



Interim Results

EAGLE EYE SOLUTIONS GROUP PLC

H1 2026

Strong execution and win momentum delivering a financial performance ahead of initial H1 2026 expectations

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17 March 2026

Eagle Eye Solutions Group PLC
("Eagle Eye", the "Group" or the "Company")

Half Year Results for the six months ended 31 December 2025

Strong execution and new customer Win momentum delivered a financial performance ahead of initial H1 2026 expectations

Eagle Eye, a leading provider of applied AI for marketing, enabling personalised, real-time engagement at scale, is pleased to announce its unaudited interim results for the six months ended 31 December 2025 (the "Period" or "H1 2026").

Financial Highlights

	H1 2026	H1 2025	Change
KPIs excluding NRS¹			
Period end Annual Recurring Revenue ²	£42.2m	£32.8m	+29%
Net Revenue Retention ³	108%	104%	+4ppts
Group Revenue	£22.4m	£19.3m	+16%
Recurring Revenue	£19.1m	£15.4m	+24%
KPIs including NRS			
Group revenue	£23.0m	£24.2m	-5%
Recurring Revenue	£19.6m	£19.5m	+1%
Professional Services Revenue	£3.0m	£4.4m	-32%
SMS Revenue	£0.4m	£0.3m	+55%
Recurring revenue % of Group revenue	85%	81%	+5ppts
Period end Annual Recurring Revenue ²	£42.2m	£41.0m	+3%
Net Revenue Retention ³	99%	104%	-5ppts
Direct profit ⁴	£16.2m	£16.9m	-4%
Adjusted EBITDA ⁵	£4.3m	£5.9m	-28%
Adjusted EBITDA margin	18%	24%	-6ppts
Profit after tax	£0.1m	£1.9m	-93%
Net cash ⁶ at 31 December	£12.1m	£11.7m	+3%

Strategic Highlights

ARR building strongly, underpinned by an acceleration in new Win momentum and Deepening with existing customers

- Underlying ARR up 29%, with new ARR in H1 2026 exceeding the entirety of the prior year new ARR
- Eight new multi-year contracts secured for the AIR platform and EagleAI solutions with major customers globally, with strong traction across grocery, convenience and retail verticals
- Deepening activity with existing customers with increasing ARR through higher volumes, expanded use cases and additional product adoption, with AI Personalised Promotions a key driver

Capitalising on the substantial US opportunity

- Four significant wins in H1 2026, delivering c.£2.5m new ARR with further expansion opportunity, reflecting the strengthening of Eagle Eye's brand presence and success of refined go-to-market initiatives
- Continued investment in US sales capability to strengthen brand presence and further build the pipeline

AI strengthening Eagle Eye's market opportunity and commercial momentum

- EagleAI revenues up 23% to £3.6m (H1 2025: £2.9m); now represents 15% of Group revenues (H1 2025: 12%)
- Integration of EagleAI and AIR is delivering value to early adopter customers via AI Personalised Promotions, expanding Eagle Eye's Win and Deepen opportunity

Transformational OEM agreement progressing well, with first customers secured

- First two customer contracts secured through OEM partnership, with blue-chip European customers, with expected ARR of c.£2.0m
- Material revenue generation expected from FY27 with further expansion opportunity as customers roll out additional capabilities

Ongoing transformation delivering to plan, increasing scalability and margin improvement potential

- Adjusted EBITDA margin exceeded the Board's expectation, driven by the increased recurring revenue, platform optimisation and cost efficiencies
- Improving revenue mix and quality, with recurring revenues now 85% of Group revenues (H1 FY25: 80%)
- Period end ARR of £42.2m, up 29%, providing good visibility on future revenues
- Strong cash generation ahead of plan, delivering net cash at period end of £12.1m, supporting investment in sales and AI innovation

Confident in outlook and delivering continued momentum

- Progress made in H1 2026 across ARR growth, Win momentum, customer expansion, margin recovery and OEM execution, gives the Board confidence in delivering results for FY26 in line with recently increased market expectations
- The Board continues to expect to exit FY26 with a 20% EBITDA margin run rate, and is confident that the momentum being achieved across the business will support a return to double digit revenue and EBITDA growth in FY27

Tim Mason, Chief Executive of Eagle Eye, said:

"Eagle Eye has delivered a strong first half, achieving a financial performance ahead of the Board's expectations together with considerable progress against our strategic priorities. ARR is building strongly, including growing traction in the US, and the first customers have been secured via the transformational OEM agreement, providing a clear route for significant expansion. We have strengthened the financial foundations of the business, supporting margin recovery, an improving revenue mix and strong cash generation, and providing us with confidence to invest in growth opportunities."

"We continue to build upon our leadership in applied AI for retail. Our EagleAI solutions saw strong growth in H1, and the integration of AIR and EagleAI has further increased the attractiveness of our products, providing retailers in our core verticals and others too with the means to embed AI within their digital marketing activities at scale, and positioning us well to capture the growing demand for AI-powered loyalty and personalisation, globally."

"We are confident in building on our momentum in the second half and into FY27, while maintaining a disciplined focus on margin progression and long-term shareholder value creation."

¹ Excluding the revenues related to the Neptune Retail Solutions' ("NRS") related contract lost in June 2025

² Annual recurring revenue ("ARR") is defined as period exit rate for recurring subscription and transaction revenue (exc. SMS) plus any professional services contracted for more than 12 months hence and secured new wins, excluding any seasonal variations and lost contracts

³ Net revenue retention ("NRR") rate is defined as the change in recurring revenue excluding SMS and new wins in the last 12 months

⁴ Direct profit is defined as profit after deducting from revenue costs associated with the direct delivery of our services, including the cost of our platforms and associated licences, third party transactional costs and staff costs for employees dedicated to the successful implementation and ongoing running of client services

⁵ Adjusted EBITDA excludes share-based payment charges along with depreciation, amortisation, restructuring costs, interest and tax from the measure of profit

⁶ Net cash is cash and cash equivalents less borrowings

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About Eagle Eye

Eagle Eye is a leading provider of applied AI for marketing, enabling personalised, real-time engagement at scale for retail, travel and hospitality brands globally. Our powerful technology combines the world's most flexible and scalable loyalty and promotions capability with cutting edge, built-for-purpose AI to deliver 1:1 personalisation at scale for enterprise businesses, globally.

Our growing customer base includes Loblaws, Southeastern Grocers, Giant Eagle, Asda, Tesco, Morrisons, JD Sports, E.Leclerc, Carrefour, the Woolworths Group and many more. Each week, more than 1 billion personalised offers are seamlessly executed via our platform, and over 700 million loyalty member wallets are managed worldwide.

AI-powered, API-based and cloud-native, Eagle Eye's enterprise-grade technology is fully certified by the MACH Alliance and has received recognition from leading industry bodies, including Gartner, Forrester, IDC and QKS.

Web - www.eagleeye.com

CEO statement

Overview

This was a period of strong execution and delivery on our strategic objectives, resulting in a financial performance ahead of the Board's initial expectations, as announced in January.

Following targeted investment into the Sales function, ARR is building strongly, with ARR added in H1 2026 exceeding that achieved in the entirety of the prior year. This included a particularly strong contribution from North America, reflecting our increased focus on this region. Alongside this progress, the first contracts via the transformational global OEM agreement have been signed, in line with the Board's anticipated timing.

We have successfully reset the business and materially strengthened our financial foundations following the previously announced loss of the NRS contract last year. Ongoing increases in high quality recurring revenue and cost optimisation delivered a margin performance ahead of the Board's expectations, allowing our internal profit expectations for the year to be increased in January, while continuing to selectively invest in growth initiatives during Q3, including expanding our US sales team further on the back of strong commercial momentum in the region.

AI represents a substantial opportunity for Eagle Eye. EagleAI revenues grew by 23% in H1 2026 and we continue to innovate at pace and capitalise on the advances in AI to strengthen our market opportunity. The technical integration of AIR and EagleAI within our AI Personalised Promotions product has created a highly powerful and differentiated offering. The product enables retailers to embed AI within their digital marketing programmes at scale, unlocking the power of their data and driving incremental sales through personalisation. Meanwhile the utilisation of AI across our development team has delivered a considerable acceleration in our development capabilities.

With our investment in sales capability and focus on operational efficiency now bearing fruit, we are increasingly well positioned to capture the growing global demand for AI-powered loyalty and personalisation, while maintaining a disciplined focus on margin progression and long-term value creation.

Financial performance

The financial performance in H1 2026 was strong, exiting the Period with ARR growth to £42.2m (30 June 2025: £34.0m). Group revenue, excluding the impact of the NRS contract, grew by approximately 16%, to £22.4m, aided by SaaS and transaction revenue growth of 24% to £19.1m (H1 FY25: £15.4m), offsetting the impact of the NRS loss which saw headline Group revenue fall slightly to £23.0m (H1 FY25: £24.2m).

Adjusted EBITDA of £4.3m represented an 18% margin, ahead of the Board's expectations, driven by the Group's ongoing transformation, platform optimisation, and further cost efficiencies. The Group was cash generative in the Period and ended the Period with net cash of £12.1m (31 December 2024: £11.7m), after having returned £0.6m in share buybacks. This cash position and improving margins allow us to selectively invest in growth initiatives, particularly in sales capability and AI development, while continuing to drive margins forward.

We remain confident in our ability to balance investment with margin progression and reiterate our guidance that we are targeting to exit FY26 with an EBITDA margin run rate of 20%.

Winning and deepening customer relationships

The Group delivered a significant acceleration in Win momentum during H1 2026. This reflects increased sales effectiveness following targeted investment, improved product clarity, and growing demand for AI-driven loyalty and personalisation solutions.

During the Period, the Group secured multi-year contracts for the AIR platform and EagleAI solutions with eight major new customers across North America, Europe and Asia, demonstrating strong traction across grocery, convenience and retail. These were:

- A five-year contract with one of the largest independent food retailers in North America
- A multi-year agreement with Wakefern, the largest retailer-owned cooperative in the US, including our newest AI offering, AI Personalised Promotions

- A three-year agreement with Kwik Trip, a leading US convenience retailer
- A three-year contract with a large regional US grocery supermarket
- A three-year contract with a leading European value retailer
- A three-year contract, with a two-year extension option, with Central Thailand
- A three-year contract with a UK builders' merchant
- A three-year agreement with FairPrice Co-Operative Ltd in Singapore, a returning customer

Alongside new customer wins, the Group continued to deepen relationships with existing customers, increasing ARR through higher volumes, expanded use cases and adoption of additional platform capabilities. These include with Morrisons, Asda, Carrefour, Giant Eagle and PepCo.

A key driver of this deepening of relationships has been customer adoption of AI Personalised Promotions capability. At Morrisons, the programme has shown strong engagement and retention. The retailer went live to one million players after only 11 weeks of the initial trial, with a further 286,000 new players joining the programme since its full launch. As the programme has expanded to a broader audience, repeat usage has improved week-on-week demonstrating the stickiness of the experience. We are confident that AI Personalised Promotions is a scalable driver of retailer value and, as well as enhancing our win rate, will be attractive to our existing customer base, supporting the Win and Deepen strategy and contributing to longer-term revenue quality and visibility.

A significant customer renewed in the Period, for a further multi-year engagement and as a result, less than 25% of ARR for the top 10 customers is due for renewal prior to the start of FY28, providing a solid basis for further expansion, and continued NRR growth towards our target of 120%.

With Net Revenue Retention of 108% (excluding NRS) and increasing adoption of additional platform capabilities by our customers, we see significant further expansion potential within our installed customer base, representing an addressable expansion opportunity within existing customers alone of approximately £40m of potential ARR, based on our internal analysis.

Growing market opportunity and AI leadership

Our mission is to be the global leader in AI-powered loyalty and personalised marketing for retail. The rapid development of AI is expanding the opportunity and desire to personalise marketing, providing a growing market for Eagle Eye. Retailers are moving beyond traditional reward programmes towards targeted, real-time engagement with individual customers. The combination of our distribution scale, through AIR, which we believe to be the world's most powerful transaction engine, with the quality of our built for retail AI models, deep domain expertise and deep integration with our customers' point of sale platforms, positions us well to capitalise on this growing opportunity.

We already create and deliver an average of one billion AI generated promotions per month, resulting in turnover of £3.6m during the Period and demonstrable measurable value to our customers. In 2025 alone, our AI based personalised offers generated an estimated £750m of incremental sales for our retail clients in France and the UK.

Through processing and learning from 2.8 billion customer interactions per minute, our AI models are getting more effective. The recent completion of the integration of AIR and EagleAI within our **AI Personalised Promotions** product is increasing our competitive positioning and delivering value to early adopter customers, enabling retailers to deliver customised, individualised offers at scale, with real-time execution out of the box, without the need for additional data science capabilities. This differentiated capability is increasingly decisive in competitive processes and was instrumental in the recent multi-year win with Wakefern Food Corporation.

Other recent areas of AI innovation include **Personalised Offer Ranking** (formerly Digital Flyers). The solution identifies which of a retailer's existing mass promotions is most relevant to each individual customer to enable more personalised marketing, delivering click through rates three times higher than for standard, non-personalised flyers.

We are also using AI to accelerate our development capabilities. All our engineers now use best-in-class AI coding tools to enhance productivity and workflow efficiency, reducing engineering capacity as a bottleneck across several components of our technical stack. Looking ahead, we plan to incorporate Agentic AI within our platforms, to enhance the enterprise user experience and increase their productivity.

We were delighted to win the Editor's Choice Award at the RTIH AI in Retail Awards for innovation in retail AI, underlying our leadership in the sector. The ability of our technology to support industry leading loyalty programmes has also been recognised in the period, in the high level of customers shortlisted for awards at the 2025 International Loyalty Awards, including Tesco, Woolworths Group and Endeavour Group. As their technology partner, we are thrilled to see their hard work and innovation recognised on a global stage.

A sizeable addressable opportunity, and expanded routes to market

The breadth of our offering, customer base, geographic reach and growing partner network provide a considerable target market and ample opportunity from which to deliver far beyond our medium-term ambitions of £100m revenue and 30% EBITDA margin.

From our ARR of £42.2 million as at the end of December, we see a significant opportunity for both ARR and NRR growth. Deepening and scaling transaction volumes within our top 35 customers alone represents an additional ARR opportunity of approximately £40 million, based on full take up of the core Eagle Eye product offering. Beyond this, the opportunity expands materially, to £1.9bn, driven by further uptake by businesses with our Ideal Customer Profile (ICP) in our existing geographies, particularly North America, EMEA and APAC. Meanwhile, the combined potential from partnerships and expansion into new sectors and geographies, expands this opportunity even further to approximately £3.3 billion, reflecting the increasing importance of loyalty and personalisation to retailers globally.

We have three clear routes to exploit this opportunity: Direct sales led by our US-based CRO; via the OEM agreement; and through Partnerships. Each of these areas has made encouraging progress.

US market penetration

North America remains a key strategic focus for the Group due to its vast potential customer base, including 230 businesses within our ICP.

The US contributed £2.5m in new ARR in H1 2026, thanks to four significant wins. This highlights the effectiveness of our increased attention on the region and the growing demand among large retailers for agile, AI-powered loyalty and promotional solutions.

Our momentum in the US is fuelled by dedicating resources to better understand our ICP and engaging more deeply with our industry contacts. The appointment of Jeff Baskin as Chief Revenue Officer last year has been key to this, enabling us to engage more closely with senior decision makers across the industry. This approach is helping Eagle Eye raise its profile in North America. Increasingly, we are chosen not just as a loyalty provider but also as a growth partner, helping retailers achieve measurable improvements in engagement, basket size, and campaign success.

By expanding our network and introducing a new blueprint for the Group's revenue journey, we are achieving real commercial results and are well-positioned for further growth in the region. We have a developing pipeline across grocery, convenience, and specialist retail, and we see clear opportunities to deepen relationships with our newest customers as they expand their use of our platform.

Looking ahead, we will continue to invest in our sales and marketing efforts in the US to strengthen our brand presence among major retailers and further build our sales pipeline.

Delivering on the transformational OEM opportunity

The global OEM agreement represents a significant long-term growth opportunity for Eagle Eye. During the period, the OEM's new cloud-hosted loyalty management solution was released onto its price list, and the first customer contracts were secured within weeks of launch.

These initial contracts include two blue-chip European retailers: one of the largest furniture retailers globally, with over 500 stores, and a prominent retail group in the DACH region operating more than 2,000 locations.

The OEM partner contract revenue model is transactional and therefore the ARR is an estimate only. We currently expect the combined ARR of these new clients to be c.£2.0m initially, derived from customer numbers and volumes based on experience, and to be revenue-generating from FY27. This estimated amount is included in our stated Period end Group ARR stated above.

Revenue from this channel is expected to be material from FY27 onwards, and these initial strategic wins alone create a long runway for future expansion as these customers roll out additional capabilities across their estates.

Scaling through partners and productisation

Alongside direct sales and the OEM route, we are increasingly leveraging partnerships to accelerate reach and scalability, with partner referred opportunities doubling versus H1 FY25. This is having a direct contribution to ARR, with over 20% of global win ARR being referred or influenced by partners in H1 2026. Notable partner-supported wins included a large retailer in APAC referred by Google, a major APAC retailer influenced by Deloitte, and two EMEA wins driven by other technology partners.

Ongoing productisation and platform optimisation initiatives are making Eagle Eye's solutions easier to deploy, integrate and scale across both partner-led and direct engagements. This is evidenced by the last seven deals requiring no custom build, which underlines the increasing productisation of our platform and our ability to deploy at pace and at scale and ultimately continue to support an increased margin.

Cloud optimisation and replatforming initiatives have also driven a reduction in cloud spend, targeting structural scalability and cost efficiency as transaction volumes increase, and we continue to embed AI internally across the organisation, to drive operational efficiency.

People and culture

Our people and culture continue to underpin the Group's performance. During the Period, we strengthened our focus on impact, to ensure all team members are focused on activities that directly influence our Objectives and Key Results. The team has proven resilient during a period of substantial change, with departures from the business following a senior leadership restructuring and cost reduction programme across both Eagle Eye and Promotional Payments Solutions (PPS). We thank everyone, past and present, for their commitment and contributions to the success of Eagle Eye and our customers.

Confident outlook

Eagle Eye is firmly positioned as a market-leading technology business operating in a significant, global market. The substantial progress made in the first half of FY26, including ARR growth, win momentum, margin recovery and OEM execution, underpins the Board's confidence in exiting FY26 with a 20% EBITDA margin run rate and delivering full year results in line with recently increased market expectations.

Early success with the transformational OEM agreement and growing traction in the US provide a clear runway for expansion, supporting the expectation of a return to double-digit revenue and EBITDA growth in FY27. This momentum, combined with the enhanced capabilities of AIR and EagleAI, positions Eagle Eye to capture the growing global demand for AI-powered personalisation, while maintaining a focus on long-term value creation.

Tim Mason, CEO
16 March 2026

Financial Highlights

	H1 2026	H1 2025	Change
KPIs excluding NRS			
Period end Annual Recurring Revenue ¹	£42.2m	£32.8m	+29%
Net Revenue Retention ²	108%	104%	+4ppts
Group Revenue	£22.4m	£19.3m	+16%
Recurring Revenue	£19.1m	£15.4m	+24%
KPIs including NRS			
Group revenue	£23.0m	£24.2m	-5%
Recurring Revenue	£19.6m	£19.5m	+1%
Professional Services Revenue	£3.0m	£4.4m	-32%
SMS Revenue	£0.4m	£0.3m	+55%
Recurring revenue % of Group revenue	85%	81%	+5ppts
Period end Annual Recurring Revenue ¹	£42.2m	£41.0m	+3%
Net Revenue Retention ²	99%	104%	-5ppts
Direct profit ³	£16.2m	£16.9m	-4%
Direct profit margin	70%	70%	-
Adjusted EBITDA ⁴	£4.3m	£5.9m	-28%
Adjusted EBITDA margin	18%	24%	-6ppts
Adjusted EBITA ⁵	£1.2m	£3.0m	-59%
Adjusted EBITA margin	5%	12%	-7ppts
(Loss)/profit before tax	£(1.2)m	£1.6m	n/a
Net cash ⁶ at 31 December	£12.1m	£11.7m	+3%
Long term contract customer churn by value	0.4%	0.1%	+3ppts

¹ Annual recurring revenue ("ARR") is defined as period exit rate for recurring subscription and transaction revenue (exc. SMS) plus any professional services contracted for more than 12 months hence and secured new wins, excluding any seasonal variations and lost contracts

² Net revenue retention ("NRR") rate is defined as the change in recurring revenue excluding SMS and new wins in the last 12 months

³ Direct profit is defined as profit after deducting from revenue costs associated with the direct delivery of our services, including the cost of our platforms and associated licences, third party transactional costs and staff costs for employees dedicated to the successful implementation and ongoing running of client services

⁴ Adjusted EBITDA excludes share-based payment charges along with depreciation, amortisation, restructuring costs, interest and tax from the measure of profit

⁵ Adjusted EBITA excludes share-based payment charges along with amortisation on intangible assets recognised under IFRS 3 on the acquisitions of EagleAI and Promotional Payments Solutions, restructuring costs, interest and tax from the measure of profit

⁶ Net cash is cash and cash equivalents less borrowings

Financial Review

Revenue and Direct Profit

During the period, Group revenue was £23.0m (H1 2025: £24.2m). While this represents a headline decrease of 5% (£1.1m) compared to the prior year, excluding the impact of the isolated NRS customer loss, Group revenue grew by 16% to £22.4m. This growth was driven by a 24% increase in recurring revenue to £19.1m (H1 2025: £15.4m), reflecting the Group's continued evolution into a fully scalable recurring revenue business.

Recurring revenue now represents 85% of total Group revenue, up from 81% in the prior period. The growth in recurring revenue was principally supported by the primarily SaaS-based revenue of EagleAI, which grew by 23%, contributing £3.6m to the total, being 15% (H1 2025: £2.9m, 12%) and pleasingly, Promotional Payments Solutions, which was acquired at the end of June 2025, contributed £1.7m in revenue during the Period. Recurring revenue was further bolstered by increased transaction volumes from Morrisons, Asda and Carrefour.

The Group's Annual Recurring Revenue (ARR) increased to £42.2m (H1 2025: £41.0m). Excluding the NRS contract loss, underlying ARR grew by 29% from £32.8m in H1 2025. This growth was driven by securing eight major multi-year contracts and deepening existing customer engagements; new ARR in H1 2026 has exceeded that from the entirety of FY 2025.

Period end Group ARR includes an estimated amount in relation to the customers secured via the OEM partner contract, which is transactional. The Group estimates the ARR of these new clients to be c.£2.0m initially, derived from customer numbers and volumes based on experience, and for the clients to be revenue-generating from FY27.

Excluding the effect of the NRS exit, Net Revenue Retention (NRR) grew to 108% (H1 2025: 104%), and was 115% for the top 10 customers. Including the NRS impact, NRR was 99%. This performance is further supported by low long-term contract customer churn which returned to previous levels at 0.4%.

Direct profit margin remained stable at 70%, with the lower revenue resulting in direct profit of £16.2m (H1 2025: £16.9m). This stability in margin, despite the loss of a high-margin contract, highlights the success of the Group's ongoing cost optimisation and its shift toward higher-value recurring revenue which has seen recurring revenue increase as a proportion of revenue, and the Direct margin for SaaS services increase to 74% (H1 2025: 73%).

Adjusted Operating Expenses and EBITDA

Adjusted operating expenses were managed effectively as the Group sought efficiencies to mitigate the NRS loss. This is being achieved through the following initiatives:

- The ongoing transformation and execution of platform efficiencies, which will continue into H2 2026;
- The restructuring of the senior team; and
- Synergies realised following the acquisition of PPS, reducing office costs and eliminating overlapping roles.

Adjusted EBITDA was £4.3m (H1 2025: £5.9m), resulting in an adjusted EBITDA margin of 18%, a performance which exceeded the Board's expectations. In H2 2026, we will continue to optimise the cost base of the business, whilst allowing investment in sales and EagleAI, targeting an FY26 exit EBITDA run rate margin of 20%.

Net staff costs and IT infrastructure remain the primary components of our cost base. Net staff costs, which represent 54% of adjusted operating costs (H1 2025: 57%) remained at £10.2m (H1 2025: £10.2m), with an average headcount of 257 (H1 2025: 254). We continue to invest in our product set, with total product development costs of £4.2m (H1 2025: £4.4m), of which £2.7m (64%) was capitalised during the period (H1 2025: £1.5m (34%)). The increase in capitalisation reflected the focus on changes to the platform required to support the OEM contract and is expected to reduce in H2 2026.

IT infrastructure costs remained flat at £5.2m (H1 2025: £5.1m).

Other operating costs, which are either discretionary or are not correlated to changes in revenue, increased to £2.9m (H1 2025: £2.7m), primarily reflecting increased investment in marketing and our sales effort.

Tax and Earnings per Share

The tax credit of £1.4m (H1 2025: £0.3m) arose primarily as a result of higher R&D credits than expected following finalisation of returns and the favourable impact on the share based payment related deferred tax asset as a result of the increase in share price in the period.

Primarily reflecting the impact of one-off restructuring costs and the NRS exit, offset by the tax credit, the Group reported a reduced profit after taxation of £0.1m (H1 2025: £1.9m). This resulted in basic earnings per share of 0.46p (H1 2025: 6.29p).

Cashflow, net cash and balance sheet

The Group remains cash generative, ending the period with net cash of £12.1m (H1 2025: £11.7m). This was achieved after returning £0.6m to shareholders via the share buyback programme. Net cash flows from operating activities were £4.1m (H1 2025: £4.8m), supported by strong cash collection of customer receipts at the period end.

Net assets were £33.4m at 31 December 2025 (30 June 2025: £32.7m). The balance sheet remains robust, supported by the strong cash position and unutilised £10m revolving credit facility.

Consolidated unaudited interim statement of total comprehensive income for the six months ended 31 December 2025

		Unaudited 6 months to 31 December 2025 £000	Restated Unaudited 6 months to 31 December 2024 £000	Audited Year to 30 June 2025 £000
Continuing operations				
Revenue	3	23,035	24,156	48,196
Direct costs		(6,816)	(7,298)	(13,695)
Direct profit		16,219	16,858	34,501
Indirect operating expenses		(11,962)	(11,041)	(31,690)
Other income		36	69	162
Adjusted EBITDA ⁽¹⁾	5	4,257	5,886	12,193
Acquisition costs		-	-	(423)
Restructuring costs		(468)	-	(418)
Share-based payment charge		(766)	(268)	(539)
Depreciation and amortisation		(4,268)	(4,036)	(7,840)
Operating (loss)/profit		(1,245)	1,582	2,973
Finance income		63	26	98
Finance expense		(31)	(43)	(84)
(Loss)/profit before taxation		(1,213)	1,565	2,987
Taxation		1,351	299	(1,358)
Profit after taxation for the financial period		138	1,864	1,629
Foreign exchange adjustments		384	(97)	(779)
Total comprehensive profit attributable to the owners of the parent for the financial period		522	1,767	850

Earnings per share

From continuing operations

Basic	4	0.46p	6.29p	5.49p
Diluted	4	0.41p	5.64p	4.89p

⁽¹⁾ Adjusted EBITDA excludes share-based payment charge, depreciation, amortisation, restructuring and acquisition costs, interest and tax from the measure of profit

Consolidated unaudited interim statement of financial position as at 31 December 2025

	Unaudited 31 December 2025 £000	Restated Unaudited 31 December 2024 £000	Audited 30 June 2025 £000
Non-current assets			
Intangible assets	20,706	16,818	20,748
Contract fulfilment costs	2,866	2,640	2,884
Property, plant and equipment	645	1,127	793
Non-current tax receivable	439	-	306
Deferred taxation	5,125	8,455	4,821
	29,781	29,040	29,552
Current assets			
Trade and other receivables	9,568	11,369	9,673
Current tax receivable	75	224	467
Cash and cash equivalents	12,089	11,855	12,327
	21,732	23,448	22,467
Total assets	51,513	52,488	52,019
Current liabilities			
Trade and other payables	(11,428)	(10,537)	(12,375)
IFRS 15 deferred income	(2,263)	(2,157)	(2,358)
Current tax payable	(89)	(243)	(176)
Financial liabilities	(23)	(87)	(51)
	(13,803)	(13,024)	(14,960)
Non-current liabilities			
IFRS 15 deferred income	(3,328)	(3,235)	(3,299)
Other payables	(199)	(316)	(303)
Financial liabilities	-	(22)	-
Deferred taxation	(739)	(984)	(789)
	(4,266)	(4,557)	(4,391)
Total liabilities	(18,069)	(17,581)	(19,351)
Net assets	33,444	34,907	32,668
Equity attributable to owners of the parent			
Share capital	302	296	297
Share premium	30,165	30,089	30,135
Merger reserve	3,278	3,278	3,278
Share option reserve	8,172	9,352	9,189
Treasury share reserve	(548)	-	-
Retained losses	(7,925)	(8,108)	(10,231)
Total equity	33,444	34,907	32,668

Consolidated unaudited interim statement of changes in equity for the six months ended 31 December 2025

	Share capital £000	Share premium £000	Merger reserve £000	Share option reserve £000	Treasury share reserve £000	Retained losses £000	Total £000
Balance at 1 July 2024- restated	296	30,089	3,278	9,084	-	(9,875)	32,872
Profit for the period	-	-	-	-	-	1,864	1,864
Other comprehensive income							
Foreign exchange adjustments	-	-	-	-	-	(97)	(97)
	-	-	-	-	-	1,767	1,767
Transactions with owners							
Share-based payment charge	-	-	-	268	-	-	268
	-	-	-	268	-	-	268
Balance at 31 December 2024- restated	296	30,089	3,278	9,352	-	(8,108)	34,907
Loss for the period	-	-	-	-	-	(235)	(235)
Other comprehensive income							
Foreign exchange adjustments	-	-	-	-	-	(682)	(682)
	-	-	-	-	-	(917)	(917)
Transactions with owners							
Exercise of share options	1	46	-	-	-	-	47
Fair value of share options exercised	-	-	-	(430)	-	430	-
Fair value of share options lapsed	-	-	-	(4)	-	4	-
Share-based payment charge	-	-	-	271	-	-	271
Deferred tax on share-based payments	-	-	-	-	-	(1,640)	(1,640)
	1	46	-	(163)	-	(1,206)	(1,322)
Balance at 30 June 2025	297	30,135	3,278	9,189	-	(10,231)	32,668
Profit for the period	-	-	-	-	-	138	138
Other comprehensive income							
Foreign exchange adjustments	-	-	-	-	-	384	384
	-	-	-	-	-	522	522
Transactions with owners							
Exercise of share options	5	30	-	-	-	-	35
Share-based payment charge	-	-	-	767	-	-	767
Fair value of share options exercised	-	-	-	(1,759)	-	1,759	-
Fair value of share options lapsed	-	-	-	(25)	-	25	-
Purchase of treasury shares	-	-	-	-	(548)	-	(548)
	5	30	-	(1,017)	(548)	1,784	254
Balance at 31 December 2025	302	30,165	3,278	8,172	(548)	(7,925)	33,444

Included in “retained losses” is a cumulative foreign exchange loss of £1,106,000 (June 2025: loss of £1,009,000).

Consolidated unaudited interim statement of cash flow for the six months ended 31 December 2025

	Unaudited 6 months to 31 December 2025 £000	Unaudited 6 months to 31 December 2024 £000	Audited Year to 30 June 2025 £000
Cash flows from operating activities			
(Loss)/profit before taxation	(1,214)	1,565	2,987
Adjustments for:			
Depreciation	308	348	702
Amortisation	3,959	3,688	7,137
Share-based payment charge	767	268	539
Finance income	(63)	(26)	(98)
Finance expense	31	43	84
Decrease/(increase) in trade and other receivables	843	(1,061)	798
(Decrease)/increase in trade and other payables	(916)	(377)	966
Income tax paid	(254)	(153)	(509)
Income tax received	686	455	896
Net cash flows from operating activities	4,147	4,750	13,502
Cash flows from investing activities			
Payments to acquire property, plant and equipment	(161)	(65)	(155)
Payments to acquire intangible assets	(3,843)	(3,049)	(6,024)
Interest received	63	26	53
Acquisitions, net of cash and cash equivalents acquired	-	-	(4,184)
Net cash flows used in investing activities	(3,941)	(3,088)	(10,310)
Cash flows from financing activities			
Net proceeds from issue of equity	35	-	46
Payments for purchase of shares into treasury	(548)	-	-
Repayment of borrowings	(28)	(60)	(121)
Capital payments in respect of leases	(199)	(261)	(526)
Interest paid in respect of leases	(17)	(28)	(52)
Interest paid	(14)	(15)	(32)
Net cash flows used in financing activities	(771)	(364)	(685)
Net (decrease)/increase in cash and cash equivalents in the period	(565)	1,298	2,507
Foreign exchange adjustments	327	(19)	(756)
Cash and cash equivalents at beginning of period	12,327	10,576	10,576
Cash and cash equivalents at end of period	12,089	11,855	12,327

Notes to the consolidated unaudited interim financial statements

1. Basis of preparation

The Group's half-yearly financial information, which is unaudited, consolidates the results of Eagle Eye Solutions Group plc and its subsidiary undertakings up to 31 December 2025. The Group's accounting reference date is 30 June. Eagle Eye Solutions Group plc's shares are listed on AIM, the market of that name operated by the London Stock Exchange.

The Company is a public limited liability company incorporated and domiciled in England & Wales. The presentational and functional currency of the Group is Sterling. Results in this consolidated financial information have been prepared to the nearest £1,000.

Eagle Eye Solutions Group plc and its subsidiary undertakings have not applied IAS 34, Interim Financial Reporting, which is not mandatory for UK AIM listed groups, in the preparation of this half-yearly financial report.

The accounting policies used in the preparation of the financial information for the six months ended 31 December 2025 are in accordance with the recognition and measurement criteria of UK-adopted International Accounting Standards ('IFRS') and are consistent with those which will be adopted in the annual financial statements for the year ending 30 June 2026.

Adjusted EBITDA and other adjusted performance measures are presented in the statement of total comprehensive income as the Directors consider these performance measures provide a more accurate indication of the underlying performance of the Group and are commonly used by City analysts and investors.

While the financial information included has been prepared in accordance with the recognition and measurement criteria of IFRS these interim financial statements do not contain sufficient information to comply with IFRS.

The comparative financial information for the year ended 30 June 2025 has been extracted from the annual financial statements of Eagle Eye Solutions Group plc. These interim results for the period ended 31 December 2025, which are not audited, do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The financial information does not therefore include all of the information and disclosures required in the annual financial statements.

Full audited accounts of the Group in respect of the year ended 30 June 2025, which received an unqualified audit opinion and did not contain a statement under section 498(2) or (3) of the Companies Act 2006, have been delivered to the Registrar of Companies.

2. Going concern basis

As part of their going concern review the Directors have followed the guidelines published by the Financial Reporting Council entitled "Guidance on Risk Management and Internal Control and Related Financial and Business Reporting". The Directors have prepared detailed financial forecasts and cash flows looking beyond 12 months from the date of this half-yearly financial information. In developing these forecasts, the Directors have made assumptions based upon their view of the current and future economic conditions that will prevail over the forecast period.

On the basis of the above projections, the Directors are confident that the Group has sufficient working capital to honour all of its obligations to creditors as and when they fall due. In reaching this conclusion, the Directors have considered the forecast cash headroom, the resources available to the Group and the potential impact of changes in forecast growth and other assumptions, including the potential to avoid or defer certain costs and to reduce discretionary spend as mitigating actions in the event of such changes. Accordingly, the Directors continue to adopt the going concern basis in preparing this half-yearly financial information.

3. Segmental analysis

The Group is organised into two principal operating divisions for management purposes. Revenue is analysed as follows:

	Unaudited 6 months to 31 December 2025 £000	Unaudited 6 months to 31 December 2024 £000	Unaudited Year to 30 June 2025 £000
Development and set up fees	2,978	4,379	7,501
Subscription and transaction fees	20,057	19,777	40,695
	23,035	24,156	48,196

	Unaudited 6 months to 31 December 2025 £000	Unaudited 6 months to 31 December 2024 £000	Unaudited Year to 30 June 2025 £000
AIR revenue	17,397	21,018	41,948
EagleAI revenue	3,553	2,878	5,744
Promotional Payments Solutions revenue	1,681	-	-
Messaging revenue	404	260	504
	23,035	24,156	47,733

The majority of the Group's revenue comes from services which are transferred over time.

4. Earnings per share

The calculation of basic earnings per share is based on the result attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the period. The calculation of diluted earnings per share is based on the result attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the period, diluted for the effect of options being converted to ordinary shares. Basic and diluted earnings per share from continuing operations are calculated as follows:

	Unaudited H1 2026 Earnings per share pence	Unaudited H1 2026 Profit £000	Unaudited H1 2026 Weighted average number of ordinary shares	Unaudited H1 2025 Earnings per share pence	Unaudited H1 2025 Profit £000	Unaudited H1 2025 Weighted average number of ordinary shares
Basic earnings/(loss) per share	0.46	138	29,892,067	6.29	1,864	29,613,336
Diluted earnings/(loss) per share	0.41	138	34,077,075	5.64	1,864	33,003,765

5. Alternative performance measures

Adjusted EBITDA and adjusted EBITA are key performance measures for the Group and are derived as follows:

	Unaudited 6 months to 31 December 2025 £000	Unaudited 6 months to 31 December 2024 £000	Unaudited Year to 30 June 2025 £000
(Loss)/profit before taxation	(1,213)	1,565	2,987
Add back:			
Net finance income and expense (credit)/charge	(32)	17	(14)
Share-based payments	767	268	539
Restructuring costs	467	-	418
Acquisition costs	-	-	423
IFRS 3 amortisation	1,215	1,106	2,212
Adjusted EBITA	1,204	2,956	6,565
Depreciation and IAS 38/IFRS 15 amortisation	3,053	2,930	5,628
Adjusted EBITDA	4,257	5,886	12,193

Direct profit is a key performance measure which is more comparable to the gross profit measure of other SaaS companies and is derived as follows:

	Unaudited 6 months to 31 December 2025 £000	Unaudited 6 months to 31 December 2024 £000	Unaudited Year to 30 June 2025 £000
(Loss)/profit before taxation	(1,213)	1,565	2,987
Add back:			
Net finance income and expense (credit)/charge	(32)	17	(14)
Share-based payments	767	268	539
Depreciation and amortisation	4,268	4,036	7,840
Restructuring costs	467	-	418
Acquisition costs	-	-	423
Other income	(36)	(69)	(162)
Indirect operating expenses	11,998	11,041	22,470
Direct profit	16,219	16,858	34,501

6. Net cash

	30 June 2025 £000	Cash flow £000	Foreign exchange adjustments £000	31 December 2025 £000
Cash and cash equivalents	12,327	(565)	327	12,089
Financial liabilities	(51)	28	-	(23)
Net cash	12,276	(537)	327	12,066

7. H1 2025 Restatement

As reported within the Groups' FY25 Results, during H2 2025 the Directors finalised the FY24 tax computations and the losses available for deduction against future taxable profits in the UK and France. Since the consolidated financial statements for FY24 were finalised, there had been revisions to the classification of deferred tax balances by category and the total amount of losses available for utilisation in the future has been updated. These changes resulted in a reduction of the deferred tax asset relating to trading losses of £1.2 million compared with the amounts previously reported.

In addition to this reduction, a change has been made to present deferred tax liabilities arising on acquired intangibles separately from deferred tax assets related to trading losses of acquired entities. In the prior year, such deferred tax balances were presented on a net basis within non-current assets.

These changes also impacted the consolidated statement of profit or loss and total comprehensive income, the consolidated statement of financial position and earnings per share for H1 2025. There was no impact to the cash flows of the group.

8. Availability of this Interim Announcement

Copies of this announcement are available on the Company's website, www.eagleeye.com.