



Interim Results 2026

Iomart Group plc half year results for the six months ended 30 September 2025

Total Revenue £77.7m	Adjusted EBITDA £12.9m	Adjusted loss before tax £(2.5)m	Cash flow from Operations £8.4m	Adjusted Diluted EPS (1.9)p	Net Debt £109.6m
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Financial highlights

- Results are in line with the trading update issued on 30 October 2025.
- Group revenue increased 25% to £77.7 million (H1 FY25: £62.0 million), including £21.7 million from the Atech acquisition.
- Organic revenue declined as anticipated by approximately £6.0 million, impacted by previously disclosed customer churn in the prior year.
- Adjusted EBITDA of £12.9 million (H1 FY25: £17.0 million), in line with expectations, reflecting the shift in revenue mix and lower recurring revenues in legacy services.
- Adjusted loss before tax of £2.5 million (H1 FY25: £4.3 million profit), impacted by lower EBITDA and higher interest costs related to the Atech acquisition.
- Net debt of £109.6 million at 30 September 2025 (31 March 2025: £101.9 million), including £97.5 million drawn on the Group's £115 million Revolving Credit Facility.

Strategic highlights

- Improved customer renewal rates in H1 and consistently positive net order bookings support future revenue growth.
- Microsoft-connected services now represent approximately 30% of Group revenue (H1 FY2024: 7%), reflecting successful strategic repositioning, accelerated with the Atech acquisition, into a high growth segment of the cloud market.
- Atech contributing significantly to revenue and expanding the Group's Microsoft and managed cyber security capabilities.
- £4 million in annualised cost efficiencies achieved which benefit H2 onwards, with further savings initiatives underway.

Outlook

The Board anticipates an improved performance in the second half of the financial year, and the full year to be within the range of current market expectations.

Financial Highlights	H1 2026	H1 2025	FY 2025
Total Revenue (£m)	77.7	62.0	143.5
% of recurring revenue¹	86%	91%	89%
Adjusted EBITDA (£m)²	12.9	17.0	34.3
Adjusted EBIT (£m)³	2.1	6.6	12.8
Adjusted (loss) /profit before tax (£m)⁴	(2.5)	4.3	6.5
Statutory IFRS (loss) /profit before tax (£m)	(6.5)	1.0	(53.2)
Basic earnings per share(p)	(4.5p)	0.3p	(49.0p)
Adjusted diluted EPS(p)⁵	(1.9p)	2.6p	3.4p
Cash flow from operations £m	8.4	11.1	27.2
Net debt (£m)⁶	109.6	48.1	101.9
Bank revolver Loan less cash (£m)	92.4	29.8	83.9

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Note: Company compiled range is based on known sell-side analyst estimates. The latest known sell-side analyst estimates for the full year ended 31 March 2026 are:

- Revenue in the range of £159m to £160m;
- Adjusted EBITDA⁽¹⁾ in the range of £27.7m to £29.2m;
- Adjusted PBT⁽²⁾ in the range of £(1.7)m loss to £0.4m profit; and
- Net Debt (including IFRS 16 finance lease liabilities) in the range of £97.5m to £107.8m

Notes to editors

¹Recurring revenue is the revenue that repeats either under long-term contractual arrangement or on a rolling basis by predictable customer habit. % of recurring revenue is defined as Recurring Revenue/ Revenue.

²Throughout this statement adjusted EBITDA, is earnings before interest, tax, depreciation and amortisation (EBITDA) before share- based payment charges, acquisition costs and exceptional non-recurring costs. Throughout this statement acquisition costs are defined as acquisition related costs and non-recurring acquisition integration costs.

³Throughout this statement adjusted EBIT is earnings before interest and tax (EBIT) before amortisation charges on acquired intangible assets, share-based payment charges, acquisition costs and exceptional non-recurring costs. Throughout these financial statements acquisition costs are defined as acquisition related costs and non-recurring acquisition integration costs.

⁴Throughout this statement adjusted (loss)/profit before tax is (loss)/profit before tax, amortisation charges on acquired intangible assets, share based payment charges, acquisition costs, accelerated write-off of arrangement fees on bank facilities and exceptional non-recurring costs.

⁵Throughout this statement adjusted diluted earnings per share is earnings per share before amortisation charges on acquired intangible assets, share based payment charges, acquisition costs and the taxation effect of these.

⁶Net debt is the total of bank revolver loan, lease liabilities and cash and cash equivalents. Bank revolver loan less cash is Net Debt excluding lease liabilities.

⁷Net order bookings, represents the gross order value of Annual Recurring Revenue (ARR) contracted during the period, which will be billed in future periods adjusted for ARR revenue churn. Churn reflecting lost or reduced renewal values in the period.

Forward looking statements

This interim announcement contains forward-looking statements, which have been made by the Directors in good faith based on the information available to them up to the time of the approval of this report and such information should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying such forward-looking information.

About Iomart Group plc

Iomart Group plc (AIM: IOM) is one of the UK's leading providers of secure cloud managed services, simplifying the complexities of modern technology for businesses, with the majority of Group revenue derived from the UK. Our team of 600+ deliver cutting-edge solutions in cloud infrastructure, modern workplace management, and managed security services that enable our customers to innovate, protect, and scale their businesses.

We hold one of the UK's most extensive sets of Microsoft credentials, including Azure Expert MSP, Eight Solution Designations, 15 Advanced Specialisations including the new Copilot award and membership in Microsoft's Intelligent Security Association (MISA). As well as being a top-tier Broadcom Pinnacle Partner for VMware Cloud and Elite MSP Partner for Commvault. Which means we can bring the latest technologies in hybrid cloud, data protection, and cyber resiliency to meet the evolving needs of our customers.

For further information about the Group, please visit www.iomart.com

Half Year Statement

Introduction

This half year has been one of significant transition and strategic realignment for the Group, as we refreshed our leadership structure and sharpened our focus on the distinct strengths of our core business units. These changes have been implemented with a clear objective: to ensure accountability, foster specialist expertise and to better serve the diverse needs of our customers across the portfolio.

Our financial performance for the first half of the year, while a reduction from the prior year, is in line with the Board's expectations and consistent with the pre-close trading update issued on 30 October 2025. We have made tangible progress in strengthening our operational foundations, simplifying our business model and positioning Iomart for sustainable growth.

We have made important strides in operational efficiency, delivering the initial phase of our cost optimisation programme and achieving annualised savings to date of £4m, that will benefit the Group's financial results in the second half and beyond. Our investment in technology, people and process improvements is yielding results, as evidenced by strong order bookings, improved customer retention and the expansion of our capabilities in high-growth areas such as managed security.

Our Business Model

Our vision remains clear and consistent; to establish Iomart as the UK's leading provider of secure cloud services for the SME and enterprise mid-market.

Over recent months, we have strengthened our focus on three core business units, each now led by dedicated leadership teams. This structure is supported by a group-wide sales and marketing function serving both new and existing customers, alongside centralised support functions in finance, procurement, compliance and HR, to ensure strong governance and efficiency. In addition, our captive offshore operations in India now provide scalable expertise across all three business units and central functions, delivering ability to scale the business but also as a means of delivering substantial improvement in business efficiency and thereby driving down our costs.

During the past six months, we have implemented several changes within our Business Units, as outlined below:

- **Domain & Mass Hosting (Easyspace)**

The Sonassi brand, specialising in eCommerce hosting, has been integrated with Easyspace and Hosting UK to form a unified domain and hosting business. This consolidation creates a comprehensive portfolio of end-to-end web hosting solutions for UK consumers and SMEs. The three brands, Easyspace, Hosting UK and Sonassi, remain distinct, to reflect differing customer needs and technical requirements. Some additional customer cohorts from legacy Iomart self-managed infrastructure brands have also migrated to Hosting UK.

Half Year Statement (continued)

- **Iomart Cloud Services**

Our largest business unit continues to provide private cloud, backup and data protection solutions, and data centre services to a diverse customer base across multiple sectors. These services are underpinned by strong technology partnerships, including Broadcom Pinnacle Partner for VMware Cloud and Elite MSP partner for Commvault. Integration efforts have consolidated previous acquisitions and brands under Iomart, Oriium (data protection centre of excellence and channel partner) and Rapids witch (dedicated servers). Earlier this year, we transitioned Extrinsic a operations to Atech, consolidating Microsoft solution delivery. The remaining approximately £7m (annualised) of Microsoft-related revenue within Iomart Cloud Services will start to migrate to Atech in the coming months.

- **Atech**

Atech is now firmly established as our Microsoft (Azure, Modern Work and AI) and Security practice, operating under a single management structure and centre of excellence. It is one of the UK's most accredited Microsoft managed service partners, enhancing our ability to win new business and serve the entire Group customer base. Approximately 30% of Group revenue now comes from Microsoft-connected activities (H1 FY25: 9%).

These changes have delivered greater clarity, focus, and alignment with the unique characteristics, maturity cycle and technical requirements of each business unit. The impact of the above revenue reclassification on prior period segmental reporting is covered in note 12.

Strategy and operational highlights

First half highlights

Beyond the success of creating greater clarity, focus, and alignment across our business units, notable highlights in the first half of the year include:

- **Strong Order Bookings and Sales Transformation**

We secured an additional £10m in annual recurring revenue (ARR) bookings in the first six months, supported by a growing pipeline (H1 FY25: £9.6m). Our revised sales strategy and operating model are designed to drive consultancy-led engagements into targeted verticals, and we are now seeing larger ARR opportunities emerging. To enable this, we have upskilled our sales team, improving certifications and accreditations across our three strategic vendor technologies. We have also deployed a new Configure, Price, Quote (CPQ) system, simplifying quoting and billing processes.

- **Expansion of Microsoft & Security Capabilities through Atech**

Since acquisition, Atech has secured a further four advanced specialisations, including in Copilot, making us one of the first UK partners to achieve this. We have also been awarded two new Solution Partner designations in Private Cloud and Hybrid Cloud, cementing Atech's position as one of the most accredited Microsoft partners in the UK.

Half Year Statement (continued)

- **Customer Alignment and Operational Simplification**

We have improved alignment of legacy brand customer bases to our simplified business model, ensuring all Iomart Cloud Services customers with managed services are now centralised into a single Iomart ERP system and service teams. This integration provides clarity and efficiency, while Rapidswitch retains a clear focus on the dedicated servers market.

- **Technology Advancement**

We completed the deployment of the new Broadcom vCloud Director platform, delivering best-in-class private cloud functionality and strengthening our technology offering.

- **Cost Optimisation Programme**

We delivered the initial phase of our cost optimisation programme, achieving £4m in annualised savings through headcount reductions, infrastructure decommissioning, procurement efficiencies, and expansion of our captive offshore operations in India (headcount now at 73 employees), which will benefit H2 and onwards.

Second half priorities

Our priorities for the second half of the year are centred on accelerating profitable revenue growth, improving operational efficiency and strengthening our financial position. The key areas of focus are:

- **Revenue Growth Initiatives**

We aim to position the Group strongly for an improved starting point, in terms of monthly recurring revenue, as we enter FY27. Key actions include:

- Onboarding managed security customers: Accelerate the acquisition and integration of managed security clients, leveraging Atech's Microsoft and security expertise to capture high-margin recurring revenue streams.
- Productisation of AI Services: Formalise and launch our AI-driven service offerings, creating packaged solutions that address customer needs for automation, optimisation and intelligent security.
- Maximising Indirect Channel sales via Oriium: Optimising potential of our channel partner network through the Oriium brand and partnerships with the IT channel.
- Leveraging Broadcom Pinnacle Partner status: Differentiate our private cloud hosting capabilities by capitalising on our Elite Partner status, positioning Iomart as a trusted provider for VMware Cloud solutions.
- Incremental customer growth in data centre services: Target new customers for colocation and dedicated hosting services, particularly within Rapidswitch, to enhance utilisation and margin contribution.

Half Year Statement (continued)

- **Cost Optimisation and Operational Efficiency**

We will continue our rolling programme of cost optimisation, with a focus on:

- Reducing structural data centre costs: over the medium-term address fixed cost structures through consolidation of facilities and improved energy efficiency factors and utilisation rates.
- Driving efficiency across operations: Implement process & system improvements (including AI and automation), alongside investing in our Indian team to allow the business to scale efficiently, while maintaining service quality.

- **Financial Position**

Our focus is to manage effectively our financial position through:

- Positive cash generation and the delivery of strong cash flow in H2.
- Continued cost optimisation and disciplined working capital management.
- Maintaining financial flexibility to ensure the Group is well-positioned to invest in growth initiatives while reducing net debt leverage levels.

Together, these actions will enable Iomart to enter FY27 with a stronger revenue base and a more robust financial position, setting the foundation for sustainable growth.

Market Update

The UK cloud computing market has continued to demonstrate growth over the past six months, underpinned by accelerating digital transformation, heightened security requirements and the integration of AI-driven capabilities. Public cloud adoption remains dominant, with Microsoft Azure maintaining a leading position in the UK enterprise segment. However, hybrid and multi-cloud strategies remain a prevailing model, as organisations seek flexibility, resilience and compliance with data sovereignty regulations.

Key market dynamics and how we are responding:

- Hybrid cloud adoption: UK businesses increasingly operate across both public and private cloud environments, driven by regulatory compliance, cost optimisation and the need for operational resilience. Persistent cost challenges, including energy and infrastructure expenses, are accelerating migration away from on-premise systems toward cloud-native and hybrid solutions. This is our heritage. We have proven capabilities in managing this complex landscape for a range of UK businesses.
- AI and Automation: Demand for AI-enabled services is reshaping cloud strategies, with enterprises prioritising platforms that deliver automation, predictive analytics and enhanced security. Through our recent innovation in this space, we are launching a range of offerings in H2 to make our products in this space more easily accessible.

Half Year Statement (continued)

- **Security and Compliance:** Rising cyber threats and sector-specific regulations are reinforcing the need for cyber consultancy, incident response managed cyber security services and zero-trust architectures. We have further expanded our 24/7 Security Operations Centre (SOC) and cyber advisory offerings, strengthening our capabilities in cyber security.

We have seen customers adopt a more conservative approach to technology investment, prioritising essential services such as security, compliance and cost optimisation over discretionary projects. Outsourcing to managed service providers delivers capability to reduce capital expenditure and improve cost control. Iomart is offsetting margin pressure in commoditising areas such as licence consumption by accelerating our drive to ensure differentiation through high-value offerings such as security and managed services, optimising customer costs and compliance.

We are now able to offer hybrid solutions, combining Microsoft public cloud services (Azure infrastructure, Modern Work, and Security) expertise, along with our strong heritage in private cloud infrastructure, making us well positioned in the market.

Financial Review

Revenue

	For the six months ended 30 September		For the year ended 31 March
	2025 £'000	2024 ¹ £'000	2025 ¹ £'000
Iomart Cloud Services	44,504	49,445	97,059
Atech	25,565	4,350	30,188
Domain and Mass Hosting (Easyspace)	7,676	8,155	16,213
Total revenue	77,745	61,950	143,460

¹ see note 12 for reclassification of historic periods.

Overall revenue from our operations was £77.7m (H1 2025: £62.0m) with a high level of recurring revenue at 86% (H1 2025: 91%). We remain focused on retaining our recurring revenue business model with the combination of multi-year contracts and payments in advance providing us with good revenue visibility. The Atech acquisition reduced the percentage of recurring revenue due to a higher proportion of consultancy activity as we support customers in their digital migrations and security positioning.

Half Year Statement (continued)

Group revenue includes a full six months of revenue from Atech, being £21.7m, growth of 16% on the comparable period. Excluding the impact of acquisitions, the remaining pre-existing Group experienced a revenue decline of around £6.0m, reflecting the accelerated churn of customers from legacy self-managed infrastructure, plus some private managed cloud customers, in the prior year which impacted the monthly run rate entering into this current financial year. A key success in the current period has been the consistent delivery of positive net order bookings driven by a combination of a good level of new orders bookings of £10m annual recurring revenue (H1 2025: £10m) and an improvement in customer renewal rates allowing achievement of net order bookings⁷ of £4.5m ARR (H1 2025: £0.3m).

Adjusted EBITDA

	For the six months ended 30		For the year
	September		ended 31
	2025	2024	2025 ¹
	£'000	£'000	£'000
Iomart Cloud Services	9,091	15,054	27,460
Atech	2,581	(173)	3,067
Domain and Mass Hosting (Easyspace)	3,886	4,513	8,562
Group overheads	(2,648)	(2,442)	(4,777)
Total Adjusted EBITDA	12,910	16,952	34,312

¹ see note 12 for reclassification of historic periods.

Adjusted EBITDA⁽²⁾ was £12.9m, compared to £17.0m in the first half of the previous year, reflecting lower recurring revenues within the traditional private cloud and data centre services which also heavily impacts utilisation of our fixed cost infrastructure, alongside a shift in the Group's mix towards higher-growth, but lower-margin, Microsoft services. Cost efficiency improvements of £4m on an annualised basis have been achieved, which will benefit the second half and beyond.

Trading review by segment

Iomart Cloud Services

Revenue for Iomart Cloud Services in the first half of the year was £44.5m, compared to £49.4m in the same period last year (as reclassified), representing a decrease of £4.9m. This reduction reflects lower contributions from both managed services, which declined by 8%, and self-managed infrastructure, which fell by 24%. The largest element of this decline stems from the lower recurring revenue run-rate at the start of the year, following the higher customer churn experienced in the prior period. Non-recurring revenue remained stable at £5.2m (H1 FY25: £5.3m)

Trading review by segment (continued)

Segmental EBITDA (before share-based payments, acquisition costs and central overheads) of £9.1m represents a drop of £6.0m from the first half of FY25 or £3.3m from the second half of FY25. The trend in margin performance over the last several years has had many moving parts, including changes in revenue mix, timing of inflationary price adjustments and the well documented energy crisis. Revenue mix remains a feature in the period, with lower margin revenue associated with complex managed cloud services (including greater use of Azure public cloud) increasing, while higher margin self-managed infrastructure revenue decreases alongside lower utilisation of our fixed cost infrastructure. This mix shift towards public cloud creates proportionately lower capex requirements. The cost efficiencies already undertaken and our rolling efficiency programme is focussed on this area of the business.

The following is the disaggregation of Iomart Cloud Services revenues of £44.5m (H1 2025 reclassified: £49.5m). Iomart Cloud Services shares the data centre estate and fibre network infrastructure and associated support teams as an important part of the delivery of our recurring revenue services.

	For the six months ended 30 September		For the year ended 31 March
	2025	2024 ¹	2025 ¹
Revenue by operating segment	£'000	£'000	£'000
Cloud managed services	33,043	35,901	71,869
Self-managed infrastructure	6,230	8,232	15,241
Non-recurring	5,231	5,312	9,949
Total revenue	44,504	49,445	97,059

¹see note 12 for reclassification of historic periods.

Cloud managed services (recurring revenue)

Cloud managed services includes the provision of fully managed, complex, bespoke and resilient solutions involving private, public and hybrid cloud infrastructure.

Revenues in this area reduced by 8% to £33.0m (H1 2025 reclassified: £35.9m). The underlying reduction from the prior period is a feature of a lower starting monthly recurring value as we started the financial year and also some delayed billing timing on the orders secured. Within this area, we have seen encouraging growth in Microsoft solutions, including Azure and Modern Work, which generated approximately £3.8m revenue in the H1 period. These activities are expected to transition to Atech during H2, depending on specific customer arrangements.

Trading review by segment (continued)

Self-managed infrastructure (recurring revenue)

Self-managed infrastructure serves customers who prefer to source compute power and connectivity through dedicated servers, managing these directly. This segment represents a lower-growth area of the market and is most exposed to migration towards public cloud, given its transactional nature and reliance on customers' own technical capabilities. Revenue in the first half declined to £6.2m, a reduction of £2.0m compared to the prior year period, but only £0.8m lower than H2 FY25, indicating a slowing rate of decline. Retention rates have improved within the long tail of the customer base, and the Rapids witch brand continues to demonstrate resilience and stability, supported by our Maidenhead data centre. We have also realigned smaller legacy brands, including Sonassi, into our Domain and Mass Hosting segment to enhance customer experience and retention.

Non-recurring revenue

Non-recurring revenue has been stable at £5.2m (H1 2025: £5.3m) which relates primarily to hardware and software reselling plus professional services. These activities often serve as an entry point for new customers, creating opportunities to expand into higher-value recurring services.

Atech

Atech delivered revenue of £25.6m for the six months ended 30 September 2025. As previously noted, we completed the transition of Extrinsic a operations into Atech during the period, consolidating our Microsoft-focused solutions under a single business unit. Extrinsic a contributed £4.3m of revenue in the prior period and has maintained a stable profile since, supported by strong renewal levels as contracts are novated between legal entities.

On a pro forma basis, assuming Atech had been part of the Group from 1 April 2024, revenue for the comparable six-month period last year would have been £23.0m. The moderation in growth reflects a weaker contribution from non-recurring revenue and the timing of some larger order bookings, with initial billing expected to commence in the second half.

Trading review by segment (continued)

Atech's EBITDA (before share-based payments, acquisition costs and central overheads) was £2.6m, representing 10% of revenue, compared to £3.2m (13%) in the second half of FY25 (as reclassified). The inclusion of Extrinsica, which was close to break-even on its £4.3m revenue, has diluted margins but provides a strong platform for improvement as part of the enlarged Microsoft Centre of Excellence. During the period, we navigated a more challenging market pricing environment for M365 licensing. While we retained and grew revenue in this area, margins were lower overall. Nevertheless, our participation in this market is important, as it establishes customer relationships that enable us to upsell more value-added services. We have also invested in maturing Atech's product function to support scalable growth and expanded our Security Operations Centre (SOC), strengthening our capabilities in cyber security.

The table below shows Atech's revenue split between recurring and non-recurring activities:

	For the six months ended 30		For the year
	September		ended 31
	2025	2024 ¹	2025 ¹
Revenue by operating segment	£'000	£'000	£'000
Recurring	20,221	4,081	23,739
Non-recurring	5,344	269	6,449
Total revenue	25,565	4,350	30,188

¹see note 12 for reclassification of historic periods.

Atech (recurring revenue)

Recurring revenue within Atech continues to grow, reaching £20.2m for the six-month period. While growth has been slower in recent months, this is primarily due to the timing of larger order bookings and associated billing schedules, which will benefit the second half.

Atech (non-recurring revenue)

Atech non-recurring revenue was £5.3m, representing 21% of total Atech revenue. The largest component remains consultancy projects in cyber security, including a significant engagement with a long-standing financial services client, which contributed £3.0m revenue during the period. This customer has provided repeat business over several years, and we expect the current scope of work to renew in the coming months. Hardware and software reselling activity from existing customers was subdued between May and July, contributing to the overall decline in non-recurring revenue compared to the prior period.

Trading review by segment (continued)

Domain and Mass Hosting (Easyspace)

The Domain and Mass Hosting segment, which now incorporates the Sonassi brand alongside Easyspace and Hosting UK, recorded revenue of £7.7m for the six months ended 30 September 2025, compared to £8.2m in the prior period (as reclassified), representing a modest decline of 6%. This reduction was primarily driven by higher churn within the Sonassi brand, while the Easyspace and Hosting UK brands maintained more stable performance.

Segment EBITDA (before share-based payments, acquisition costs and central overheads) was £3.9m, equating to 51% of revenue, compared to £4.5m (55% of revenue) in the prior period. The transfer of Sonassi and certain other customer cohorts into this segment introduces higher-margin activities.

The global domain name and mass-market hosting sector continues to expand, underpinned by the growing importance of online presence and e-commerce across all areas of the economy, including the small and micro-business community served by this division. While the market is dominated by a small number of large global operators, we remain committed to reinvigorating this segment. Our ambition is to reverse the historic trend of small, consistent revenue declines and return to modest growth, supported by strong renewal rates across all three brands. We recognise that Sonassi requires targeted investment to improve retention and enhance customer experience, and this work is already underway.

Group overheads

Group overheads, which are not allocated to segments, include the cost of the Board, certain professional fees, all the running costs of the headquarters in Glasgow, and Group led functions such as human resources, marketing, finance and design. Group overheads saw an increase of £0.2m to £2.6m (H1 2025: £2.4m) with no material individual variances on the prior period.

Adjusted EBIT

	For the six months ended 30 September		For the year ended 31 March
	2025	2024	2025
	£'000	£'000	£'000
Adjusted EBITDA	12,910	16,952	34,312
Depreciation	(7,109)	(7,432)	(14,730)
Amortisation (non M&A)	(3,657)	(2,968)	(6,757)
Adjusted EBIT	2,144	6,552	12,825

Trading review by segment (continued)

The Group depreciation charge of £7.1m (H1 2025: £7.4m) fell by £0.3m in the period which as a percentage of recurring revenue is 10.5% (H1 2025: 13.1%). This is the fourth year in a row in which we have seen this percentage value drop and was accelerated in the current period given the very limited CAPEX needs of the Atech business.

The Group charge for amortisation of intangibles, excluding amortisation of intangible assets resulting from acquisitions ("amortisation of acquired intangible assets"), of £3.7m (H1 2025: £3.0m) includes £1.8m in relation to the Broadcom VMware software license arrangements which increased in the period following an extension of the licence pool.

The Group's adjusted EBIT decreased by £4.4m to £2.1m (H1 2025: £6.6m) which in adjusted EBIT margin terms translates to 2.7% (H1 2025: 10.6%). We are focused on delivering an improvement in margin in H2 via our rolling cost efficiency programmes and growing higher value added services such as managed cyber security.

Adjusted (loss)/profit before tax

	For the six months ended 30 September		For the year ended 31 March
	2025	2024	2025
	£'000	£'000	£'000
Adjusted EBIT	2,144	6,552	12,825
Net bank & other interest	(3,734)	(1,821)	(5,442)
Accelerated write off of arrangement fees on bank facility	(319)	-	-
Finance lease interest	(594)	(466)	(928)
Adjusted (loss)/profit before tax	(2,503)	4,265	6,455

Finance costs have increased by £2.3m to £4.3m (H1 2025: £2.3m) reflecting the funding of the Atech acquisition on 1 October 2024. After deducting the charges for depreciation, amortisation (excluding the amortisation of acquired intangible assets) and finance costs from the adjusted EBITDA, the adjusted profit before tax for the period reduced by £6.8m to £2.5m loss (H1 2025: £4.3m profit).

Statutory IFRS (loss)/profit before tax

The measure of adjusted profit before tax is a non-statutory measure, which is commonly used to analyse the performance of companies where M&A activity forms a significant part of their activities.

Trading review by segment (continued)

A reconciliation of adjusted profit before tax to Statutory IFRS profit after is shown below:

	For the six months ended 30 September		For the year ended 31 March
	2025	2024	2025
	£'000	£'000	£'000
Total adjusted profit before tax	(2,503)	4,265	6,455
Amortisation of acquired intangible assets	(2,330)	(1,613)	(4,902)
Acquisition costs	-	(1,151)	(1,674)
Share based payments	(77)	(514)	(198)
Administrative expenses – exceptional non-recurring costs	(1,561)	-	-
Goodwill impairment	-	-	(52,900)
IFRS (loss)/profit before tax	(6,471)	987	(53,219)

The larger adjusting items in the current period are:

- non-cash charges for the amortisation of acquired intangible assets of £2.3m (H1 2025: £1.6m), increasing by £0.7m due intangible assets established for customer relationships and brand on the acquisition of Atech on 1 October 2024; and
- during the period the Group incurred £0.6m of exceptional administrative expenses relating to the change of Chief Executive Officer. Remaining exceptional costs related to the cost efficiency, integration and corporate programmes.

After deducting the charges for share based payments, the amortisation of acquired intangible assets, acquisition costs and exceptional non-recurring costs, the reported loss before tax is £6.5m (H1 2025: £1.0m profit).

Taxation and profit for the period

There is a tax credit in the period of £1.4m (H1 2025: £0.6m charge), represented by a combination of a movement for deferred taxation in the period of £0.8m (H1 2025: credit of £0.1m) and a corporation tax credit on the loss in the period. There is no current tax charge in the period (H1 2024: £0.7m). The adjusted effective tax rate, after adjusting for share based payments and acquisition costs, is 22% (H1 2025: 28%). After deducting the tax credit/(charge) from the loss before tax, the Group has recorded a loss for the period from total operations of £5.1m (H1 2025: £0.4m profit).

Trading review by segment (continued)

Earnings per share

Adjusted diluted earnings per share, which is based on (loss)/profit for the period attributed to ordinary shareholders before share based payment charges, amortisation of acquired intangible assets and acquisition costs. Non-recurring exceptional administrative expenses and the tax effect of these items, was 1.9p loss per share (H1 2025: 2.6p profit per share).

The measure of adjusted diluted earnings per share as described above is a non-statutory measure that is commonly used to analyse the performance of companies where M&A activity forms a significant part of their activities. Basic earnings per share from continuing operations was 4.5p loss per share (H1 2025: 0.3p profit per share). The calculation of both adjusted diluted earnings per share and basic earnings per share is included at note 5.

Cash flow

The Group generated cash from operations (before exceptional costs) in the period of £9.7m (H1 2025: £11.6m) with an adjusted EBITDA conversion to cash ratio⁷ in the period of 75% (H1 2025: 68%). The first half year typically has a lower conversion ratio. Cash payments for corporation tax in the period were £0.3m (H1 2025: £1.0m) and cash payments associated with exceptional items were £1.4m (H1 2025: £0.5m), resulting in positive net cash flow from operating activities in the period of £8.0m (H1 2025: £10.0m).

Expenditure on investing activities of £5.1m (H1 2025: £8.5m) was incurred in the period. £3.6m (H1 2025: £4.0m) was incurred on the acquisition of property, plant and equipment, principally to provide specific services to our customers, £1.5m (H1 2025: £1.2m) incurred in respect of development costs.

During the first half of the year, net cash used in financing activities was £10.9m (H1 2024: £7.1m (excluding any Atech timing funding only related items)). All shares issued in the current period under share options were issued at nominal value. In the current period we repaid £2.0m of lease liabilities (H1 2025: £2.2m) and paid £3.4m (H1 2025: £1.5m) of finance charges. A total of £5.2m (H1 2025: £2.6m) was paid in relation to software license arrangements, principally annual instalments on the Broadcom VMware partnership commitments during the period. In the current period, M&A related payments were limited to £0.4m final contingent consideration payments on the Accesspoint acquisitions (H1 2025: £0.7m between the Extrinsic and Accesspoint acquisitions). No dividend payment was made in the period (H1 2025: £3.4m).

Trading review by segment (continued)

A £0.5m drawdown was made in the period from the revolving credit facility of which £0.4m was used to fund fees associated with the June 25 bank refinancing. As a result, cash and cash equivalent balances at the end of the period was £5.1m (30 September 2024: £10.2m (excluding any Atech timing funding only related items)).

Net Debt

The analysis of the net debt is shown below:

	For the six months ended 30 September		For the year ended 31 March
	2025	2024	2025
	£'000	£'000	£'000
Bank revolver loan	97,500	97,000	97,000
Less: cash and cash equivalents	(5,088)	(67,212)	(13,088)
Bank revolver loan less cash and cash equivalents	92,412	29,788	83,912
Lease liabilities	17,233	18,282	18,006
Net Debt	109,645	48,070	101,918

At 30 September 2024 we had the unusual situation of holding £67.2m of cash and cash equivalents which included the £57m of drawn funds for the Atech acquisition which completed on the following day. Excluding this transaction, cash and cash equivalents were £10.2m, reflecting normal operating liquidity parameters.

In June 2025, we secured a new £115m Revolving Credit Facility (RCF) from a syndicate comprising The Royal Bank of Scotland plc, HSBC UK Bank plc, and Clydesdale Bank plc (trading as Virgin Money). This facility, which extends to 30 June 2027, provides long-term funding certainty and includes covenants limited to debt cover and interest cover, aligned with the Group's current leverage position and strategic objectives. At current leverage levels, the bank margin under the new RCF is 3.0% above SONIA, with a margin ratchet mechanism that reduces interest costs as the Group deleverages.

Following the Atech acquisition, the net debt position represents 3.65x our adjusted last 12 months EBITDA, or 3.1x excluding IFRS 16 lease liabilities of £17.2m. While this is a higher leverage level than historically, it reflects a deliberate investment in strategic growth and fundamentally repositioning the Group. Importantly, we have a clear and actionable plan to reduce leverage:

- Positive H2 cash generation expected, supported by improved trading, absence of annual Broadcom payments which are paid in the first month of each financial year, and lower exceptional items.
- Cost optimisation programme, already delivering annualised savings of £4m.

Trading review by segment (continued)

- Continued focus on operational efficiency and exploring opportunities to generate surplus cash as we refine strategic plans and business models.

The Board and management team remain fully committed to deleveraging the business and maintaining a robust financial position. Our liquidity, covenant headroom and proactive approach to delivering cost efficiency provide confidence that the Group is well positioned to manage its capital structure effectively.

Recruitment of new CEO

Securing the right leadership is critical to driving the next phase of growth. This process will prioritise candidates with proven experience in scaling technology businesses, delivering sustainable profitability and navigating complex market transitions.

Outlook

The Board anticipates an improved performance in the second half of the financial year, and the full year to be within the range of current market expectations, supported by ongoing positive order bookings, reduced churn within the self-managed infrastructure segment and the achievement of £4 million in annualised cost reductions. Further efficiency savings are being progressed as well as new focussed sales initiatives.

Condensed Consolidated Statement of Comprehensive Income

(unaudited)

		30 September 2025 £'000	30 September 2024 £'000	31 March 2025 £'000
	Notes			
Revenue		77,745	61,950	143,460
Cost of sales		(42,336)	(28,553)	(72,997)
Gross profit		35,409	33,397	70,463
Administrative expenses		(37,233)	(30,123)	(117,312)
Operating (loss)/profit		(1,824)	3,274	(46,849)
Analysed as:				
Adjusted EBITDA		12,910	16,952	34,312
Share-based payments		(77)	(514)	(198)
Acquisition costs		-	(1,151)	(1,674)
Non-recurring administrative expenses	3	(1,561)	-	-
Depreciation	8	(7,109)	(7,432)	(14,730)
Amortisation acquired intangible assets	7	(2,330)	(1,613)	(4,902)
Amortisation other intangible assets	7	(3,657)	(2,968)	(6,757)
Goodwill impairment charge		.	-	(52,900)
Net Finance costs	4	(4,647)	(2,287)	(6,370)
(Loss)/profit before taxation		(6,471)	987	(53,219)
Taxation	6	1,404	(603)	(1,898)
(Loss)/profit for the period from continuing operations		(5,067)	384	(55,117)
Other comprehensive income				
Exchange differences on translating foreign operations		(49)	(65)	(31)
Fair value (gains)/losses on cashflow hedges		(92)	-	(84)
Other comprehensive expense for the period/year		(141)	(65)	(115)
Total comprehensive (loss)/income for the period attributable to equity holders of the parent				
		(5,208)	319	(55,232)

Condensed Consolidated Statement of Financial Position^(unaudited)

		30 September 2025	31 March 2025
	Note	£'000	£'000
ASSETS			
Non-current assets			
Goodwill and intangible assets	7	139,823	144,305
Trade and other receivables		111	111
Property, plant and equipment	8	57,037	59,515
		196,971	203,931
Current assets			
Cash and cash equivalents	9	5,088	13,088
Trade and other receivables		38,178	36,833
Current tax asset		1,462	842
		44,728	50,763
Total assets		241,699	254,694
LIABILITIES			
Non-current liabilities			
Trade and other payables		(8,573)	(15,210)
Non-current borrowings	10	(112,051)	(112,132)
Provisions		(2,502)	(2,486)
Deferred tax liability		(8,641)	(10,084)
		(131,767)	(139,912)
Current liabilities			
Contingent consideration		-	(364)
Trade and other payables		(48,847)	(48,012)
Current borrowings	10	(2,682)	(2,874)
		(51,529)	(51,250)
Total liabilities		(183,296)	(191,162)
Net assets		58,403	63,532
EQUITY			
Share capital		1,130	1,128
Own shares		(70)	(70)
Capital redemption reserve		1,200	1,200
Share premium		22,500	22,500
Other reserves		19,874	19,938
Retained earnings		13,769	18,836
Total equity		58,403	63,532

The following notes form part of these consolidated financial statements.

Condensed Consolidated Statement of Cash Flows (unaudited)

	Period Ended 30 September 2025	Period Ended 30 September 2024	Year Ended 31 March 2025
	£000	£000	£000
Cashflows from operating activities:			
Loss before tax	(6,471)	987	(53,219)
Non-cash and other movements in operating assets and liabilities included in profit before tax:			
Net finance costs	4,647	2,287	6,370
Depreciation	7,109	7,432	14,792
Amortisation	5,988	4,581	11,659
Impairment ¹	-	-	52,900
Share based payments	77	514	198
Research and development tax credit	(267)	(224)	(532)
Unrealised Foreign exchange (gain)/loss	(12)	(340)	(76)
Other non-cash items	94	-	-
Non-cash Exceptional costs	-	-	(39)
Exceptional items - operating cash flow impact	145	643	(361)
Movement in trade receivables	(1,346)	47	419
Movement in trade payables	(1,606)	(4,877)	(4,899)
Cash flow from operating activities	8,358	11,050	27,212
Taxation paid	(342)	(1,036)	(1,866)
Net cash flow from operating activities	8,016	10,014	25,346
Cash flow from investing activities			
Purchase of property, plant and equipment	(3,635)	(4,049)	(8,252)
Capitalisation of development costs	(1,505)	(1,217)	(2,907)
Purchase of intangible assets	-	-	(87)
Payment for subsidiary acquisitions, net of cash acquired	-	-	(48,465)
Payment of contingent consideration	-	(680)	(2,500)
Net cash used in investing activities	(5,140)	(8,505)	(62,211)
Cash flow from financing activities			
Issue of shares	2	2	4
Drawdown of bank loans	500	57,000	57,000
Refinancing costs	(405)	-	-
Lease capital repayments	(2,037)	(2,189)	(4,352)
Payments for long-term licence agreements	(5,171)	(2,559) ¹	(2,559)
Repayment of debt acquired on acquisition	(364)	-	(6,244)
Finance costs paid	(3,401)	(1,493)	(4,816)
Dividends paid	-	(3,372)	(4,835)
Net cash generated used in financing activities	(10,876)	49,948	34,198
Net decrease in cash and cash equivalents	(8,000)	51,457	(2,667)
Cash and cash equivalents at the beginning of the period	13,088	15,755	15,755
Cash and cash equivalents at the end of the period	5,088	67,212	13,088

¹ Prior year cash flow presentation has been reclassified to align with the FY25 presentation for consistency.

Condensed consolidated statement of Changes in Equity (unaudited)

	Share capital £000	Own shares EBT £000	Capital redemption reserve £000	Share premium account £000	Other Reserves ¹ £000	Retained earnings £000	Total £000
Balance at 31 March 2025	1,128	(70)	1,200	22,500	19,938	18,836	63,532
Loss for the period	-	-	-	-	-	(5,067)	(5,067)
Exchange differences	-	-	-	-	(49)	-	(49)
Fair value (gains)/losses on cashflow hedges	-	-	-	-	(92)	-	(92)
Total comprehensive income	-	-	-	-	(141)	(5,067)	(5,208)
Share based payments	-	-	-	-	77	-	77
Issue of share capital	2	-	-	-	-	-	2
Total transactions with owners	2	-	-	-	77	-	79
Balance at 30 September 2025	1,130	(70)	1,200	22,500	19,874	13,769	58,403

¹ Other reserves comprises the merger reserve £6,967k, hedge reserve £(176)k, share based payment reserve £13,141k and the foreign currency translation reserve £(60)k.

	Share capital £000	Own shares EBT £000	Capital redemption reserve £000	Share premium account £000	Other Reserves ¹ £000	Retained earnings £000	Total £000
Balance at 31 March 2024	1,124	(70)	1,200	22,500	19,855	78,788	123,397
Loss for the period	-	-	-	-	-	384	384
Exchange differences	-	-	-	-	(65)	-	(65)
Total comprehensive income	-	-	-	-	(65)	384	319
Dividends	-	-	-	-	-	(3,372)	(3,372)
Share based payments	-	-	-	-	-	514	514
Issue of share capital	2	-	-	-	-	-	2
Total transactions with owners	2	-	-	-	-	(2,858)	(2,856)
Balance at 30 September 2024	1,126	(70)	1,200	22,500	19,790	76,314	120,860

¹ Other reserves comprises the merger reserve £6,967k, share based payment reserve £13,450k and the foreign currency translation reserve £(44)k.

Condensed consolidated statement of Changes in Equity (unaudited)

(continued)

	Share capital £000	Own shares EBT £000	Capital redemption reserve £000	Share premium account £000	Other ¹ Reserves £000	Retained earnings £000	Total £000
Balance at 1 April 2024	1,124	(70)	1,200	22,500	19,855	78,788	123,397
Loss for the period	-	-	-	-	-	(55,117)	(55,117)
Exchange differences	-	-	-	-	(31)	-	(31)
Fair value (gains)/losses on cashflow hedges	-	-	-	-	(84)	-	(84)
Total comprehensive income	-	-	-	-	(115)	(55,117)	(55,232)
Dividends paid	-	-	-	-	-	(4,835)	(4,835)
Share based payments	-	-	-	-	198	-	198
Issue of share capital	4	-	-	-	-	-	4
Total transactions with owners	4	-	-	-	198	(4,835)	(4,633)
Balance at 31 March 2025	1,128	(70)	1,200	22,500	19,938	18,836	63,532

¹ Other reserves comprises the merger reserve £6,967k, hedge reserve £(84)k, share based payment reserve £13,064k and the foreign currency translation reserve £(10)k.

Notes to the condensed financial statements

1. Basis of preparation

The condensed consolidated financial statements for the six months ended 30 September 2025 comprise the consolidated financial statements of impart Group plc ('the Company') and its subsidiaries (collectively 'the Group').

The condensed consolidated financial statements do not include all the information and disclosures required in the Group's annual consolidated financial statements and do not constitute statutory financial statements as defined in section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 March 2025 have been filed with the Registrar of Companies. These accounts included an independent auditor's report, which was unqualified and did not contain any statement under section 493 of the Companies Act 2006.

The accounting policies and estimation techniques applied in the condensed consolidated financial statements are consistent with those applied in Group financial statements for the year ended 31 March 2025. The provisions of IAS 34 'Interim Financial Reporting' have not been applied in full.

The condensed consolidated financial statements are stated in thousands of pounds sterling, which is the Group's presentation currency.

Going concern

The Directors have assessed the Group's ability to continue as a going concern and have not identified any material uncertainties that may cast significant doubt on its ability to continue in operational existence for at least 12 months from the date of approval of these condensed consolidated financial statements.

At the period end, the Group had access to a £115 million revolving credit facility maturing on 30 June 2027, providing funding certainty and liquidity headroom, with all covenants met comfortably. Net debt at the period end was £109.6 million (H1 2025: £48.1 million). Whilst leverage is temporarily elevated, the Board has a clear plan to reduce through cost efficiencies and cash generation.

The Group's financial performance since year-end has remained broadly in line with the Board-approved FY26 budget and the base case used for the bank refinancing which was successfully concluded on 27 June 2025. Stress testing performed at year-end demonstrated adequate covenant headroom, and actual trading since then has not altered this conclusion.

Notes to the condensed financial statements (continued)

2. Operating segments

The Group's operating segments are defined and presented in accordance with IFRS 8: Operating Segments, based on the internal management reporting structure and financial information reviewed by the Chief Operating Decision Maker (CODM), identified as the Chief Executive Officer. The Group's primary reporting format is by business unit.

During the period, the Group revised its operating segments to align with the updated business unit structure. Comparative information has been restated accordingly. The prior period reclassifications are detailed in note 12.

The Group's revised operating segments are:

Iomart Cloud Services

Provider of managed cloud hosting, colocation, and connectivity services through owned UK data centres. Delivers private and hybrid cloud solutions, backup and disaster recovery, and managed IT services primarily to the larger SME and corporate market.

Atech

Leading and rapidly growing Microsoft Solution Partner, delivering complex, public cloud deployments, modern workplace solutions, digital transformation and specialised managed services to mid-sized enterprises.

Domain and Mass Hosting (Easyspace)

Our domain and mass hosting division delivering domain name registration and mass hosting services primarily to small and micro businesses.

Revenue by operating segment

Revenue by operating segment	For the six months ended 30		For the year
	September		ended 31
	2025	2024*	March
	£'000	£'000	2025*
			£'000
Iomart Cloud Services	44,504	49,445	97,059
Atech	25,565	4,350	30,188
Easyspace	7,676	8,155	16,213
Total revenue	77,745	61,950	143,460

*Reclassification of historic periods is detailed in note 12.

Notes to the condensed financial statements (continued)

2. Operating segments (continued)

Iomart revenue can be further disaggregated as follows:

	For the six months ended 30 September		For the year ended 31 March
	2025	2024*	2025*
Iomart disaggregated revenue	£'000	£'000	£'000
Cloud managed services	33,043	35,901	71,869
Self-managed infrastructure	6,230	8,232	15,241
Non-recurring	5,231	5,312	9,949
Total revenue	44,504	49,445	97,059

*Reclassification of historic periods is detailed in note 12.

Recurring and Non-Recurring Revenue

The amount of recurring and non-recurring revenue recognised during the year can be summarised as follows:

	For the six months ended 30 September		For the year ended 31 March
	2025	2024*	2025*
	£'000	£'000	£'000
Recurring	67,189	56,638	126,272
Non-recurring	10,556	5,312	17,188
Total revenue	77,745	61,950	143,460

*see note 12 for reclassification of historic periods.

Geographical Information

In presenting the consolidated information on a geographical basis, revenue is based on the geographical location of customers. The United Kingdom is the place of domicile of the parent company, Iomart Group plc. No individual country other than the United Kingdom contributes a material amount of revenue; therefore revenue from outside the United Kingdom has been shown as from Rest of the World.

Notes to the condensed financial statements (continued)

2. Operating segments

	For the six months ended 30 September		For the year ended 31 March
	2025 £'000	2024 £'000	2025 £'000
United Kingdom	71,662	54,765	126,272
Rest of world	6,083	7,185	17,188
	77,745	61,950	143,460

Profit by operating segment

For the six months ended 30 September 2025					
£'000	lomart	Atech	Easyspace	Corporate centre	Total
Adjusted EBITDA	9,091	2,581	3,886	(2,648)	12,910
Depreciation	(6,901)	(146)	(62)	-	(7,109)
Amortisation other intangibles	(3,182)	(146)	(172)	(157)	(3,657)
Total adjusted EBIT	(992)	2,289	3,652	(2,805)	2,144
Finance costs				(4,647)	(4,647)
Share based payments				(77)	(77)
Exceptionals				(1,561)	(1,561)
Amortisation acquired intangibles				(2,330)	(2,330)
Statutory IFRS profit/(loss) before tax					(6,471)

Notes to the condensed financial statements (continued)

2. Operating segments (continued)

For the six months ended 30
September 2024

£'000	lomart	Atech	Easyspace	Corporate centre	Total
Adjusted EBITDA	15,054	(173)	4,514	(2,442)	16,952
Depreciation	(7,385)	(9)	(39)	-	(7,432)
Amortisation other intangibles	(2,561)	(138)	(175)	(95)	(2,968)
Total adjusted EBIT	5,108	(320)	4,300	(2,537)	6,552
Finance costs				(2,287)	(2,287)
Share based payments				(514)	(514)
Acquisition costs				(1,151)	(1,151)
Amortisation Acquired intangibles				(1,613)	(1,613)
Statutory IFRS profit/(loss) before tax					987

For the year ended 31 March
2025

£'000	lomart	Atech	Easyspace	Corporate centre	Total
Adjusted EBITDA	27,460	3,067	8,562	(4,777)	34,312
Depreciation	(14,522)	(132)	(76)		(14,730)
Amortisation other intangibles	(5,945)	(288)	(350)	(174)	(6,757)
Total adjusted EBIT	6,993	2,647	8,136	(4,951)	12,825
Finance costs				(6,370)	(6,370)
Share based payments				(198)	(198)
Acquisition costs				(1,674)	(1,674)
Exceptionals				(52,900)	(52,900)
Amortisation acquired intangibles				(4,902)	(4,902)
Statutory IFRS profit/(loss) before tax					(53,219)

Notes to the condensed financial statements (continued)

3. Acquisition costs and exceptional administrative expenses

	For the six months ended 30 September		For the year ended 31 March
	2025	2024	2025
	£'000	£'000	£'000
Professional fees	-	(643)	(866)
Non-recurring acquisition integration costs	-	(508)	(808)
Total Acquisition costs	-	(1,151)	(1,674)
Exceptional administrative expenses	(1,561)	-	-

During the period the Group incurred £0.5m of exceptional administrative expenses relating to the change of Chief Executive Officer. Remaining exceptional costs related to the cost efficiency, integration and corporate programmes plus £0.3m accelerated write-off bank arrangement fees on bank facilities.

4. Net Finance costs

	For the six months ended 30 September		For the year ended 31 March
	2025	2024	2025
	£'000	£'000	£'000
Finance income:			
Bank Interest Receivable	8	105	155
Finance costs:			
Bank loan	(3,497)	(1,761)	(5,168)
Interest on lease liabilities	(594)	(466)	(928)
Accelerated write off of arrangement fee on bank facility	(319)	-	-
Other interest charges	(245)	(165)	(429)
	(4,655)	(2,392)	(6,525)
Net finance costs	(4,647)	(2,287)	(6,370)

Notes to the condensed financial statements (continued)

5. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year, after deducting shares held by the Employee Benefit Trust. Diluted earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the total of the weighted average number of ordinary shares in issue during the year after adjusting for the dilutive potential ordinary shares relating to share options. The calculations of earnings per share are based on the following results:

	For the six months ended 30 September		For the year ended 31 March
	2025	2024	2025
	£'000	£'000	£'000
(Loss)/Profit for the period/year and basic earnings attributed to ordinary shareholders	(5,067)	384	(55,117)
Weighted average number of ordinary shares:			
Called up, allotted and fully paid at start of period	112,764	110,422	112,342
Shares held by Employee Benefit Trust	(141)	(141)	(141)
Issued share capital in the period	62	1,016	244
Weighted average number of ordinary shares – basic	112,685	111,297	112,445
Dilutive impact of share options	1,190	2,496	1,128
Weighted average number of ordinary shares – diluted	113,875	113,793	113,573
Basic earnings per share (p)	(4.5)	0.30	(49.0)
Diluted earnings per share (p)	(4.5)	0.30	(49.0)

Notes to the condensed financial statements (continued)

5. Earnings per share (continued)

lomart Group plc assess the performance of the Group by adjusting earnings per share, calculated in accordance with IAS 33, to exclude certain non-trading items. The calculation of the earnings per ordinary share on a basis which excludes such items is based on the following adjusted earnings:

	For the six months ended 30 September		For the year ended 31 March
	2025	2024	2025
	£'000	£'000	£'000
(Loss)/profit for the financial period and basic earnings attributed to ordinary shareholders	(5,067)	384	(55,117)
Amortisation of acquired intangible assets	2,330	1,613	4,902
Acquisition costs	-	1,151	1,674
Non-recurring exceptional administrative expenses	1,561	-	-
Share based payments	77	514	198
Exceptional goodwill impairment charge	-	-	52,900
Tax impact of adjusting items	(992)	(659)	(734)
Adjusted loss for the financial year and adjusted basic earnings attributed to ordinary shareholders	(2,091)	3,003	3,823
Adjusted basic earnings per share (p)	(1.9)	2.7	3.4
Adjusted diluted earnings per share (p)	(1.9)	2.6	3.4

6. Taxation

	6 months to 30 September 2025	6 months to 30 September 2024	Year to 31 March 2025
	£'000	£'000	£'000
Corporation Tax:			
Tax credit/(charge) for the period/year	572	(715)	(1,024)
Adjustment relating to prior years	-	-	414
Total current taxation credit/(charge)	572	(715)	(610)
Deferred Tax:			
Origination and reversal of temporary differences	832	112	24
Adjustment relating to prior periods	-	-	(1,312)
Total deferred taxation credit/(charge)	832	112	(1,288)
Total taxation credit/(charge) for the period/year	1,404	(603)	(1,898)

Notes to the condensed financial statements (continued)

7. Intangible assets

	Goodwill	Development costs	Acquired customer relationships	Acquired Brand	Software	Acquired beneficial contract	Domain names & IP addresses	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost:								
At 1 April 2024	109,821	18,423	67,596	-	11,226	86	336	207,488
Additions	-	1,217	-	-	16,465	-	-	17,682
Foreign exchange differences	-	-	(46)	-	(35)	-	-	(81)
At 30 September 2024	109,821	19,640	67,550	-	27,656	86	336	225,089
Arising on acquisitions	46,615	-	13,770	1,794	24	-	-	62,203
Additions	-	1,690	-	-	2,246	-	-	3,936
Foreign exchange differences	-	-	26	-	20	-	2	48
At 31 March 2025	156,436	21,330	81,346	1,794	29,946	86	338	291,276
Arising on acquisitions	-	-	-	-	-	-	-	-
Additions	-	1,505	-	-	-	-	-	1,505
Foreign exchange differences	-	-	(28)	-	(21)	-	-	(49)
At 30 September 2025	156,436	22,836	81,318	1,794	29,925	86	338	292,732

Notes to the condensed financial statements (continued)

7. Intangible assets (continued)

Accumulated amortisation:

At 1 April 2024	-	(14,380)	(57,537)	-	(10,124)	(83)	(312)	(82,436)
Amortisation	-	(1,043)	(1,613)	-	(1,919)	(2)	(4)	(4,581)
Foreign exchange differences	-	-	46	-	35	-	-	81
Disposals	-	-	-	-	-	-	-	-
At 30 September 2024	-	(15,423)	(59,104)	-	(12,008)	(85)	(316)	(86,936)
Amortisation	-	(1,176)	(3,215)	-	(2,608)	(1)	(4)	(7,004)
Impairment	(52,900)	-	-	(74)	-	-	-	(52,974)
Foreign exchange differences	-	-	(25)	-	(32)	-	-	(57)
At 31 March 2025	(52,900)	(16,599)	(62,344)	(74)	(14,648)	(86)	(320)	(146,971)
Amortisation	-	(1,368)	(2,294)	(148)	(2,173)	-	(4)	(5,987)
Foreign exchange differences	-	-	28	-	21	-	-	49
At 30 September 2025	(52,900)	(17,968)	(64,610)	(222)	(16,800)	(86)	(324)	(152,909)

Carrying amount:

At 30 September 2025	103,536	4,868	16,708	1,572	13,125	-	14	139,823
At 31 March 2025	103,536	4,731	19,002	1,720	15,298	-	18	144,305
At 30 September 2024	109,821	4,217	8,446	-	15,648	1	20	138,153

Notes to the condensed financial statements (continued)

8. Property, plant and equipment

	Freehold property £000	Right of use assets £000	Property improvements £000	Datacentre equipment £000	Computer equipment £000	Office equipment £000	Motor vehicles £000	Total £000
Cost:								
At 1 April 2024	8,236	27,530	18,140	34,467	127,292	3,094	89	218,848
Additions in the period	-	1,933	24	814	2,480	39	-	5,290
Disposals in the period	-	-	-	-	-	(3)	(4)	(7)
Currency translation differences	-	(163)	-	-	(333)	-	-	(496)
At 30 September 2024	8,236	29,300	18,164	35,281	129,439	3,130	85	223,635
Acquisition of subsidiary	-	258	99	-	12	78	-	447
Additions in the period	-	898	316	1,512	2,334	39	-	5,099
Disposals in the period	-	(312)	-	(1,630)	(72)	(214)	-	(2,228)
Currency translation differences	-	91	-	-	152	-	-	243
At 31 March 2025	8,236	30,235	18,579	35,163	131,865	3,033	85	227,196
Additions in the period	-	1,164	206	1,623	1,786	20	-	4,798
Disposals in the period	-	(958)	-	-	-	-	-	(958)
Currency translation differences	-	31	-	-	(33)	-	-	(2)
At 30 September 2025	8,236	30,472	18,785	36,786	133,618	3,053	85	231,034

Notes to the condensed financial statements (continued)

8. Property, plant and equipment (continued)

Accumulated depreciation:

At 1 April 2024	(1,533)	(14,646)	(10,131)	(20,302)	(106,006)	(2,704)	(34)	(155,356)
Disposals in the period	-	-	-	-	-	1	4	5
Currency translation differences	-	132	-	-	318	-	-	450
Charge for the period	(119)	(1,852)	(498)	(820)	(4,056)	(80)	(7)	(7,432)
At 30 September 2024	(1,652)	(16,366)	(10,629)	(21,122)	(109,744)	(2,783)	(37)	(162,333)
Disposals in the period	-	312	-	1630	72	214	-	2,228
Currency translation differences	-	(74)	-	-	(142)	-	-	(216)
Charge for the period	(118)	(1,953)	(577)	(845)	(3,752)	(107)	(8)	(7,360)
At 31 March 2025	(1,770)	(18,081)	(11,206)	(20,337)	(113,566)	(2,676)	(45)	(167,681)
Disposals in the period	-	672	-	-	-	-	-	672
Currency translation differences	-	94	-	-	26	-	-	120
Charge for the period	(115)	(1,888)	(713)	(942)	(3,369)	(75)	(7)	(7,109)
At 30 September 2025	(1,885)	(19,202)	(11,919)	(21,279)	(116,909)	(2,751)	(52)	(173,997)

Carrying amount:

At 30 September 2025	6,351	11,270	6,866	15,507	16,709	302	33	57,037
At 31 March 2025	6,466	12,154	7,373	14,826	18,299	357	40	59,515
At 30 September 2024	6,584	12,934	7,535	14,159	19,695	347	48	61,301

Notes to the condensed financial statements (continued)

9. Analysis of change in net debt

Analysis of change in net debt	Cash and cash equivalents £000	Bank Loans £000	IFRS 16 Leases £000	Total Net Cash/(Debt) £000
At 1 April 2024	15,755	(40,000)	(18,091)	(42,336)
Additions to lease liabilities	-	-	(1,933)	(1,933)
New bank loans	-	(57,000)	-	(57,000)
Currency translation	-	-	19	19
Cash and cash equivalents cash outflow	51,457	-	-	51,457
Lease liabilities cash outflow	-	-	1,723	1,723
At 30 September 2024	67,212	(97,000)	(18,282)	(48,070)
Acquired on acquisition of subsidiary	3,403	(6,244)	-	(2,841)
Repayment of debt acquired on acquisition	-	6,244	-	6,244
Additions to lease liabilities	-	-	(1,403)	(1,403)
Bank loan interest charged	-	4,968	-	4,968
Bank loan interest paid	-	(4,968)	-	(4,968)
Currency translation	-	-	(22)	(22)
Cash and cash equivalents cash outflow	(57,527)	-	-	(57,527)
Lease liabilities cash outflow	-	-	1,701	1,701
At 1st April 2025	13,088	(97,000)	(18,006)	(101,918)
Drawdown of bank loan	-	(500)	-	(500)
Cash and cash equivalents cash outflow	(8,000)	-	-	(8,000)
Additions to lease liabilities	-	-	(1,124)	(1,124)
Disposal to lease liabilities	-	-	452	452
Currency translation	-	-	2	2
Lease liabilities cash outflow	-	-	1,443	1,443
At 30 September 2025	5,088	(97,500)	(17,233)	(109,645)

Notes to the condensed financial statements (continued)

10. Borrowings

	30 September 2025	30 September 2024	31 March 2025
	£'000	£'000	£'000
Current:			
Lease liabilities	(2,682)	(2,560)	(2,874)
Bank loans	-	-	-
Current borrowings	(2,682)	(2,560)	(2,874)
Non-current:			
Lease liabilities	(14,551)	(15,722)	(15,132)
Bank loans	(97,500)	(97,000)	(97,000)
Total non-current borrowings	(112,051)	(112,722)	(112,132)
Total borrowings	(114,733)	(115,282)	(115,006)

At 30 September 2025, the Group had a £115m Revolving Credit Facility ('RCF') which has a maturity date of 30 June 2027. The RCF provide the Group with additional liquidity which will be used for general business purposes and to fund investments, in accordance with the Group's strategic plan. During the year, the Group made a drawdown of £0.5m.

Details of the Group's lease liabilities are included in note 11.

11. Lease Liabilities

The Group leases assets including buildings, fibre contracts, colocation and software contracts. Information about leases for which the Group is a lessee is presented below:

Right-of-use assets

The right-of-use assets in relation to leasehold property and datacentre equipment are disclosed as non-current assets and are disclosed within property, plant and equipment at 30 September 2025 (note 8). The right-of-use assets in relation to software are disclosed as non-current assets and are disclosed within intangibles at 30 September 2025 (note 7).

Notes to the condensed financial statements (continued)

11. Lease Liabilities (continued)

Lease liabilities

The maturity analysis of undiscounted lease liabilities is shown in the table below:

	30 September 2025 £'000	30 September 2024 £'000	31 March 2025 £'000
Lease liabilities (current)	(2,682)	(2,560)	(2,874)
Lease liabilities (non-current)	(14,551)	(15,722)	(15,132)
Total lease liabilities	(17,233)	(18,282)	(18,006)

The maturity analysis of undiscounted lease liabilities is shown in the table below:

	30 September 2025 £000	30 September 2024 £000	31 March 2025 £000
Amounts payable under leases:	£'000	£'000	£'000
Within one year	(3,462)	(3,539)	(3,699)
Between two to five years	(9,873)	(10,139)	(10,416)
After more than five years	(7,341)	(8,433)	(7,389)
	(20,676)	(22,111)	(21,504)
Add: unearned interest	3,443	3,829	3,498
Total lease liabilities	(17,233)	(18,282)	(18,006)

Notes to the condensed financial statements (continued)

12. Reclassification of segmental reporting– Prior periods

Following the changes to business units as outlined in the business model update in the half year statement, the tables below show the reclassifications applied to each business unit to arrive at the revised segmentation disclosures for the historic periods.

Revenue – historic periods reclassification

For the six months ended September 2024	Original presentation	Reclassification	Revised presentation
Iomart Cloud Services	55,959	(6,514)	49,445
Atech	-	4,350	4,350
Domain and Mass Hosting (Easyspace)	5,991	2,164	8,155
Total Revenue	61,950	-	61,950
Iomart disaggregated Revenue:			
Cloud managed services	38,253	(2,352)	35,901
Self-managed infrastructure	12,394	(4,162)	8,232
Non-recurring	5,312	-	5,312
Total Iomart revenue	55,959	(6,514)	49,445

For the year ended 31 March 2025	Original presentation	Reclassification	Revised presentation
Iomart Cloud Services	109,998	(12,938)	97,059
Atech	21,463	8,725	30,188
Domain and Mass Hosting (Easyspace)	11,999	4,213	16,213
Total Revenue	143,460	-	143,460
Iomart disaggregated Revenue:			
Cloud managed services	76,363	(4,493)	71,869
Self-managed infrastructure	23,686	(8,445)	15,241
Non-recurring	9,949	-	9,949
Total Iomart revenue	109,998	(12,938)	97,059

Notes to the condensed financial statements (continued)

12. Reclassification of segmental reporting– Prior periods (continued)

Adjusted EBITDA– historic periods reclassification

For the six months ended September 2024	Original presentation	Reclassification	Revised presentation
Iomart Cloud Services	16,340	(1,286)	15,054
Atech	-	(173)	(173)
Domain and Mass Hosting (Easyspace)	3,054	1,459	4,513
Adjusted EBITDA	19,394	-	19,394

For the year ended 31 March 2025	Original presentation	Reclassification	Revised presentation
Iomart Cloud Services	30,207	(2,747)	27,460
Atech	3,211	(144)	3,067
Domain and Mass Hosting (Easyspace)	5,671	2,891	8,562
Adjusted EBITDA	39,089	-	39,089

13. Post balance sheet events

Issue of share options

On 24 October 2025, the Company granted 7,200,000 share options under its Unapproved Share Option Scheme to the Executive Chair, Chief Financial Officer, and senior management. The options have an exercise price of £0.01 per share and are subject to performance and service conditions, with full vesting occurring on 24 October 2028.

These interim financial statements have not been adjusted as the grant occurred after the reporting date and relates to conditions arising after that date. The Company will account for these options as equity settled share-based payments in accordance with IFRS 2 '*Share-based Payment*' in future periods.

14. Availability of Interim

The Company's Interim Report for the six months ended 30 September 2025 will shortly be available to view on the Company's website (www.iomart.com).



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