



21 May 2024

IXICO plc

("IXICO", the "Company" or the "Group")

Half yearly report to 31 March 2024

IXICO plc (AIM: IXI), the precision analytics company delivering intelligent insights in neuroscience, announces its unaudited interim results for the six months ended 31 March 2024 ('H1 2024' or the 'period').

Operational developments

- As outlined in the Group's trading update issued on 13 March 2024, the H1 2024 revenue performance has been challenging albeit consistent with the slow-down in capital markets funding of the biotech market;
- We are seeing a turn in market conditions, and subsequent to the half-year end have signed new contracts and have received notifications of award of further contracts following competitive tenders, which are now subject to contracting;
- Order book of £12.7 million at 31 March 2024 (H1 2023: £13.3m) following the signing of contracts totalling £6.4m across the last twelve months;
- Since the business restructured during H1 2024, we have delivered £1.1m cost efficiencies over the past twelve months that will be more visible in H2 2024; and
- Following the CEO's decision to retire, the Group has substantially progressed a succession process.

Financial developments

- Revenues of £2.5 million for the six months to 31 March 2024 (H1 2023: £3.2m);
- Gross margin at 40.2% (H1 2023: 46.1%);
- Loss before interest, taxation, depreciation and amortisation ('EBITDA') of £1.3 million (H1 2023: £0.6m);
- EBITDA loss materially impacted by reduced capitalisation of platform development costs for the six months to 31 March 2024 which totalled £0.2m (H1 2023: £0.8m). This reduction reflects the successful completion of platform validation;
- £2.5 million cash as at 31 March 2024 (H1 2023: £5.0m);
- Net assets of £10.0 million (H1 2023: £11.9m); and
- Loss per share of 2.92p (H1 2023: 1.50p).

Giulio Cerroni, CEO of IXICO, commented:

"Across H1 2024, we were aware that revenues were going to be challenged due to market dynamics and therefore reduced our cost base in preparation for this. In parallel we have been laser focussed on our sales pipeline resulting in a much strengthened outlook for contract bookings in H2 2024. As part of the cost restructure, we have emphasised our "lead with science" approach and I am delighted to see that this is bearing fruit.

More broadly, we remain confident of the market opportunity and our "Precision in Neuroscience" strategy and expect to see this deliver increased value in the coming periods."

A recording of the results presentation will be made available on the Group's website here: <https://ixico.com/investors/company-information/investor-videos/>

The information contained within this announcement is deemed by the Company to constitute inside information pursuant to Article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

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About IXICO

IXICO is dedicated to delivering insights in neuroscience to help transform the advancement of investigational therapies for neurological diseases, such as Huntington's disease, Parkinson's disease and Alzheimer's disease. The Company's purpose is to advance medicine and human health by turning data into clinically meaningful information, providing valuable new insights in neuroscience by supporting pharmaceutical companies across all phases of CNS clinical research. IXICO's goal is to be a leading advocate of artificial intelligence in medical image analysis.

IXICO has developed and deployed breakthrough data analytics, at scale, through its remote access technology platform, to improve the return on investment in drug development and reduce risk and uncertainty in clinical trials for the Company's pharmaceutical clients.

More information is available on www.IXICO.com

CHIEF EXECUTIVE OFFICER'S STATEMENT

Statement from Giulio Ceroni

Across the past six months, we have delivered revenues of £2.5 million (H1 2023: £3.2m) and, as at 31 March 2024, our order book totalled £12.7 million (H1 2023: £13.3m). These figures reflect the markets of the past twelve months, where the biopharmaceutical industry (and in particular biotechs) have seen tight capital markets and soaring inflation impact their clinical development plans.

The continuation of these challenges as we entered 2024, meant that we adjusted our forecasts for the year (as announced on 13 March 2024) reflecting that we are seeing positive signs of market recovery, however the associated timelines of certain contracts mean we anticipate revenues across the second half of the year to reflect only marginal growth on the past six months. A marked uptick in receipt of client requests for proposals (RFPs) and information (RFIs) over the last couple of months provides confidence that the market is turning favourably.

During the period we undertook a cost reduction exercise within the business and, importantly, realigned the way that the organisational structure reflects our strategy. As a niche neuroscience specialist, the importance of effectively communicating our scientific credentials and the differential value of our analytics is critical. Consequently, we have developed a "Leading with Science" focus to our "Precision in Neuroscience" strategy. This reflects that our scientists, all of whom are experts in their respective neurological fields, and our scientific assets are assets not easily replicated by our competitors. Ensuring this value is communicated effectively is what delivers new business opportunities. Consequent to this, we have realigned our sales and marketing team alongside our science team under the leadership of our CSO, Robin Wolz. This has generated an increase in productivity and effectiveness in our sales process, with scientific engagement being brought to clients at an earlier stage. The signs of the traction this will bring are positive.

In addition, we have moved the operational, technology and business support functions under the leadership of our CFO, Grant Nash. This reflects the continued focus of the business in delivering the very best service in the most efficient manner. Closely aligning these teams ensures effective and consistent management which, through the close working relationship between CFO and CSO, provides a seamless and fully aligned approach to delivering quality services, efficiently.

This period has also seen the full validation of our next generation TrialTracker platform. This major investment for the Group which was a key objective of the Company's capital raise in 2018, that puts IXICO's technology platform at the forefront of global image management capabilities. Partnered with Microsoft, and adopting Microsoft Azure based technologies, this platform provides a regulatory compliant, end-to-end, image capture, management, and analysis platform to support global clinical development programs. The value built within this extends well beyond IXICO's current capability to utilise and provides intellectual property likely to be highly attractive to both clients and other industry players.

Strategically, we continue to see traction in our "Precision in Neuroscience" strategy. Recent partnerships with Imeka Solutions Inc. (as announced on 3 April 2024) and Life Molecular Imaging (as announced on 15 April 2024) reflect a further broadening of our scientific and operational offerings. Further, the successful award of grant funding to develop screening capabilities to automate patient eligibility for Alzheimer's disease ('AD') trials (and potentially within the clinical diagnostic market) provide further validation of the value being built within the Group. Whilst our recent financial performance has been challenging, the Group represents a longer-term value opportunity with visibility in short and medium-term trial revenues contributing towards a wider value opportunity that will be delivered via the Group's differentiated technology and scientific capabilities in a broadening and rapidly growing market.

Financial Review

KPI	H1-24	H1-23	Movement	FY23
Revenue	£2.5m	£3.2m	(£0.7m)	£6.7m
Gross profit	£1.0m	£1.5m	(£0.5m)	£3.3m
Gross margin	40.2%	46.1%	(5.9%)	49.1%
EBITDA loss	(£1.3m)	(£0.6m)	(£0.7m)	(£1.7m)
Operating loss	(£1.6m)	(£0.9m)	(£0.7m)	(£1.4m)
Loss per share	(2.92p)	(1.50p)	(1.42p)	(2.44p)
Net assets	£10.0m	£11.9m	(£1.9m)	£11.4m
Order book ¹	£12.7m	£13.3m	(£0.6m)	£14.8m
Cash	£2.5m	£5.0m	(£2.5m)	£4.0m
Non-current asset investments	£0.3m	£0.9m	(£0.6m)	£1.9m

¹ Order book is contracted but not yet recognised revenue adjusted down to reflect the Company's best estimate of delivery.

Revenue

- The Group reports revenue of £2.5 million (H1 2023: £3.2m) representing a 21% decrease on the prior period.
- This revenue reduction was caused by a weakening in new contract bookings across FY23 and the first six months of FY24. This reflects challenges being seen across the biopharmaceutical industry (and biotech in particular) created by tight capital markets and consequential challenges to raising capital. This has resulted in delays and cancellations of planned new trials.
- The Group anticipates a stronger second half of the financial year with increased bookings expected and consequent development of the order book. Due to the lead times of booking new contracts to revenue generation, this is unlikely to drive a significant improvement in revenues for H2 2024 but will benefit later periods.

Gross profit and margin

- Gross profit for H1 2024 is £1.0 million (H1 2023: £1.5m) with a gross margin of 40.2% (H1 2023: 46.1%).
- The year-on-year absolute change is reflective of reduced revenue in the period and the margin reflective of the relatively fixed cost nature of IXICO's costs of delivery.
- The Group completed a reduction of headcount at the start of FY24 which has reduced the impact of lower revenues on the gross margin. This cost reduction will not be fully visible in IXICO's financials until the H2 2024.

Operating expenses and capital expenditure

- The Group's operating expenditure for H1 2024 is £2.9 million (H1 2023: £2.6m)
- Careful management of operating expenditure, including the reduction of headcount in Q1-24, has been offset by the associated one-time costs of this headcount reduction, the impact of lower levels of cost capitalisation coterminous with the availability of IXICO's next generation TrialTracker platform (resulting in costs previously being capitalised to the balance sheet now being expensed through operating expenses) and an impact of cost inflation compared to the prior year.
- Capitalised R&D expenditure relating to staff costs in the period totalled £0.2 million (H1 2023: £0.8m).

EBITDA and operating loss

- The Group has reported an EBITDA loss of £1.3 million (H1 2023: £0.6m) and operating loss of £1.6m (H1 2023: £0.9m). Both reflect the reduced revenues across the period whilst the Group's reduction in employee numbers has been offset by reduced cost capitalisation and inflation.

	H1-24 £000	H1-23 £000
Loss attributable to equity holders	(1,412)	(725)
Depreciation of tangible assets	140	202
Amortisation of intangible assets	101	103
Interest on lease liabilities	11	15
Interest on cash held at bank	(55)	(44)
Taxation	(131)	(159)
EBITDA	(1,346)	(608)

Order book

- The Group's order book totalled £12.7 million at 31 March 2024 (H1 2023: £13.3m). Across the last twelve months the order book has decreased by £0.6 million reflecting £6.4 million of new contract wins, offset by £6.0 million revenues recognised and £1.0 million of contract value reductions reflecting the cancellation or descope of contracts and other minor adjustments including foreign exchange losses.

Cash

- The Group had a cash balance of £2.5 million at 31 March 2024 (H1 2023: £5.0m). Cash outflow in the six months to 31 March 2024 totalled £1.5 million (H1 2023: £0.7m). This period has included a process to reduce employee numbers and the level of capital investment.
- The Group has continued to closely monitor its cash position in light of the more challenging trading.

Net Assets

- The Group reports net assets at 31 March 2024 of £10.0 million (H1 2023: £11.9m). This reflects the increase of the Group's non-current asset position to £6.8 million (H1 2023: £6.0m) offset by a reducing working capital to £3.5 million (H1 2023: £6.3m).

Consolidated Statement of Comprehensive Income
For the six months ended 31 March 2024 – unaudited

		31-Mar-24	31-Mar-23	30-Sep-23
		6 months	6 months	12 months
	Notes	Unaudited	Unaudited	Audited
		£000	£000	£000
Revenue		2,538	3,203	6,665
Cost of sales		(1,518)	(1,727)	(3,395)
Gross profit		1,020	1,476	3,270
Other income		256	175	393
Operating expenses				
Research and development expenses		(623)	(464)	(925)
Sales and marketing expenses		(787)	(617)	(1,321)
General and administrative expenses		(1,454)	(1,483)	(2,854)
Total operating expenses		(2,864)	(2,564)	(5,100)
Operating loss		(1,588)	(913)	(1,437)
Finance income		55	44	105
Finance expense		(11)	(15)	(29)
Loss on ordinary activities before taxation		(1,544)	(884)	(1,361)
Taxation		131	159	183
Loss attributable to equity holders for the period		(1,413)	(725)	(1,178)
Other comprehensive income / (expense):				
Items that will be reclassified subsequently to profit or loss				
Foreign exchange translation differences		-	(21)	(21)
Movement in fair value of cash flow hedges		27	135	111
Cash flow hedges recycled to revenue		(3)	16	(27)
Total other comprehensive income		23	130	63
Total comprehensive expense attributable to equity holders for the period		(1,389)	(595)	(1,115)
Loss per share (pence)				
Basic loss per share	3	(2.92)	(1.50)	(2.44)
Diluted loss per share	3	(2.92)	(1.50)	(2.44)

Consolidated Statement of Financial Position
As at 31 March 2024 – unaudited

		31-Mar-24	31-Mar-23	30-Sep-23
		6 months	6 months	12 months
	Notes	Unaudited	Unaudited	Audited
		£000	£000	£000
Assets				
Non-current assets				
Property, plant and equipment		418	707	518
Intangible assets		6,305	5,309	6,147
Commission assets		28	-	39
Total non-current assets		6,751	6,016	6,704
Current assets				
Trade and other receivables		1,425	1,962	1,706
Current tax receivables		862	789	549
Derivative financial asset		-	39	-
Cash and cash equivalents		2,532	5,021	4,031
Total current assets		4,819	7,811	6,286
Total assets		11,570	13,827	12,990
Liabilities and equity				
Non-current liabilities				
Trade and other payables		-	17	2
Lease liabilities		208	321	275
Total non-current liabilities		208	338	277
Current liabilities				
Trade and other payables		1,206	1,373	1,142
Derivative financial liability		3	-	27
Lease liabilities		115	186	112
Total current liabilities		1,324	1,559	1,281
Total liabilities		1,532	1,897	1,558
Equity				
Ordinary shares	4	484	484	484
Share premium	4	84,802	84,802	84,802
Merger relief reserve		1,480	1,480	1,480
Reverse acquisition reserve		(75,308)	(75,308)	(75,308)
Cash flow hedge reserve		(3)	40	(27)
Foreign exchange translation reserve		(95)	(95)	(95)
Capital redemption reserve		7,456	7,456	7,456
Accumulated losses		(8,778)	(6,929)	(7,360)
Total equity		10,038	11,930	11,432
Total liabilities and equity		11,570	13,827	12,990

Consolidated Statement of Changes in Equity
For the six months ended 31 March 2024 – unaudited

	Ordinary shares £000	Share premium £000	Merger relief reserve £000	Reverse acquisition reserve £000	Foreign exchange translation reserve £000	Cash flow hedge reserve £000	Capital redemption reserve £000	Accumulated Losses £000	Total £000
Balance at 30 September 2022	482	84,802	1,480	(75,308)	(74)	(111)	7,456	(6,234)	12,493
Total comprehensive expense									
Loss for the period	-	-	-	-	-	-	-	(1,178)	(1,178)
Other comprehensive income / (expense):									
Foreign exchange translation	-	-	-	-	(21)	-	-	-	(21)
Movement in fair value of cash flow	-	-	-	-	-	111	-	-	111
Cash flow hedges recycled to revenue	-	-	-	-	-	(27)	-	-	(27)
Total comprehensive income / (expense)	-	-	-	-	(21)	84	-	(1,178)	(1,115)
Transactions with owners									
Charge in respect of share options	-	-	-	-	-	-	-	52	52
Exercise of share options	2	-	-	-	-	-	-	-	2
Total transactions with owners	2	-	-	-	-	-	-	52	54
Balance at 30 September 2023	484	84,802	1,480	(75,308)	(95)	(27)	7,456	(7,360)	11,432
Total comprehensive expense									
Loss for the period	-	-	-	-	-	-	-	(1,413)	(1,413)
Other comprehensive income / (expense):									
Foreign exchange translation	-	-	-	-	-	-	-	-	-
Movement in fair value of cash flow hedges	-	-	-	-	-	27	-	-	27
Cash flow hedges recycled to revenue	-	-	-	-	-	(3)	-	-	(3)
Total comprehensive income / (expense)	-	-	-	-	-	24	-	(1,413)	(1,389)
Transactions with owners									
Charge in respect of share options	-	-	-	-	-	-	-	(5)	(5)
Total transactions with owners	-	-	-	-	-	-	-	(5)	(5)
Balance at 31 March 2024	484	84,802	1,480	(75,308)	(95)	(3)	7,456	(8,778)	10,038

Consolidated Statement of Cashflows
For the six months ended 31 March 2024 – unaudited

	31-Mar-24	31-Mar-23	30-Sep-23
	6 months	6 months	12 months
	Unaudited	Unaudited	Audited
	£000	£000	£000
Cash flows from operating activities			
Loss for the period	(1,413)	(725)	(1,178)
Finance income	(55)	(44)	(105)
Finance expense	11	15	29
Taxation	(131)	(159)	(183)
Depreciation of fixed assets	124	202	400
Amortisation of intangibles	117	103	225
Research and development expenditure credit	(163)	(136)	(355)
Impairment of intangible assets	-	-	14
Share option charge	(5)	30	52
	(1,515)	(714)	(1,101)
Decrease in trade and other receivables	129	1,047	1,290
Increase/(decrease) in trade and other payables	216	(145)	(327)
Cash (used in)/generated from operations	(1,170)	188	(138)
Taxation received	-	-	456
Taxation paid	(1)	(15)	(16)
Net cash (used in)/generated from operating activities	(1,171)	173	302
Purchase of property, plant and equipment	(24)	(89)	(100)
Purchase of intangible assets including staff costs capitalised	(291)	(828)	(1,863)
Finance income	63	39	99
Net cash used in investing activities	(252)	(878)	(1,864)
Issue of shares	-	2	2
Repayment of lease liabilities	(76)	(25)	(158)
Net cash used in financing activities	(76)	(23)	(156)
Movements in cash and cash equivalents in the period	(1,499)	(728)	(1,718)
Cash and cash equivalents at start of period	4,031	5,769	5,769
Effect of exchange rate fluctuations on cash held	-	(20)	(20)
Cash and cash equivalents at end of period	2,532	5,021	4,031

Notes to the financial statements

1. Presentation of the financial statements

a. General information

IXICO plc (the 'Company') is a public limited company incorporated in England and Wales and is admitted to trading on the AIM market of the London Stock Exchange under the symbol IXI. The address of its registered office is 4th Floor, Griffin Court, 15 Long Lane, London EC1A 9PN.

The Company is a parent of a number of subsidiaries, together referred to throughout as 'the Group'. The Group is an established provider of technology-enabled imaging services to the global biopharmaceutical industry. The Group's services are used to select patients for clinical trials and assess the safety and efficacy of new drugs in development within the field of neurological disease.

b. Basis of preparation

The condensed consolidated interim financial statements were approved by the Board of Directors for issue on 20 May 2024. The condensed consolidated interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The condensed consolidated interim financial statements for the six months ended 31 March 2024, together with the comparative information for the six months ended 31 March 2023 are unaudited.

The statutory accounts of the Company for the year ended 30 September 2023 were approved by the Board of Directors on 4 December 2023 and delivered to the Registrar of Companies. 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.

The condensed consolidated interim financial statements comprise a Statement of Comprehensive Income, a Statement of Financial Position, a Statement of Changes in Equity, a Statement of Cash Flows, and accompanying notes. These financial statements have been prepared under the historical cost convention modified by the revaluation of certain financial instruments.

The condensed consolidated interim financial statements are presented in Great British Pounds ('£' or 'GBP') and are rounded to the nearest thousand unless otherwise stated. This is the functional currency of the Group, and is the currency of the primary economic environment in which it operates. Foreign currency transactions are accounted for in accordance with the policies set out below.

c. Basis of consolidation

The condensed consolidated interim financial statements incorporate the accounts of the Company and its subsidiary companies adjusted to eliminate intra-Group balances and any unrealised gains and losses or income and expenses arising from intra-Group transactions. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The Group controls a subsidiary when the Group is exposed to, or has rights to, variable returns from its involvement with a subsidiary and has the ability to affect those returns through its power over a subsidiary. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

The results of subsidiary companies are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. The assets and liabilities of foreign operations are translated into GBP at exchange rates prevailing at the end of the reporting period. Income statements and cash flows of foreign operations are translated into GBP at average monthly exchange rates which approximate foreign exchange rates at the date of the transaction. Foreign exchange differences arising on retranslation are recognised directly in a separate translation reserve.

d. Going concern

At the time of approving the condensed consolidated interim financial statements, the Directors have considered the expected future performance together with the Group's estimated future cash inflows from existing long-term contracts and sales pipeline.

In assessing going concern, management prepare forecasts which are updated monthly that consider different scenarios throughout the course of the financial year, as well as ad-hoc forecasts that extend into future years. The Directors have considered these forecasts, alongside the Group's strong balance sheet and cash balance as well as the ability for the Group to mitigate costs if necessary.

After due consideration of these forecasts, the Directors concluded with confidence that the Group has adequate financial resources to continue in operation for the foreseeable future.

2. Significant accounting policies, judgements, and estimation uncertainty

The unaudited condensed consolidated interim financial statements have been prepared using the accounting policies as described in the 30 September 2023 audited year end Annual Report and have been consistently applied.

When preparing the condensed consolidated interim financial statements, the Directors make a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Significant management judgements

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the consolidated financial statements.

Capitalisation of internally developed software

Distinguishing the research and development phases of a new software product and determining whether the requirements for the capitalisation of development costs are met requires judgement. Management assesses whether a project meets the recognition criteria as set out in IAS 38 based on an individual project basis. Where the criteria are not met, the research and development expenditure will be expensed in the Consolidated Statement of Comprehensive Income. Where the recognition criteria are met, the items will be capitalised as an intangible asset.

During the period ended 31 March 2024, research and development expenses totalled £898,000 (H1 2023: £1,289,000). Of this amount, £275,000 (H1 2023: £825,000) was capitalised as an intangible asset, £230,000 (H1 2023: £571,000) relating to employee costs and £45,000 (H1 2023: £254,000) relating to external costs. The balance of expenditure being £623,000 (H1 2023: £464,000) is recognised in the Consolidated Statement of Comprehensive Income as an expense.

Recovery of deferred tax assets

Deferred tax assets have not been recognised for deductible temporary differences and tax losses. The Directors consider that there is not sufficient certainty that future taxable profits will be available to utilise those temporary differences and tax losses.

Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Changes to these estimations may result in substantially different results for the period.

Determination of transaction prices in revenue recognition

Client contracts include an agreed work order so the transaction price for a contract is allocated against each distinct performance obligations for each service, based on their relative stand-alone selling prices. For legacy contracts prior to the adoption of IFRS 15, management were required to estimate the standalone price allocated to each distinct service that were previously grouped in a single price. For new contracts, the fair value of individual components is based on actual amounts charged by the Group on a stand-alone basis. Management have determined that for items recognised on a straight-line basis, including project, site and data management, the demands of this on the company are spread evenly over the life of the revenue stream. This was determined through an understanding of the work required to deliver the various revenue streams and the obligations within the contract needing to be met.

Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted.

Useful lives of depreciable assets

The useful lives of depreciable assets are determined by management at the date of purchase based on the expected useful lives of the assets. These are subsequently monitored and reviewed annually and where there is objective evidence of changes in the useful economic lives, these estimates are adjusted. Any changes to these estimates may result in significantly different results for the period.

3. Earnings per share

The calculation of basic and diluted earnings per share ('EPS') of the Group is based on the following data:

	31 Mar 24 6 months Unaudited	31 Mar 23 6 months Unaudited	30 Sep 23 12 months Audited
Earnings			
Earnings for the purposes of basic and diluted EPS, being net profit attributable to the owners of the Company (£000)	(1,413)	(725)	(1,178)
Number of shares			
Weighted average number of shares for the purposes of basic EPS	48,351,373	48,267,395	48,309,181
Effect of potentially dilutive ordinary shares:			
- Weighted average number of share options	-	-	-
Weighted average number of shares for the purposes of diluted EPS	48,351,373	48,267,395	48,309,181

Basic earnings per share is calculated by dividing earnings attributable to the owners of the Company by the weighted average number of shares in issue during the period. The diluted EPS is calculated by dividing earnings attributable to the owners of the Company by the weighted average number of shares in issue taking into account the share options outstanding during the period. For the 6 months to 31 March 2024, there was no dilutive effect as the share options in issue would have decreased the loss per share.

The basic and diluted earnings per share for the Group and Company is:

	31 Mar 24 6 months Unaudited	31 Mar 23 6 months Unaudited	30 Sep 23 12 months Audited
Basic earnings per share	(2.92p)	(1.50p)	(2.44p)
Diluted earnings per share	(2.92p)	(1.50p)	(2.44p)

4. Issued capital and reserves

Ordinary shares and share premium

The Company has one class of ordinary shares. The share capital issued has a nominal value of £0.01 and all carry the right to one vote at shareholders' meetings and are eligible to receive dividends. Share premium is recognised when the amount paid for a share is in excess of the nominal value.

The Group and Company's opening and closing share capital and share premium reserves are:

	Group and Company		
	Ordinary shares	Share capital	Share premium
	Number	£000	£000
Authorised, issued and fully paid			
At 30 September 2023	48,351,373	484	84,802
Share options exercised	-	-	-
At 31 March 2024	48,351,373	484	84,802

5. Share-based payments

Certain Directors and employees of the Group hold options to subscribe for shares in the Company under share option schemes. There are 2 distinct structures to the share options in operation in the Group (H1 2023: 2). Both structures relate to a single scheme outlined in the EMI Share Option Plan 2014.

The scheme is open, by invitation, to both Executive Directors and employees. Participants are granted share options in the Company which contain vesting conditions. These are subject to the achievement of individual employee and Group performance criteria as determined by the Board. The vesting period varies by award and the conditions approved by the Board. Options are usually forfeited if the employee leaves the Group before the options vest.

Total share options outstanding have a range of exercise prices from £0.01 to £0.70 per option and the weighted average contractual life is 6.1 years (H1 2023: 7.2 years). The total charge for the period relating to employee share-based payment plans for continuing operations was a reversal of £5,000 (H1 2023: £30,000 charge).

Details of the share options under the scheme outstanding during the period are as follows:

	As at 31 March 2024		As at 30 September 2023	
	<u>Number</u>	<u>Weighted average exercise price</u>	<u>Number</u>	<u>Weighted average exercise price</u>
Outstanding at start of the period	3,529,681	£0.15	4,490,931	£0.18
Granted	-	-	-	-
Exercised	-	-	(200,000)	£0.01
Lapsed	(200,000)	£0.17	(761,250)	£0.29
Outstanding at end of the period	3,329,681	£0.15	3,529,681	£0.15
Exercisable at end of the period	2,313,014	£0.07	1,949,680	£0.08