17 February 2025

Wilmington plc

Sustained double digit profit growth

Wilmington plc, (LSE: WIL, 'Wilmington' or 'the Group') the provider of data, information, education and training services in the global Governance, Risk and Compliance (GRC) markets, today announces its half year results for the six months ended 31 December 2024 (H1 FY25).

Financial performance

	H1 FY25	H1 FY24	Change
Ongoing results[1]			
Revenue	**£44.9m**	£38.7m	16%
Adjusted PBT[2]	**£11.4m**	£8.2m	39%
Adjusted PBT margin	**25%**	21%	4ppt
Adjusted basic EPS[3]	**9.59p**	6.83p	40%
Interim dividend	**3.00p**	3.00p	-
Net cash[4]	**£31.3m**	£28.0m	
Statutory continuing results			
Revenue	**£46.6m**	£43.9m	6%
PBT	**£5.2m**	£8.1m	(36%)
Basic EPS	**2.88p**	6.58p	(56%)
Adjusted basic EPS	**9.20p**	7.17p	28%

Highlights

- Strong ongoing revenue growth, up 16%. Organic[1] revenue growth up 3%.
  - Recurring revenue[5] from organic businesses up 6%, underpinned by strong retention rates.
  - Repeat revenues,[6] including organic recurring revenues of 38%, now 72% of continuing revenues (71% in H1 FY24).
- Ongoing adjusted profit before tax up 39% to £11.4m and ongoing adjusted profit before tax margin up 4ppt to 25%.
- Robust balance sheet with net cash at 31 December 2024 £31.3m (31 Dec 23: £28.0m; 30 Jun 24: £67.8m) reflecting strong trading performance and cash conversion offset by the net cash outflow from portfolio acquisition and disposals.
- Continued portfolio enhancement with the acquisition of Phoenix Health & Safety in October 2024, expanding position in the growing HSE (Health, Safety and Environmental) training market, improving Group growth rates.
- Continued investment in the development of single technology platform for the whole Group.

Mark Milner, Chief Executive Officer, commented:

"We have delivered another strong financial performance, particularly profitability and earnings. Our margin also continued to improve.

"We have also continued to execute on our strategy of replacing low growth and low margin businesses with scalable high growth, high margin businesses, which are enhancing the quality of the Group.

"We have a notably strong balance sheet which leaves us well placed to continue to invest across the business, in both organic and inorganic opportunities.

"Trading in the current financial year continues to be in line with expectations."

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement this inside information is now considered to be in the public domain.

[1] Ongoing – eliminating the effects of the impact of disposals, closures and businesses held for sale; Organic – Ongoing, eliminating acquisitions and exchange rate fluctuations
[2] Ongoing adjusted profit before tax and total adjusted profit before tax – see note 4
[3] Ongoing adjusted basic earnings per share – see the financial review; Adjusted basic earnings per share – see note 6
[4] Net cash includes cash and cash equivalents, held for sale cash, bank loans and bank overdrafts but excludes lease liabilities
[5] Recurring revenue – those contracted at least one year ahead
[6] Repeat revenue - the percentage of revenue from customers who purchased our services in the current and prior period

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Notes to Editors
Wilmington plc is the recognised knowledge leader and partner of choice for data, information, education and training in the global Governance, Risk and Compliance (GRC) markets. Wilmington employs over 600 people and sells to around 120 countries. Wilmington is listed on the main market of the London Stock Exchange.

Overview

We have continued to deliver solid and sustainable organic revenue growth and double-digit profit improvement whilst also continuing to invest in our portfolio of businesses and infrastructure.

Ongoing revenue was up 16% at £44.9m with organic revenue growth of 3%, after removing the impact of acquisitions and currency movements.

Recurring revenues from organic businesses grew 6% with strong retention rates continuing, highlighting the resilience of the Group's business model. Recurring revenues represent 38% of organic revenue (36% in H1 FY24). Repeat continuing revenues, including the recurring revenues from existing customers, made up 72% of our revenues in H1 FY25 (71% in FY24).

With further margin improvements, ongoing adjusted profit before tax was up 39% to £11.4m (H1 FY24: £8.2m) and ongoing adjusted basic earnings per share by 40% to 9.59p (H1 FY24: 6.83p). The interim dividend is being kept at the same level as last year at 3.00p (H1 FY24: 3.00p), reflecting our aim to keep dividend cover of at least 2.

Operating cash conversion was 72%, with net cash excluding lease liabilities of £31.3m (30 June 2024: £67.8m) with the cash reduction due to the £29.2m spend on the acquisition of Phoenix Health & Safety net of cash received. Usual first half outflows of working capital will be offset by increased revenue collections in H2, when most subscriptions are billed and collected.

The Group acquired Phoenix Health & Safety in October 2024 for an initial consideration of £30.25m to deliver on our strategy to consolidate and strengthen our presence in the GRC market. The acquisition strengthens Wilmington's capabilities in the provision of must-have training and education to regulated customers. It also expands the Group's position in the growing HSE training market, alongside Astutis, which was acquired in November 2023.

Strategic and operational progress

Our strategy is to grow revenues and profits both organically and through acquisitions in the large, growing and rapidly evolving GRC and Regulatory Compliance markets by investing in our business and actively managing our portfolio of brands.

We focus on actively managing our portfolio by assessing the potential of each business to exhibit the six common Wilmington characteristics that we recognise as key drivers of organic revenue growth and profitability improvement: a GRC focus operating in regulated markets, a differentiated offering, attractive markets, strong leadership, digital and data capabilities and a strong financial model exhibiting growth and strong profitability.

The acquisition of Phoenix Health & Safety in October 2024 meets all six of these characteristics. The business has demonstrated a strong track record of organic growth over a number of years and strengthens our portfolio of GRC training and education solutions by expanding our capabilities in the attractive HSE markets, alongside Astutis, which was acquired in November 2023. The acquisition is already showing good growth and is expected to be earnings enhancing in the first full year of ownership.

We intend to use our capital to acquire further suitable GRC businesses to enhance and widen the Group's capabilities and rate of profitable growth to improve shareholder returns. Although we will continue to remain disciplined as valuation expectations continue to remain high. We will continue to apply high levels of scrutiny in respect of target suitability and multiples paid.

We continue to invest in our priority ESG initiatives, as our responsible business strategy underpins the delivery of our broader strategic objectives.

Current trading and outlook

Trading in the current financial year continues to be in line with expectations.

Divisional review

	H1 FY25 £'m	H1 FY24 £'m	Absolute variance %	Organic variance %
Ongoing revenue				
HSE	**6.1**	0.6	1003%	
Legal	**7.0**	7.3	(5%)	(5%)
Insurance	*10.7*	*11.4*	(6%)	(3%)
Other	*21.1*	*19.4*	9%	9%
Financial Services	**31.8**	30.8	3%	4%
Total ongoing revenue	**44.9**	38.7	16%	3%
Ongoing operating profit	**12.4**	10.5	18%	10%
Margin %	**28%**	27%		

Group performance

Revenues from ongoing businesses grew 16%, 3% excluding acquisitions and at constant currency rates. Seven of the nine ongoing businesses grew organically, and recurring subscription revenues grew 6%. Group ongoing operating profits improved by 18% and operating margins for ongoing businesses increased to 28% due to revenue increases and continued cost improvements from technology investments. Segment information has been reclassified in H1 FY24 to align to the reportable segments reorganised during the year ended 30 June 2024.

HSE

The HSE segment comprises **Astutis** acquired in November 2023 and **Phoenix Health & Safety**, acquired in October 2024. Business performance is strong with both businesses delivering year-on-year double digit revenue increases. Included in the HSE division is a small contribution from Phoenix Health & Safety for the first two months of ownership.

Legal

The Legal segment comprises **Bond Solon** and **Pendragon**, whose customers are predominantly in the legal market. Legal revenues declined 5% organically, due to notably large contract wins in Bond Solon in H1 FY24 not yet repeating in FY25. Pendragon had a strong year for subscription revenue growth and again achieved very strong customer retention (99%).

Financial Services

Financial Services Insurance comprises **Axco** and **FRA**. Financial Services Insurance revenues declined 3% overall organically. Axco grew revenues by 6% organically and had a strong year for subscription revenue growth. Recurring revenue retention rates were at 99%. FRA revenues declined 16% organically due to US government and regulatory pressures disrupting the Medicare Advantage sector in which FRA operates. Partial recovery is anticipated by the end of FY25.

Financial Services Other comprises three businesses that operate in Compliance markets. **ICA**, **CLTi** and **Mercia**. Overall revenues from these three units grew 9% with Mercia revenues up 11% and ICA & CLTi combined revenues up 7%.

Financial review

Revenue

As well as ongoing revenues described above, total revenues also include revenues from discontinued operations of £1.7m (H1 FY24: £20.4m).

Other income and finance income

Other income in the prior period represents a gain of £0.8m from the sale of a building.

Net finance income of £2.3m (H1 FY24: £0.8m) was achieved due to having no debt and cash to deposit in interest-bearing accounts.

Profit before taxation

Ongoing adjusted profit before tax was up 39% to £11.4m (H1 FY24: £8.2m) with statutory continuing profit before tax of £5.2m (H1 FY24: £8.1m).

Taxation

The underlying tax rate[1], which ignores the tax effects of adjusting items, is 25% (H1 FY24: 25%).

The tax charge excluding discontinued operations is £2.6m (H1 FY24: £2.3m) with an overall effective tax rate[2] of 50% (H1 FY24: 28%), the increase is due to earnouts related to acquisitions being disallowable for tax purposes.

Earnings per share

Ongoing adjusted basic earnings per share, excluding the results of sold and discontinued businesses, increased by 40% to 9.59p (H1 FY24: 6.83p), reconciliation below. Statutory reported earnings per share 2.88p (H1 FY24: 6.58p).

	H1 FY25 £'m	H1 FY24 £'m	
Adjusted earnings (note 6)	8.3	8.2	
Remove loss/(profit) after tax of sold and discontinued businesses	0.3	(2.1)	
Ongoing adjusted earnings	**8.6**	**6.1**	
	Number	Number	Variance
Weighted average number of ordinary shares (note 6)	89,958,497	88,964,817	
Ongoing adjusted basic earnings per share	**9.59p**	**6.83p**	**40%**

Dividend

The Board has kept the interim dividend at 3.00p (H1 FY24: 3.00p), reflecting our aim to keep dividend cover of at least 2. It will be paid on 4 April 2025 to shareholders on the share register as at 7 March 2025, with an associated ex-dividend date of 6 March 2025.

Balance sheet and cashflow

Good cash generation continued due to the strong trading performance with operating cash conversion at 72%, with net cash excluding lease liabilities of £31.3m (30 June 2024: £67.8m, 31 December 2023: £28.0m).

Portfolio update

Acquisition of Phoenix Health & Safety
On 24 October 2024, the Group acquired 100% of the issued share capital of Phoenix HSC (UK) Limited ("Phoenix Health & Safety"), a Company based in the UK, for an initial consideration of £30.25m. In addition, under the terms of the acquisition, there is additional contingent consideration payable based on Phoenix Health & Safety's financial performance in each of the three years up to and including 31 March 2028.

Phoenix Health & Safety offers training for a range of internationally recognised and regulated health, safety and environmental ("HSE") qualifications. The acquisition strengthens Wilmington's capabilities in the provision of must-have training and education to regulated customers and expands the Group's position in the growing HSE training market, alongside Astutis, which was acquired in November 2023. See note 7 for further details.

Responsibility statement of the Directors in respect of the half year results to 31 December 2024

We confirm that, to the best of our knowledge:

- The Condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting
- The interim management report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial information differs from legislation in other jurisdictions.

Mark Milner — Chief Executive Officer

Guy Millward — Chief Financial Officer

[1] The underlying tax rate is calculated as one minus the adjusted profit after tax divided by the adjusted profit before tax – the tax rate excluding the tax impact of adjusting items

[2] The effective tax rate is calculated as the total tax charge divided by profit before tax

Consolidated Income Statement

	Notes	**Six months ended 31 December 2024 (unaudited) £'000**	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Continuing operations				
Revenue	5	**46,566**	43,909	98,324
Operating expenses before amortisation of intangibles excluding computer software, impairment and adjusting items		**(37,817)**	(36,254)	(76,645)
Impairment of goodwill	4	**—**	—	(4,434)
Amortisation of intangible assets excluding computer software	4	**(1,067)**	(483)	(2,090)
Adjusting items	4	**(4,768)**	(674)	(598)
Operating expenses		**(43,652)**	(37,411)	(83,767)
Other income – gain on disposal of subsidiaries		**—**	—	5,465
Other income – gain on disposal of property, plant and equipment and lease modification		**—**	820	2,189
Operating profit		**2,914**	7,318	22,211
Finance income		**2,303**	927	2,172
Finance expense		**(37)**	(96)	(175)
Profit before tax	4	**5,180**	8,149	24,208
Taxation		**(2,592)**	(2,297)	(7,009)
Profit for the period from continuing operations		**2,588**	5,852	17,199
Profit for the period from discontinued operations		**—**	1,266	24,011
Profit for the period attributable to owners of the parent		**2,588**	7,118	41,210
Earnings per share from continuing and discontinued operations:				
Basic (p)	6	**2.88p**	8.00p	46.32p
Diluted (p)	6	**2.83p**	7.85p	45.44p
Earnings per share from continuing operations:				
Basic (p)	6	**2.88p**	6.58p	19.33p
Diluted (p)	6	**2.83p**	6.47p	18.96p

The notes on pages 10 to 16 are an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Profit for the period	**2,588**	7,118	41,210
Other comprehensive income/(expense):			
Items that may be reclassified subsequently to the Income Statement			
Currency translation differences	**171**	253	(238)
Other comprehensive income/(expense) for the period, net of tax	**171**	253	(238)
Total comprehensive income for the period attributable to owners of the parent	**2,759**	7,371	40,972

Items in the statement above are disclosed net of tax. The notes on pages 10 to 16 are an integral part of these financial statements.

Consolidated Balance Sheet

	31 December 2024 (unaudited) £'000	31 December 2023 (unaudited) £'000	30 June 2024 (audited) £'000
Non-current assets			
Goodwill	**77,959**	60,993	52,763
Other intangible assets	**18,723**	9,763	10,236
Property, plant and equipment	**1,640**	5,075	3,085
Deferred consideration receivable	**14,653**	899	14,786
Deferred tax assets	**26**	148	—
	113,001	76,878	80,870
Current assets			
Trade and other receivables	**21,644**	20,790	20,339
Deferred consideration receivable	**2,280**	500	1,732
Cash and cash equivalents	**30,940**	23,875	67,515
Assets of disposal groups held for sale	**1,091**	27,031	1,196
	55,955	72,196	90,782
Total assets	**168,956**	149,074	171,652
Current liabilities			
Trade and other payables	**(50,379)**	(45,385)	(50,460)
Lease liabilities	**(496)**	(1,413)	(1,257)
Current tax liabilities	**(105)**	(86)	(1,058)
Provisions	**—**	(307)	(154)
Liabilities of disposal groups held for sale	**(779)**	(11,797)	(486)
	(51,759)	(58,988)	(53,415)
Non-current liabilities			
Lease liabilities	**(1,568)**	(4,478)	(1,571)
Deferred tax liabilities	**(3,530)**	(1,525)	(1,351)
Provisions	**—**	(768)	—
	(5,098)	(6,771)	(2,922)
Total liabilities	**(56,857)**	(65,759)	(56,337)
Net assets	**112,099**	83,315	115,315
Equity			
Share capital	**4,511**	4,479	4,478
Share premium	**48,941**	47,463	47,463
Treasury and ESOT reserves	**(525)**	(703)	(617)
Share based payments reserve	**2,325**	2,058	2,889
Translation reserve	**3,364**	3,684	3,193
Retained earnings	**53,483**	26,334	57,909
Total equity	**112,099**	83,315	115,315

The notes on pages 10 to 16 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

	Share capital, share premium, treasury shares and ESOT shares £'000	Share based payments reserve £'000	Translation reserve £'000	Retained earnings £'000	Total equity £'000
At 30 June 2023 (audited)	**49,175**	**2,635**	**3,431**	**25,407**	**80,648**
Profit for the period	—	—	—	7,118	7,118
Other comprehensive income for the period	—	—	253	—	253
	49,175	2,635	3,684	32,525	88,019
Dividends paid	—	—	—	(6,473)	(6,473)
Issue of share capital	71	—	—	—	71
Issue of share premium	1,910	—	—	—	1,910
Performance share plan awards vesting settlement via share issue	—	(1,109)	—	(139)	(1,248)
Performance share plan options settlement via ESOT	67	(67)	—	—	—
Save As You Earn options vesting settlement via share issue	—	(174)	—	212	38
Save As You Earn options settlement via ESOT	16	(16)	—	—	—
Share based payments	—	789	—	—	789
Tax on share based payments	—	—	—	209	209
At 31 December 2023 (unaudited)	**51,239**	**2,058**	**3,684**	**26,334**	**83,315**
Profit for the period	—	—	—	34,092	34,092
Other comprehensive expense for the period	—	—	(491)	—	(491)
	51,239	2,058	3,193	60,426	116,916
Dividends paid	—	—	—	(2,680)	(2,680)
Performance share plan options settlement via ESOT	60	—	—	—	60
Save As You Earn options settlement via treasury shares	1	—	—	—	1
Save As You Earn options settlement via ESOT	24	(13)	—	(7)	4
Share based payments	—	844	—	—	844
Tax on share based payments	—	—	—	170	170
At 30 June 2024 (audited)	**51,324**	**2,889**	**3,193**	**57,909**	**115,315**
Profit for the period	—	—	—	2,588	2,588
Other comprehensive income for the period	—	—	171	—	171
	51,324	**2,889**	**3,364**	**60,497**	**118,074**
Dividends paid	—	—	—	(7,478)	(7,478)
Issue of share capital	33	—	—	—	33
Issue of share premium	1,478	—	—	—	1,478
Performance share plan awards vesting settlement via share issue	—	(1,507)	—	352	(1,155)
Performance share plan options settlement via ESOT	65	—	—	—	65
Save As You Earn options settlement via ESOT	27	—	—	—	27
Share based payments	—	943	—	—	943
Tax on share based payments	—	—	—	112	112
At 31 December 2024 (unaudited)	**52,927**	**2,325**	**3,364**	**53,483**	**112,099**

The notes on pages 10 to 16 are an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

	Notes	**Six months ended 31 December 2024 (unaudited) £'000**	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Cash flows from operating activities				
Cash generated from operations before adjusting items	11	**6,328**	9,299	29,747
Cash flows for adjusting items – operating activities		**(3,069)**	(535)	(1,826)
Cash flows from tax on share based payments		**(252)**	(222)	(222)
Cash generated from operations		**3,007**	8,542	27,699
Interest received		**1,310**	858	1,946
Tax paid		**(3,483)**	(3,557)	(7,115)
Net cash generated from operating activities		**834**	5,843	22,530
Cash flows from investing activities				
Disposal of subsidiaries net of cash		—	—	26,561
Purchase of subsidiary net of cash		**(29,193)**	(14,749)	(15,923)
Deferred consideration received		**574**	552	888
Cash flows for adjusting items – investing activities		**(1,363)**	(124)	(59)
Purchase of property, plant and equipment		—	(77)	(132)
Proceeds from disposal of property, plant and equipment		—	884	884
Purchase of intangible assets		—	(471)	(235)
Net cash (used in)/generated from investing activities		**(29,982)**	(13,985)	11,984
Cash flows from financing activities				
Dividends paid to owners of the parent		**(7,478)**	(6,473)	(9,153)
Cash received from sale of shares for share vesting		**785**	927	927
Share issuance costs		**(16)**	(70)	(70)
Payment of lease liabilities		**(1,022)**	(399)	(881)
Net cash used in financing activities		**(7,731)**	(6,015)	(9,177)
Net (decrease)/increase in cash and cash equivalents		**(36,879)**	(14,157)	25,337
Cash and cash equivalents at beginning of the period		**67,808**	42,173	42,173
Exchange gain on cash and cash equivalents		**11**	5	5
Cash classified as held for sale		**331**	—	293
Cash and cash equivalents at end of the period		**31,271**	28,021	67,808

Please see note 9 for a reconciliation of net cash movements.

The notes on pages 10 to 16 are an integral part of these consolidated financial statements.

Notes to the Financial Results

General information
The Company is a public limited company incorporated and domiciled in the UK. The address of the Company's registered office is Suite 215/216 Fort Dunlop, 2nd Floor, Fort Parkway, Birmingham B24 9FD.

The Company is listed on the Main Market on the London Stock Exchange. The Company is a provider of data, information, education and training in the global Governance, Risk and Compliance ('GRC') markets.

This condensed consolidated interim financial information ('Interim Information') was approved for issue by the Board of Directors on 14 February 2025.

The Interim Information is neither reviewed nor audited and does not comprise statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2024 were approved by the Board of Directors on 08 October 2024 and subsequently filed with the Registrar. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under Section 498 of the Companies Act 2006.

1. Basis of preparation
This Interim Information for the six months ended 31 December 2024 has been prepared in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority and in accordance with IAS 34 'Interim Financial Reporting'. The Interim Information should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2024 which have been prepared in accordance with UK adopted international accounting standards ('UK adopted IAS') and are available on the Group's website: wilmingtonplc.com.

The Group's forecast and projections, taking account of reasonably possible changes in trading performance, show that the Group will be able to operate well within its net cash position. The Directors have therefore adopted a going concern basis in preparing the Interim Information.

2. Accounting policies
The accounting policies, significant judgements and key sources of estimation adopted in the preparation of this Interim Report are consistent with those applied by the Group in its consolidated financial statements for the year ended 30 June 2024.

There has been no material impact on the financial statements of adopting new standards or amendments.

Amended standards and interpretations not yet effective are not expected to have a significant impact on the Group's consolidated financial statements.

3. Principal risks and uncertainties
The principal risks and uncertainties that affect the Group remain unchanged from those stated on pages 47 to 55 of the strategic report in the Annual Report and Financial Statements for the year ended 30 June 2024.

4. Measures of profit
Reconciliation to profit on continuing activities before tax.

To provide shareholders with additional understanding of the trading performance of the Group, adjusted EBITA has been calculated as profit before tax after adding back:

- Impairment of goodwill;
- amortisation of intangible assets excluding computer software;
- adjusting items (included in operating expenses);
- other income – gain on disposal of subsidiaries;
- other income – gain on disposal of property, plant and equipment and lease modification; and
- net finance income.

Notes to the Financial Results

4. Measures of profit (continued)

Adjusted profit before tax, adjusted EBITA, adjusted EBITDA reconcile to profit on continuing activities before tax as follows:

	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Profit before tax	**5,180**	8,149	24,208
Impairment of goodwill	**—**	—	4,434
Amortisation of intangible assets excluding computer software	**1,067**	483	2,090
Adjusting items (included in operating expenses)	**4,768**	674	598
Other income – gain on disposal of subsidiaries	**—**	—	(5,465)
Other income – gain on disposal of property, plant and equipment and lease modification	**—**	(820)	(2,189)
Adjusted profit before tax	**11,015**	8,486	23,676
Net finance income	**(2,266)**	(831)	(1,997)
Adjusted operating profit (''adjusted EBITA'')	**8,749**	7,655	21,679
Depreciation of property, plant and equipment included in operating expenses	**379**	820	1,711
Amortisation of intangible assets - computer software	**17**	179	1,004
Adjusted EBITA before depreciation (''adjusted EBITDA'')	**9,145**	8,654	24,394
Adjusted EBITA	**8,749**	7,655	21,679
Add EBITA from statutory discontinued operations	**—**	2,507	3,874
Total Group adjusted EBITA	**8,749**	10,162	25,553
Adjusted profit before tax	**11,015**	8,486	23,676
Add adjusted profit before tax from statutory discontinued operations	**—**	2,507	3,874
Total Group adjusted profit before tax	**11,015**	10,993	27,550
Remove operating (profit)/loss from sold and closed businesses	**395**	(2,784)	(3,484)
Ongoing adjusted profit before tax	**11,410**	8,209	24,066

The following adjusting items have been charged to the Income Statement during the period but are considered to be adjusting so are shown separately:

	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Expense relating to strategic activities	**3,343**	674	598
Office lease termination due to business disposals	**1,425**	—	—
Adjusting items (included in operating expenses)	**4,768**	674	598
Impairment of goodwill	**—**	—	4,434
Amortisation of intangible assets excluding computer software	**1,067**	483	2,090
Total adjusting items (classified in profit before tax)	**5,835**	1,157	7,122

Strategic activities represent acquisition costs comprising earnouts of £2.0m and transaction costs of £1.3m.

Notes to the Financial Results

5. Segmental information

In accordance with IFRS 8 the Group's operating segments are based on the operating results reviewed by the Executive Board, which represents the chief operating decision maker.

The Group's dynamic portfolio provides customers with a range of information, data, training and education solutions. The three divisions (HSE, Legal and Financial Services) are the Group's segments and generate all of the Group's ongoing revenue. The Executive Board considers the business from both a geographic and product perspective. Geographically, management considers the performance of the Group between the UK, Europe (excluding the UK), USA and the Rest of the World. Segment information has been reclassified for the six months ended 31 December 2023 to align to the reportable segments reorganised during the year ended 30 June 2024.

(a) Business segments

	Six months ended 31 December 2024 (unaudited)		Six months ended 31 December 2023 (unaudited)		Year ended 30 June 2024 (audited)	
	Revenue £'000	**Profit/(loss) £'000**	Revenue £'000	Profit/(loss) £'000	Revenue £'000	Profit/(loss) £'000
HSE	**6,110**	**1,131**	554	(2)	4,837	1,201
Legal	**6,964**	**2,938**	7,314	2,759	15,986	6,173
Financial Services	**31,830**	**8,290**	30,829	7,758	68,850	20,726
Ongoing	**44,904**	**12,359**	38,697	10,515	89,673	28,100
Non-core	**1,662**	**(395)**	5,212	277	8,651	(390)
Group total continuing	**46,566**	**11,964**	43,909	10,792	98,324	27,710
Unallocated central overheads	**—**	**(2,192)**	—	(2,188)	—	(4,166)
Share based payments	**—**	**(1,023)**	—	(949)	—	(1,865)
	46,566	**8,749**	43,909	7,655	98,324	21,679
Impairment of goodwill		**—**		—		(4,434)
Amortisation of intangible assets excluding computer software		**(1,067)**		(483)		(2,090)
Adjusting items (included in operating expenses)		**(4,768)**		(674)		(598)
Other income – gain on disposal of subsidiaries		**—**		—		5,465
Other income – gain on disposal of property, plant and equipment and lease modification		**—**		820		2,189
Net finance income		**2,266**		831		1,997
Profit before tax from continuing operations		**5,180**		8,149		24,208
Taxation		**(2,592)**		(2,297)		(7,009)
Profit for the financial period from continuing operations		**2,588**		5,852		17,199

There are no intra-segmental revenues which are material for disclosure. Unallocated central overheads represent head office costs that are not specifically allocated to segments. Total assets and liabilities for each reportable segment are not presented, as such, this information is not provided to the Board.

(b) Segmental information by geography

The UK is the Group's country of domicile and the Group generates the majority of its revenue from external customers in the UK. The geographical analysis of revenue is on the basis of the country of origin in which the customer is invoiced:

From continuing operations:	**Six months ended 31 December 2024 (unaudited) £'000**	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
UK	**28,029**	25,284	52,353
USA	**8,557**	8,686	25,761
Europe (excluding the UK)	**5,260**	5,295	10,777
Rest of the World	**4,720**	4,644	9,433
Continuing revenue	**46,566**	43,909	98,324

Notes to the Financial Results

6. Earnings per share

Adjusted earnings per share has been calculated using adjusted earnings calculated as profit after taxation but before:

- Impairment of goodwill;
- amortisation of intangible assets excluding computer software;
- adjusting items (included in operating expenses);
- other income – gain on disposal of subsidiaries; and
- other income – gain on disposal of property, plant and equipment and lease modification.

The calculation of the basic and diluted earnings per share is based on the following data:

	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Continuing operations:			
Earnings from continuing operations for the purpose of basic earnings per share	**2,588**	5,852	17,199
Add/(remove):			
Impairment of goodwill	**—**	—	4,434
Amortisation of intangible assets excluding computer software	**1,067**	483	2,090
Adjusting items (included in operating expenses)	**4,768**	674	598
Other income – gain on disposal of subsidiaries	**—**	—	(5,465)
Other income – gain on disposal of property, plant and equipment and lease modification	**—**	(820)	(2,189)
Tax effect of adjustments above and deferred tax	**(147)**	194	571
Adjusted earnings for the purposes of adjusted earnings per share	**8,276**	6,383	17,238
Continuing and discontinued operations:			
Earnings from total operations for the purpose of basic earnings per share	**2,588**	7,118	41,210
Add/(remove):			
Impairment of goodwill	**—**	—	4,434
Amortisation of intangible assets excluding computer software	**1,067**	996	2,637
Adjusting items (included in operating expenses)	**4,768**	674	598
Other income – gain on disposal of subsidiaries	**—**	—	(26,831)
Other income – gain on disposal of property, plant and equipment and lease modification	**—**	(820)	(2,189)
Tax effect of adjustments above and deferred tax	**(147)**	194	571
Adjusted earnings for the purposes of adjusted earnings per share	**8,276**	8,162	20,430

Continuing operations:	**Number**	Number	Number
Weighted average number of ordinary shares for the purpose of basic and adjusted earnings per share	**89,958,497**	88,964,817	88,964,817
Effect of dilutive potential ordinary shares:			
Future exercise of share awards and options	**1,456,501**	1,530,678	1,722,761
Weighted average number of ordinary shares for the purposes of diluted earnings and adjusted diluted earnings per share	**91,414,998**	90,495,495	90,687,578
Continuing and discontinued operations:			
Weighted average number of ordinary shares for the purpose of basic and adjusted earnings per share	**89,958,497**	88,964,817	88,964,817
Effect of dilutive potential ordinary shares:			
Future exercise of share awards and options	**1,456,501**	1,704,638	1,722,761
Weighted average number of ordinary shares for the purposes of diluted earnings and adjusted diluted earnings per share	**91,414,998**	90,669,455	90,687,578

Continuing operations:			
Basic earnings per share	**2.88p**	6.58p	19.33p
Diluted earnings per share	**2.83p**	6.47p	18.96p
Adjusted basic earnings per share (''adjusted earnings per share'')	**9.20p**	7.17p	19.38p
Adjusted diluted earnings per share	**9.05p**	7.05p	19.01p

Notes to the Financial Results

6. Earnings per share (continued)

Continuing and discontinued operations:			
Basic earnings per share	**2.88p**	8.00p	46.32p
Diluted earnings per share	**2.83p**	7.85p	45.44p
Adjusted basic earnings per share (''adjusted earnings per share'')	**9.20p**	9.17p	22.96p
Adjusted diluted earnings per share	**9.05p**	9.00p	22.53p

7. Acquisition of Phoenix Health & Safety

On 24 October 2024, the Group acquired 100% of the issued share capital of Phoenix HSC (UK) Limited ("Phoenix Health & Safety"), a Company based in the United Kingdom, for an initial consideration of £30.25m. In addition, under the terms of the acquisition, there is additional contingent consideration payable based on Phoenix Health & Safety's financial performance in each of the three years ending 31 March 2028. As the deferred payments are linked to employment, they are recognised as a separate transaction in each period respectively as they fall due.

Phoenix Health & Safety offers training for a range of internationally recognised and regulated health, safety and environmental ("HSE") qualifications. The acquisition strengthens Wilmington's capabilities in the provision of must-have training and education to regulated customers and expands the Group's position in the growing HSE training market, alongside Astutis, which was acquired in November 2023. The acquisition is consistent with Wilmington's strategic aim to build on its already strong presence in large and growing GRC markets. These markets are underpinned by strong macro drivers, particularly the increasing volume and enforcement of regulation, the increased importance of ESG and widespread adoption of technological and data-driven compliance solutions. Wilmington focuses on assets which operate in attractive market segments and which have strong leadership and sustainable competitive advantages. Phoenix Health & Safety has demonstrated a strong track record of organic growth over a number of years.

The process to measure the fair values of the assets acquired and liabilities assumed is not yet finalised in respect of the acquisition including the valuation of acquired intangibles and accordingly the fair values measured at the acquisition date are provisional amounts. In accordance with IFRS 3 until the assessment is complete the measurement period will remain open up to a maximum of 12 months from the acquisition date so long as information remains outstanding.

Based on the provisional view, the fair value of the net assets acquired in the business at acquisition date including acquired intangibles was £6.0m, resulting in goodwill on acquisition of £25.1m. Goodwill acquired relates to future customer relationships, the assembled workforce and expanded access to the health, safety and environmental markets. Acquisition related charges include transaction costs of £1.0m relating to the acquisition of Phoenix Health & Safety. The results of the acquisition included in the Group's consolidated results post acquisition are revenue of £2.0m and an operating profit of £0.4m. Due to limitations in available data for the pre-acquisition period, the Directors consider that it is impracticable to disclose the results of the combined entity as though the acquisition had impacted the Group's consolidated results for the full year.

The movement in goodwill during the period of £25.2m from £52.8m to £78.0m relates to the acquisition of Phoenix Health & Safety. Cost increased by £25.2m from £57.5m to £82.7m, there was no change to accumulated impairment during the period.

8. Disposal group held for sale

Compliance Week classified as a disposal group held for sale
The Compliance Week businesses, continues to be classified as a disposal group held for sale under IFRS 5. The disposal is expected to be completed within six months by sale of equity shares.

The major classes of assets and liabilities comprising the disposal group held for sale are as follows:

	31 December 2024 (unaudited) £'000	30 June 2024 (audited) £'000
Goodwill	**358**	358
Trade and other receivables	**402**	545
Cash and cash equivalents	**331**	293
Assets of disposal group held for sale	**1,091**	1,196
Trade and other payables	**779**	486
Liabilities of disposal group held for sale	**779**	486

Compliance Week has not been classified as a discontinued operation under IFRS 5 because it does not meet the IFRS 5 criteria as a significant line of business.

Notes to the Financial Results

9. Reconciliation of net cash movements

	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
Cash and cash equivalents at beginning of the period	**67,515**	42,173	42,173
Cash classified as held for sale at beginning of the period	**293**	—	—
Lease liabilities at beginning of the period	**(2,828)**	(7,210)	(7,210)
Net cash at beginning of the period	**64,980**	34,963	34,963
Net (decrease)/increase in cash and cash equivalents	**(36,537)**	(14,152)	25,635
Movement in lease liabilities	**764**	1,319	4,382
Cash and cash equivalents at end of the period	**30,940**	23,875	67,515
Cash classified as held for sale at end of the period	**331**	4,146	293
Lease liabilities at end of the period	**(2,064)**	(5,891)	(2,828)
Net cash at end of the period	**29,207**	22,130	64,980

10. Events after the reporting period

There were no events after the balance sheet date that require disclosure.

11. Cash generated from operations

	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
From continuing and discontinued operations:			
Profit before tax from continuing operations	**5,180**	8,149	24,208
Profit before tax from discontinued operations	**—**	1,994	24,694
Adjusting item – gain on disposal of subsidiaries included in continuing operations	**—**	—	(5,465)
Adjusting item – gain on disposal of subsidiaries included in discontinued operations	**—**	—	(21,367)
Adjusting item – gain on disposal of property, plant and equipment and lease modification	**—**	(820)	(2,189)
Adjusting items (included in operating expenses)	**4,768**	674	598
Depreciation of property, plant and equipment	**379**	925	1,851
Amortisation of intangible assets (continuing and discontinued)	**1,084**	1,186	3,662
Impairment of goodwill	**—**	—	4,434
Share based payments (including social security costs)	**1,023**	949	1,865
Net finance income	**(2,266)**	(831)	(1,997)
Operating cash flows before movements in working capital	**10,168**	12,226	30,294
(Increase)/decrease in trade and other receivables	**(240)**	1,172	(2,784)
(Decrease)/increase in trade and other payables	**(3,446)**	(3,946)	2,545
Decrease in provisions	**(154)**	(153)	(308)
Cash generated from operations before adjusting items	**6,328**	9,299	29,747

Notes to the Financial Results

11. Cash generated from operations (continued)

Cash conversion is calculated as a percentage of cash generated by operations to adjusted EBITA as follows:

	Six months ended 31 December 2024 (unaudited) £'000	Six months ended 31 December 2023 (unaudited) £'000	Year ended 30 June 2024 (audited) £'000
From continuing and discontinued operations:			
Funds from operations before adjusting items:			
Adjusted EBITA from continuing operations (note 4)	**8,749**	7,655	21,679
Adjusted EBITA from discontinued operations	**—**	2,507	3,874
Share based payments (including social security costs)	**1,023**	949	1,865
Amortisation of intangible assets – computer software (continuing and discontinued)	**17**	190	1,025
Depreciation of property, plant and equipment (continuing and discontinued)	**379**	925	1,851
Operating cash flows before movements in working capital	**10,168**	12,226	30,294
Net working capital movement	**(3,840)**	(2,927)	(547)
Funds from operations before adjusting items	**6,328**	9,299	29,747
Cash conversion	**72%**	92%	116%
Free cash flow:			
Operating cash flows before movement in working capital	**10,168**	12,226	30,294
Proceeds on disposal of property, plant and equipment	**—**	884	884
Net working capital movement	**(3,840)**	(2,927)	(547)
Interest received	**1,310**	858	1,946
Payment of lease liabilities	**(1,022)**	(399)	(881)
Tax paid	**(3,483)**	(3,557)	(7,115)
Purchase of property, plant and equipment	**—**	(77)	(132)
Purchase of intangible assets	**—**	(471)	(235)
Free cash flow	**3,133**	6,537	24,214