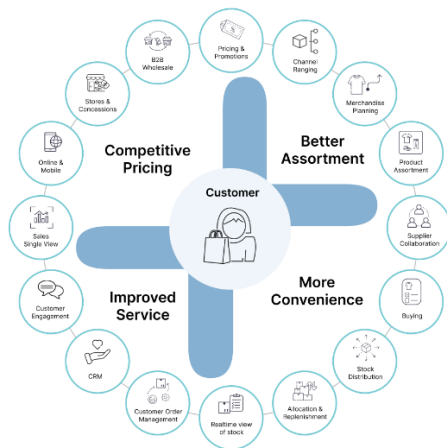


itim Unify



Interim Report

30 June 2025

Financial Highlights

Group revenue £8.0m Half Year 2024 ("HY24"): £8.8m Full Year 2024("FY24"): £17.9m	Booked Recurring Revenue £6.6m HY24: £6.6m FY24: £13.4m	Recurring revenue percentage of Group revenue 83% HY24: 75% FY24: 75%
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ARR¹ £13.3m HY24: £13.2m FY24: £13.0m	Annual growth in ARR¹ 1% HY24: 0% FY24: -1%
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Adjusted EBITDA² £0.4m HY24: £1.2m FY24: £2.5m	Adjusted EBITDA² margin 5% HY24: 13% FY24: 14%	(Loss)/profit before tax (£0.7)m HY24: (£0.1)m FY24: £0.2m
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Cash £1.8m HY24: £3m FY24: £3.8m

Earnings per share (1.6) pence HY24: (0.27) pence FY24: 0.64 pence	Adjusted Earnings per share³ (1.6) pence HY24: 0.18 pence FY24: 1.09 pence
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Full year numbers quoted above are audited and half year numbers quoted above are unaudited

1. Annual recurring revenue

2. EBITDA has been adjusted to exclude share-based payment charges, exceptional items, along with depreciation, amortisation, interest and tax from the measure of profit-

3. The profit measure has been adjusted to exclude exceptional items and share option charge

CEO Statement

The Board is pleased to present the Group's half year results for 2025 in which the business reports good annual recurring revenue and a positive EBITDA.

The first six months of the year have been influenced by the cost pressures currently affecting the retail sector. These pressures have inevitably affected the pace of activity within our business, with a number of projects being pushed back, particularly those involving substantial investment commitments. Whilst the Group has not lost ongoing business, delays in decision-making have occurred and naturally impacted performance. At the same time, it is important to note that the interim results for 2024 included a significant contribution from large-scale project revenues generated through The Entertainers partnership with Tesco.

It is widely acknowledged that UK retailers are battling with what has been described as a "perfect storm" of cost pressures. These include an increasing burden of taxation and regulatory levies, continued upward pressure on wage and employment costs, and the broader impact of inflationary forces. Collectively, these factors are eroding margins, suppressing profitability, and forcing retailers to reassess both pricing strategies and investment priorities.

Consumer confidence, meanwhile, remains fragile. Persistent inflation, rising household debt and ongoing concerns over job security, have constrained discretionary spending. Retailers, faced with the difficult balance of managing higher costs while maintaining competitiveness, have passed some of these pressures onto consumers through increased pricing. As a result, demand dynamics on the high street remain subdued, and the outlook for the crucial Christmas trading period is uncertain. In turn, these uncertainties have led many retailers to defer or scale back investment in longer-term transformation programmes.

Within this difficult trading environment, itim's business model is considered an attractive proposition providing an effective way for retailers to mitigate rising costs and invest in operational efficiency and technology. Areas such as process automation, digital transformation, and supply chain optimisation are increasingly being recognised as essential levers for long-term resilience. Encouragingly, the Group is seeing evidence of retailers adopting these strategies offered by our products and services.

The current pipeline of new opportunities is encouraging and reflects both the relevance of itim's solutions and the confidence in its ability to deliver value. That said, given the current macro and retail environments, projects are taking longer to close, and some have been pushed back into later periods. In the short term, the Group remains disciplined in managing costs and has taken appropriate action to minimise the impact on profitability while protecting its capacity to deliver ensuring that the Group remains well positioned to respond to new levels of interest.

The Group is continuing its focus on machine learning and the use of advanced mathematics in building systems. This year, itim will be launching its AI platform based on an Agentic AI architecture, where a number of 'agents' will sit on top of our UNIFY platform to help retailers identify opportunities to optimise sales, productivity, margin and stock.

In conclusion, while the present trading environment remains challenging the Group is experiencing increased levels of interest for its services. The Board is confident in its positioning within the marketplace with the need for retail technology that can drive profitability and business transformation being greater than ever. The group's proposition is highly aligned to the needs of retailers facing cost pressures, reinforcing its competitive position in the marketplace. Itim is currently seeing its largest pipeline of opportunities in its history, and as investment cycles recover, the board is confident of converting a number of these into increased revenues, albeit with some uncertainty around the exact timing.

Consolidated Statement of Comprehensive Income

for the half-year ended 30 June 2025

	Notes	Six month period ended 30 June 2025 Unaudited £000	Six month period ended 30 June 2024 Unaudited £000	Year ended 31 December 2024 Audited £000
Continuing operations				
Revenue		7,998	8,835	17,908
Cost of sales		(5,343)	(5,451)	(10,724)
Gross profit		2,655	3,384	7,184
Administrative expenses		(2,277)	(2,233)	(4,716)
EBITDA		378	1,151	2,468
Amortisation of intangible assets		(751)	(702)	(1,400)
Depreciation		(30)	(30)	62
Depreciation of leased assets		(262)	(299)	(594)
Profit/(Loss) from operations		(665)	120	412
Exceptional		-	(141)	(141)
Other interest – right of use assets		(42)	(52)	(96)
Loss before taxation		(707)	(73)	175
Taxation		207	(12)	25
Loss for the period/year		(500)	(85)	200
Other comprehensive income				
Exchange differences on retranslation of foreign operations		82	(57)	(113)
Total comprehensive income for the period/year net of tax		(418)	(142)	87
Earnings per share				
Basic	2	(1.60p)	(0.27p)	0.64p
Diluted	2	(1.60p)	(0.27p)	0.57p

Consolidated Statement of Financial Position

as at 30 June 2025

	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
	Unaudited £000	Unaudited £000	Audited £000
Non-current assets			
Intangible assets	11,332	11,163	11,229
Plant and equipment	127	316	254
Right-of-use assets	690	938	770
Deferred tax	2	-	-
	12,151	12,417	12,253
Current assets			
Trade and other receivables	4,898	4,062	3,636
Cash and cash equivalents	1,837	2,976	3,795
	6,735	7,038	7,431
Total assets	18,886	19,455	19,684
Current liabilities			
Trade and other payables	(6,185)	(6,146)	(6,273)
Right-of-use liability	(283)	(308)	(284)
	(6,468)	(6,454)	(6,557)
Non-current liabilities			
Trade and other payables due in more than one year	(73)	(248)	(183)
Right-of-use liability	(459)	(669)	(535)
Deferred tax	(665)	(697)	(793)
	(1,197)	(1,614)	(1,511)
Total liabilities	(7,665)	(8,068)	(8,068)
Net Assets	11,221	11,387	11,616
Capital and reserves			
Called up share capital	1,571	1,561	1,561
Share premium account	7,411	7,398	7,398
Share options reserve	513	513	513
Capital redemption reserve	1,103	1,103	1,103
Foreign exchange reserve	63	37	(19)
Retained profit/(loss)	560	775	1,060
Shareholders' funds	11,221	11,387	11,616

Consolidated Statement of Cash Flow

for the half-year ended 30 June 2025

	Six month period ended 30 June 2025 Unaudited £000	Six month period ended 30 June 2024 Unaudited £000	Year ended 31 December 2024 Audited £000
Cash flows from operating activities			
Profit after taxation	(500)	(85)	200
Adjustments for:			
Taxation	(207)	12	(25)
Other interest on leases	42	52	96
Amortisation and depreciation	1,043	1,031	2,056
Cash flows from operations before working capital changes	378	1,010	2,327
Movement in trade and other receivables	(1,115)	1,397	1,528
Movement in trade and other payables	(90)	(237)	(55)
Cash generated from operations	(827)	2,170	3,800
Corporation tax	(28)	(18)	377
Net cash flow from operating activities	(855)	2,152	4,177
Cash flow from investing activities			
Capital expenditure on intangible assets	(793)	(797)	(1,601)
Purchase of plant and equipment	(5)	(6)	(61)
Net cash flow from investing activities	(798)	(803)	(1,662)
Cash flow from financing activities			
Interest repayments	(30)	-	(50)
Payment of lease liabilities	(303)	(293)	(589)
Share capital issued	23	-	-
Net cash flow from financing activities	(310)	(293)	(639)
Net increase/(decrease) in cash and cash equivalents	(1,963)	1,056	1,876
Cash and cash equivalents at beginning of year	3,795	1,930	1,930
Exchange (losses)/gains on cash and cash equivalents	5	(10)	(11)
Cash and cash equivalents at end of year	1,837	2,976	3,795

Consolidated Statement of Changes in Equity

as at 30 June 2025

	Share capital £000	Share Premium £000	Share option reserve £000	Capital Redemption Reserve £000	Foreign exchange reserve £000	Retained Earnings £000	Total Equity £000
At 1 January 2025	1,561	7,398	513	1,103	(19)	1,060	11,616
Comprehensive income for the year	-	-	-	-	-	(500)	(500)
Foreign exchange movement	-	-	-	-	82	-	82
Total comprehensive income	-	-	-	-	82	(500)	(418)
Shares issued in period	10	13	-	-	-	-	23
At 30 June 2025 (unaudited)	1,571	7,411	513	1,103	63	560	11,221
At 1 January 2024	1,561	7,398	513	1,103	94	860	11,529
Comprehensive income for the year	-	-	-	-	-	(85)	(85)
Foreign exchange movement	-	-	-	-	(57)	-	(57)
Total comprehensive income	-	-	-	-	(57)	(85)	(142)
At 30 June 2024 (unaudited)	1,561	7,398	513	1,103	37	775	11,387
At 1 January 2024	1,561	7,398	513	1,103	94	860	11,529
Comprehensive income for the year	-	-	-	-	-	200	200
Foreign exchange movement	-	-	-	-	(113)	-	(113)
Total comprehensive income	-	-	-	-	(113)	200	87
At 31 December 2024 (audited)	1,561	7,398	513	1,103	(19)	1,060	11,616

Notes to the Financial Information

1. General information

itim Group plc is a public limited Company ("Company") incorporated in the United Kingdom under the Companies Act 2006 (registration number 03486926). The Company is domiciled in the United Kingdom and its registered address is 2nd Floor, Atlas House, 173 Victoria Street, London SW1E 5NH. The Company's ordinary shares are admitted to trading on the AIM market of the London Stock Exchange ("AIM").

The Group's principal activities have been the provision of technology solutions to help clients drive improvements in efficiency and effectiveness.

The Group's interim report and accounts for the six months ended 30 June 2025 have been prepared using the recognition and measurement principles of International Financial Reporting Standards and Interpretations as endorsed by the European Union (collectively "Adopted IFRS").

These interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with the AIM Rules for Companies and should be read in conjunction with the financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS as adopted by the European Union. The interim report and accounts do not include all the information and disclosures required in the annual financial statements.

The interim report and accounts have been prepared on the basis of the accounting policies, presentation and methods of computation as set out in the Group's December 2024 Annual Report and Accounts, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2025, and will be adopted in the 2024 annual financial statements.

The interim report and accounts do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. These interim financial statements were approved by the Board of Directors on **24th September 2025**. The results for the six months to 30 June 2025 and the comparative results for the six months to 30 June 2024 are unaudited. The figures for the period ended 31 December 2024 are extracted from the audited statutory accounts of the Group for that period.

The Directors believe that a combination of the Group's current cash, projected revenues from existing and future contracts will enable the Group to meet its obligations and to implement its business plan in full. Inherently, there can be no certainty in these matters, but the Directors believe that the Group's internal trading forecasts are realistic and that the going concern basis of preparation continues to be appropriate.

Notes to the Financial Information

2. Earnings per share

Basic and diluted (loss)/earning per share is calculated by dividing the (loss)/profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the period. For the avoidance of doubt the deferred shares have been excluded as they have no rights to profits or capital. The Company's share options have a dilutive effect over the two year period.

	6 months ended 30 June 2025 Unaudited £000	6 months ended 30 June 2024 Unaudited £000	Year ended 31 December 2024 Audited £000
Profit/(Loss) after tax for the year	(500)	(85)	200
Exceptional items	-	141	141
Share option charge	-	-	-
Adjusted loss after tax for the year	(500)	56	341
Weighted average number of shares			
Basic - 000	31,304	31,211	31,211
Potentially dilutive share options – 000	3,546	3,657	3,657
Diluted average number of shares – 000	34,850	34,868	34,868
Earnings per share:			
Basic – pence on continuing operations	(1.60)	(0.27)	0.64
Diluted – pence on continuing operations	(1.60)	(0.27)	0.57
Adjusted earnings – Basic – pence on continuing operations	(1.60)	0.18	1.09
Adjusted earnings – Diluted – pence on continuing operations	(1.60)	0.16	0.98

Directors and Advisers

Directors

M E W Jackson (Resigned 27.02.25)
C Price
M A Athar
I D Hayes
S S Ribeiro
R N Frosell
L J Williams
D Hopkins
D Layton

Registrars

Neville Registrars Limited
Neville House Halesowen
West Midlands
B62 8HD

Auditor

RPG Crouch Chapman LLP
40 Gracechurch Street
London EC3V 0BT

Secretary

I D Hayes

Company registration number

03486926

Registered office

2nd Floor
Atlas House
173 Victoria Street
London
SW1E 5NH

Website

www.itim.com