30 September 2025

Next 15 Group plc

("Next 15" or the "Group")

Interim results for the six months ended 31 July 2025

Robust Performance despite difficult market conditions
Current Trading in line with Full-Year Expectations supported by disciplined cost management and portfolio simplification

Next 15 Group plc (AIM:NFG), the tech and data-driven growth consultancy, today announces its interim results for the six months ended 31 July 2025.

Financial results for the six months to 31 July 2025 (unaudited)

	Six months ended 31 July 2025 £m	Six months ended 31 July 2024 £m	% change year on year
Adjusted results[1]			
Net revenue	**230.8**	**239.4**	**(3.6)%**
Adjusted operating profit	**32.7**	**33.7**	**(3.1)%**
Adjusted operating profit margin	**14.2%**	**14.1%**	
Adjusted profit before tax	**30.9**	**31.4**	**(1.4)%**
Adjusted diluted earnings per share (p)	**21.4p**	**20.8p**	**2.9%**
Statutory results			
Net cash inflow from operating activities	**5.6**	**4.6**	**22.7%**
Revenue	**324.2**	**364.1**	**(11.0)%**
Profit before tax	**2.8**	**33.4**	**(91.6)%**
Diluted (loss)/earnings per share (p)	**(1.4)p**	**21.1p**	**(106.6)%**

[1]Adjusted results have been presented to provide additional information that may be useful to shareholders to understand the performance of the Group by facilitating comparability both year on year and with industry peers. Adjusted results are reconciled to statutory results within the appendix. The adjusted results exclude Mach49 on the basis that it will be treated as a discontinued operation and reported separately for the full year.

Financial highlights

- Net revenue marginally down at £230.8m, a reduction of 3.6% (5.3% on a constant currency basis), reflecting an uncertain macroeconomic backdrop, US tariffs, particularly affecting discretionary marketing spend.
- Strong performance within Retail Media and public sector Digital Transformation (which increased by more than 50%) partially offsetting a continued decline in technology client spend.
- Adjusted operating profit of £32.7m, down 3.1%, with margin maintained at 14.2% due to focus on costs and simplification.
- Statutory profit before tax reduced to £2.8m, principally due to the write-downs in Mach49 (£10.0m) and related advisory costs (£4.4m).
- Adjusted diluted earnings per share of 21.4p, up 2.9% on last year, driven by a reduction in minority interests and settling earn-outs with cash.
- Interim dividend maintained at 4.75p per share, underpinned by strong cashflow and solid balance sheet.
- Net cash inflow from operating activities increased against last year to £5.6m, with net debt of £45.3m as at 31 July 2025. The Group is now seeing the benefit of improved working capital management processes with a positive inflow of cash from working capital of £4.3m compared to an outflow of £31.9m last year.

Operational highlights

- Simplification strategy underway with the portfolio of businesses reduced from 22 to 12.
    - Completed disposals of two smaller entities, Palladium and BYND ('Beyond'). Total consideration estimated to be £6.3m
    - Savanta & Plinc and House 337 & Elvis integrations underway.
    - Four B2B tech marketing agencies combined into a single new data and AI led business yielding immediate substantial cost efficiencies.
- Commenced the winding-down of the operations of Mach49, expected to be completed by year-end.

Current trading and outlook

- Trading in the first couple of months of H2 FY26 is progressing as expected.
- Full year performance anticipated to be in line with market expectations, supported by robust growth in high-potential markets such as Digital Transformation, Retail Media, and data-driven services.
- Focus remains on portfolio simplification, margin discipline, and capital allocation discipline with cost efficiencies and ongoing efforts to streamline the business reinforcing profitability in the second half.

Commenting on the results, Sam Knights said:

"In my first 100 days as CEO, we have acted decisively to resolve legacy issues, simplify the Group, and position the business for sustainable growth. We have reduced our portfolio from 22 to 12 businesses, completed the disposals of Palladium and Beyond, and initiated the integrations of Savanta with Plinc and House 337 with Elvis. At the same time, we have commenced the wind-down of Mach49, which will complete by year-end.

While technology markets remain under pressure, we have seen strong performances in our FMCG and government businesses, as well as continued momentum in Digital Transformation. These strengths, combined with disciplined cost management, have enabled us to maintain margins and improve cash generation despite softer revenues.

With a stronger balance sheet, lower leverage, and clear strategic priorities, we are well placed to meet expectations for the full year."

Trading

The Group has delivered a solid first-half performance, with trading in line with expectations despite ongoing macroeconomic uncertainties. This trading performance demonstrates the Group's resilience, underpinned by its strategic focus on portfolio simplification, disciplined cost management, and strong growth in the parts of the group most focused on data and digital transformation, which remain central to its long-term development strategy.

Performance across key client sectors has been varied, but particularly encouraging in strategic growth areas. Although revenue declined slightly due to a weaker USD, global economic challenges, US tariff uncertainty, and reduced spend from tech clients (prioritising AI investments over other activities), the Consumer & Retail client base delivered robust growth. Revenues within this wide ranging client sector increased by £6m (9%) making this our largest client group, now accounting for 31% of total revenues. The Public Sector client base was the fastest growing, with revenues increasing by 45%, driven by a rise in government projects. However, Technology client revenues declined by £12.1m (~15%), reflecting broader sectoral headwinds.

Continued focus on cost management, resource optimisation, and the benefits of consolidation delivered by the initial phases of the simplification strategy all contributed to a slight improvement in adjusted operating margins to 14.2% (H1 FY25: 14.1%). As part of the Group's drive for efficiency, average headcount has been reduced to 3,747 in H1 FY26 (H1 FY25: 4,070), further supporting the Group's focus on sustainable growth and profitability.

The balance sheet remains healthy and leverage remains low with Net Debt/Adjusted EBITDA at 0.5x (against a covenant limit of 2.5x). Operating cash flow improved in H1 driven in large part by the disciplined management of working capital, which generated a £4.3m working capital inflow, a substantial improvement on the £31.9m outflow in H1 FY25.

We are in the process of winding down the Mach49 business, with completion expected by year-end. For full-year reporting, Mach49 will be classified as a discontinued operation, with its results presented separately in the financial statements. Mach49 reported an operating loss of £2.9m in the first half of the year, with further losses anticipated in the second half. Additionally, we incurred £4.4m in legal and related advisory costs during the first half, primarily relating to the potential serious misconduct identified in Mach49 and the arbitration proceedings with the former members of Mach49, and to facilitate the wind-down process. As these proceedings remain ongoing, we have excluded these costs from our financial guidance.

The Board has maintained the interim dividend at 4.75p per share, reflecting confidence in the Group’s strong balance sheet and near term outlook. This represents a cash cost of £4.75m, payable to shareholders on 21 November 2025 who hold shares on 17 October 2025.

Strategy

The first half of FY26 marks a transformative period for Next 15 as we navigated complex macroeconomic conditions while taking strategic actions to shape a more robust and focused business. Performance during H1 illustrates both the resiliency embedded in the Group's portfolio of businesses and the importance of our decisive moves to streamline operations.

The Group is focused on strengthening those businesses with the greatest long-term opportunity and to focus on leveraging its key capabilities to accelerate growth and retention, even in challenging market conditions. The first half of FY26 has seen significant steps taken to position the Group for long-term success.

The Group's core strengths lie in its leadership within high-growth markets such as retail media, data and insights, and digital transformation, which continue to show robust client demand and structural growth drivers. Supported by extensive internal resources, including proprietary data and tools, we deliver enriched data-driven decision-making for our clients, ensuring we remain at the forefront of innovation and client impact. The strength of the Group's talent and culture is another defining factor, with employee retention and engagement levels exceeding industry norms, fostering operational excellence and adaptability. Additionally, our early adoption of AI solutions, such as synthetic personas, and agentic AI highlights our ability to align powerful emerging technologies with evolving client needs. Looking ahead, the Group is committed to maintaining its focus on data, technology, and activation as key pillars of its future growth.

We recognise the importance of sustaining robust financial performance while preparing for the future. With solid margins and investments targeted toward high-growth areas, the Group is well-positioned to capitalise on evolving market opportunities and deliver lasting value for all stakeholders.

A key focus in the first half of the year has been the simplification of our group structure. By streamlining our organisational framework, we aim to create a more agile and efficient business that is easier to understand for all stakeholders. This will enable clearer decision-making processes, improved resource allocation, and a sharper focus on delivering sustainable growth.

The Group has made significant progress in its portfolio simplification strategy, reducing the number of businesses from 22 to 12. This includes the successful disposals of Beyond and Palladium, the currently ongoing consolidation of Savanta and Plinc into a unified Research & Insights business, and the currently ongoing integration of House 337 and Elvis into a single Creative Marketing agency. Additionally, we are integrating four B2B marketing businesses into a single, streamlined entity, which will be launched to the market later this year, which is delivering operational efficiencies.

Outlook

Trading in the first couple of months of H2 FY26 is progressing as expected with phasing of revenue and adjusted operating profit consistent with previous years. The Group expects performance for the full year to be in line with market expectations, supported by robust growth in high-potential markets such as Digital Transformation, Retail Media, and data-driven services. Our focus remains on portfolio simplification, margin discipline, and capital allocation discipline. Cost efficiencies and ongoing efforts to streamline the business will reinforce profitability in the second half.

Webcast for analysts and investors

Next 15 will host an analyst and investor webcast at 9:30am today (UK time), Tuesday 30 September 2025.

To access the webinar, please contact next15@mhpgroup.com

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Notes:

Net revenue
Net revenue is calculated as revenue less direct costs as shown on the Consolidated Income Statement, excluding revenue and direct costs associated with Mach49.

Organic net revenue growth
Organic net revenue growth is defined as the net revenue growth at constant currency excluding the impact of acquisitions and disposals in the last 12 months. For acquisitions made in the prior year, only the corresponding months of ownership are included in the calculation of growth. Net revenue is reconciled to statutory revenue within the appendix and a reconciliation of the movement in the year is included in the net revenue bridge on page 8.

Adjusted operating profit margin
Adjusted operating profit margin is calculated based on the adjusted operating profit as a percentage of net revenue. Adjusted operating profit is reconciled to statutory results within the appendix.

This announcement contains inside information as defined in Article 7 of the Market Abuse Regulation.

About Next 15

Next 15 (AIM:NFG) is an AIM-listed tech and data-driven growth consultancy with operations in Europe, North America and across Asia Pacific. The Group has long-term customer relationships with many of the world's leading companies including Google, Amazon, Boots, Dow, Microsoft, Dell, American Express and Procter & Gamble.

The business operates across four segments, each of which describes how we help customers grow in different ways: Customer Insight helps them understand their opportunities and challenges; Customer Engagement optimises their reputation and digital assets; Customer Delivery helps them connect with customers to drive sales; and Business Transformation helps maximise long-term value through corporate positioning, business design and the development of new ventures.

At Next 15, success is underpinned by a people-led approach. Our purpose is to make our customers and our people the best versions of themselves, and our culture is empowering and respectful.

Chief Executive's Statement

Review of six months ended 31 July 2025

The Group delivered a robust performance despite difficult market conditions. Stronger performance in Retail Media and Digital Transformation markets partly offset the decline in Technology client revenue. The Group's net revenue was marginally down to £230.8m, partly impacted by the weaker USD, and adjusted operating profits were down by 3.1% to £32.7m at a stable margin of 14.2%, reflecting the continued focus on our cost management. Adjusted diluted earnings per share increased by 2.9% to 21.4p from 20.8p in the prior year, reflecting the reduction in minorities and settling of earn-outs with cash.

The statutory profit before tax was £2.8m (31 July 2024: £33.4m) and diluted loss per share was 1.4p, compared with diluted earnings per share of 21.1p in the previous year.

Simplification Strategy

The Group made significant progress with its simplification programme during the period, reducing its portfolio from 22 to 12 businesses in the first half of the year. The Beyond and Palladium businesses were both sold for estimated total consideration of £6.3m, leading to an overall gain on disposal of £4.1m. Integration is underway to combine Savanta and Plinc into a single business, with the same process in motion for House & Elvis. We have made excellent progress in consolidating our B2B marketing businesses into a single brand, which is expected to launch to the market later this year. The beneficial impact on margin has been immediate. We are in the process of winding down the Mach49 business, which is expected to be completed by year-end.

Returns to shareholders

Our priority is to maintain a healthy, low leveraged balance sheet, followed by investment into the business in a selective manner to support long-term growth of the Group. The Board will continue to prioritise organic investment in the business, alongside selective M&A with a focus on bolt-on acquisitions to enhance key business areas. Beyond this, we will seek to return excess cash to shareholders, firstly through a regular dividend and, when possible, further capital returns.

We are pleased to announce that the Board is recommending the payment of an interim dividend of 4.75p, which will be paid to shareholders on 21 November 2025 who hold shares on 17 October 2025. This is in line with the interim dividend payment for the prior period.

Review of adjusted results to 31 July 2025

In order to assist shareholders' understanding of the performance of the business, the following commentary is focused on the adjusted performance for the six months to 31 July 2025, compared with the six months to 31 July 2024. The Directors consider these adjusted measures to be highly relevant as they reflect the trading performance of the business. They also give shareholders more information to allow for understandable like-for-like year on year comparisons and more closely correlate with the cash and working capital position of the Group.

Net revenue bridge

	Net Revenue (£m)	Movement (% of prior year net revenue)
6 months to 31 July 2024 (adjusted)	**239.4**	
Impact of disposals	(0.8)	(0.3)%
Organic decline	(12.5)	(5.3)%
Contribution from acquisitions	8.6	3.6%
Impact of FX	(3.9)	(1.7)%
6 months to 31 July 2025	**230.8**	

The Group has delivered a robust performance over the last six months despite the difficult market conditions. We delivered strong growth in government revenues (via Transform) which were up over 45% and our Consumer & Retail revenue also grew by £6m, with strong performances from both SMG and M Booth. This was offset by revenue declines from our tech clients, which reduced by 15% compared with the first six months of last year. Despite the lower revenue, adjusted operating profit margin remained flat at 14.2%, reflecting the disciplined cost management and benefits from the previous restructuring. Consistent with performance in prior years, we expect revenues and profit to be modestly second half weighted.

Our effective tax rate on adjusted profit marginally increased to 26.2% (31 July 2024: 25.5%) due to the increased proportion of our profits coming from our higher taxed overseas operations. The decrease in profits attributable to non-controlling interests and the reduction in interest charge contributed to our adjusted diluted EPS improving marginally by 2.9% to 21.4p (31 July 2024: 20.8p). The Group reported a statutory profit before tax of £2.8m compared with £33.4m in the prior period, while reported diluted loss per share was 1.4p compared with diluted earnings per share of 21.1p in the prior period. The Mach49 related losses and impairments resulted in significant charges in the period, compared with the credits last year as a result of the change in earnout value estimate. This contributed to the reduction in statutory profit before tax.

The Group's balance sheet remains healthy. Leverage also remains low with net debt excluding lease liabilities of £45.3m as at 31 July 2025, which is after cash payments of £26.2m for acquisition related liabilities in the first half. Trading inflows were also strengthened by £4.3m of working capital inflows, driven by a disciplined focus on the management of working capital across the Group.

Reconciliation between statutory and adjusted profit

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000
Profit before income tax	**2,826**	**33,392**
Acquisition accounting related costs[1]	11,926	7,987
Costs associated with operational restructuring	1,910	4,195
Deal costs	1,008	170
Goodwill impairment and intangibles write off	10,044	-
Legal and advisor costs associated with Mach49	4,391	-
Gain on disposal of subsidiaries	(4,108)	-
Previously reported adjusted profit before income tax	**27,997**	**45,744**
Mach49 trading loss/(profit)	2,946	(14,368)
Adjusted profit before income tax[2]	**30,943**	**31,376**

[1] Acquisition accounting related costs includes unwinding of discount and change in estimate on deferred and contingent consideration and share purchase obligation payable, employment linked acquisition payments and amortisation of acquired intangibles.
[2] A full reconciliation and further detail is set out in the appendix.

Adjusted financial measures are presented to provide additional information that may be useful to shareholders through facilitating comparability with industry peers and to best represent the underlying performance of the business. Adjusted results are explained and reconciled to statutory results within the Appendix.

Acquisition related costs include an overall net charge of £1.2m in relation to our estimate of future earnout liabilities. This is due to the unwinding of the discount on contingent consideration of £5.1m, which was offset by a £3.9m credit in relation to the change in estimate, reflecting the reduction of management's estimate of future amounts payable. As a Group, we have also moved towards the inclusion of employment conditions for certain acquisition-related payments. As a result, we are required to build up a provision relating to these payments over time and therefore this has led to an accounting charge of £3.4m (31 July 2024: £2.4m). The amortisation of acquired intangibles was £7.4m compared with £10.2m in the prior period.

We incurred £1.9m of restructuring costs in the period, primarily relating to staff redundancies as we proactively reduced our cost base to take account of the weakness in demand from tech clients and anticipated efficiencies arising out of the increased adoption of AI. We also incurred £1.0m of advisory fees related to structural reorganisations of the Group.

As a result of the Group's decision to initiate the process to permanently cease operations of Mach49 LLC and its associated entities, we recognised an impairment charge of £9.1m to fully impair the carrying value of goodwill relating to Mach49 and £0.9m charge to write off the value attributed to the brand name.

We incurred £4.4m of costs for legal and advisor fees, as a result of the work done earlier in the year relating to the previously announced potential serious misconduct identified in Mach49, the arbitration proceedings with the former members of Mach49 and the wind down of Mach49. The Group expects Mach49 to be fully wound down by the end of the financial year and therefore as a result it to be reported as a discontinued operation for the full year and on this basis, the £2.9m trading loss in FY26 H1 has been adjusted for.

Progress has been made in simplifying the Group which has included the disposals of Palladium and Beyond for £6.3m consideration. This has led to an overall gain on disposals of £4.1m.

Segment adjusted performance

	Customer Engage £'000	Customer Delivery £'000	Customer Insight £'000	Business Transfor mation £'000	Head Office £'000	Total (excl M49) £'000
Six months ended 31 July 2025						
Net revenue	**115,974**	**53,625**	**25,769**	**35,479**	**-**	**230,847**
Adjusted operating profit/(loss)	**23,362**	**9,423**	**3,120**	**4,241**	**(7,461)**	**32,685**
Adjusted operating profit margin[1]	**20.1%**	**17.6%**	**12.1%**	**12.0%**	**-**	**14.2%**
Organic net revenue (decline)/growth	**(9.6)%**	**(8.3)%**	**(6.4)%**	**31.2%**	**-**	**(5.3)%**
Six months ended 31 July 2024						
Net revenue	134,368	54,966	27,892	22,182	-	239,408
Adjusted operating profit/(loss)	26,636	11,998	3,081	2,139	(10,132)	33,722
Adjusted operating profit margin[1]	19.8%	21.8%	11.0%	9.6%	-	14.1%
Organic net revenue (decline)/growth	(1.0)%	6.9%	(6.8)%	(29.1)%	-	(3.4)%

[1] Adjusted operating profit margin is calculated based on the adjusted operating profit as a percentage of net revenue.

The Group continues to report the same four operational segments as previously reported. However, the Group is likely to move to a new segmental reporting for the full year in line with the changes in business structure.

The **Customer Engage** segment includes M Booth, M Booth Health, Marker, Brandwidth, MHP and House 337. The segment produced a resilient performance given the market conditions, with organic revenue declining 10% due to weaker performances in Marker, Brandwidth and House 337, which was partially offset by a strong performance from M Booth which grew 15%. The segment delivered a strong adjusted operating profit of £23.4m at an improved margin of 20.1%, reflecting the cost savings measures taken.

The **Customer Delivery** segment includes SMG, Activate, and the four B2B marketing businesses. Overall, the organic revenue declined 8% due to weak trading at Activate as a result of the reduced spend by technology clients. On the other hand, SMG had a very positive first half, as revenues grew 14%, with new clients wins and focus in the US. Adjusted operating profit reduced to £9.4m as a result of the continued investment spend in SMG and high operating leverage in Activate, leading to the adjusted operating profit margin reducing to 17.6%.

The **Customer Insights** segment includes Savanta and Plinc. Overall, organic net revenue declined 6% as a result of weakness and delays in client spend. However, adjusted operating profit marginally increased to £3.1m, at an improved operating profit margin of 12.1%, reflecting the impact of the cost reductions made.

The **Business Transformation** segment now includes Blueshirt and Transform following the sale of Palladium and closure of Mach49. Overall, the segment had an impressive organic net revenue growth of over 31%, driven by the growth in Transform resulting from increased government spending. Adjusted operating profit nearly doubled to £4.2m at an improved adjusted operating profit margin of 12.0% through positive operational leverage.

Balance Sheet

The Group's balance sheet remains strong, with net assets of £164.0m (£169.9m at 31 July 2024 and £181.2m at 31 January 2025). Since the previous year end, non-current assets have reduced primarily due to the amortisation of acquired intangible assets during the period and goodwill impairment. Net debt increased to £45.3m as at 31 July 2025 compared with £38.4m at the previous year end, primarily due to cash payments of £26.2m for acquisition related liabilities, as well as staff bonuses paid during the period.

The Group has a £175m revolving credit facility ("RCF") with a consortium of 5 banks, and as part of the arrangement, the Group has an additional £25m accordion option. The facility is available until December 2027 with an option to extend for a further year. The RCF facility is available for permitted acquisitions and working capital requirements.

Contingent consideration outstanding as at 31 July 2025 also saw a decrease compared to the previous year end because of the settlement of acquisition related liabilities which was offset by the unwinding of discount. The estimates around the contingent consideration are considered by management to be an area of significant judgement, which could result in a material adjustment to the value of these liabilities in future years (refer to note 9).

Cashflow

Cash inflows from operating activities increased to £5.6m for the 6 months to 31 July 2025 when compared to £4.6m for the 6 months to 31 July 2024, despite a decrease in revenue performance in the period and settlements for employment-linked acquisition payments of £21.2m (31 July 2024: £1.5m). There was a significant improvement in working capital performance in the period, with an inflow of £4.3m compared to an outflow of £31.9m in the prior period. As well as a reduction in the tax related payments to £7.3m which led to the overall increase in the cash inflows from operating activities.

Current trading and outlook

Trading in the first couple of months of H2 FY26 is progressing as expected with phasing of revenue and adjusted operating profit consistent with previous years. The Group expects performance for the full year to be in line with market expectations, supported by robust growth in high-potential markets such as Digital Transformation, Retail Media, and data-driven services. Our focus remains on portfolio simplification, margin discipline, and capital allocation discipline. Cost efficiencies and ongoing efforts to streamline the business will reinforce profitability in the second half.

NEXT 15 GROUP PLC

CONSOLIDATED INCOME STATEMENT

FOR THE SIX-MONTH PERIOD ENDED 31 July 2025

	Note	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
Revenue		324,219	364,080	729,810
Direct costs		(85,256)	(77,297)	(160,114)
Net revenue	2	**238,963**	**286,783**	**569,696**
Staff costs		(180,719)	(206,886)	(411,854)
Depreciation		(5,118)	(6,191)	(12,153)
Amortisation		(8,945)	(11,491)	(21,948)
Other operating charges		(38,107)	(30,655)	(67,113)
Total operating charges		(232,889)	(255,223)	(513,068)
Operating profit		**6,074**	**31,560**	**56,628**
Movement in fair value of other financial liabilities	9	(1,183)	4,655	12,704
Finance expense	5	(2,481)	(3,076)	(7,569)
Finance income	6	416	253	689
Profit before income tax		**2,826**	**33,392**	**62,452**
Income tax expense	3	(3,844)	(9,779)	(21,482)
(Loss)/profit for the period		**(1,018)**	**23,613**	**40,970**
Attributable to:				
Owners of the parent		(1,447)	22,136	39,465
Non-controlling interests		429	1,477	1,505
		(1,018)	**23,613**	**40,970**
(Loss)/earnings per share				
Basic (pence)	7	(1.4)	22.2	39.3
Diluted (pence)	7	(1.4)	21.1	37.9

NEXT 15 GROUP PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 July 2025

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
(Loss)/profit for the period	**(1,018)**	**23,613**	**40,970**
Other comprehensive (expense)/income:			
Items that may be reclassified into profit or loss			
Exchange differences on translating foreign operations	(3,489)	(720)	858
	(3,489)	(720)	858
Items that will not be reclassified subsequently to profit or loss			
Revaluation of investments	240	125	134
Total other comprehensive (expense)/income for the period	(3,249)	(595)	992
Total comprehensive (expense)/income for the period	**(4,267)**	**23,018**	**41,962**
Attributable to:			
Owners of the parent	(4,696)	21,541	40,457
Non-controlling interests	429	1,477	1,505
	(4,267)	**23,018**	**41,962**

ADJUSTED RESULTS: KEY PERFORMANCE INDICATORS

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000
Net revenue	**230,847**	**239,408**
Total operating charges	(191,131)	(197,770)
Depreciation and amortisation	(6,708)	(7,439)
Operating profit	**33,008**	**34,199**
Interest on finance lease liabilities	(323)	(477)
Operating profit after interest on finance lease liabilities	**32,685**	**33,722**
Operating profit margin	*14.2%*	*14.1%*
Net finance expense	(1,742)	(2,346)
Profit before income tax	**30,943**	**31,376**
Tax	(8,117)	(8,016)
Profit after tax	**22,826**	**23,360**
Non-controlling interests	(429)	(1,477)
Earnings attributable to ordinary shareholders	**22,397**	**21,883**
Weighted average number of ordinary shares	100,924,813	99,847,610
Diluted weighted average number of ordinary shares	104,618,199	105,039,882
Adjusted earnings per share	22.2p	21.9p
Adjusted diluted earnings per share	21.4p	20.8p
Net cash inflow from operating activities	5,591	4,556
Cash outflow on acquisition related payments	(26,161)	(61,896)
Net debt	(45,259)	(74,769)
Dividend (per share)	4.75p	4.75p

Adjusted results have been presented to provide additional information that may be useful to shareholders to understand the performance of the business by facilitating comparability both year on year and with industry peers. Adjusted results are reconciled to statutory results within the Appendix. Per the detail in the Appendix (A2), charges for one-off employee incentive schemes, employment linked acquisition payments, goodwill impairment, intangibles write off, gain on disposal of subsidiaries, restructuring costs and deal costs are adjusted for in calculating the adjusted operating charges and amortisation of acquired intangibles is adjusted for in calculating the adjusted depreciation and amortisation. Mach49 loss/profit along with the legal and advisor costs are also adjusted for in calculating the adjusted operating charges. Interest on lease liabilities, unwinding of discount and change in estimate of future deferred and contingent consideration and share purchase obligation payables are adjusted for in calculating net finance expense. These measures are not considered to be adjusted performance measures for the Group.

NEXT 15 GROUP PLC
CONSOLIDATED BALANCE SHEET AS AT 31 July 2025

	Note	31 July 2025 (Unaudited) £'000	31 July 2024 (Unaudited) £'000	31 January 2025 (Audited) £'000
Assets				
Property, plant and equipment		6,268	9,108	7,599
Right-of-use assets		12,746	21,030	16,150
Intangible assets		245,517	275,880	270,504
Investments in financial assets		1,445	706	861
Deferred tax asset		49,242	57,628	52,749
Other receivables		267	1,012	544
Total non-current assets		315,485	365,364	348,407
Trade and other receivables		166,477	193,001	163,008
Cash and cash equivalents	8	76,912	79,219	89,433
Corporation tax asset		5,837	1,176	4,114
Total current assets		249,226	273,396	256,555
Total assets		**564,711**	**638,760**	**604,962**
Liabilities				
Loans and borrowings	8	72,804	104,789	65,939
Deferred tax liabilities		13,252	13,145	15,431
Lease liabilities		9,501	18,516	13,962
Other payables		106	208	113
Provisions		5,484	15,896	6,501
Contingent consideration	9	16,041	38,641	42,669
Additional contingent incentive	9	-	127	288
Deferred consideration	9	-	-	474
Share purchase obligation	9	-	8,138	-
Total non-current liabilities		117,188	199,460	145,377
Overdraft	8	49,367	49,199	61,859
Trade and other payables		158,524	155,549	139,282
Lease liabilities		8,480	9,953	9,197
Provisions		5,414	6,254	25,933
Corporation tax liability		4,338	4,096	4,189
Contingent consideration	9	51,357	40,496	30,047
Additional contingent incentive	9	392	1,983	2,015
Deferred consideration	9	4,698	-	3,942
Share purchase obligation	9	912	1,856	1,929
Total current liabilities		283,482	269,386	278,393
Total liabilities		**400,670**	**468,846**	**423,770**
TOTAL NET ASSETS		**164,041**	**169,914**	**181,192**
Equity				
Share capital		2,523	2,520	2,523
Share premium reserve		192,654	191,867	192,654
Foreign currency translation reserve		673	2,584	4,162
Other reserves		(2,035)	(2,035)	(2,035)
Retained loss		(29,248)	(26,275)	(15,633)
Total equity attributable to owners of the parent		**164,567**	**168,661**	**181,671**
Non-controlling interests		(526)	1,253	(479)
TOTAL EQUITY		**164,041**	**169,914**	**181,192**

NEXT 15 GROUP PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTH PERIOD ENDED 31 July 2025

	Share capital £'000	Share premium reserve £'000	Foreign currency translation reserve £'000	Other reserves[1] £'000	Retained earnings £'000	Equity attributable to owners of the Company £'000	Non-controlling interests £'000	Total equity £'000
At 31 January 2024 (audited)	**2,486**	**175,144**	**3,304**	**(2,050)**	**(22,904)**	**155,980**	**241**	**156,221**
Profit for the period	-	-	-	-	22,136	22,136	1,477	23,613
Other comprehensive (expense)/income for the period	-	-	(720)	-	125	(595)	-	(595)
Total comprehensive (expense)/income for the period	-	-	(720)	-	22,261	21,541	1,477	23,018
Shares issued on satisfaction of vested performance shares	25	7,215	-	-	(9,818)	(2,578)	-	(2,578)
Shares issued on acquisitions	24	9,508	-	-	-	9,532	-	9,532
Acquisition of own shares	(15)	-	-	15	(5,344)	(5,344)	-	(5,344)
Movement in relation to share-based payments net of tax	-	-	-	-	425	425	-	425
Dividends to owners of the parent	-	-	-	-	(10,664)	(10,664)	-	(10,664)
Movement on reserves for non-controlling interests	-	-	-	-	(231)	(231)	231	-
Non-controlling interest dividend	-	-	-	-	-	-	(696)	(696)
At 31 July 2024 (unaudited)	**2,520**	**191,867**	**2,584**	**(2,035)**	**(26,275)**	**168,661**	**1,253**	**169,914**
Profit for the period	-	-	-	-	17,329	17,329	28	17,357
Other comprehensive income for the period	-	-	1,578	-	9	1,587	-	1,587
Total comprehensive income for the period	-	-	1,578	-	17,338	18,916	28	18,944
Shares issued on satisfaction of vested performance shares	1	-	-	-	(60)	(59)	-	(59)
Shares issued on acquisitions	2	787	-	-	-	789	-	789
Movement in relation to share-based payments net of tax	-	-	-	-	(3,378)	(3,378)	-	(3,378)
Dividends to owners of the parent	-	-	-	-	(4,793)	(4,793)	-	(4,793)
Movement due to ESOP share purchases	-	-	-	(5)	-	(5)	-	(5)
Movement due to ESOP share option exercises	-	-	-	5	-	5	-	5
Movement on reserves for non-controlling interests	-	-	-	-	138	138	(138)	-
Non-controlling interest reversed in the period	-	-	-	-	1,397	1,397	(1,397)	-
Non-controlling interest dividend	-	-	-	-	-	-	(225)	(225)
At 31 January 2025 (audited)	**2,523**	**192,654**	**4,162**	**(2,035)**	**(15,633)**	**181,671**	**(479)**	**181,192**
(Loss)/profit for the period	-	-	-	-	(1,447)	(1,447)	429	(1,018)
Other comprehensive (expense)/income for the period	-	-	(3,489)	-	240	(3,249)	-	(3,249)
Total comprehensive (expense)/income for the period	-	-	(3,489)	-	(1,207)	(4,696)	429	(4,267)
Shares issued on satisfaction of vested performance shares	-	-	-	-	(1,979)	(1,979)	-	(1,979)
Movement in relation to share-based payments net of tax	-	-	-	-	430	430	-	430
Dividends to owners of the parent	-	-	-	-	(10,698)	(10,698)	-	(10,698)
Movement on reserves for non-controlling interests	-	-	-	-	(245)	(245)	245	-
Non-controlling interest reversed in the period	-	-	-	-	84	84	(84)	-
Non-controlling interest dividend	-	-	-	-	-	-	(637)	(637)
At 31 July 2025 (unaudited)	**2,523**	**192,654**	**673**	**(2,035)**	**(29,248)**	**164,567**	**(526)**	**164,041**

[1] Other reserves include ESOP reserve, hedging reserve, share purchase reserve and merger reserve.

NEXT 15 GROUP PLC

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE SIX MONTH PERIOD ENDED 31 July 2025

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
Cash flows from operating activities			
(Loss)/profit for the period	(1,018)	23,613	40,970
Adjustments for:			
Depreciation	5,118	6,191	12,153
Amortisation	8,945	11,491	21,948
Movement in fair value of other financial liabilities	1,183	(4,655)	(12,704)
Finance expense	2,481	3,076	7,569
Finance income	(416)	(253)	(689)
Impairment of intangibles	10,044	-	4,409
Loss on sale of property, plant and equipment	5	45	409
Gain on disposal of subsidiaries	(4,108)	-	-
Gain on exit of finance lease	-	-	628
Income tax expense	3,844	9,779	21,482
Employment linked acquisition provision charge	3,388	2,399	9,498
Settlement of employment linked acquisition payments	(21,219)	(1,475)	(1,655)
Share-based payment charges	302	1,291	759
Settlement of share-based payment in cash	-	(1,683)	(1,683)
Net cash inflow from operating activities before changes in working capital	**8,549**	**49,819**	**103,094**
Change in trade and other receivables	(10,294)	(22,493)	10,060
Change in trade and other payables	14,666	(9,273)	(16,555)
Change in other liabilities	(72)	(161)	(464)
	4,300	(31,927)	(6,959)
Net cash generated from operations before tax and interest outflows	**12,849**	**17,892**	**96,135**
Income taxes paid	(7,258)	(13,336)	(20,668)
Net cash inflow from operating activities	**5,591**	**4,556**	**75,467**
Cash flows from investing activities			
Acquisition of subsidiaries and trade and assets, net of cash acquired	-	(5,031)	(6,884)
Acquisition of investments in financial assets	(378)	-	(479)
Acquisition of property, plant and equipment	(848)	(1,350)	(2,197)
Proceeds on disposal of investments in financial assets	-	-	335
Disposal of subsidiaries, net of cash disposed	1,696	-	-
Proceeds on disposal of property, plant and equipment	5	5	29
Acquisition of intangible assets	(3,076)	(2,078)	(5,021)
Net movement in long-term cash deposits	131	114	304
Income from finance lease receivables	529	519	1,019
Interest received	378	208	602
Net cash outflow from investing activities	**(1,563)**	**(7,613)**	**(12,292)**

NEXT 15 GROUP PLC

CONSOLIDATED STATEMENT OF CASH FLOW *(Continued)*

FOR THE SIX MONTH PERIOD ENDED 31 July 2025

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
Cash flows from financing activities			
Payment of contingent consideration	(4,942)	(55,390)	(59,969)
Acquisition of own shares	-	(5,344)	(5,344)
Capital element of finance lease rental payment	(4,866)	(5,622)	(11,260)
Increase in bank borrowings and overdrafts	91,885	116,293	184,025
Repayment of bank borrowings and overdrafts	(82,682)	(55,793)	(162,834)
Interest paid	(2,159)	(2,599)	(6,690)
Dividend and profit share paid to non-controlling interest partners	(638)	(696)	(921)
Dividends paid to shareholders of the parent	-	-	(15,457)
Net cash outflow from financing activities	**(3,402)**	**(9,151)**	**(78,450)**
Net decrease in cash and cash equivalents	**626**	**(12,208)**	**(15,275)**
Cash and cash equivalents including overdraft at beginning of the period	27,574	42,871	42,871
Exchange loss on cash held	(655)	(643)	(22)
Cash and cash equivalents including overdraft at end of the period	**27,545**	**30,020**	**27,574**

NOTES TO THE INTERIM RESULTS

FOR THE SIX MONTHS ENDED 31 July 2025

1) BASIS OF PREPARATION

The unaudited consolidated interim financial statements represent a condensed set of financial information and have been prepared using the recognition and measurement principles of International Accounting Standards, and in accordance with IAS 34, Interim Financial Reporting. The principal accounting policies used in preparing the results are those the Group has applied in its financial statements for the year ended 31 January 2025.

The comparative financial information for the year ended 31 January 2025 has been derived from the audited statutory financial statements for that period. A copy of those statutory financial statements has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified, did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

2) SEGMENT INFORMATION

Measurement of operating segment profit

The Board of Directors assesses the performance of the operating segments based on a measure of adjusted operating profit before intercompany recharges, which reflects the internal reporting measure used by the Board of Directors. This measurement basis excludes the effects of certain acquisition-related costs and goodwill impairment charges. Other information provided to them is measured in a manner consistent with that in the financial statements. Head office costs relate to Group costs before allocation of intercompany charges to the operating segments. Intersegment transactions have not been separately disclosed as they are not material. The Board of Directors does not review the assets and liabilities of the Group on a segmental basis and therefore this is not separately disclosed.

	Customer Engage £'000	Customer Delivery £'000	Customer Insight £'000	Business Transformation £'000	Head Office £'000	Total (excl M49) £'000	Mach49 £'000	Total (incl M49) £'000
Six months ended 31 July 2025 (Unaudited)								
Net revenue	**115,974**	**53,625**	**25,769**	**35,479**	**-**	**230,847**	**8,116**	**238,963**
Adjusted operating profit/(loss)	**23,362**	**9,423**	**3,120**	**4,241**	**(7,461)**	**32,685**	**(2,946)**	**29,739**
Adjusted operating profit margin[1]	**20.1%**	**17.6%**	**12.1%**	**12.0%**	**-**	**14.2%**	**(36.3)%**	**12.4%**
Organic net revenue (decline)/growth	**(9.6)%**	**(8.3)%**	**(6.4)%**	**31.2%**	**-**	**(5.3)%**	**(82.5)%**	**(18.0)%**
Six months ended 31 July 2024 (Unaudited)								
Net revenue	134,368	54,966	27,892	22,182	-	239,408	47,375	286,783
Adjusted operating profit/(loss)	26,636	11,998	3,081	2,139	(10,132)	33,722	14,368	48,090
Adjusted operating profit margin[1]	19.8%	21.8%	11.0%	9.6%	-	14.1%	30.3%	16.8%
Organic net revenue (decline)/growth	(1.0)%	6.9%	(6.8)%	(29.1)%	-	(3.4)%	4.1%	(2.2)%
Twelve months ended 31 January 2025 (Audited)								
Net revenue	262,001	109,599	55,404	52,147	-	479,151	90,545	569,696
Adjusted operating profit/(loss)	53,854	23,857	7,009	6,601	(17,319)	74,002	33,444	107,446
Adjusted operating profit margin[1]	20.6%	21.8%	12.7%	12.7%	-	15.4%	36.9%	18.9%
Organic net revenue (decline)/growth	(2.4)%	2.7%	(9.5)%	(19.1)%	-	(4.0)%	(3.8)%	(4.0)%

[1] Adjusted operating profit margin is calculated based on the operating profit as a percentage of net revenue.

NOTES TO THE INTERIM RESULTS *(Continued)*

FOR THE SIX MONTHS ENDED 31 July 2025

2) SEGMENT INFORMATION (continued)

	UK	EMEA	US	Asia Pacific	Head Office	Total (excl M49)	Mach49	Total (incl M49)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Six months ended 31 July 2025 (Unaudited)								
Net revenue	**129,589**	**5,920**	**87,924**	**7,414**	**-**	**230,847**	**8,116**	**238,963**
Adjusted operating profit/(loss)	**19,840**	**955**	**18,637**	**714**	**(7,461)**	**32,685**	**(2,946)**	**29,739**
Adjusted operating profit margin[1]	**15.3%**	**16.1%**	**21.2%**	**9.6%**	**-**	**14.2%**	**(36.3)%**	**12.4%**
Organic revenue (decline)/growth	**(2.3)%**	**1.6%**	**(9.3)%**	**(5.2)%**	**-**	**(5.3)%**	**(82.5)%**	**(18.0)%**
Six months ended 31 July 2024 (Unaudited)								
Net revenue	124,519	5,835	100,888	8,166	-	239,408	47,375	286,783
Adjusted operating profit/(loss)	19,943	1,231	21,724	956	(10,132)	33,722	14,368	48,090
Adjusted operating profit margin[1]	16.0%	21.1%	21.5%	11.7%	-	14.1%	30.3%	16.8%
Organic revenue growth/(decline)	(4.9)%	(3.4)%	(1.8)%	(0.1)%	-	(3.4)%	4.1%	(2.2)%
Twelve months ended 31 January 2025 (Audited)								
Net revenue	254,406	12,037	196,731	15,977	-	479,151	90,545	569,696
Adjusted operating profit/(loss)	42,126	2,549	44,628	2,018	(17,319)	74,002	33,444	107,446
Adjusted operating profit margin[1]	16.6%	21.2%	22.7%	12.6%	-	15.4%	36.9%	18.9%
Organic revenue decline	(4.2)%	(0.3)%	(3.7)%	(6.6)%	-	(4.0)%	(3.8)%	(4.0)%

[1] Adjusted operating profit margin is calculated based on the operating profit as a percentage of net revenue.

3) TAXATION

The tax charge on adjusted profit for the six months ended 31 July 2025 is £8,117,000 (six months ended 31 July 2024 of £8,016,000), equating to an adjusted effective tax rate of 26.2%, compared to 25.5% in the prior period.

The statutory tax charge for the six months ended 31 July 2025 is £3,844,000 (six months ended 31 July 2024 of £9,779,000), equating to an effective tax rate of 136.0%, compared to 29.3% in the prior period.

The Group's adjusted corporation tax rate is expected to remain higher than the standard UK rate (25% effective 1 April 2023) due to differing rates of tax suffered on overseas profits. The Group does not currently anticipate any material changes to its adjusted effective tax rate for the year ending 31 January 2026. The Group's future adjusted tax rate is inherently subject to a degree of uncertainty. This is due to the Group's geographical split of profit across the globe paired with ever changing international tax policy.

4) DIVIDENDS

An interim dividend of 4.75p (six months ended 31 July 2024: 4.75p) per ordinary share will be paid on 21 November 2025 to shareholders listed on the register of members on 17 October 2025. Shares will go ex-dividend on 16 October 2025. The last date for DRIP elections to be returned to the registrar is 31 October 2025.

NOTES TO THE INTERIM RESULTS *(Continued)*

FOR THE SIX MONTHS ENDED 31 July 2025

5) FINANCE EXPENSE

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
Financial liabilities at amortised cost			
Bank interest payable	2,152	2,336	6,495
Interest on lease liabilities[1]	323	477	879
Other			
Other interest payable	6	263	195
Finance expense	**2,481**	**3,076**	**7,569**

[1]These items are adjusted for in calculating the adjusted net finance expense.

6) FINANCE INCOME

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
Financial assets at amortised cost			
Bank interest receivable	295	199	585
Finance lease interest receivable	39	45	87
Other			
Other interest receivable	82	9	17
Finance income	**416**	**253**	**689**

7) EARNINGS PER SHARE

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
(Loss)/profit attributable to ordinary shareholders	**(1,447)**	**22,136**	**39,465**
	Number	**Number**	**Number**
Weighted average number of ordinary shares	100,924,813	99,847,610	100,379,867
Dilutive LTIP & Options shares	890,522	1,728,473	1,036,086
Dilutive Growth Deal shares	2,135,482	2,404,317	2,198,485
Other potentially issuable shares	667,382	1,059,482	537,069
Diluted weighted average number of ordinary shares	**104,618,199**	**105,039,882**	**104,151,507**
Basic (loss)/earnings per share	(1.4)p	22.2p	39.3p
Diluted (loss)/earnings per share	(1.4)p	21.1p	37.9p

NOTES TO THE INTERIM RESULTS *(Continued)*

FOR THE SIX MONTHS ENDED 31 July 2025

8) NET DEBT

At 31 July 2025, the Group had a £175m revolving credit facility ("RCF") with a consortium of 5 banks, and as part of the arrangement, the Group has an additional £25m accordion option. The facility is available until December 2027 with an option to extend for a further year.

The RCF facility is available for permitted acquisitions and working capital requirements. It is due to be repaid from the trading cash flows of the Group. The facility is available in a combination of sterling, US dollar and Euro. The margin payable on each facility is dependent upon the level of gearing in the business. The Group also has a US facility of $7m (2024: $7m) which is available for property rental guarantees and US-based working capital needs.

	31 July 2025 (Unaudited) £'000	31 July 2024 (Unaudited) £'000	31 January 2025 (Audited) £'000
Total loans and borrowings and overdraft	122,171	153,988	127,798
Less: cash and cash equivalents	(76,912)	(79,219)	(89,433)
Net debt excluding lease liabilities	**45,259**	**74,769**	**38,365**
Share purchase obligation	912	9,994	1,929
Deferred consideration	4,698	-	4,416
Contingent consideration	67,398	79,137	72,716
Additional contingent incentive	392	2,110	2,303
Net debt and acquisition related liabilities	**118,659**	**166,010**	**119,729**

9) OTHER FINANCIAL LIABILITIES

	Deferred consideration £'000	Contingent consideration £'000	Additional contingent incentive £'000	Share purchase obligation £'000
At 31 January 2024 (Audited)	**-**	**146,752**	**4,330**	**9,603**
Change in estimate	-	(14,524)	(24)	(240)
Exchange differences	-	(1,307)	(41)	(14)
Utilised	-	(61,053)	(2,374)	-
Unwinding of discount	-	9,269	219	645
At 31 July 2024 (Unaudited)	**-**	**79,137**	**2,110**	**9,994**
Reclassification	4,279	1,453	-	(5,732)
Change in estimate	-	(15,167)	(14)	814
Exchange differences	-	2,603	156	60
Utilised	-	(961)	(80)	(3,606)
Unwinding of discount	137	5,651	131	399
At 31 January 2025 (Audited)	**4,416**	**72,716**	**2,303**	**1,929**
Change in estimate	(13)	(2,896)	(9)	(1,017)
Exchange differences	-	(3,952)	(140)	(113)
Utilised	-	(3,094)	(1,848)	-
Unwinding of discount	295	4,624	86	113
At 31 July 2025 (Unaudited)	**4,698**	**67,398**	**392**	**912**
Current	**4,698**	**51,357**	**392**	**912**
Non-current	**-**	**16,041**	**-**	**-**

NOTES TO THE INTERIM RESULTS *(Continued)*

9) OTHER FINANCIAL LIABILITIES *(Continued)*

The estimates around contingent consideration and share purchase obligations are considered by management to be an area of significant judgement, with any changes in assumptions and forecasts creating volatility in the income statement. Management estimates the fair value of these liabilities taking into account expectations of future payments. During the first half of the year, earn-out liabilities decreased by a net £8.0m, primarily driven by the amounts settled within the period, the change in estimate and exchange differences offset against the unwinding of the discount rate used.

Changes in the estimates of contingent consideration payable are recognised in the movement in fair value of other financial liabilities. If the judgements around future revenue growth, profit margins and discount rates change, this could result in a material adjustment to the value of these liabilities within the next financial year. Estimations are also included for other uncertainties deriving from the purchase agreements, which are subject to final negotiations which ultimately determine the future payments. An increase in the liability would result in an increase in net finance income/expense, while a decrease would result in a further gain.

Litigation and contingent liabilities

As announced on 25 June 2025, the Group became aware of potential serious misconduct concerning the Mach49 business which has been reported to the relevant law enforcement agencies. As a result, no further payments has been made to Mach49's selling shareholder under the earnout agreement in connection with Next15's acquisition of Mach49.

Arbitration proceedings with the former members of Mach49 in relation to claims primarily regarding the remaining earnout payments are in the early stages. Until such time as these proceedings are finally concluded, the Group considers that the earnout liability, disclosed elsewhere in this note, has not yet met the criteria for de-recognition under IFRS 9 Financial Instruments. An outcome is expected within the next 12 months.

Based on the evidence to date, the Group maintains its position regarding the non-payment of the remaining earnout and has determined that no outflow in excess of the earnout liability currently recognised is probable for the related claims and therefore no provision has been recognised in relation to these additional claims. The Group has also counterclaimed for previously paid earnout payments.

The Group continues to fully cooperate with law enforcement agencies, and at this early stage, there is significant uncertainty in relation to the outcome of any potential steps taken by law enforcement agencies.

APPENDIX – ALTERNATIVE PERFORMANCE MEASURES

FOR THE SIX MONTHS ENDED 31 JULY 2025

Introduction

In the reporting of financial information, the Directors have adopted various alternative performance measures ('APMs'). The Group includes these non-GAAP measures as they consider these measures to be both useful and necessary to the readers of the financial statements to help understand the performance of the Group. The Group's measures may not be calculated in the same way as similarly titled measures reported by other companies and therefore should be considered in addition to IFRS measures.

Purpose

The Director's believe that these APMs are highly relevant as they reflect how the Board measures the performance of the business and align with how shareholders value the business. They also allow understandable like-for-like, year on year comparisons and more closely correlate with the cash inflows from operations and working capital position of the Group.

They are used by the Group for internal performance analyses and the presentation of these measures facilitates better comparability with other industry peers as they adjust for non-recurring or uncontrollable factors which materially affect IFRS measures.

A1: RECONCILIATION OF STATUTORY OPERATING PROFIT TO ADJUSTED OPERATING PROFIT

A reconciliation of statutory operating profit to adjusted operating profit is provided as follows:

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
Statutory operating profit	**6,074**	**31,560**	**56,628**
Interest on finance lease liabilities	(323)	(477)	(879)
Statutory operating profit after interest on finance lease liabilities	**5,751**	**31,083**	**55,749**
Charge for one-off employee incentive schemes (A2)	-	-	175
Employment linked acquisition payments (A2)	3,388	2,399	9,498
Property impairment (A2)	-	-	612
Goodwill impairment (A2)	9,144	-	3,000
Costs associated with operational restructuring (A2)	1,910	4,195	16,966
Deal costs (A2)	1,008	170	600
Intangibles write off (A2)	900	-	1,409
Amortisation of acquired intangibles (A2)	7,355	10,243	19,437
Gain on disposal of subsidiaries (A2)	(4,108)	-	-
Legal and advisor costs associated with Mach49 (A2)	4,391	-	-
Previously reported adjusted operating profit	**29,739**	**48,090**	**107,446**
Mach49 trading loss/(profit) (A2)	2,946	(14,368)	(33,444)
Adjusted operating profit	**32,685**	**33,722**	**74,002**

APPENDIX – ALTERNATIVE PERFORMANCE MEASURES *(Continued)*

FOR THE SIX MONTHS ENDED 31 JULY 2025

A2: RECONCILIATION OF STATUTORY PROFIT BEFORE TAX TO ADJUSTED PROFIT BEFORE TAX

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
Statutory profit before income tax	**2,826**	**33,392**	**62,452**
Unwinding of discount on deferred and contingent consideration and share purchase obligation payable[1]	5,118	10,133	16,451
Change in estimate of future deferred and contingent consideration and share purchase obligation payable[1]	(3,935)	(14,788)	(29,155)
Charge for one-off employee incentive scheme [2]	-	-	175
Employment linked acquisition payments [3]	3,388	2,399	9,498
Costs associated with operational restructuring [4]	1,910	4,195	16,966
Deal costs[5]	1,008	170	600
Property impairment[6]	-	-	612
Amortisation of acquired intangibles[7]	7,355	10,243	19,437
Intangibles write off[8]	900	-	1,409
Goodwill impairment[9]	9,144	-	3,000
Gain on disposal of subsidiaries[10]	(4,108)	-	-
Legal and advisor costs associated with Mach49[11]	4,391	-	-
Previously reported adjusted profit before income tax	**27,997**	**45,744**	**101,445**
Mach49 trading loss/(profit)[12]	2,946	(14,368)	(33,444)
Adjusted profit before income tax	**30,943**	**31,376**	**68,001**

[1] The Group adjusts for the remeasurement of the acquisition-related liabilities within the adjusted performance measures in order to aid comparability of the Group's results year on year as the charge/credit from remeasurement can vary significantly depending on the underlying brand's performance. It is non-cash and its directional impact to the income statement is opposite to the brand's performance driving the valuations. The unwinding of discount on these liabilities is also excluded from underlying performance on the basis that it is non-cash and the balance is driven by the Group's assessment of the time value of money and this exclusion ensures comparability.

[2] The charge in the prior year relates to transactions whereby a restricted grant of brand equity was given to key management in MHP Group Limited at nil cost which holds value in the form of access to future profit distributions as well as any future sale value under the performance-related mechanism set out in the share sale agreement. This value is recognised as a one-off charge in the income statement in the year of grant as the agreements do not include service requirements, thus the cost accounting is not aligned with the timing of the anticipated benefit of the incentive, namely the growth of the relevant brands.

[3] This charge relates to payments linked to the continuing employment of the sellers which is being recognised over the required period of employment. Although these costs are not exceptional or non-recurring, the Group determined they should be excluded from the underlying performance as the costs solely relate to acquiring the business. The sellers of the business are typically paid market salaries and bonuses in addition to these acquisition-related payments and therefore the Group determines these costs solely relate to acquiring the business. Adjusting for these within the Group's adjusted performance measures gives a better reflection of the Group's profitability and enhances comparability year on year.

[4] In the current year the Group has incurred restructuring costs, of which £1.7m related to staff redundancies as the Group is pro-actively reducing its cost base to take account of the weakness in demand from tech clients and anticipated efficiencies. Only costs that relate to roles permanently being eliminated from the business with no intention to replace are adjusted for.

APPENDIX – ALTERNATIVE PERFORMANCE MEASURES *(Continued)*

FOR THE SIX MONTHS ENDED 31 JULY 2025

A2: RECONCILIATION OF ADJUSTED RESULTS *(Continued)*

The remaining £0.2m costs relate to the reorganization and integration of a number of businesses across the Group. In both years, the costs do not relate to underlying trading of the relevant brands and have been added back to aid comparability of performance year on year.

[5] These costs are directly attributable to business combinations and divestments made during the year, as well as aborted divestments, acquisitions and other structural reorganisations of the Group. The charges are excluded from performance as they would not have been incurred had the business not explored these structural changes and a higher or lower spend has no relation on the organic business. They do not relate to the trading of the Group and are added back each year to aid comparability of the Group's profitability year on year.

[6] In the prior year the Group recognised charges relating to the reorganization of the property space across the Group. The majority of the charge is impairment of right-of-use assets which were linked to office spaces associated with the significant contract that was lost during the prior year. The Group adjusted for this cost, as the additional one-off impairment charge did not relate to the underlying trading of the business and therefore added back to aid comparability.

[7] In line with its peer group, the Group adds back amortisation of acquired intangibles. Judgement is applied in the allocation of the purchase price between intangibles and goodwill, and in determining the useful economic lives of the acquired intangibles. The judgements made by the Group are inevitably different to those made by our peers and as such amortisation of acquired intangibles been added back to aid comparability.

[8] In the current year the Group has recognised a charge to write off the brand name associated with the Mach49 business. The Group has initiated the process to permanently cease operations of Mach49 LLC and its associated entities and anticipates that Mach49 will cease operations prior to the end of the FY26 financial year. The brand name associated with Mach49 is no longer generating any future economic benefit and has been written off. The Group adjusted for this cost, as the charge was one-off and doesn't relate to the underlying trading of the business and therefore added back to aid comparability Group's profitability year on year.

[9] In the current year, the Group has initiated the process to permanently cease operations of Mach49 LLC and its associated entities and has recognised an impairment charge of £9.1m to fully impair the carrying value of goodwill relating to Mach49. The Group adjusted for this cost, as the charge was one-off not relating to the underlying trading of the business and therefore added back to aid comparability Group's profitability year on year.

[10] In the current year progress has been made in simplifying the Group which has included the disposals of Palladium and Beyond. The Group has recognised an overall gain on disposals of £4.1m on consideration of £6.3m. These do not relate to underlying trading, and the respective gain/loss would not have been recognised had the disposal not occurred. For that reason, the Group add these costs back in calculating our adjusted profit numbers to give a better indication of underlying trading profitability and to enable comparability year on year.

[11] The Group has incurred legal and advisor fees totalling £4.4m in the first half of FY26, as a result of the work done earlier in the year relating to the potential serious misconduct, the arbitration proceedings and the wind down of Mach49. Due to the one-off nature of these costs, the Group add these costs back in calculating our adjusted profit numbers to give a better indication of underlying trading profitability and to enable comparability year on year.

[12] The Group expects Mach49 to be reported as a discontinued operation for full year reporting for year ending 31 January 2026. As a discontinued operation, Mach49's results will be presented as a single line item and separate from the Group's continuing operations in the income statement. On this basis, the £2.9m trading loss in FY26 H1 has been adjusted for at the half year.

Adjusted profit before income tax has been presented to provide additional information which may be useful to the reader. Adjusted earnings to ordinary shareholders is a measure of performance used in the calculation of the adjusted earnings per share. This measure is considered an important indicator of the performance of the business and so it is used for the vesting of employee performance shares.

APPENDIX – ALTERNATIVE PERFORMANCE MEASURES *(Continued)*

FOR THE SIX MONTHS ENDED 31 JULY 2025

A3: RECONCILIATION OF ADJUSTED TAX EXPENSE

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000
Income tax expense reported in the Consolidated Income Statement	3,844	9,779
Add back tax on adjusting items:		
Costs associated with operational restructuring	493	1,045
Unwinding of discount and change in estimates of future deferred and contingent consideration and share purchase obligation payable	142	(966)
Amortisation of acquired intangibles	2,010	2,572
Legal and advisor costs associated with Mach49	918	-
Previously reported adjusted tax expense	**7,407**	**12,430**
Mach49 tax credit/(expense)	710	(4,414)
Adjusted tax expense	**8,117**	**8,016**
Adjusted profit before income tax	30,943	31,376
Adjusted effective tax rate	**26.2%**	**25.5%**

A4: RECONCILIATION OF ADJUSTED EARNINGS PER SHARE

	Six months ended 31 July 2025 (Unaudited) £'000	Six months ended 31 July 2024 (Unaudited) £'000	Twelve months ended 31 January 2025 (Audited) £'000
(Loss)/profit attributable to ordinary shareholders	**(1,447)**	**22,136**	**39,465**
Unwinding of discount on future deferred and contingent consideration and share purchase obligation payable	5,118	10,133	16,451
Change in estimate of future deferred and contingent consideration and share purchase obligation payable	(3,935)	(14,788)	(29,155)
Charge for one-off employee incentive scheme	-	-	175
Costs associated with operational restructuring	1,910	4,195	16,966
Property impairment	-	-	612
Gain on disposal of subsidiaries	(4,108)	-	-
Amortisation of acquired intangibles	7,355	10,243	19,437
Intangibles write off	900	-	1,409
Goodwill impairment	9,144	-	3,000
Employment linked acquisition payments	3,388	2,399	9,498
Deal costs	1,008	170	600
Legal and advisor costs associated with Mach49	4,391	-	-
Tax effect of adjusting items above	(3,563)	(2,651)	(6,313)
Previously reported adjusted earnings attributable to ordinary shareholders	**20,161**	**31,837**	**72,145**
Mach49 trading loss/(profit)	2,946	(14,368)	(33,444)
Mach49 tax (credit)/expense	(710)	4,414	11,041
Adjusted earnings attributable to ordinary shareholders	**22,397**	**21,883**	**49,742**

APPENDIX – ALTERNATIVE PERFORMANCE MEASURES *(Continued)*

FOR THE SIX MONTHS ENDED 31 JULY 2025

A4: RECONCILIATION OF ADJUSTED EARNINGS PER SHARE *(Continued)*

	Six months ended 31 July 2025 (Unaudited) **Number**	Six months ended 31 July 2024 (Unaudited) **Number**	Twelve months ended 31 January 2025 (Audited) **Number**
Weighted average number of ordinary shares	100,924,813	99,847,610	100,379,867
Dilutive LTIP & Options shares	890,522	1,728,473	1,036,086
Dilutive Growth Deal shares	2,135,482	2,404,317	2,198,485
Other potentially issuable shares	667,382	1,059,482	537,069
Diluted weighted average number of ordinary shares	**104,618,199**	**105,039,882**	**104,151,507**
Adjusted earnings per share	22.2p	21.9p	49.6p
Diluted adjusted earnings per share	21.4p	20.8p	47.8p

Adjusted and diluted adjusted earnings per share have been presented to provide additional information which may be useful to shareholders to understand the performance of the business by facilitating comparability both year on year and with industry peers. The adjusted earnings per share is the performance measure used for the vesting of employee performance shares.