

12 June 2025

Idox plc

Half Year results for the six months ended 30 April 2025

Positive momentum continues with good first half performance

Idox plc (AIM: IDOX, 'Idox', 'the Company' or 'the Group'), a leading supplier of specialist information management software and geospatial data solutions to the public and asset-intensive sectors, is pleased to announce its unaudited half year results for the six months ended 30 April 2025 ('H1 FY25').

Financial highlights

	H1 FY25	H1 FY24	% change
Revenue:			
Revenue	£45.0m	£43.1m	4%
Recurring Revenues ¹	£29.8m	£27.4m	9%
Profit:			
Adjusted ² EBITDA	£13.9m	£13.1m	6%
Adjusted ² EBITDA margin	31%	30%	-
Statutory operating profit	£6.4m	£5.7m	14%
Adjusted ³ diluted EPS	1.48p	1.26p	17%
Statutory diluted EPS	0.92p	0.71p	30%
Cash:			
Free cashflow ⁵	£13.6m	£13.0m	5%
Cash generated from operating activities before taxation as a percentage of Adjusted EBITDA	141%	149%	-
Net cash ⁴ / (debt)	£0.2m	£(6.6)m	N/A

Operational highlights – record intake and new wins

- Record first half order intake of £58.7m, up 9% from H1 FY24 (£54.1m), providing increasing levels of revenue visibility for the remainder of FY25 and into FY26.
- Strong wins from existing and new customers including North Yorkshire Council, Calderdale Borough Council, Swansea Council, the Welsh Government, Ministry of Housing, Communities and Local Government, Berkshire Hathaway Energy, and Pacificorp.
- Continued progress on further developing the Group's geospatial capabilities and revenue including new wins with customers including Vodafone.
- Healthy M&A pipeline with good progress on a number of strategic targets.
- Acquisition of Plianz, a UK-based provider of Health and Social Care software solutions, shortly after the period end for initial enterprise value of £7.65m in cash.
- Continued growth of India operation in Pune, which now employs over 100 colleagues with further ongoing recruitment to support growth ambition.

Current trading and outlook – good visibility for the remainder of the year

- A combination of strong growth in recurring revenue and an active bidding pipeline, provides good revenue visibility for the remainder of FY25 and into FY26.
- The business continues to perform well and in line with the Board's expectations.
- Intention to pay a final dividend in line with the Group's stated dividend policy.

David Meaden, Chief Executive Officer of Idox said:

"Idox has delivered a good financial performance in the first half of 2025 in line with the Board's expectations, with increased total revenue, recurring revenue, profitability and cash generation, putting the Group in its strongest position ever.

A clear focus on, and a deep understanding of the markets we serve, continues to provide us with excellent opportunities to support new and existing customers. The breadth and depth of our services delivered via our outstanding people offers further opportunities for organic growth.

We have a proven track record of identifying, acquiring and integrating strategic assets into Idox and were pleased to complete the acquisition of Plianz shortly after the period end to strengthen our existing Health and Social Care offering. Our M&A pipeline remains healthy, and we remain confident of adding to our existing portfolio of specialist software and geospatial data solutions to deliver further profitable growth.

We are pleased with the progress made and positive momentum meaning the Group is well positioned to deliver on our full-year expectations."

Alternative Performance Measures (APMs)

The Group uses these APMs, which are not defined or specified under International Financial Reporting Standards, as this is in line with the management information requested and presented to the decision makers in our business; and is consistent with how the business is assessed by our debt and equity providers.

¹ Recurring revenue is defined as revenues associated with access to a specific ongoing service, with invoicing that typically recurs on an annual basis and underpinned by either a multi-year, rolling contract and highly repeatable services. These services include Support & Maintenance, SaaS fees, Hosting services, and some Managed service arrangements which involve a fixed fee irrespective of consumption.

² Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation) is defined as earnings before amortisation, depreciation, non-underlying, acquisition costs, impairment, financing costs and share option costs. Share option costs are excluded from Adjusted EBITDA as this is a commonly used measure in the industry and how management and our shareholders track performance (see note 10 for reconciliation).

³ Adjusted EPS excludes amortisation on acquired intangibles, non-underlying, financing, impairment, share option and acquisition costs (see note 10 for reconciliation).

⁴ Net cash / debt is defined as the aggregation of cash, bank borrowings and the long-term bond (see note 10 for reconciliation). This differs from a similar measure under IFRS, which would also include lease liabilities as debt. The definition used is consistent with that used within the Group's banking arrangements.

⁵ Free cash flow is defined as net cash flow from operating activities after taxation less capital expenditure and lease payments (see note 10 for reconciliation).

There will be a webcast at 9:30am UK time today for analysts and investors. To register for the webcast please contact MHP at idox@mhpgroup.com

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About Idox plc

For more information see www.idoxgroup.com [@Idoxgroup](#)

Introduction

I am pleased to introduce a good set of results from Idox for the first half of the financial year. This has been a period of continuous progress and operational execution. During the period, revenues grew by 4% and Adjusted EBITDA by 6%. Cash generated from operating activities, before taxation, was £19.6m, a conversion rate of 141% against an Adjusted EBITDA for the period of £13.9m. The period ended with the business in a net cash position of £0.2m.

The Group continues to be well placed to execute on our growth strategy. There is positive momentum across the business, supported by an increase of 9% on last year's order intake and a strong pipeline of opportunities which underpins our confidence in the medium term. We continue to see strong demand for our products and services from existing customers as they use software and new technologies to help them manage increasing demand with limited resources.

It is important that we manage the business to take advantage of new opportunities, build scale in our operations and continue to expand into near market adjacencies to capitalise on our core competencies. We will do this through both organic development and acquisitions.

We have continued to see opportunities that extend our product and service footprint with our customers, and we have supported the business with investment in new product areas which we believe will deliver value to customers and shareholders over the medium term. We continue to pursue an active acquisition programme yet remain focussed on only acquiring businesses which we believe will enhance our current position, and at prices which deliver value for our shareholders. In this vein, we were pleased to complete the acquisition of Plianz shortly after the period end, which is a very good fit with our current activities. We continue to look for accretive, synergistic acquisition opportunities that support our long-term focus on software and complement the existing portfolio. We are confident that there are a range of opportunities that fit the key criteria we have defined, it is incumbent on the Board to exercise the necessary patience to ensure that we are delivering in the best long-term interests of shareholders. In support of our growth strategy, the continued focus on cash generation and paying down existing debt has put the business in a strong position to execute on this strategy.

The divisional structure continues to work well for our business and our customers, and this focus on customers has been a significant driver of our growth in recurring revenue, up 9% in the period. We continue to see strong demand for our cloud-based solutions, particularly in our LPPP business where we saw recurring revenue in Idox Cloud up over 13% on the prior year period.

During the reporting period, we have undertaken work to report our progress in matters relating to ESG and enhanced our reporting on matters relating to diversity, equality, and inclusivity (DEI). We have continued to explore how our teams engage with the business and their thoughts on matters that affect them through the 'Be Heard' survey and this continues to shape our approach to DEI. We are committed to ensuring that all stakeholders, foremost amongst these our employees, can be proud of the Company's work in this area.

We are grateful to our customers for continuing to have confidence in Idox as a partner and to our colleagues for their hard work and dedication in making Idox the business it is today.

Dividend

As previously announced, the Group paid a dividend of 0.7p per share in April 2025 in respect of the year ending 31 October 2024. Our current policy is to only declare a final dividend and therefore, no interim dividend is proposed in respect of H1 FY25 (H1 FY24: £Nil). We will keep the level of future dividends under review in consideration of our performance, financial position and our confidence in the future.

Chair's statement (continued)

For the six months ended 30 April 2025

Summary

The Group has made good progress in the period. We are focused on ensuring we drive the full benefit of our strong performance in growing our recurring revenues into improving our net cash generation. We also remain committed to our buy and build strategy and continue to carefully evaluate M&A opportunities that we believe will deliver long term benefits for customers and shareholders whilst creating strong opportunities for our teams and their future development. Overall, the business continues to perform well and in line with the Board's expectations.

Chris Stone

Chair of the Board
11 June 2025

Chief Executive's statement

For the six months ended 30 April 2025

I am pleased to report on a good performance for the first half of the year and would like to thank our teams across the business who have been instrumental in building the strong momentum we have across the Group. We are proud to deliver market leading software that helps customers across a range of industries manage highly complex operational, legislative and regulatory processes through robust and effective software solutions.

The insight our customers gain to their business operations through these software platforms is profound and we have increased our capabilities in this area with the delivery of geospatial software and data solutions and look forward to developing these along with advanced machine learning and AI developments over the coming months and years.

The Company has continued to improve its revenue, recurring revenue, Adjusted EBITDA, cash and order book positions and has never been stronger than it is today. In addition, our committed banking facilities provide significant firepower to compliment organic growth and internal investment with acquisitions where we see that we can add scale and capability. Our priorities are opportunities that drive growth, improve recurring revenue, broaden our offering, and extend Idox's position in our chosen markets. Shortly after the period end we announced the acquisition of Plianz and this adds to our attractive portfolio of solutions across the Health and Social Care sectors.

Strong progress

During this reporting period we have seen growth in Group revenues of 4%, including 9% in our recurring revenues, generating total revenues of £45.0m, an Adjusted EBITDA improvement of 6% from £13.1m to £13.9m and a statutory operating profit improvement of 14% to £6.4m. The Group continued to generate strong cash flow during the period, resulting in a net cash position at 30 April 2025 of £0.2m compared to £9.9m net debt at the end of the last financial year.

Our strong operational cadence and financial position makes Idox well placed for continued growth in our software operations and provides a secure foundation to which we can add compatible acquisitions to our portfolio of offerings.

Clarity of strategy and consistency of performance has been based upon our 'Four Pillars' which underpin our strategic thinking and operational decision making for the business as we continue to grow, adapt, and evolve; these are Revenue expansion, Margin enhancement, Simplification and Communication.

The 'Four Pillars' programme

Revenue expansion

Our significant market positions and continued investment in our solutions has supported an improved sales performance, increasing sales to existing customers, in addition to welcoming new client customers across all Divisions.

During the period we saw recurring revenues increase by 9% and total revenue by 4% on the same period last year. Given the comparative period last year was cyclically significantly higher for customers extending the use of many of our key software offerings and when considering the overall economic sentiment, this can be seen as a very pleasing result. The record order intake during the period of £58.7m speaks well to the performance and momentum of the business.

Reviewing the performance of our Divisions:

Land, Property & Public Protection

Sales order intake in Local Government continued to perform well with high retention rates in the period and a good mix of new services and contract extensions. As anticipated this year, customers resigns were at a cyclically lower point, but our previously outlined strategic focus on establishing longer term agreements with customers, securing future long-term relationships has continued and we have seen a continued increase in Annual Recurring Revenue (ARR).

The period saw significant contracts with North Yorkshire Council, Calderdale Borough Council, Swansea Council, East Lyndsay District Council, London Borough of Bexley and London Borough of Barnet Council. Harlow Council joined a growing customer base choosing the Idox provisioned hosting service for their existing software platforms, with 25% having now transitioned to our Uniform Cloud hosting service.

Chief Executive's statement (continued)

For the six months ended 30 April 2025

Recurring revenue in Idox Cloud was up over 13% in H1 FY25, with overall revenues up almost 18% on the same period last year. We welcomed new customers to our solution, including East Staffordshire Borough Council and a number of migrations including Blackburn with Darwen Borough Council, Kent County Council, Derby City Council, Walden Borough Council and Blackpool Council.

Address Management Solutions revenues were up 7% supported by continued recurring revenue growth in the period which was up 9%. Our strategy of expanding into new adjacent markets showed good progress in the first half of the year with significant new business wins with Frequentis Ltd welcomed as a new customers, alongside Portsmouth City Council, Torbay Council and New Forest District Council, alongside a number of customers upgrades to the iManage Cloud offering.

The formation of Idox Geospatial, following the acquisition of Emapsite in 2023, has created an opportunity to create and explore new data services and solutions. Emapsite has built on its previous performance, with revenue growth of 23% on the same period last year. During the period there were a number of successes, including a major 3-year contract with Vodafone, new contracts with the National Collection of Aerial Photography and Miller & Bryce and continues to be an area which we invest in.

Communities

Revenue in Lillie, our sexual health solution, was up 10% on prior year, as we continued our strong relationship with existing customers such as Cardiff & Vale University Health Board, Hereford & Worcestershire, Royal Berkshire Hospital NHS Trust, Noble's Hospital and Maidstone & Tunbridge Wells NHS Trust.

Elections revenues were up 8% on prior year, with significant work with the Welsh Government, Ministry of Housing, Communities and Local Government, Swansea City Council and Glasgow City Council.

In the Database subscription businesses GrantFinder and ResearchConnect, recurring revenue was up over 3% on the same period last year. GrantFinder welcomed 72 new customers in the period, with Research Connect and The Knowledge Exchange also enjoying good performance in the first half.

Social Care revenues were 8% lower than in 2024, however, recurring revenue has continued to increase (up 2%) including new contracts with London Borough of Lambeth, Reading Borough Council, Manchester City Council and Salford City Council.

Assets

EIM returned to growth with revenues 2% higher compared to 2024. The second quarter saw a much better order intake performance carrying a stronger orderbook into the second half of the year. New FusionLive sales included significant contracts with Berkshire Hathaway Energy, Pacificorp and San Francisco Bay Area Rapid Transit, expanding EIM's international customer base.

iFit (our asset tracking solution) revenues were up over 31% with non-recurring revenues accounting for most of the improvement in performance, growing 46% half-on-half. There are a number of exciting opportunities for the iFit solution across the NHS and into other markets that we continue to target. Birmingham Community Healthcare NHS Foundation Trust, Belfast NHS and Social Care Trust and NHS Tayside were notable new wins and resigns during the period.

Margin enhancement

We continue to target margin improvements across the business, and this has delivered results in the first half of the year, with the Adjusted EBITDA margin rising from 30% to 31%. Leveraging the matrix structure to build on our scale across our Engineering and IT departments has helped create efficiencies and better use of resources.

Formation of the Customer Success horizontal team and combining the leadership and management of onboarding, professional services and customer support is helping improve efficiency and delivery of better and more consistent services to customers. This approach has created opportunities for pooled resources providing additional support and scale across the Group as well as shared learning and improvement of technical capabilities.

We have continued to increase our operational teams in India over the first half of the year, and we now have over 100 colleagues based in Pune. We see this as an important focus area over the next few years as we target increasing the scale of our teams in India further.

Chief Executive's statement (continued)

For the six months ended 30 April 2025

Across Engineering we have developed a strategy to delivering Micro-Services across all platforms, simplifying our approach to complex and repeatable software requirements to ensure we engineer solutions once and apply them across all of our platforms.

We have also established an AI Group, focussed on creating the appropriate platforms for the Group going forward and demonstrating how AI technology can practically work for customers in simplifying process, removing duplicated costs and improving both staff and customer experiences.

Simplification

Across the Group we have implemented technologies and processes to streamline and improve consistency and colleague experience; this has helped bring better controls and improved visibility, facilitating better management control and information.

Expansion of the sales desk and revenue assurance teams across the entire Group has improved the overall customer experience, simplifying the order process and refining the order to cash workflow. This approach has created organisational efficiencies, significantly simplified the operations and created a more consistent approach.

We continue to review, refine and invest in processes and technology across the organisation to streamline and improve both the colleague and customer experience.

Communication

Given the nature of our operations, we have embraced, where appropriate, the world of hybrid working. However, we continue to work hard to provide an open and engaging environment where colleagues can collaborate effectively. We have encouraged and facilitated regular face-to-face activities and contact as we believe that in the creative areas of work, especially in development and product management, this is of particular importance.

We have opened a new office in Farnborough to accommodate our growing Geospatial operations and we successfully completed the move to a new modern office in Pune that can accommodate over 200 colleagues.

As part of our communication strategy, we engage and encourage regular and open dialogue with colleagues across the business, targeted through areas of special interest and focus groups, delivered through a variety of media and channels, and leveraging the very latest collaboration tools.

Regular CEO broadcasts continue to underpin our communication strategy, these include regular interactive sessions with various colleagues from across the business contributing to ensure that a broad range of insights, opinions, and inputs are presented. This forum provides opportunities for colleagues to ask open questions of the panel with high levels of participation from across the Group.

During the first half we have also engaged in a number of focus groups across the business under the banner of 'Be Heard'. This allows teams across the Group to reflect on the good things that come from working at Idox, provide feedback about the Company's future strategy and highlight the things that are important to them going forward that they would like us to focus on.

During the period we have introduced the My Growth initiative allowing team members to more actively drive their own career development at Idox and have implemented over 36 staff promotions in the period.

Responsible

We believe that our solutions and services create long term value for the customers and communities we serve, and whilst we recognise our need to create shareholder value, the Board also recognises the importance of our societal and environmental responsibilities and the need to conduct our business in a responsible and sustainable way.

Our commitment to this is focussed in four areas; our People; our Communities, our Environment and Organisational Responsibilities.

Our ESG steering committee is now in its fifth year of driving our strategy and agenda, built on understanding and monitoring our business practices to ensure they are sustainable in both environmental and social terms as well as ensuring that Idox is well governed and authentic.

Chief Executive's statement (continued)

For the six months ended 30 April 2025

We have sponsored initiatives throughout the first half of FY25, maintaining our focus on DEI – and this is approached through smaller cross business virtual team meetings to discuss lived experiences and effective ways to make improvements across the business.

We have also supported employee led initiatives throughout the first half of the year to raise funds in support of various charities and we encourage and promote the use of our community days scheme to support good causes in our local communities. Initiatives like the payroll giving scheme are well used and help maximise the impact of employees' contributions. We also operate regular workplace wellbeing sessions, which are very well attended and appreciated by members of the Idox Team.

Through our work in the Local Government community, we continue to enter into social value partnerships with customers allied to the delivery of our products and services. These arrangements enable Idox to make a very real and direct contribution in the customers' local community. In addition, as mentioned previously, we have continued to give free access to our My Funding Central services for eligible charities.

Through our "My Funding Central" solution, and as part of our ongoing commitment to charities working across the UK, we provide organisations with incomes of less than £30,000 free access to grants and funding information.

Idox remains committed to our environmental protection initiatives and operating the business in a responsible manner. Our Environmental Management System is accredited to BS EN ISO 14001:2015, and we participate in the Energy Saving Opportunities Scheme ('ESOS'), meeting the requirements of the Streamlined Energy and Carbon Reporting ('SECR') regulations.

The ESG steering committee also monitors our ongoing carbon reduction initiatives to ensure we are meeting our targets, including maintaining disciplines on avoiding unnecessary travel, travelling green wherever possible and by continuing to take advantage of virtual meetings and the delivery of many of our customer services online. Following its introduction last year, we have maintained our options to incentivise and encourage employees to obtain an electric vehicle through our salary sacrifice scheme, along with providing financial support for colleagues who may wish to install ground-based heating systems, alongside help and advice on energy saving measures that can be implemented when working from home.

Outlook

Idox has delivered a good financial performance in the first half of 2025 in line with the Board's expectations, with increased total revenue, recurring revenue, profitability and cash generation, putting the Group in its strongest position ever.

A clear focus on, and a deep understanding of the markets we serve, continues to provide us with excellent opportunities to support new and existing customers. The breadth and depth of our services delivered via our outstanding people offers further opportunities for organic growth.

We have a proven track record of identifying, acquiring and integrating strategic assets into Idox and were pleased to complete the acquisition of Plianz shortly after the period end to strengthen our existing Health and Social Care offering. Our M&A pipeline remains healthy, and we remain confident of adding to our existing portfolio of specialist software and geospatial data solutions to deliver further profitable growth.

We are pleased with the progress made and positive momentum meaning the Group is well positioned to deliver on our full-year expectations.

David Meaden

Chief Executive Officer
11 June 2025

Chief Financial Officer's review

For the six months ended 30 April 2025

Financial review

The Group delivered a good performance in the first half of 2025 across revenue, Adjusted EBITDA and cash flow. Revenue increased 4% in the period to £45.0m (H1 FY24: £43.1m). Adjusted EBITDA increased by 6% to £13.9m (H1 FY24: £13.1m). Net debt since 31 October 2024 improved to a net cash position of £0.2m at 30 April 2025.

The following table sets out the Revenue and Adjusted EBITDA for each of the Group's segments.

	H1 FY25 £000	H1 FY24 £000	Variance	
			£000	%
Revenue				
LPPP	29,741	28,950	791	3%
Assets	7,850	7,081	769	11%
Communities	7,416	7,118	298	4%
Total	45,007	43,149	1,858	4%
Revenue Split				
LPPP	66%	67%		
Assets	17%	16%		
Communities	17%	17%		
Total	100%	100%		
Adjusted EBITDA¹				
LPPP	9,212	9,197	15	-%
Assets	2,062	1,580	482	31%
Communities	2,631	2,282	349	15%
Total	13,905	13,059	846	6%
Adjusted EBITDA Margin				
LPPP	31%	32%		
Assets	26%	22%		
Communities	35%	32%		
- Total	31%	30%		

¹ Adjusted EBITDA is defined as earnings before amortisation, depreciation, non-underlying, acquisition costs, impairment, financing costs and share option costs. Share option costs are excluded from Adjusted EBITDA as this is a commonly used measure in the industry and how management and our shareholders track performance. See note 10 for reconciliations of the alternative performance measures.

Total revenue for the period increased by 4% to £45.0m (H1 FY24: £43.1m), with all divisions growing. LPPP increased 3% in the period to £29.7m (H1 FY24: £29.0m). Assets increased 11% to £7.9m (H1 FY24: £7.1m) and Communities revenues increased 4% to £7.4m (H1 FY24: £7.1m).

Adjusted EBITDA increased by 6% for the period to £13.9m (H1 FY24: £13.1m). The growth in Adjusted EBITDA was driven by Assets and Communities which were up 31% and 15% respectively in the period with LPPP delivering a stable performance. This resulted in an anticipated overall Adjusted EBITDA margin of 31% (H1 FY24: 30%). In line with the improvements in Adjusted EBITDA, the Adjusted EBITDA margin has improved to 31%, driven by increases in both Assets and Communities.

Chief Financial Officer's review (continued)

For the six months ended 30 April 2025

Revenues

	H1 FY25 £000	H1 FY24 £000	Variance	
			£000	%
Revenues				
- Recurring (LPPP)	19,747	17,621	2,126	12%
- Recurring (Assets)	4,802	4,727	75	2%
- Recurring (Communities)	5,209	5,018	191	4%
	29,758	27,366	2,392	9%
- Non-Recurring (LPPP)	9,994	11,329	(1,335)	(12%)
- Non-Recurring (Assets)	3,048	2,354	694	29%
- Non-Recurring (Communities)	2,207	2,100	107	5%
	15,249	15,783	(534)	(3%)
	45,007	43,149	1,858	4%
- Recurring ¹	66%	63%		
- Non-Recurring ²	34%	37%		

¹ Recurring revenue is defined as revenues associated with access to a specific ongoing service, with invoicing that typically recurs on an annual basis and underpinned by either a multi-year, rolling contract and highly repeatable services. These services include Support & Maintenance, SaaS fees, Hosting services, and some Managed service arrangements which involve a fixed fee irrespective of consumption.

² Non-recurring revenue is defined as revenues without any formal commitment from the customer to recur on an annual basis.

Total recurring revenue increased by 9% in the period to £29.8m and increased to 66% of the Group's total revenue (H1 FY24: 63%). LPPP has seen an increase of 12% in recurring revenues to £19.7m driven by growth across all of its solutions. Recurring revenue within the Assets division increased 2% to £4.8m with growth in EIM and our asset tracking solution (iFit) offset by reductions in the CAFM facilities management solution. Communities recurring revenue increased by 4% driven by growth across all solutions.

Non-recurring revenues have decreased by 3% to £15.2m for the period and account for 34% of the Group's revenue. LPPP non-recurring revenue was down 12% to £10.0m (H1 FY24: £11.3m) driven by anticipated reductions in Local Authority, partially offset by increases in Cloud. Non-recurring revenue within Assets increased 29% to £3.0m (H1 FY24: £2.4m) with a strong performance in iFit and Transport. Communities delivered £2.2m (H1 FY24: £2.1m) of non-recurring revenue with slightly lower volumes in our Social Care solutions.

The Group's order intake for the period was up 9% on last year to £58.7m which provides good levels of revenue visibility for the remainder of the year and into FY26.

Chief Financial Officer's review (continued)

For the six months ended 30 April 2025

Profit before taxation

The statutory profit before taxation for the period was up 15% at £5.3m (H1 FY24: £4.6m). The following table provides a reconciliation between Adjusted EBITDA and statutory profit before taxation.

	H1 FY25 £000	H1 FY24 £000	Variance	
			£000	%
Adjusted EBITDA	13,905	13,059	846	6%
Depreciation & Amortisation	(6,189)	(6,100)	(89)	1%
Non-underlying costs	(366)	(26)	(340)	1,308%
Acquisition costs	(107)	(12)	(95)	792%
Financing costs	-	(23)	23	(100%)
Share option costs	(800)	(1,225)	425	(35%)
Net finance costs	(1,180)	(1,116)	(64)	6%
Profit before taxation	5,263	4,557	706	15%

The Group incurred non-underlying costs of £0.4m in the year relating to organisational change and restructuring.

Acquisition costs of £0.1m primarily relate to the acquisition of Plianz which was announced in May 2025.

Share option costs of £0.8m (H1 FY24: £1.2m) relate to the accounting charge for awards made under the Group's Long-term Incentive Plan, in accordance with IFRS 2 – Share-based Payments.

Net finance costs are in line with the prior year at £1.2m (H1 FY24: £1.1m).

The Group continues to invest in developing innovative technology solutions across the portfolio and has capitalised £4.2m of development costs during the period (H1 FY24: £3.7m). The increase in the period is primarily driven by our Geospatial offering.

Taxation

The effective tax rate (ETR) on a statutory basis for the period was 20% (H1 FY24: 28%).

The main driver for the decreased tax rate is the claim of Research and Development (R&D) tax credit for prior periods. The ETR of 20% in the period was lower than the UK corporation tax rate of 25% as a result of the R&D tax credit and lower overseas losses and expenses not deductible for tax purposes. In 2024 the ETR of 28% was higher than the UK corporation tax rate of 25% as a result of overseas losses and expenses not deductible for tax purposes. As a result, the ETR on an adjusted basis moved from 26.5% to 20.6%.

Earnings per share and dividends

The adjusted basic earnings per share for the period was up 16% at 1.49p (H1 FY24: 1.28p) and the adjusted diluted earnings per share increased by 17% to 1.48p (H1 FY24: 1.26p). The increase was driven by improved profitability and the lower tax charge, resulting in a higher adjusted profit after taxation of £6.8m (H1 FY24: £5.8m).

Basic earnings per share improved by 29% to 0.93p (H1 FY24: 0.72p). Diluted earnings per share increased by 30% to 0.92p (H1 FY24: 0.71p). This was driven by the statutory profit after tax for the period being 30% higher than the prior year.

In line with H1 FY24, the Board does not propose an interim dividend in respect of the six months ended 30 April 2025. Our current policy is to only declare a final dividend. It will keep the level of future dividends under review in consideration of the Group's performance, financial position and overall confidence in the future.

Chief Financial Officer's review (continued)

For the six months ended 30 April 2025

Balance sheet and cashflow

The Group's net assets have increased to £80.0m compared to £78.3m at 31 October 2024. The constituent movements are detailed in the Group's consolidated Statement of Changes in Equity, which are summarised as follows:

	6 months to 30 April 2025 £000
Total Equity as per FY24 Financial Report	78,280
Share option movements	610
Equity dividends paid	(3,221)
Profit for the period	4,230
Exchange losses on translation of foreign operations	55
Total Equity as per H1 FY25 Financial Report	<u>79,954</u>

The Group continued to have good cash generation in the period. Cash generated from operating activities before taxation was £19.6m, and as a percentage of Adjusted EBITDA was 141% (H1 FY24: 149%). The Group typically operates on a negative working capital cycle. A significant part of the Group's contracts renew and re-sign during the first half of the year. As a result, billings and cash collections typically tend to be annually in advance in the first half of the year.

	H1 FY25 £000	H1 FY24 £000
Net cashflow from operating activities after taxation	18,713	17,666
Capex	(4,558)	(4,292)
Lease payments	(542)	(400)
Free cashflow ¹	<u>13,613</u>	<u>12,974</u>

¹ Free cash flow is defined as net cash flow from operating activities after taxation less capital expenditure and lease payments (see note 10 for reconciliation).

Given the strong cash collection during the first half of the year, the Group ended the period with net cash of £0.2m compared to net debt of £9.9m at 31 October 2024. Net debt comprised cash of £16.4m less bank borrowings of £5.3m and the Maltese listed bond of £10.9m, which is due for repayment in July 2025. We ended the period with a leverage ratio of 0.02 times (FY24: 0.4 times) with significant headroom against the Group's financial covenants.

The Group retains excellent liquidity with cash and available committed bank facilities and has strong headroom against financial covenants. The Group's total available facilities at 30 April 2025 consisted of a revolving credit facility of £75m and £45m accordion which continue to 1 October 2027, providing significant scope for further M&A.

Anoop Kang

Chief Financial Officer

11 June 2025

Consolidated interim statement of comprehensive income

For the six months ended 30 April 2025

		6 months to 30 April 2025 (unaudited) £000	6 months to 30 April 2024 (unaudited) £000	12 months to 31 October 2024 (audited) £000
	Note			
Revenue	3	45,007	43,149	87,599
Cost of sales		(12,431)	(10,811)	(24,517)
Gross profit		32,576	32,338	63,082
Administrative expenses		(26,133)	(26,665)	(53,068)
Operating profit		6,443	5,673	10,014
<i>Analysed as:</i>				
Adjusted EBITDA	10	13,905	13,059	26,051
Depreciation & Amortisation		(6,189)	(6,100)	(12,021)
Non-underlying costs		(366)	(26)	(302)
Acquisition costs		(107)	(12)	(1,156)
Financing costs		-	(23)	(67)
Share option costs		(800)	(1,225)	(2,491)
Finance income		36	186	69
Finance costs		(1,216)	(1,302)	(2,019)
Profit before taxation		5,263	4,557	8,064
Income tax charge	5	(1,033)	(1,304)	(2,805)
Profit for the period attributable to the owners of the parent		4,230	3,253	5,259
Other comprehensive income / (loss) for the period				
Items that will be reclassified subsequently to profit or loss:				
Exchange movement on translation of foreign operations net of tax		55	(42)	(33)
Other comprehensive income / (loss) for the period, net of tax		55	(42)	(33)
Total comprehensive income for the period attributable to owners of the parent		4,285	3,211	5,226
Earnings per share attributable to owners of the parent				
Basic	6	0.93p	0.72p	1.16p
Diluted	6	0.92p	0.71p	1.15p

The accompanying notes form an integral part of these financial statements.

Consolidated interim balance sheet

As at 30 April 2025

	Note	At 30 April 2025 (unaudited) £000	At 30 April 2024 (unaudited) £000	At 31 October 2024 (audited) £000
Assets				
Non-current assets				
Property, plant and equipment		993	1,358	1,064
Intangible assets	7	105,486	107,520	106,564
Right-of-use-assets		2,049	1,398	1,893
Deferred tax assets		2,160	2,130	2,656
Other receivables		1,158	1,185	1,154
Total non-current assets		111,846	113,591	113,331
Current assets				
Trade and other receivables		25,078	24,026	21,488
Cash and cash equivalents		16,385	18,217	11,660
Total current assets		41,463	42,243	33,148
Total assets		153,309	155,834	146,479
Liabilities				
Current liabilities				
Trade and other payables		10,322	11,044	10,290
Deferred consideration		-	869	-
Current tax payable		995	922	738
Other liabilities		36,492	32,062	24,553
Provisions		477	714	491
Lease liabilities		687	522	613
Bonds in issue		10,861	-	10,808
Total current liabilities		59,834	46,133	47,493
Non-current liabilities				
Deferred tax liabilities		6,231	7,052	6,738
Lease liabilities		1,408	910	1,310
Other liabilities		598	2,063	1,878
Bonds in issue		-	11,049	-
Borrowings		5,284	13,760	10,780
Total non-current liabilities		13,521	34,834	20,706
Total liabilities		73,355	80,967	68,199
Net assets		79,954	74,867	78,280
Equity				
Called up share capital		4,617	4,594	4,602
Capital redemption reserve		-	1,112	-
Share premium account		23	41,581	23
Treasury reserve		(6)	-	-
Share option reserve		7,140	5,775	6,849
Other reserves		9,347	9,165	9,397
ESOP trust		(519)	(548)	(558)
Foreign currency translation reserve		216	152	161
Retained earnings		59,136	13,036	57,806
Equity attributable to the owners of the parent		79,954	74,867	78,280

The accompanying notes form an integral part of these financial statements.

Consolidated interim statement of changes in equity

As at 30 April 2025

	Called up share capital £000	Capital redemption reserve £000	Share premium account £000	Treasury reserve £000	Share options reserve £000	Other reserves £000	ESOP trust £000	Foreign currency translation reserve £000	Retained earnings £000	Total £000
Balance at 1 November 2023 (audited)	4,562	1,112	41,558	-	5,841	9,165	(526)	194	11,371	73,277
Issue of share capital	32	-	23	-	-	-	-	-	-	55
Share option costs	-	-	-	-	1,102	-	-	-	-	1,102
Exercise / lapses of share options	-	-	-	-	(1,168)	-	-	-	1,168	-
ESOP trust	-	-	-	-	-	-	(22)	-	-	(22)
Equity dividends paid	-	-	-	-	-	-	-	-	(2,756)	(2,756)
Transactions with owners	32	-	23	-	(66)	-	(22)	-	(1,588)	(1,621)
Profit for the period	-	-	-	-	-	-	-	-	3,253	3,253
Other comprehensive loss										
Exchange movement on translation of foreign operations	-	-	-	-	-	-	-	(42)	-	(42)
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	-	(42)	3,253	3,211
At 30 April 2024 (unaudited)	4,594	1,112	41,581	-	5,775	9,165	(548)	152	13,036	74,867
Issue of share capital	8	-	-	-	-	-	-	-	-	8
Share options costs	-	-	-	-	1,168	-	-	-	-	1,168
Exercise / lapses of share options	-	-	-	-	(94)	-	-	-	94	-
Deferred tax on share options	-	-	-	-	-	232	-	-	-	232
ESOP trust	-	-	-	-	-	-	(10)	-	-	(10)
Capital reduction	-	(1,112)	(41,558)	-	-	-	-	-	42,670	-
Transactions with owners	8	(1,112)	(41,558)	-	1,074	232	(10)	-	42,764	1,398
Profit for the period	-	-	-	-	-	-	-	-	2,006	2,006
Other comprehensive income										
Exchange movement on translation of foreign operations	-	-	-	-	-	-	-	9	-	9
Total comprehensive income for the period	-	-	-	-	-	-	-	9	2,006	2,015
Balance at 31 October 2024 (audited)	4,602	-	23	-	6,849	9,397	(558)	161	57,806	78,280
Issue of share capital	15	-	-	(15)	-	-	-	-	-	-
Share option costs	-	-	-	-	621	-	-	-	-	621
Exercise / lapses of share options	-	-	-	9	(330)	-	-	-	321	-
Deferred tax on share options	-	-	-	-	-	(50)	-	-	-	(50)
ESOP trust	-	-	-	-	-	-	39	-	-	39
Equity dividends paid	-	-	-	-	-	-	-	-	(3,221)	(3,221)
Transactions with owners	15	-	-	(6)	291	(50)	39	-	(2,900)	(2,611)
Profit for the period	-	-	-	-	-	-	-	-	4,230	4,230
Other comprehensive income										
Exchange movement on translation of foreign operations	-	-	-	-	-	-	-	55	-	55
Total comprehensive income for the period	-	-	-	-	-	-	-	55	4,230	4,285
At 30 April 2025 (unaudited)	4,617	-	23	(6)	7,140	9,347	(519)	216	59,136	79,954

The accompanying notes form an integral part of these financial statements.

Consolidated interim cash flow statement

For the six months ended 30 April 2025

	Note	6 months to 30 April 2025 (unaudited) £000	6 months to 30 April 2024 (unaudited) £000	12 months to 31 October 2024 (audited) £000
Cash flows from operating activities				
Profit for the period before taxation		5,263	4,557	8,064
Adjustments for:				
Depreciation of property, plant and equipment		392	515	984
Depreciation of right-of-use assets		490	572	870
Amortisation of intangible assets	7	5,307	5,013	10,167
Acquisition / disposal finalisation costs		-	-	131
Finance income		(36)	(186)	(69)
Finance costs		1,141	1,227	1,869
Movement on debt issue costs		75	75	150
Research and development tax credit		(410)	(275)	(450)
Share option costs	8	800	1,225	2,491
Profit on disposal of fixed assets		-	-	14
(Increase) / decrease in receivables		(3,585)	(2,559)	10
Increase in payables		10,166	9,332	977
Cash generated by operations		19,603	19,496	25,208
Tax paid		(890)	(1,830)	(4,100)
Net cash from operating activities		18,713	17,666	21,108
Cash flows from investing activities				
Acquisition of subsidiaries net of cash acquired		-	(1,393)	(2,393)
Purchase of property, plant and equipment		(329)	(544)	(726)
Purchase / capitalisation of intangible assets	7	(4,229)	(3,748)	(7,946)
Finance income		36	34	69
Net cash used in investing activities		(4,522)	(5,651)	(10,996)
Cash flows from financing activities				
Interest paid		(394)	(694)	(1,719)
Loan drawdowns		3,500	-	-
Loan related costs		(183)	(174)	(506)
Loan repayments		(9,000)	(4,706)	(7,706)
Principal lease payments		(542)	(400)	(782)
Equity dividends paid	4	(3,221)	(2,756)	(2,756)
Issue of own shares		(140)	(60)	(165)
Net cash outflows from financing activities		(9,980)	(8,790)	(13,634)
Net movement in cash and cash equivalents		4,211	3,225	(3,522)
Cash and cash equivalents at the beginning of the period				
		11,660	14,824	14,824
Exchange gains on cash and cash equivalents		514	168	358
Cash and cash equivalents at the end of the period		16,385	18,217	11,660

The accompanying accounting policies and notes form an integral part of these financial statements.

1 General information

Idox plc is a leading supplier of software and services for the management of Local Government and other organisations. The Company is a public limited company, limited by shares, which is listed on the AIM Market of the London Stock Exchange and is incorporated and domiciled in the UK. The address of its registered office is Unit 5, Woking 8, Forsyth Road, Woking, Surrey, GU21 5SB. The registered number of the Company is 03984070. There is no ultimate controlling party.

The interim financial statements are prepared in pounds sterling.

2 Basis of preparation

The financial information for the period ended 30 April 2025 set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 October 2024 have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified.

This unaudited interim report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. The report should not be relied on by any other party or for any other purpose.

The report contains certain 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.

The interim financial information has been prepared using the same accounting policies and estimation techniques as will be adopted in the Group financial statements for the year ending 31 October 2025. The Group financial statements for the year ended 31 October 2024 were prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by the IASB. The Group has not applied IAS 34 'Interim Financial Reporting', which is not mandatory for AIM companies, in the preparation of these interim financial statements.

Going concern

The Directors, having made suitable enquiries and analysis of the accounts, consider that the Group has adequate resources to continue in business for the foreseeable future, taken to be a period of at least 12 months from the approval of these interim financial statements. In making this assessment, the Directors have considered the Group's budget, cash flow forecasts, available banking facility with appropriate headroom in facilities and financial covenants, and levels of recurring revenue.

In October 2024 the Group extended its loan agreement with National Westminster Bank plc, HSBC Innovation Bank Limited and Santander UK plc. The facilities comprise a revolving credit facility of £75m and a £45m accordion and are committed until October 2027. The Group retains significant liquidity with cash and available committed bank facilities and has strong headroom against financial covenants.

As part of the preparation of our FY24 results, the Group performed detailed financial forecasting, as well as severe stress-testing in our financial modelling, but did not identify any credible scenarios that would cast doubt on our ability to continue as a going concern. The financial forecasting and stress testing assumptions remain valid at 30 April 2025 after taking into account the €13m bond repayable in July 2025.

On the basis of the above considerations, the Directors have a reasonable expectation that the Group will have adequate resources to continue in business for the foreseeable future and therefore continue to adopt the going concern basis in preparing the interim financial statements.

3 Segmental analysis

During the period ended 30 April 2025, the Group was organised into three operating segments which are detailed below.

IFRS 8 Operating Segments requires the disclosure of reported segments in accordance with internal reports provided to the Group's chief operating decision maker. The Group considers its Board of Directors to be the chief operating decision maker and therefore, has aligned the segmental disclosures with the monthly reports provided to the Board of Directors.

- Land Property & Public Protection (LPPP) – delivering specialist information management solutions and services to the public and private sectors.
- Assets – delivering engineering document management and control solutions to asset intensive industry sectors.
- Communities (COMM) – delivering software solutions to customers with social value running through their core.

Segment revenue comprises sales to external customers and excludes gains arising on the disposal of assets and finance income. Segment profit reported to the Board represents the profit earned by each segment before the allocation of taxation, Group interest payments and Group acquisition costs. The assets and liabilities of the Group are not reviewed by the chief operating decision maker on a segment basis. The Group does not place reliance on any specific customer and has no individual customer that generates 10% or more of its total Group revenue.

The segment results for the six months to 30 April 2025 were:

	LPPP £000	Assets £000	COMM £000	Total £000
Revenue	29,741	7,850	7,416	45,007
Adjusted EBITDA (note 10)	9,212	2,062	2,631	13,905
Depreciation & Amortisation	(4,031)	(1,084)	(1,074)	(6,189)
Non-underlying costs	(211)	(101)	(54)	(366)
Acquisition costs	(28)	-	(79)	(107)
Share option costs	(517)	(163)	(120)	(800)
Segment operating profit	4,425	714	1,304	6,443
Financing costs				-
Operating profit				6,443
Finance income				36
Finance costs				(1,216)
Profit before tax				5,263

The corporate recharge to the business unit is allocated on a head count basis.

Notes to the interim accounts (continued)

For the six months ended 30 April 2025

3 Segmental analysis (continued)

The segmental information for the six months to 30 April 2024 were:

	LPPP £000	Assets £000	COMM £000	Total £000
Revenue	28,950	7,081	7,118	43,149
Adjusted EBITDA (note 10)	9,197	1,580	2,282	13,059
Depreciation & Amortisation	(3,945)	(1,147)	(1,008)	(6,100)
Non-underlying costs	(16)	(5)	(5)	(26)
Acquisition costs	(12)	-	-	(12)
Share option costs	(770)	(204)	(251)	(1,225)
Segment operating profit	4,454	224	1,018	5,696
Financing costs				(23)
Operating profit				5,673
Finance income				186
Finance costs				(1,302)
Profit before tax				4,557

The segment revenues by geographic location were as follows:

	H1 FY25 £000	H1 FY24 £000
Revenues from external customers:		
United Kingdom	40,938	38,757
North America	2,435	2,495
Europe	1,229	1,296
Rest of World	405	601
	45,007	43,149

4 Dividends

During the period a dividend was paid in respect of the year ended 31 October 2024 final dividend of 0.7p per ordinary share at a total cost of £3,221,000 (H1 FY24: 0.6p per ordinary share at a total cost of £2,756,000).

The directors do not propose a dividend in respect of the interim period ended 30 April 2025 (H1 FY24: £Nil).

Notes to the interim accounts (continued)

For the six months ended 30 April 2025

5 Tax on profit on ordinary activities

The tax charge is made up as follows:

	6 months to 30 April 2025 (unaudited) £000	6 months to 30 April 2024 (unaudited) £000	12 months to 31 October 2024 (audited) £000
Current tax			
UK corporation tax on profit for the year	1,616	1,361	3,300
Foreign tax	8	-	27
Over provision in respect of prior periods	(535)	-	145
Total current tax	1,089	1,361	3,472
Deferred tax			
Origination and reversal of timing differences	(336)	(57)	(891)
Adjustment for rate change	-	-	196
Adjustments in respect of prior periods	280	-	28
Total deferred tax	(56)	(57)	(667)
Total tax charge	1,033	1,304	2,805

The UK trading losses unrecognised at 30 April 2024 (£44,074) were recognised in audited financial statements 31 October 2024 as the trades became profitable. Unrelieved trading losses of £415,267 (H1 FY24: £493,674) remain available to offset against future taxable trading profits (excluding unrecognised overseas losses of £11,873,839 (H1 FY24: £15,736,014)). The decision was made to maintain derecognition of the overseas assets on the basis these losses will not be utilised over the next three to five years. Across the period the total deferred tax asset in respect of unrelieved trading losses reduced from £127,208 to £103,816. There are no expiry dates for any of the unrelieved trading losses carried forward.

6 Earnings per share

The earnings per share is calculated by reference to the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during each period, as follows:

	6 months to 30 April 2025 (unaudited)	6 months to 30 April 2024 (unaudited)	12 months to 31 October 2024 (audited)
Profit for the period (£000)	4,230	3,253	5,259
Basic earnings per share			
Weighted average number of shares in issue	455,432,163	452,460,466	453,835,013
Basic earnings per share	0.93p	0.72p	1.16p
Weighted average number of shares in issue	455,432,163	452,460,466	453,835,013
Add back:			
Dilutive share options	3,109,290	4,920,946	3,951,198
Weighted average allotted, called up and fully paid share capital	458,541,453	457,381,412	457,786,211
Diluted earnings per share			
Diluted earnings per share	0.92p	0.71p	1.15p

Notes to the interim accounts (continued)

For the six months ended 30 April 2025

6 Earnings per share (continued)

	6 months to 30 April 2025 (unaudited)	6 months to 30 April 2024 (unaudited)	12 months to 31 October 2024 (audited)
Adjusted earnings per share			
Adjusted profit for the period (£000) (see note 10)	6,801	5,781	11,929
Weighted average number of shares in issue - basic	455,432,163	452,460,466	453,835,013
Weighted average number of shares in issue - diluted	458,541,453	457,381,412	457,786,211
Adjusted basic earnings per share	1.49p	1.28p	2.63p
Adjusted diluted earnings per share	1.48p	1.26p	2.61p

7 Intangibles

	Goodwill £000	Customer relationships £000	Trade names £000	Software £000	Development costs £000	Total £000
At 31 October 2024	61,555	17,541	1,490	7,987	17,991	106,564
Additions	-	-	-	-	4,229	4,229
Amortisation	-	(1,075)	(175)	(800)	(3,257)	(5,307)
At 30 April 2025	61,555	16,466	1,315	7,187	18,963	105,486

No impairment charge was incurred during H1 FY25 (H1 FY24: £Nil).

8 Long-term incentive plan (LTIP)

During the period, 4,472,700 were granted under the LTIP.

The Group recognised a total charge of £800,000 (H1 FY24: £1,225,000) for equity-settled share-based payment transactions during the period. The total cost was in relation to outstanding share options and share options granted in the year.

The number of options in the LTIP scheme is as follows:

	30 April 2025 No.	30 April 2024 No.	31 October 2024 No.
Outstanding at the beginning of the period	20,869,383	19,164,949	19,164,949
Granted	4,472,700	5,231,494	5,671,554
Forfeited	(425,847)	(422,448)	(664,038)
Exercised	(945,468)	(3,132,658)	(3,303,082)
Outstanding at the end of the period	23,970,768	20,841,337	20,869,383
Exercisable at the end of the period	70,020	785,530	772,338

9 Post balance sheet events

It was announced on 13 May 2025 that Idox had acquired Plianz, a provider of Health and Social Care solutions in the UK, for initial consideration of £7.65m (rising to c.£7.9m taking into account net cash acquired). Plianz will be included within the Communities segment for the FY25 results.

10 Alternative Performance Measures

Following the issuance of the Guidelines on Alternative Performance Measures (APMs) by the European Securities and Markets Authority (ESMA) in June 2015, the Group has included this section in its Interim Report with the aim of providing transparency and clarity on the measures adopted internally to assess performance. Throughout this report, the Group has presented financial performance measures which are considered most relevant to Idox and are used to manage the Group's performance. These financial performance measures are chosen to provide a balanced view of the Group's operations and are considered useful to investors as these measures provide relevant information on the Group's past or future performance, position, or cash flows. The APMs, which are not defined or specified under International Financial Reporting Standards, adopted by the Group are also commonly used in the sectors it operates in and therefore serve as a useful aid for investors to compare Idox's performance to its peers. The Board believes that disclosing these performance measures enhances investors' ability to evaluate and assess the underlying financial performance of the Group's operations and the related key business drivers. These financial performance measures are also aligned to measures used internally to assess business performance in the Group's budgeting process and when determining compensation. They are also consistent with how the business is assessed by our debt and equity providers.

We believe that these measures provide a user of the Interim Report with important additional information. The following table reconciles these APMs to statutory equivalents:

Notes to the interim accounts (continued)

For the six months ended 30 April 2025

10 Alternative Performance Measures (continued)

	6 months to 30 April 2025 (unaudited) £000	6 months to 30 April 2024 (unaudited) £000	12 months to 31 October 2024 (audited) £000
Adjusted EBITDA:			
Profit before taxation	5,263	4,557	8,064
Depreciation & Amortisation	6,189	6,100	12,021
Non-underlying costs	366	26	302
Acquisition costs	107	12	1,156
Financing costs	-	23	67
Share option costs	800	1,225	2,491
Net finance costs	1,180	1,116	1,950
Adjusted EBITDA	13,905	13,059	26,051
Free cashflow:			
Net cashflow from operating activities after taxation	18,713	17,666	21,108
Capex	(4,558)	(4,292)	(8,686)
Lease payments	(542)	(400)	(782)
Free cashflow	13,613	12,974	11,640
Net debt / (cash):			
Cash	(16,385)	(18,217)	(11,660)
Bank borrowings	5,284	13,760	10,780
Bonds in issue	10,861	11,049	10,808
Net (cash) / debt	(240)	6,592	9,928
Adjusted profit for the period and adjusted earnings per share:			
Profit for the period	4,230	3,253	5,259
Add back:			
Amortisation from acquired intangibles	2,026	2,026	4,052
Non-underlying costs	366	26	1,156
Acquisition costs	107	12	302
Financing costs	-	23	67
Share option costs	800	1,225	2,491
Tax effect	(728)	(784)	(1,398)
Adjusted profit for the period	6,801	5,781	11,929
Weighted average number of shares in issue - basic	455,432,163	452,460,466	453,835,013
Weighted average number of shares in issue - diluted	458,541,453	457,381,412	457,786,211
Adjusted basic earnings per share	1.49p	1.28p	2.63p
Adjusted diluted earnings per share	1.48p	1.26p	2.61p

The Group adjusts for certain non-underlying items which the Board believes assists in understanding the performance achieved by the Group. These are non-underlying items as they do not relate to the underlying performance of the Group. Profit before taxation is adjusted for depreciation, amortisation, non-underlying costs, acquisition costs, financing costs, share option costs and net finance costs to calculate a figure for EBITDA which is commonly quoted by our peer group and allows users to compare our performance with those of our peers. This also provides the users of the accounts with a view of the underlying performance of the Group which is comparable year on year.

10 Alternative Performance Measures (continued)

Depreciation and amortisation are omitted as they relate to assets acquired by the Group which may be subject to differing treatment within the peer group and so this allows meaningful comparisons to be made.

Amortisation on acquired intangibles is omitted in order to improve the comparability between acquired and organic operations as the latter does not recognise internally generated intangible assets. Adjusting for amortisation provides a more consistent basis for comparison between the two.

Non-underlying costs, acquisition costs, financing costs and net finance costs are omitted as they are considered to be one off in nature or do not represent the underlying trade of the Group. The items within these categories are assessed on a regular basis to ensure that they do not contain items which would be deemed to represent the underlying trade of the business.

Share option costs are excluded as they do not represent the underlying trade of the business and fluctuate subject to external market conditions and number of shares. This would distort year-on-year comparison of the figures.

Profit after taxation is adjusted for amortisation from acquired intangibles, non-underlying costs, acquisition costs, financing costs and share option costs, as well as considering the tax impact of these items. To exclude the items without excluding the tax impact would not give the complete picture. This enables the user of the accounts to compare the core operational performance of the Group. Adjusted earnings per share takes into account all of the factors above and provides users of the Interim Report information on the performance of the business that management is more directly able to influence and on a comparable basis for year to year. Readers of the Interim Report are encouraged to review this report in its entirety.