025 (unaudited) (£000s)	30 Sep 2024 (unaudited) (£000s)	31 Mar 2025 (audited) (£000s)
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Non-current assets				
Goodwill		42,778	36,415	37,313
Other intangible assets		11,364	4,507	4,239
Property, plant and equipment		13,599	12,156	12,145
Right-of-use assets		4,370	5,356	4,718
Investments in equity instruments		1,299	1,299	1,299
Deferred tax asset		4,550	5,406	4,911
		77,960	65,139	64,625
Current assets				
Trade and other receivables	9	42,232	36,588	38,520
Prepayments		7,671	5,419	7,553
Accrued income		35,726	31,422	22,673
Cash and cash equivalents		100,001	137,141	128,288
Treasury deposits		5,498	14,435	5,399
		191,128	225,005	202,433
Total assets		269,088	290,144	267,058
Current liabilities				
Trade payables and accruals		(57,578)	(38,407)	(54,269)
Dividend payable	7	(22,935)	(24,027)	-
Share buyback liability	14	(9,158)	-	-
Deferred income		(49,803)	(40,980)	(46,358)
Current tax liabilities		(4,792)	(8,094)	(2,526)
Lease liabilities		(1,229)	(1,201)	(1,246)
Provisions		(1,070)	-	(5,388)
Other tax and social security		(8,541)	(10,041)	(11,452)
		(155,106)	(122,750)	(121,239)
Non-current liabilities				
Provisions		(1,579)	(1,524)	(1,546)
Deferred tax liability		(3,731)	(1,738)	(1,976)
Lease liabilities		(4,056)	(4,838)	(4,312)
		(9,366)	(8,100)	(7,834)
Total liabilities		(164,472)	(130,850)	(129,073)
Net assets		104,616	159,294	137,985
Equity				
Share capital		598	629	618
Share premium account		9,511	9,503	9,481
Other reserves		7,358	3,548	3,562
Share-based payment reserve		39,183	34,323	36,907
Shares held to be cancelled	14	(9,552)	-	(1,431)
Translation reserve		(1,166)	(2,145)	(1,630)
Retained earnings		58,684	113,436	90,478
Total equity		104,616	159,294	137,985

CONDENSED
CONSOLIDATED
STATEMENT OF
CHANGES IN
EQUITY FOR THE

SIX MONTHS
ENDED 30
SEPTEMBER 2025

	Share capital	Shares held to be cancelled (£000s) ⁽⁵⁾	Share premium	Other reserves	Share- based payment reserve (£000s)	Translation reserve	Retained earnings	Total equity
	(£000s)		(£000s)	(£000s)	(£000s)	(£000s)	(£000s)	(£000s)
Balance at 31 March 2024 (audited)	629	-	9,419	3,548	31,228	(35)	112,024	156,813
Profit for the period	-	-	-	-	-	-	25,425	25,425
Other comprehensive income	-	-	-	-	-	(2,110)	-	(2,110)
Total comprehensive income for the period	-	-	-	-	-	(2,110)	25,425	23,315
Equity settled share-based payments	-	-	-	-	3,095	-	-	3,095
Current tax for equity-settled share-based payments	-	-	-	-	-	-	14	14
Issue of share capital - share options exercised	-	-	84	-	-	-	-	84
Dividends	-	-	-	-	-	-	(24,027)	(24,027)
Balance at 30 September 2024 (unaudited)	629	-	9,503	3,548	34,323	(2,145)	113,436	159,294
Profit for the period	-	-	-	-	-	-	10,135	10,135
Other comprehensive income	-	-	-	-	-	515	-	515
Total comprehensive income for the period	-	-	-	-	-	515	10,135	10,650
Equity settled share-based payments	-	-	-	-	2,584	-	-	2,584
Current tax for equity-settled share-based payments	-	-	-	-	-	-	7	7
Deferred tax for equity-settled share-based payments	-	-	-	-	-	-	(25)	(25)
Issue of share capital - share options exercised	3	-	(22)	-	-	-	-	(19)
Share buyback programme	-	(22,785)	-	-	-	-	-	(22,785)
Shares cancelled	(14)	21,354	-	14	-	-	(21,354)	-
Dividends	-	-	-	-	-	-	(11,721)	(11,721)
Balance at 31 March 2025 (audited)	618	(1,431)	9,481	3,562	36,907	(1,630)	90,478	137,985
Profit for the period	-	-	-	-	-	-	20,580	20,580
Other comprehensive income	-	-	-	-	-	464	-	464
Total comprehensive income for the period	-	-	-	-	-	464	20,580	21,044
Equity settled share-based payments	-	-	-	-	2,276	-	-	2,276
Issue of share capital - share options exercised	-	-	30	-	-	-	-	30
Share buyback programme	-	(37,560)	-	-	-	-	-	(37,560)
Shares cancelled	(20)	29,439	-	20	-	-	(29,439)	-
Issue of shares as purchase consideration	-	-	-	3,776	-	-	-	3,776
Dividends	-	-	-	-	-	-	(22,935)	(22,935)
Balance at 30 September 2025 (unaudited)	598	(9,552)	9,511	7,358	39,183	(1,166)	58,684	104,616

CONDENSED
CONSOLIDATED
STATEMENT OF
CASH FLOWS FOR
THE SIX MONTHS
ENDED 30
SEPTEMBER 2025

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (audited) (£000s)
Cash flows from operating activities			
Profit for the period	20,580	25,425	35,560
<i>Adjustments for:</i>			
Finance income	(2,474)	(3,509)	(6,440)
Finance expense	194	164	333
Tax expense	7,788	8,777	13,080
Share-based payment expense	2,872	3,104	5,930
Depreciation of property, plant and equipment	1,681	1,660	3,381
Depreciation of right-of-use assets	624	615	1,277
Gain on disposal of property, plant and equipment	(117)	-	-
Amortisation of intangible assets	365	414	836
Post-acquisition remuneration to be settled by shares	34	-	-
(Decrease)/increase in provisions	(4,312)	(18)	5,392
Operating cash flows before movements in working capital	27,235	36,632	59,349
(Increase)/decrease in trade and other receivables (including accrued income)	(14,769)	6,654	10,912
Decrease/(increase) in trade and other payables (including deferred income)	2,766	(15,392)	1,513
Cash generated from operating activities	15,232	27,894	71,774
Income taxes paid	(5,745)	(8,753)	(12,967)
Net cash from operating activities	9,487	19,141	58,807
Cash flows from investing activities			
Interest received	2,251	3,202	6,027
Purchases of property, plant and equipment	(2,976)	(1,531)	(3,369)
Proceeds from sale of investment property	-	6,200	6,200
Proceeds from sale of property, plant and equipment	125	-	-
Acquisition of subsidiaries net of cash acquired	(7,720)	-	-
Amounts placed on treasury deposit	(99)	(10,032)	(996)
Net cash (used in)/from investing activities	(8,419)	(2,161)	7,862
Cash flows from financing activities			
Dividends paid	-	-	(35,748)
Share buyback programme	(28,235)	-	(22,552)
Interest paid	(194)	(164)	(333)
Repayment of lease liabilities	(752)	(739)	(1,121)
Proceeds on issue of shares	30	84	65
Net cash used in financing activities	(29,151)	(819)	(59,689)
Net (decrease)/increase in cash and cash equivalents	(28,083)	16,161	6,980
Cash and cash equivalents at start of period	128,288	121,558	121,558
Effect of exchange rate fluctuations on cash held	(204)	(578)	(250)
Cash and cash equivalents at end of period	100,001	137,141	128,288

CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Kainos Group plc ("Company") is a public company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales (Company registration number 09579188), having its registered office at 21 Farringdon Road, 2nd Floor, London, EC1M 3HA. The Company is listed on the London Stock Exchange.

These condensed consolidated financial statements for the six months ended 30 September 2025 comprise the Company and its subsidiaries (together the "Group"). The nature of the Group's operations and its principal activities are set out in the Group business review.

These statements have not been audited but have been reviewed by the Group's auditor pursuant to International Standard on Review Engagements (UK) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council.

These condensed consolidated financial statements were approved for issue on 7 November 2025.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2025 have been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and with IAS 34 "Interim Financial Reporting" under UK-adopted International Accounting Standards and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 March 2025 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with UK-adopted International Accounting Standards and in conformity with the requirements of the Companies Act 2006. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These condensed consolidated financial statements do not constitute statutory accounts of the Group within the meaning of Section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 March 2025 have been filed with the registrar of companies and can be found on the Group's website. The auditor's report on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498(2) or (3) of the Companies Act 2006.

The annual statements of Kainos Group plc are prepared in accordance with UK-adopted International Accounting Standards.

GOING CONCERN

Having reviewed the future plans and projections for our business and our current financial position, the Directors believe that we are well placed to manage our business risks successfully. We have adequate financial resources, no borrowings, a good level of recurring revenue, and a broad spread of customers.

At 31 March 2025, the Directors assessed the Group's viability over a longer period to March 2028. The review included sensitivity analysis on the future performance and solvency over three years and for the principal and emerging risks facing the business in severe but reasonable scenarios.

In performing this assessment, our long-term strategy and focus, the demand for our products and services, the level of recurring revenue and strong customer retention, the track record of strong cash generation and a healthy cash balance with no debt from financial institutions were all taken into consideration. Consideration was also given to the risks of regional and political changes in our main markets.

Based on the results of this assessment, the Directors had a reasonable expectation that should these risks, either all or in part manifest themselves, the resulting adverse outcomes can be managed and mitigated such that, the Group and Company will be able to continue in operation and meet their liabilities as they fall due over the period of their assessment. In doing so, we note that such future assessments are subject to a level of uncertainty that increases with time and, therefore, future outcomes cannot be guaranteed or predicted with certainty.

As a consequence of these factors and having reviewed the forecasts for the coming year, the Directors have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of this Interim Report. For this reason, we continue to adopt the going concern basis of accounting in preparing our financial statements.

3. MATERIAL ACCOUNTING POLICIES

Except for as detailed below, the accounting policies, presentation and methods of computation applied by the Group in these condensed consolidated financial statements are the same as those applied in the Group's latest audited annual consolidated financial statements for the year ended 31 March 2025.

UK- adopted IFRS

Adoption of new UK-adopted IFRS Standards, interpretations and amendments effective in the current financial period have not had a material impact on the condensed consolidated interim financial statements. The Group has not applied any other standards, interpretations or amendments that have been issued but are not yet effective.

The impact of the following is under assessment:

IFRS18 Presentation and disclosure in financial statements

IFRS18 Primary Financial Statements, will replace IAS1 Presentation of Financial Statements, and will become effective in the Group financial statements for the financial year ending 31 March 2028, subject to UK endorsement.

The new standard introduces the following key new requirements.

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Group's consolidated income statement, the statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements, including for items currently labelled as 'other'.

Other standards, interpretations and amendments issued but not yet effective are not expected to have a material impact.

Income tax

The policy for recognising and reassessing income taxes in the interim period is consistent with that applied in the previous period as described in note 6.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those applied to the statutory accounts for the year ended 31 March 2025.

5. SEGMENT REPORTING

All our revenue for the six-month period to 30 September 2025 was derived from continuing operations.

The Group's Executive Directors are considered to be the Chief Operating Decision Maker ('CODM') of the Group. They use internal management reports to assess both performance and strategy of the Group and the three specialist business areas: Digital Services, Workday Services and Workday Products.

The following is an analysis of the Group's revenue and results by reportable segment:

2025 6 months to 30 September (unaudited)	Digital Services (£000s)	Workday Services (£000s)	Workday Products (£000s)	Total (£000s)
Revenue	103,531	53,376	39,228	196,135
Cost of sales	(66,431)	(26,798)	(8,741)	(101,970)
Gross profit	37,100	26,578	30,487	94,165
Direct expenses ^[6]	(13,651)	(17,523)	(19,362)	(50,536)
Contribution	23,449	9,055	11,125	43,629
Depreciation of property, plant and equipment				(1,681)
Central overheads ⁽⁶⁾				(12,198)
Net finance income				2,280
Adjusted profit before tax				32,030
Share-based payment expense and related costs				(2,872)
Amortisation of acquired intangible assets				(365)
Compensation for post-combination services				(285)
Acquisition-related expenses				(140)
Profit before tax				28,368

2024 6 months to 30 September (unaudited)	Digital Services (£000s)	Workday Services (£000s)	Workday Products (£000s)	Total (£000s)
Revenue	97,271	51,542	34,300	183,113
Cost of sales	(59,967)	(23,693)	(7,405)	(91,065)
Gross profit	37,304	27,849	26,895	92,048
Direct expenses ⁽⁶⁾	(11,208)	(17,401)	(15,761)	(44,370)
Contribution	26,096	10,448	11,134	47,678
Depreciation of property, plant and equipment				(1,660)

Central overheads(6)	(11,213)
Net finance income	3,345
Adjusted profit before tax	38,150
Share-based payment expense and related costs	(3,104)
Amortisation of acquired intangible assets	(414)
Compensation for post-combination services	(414)
Acquisition-related expenses	(16)
Profit before tax	34,202

2025 12 months to 31 March (audited)	Digital Services (£000s)	Workday Services (£000s)	Workday Products (£000s)	Total (£000s)
Revenue	197,173	98,725	71,348	367,246
Cost of sales	(125,438)	(47,647)	(18,252)	(191,337)
Gross profit	71,735	51,078	53,096	175,909
Direct expenses(6)	(21,546)	(33,491)	(33,615)	(88,652)
Contribution	50,189	17,587	19,481	87,257
Depreciation of property, plant and equipment				(3,381)
Central overheads(6)				(24,341)
Net finance income				6,107
Adjusted profit before tax				65,642
Share-based payments expense and related costs				(5,930)
Amortisation of acquired intangible assets				(836)
Compensation for post-combination services				(877)
Acquisition-related expenses				(948)
Restructuring costs				(8,411)
Profit before tax				48,640

The Group's revenue from external customers by geographic location is detailed below:

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (audited) (£000s)
United Kingdom & Ireland	111,267	107,679	217,374
North America	66,236	55,752	114,392
Central Europe	16,583	19,072	33,710
Rest of world	2,049	610	1,770
	196,135	183,113	367,246

Disaggregation of the Group's revenue is presented in the following tables:

<i>6 months to 30 September 2025 (unaudited)</i> Type of revenue	Digital Services (£000s)	Workday Services (£000s)	Workday Products (£000s)	Total (£000s)
Services	99,301	51,141	1,168	151,610
Subscriptions	-	-	38,060	38,060
Third party & other	4,230	2,235	-	6,465
	103,531	53,376	39,228	196,135

<i>6 months to 30 September 2024 (unaudited)</i> Type of revenue	Digital Services (£000s)	Workday Services (£000s)	Workday Products (£000s)	Total (£000s)
Services	93,004	50,139	1,990	145,133
Subscriptions	-	-	32,310	32,310
Third party & other	4,267	1,403	-	5,670
	97,271	51,542	34,300	183,113

<i>12 months to 31 March 2025 (audited)</i>	Digital Services (£000s)	Workday Services (£000s)	Workday Products (£000s)	Total (£000s)
Type of revenue				
Services	188,451	95,047	4,061	287,559
Subscriptions	-	-	67,287	67,287
Third party & other	8,722	3,678	-	12,400
	197,173	98,725	71,348	367,246

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (audited) (£000s)
Digital Services			
Public	65,088	62,046	125,502
Commercial	7,624	11,643	21,030
Healthcare	30,819	23,582	50,641
	103,531	97,271	197,173
Workday Services			
Public	-	53	35
Commercial	53,376	51,480	98,575
Healthcare	-	9	115
	53,376	51,542	98,725
Workday Products			
Public	-	-	-
Commercial	39,209	34,260	71,267
Healthcare	19	40	81
	39,228	34,300	71,348
Group			
Public	65,088	62,099	125,537
Commercial	100,209	97,383	190,872
Healthcare	30,838	23,631	50,837

Total	196,135	183,113	367,246
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Revenue for Digital Services is now shown separately for the North America region, reflecting its increasing strategic and operational importance:

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (unaudited) (£000s)
Digital Services			
Public	59,719	61,368	122,145
Commercial	6,399	10,522	17,965
Healthcare	29,616	22,255	48,210
North America	7,797	3,126	8,853
	103,531	97,271	197,173

6.

INCOME TAX EXPENSE

The estimate of the provision of income taxes which is determined in the interim financial statements uses the estimated average annual effective income tax rate applied to the profit before tax of the interim period, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

The total tax charge for the six months ended 30 September 2025 is £7.8 million (H1 25: £8.8 million). This tax charge equates to an effective tax rate of 27% (H1 25: 26%).

The expected annual tax rate for the year to 31 March 2026 is 27% (31 March 2025: 26%), which is higher than the UK corporation tax rate, primarily due to the impact of higher tax rates in the United States.

7.

DIVIDENDS

The dividends declared in the periods covered by these condensed consolidated financial statements are detailed below:

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (audited) (£000s)
Amounts recognised as distributions to equity holders in the period:			
Final dividend for 2025 of 19.1p per share	22,935	-	-
Interim dividend for 2025 of 9.3p per share	-	-	11,721
Final dividend for 2024 of 19.1p per share	-	24,027	24,027
	22,935	24,027	35,748

A final dividend of 19.1 pence per share for the year ended 31 March 2025 was paid on 24 October 2025 to shareholders on the register at the close of business on 3 October 2025, with an ex-dividend date of 2 October 2025. This dividend was declared following approval by the shareholders of the Company by ordinary resolution at the Company's Annual General Meeting on 23 September 2025 and a liability for payment of the dividend of £22.9 million has therefore been recognised in these condensed consolidated financial statements.

An interim dividend of 9.8 pence per share has been declared on 7 November 2025 for the six months to 30 September 2025 which amounts to £11.7 million. This will be paid on 12 December 2025 to shareholders on the register at the close of business on 21 November 2025, with an ex-dividend date of 20 November 2025. These condensed consolidated financial statements do not reflect the interim dividend payable.

8. EARNINGS PER SHARE

Basic

The calculation of basic earnings per share (EPS) has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (audited) (£000s)
Profit for the period	20,580	25,425	35,560
	Thousands	Thousands	Thousands
Issued ordinary shares at 1 April	123,620	125,788	125,788
Effect of shares held in trust	(921)	(826)	(882)
Effect of share options vested and exercised	391	396	418
Effect of shares issued related to a business combination	35	32	58

Effect of shares issued related to free share awards	-	-	122
Effect of share buyback programme	(2,036)	-	(468)
Weighted average number of ordinary shares	121,089	125,390	125,036
Basic earnings per share	17.0p	20.3p	28.4p

Diluted

The calculation of diluted EPS has been based on the following profit attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding after adjustments for the effects of all dilutive potential ordinary shares.

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (audited) (£000s)
Profit for the period	20,580	25,425	35,560
	Thousands	Thousands	Thousands
Weighted average number of ordinary shares (basic)	121,089	125,390	125,036
Effect of share options in issue	1,579	275	228
Effect of shares held in trust	921	826	882
Effect of potential shares to be issued related to a business combination	12	131	-
Weighted average number of ordinary shares (diluted)	123,601	126,622	126,146
Diluted earnings per share	16.7p	20.1p	28.2p

The average market value of the Company's shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the period during which the options were outstanding.

At 30 September 2025, no options (H1 25: 1,464,231) were excluded from the diluted weighted average number of ordinary shares calculation because their effect would have been anti-dilutive.

Adjusted

Adjusted basic and adjusted diluted earnings per share is calculated using the adjusted profit after tax for the period measure. The calculation of adjusted profit after tax for the period is detailed in the Financial review section of this report.

	6 months to 30 Sep 2025 (unaudited) (£000s)	6 months to 30 Sep 2024 (unaudited) (£000s)	12 months to 31 Mar 2025 (unaudited) (£000s)
Adjusted profit after tax for the period	23,360	28,485	48,304
	Thousands	Thousands	Thousands
Weighted average number of ordinary shares for the purposes of basic earnings per share	121,089	125,390	125,036
Weighted average number of ordinary shares for the purposes of diluted earnings per share	123,601	126,622	126,146
Adjusted basic earnings per share	19.3p	22.7p	38.6p
Adjusted diluted earnings per share	18.9p	22.5p	38.3p

9. TRADE AND OTHER RECEIVABLES

	30 Sep 2025 (unaudited) (£000s)	30 Sep 2024 (unaudited) (£000s)	31 Mar 2025 (audited) (£000s)
Trade receivables	34,280	28,587	31,481
Other receivables	7,952	8,001	7,039
	42,232	36,588	38,520

10. ACQUISITIONS

On 15 September 2025, the Group acquired 100% of the share capital of Davis Pierrynowski Limited ("Davis Pier"), a Canadian consultancy company known for its work in the Canadian public sector.

Founded in Halifax, Nova Scotia in 2014, Davis Pier brings deep expertise in policy, service design and change management. This acquisition marks a significant step in Kainos' North American growth strategy, strengthening its presence in Canada and expanding its capabilities in delivering transformation across public, healthcare and community services.

From 15 September 2025, Davis Pier has contributed revenue of £0.4 million and £0.1 million profit for the period. If the acquisition had occurred on 1 April 2025, management estimates that consolidated revenue for the six months ended 30 September 2025 would have been £202.3 million and consolidated profit for the period would have been £21.7 million.

The following table summarises the recognised amounts of assets and liabilities assumed at the acquisition date. Due to the close proximity of the acquisition date and the reporting date, the quantification of the fair value of the assets acquired and liabilities assumed at the acquisition date, including fair value of intangible assets and any associated deferred tax, has not been finalised at the reporting date. Accordingly, the amounts in the table below have been determined on a provisional basis and amounts including goodwill are subject to change following completion of the fair value assessment.

	Provisional fair value (unaudited) (£000s)
Fair value of identifiable net assets acquired	
Property, plant and equipment	167
Right-of-use asset	390
Cash and cash equivalents	931
Trade and other receivables	1,004
Intangible assets	7,617
Deferred tax liability	(2,210)
Lease liability	(364)
Deferred income	(423)
Trade and other payables	(2,120)
Fair value of net identifiable assets	4,992
Goodwill	6,086
Total consideration	11,078
	(unaudited) (£000s)
Satisfied by:	
Cash	7,302
Deferred consideration: issue of 426,691 shares	3,776
Total consideration	11,078

Outflow of cash and cash equivalents	(unaudited) (£'000s)
Cash consideration	7,302
Repayment of existing debt	1,349
Less cash and equivalents acquired	(931)
Net cash outflow	7,720

Deferred consideration

Under the terms of the acquisition, the Group has agreed to issue a fixed number of ordinary shares (426,691 ordinary shares) as purchase consideration. As detailed in note 13, these ordinary shares were not issued and allotted until subsequent to the period end, on 2 October 2025. The instrument has been classified as equity as it represents an obligation to deliver a fixed number of shares to settle the purchase consideration and has been recognised in equity in the 'shares to be issued' reserve.

The fair value of the ordinary shares to be issued was determined based on the listed share price of the Company on 15 September 2025 (£8.86 per share), the effective date of control. Following initial recognition, the value of the ordinary shares to be issued is not remeasured and its subsequent settlement is accounted for within equity.

Goodwill

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets and is pending finalisation of the fair value of the assets acquired and liabilities assumed at the acquisition date. The goodwill reflects the skilled and assembled workforce of the acquired entity and the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill recognised is expected to be deductible for tax purposes.

Acquisition related costs

The Group incurred acquisition related costs of £0.1 million on legal and due diligence costs. These costs have been included in operating expenses.

compensation for post combination remuneration

In connection with the Group's current and prior acquisitions, additional compensation for post-combination services of up to £5.5 million (H1 25: £3.1 million) will be payable in future periods to September 2028, subject to future service conditions being met. Amounts relating to compensation for post-combination services are recognised as an expense over the service period. During the period, a charge of £0.3 million (H1 25: £0.4 million) has been recognised within operating expenses for compensation for post-combination services.

11. FINANCIAL INSTRUMENTS

The Directors consider that the carrying amounts for all financial assets and liabilities is a reasonable approximation of their fair value.

12. RELATED PARTY TRANSACTIONS

There have been no related party transactions during the six months to 30 September 2025 that have materially affected the financial position or performance of the Group.

No share options were exercised by Directors during the period (H1 25: nil options).

All related party transactions are materially consistent with those disclosed by the Group in its financial statements for the year ended 31 March 2025.

13. ISSUE OF ORDINARY SHARES

During the six months ended 30 September 2025, the Group issued 51,577 ordinary shares (H1 25: 24,505 shares) due to the exercise of vested options. The weighted average exercise price of options exercised in the period was £0.97 per share (H1 25: £2.51 per share).

The Group issued no ordinary shares in respect of post-acquisition remuneration in the period (H1 25: 32,382). 426,691

ordinary shares were agreed to be issued as purchase consideration on the acquisition of Davis Pier which occurred on 15 September 2025 (note 10). These ordinary shares were not issued and allotted until subsequent to the period end, on 2 October 2025. The fair value of the shares has been determined based on the acquisition date (£3.8 million) and recognised in equity in the 'shares to be issued' reserve.

All ordinary shares were issued with a nominal value of £0.005 each.

14. SHARE BUYBACK PROGRAMME

On 9 May 2025, the Group completed the share buyback programme announced on 11 November 2024. As part of this programme, a total of 3,993,382 shares were bought back for consideration of £30.2 million, including transaction costs (£0.2 million), of which 1,054,544 shares were purchased during the period for consideration of £7.4 million, including transaction costs.

On 19 May 2025, the Board announced a further £30.0 million share buyback programme to be executed over a period of six months. As at 30 September 2025, a total of 2,738,434 shares have been purchased for consideration of £20.9 million, including transaction costs of £0.1 million. However, due to timing, only 2,694,944 were cancelled at 30 September 2025 and the remaining 43,490 shares purchased for £0.4 million were cancelled in October 2025. The share buyback programme is due to complete on the earlier of reaching the maximum of £30.0 million or 18 November 2025. The Group entered into an irrevocable and non-discretionary arrangement with its broker, Investec Bank plc, to execute the share buyback programme. A financial liability of £9.2 million has been recognised at 30 September 2025, representing the remaining irrevocable obligation to acquire shares under the buyback agreement to 18 November 2025. Details of shares bought back since 30 September 2025 are included in note 16.

The sole purpose of the share buyback programmes is to reduce the share capital of the Company, with all shares subsequently cancelled.

The table below presents the reconciliation of own shares purchased for cancellation between the consolidated statement of changes in equity and the consolidated statement of cash flows:

	30 Sep 2025 (unaudited) (£000s)	30 Sep 2024 (unaudited) (£000s)	31 Mar 2025 (audited) (£000s)
<i>Own shares purchased for cancellation</i>			
Included in the consolidated statement of changes in equity^{ab}	(37,560)	-	(22,785)
Payments in relation to prior year financial liabilities	(233)	-	-
Outstanding amount recognised as financial liabilities ^c	9,558	-	233
Included in the consolidated statement of cash flows^d	(28,235)	-	(22,552)

(a) 3,792,978 (H1 25: nil) ordinary shares were purchased, representing approximately 3.2% of the called-up share capital as at 30 September 2025 (H1 25: £Nil). This includes 43,490 ordinary shares purchased but not cancelled as at 30 September 2025 and a liability of £9.2 million representing the remaining, committed purchase of shares to the completion of the programme. Expenses of £0.2 million (H1 25: £Nil), were incurred and recognised in the shares held to be cancelled reserve.

(b) During the period, the aggregate nominal value of shares cancelled and transferred to the capital redemption reserve was £20.0 thousand (H1 25: £Nil).

(c) Comprises £0.4 million (H1 25: £Nil, 31 March 2025 £0.2 million) as consideration for shares purchased at period end, not yet settled, included in trade and other payables; together with share buyback liability of £9.2m for the remaining irrevocable obligation to acquire shares under the buyback agreement.

(d) 3,749,488 (2024: nil) ordinary shares purchased at an average price of £7.41 per share.

Details of shares bought back since 30 September 2025 are included in note 16.

15. CONTRACTUAL COMMITMENTS

During FY25, the Group entered into a strategic partnership agreement with Workday, Inc. under which the Group is committed to incurring a total minimum expenditure of £23.6 million over three years. £12.4 million remains committed as at 30 September 2025 (H1 25: £21.8 million)

£34.3 million of capital commitments exist at 30 September 2025 (H1 25: £0.8 million) in connection with the construction of the Group's new headquarters in Belfast.

16. SUBSEQUENT EVENTS

Subsequent to 30 September 2025, the Company paid the final dividend of £22.9 million in respect of the year ended 31 March 2025. As detailed in note 7, this dividend was declared at the Annual General Meeting on 23 September 2025 and paid to shareholders on 24 October 2024.

The Company bought back, for cancellation, 741,111 ordinary shares at a cost of £7.1 million between 1 October 2025 and 7 November 2025.

Furthermore, on 7 November 2025, the Board of Directors approved the commencement of another £30.0 million share buyback programme, with effect from the end of the current buyback programme on 19 November, to be executed over a period of six months. The sole purpose of the programme is to reduce the Company's share capital, and any shares purchased for this purpose will be cancelled.

Statement of Directors responsibilities

The Directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

In preparing the condensed set of consolidated financial statements included within the half-yearly financial report, the Directors are required to:

- prepare and present the condensed set of consolidated financial statements in accordance with IAS 34 *Interim Financial Reporting* as adopted for use in the UK and the DTR of the UK FCA;
- ensure the condensed set of consolidated financial statements has adequate disclosures;
- select and apply appropriate accounting policies;
- make accounting estimates that are reasonable in the circumstances; and
- **assess the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.**

The Directors are responsible for designing, implementing and maintaining such internal controls as they determine is necessary to enable the preparation of the condensed set of consolidated financial statements that is free from material misstatement whether due to fraud or error.

We confirm that to the best of our knowledge:

- (1) the condensed set of consolidated financial statements included within the half-yearly financial report of Kainos Group plc for the six months ended 30 September 2025 ("the interim financial information") which comprises the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows and the related explanatory notes, have been presented and prepared in accordance with IAS 34, *Interim Financial Reporting*, as adopted for use in the UK, and the DTR of the UK FCA.
- (2) The interim financial information presented, as required by the DTR of the UK FCA, includes:
 - a. an indication of important events that have occurred during the first six months of the financial year, and their impact on the condensed set of consolidated financial statements;
 - b. a description of the principal risks and uncertainties for the remaining six months of the financial year;
 - c. related parties' transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or the performance of the enterprise during that period; and
 - d. any changes in the related parties' transactions described in the last annual report that could have a material effect on the financial position or performance of the enterprise in the first six months of the current financial year.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Entity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Richard McCann

Chief Financial Officer/Chief Operating Officer

7 November 2025

INDEPENDENT
REVIEW REPORT
TO KAINOS GROUP
PLC ("THE
ENTITY").

Conclusion

We have been engaged by the Entity to review the Entity's condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 September 2025 which comprises the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of changes in equity, the condensed consolidated statement of cash flows, a summary of significant accounting policies and other explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the half-yearly financial report for the six months ended 30 September 2025 is not prepared, in all material respects in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Entity to cease to continue as a going concern, and the above conclusions are not a guarantee that the Entity will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

The directors are responsible for preparing the condensed set of consolidated financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

As disclosed in note 2, the annual financial statements of the Entity for the period ended 31 March 2025 are prepared in accordance with UK-adopted International Accounting Standards.

In preparing the condensed set of consolidated financial statements, the directors are responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the Entity a conclusion on the condensed set of consolidated financial statements in the half-yearly financial report based on our review.

Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the Entity in accordance with the terms of our engagement to assist the Entity in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Entity those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Entity for our review work, for this report, or for the conclusions we have reached.

Chartered Accountants
The Soloist Building
1 Lanyon Place
Belfast
BT1 3LP

⁽¹⁾ The Financial review section reconciles adjusted and statutory profit measures. See also the definition of terms section for more information on adjusted measures and other key terms and metrics used in this report.

⁽²⁾ Includes £5.5 million (H1 25: £14.4 million) of treasury deposits which do not meet the definition of cash and cash equivalents.

⁽³⁾ Digital Services' sectoral revenues for H1 25 have been represented to exclude North America, which we now report separately.

⁽⁴⁾ See the definition of terms for more information on how Net Promoter Score is calculated.

⁽⁵⁾ Shares purchased not yet cancelled plus shares irrevocably committed to be purchased as part of the current share buyback programme.

⁽⁶⁾ Direct expenses plus central overheads (including depreciation) plus balances below adjusted profit equals the sum of operating expenses plus impairment gain/(loss) and reversals on trade receivables and accrued income. Direct expenses are expenses that are directly attributable to each division.

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