# Journeo

# Connected systems, for essential services

Interim Report

for the six months ended 30 June 2026

Journeo plc (AIM: JNEO), is a leading provider of intelligent systems for transport networks and critical national infrastructure.

## Our vision is...

Converged networks of intelligent systems, autonomously moving people, goods, services and utilities.

## Our mission is...

To make the movement of people, services, goods and utilities safer, more efficient and accessible through innovation and systems integration, delivering a future of connected systems, for essential services.

## Our values are...

### We are inquisitive

- We listen and collaborate with customers to get to the heart of the challenge.
- We iterate, develop and refine our solutions.
- We spend time in our communities to learn, reflect and include their perspectives.

### We are industrious

- We act with urgency, focus and dedication.
- We work with energy and expertise.
- We engage with all stakeholders and seek to integrate their needs.

### We are innovative

- We deliver the right solutions and support for the years ahead.
- We care for our customers' legacy, current and emerging needs.
- We use our knowledge and experience to collaborate in and across industries.

### We operate with integrity

- We take responsibility and ownership to deliver the right solution and outcome.
- We act with honesty.
- We support our communities whenever and wherever we can.

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### OVERVIEW



### FINANCIAL STATEMENTS

# Highlights

## Financial highlights

### Group Revenue

**£37.6m**

| | |
|---|---|
| H1 2026: | £37.6m |
| H1 2025: | £24.5m |

### Gross profit

**£14.5m**

| | |
|---|---|
| H1 2026: | £14.5m |
| H1 2025: | £9.2m |

### Adjusted profit before tax

**£3.0m**

| | |
|---|---|
| H1 2026: | £3.0m |
| H1 2025: | £2.8m |

### Cash and cash equivalents at June 2026

**£12.6m**

| | |
|---|---|
| H1 2026: | £12.6.m |
| H1 2025: | 18.0m |

following £10.7m acquisition of Crime and Fire Defence Systems in September 2025.

### Diluted earnings per share

**13.60p**

| | |
|---|---|
| H1 2026: | 13.60p |
| H1 2025: | 12.51p |

## Operational highlights

- Continued the integration of acquired businesses into the Group structure
- Identified new operational headquarters for our Infrastructure Protection segment
- Strengthened senior team with new service delivery leaders for our Information Systems and Integrated Services segments
- Successfully initiated trials of agentic AI software development, demonstratively increasing the cadence of our development cycle

Read more in the **Chairman and Chief Exectutive's report** on pages 2 to 4

# Chairman and Chief Executive's review

*"The Board's medium-term ambition is to grow Journeo beyond £150 million in annual revenue, through a combination of organic growth and disciplined M&A."*

**Mark Elliott and Russ Singleton**
Chairman and Chief Executive

## Overview

The Board is pleased to report another period of strong progress for the six months ended 30 June 2026 ("H1 2026"), with record revenue, gross profit and profit before taxation.

Revenue increased by 53% to £37.6m (H1 2025: £24.5m), reflecting a combination of organic growth and the contribution from acquisitions. Underlying profit increased by 16% to £3.0m (H1 2025: £2.6m).

The Group continues to perform strongly during challenging market and supply chain conditions, adapting its sales mix in response to changing customer needs. This resilience reflects the flexibility and agility of Journeo's core technology, together with the strength of its long-standing customer relationships.

During the period, we made further progress in developing Journeo around three core areas: Information Systems, Infrastructure Protection and Integrated Services. Together, these provide the Group with exposure to attractive transport and critical-infrastructure markets in the UK and internationally, where our domain expertise, technology, engineering capability and customer relationships create barriers to entry.

The Board's medium-term ambition is to grow Journeo beyond £150 million in annual revenue, through a combination of organic growth and disciplined M&A, while maintaining strong margins, robust risk management and continued investment in our people, systems and intellectual property. With a strong financial foundation, clear direction and a sales opportunity pipeline of £200 million (H1 2025: £80 million) Journeo is well positioned to deliver long-term sustainable value.

## Strategic progress

As Journeo continues to evolve, we have refined how we describe the Group's activities around three key areas:

- Information Systems: Visual display of transit information and infotainment
- Infrastructure Protection: Safety-focused physical and cyber security of critical infrastructure
- Integrated Services: Packaged solutions combining software, hardware, and services, supported 24/7

Our strategy remains centred on working closely with customers to develop a deep understanding of their current and future requirements. This enables Journeo to apply its domain expertise, adaptable IP and engineering capability to complex operational challenges, building market share within defensible niches and contributing to the strong organic growth of the Group.

We made progress strengthening the Group's operational structure during the period. We are bringing our Infrastructure Protection activities together within a new regional headquarters, while Heads of Service have been introduced across Integrated Services and Information Systems. These appointments strengthen the depth of our day-to-day operational management, enhance the customer experience and provide additional capacity to support the Group's continued growth.

Continued investment in research and development remains an important element of the Group's strategy, with more than £10m invested over the last five years.

We commenced a number of trials of agentic AI software-development tools. Initial results have been encouraging, increasing the cadence of software releases across our market-leading platforms and demonstrating the potential to improve engineering productivity.

As these capabilities develop, they will enable Journeo to address a broader range of opportunities without requiring a proportionate increase in development resources, while retaining the domain expertise and engineering oversight of our core teams.

The Board continues to execute its M&A strategy and maintains an active and growing pipeline of potential opportunities. Our disciplined approach focuses on businesses where we identify clear strategic alignment through complementary technologies, customer markets, capabilities and culture; and where integration into Journeo can accelerate growth and create additional shareholder value.

## Financial results

Revenue for H1 2026 increased by 53% to £37.6m (H1 2025: £24.5m).

Gross margin increased to 39% (H1 2025: 38%) resulting in a gross profit increase of 57% to £14.5m (H1 2025: £9.2m).

Information Systems revenue of £13.9m (H1 2025: £9.9m) grew by 40%.

Information Systems gross profit of £5.3m (H1 2025: £4.7m) increased by £0.6m, following a decrease in gross margin to 38% (H1 2025: 48%). The reduction in margin was due to decreased revenue levels in the UK rail market; and a number of new product launches in the half, which have a lower margin on smaller initial build volumes. Margins are expected to improve in H2.

Infrastructure Protection, which joined the group during H2 2025, produced revenue of £10.6m. Gross margin was strong at 45%, delivering a gross profit of £4.8m.

Integrated Services revenue decreased by 2% to £14.4m (H1 2025: £14.7m). Gross margins were maintained at 31% (H1 2025: 31%) resulting in a gross profit of £4.4m (H1 2025: £4.5m).

Group underlying profit increased by 16% to £3.0m (H1 2025: £2.6m).

The diluted profit per share increased to 13.60p (H1 2025: 12.51p).

Cash and cash equivalents at the end of the period decreased to £12.6m (H1 2025: £18.0m) following payment of £10.7m cash consideration for the acquisition of Crime and Fire Defence Systems in September 2025.

# Operational review

## Information Systems

The Board is pleased with the progress achieved by Information Systems, which delivered revenue of £13.9m in H1 2026 (H1 2025: £9.9m), representing growth of 40%.

Underlying profit increased by 26% to £1.2m (H1 2025: £1.0m), reflecting the strong revenue growth achieved during the period. A combination of favourable market conditions and the continued strengthening of Journeo's product offering underpinned this result. We expect further improvements to this performance in H2.

Significant Government investment through Transport for City Regions allocations, totalling £15.6bn through to 2032, together with Local Transport Grants totalling £2.3bn between 2025 and 2030, is enabling local authorities and transport executives to commit to projects designed to improve transport infrastructure.

In January, the Group announced £1.6m of purchase orders for hardware, software and maintenance services to enhance real-time passenger information systems in Cornwall.

Cornwall Council, a new customer for Journeo, required a technology partner capable of taking control of existing signage infrastructure, upgrading it to operate using the latest industry open standards and delivering robust and sustainable solutions capable of operating in urban, rural and coastal environments. The information estate will include technology capable of harvesting renewable energy for years to come and operating independently from the power grid.

Further purchase orders totalling £1.7m from another large local authority and longstanding Journeo customer in the South of England were announced in April. The project, for the supply, installation and maintenance of passenger information displays and associated bus-stop infrastructure, will see ultra-low-power displays deployed across key transport corridors.

Together, these contracts demonstrate increasing market adoption of the off-grid, solar and battery-powered technologies in which Journeo has invested over recent years and highlight the value of developing solutions that address customer requirements and wider sustainability objectives.

The UK Rail market continues to experience a period of transition as Network Rail moves towards the establishment of Great British Railways and future spending priorities are determined. We continue to work closely with our customers as these changes take place and have seen encouraging signs of increased activity since the period end, including our September 2026 announcement of an initial £1.3m of purchase orders from GTS, who operate the Elizabeth Line, on behalf of TfL.

Activity in the US market remains encouraging. During the period, Outfront Media Group ("OFM") placed US$1.2m of purchase orders for display systems for deployment across the Massachusetts Bay Transportation Authority ("MBTA") network in Boston.

MBTA is the second major US transit authority with which Journeo has worked, following deployment in the Metropolitan Transportation Authority in New York City.

The newly developed display formats have been designed and engineered by the Journeo Design Centre ("JDC") and incorporate high-performance display technologies and embedded systems designed to optimise operational reliability and enable enhanced remote diagnostics. The new displays will be deployed across the MBTA network, which delivers approximately 880,000 passenger journeys, from 153 subway stations, each weekday.

The growing adoption of Journeo technology in the United States represents an important opportunity for the Group and demonstrates the potential for our IP and engineering capability to address significantly larger international markets.

## Infrastructure Protection

Infrastructure Protection delivered revenue of £10.6m and underlying profit of £0.6m during its first full half year within the Group.

The Board is pleased with the progress made during the period, particularly given the development of the business mix and its expansion into adjacent market areas.

The new segment specialises in the design, installation and maintenance of integrated security systems for high-security sites and Critical National Infrastructure, combining specialist engineering capability in highly regulated environments.

In March, the Group announced £2.4m of contract awards under a four-year framework with a major UK utility company.

The uninterrupted provision of utility services to homes and businesses is fundamental to the operation of the UK economy. The continued trust placed in Journeo to protect critical assets, from system design through installation and commissioning, demonstrates the depth of expertise being developed within the segment.

In April a further £1.0m of contract awards were secured under a five-year framework with another major UK utility company.

The importance of protecting the UK's critical infrastructure continues to increase, supported by greater Government focus on defence, resilience and national security. This is creating a growing requirement for organisations with the specialist engineering, technology and project-management capabilities necessary to protect nationally important assets.

Journeo is now well positioned to deploy its expertise across Critical National Infrastructure and Nationally Significant Infrastructure Projects, maintaining the high standards of delivery, security and operational performance expected by its customers.

The integration and development of Infrastructure Protection remains an important component of the Group's strategy. In addition to contributing revenue and profit, the segment broadens Journeo's addressable markets and introduces capabilities that can increasingly be applied across the wider Group.

# Chairman and Chief Executive's review CONTINUED

*"Journeo's deep domain expertise, powerful technology, customer-focus and a growing sales opportunity pipeline provides a strong platform for continued growth."*

**Russ Singleton**
Chief Executive

## Integrated Services

Integrated Services generated H1 2026 revenue of £14.4m (H1 2025: £14.7m), a reduction of 2%. Delays in new bus orders, together with some supply-chain challenges, resulted in revenue being deferred into H2 2026. With activity now increasing, the Board expects the segment to deliver an improved performance during the second half.

In March, the Group announced a strategically important award of DKK5.5m, approximately £0.6m, for the first widescale on-train system in Northern Europe secured by Journeo.

Delivered through Journeo AS, our Danish subsidiary, the project brings together expertise from across the Group to supply and install modern, easy-to-read LED display technology across Danske Statsbaner's ("DSB") fleet of double-deck rail coaches.

Work for Denmark's largest state-owned passenger rail operator commences in H2 2026 and will be supported from the UK, introducing core Journeo IP into both a new application and a new geographic market and creating an important reference installation for further opportunities in the Nordic rail market.

The move towards bus franchising within a number of English Mayoral Combined Authorities is changing the dynamics of fleet renewal. This affected the sales mix within Integrated Services and, consequently, segment profitability. Underlying profit for H1 2026 was £1.2m (H1 2025: £1.7m), a reduction of 26%.

We are, however, beginning to see this trend reverse, with an increasing number of opportunities returning to the market. In June, the Group announced £1.3m of purchase orders from Metroline Manchester, where Journeo's high-security, scalable cloud-based systems have been adopted across the operator's Transport for Greater Manchester Bee Network franchises. These long-term customer relationships generate recurring revenues while increasing the value and resilience of Journeo's technology offering.

The wider policy environment for UK bus transport remains supportive. The Government's continued focus on improving the affordability and accessibility of public transport, including the announced return of the £2 single-bus fare cap from January 2027, provides further encouragement for investment in bus services and associated infrastructure.

Our powerful and flexible solutions also excel in operationally unique systems such as transfer bussing. We are currently working closely with nuclear power stations and eight airports on existing and upcoming projects.

## Outlook

Journeo is on track to deliver another record set of full-year results, in line with market expectations.

The Group has entered the second half with a strong financial position and a sales opportunity pipeline of £200m, significantly increased from £80m at H1 2025.

The investments we continue to make in our IP, people and systems are delivering tangible benefits for customers, increasing our capacity and supporting growth across the Group.

We expect an improved performance from Integrated Services and Information Systems in H2, alongside continued progress within Infrastructure Protection.

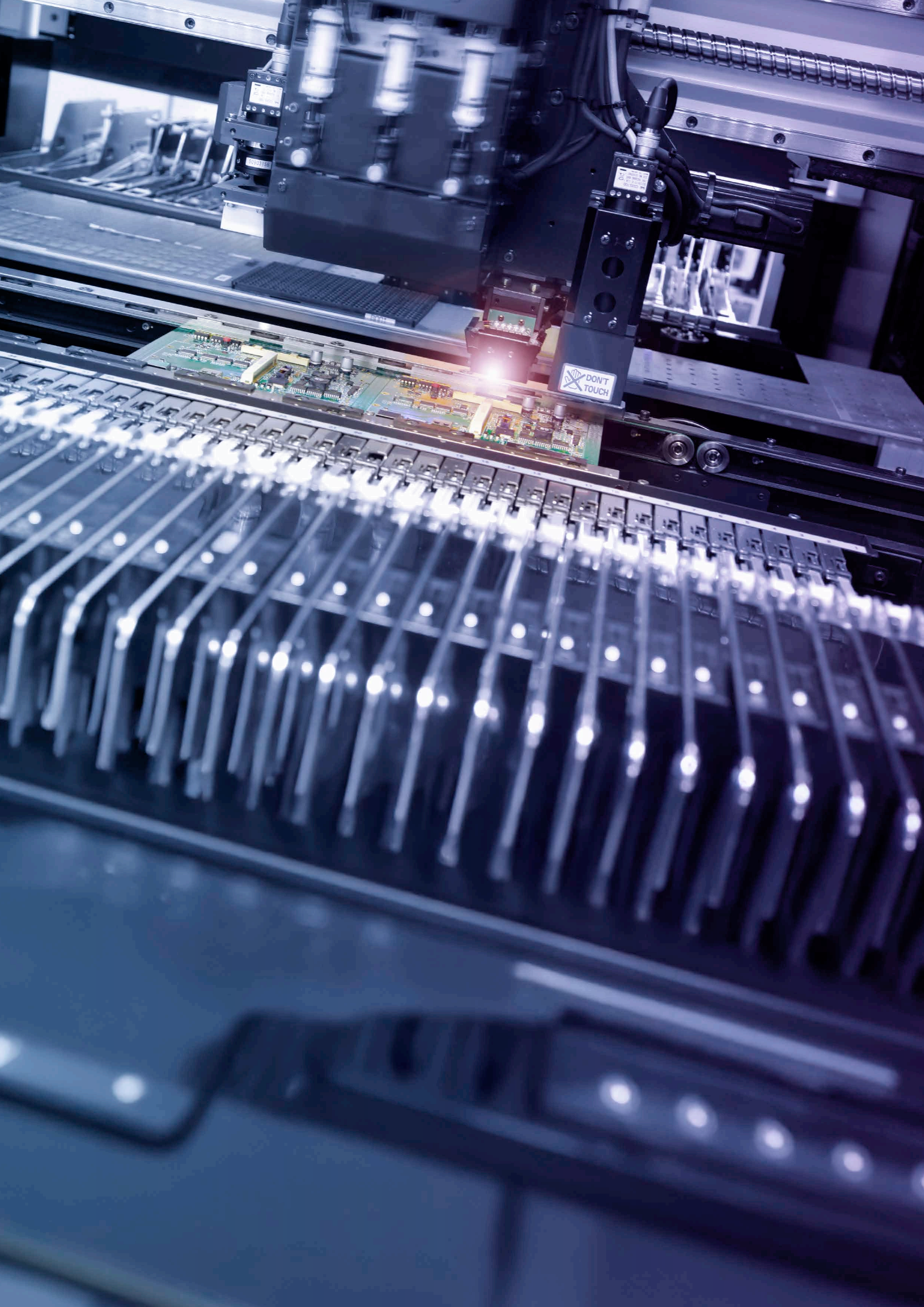
The Group remains operationally cash generative and ended the period with cash of £12.6m (H1 2025: £18.0m), following the payment of £10.7m of cash consideration for the acquisition of CFDS in September 2025.

This financial strength provides the Group with the capacity to continue investing organically while pursuing selective M&A where the Board believes it can create additional shareholder value.

Journeo's deep domain expertise, powerful technology, customer-focus and a growing sales opportunity pipeline provides a strong platform for continued growth. Combined with our robust financial position, Journeo has a clear and credible platform from which to build, creating lasting value for our customers, shareholders and stakeholders as we look ahead with confidence.

**Mark Elliott**
Non-executive Chairman

**Russ Singleton**
Chief Executive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# Financial Statements

**IN THIS SECTION**



# Consolidated statement of comprehensive income

## for the six months ended 30 June 2026

| | **Unaudited six months ended 30 June 2026 £'000** | Unaudited six months ended 30 June 2025 £'000 | Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **Revenue (notes 4,5)** | **37,567** | 24,525 | 55,022 |
| Cost of sales | **(23,051)** | (15,293) | (33,221) |
| Gross profit | **14,516** | 9,232 | 21,801 |
| Underlying administrative expenses | **(11,500)** | (6,621) | (16,003) |
| Underlying profit | **3,016** | 2,611 | 5,798 |
| Share-based payments | **(73)** | (72) | (146) |
| Acquisition costs | **–** | – | (255) |
| Total administrative expenses and other income | **(11,573)** | (6,693) | (16,404) |
| Operating profit | **2,943** | 2,539 | 5,397 |
| Net finance income | **13** | 147 | 202 |
| Profit before taxation | **2,956** | 2,686 | 5,599 |
| Taxation charge | **(508)** | (447) | (1,445) |
| Profit for the period being total comprehensive profit attributable to owners of parent | **2,448** | 2,239 | 4,154 |
| Profit per share (note 6) | | | |
| Basic | **13.85p** | 13.01p | 24.30p |
| Diluted | **13.60p** | 12.51p | 23.83p |

All results derive from continuing operations.

# Consolidated statement of changes in equity

## for the six months ended 30 June 2026

| | Share capital £'000 | Share premium £'000 | Retained earnings £'000 | Total equity shareholders' funds £'000 |
|---|---|---|---|---|
| Balance as at 1 January 2025 | 6,753 | 8,266 | 2,299 | 17,318 |
| Profit and total comprehensive income for the period | – | – | 2,239 | 2,239 |
| Proceeds from issue of new shares | 32 | 51 | – | 83 |
| Share-based payments | – | – | 72 | 72 |
| Balance at 30 June 2025 | 6,785 | 8,317 | 4,610 | 19,712 |
| Balance at 1 January 2025 | 6,753 | 8,266 | 2,299 | 17,318 |
| Profit and total comprehensive income for the year | – | – | 4,154 | 4,154 |
| Proceeds from issue of new shares | 78 | 1,280 | – | 1,358 |
| Share-based payments | – | – | 146 | 146 |
| Balance at 31 December 2025 | 6,831 | 9,546 | 6,599 | 22,976 |
| Profit and total comprehensive income for the period | – | – | 2,448 | 2,448 |
| Share-based payments | – | – | 73 | 73 |
| **Balance at 30 June 2026** | 6,831 | 9,546 | 9,120 | 25,497 |

# Consolidated statement of financial position

## at 30 June 2026

| | **Unaudited 30 June 2026 £'000** | Unaudited 30 June 2025 £'000 | 31 December 2025 £'000 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Goodwill (note 7) | **13,033** | 4,058 | 13,033 |
| Other intangible assets | **4,110** | 2,663 | 4,142 |
| Property, plant and equipment | **2,398** | 1,381 | 2,662 |
| Deferred tax asset | **239** | 243 | 136 |
| Trade and other receivables | **38** | 39 | 39 |
| | **19,818** | 8,384 | 20,012 |
| **Current assets** | | | |
| Inventories | **8,043** | 6,920 | 7,957 |
| Trade and other receivables | **16,672** | 9,302 | 13,421 |
| Cash and cash equivalents | **12,627** | 18,010 | 12,029 |
| | **37,342** | 34,232 | 33,407 |
| **Total assets** | **57,160** | 42,616 | 53,419 |
| **Equity and liabilities** | | | |
| **Shareholders' equity** | | | |
| Share capital | **6,831** | 6,785 | 6,831 |
| Share premium account | **9,546** | 8,317 | 9,546 |
| Retained earnings | **9,120** | 4,610 | 6,599 |
| **Total equity** | **25,497** | 19,712 | 22,976 |
| **Non-current liabilities** | | | |
| Deferred revenue | **5,013** | 4,354 | 4,391 |
| Other payables | **1,000** | – | 1,000 |
| Loans and borrowings | **86** | 80 | 112 |
| Deferred tax liability | **1,049** | 319 | 997 |
| Lease liabilities | **793** | 608 | 1,056 |
| Provisions | **1,262** | 1,508 | 1,123 |
| | **9,203** | 6,869 | 8,679 |
| **Current liabilities** | | | |
| Trade and other payables | **10,936** | 6,725 | 11,996 |
| Deferred revenue | **10,031** | 8,078 | 8,604 |
| Loans and borrowings | **62** | 72 | 62 |
| Lease liabilities | **689** | 293 | 472 |
| Provisions | **742** | 867 | 660 |
| | **22,460** | 16,035 | 21,764 |
| **Total equity and liabilities** | **57,160** | 42,616 | 53,419 |

# Consolidated statement of cash flows

## for the six months ended 30 June 2026

| | **Unaudited six months ended 30 June 2026 £'000** | Unaudited six months ended 30 June 2025 £'000 | Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **Net cash from operating activities (note 8)** | **1,657** | 4,397 | 8,216 |
| **Cash flows from investing activities** | | | |
| Purchases of property, plant and equipment | **(75)** | (69) | (247) |
| Purchases / generation of intangible assets | **(628)** | (485) | (1,079) |
| Acquisition costs | **–** | – | (255) |
| Net cash outflow on acquisitions | **–** | – | (9,793) |
| **Net cash from investing activities** | **(703)** | (554) | (11,374) |
| **Financing activities** | | | |
| Cash flow from financing activities | **–** | – | 70 |
| Principal element of lease repayments | **(329)** | (165) | (435) |
| Issue of shares | **–** | 83 | 1,358 |
| Repayment of loans | **(27)** | (69) | (113) |
| **Net cash from financing activities** | **(356)** | (151) | 880 |
| **Net increase / (decrease) in cash and cash equivalents** | **598** | 3,692 | (2,278) |
| **Cash and cash equivalents at beginning of period** | **12,029** | 14,318 | 14,318 |
| Effect of foreign exchange rate changes | **–** | – | (11) |
| **Cash and cash equivalents at end of period** | **12,627** | 18,010 | 12,029 |

# Notes to the interim financial statements

for the six months ended 30 June 2026

## 1. Basis of preparation and approval of interim statement

The financial information for the six months ended 30 June 2026 and for the six months ended 30 June 2025 is unaudited.

The interim financial statement for the six months to 30 June 2026 does not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2025.

The financial information has been prepared on the basis of UK adopted international accounting standards (IFRSs) that the Directors expect to be applicable as at 31 December 2026.

The accounting policies adopted in the preparation of the interim financial statements are consistent with those set out in the Group's Annual Report and Financial Statements 2025, which were prepared in accordance with IFRSs.

This interim financial statement does not comprise statutory accounts within the meaning of Section 435 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2025 were approved by the Board on 24 March 2026 and delivered to the Registrar of Companies. The report of the auditor on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498(2) or Section 498(3) of the Companies Act 2006.

AIM-quoted companies are not required to comply with IAS 34 'Interim Financial Reporting' and accordingly the Company has not applied this standard in preparing this report.

The interim financial statement was approved by the Board of Directors on 8 September 2026.

## 2. International Financial Reporting Standards

The Group follows the standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee of the IASB and endorsed by the UK that are relevant to its operations.

## 3. Going concern

The Group's business activities together with factors likely to affect its future development, performance and position were set out in the Strategic Report and Chairman's Statement of the 2025 Annual Report and the principal risks and uncertainties were set out in the Strategic Report. The Directors have reviewed the cash flow forecasts for the period up to and including 31 December 2027.

Based on the above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and for at least twelve months from the date of the report. For this reason the Directors continue to adopt the going concern basis in preparing the financial statements.

## 4. Revenue

The revenue split between goods and services is:

| | **Unaudited six months ended 30 June 2026 £'000** | Unaudited six months ended 30 June 2025 £'000 | Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **Revenue** | | | |
| Goods | **32,001** | 19,352 | 44,305 |
| Services | **5,566** | 5,173 | 10,717 |
| | **37,567** | 24,525 | 55,022 |
| Construction contracts included in goods | **16,443** | 4,674 | 17,209 |

## 5. Segmental reporting

IFRS 8 requires operating segments to be determined on the basis of those segments whose operating results are regularly reviewed by the Board of Directors (the Chief Operating Decision Maker as defined by IFRS 8) to make strategic decisions.

| | **Unaudited six months ended 30 June 2026 £'000** | Unaudited six months ended 30 June 2025 £'000 | Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **Revenue** | | | |
| Information Systems | **13,885** | 9,914 | 21,186 |
| Infrastructure Protection | **10,611** | – | 7,352 |
| Integrated Services | **14,361** | 14,717 | 27,143 |
| Intersegment Sales | **(1,290)** | (106) | (659) |
| | **37,567** | 24,525 | 55,022 |
| **Gross profit** | | | |
| Information Systems | **5,274** | 4,713 | 9,783 |
| Infrastructure Protection | **4,809** | – | 3,018 |
| Integrated Services | **4,433** | 4,519 | 9,000 |
| | **14,516** | 9,232 | 21,801 |
| **Underlying profit** | | | |
| Information Systems | **1,223** | 973 | 2,416 |
| Infrastructure Protection | **622** | – | 378 |
| Integrated Services | **1,248** | 1,676 | 3,240 |
| | **3,093** | 2,649 | 6,034 |
| Central | **(77)** | (38) | (236) |
| **Underlying profit** | **3,016** | 2,611 | 5,798 |

### Reconciling to profit before interest and tax

| | Underlying profit/(loss) £'000 | Share-based payments £'000 | Operating profit/(loss) £'000 |
|---|---|---|---|
| Information Systems | 1,223 | (30) | 1,193 |
| Infrastructure Protection | 622 | – | 622 |
| Integrated Services | 1,248 | (43) | 1,205 |
| | 3,093 | (73) | 3,020 |
| Central | (77) | – | (77) |
| **Total** | 3,016 | (73) | 2,943 |

### Net assets

Net assets attributed to each business segment represent the net external operating assets of that segment, excluding goodwill, bank balances and borrowings, which are shown as unallocated amounts, together with central assets and liabilities.

# Notes to the interim financial statements CONTINUED

for the six months ended 30 June 2026

## 5. Segmental reporting (CONTINUED)

### Net assets (CONTINUED)

| | **Unaudited six months ended 30 June 2026 £'000** | Unaudited six months ended 30 June 2025 £'000 | Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **Assets** | | | |
| Information Systems | **11,275** | 9,882 | 10,527 |
| Infrastructure Protection | **7,317** | – | 6,542 |
| Integrated Services | **12,800** | 10,510 | 11,208 |
| | **31,392** | 20,392 | 28,277 |
| Goodwill | **13,033** | 4,058 | 13,033 |
| Cash and borrowings | **12,627** | 18,010 | 12,029 |
| Unallocated | **108** | 156 | 80 |
| | **57,160** | 42,616 | 53,419 |
| **Liabilities** | | | |
| Information Systems | **(18,728)** | (16,012) | (17,846) |
| Infrastructure Protection | **(2,981)** | – | (3,447) |
| Integrated Services | **(7,130)** | (6,108) | (6,560) |
| | **(28,839)** | (22,120) | (27,853) |
| Cash and borrowings | **(148)** | (644) | (175) |
| Unallocated | **(2,676)** | (140) | (2,415) |
| | **(31,663)** | (22,904) | (30,443) |
| **Net assets / (liabilities)** | | | |
| Information Systems | **(7,453)** | (6,130) | (7,319) |
| Infrastructure Protection | **4,336** | – | 3,095 |
| Integrated Services | **5,670** | 4,402 | 4,648 |
| | **2,553** | (1,728) | 424 |
| Goodwill | **13,033** | 4,058 | 13,033 |
| Cash and borrowings | **12,479** | 17,366 | 11,854 |
| Unallocated | **(2,568)** | 16 | (2,335) |
| | **25,497** | 19,712 | 22,976 |

## 6. Profit per Ordinary Share

Details of the weighted average number of Ordinary Shares used as the denominator in calculating the basic and diluted earnings per Ordinary Share are given below:

| | **Unaudited six months ended 30 June 2026 000** | Unaudited six months ended 30 June 2025 000 | Year ended 31 December 2025 000 |
|---|---|---|---|
| Basic weighted average number of shares | **17,092** | 16,891 | 17,092 |
| Dilutive potential Ordinary Shares | **339** | 670 | 339 |
| | **17,431** | 17,561 | 17,431 |

## 7. Goodwill

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating unit (CGU) that is expected to benefit from that business combination. The Group has five CGUs which are its five operating companies, Fleet Systems, Passenger Systems, Journeo Denmark, Crime and Fire Defence Systems and Infotec. The carrying amount of goodwill has been allocated to the CGUs as follows:

| | Crime and Fire Defence Systems £'000 | Infotec £'000 | Journeo Denmark £'000 | Passenger Systems £'000 | Total £'000 |
|---|---|---|---|---|---|
| At 1 January 2025 | – | 2,236 | 477 | 1,345 | 4,058 |
| At 1 January 2025 | – | 2,236 | 477 | 1,345 | 4,058 |
| Additions | 8,975 | – | – | – | 8,975 |
| At 31 December 2025 and 1 January 2026 | 8,975 | 2,236 | 477 | 1,345 | 13,033 |
| **At 30 June 2026** | **8,975** | **2,236** | **477** | **1,345** | **13,033** |

The Group tests goodwill annually for impairment as at 31 December, or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the CGUs are determined based on a value-in-use calculation which uses cash flow projections based on financial budgets and business plans approved by the Directors covering a five-year period. Cash flows beyond that period have been extrapolated in perpetuity assuming no growth, which the Directors consider to be a conservative approach.

The key assumptions for the value-in-use calculations are those regarding discount rates and sales forecasts.

The discount rates needed to equate the net present value from these cash flows to the carrying value of goodwill are compared to the required rate of return from the CGU based upon an assessment of the time value of money, prevailing interest rates and the risks specific to the CGU. If this discount rate is in excess of the required rate of return then it is assumed that no impairment has occurred to the carrying value of goodwill.

# Notes to the interim financial statements CONTINUED

for the six months ended 30 June 2026

## 7. Goodwill (CONTINUED)

The discount rates are as follows:

| | **Unaudited six months ended 30 June 2026 %** | Unaudited six months ended 30 June 2025 % | Year ended 31 December 2025 % |
|---|---|---|---|
| Crime and Fires Defence Systems | **13** | — | 13 |
| Infotec | **13** | 13 | 13 |
| Journeo Denmark | **13** | 13 | 13 |
| Passenger | **13** | 13 | 13 |

The discount rates used are based on the Board's judgement considering macroeconomic factors and reflecting specific risks in each segment such as the nature of the market served, the concentration of customers, cost profiles and barriers to entry.

Passenger Systems, Infotec and Journeo Denmark also have intangible assets, which are considered in the same value-in-use calculations as goodwill.

The Crime and Fire Defence, Passenger Systems, Infotec and Journeo Denmark cash flow projections used to determine value-in-use are based upon assumptions of sales, margins and cost bases. Of these assumptions the value-in-use is most sensitive to the level of sales. Margins are fixed in the forecast based upon past experience; the cost base is similarly based upon past experience and will vary depending upon the level of sales. In accordance with the requirements of IAS 36, our value-in-use calculations do not include cash flows from restructurings to which the Group is not yet committed.

The level of sales is the key assumption used in the cash flow forecast. Sales have been determined by management using estimates based upon past experience and future performance with reference to market position and the sales pipeline. The macroeconomic environment has improved and there continues to be an increase in the number and size of contracts available.

Sensitivity analysis has been performed on the pre-tax discount rates, which shows that a pre-tax discount rate of 17.9% (Crime and Fire), 65.0% (Infotec), 51.3% (Journeo Denmark) or 84.6% (Passenger Systems) would be required in order to eliminate the headroom which exists in these CGUs. The Directors consider that the discount rates used, which are already risk adjusted to capture the Directors' view of the extent to which each CGU is exposed to macroeconomic factors, represent a balanced view.

A sensitivity analysis has been performed on the impairment test. The Directors consider that an absolute change in the key sales assumption is possible and a reduction in the sales forecast in 2026 of 5% would result in headroom remaining in the current carrying value of goodwill. If sales forecasts were down 10% across the whole period and overheads remained unchanged then headroom would still remain.

The Directors believe that, based on the sensitivity analysis and stress testing performed, any reasonably possible change in the key assumptions on which the recoverable amounts are based would not cause the carrying amounts to exceed the recoverable amounts.

The value in use for the Group exceeds the carrying value of the assets.

In view of this, the Directors consider that no impairment of goodwill or intangible assets is required.

## 8. Cash generated from operations

| | **Unaudited six months ended 30 June 2026 £'000** | Unaudited six months ended 30 June 2025 £'000 | Year ended 31 December 2025 £'000 |
|---|---|---|---|
| **Profit for the period** | **2,448** | 2,239 | 4,154 |
| Adjustments for: | | | |
| – Finance income | **(13)** | (147) | (202) |
| – Deferred tax | **(52)** | (58) | 371 |
| – Depreciation of property, plant and equipment | **562** | 253 | 640 |
| – Amortisation of intangible fixed assets | **665** | 469 | 1,009 |
| – Share-based payment expense | **73** | 72 | 146 |
| – Acquisition costs | **–** | – | 255 |
| – Increase / (decrease) in provisions | **221** | (377) | (970) |
| – Foreign exchange rate | **–** | – | (4) |
| **Operating cash flows before movement in working capital** | **3,904** | 2,451 | 5,399 |
| (Increase) / decrease in inventories | **(86)** | 336 | (435) |
| (Increase) / decrease in receivables | **(3,251)** | 2,828 | 3,286 |
| Increase / (decrease) in payables | **709** | (1,360) | (1,095) |
| **Cash inflow from operations** | **1,276** | 4,255 | 7,155 |
| Income taxes received / (paid) | **310** | (46) | 768 |
| Net interest earned | **71** | 188 | 293 |
| **Net cash inflow from operating activities** | **1,657** | 4,397 | 8,216 |

Journeo

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