Company Note

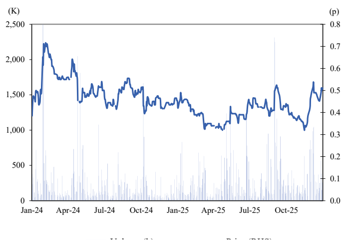
FY 2026 Interims (6m to Nov 25)

03 February 2026

Corporate

Current price	**51.0p**
Sector	TMT
Code	ENSI.L
Listing	AIM

Share Performance



% Change	1m	3m	12m
ENSI.L	+11%	+19%	9.7%

Source: Reuters Eikon, Allenby Capital

Share Data		
Market Cap (£m)		49.3
Shares in issue (m)		96.6
52 weeks (p)	High	Low
	54.0	32.0
Financial year end		MAY

Source: Company Data, Allenby Capital

Key Shareholders	
Ian Lankshear (CEO)	16.6%
Richard Hamer	7.1%
Marc Castells	5.9%
Richard Marley	5.7%
Maven VCT	5.1%

Source: Company Data, Allenby Capital

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Equity Research

EnSilica Plc (ENSI.L)

Strong interims, growth story back on track

EnSilica has put FY2025, when customer induced contract delays led to a slowing in revenues, firmly behind it. H1 FY2026 results released today illustrate that the high growth story is back on track with top line year on year ("yoy") growth of 37% to £12.7m and a swing back into profitability. Most importantly, EnSilica reported record supply revenues, the income stream when chips it has designed move to production and create a long-term recurring revenue stream. At £3.9m, supply revenues increased 34% yoy and were the highest recorded in a 6m period. Our FY2026 (May year-end) forecasts remain in line with prior guidance, we expect revenues of £28.5m and EBITDA of £4.2m. We introduce FY2027 forecasts of revenues of £33.0m (+16%) and EBITDA of £5.9m (+43%).

- **A return to growth and profitability.** H1 2026 revenues of £12.7m increased 37% yoy versus H1 2025 and by 43% compared with H2 2025. Consultancy revenues (the prior business model) declined to £3.0m from £4.2m, meaningfully demonstrating that growth was driven by EnSilica's strategic focus on the design and supply of high-end semiconductor chips (ASICs). Non Recurring Engineering ("NRE") revenues — fees earned for designing a chip and a leading indicator of future supply revenues — grew strongly by 163% to £5.8m. Supply revenues, generated once chips enter production, rose by an impressive 34% to a record £3.9m.

- **Supply revenues gaining momentum.** EnSilica generates NRE revenues during the ASIC design phase. While NRE income makes a meaningful contribution to overall project costs, the design stage is typically cash-flow negative, as EnSilica invests additional resources into chip development and the creation of proprietary intellectual property. The principal economic upside is realised once a chip enters volume production. This supply phase typically spans 7–10 years and delivers high-margin, recurring revenues or royalties. With five chips now in supply (see Exhibit 4), this long-term revenue stream is beginning to scale and gain momentum.

- **EnSilica and Space.** EnSilica has blue chip customers in sectors such as Engineering (Siemens, Rolls Royce) and Autos (Jaguar Land Rover) yet we see the Space industry as potentially the highest growth end market. Sector excitement has heightened with the potential SpaceX IPO. The sector is already proving lucrative for EnSilica, a highly complex chip it designed for Nasdaq-listed AST SpaceMobile forms a key component of its LEO satellites and is expected to generate approximately $28m in royalties for EnSilica over the next 10 years.

- **Back on track.** Following the FY2025 growth setback, EnSilica has returned with renewed momentum. Strong top-line growth was accompanied by a clear improvement in profitability with PBT of £0.1m compared with a PBT loss of £1.4m in H1 2025. The end-November cash balance of £2.0m remains relatively low for a business with significant working capital requirements; however, management has reiterated its confidence in achieving monthly operating cash-flow breakeven by end of calendar year 2026.

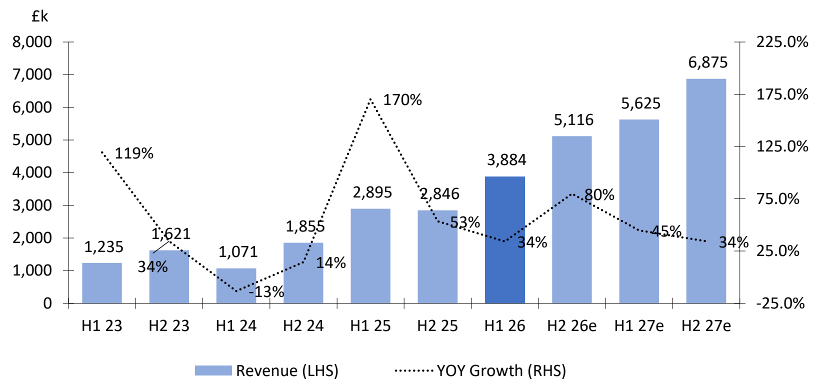
Year End: May					
(£'000)	**2023**	**2024**	**2025**	**2026E**	**2027E**
Consultancy Design Services	9,445	7,112	6,551	7,500	7,500
Design & Supply	11,031	18,154	11,632	21,000	25,500
Total Revenues	**20,476**	**25,266**	**18,183**	**28,500**	**33,000**
Growth	33.9%	23.4%	-28.0%	56.7%	15.8%
Gross Profit	**8,169**	**8,999**	**7,333**	**11,400**	**13,530**
Gross Profit Margin	39.9%	35.6%	40.3%	40.0%	41.0%
EBITDA	**1,640**	**1,689**	**(49)**	**4,150**	**5,930**
EBITDA Margin	8.0%	6.7%	-0.3%	14.6%	18.0%
Net Debt/(Cash)	**1,072**	**(1,141)**	**3,321**	**4,008**	**5,399**
EV/Revenue (x)	2.5	2.1	2.9	1.8	1.6
EV/EBITDA (x)	31.8	30.9	na	12.6	8.8

Source: Company, Allenby Capital. Allenby Capital acts as Nomad & Joint Broker to EnSilica Plc.

Interims to end November 2025

- 6m revenues of £12.7m were up 37.3% yoy.
    - **NRE design revenues +164% to £5.8m**. NRE work forms the basis for future supply revenues as it essentially represents funds invested by clients on chip designs. The impressive growth bodes well for building recurring revenues streams.
    - **Supply revenues +34% to £3.8m**. When a chip enters production EnSilica earns a long term, recurring revenue stream based on the number of chips used by the customer. The growth in the supply revenues is particular welcome as we see supply revenues as the ultimate driver of valuation for EnSilica.
    - **Consultancy revenues -28% to £3.0m**. Whilst not the core focus of the business going forward, the Consultancy business provides steady income and welcome cashflow generation.

Exhibit 1: Key supply revenues gaining momentum



Source: Allenby Capital, Company data

- Gross margins at 38.3% were up from 37.2% in H1 2025 but down on the 43.6% in H2 2025. The margin is influenced by period revenue mix. As Supply revenues contribute a larger percentage of revenues we expect the margin to stabilise and be consistently above 40%.

- Admin expenses increased to £5.2m from £4.3m in H1 2025. As a percentage of sales, Admin expenses fell from 46% to 41%.

- Revenues growing faster than the cost base, combined with £0.8m of ‘other operating income’ (grant income and R&D tax credits) led to a marked improvement in EBIT. After a loss of £0.84m in H1 2025, EBIT improved to a positive £0.45m in H1 2026.

- Post the November 2024 restructuring of EnSilica’s debt (two expensive facilities repaid with a more attractive facility from Lloyds bank) the net finance charge was reduced from £0.52m in H1 2025 to £0.33m in H1 2026. The £6m Lloyds’ facility is partly being paid off over 3 years, the overall debt balance at end November 2025 was £4.86m.

- Net cash generated from operating activities was a healthy £4.45m. We note though that this was boosted by positive working capital movements of £3.3m. As with most fast-growing SMEs, working capital movements, influenced by timing of receipts and payments, can be volatile for EnSilica. We allow for an outflow of £0.6m in H2 2026 and a further outflow of £0.46m in FY 2027.

- Tax paid in the cashflow statement of £47k in H1 2026 compares to a tax receipt of £1.2m in H2 2025. For several years EnSilica has received c.£1.5m per annum in R&D tax receipts from HMRC due to the significant amount of R&D activity in developing new products. We expect this year's award to be received in H2.

- Additions to intangible assets in H1 were £3.1m. This refers to the investment in IP that is capitalised on the balance sheet and expensed through the income statement at a later date when the related chips enter production or the IP is licensed.

- Debt decreased in the period by £0.85m from £5.7m at the end of May 2025 to £4.86m at end November 2025. As mentioned above, this relates to the planned repayment of the new Lloyds facility. There is an additional £3m available under the Lloyds facility subject to credit approval.

- In summary, £1.2m of operating cash flow was generated by the business which was boosted by £3.3m favourable movements in working capital. This positive £4.5m was reduced by £3.3m of capex spend/Investment in intangibles and £1.2m of financing activities (including debt repayment of £0.5m). The net result was the end period cash position remained at £2.0m.

Exhibit 2: Summary Income Statement – 6m period ended 30 November 2025

	H1 2025	H1 2026	Change	Comments
Total Revenue	**9,270**	**12,727**	**37.3%**	
Design Consultancy	4,158	3,002	-27.8%	Historic business, non-core but still relevant revenue generator
NRE Design services	2,216	5,841	163.6%	Lead indicator of supply revenues
Supply of products	2,895	3,884	34.2%	Five ASICs now in the supply stage
Cost of sales	(5,825)	(7,851)		
Gross Profit	**3,445**	**4,876**	**41.5%**	
Gross Profit Margin	37.2%	38.3%		Company near term target of 40%
Other operating income	-	804		Grant income, R&D expenditure credit
Administrative expenses	(4,285)	(5,231)	22.1%	
as a % of sales	46.2%	41.1%		Decreasing as a % of sales, hence margin expansion
EBIT	**(840)**	**449**		
EBIT Margin	-9.1%	3.5%		
Net Financial expenses	(516)	(329)		
Profit before tax	**(1,356)**	**120**		Return to profitability
Tax	156	(619)		
Profit/(loss) for the year	**(1,200)**	**(499)**	**-58.4%**	
EBITDA	**(210)**	**1,687**		
EBITDA Margin	-2.3%	13.3%		

Source: Company data, Allenby Capital forecasts

Exhibit 3: Summary cashflow statement – 6m period ended 30 November 2025

Cash Flow Statement	2025	2026	Comments
Profit/(loss) for the year	**(1,200)**	**(499)**	
Adjustments for:	-	-	
Depreciation	241	373	
Amortisation of intangible assets	383	865	Capitalised IP amortised as chips enter production
Share based payments	131	131	
Net interest costs	516	329	
R&D expenditure credit	-	(600)	
Tax credit	(156)	619	
Cash generated from operating activities	**(79)**	**1,218**	
(Increase)/decrease in inventories	(143)	(844)	
Decrease/(increase) in trade and other receivables	(576)	1,504	
Increase in trade and other payables	(776)	2,641	
Decrease in provisions	(24)	13	
Working capital movements	**(1,519)**	**3,314**	Working capital movements remain volatile
Cash from operating activities post movement in working cap.	**(1,598)**	**4,532**	
Tax received/(paid)	(30)	(47)	
Net cash generated from operating activities	**(1,628)**	**4,485**	
Purchase of P,P & E	(385)	(211)	
Additions to intangible assets	(2,575)	(3,091)	Investment IP as ASICs designed for clients
Interest received	-	-	
Net cash used in investing activities	**(2,960)**	**(3,302)**	
Interest paid	(516)	(329)	Decrease as favourable debt secured
Lease liability payments	(72)	(371)	
Receipt of bank loans	5,710	-	November 2024 debt reorganisation
Repayment of bank loans	(4,027)	(470)	
Proceeds from issue of equity	1,208	-	
Net cash generated from financing activities	**2,303**	**(1,170)**	
Net movement in cash and cash equivalents	**(2,285)**	**12**	
Cash and cash equivalents - beginning of the period	**5,156**	**1,963**	
Foreign exchange losses	(79)	(6)	
Cash and cash equivalents - end of the period	**2,792**	**1,969**	

Source: Company data, Allenby Capital forecasts

Exhibit 4: Balance sheet

	FY 2025 (May)	H1 2026 (Nov)	Comments
Assets			
Property, plant and equipment	3,373	3,213	
Intangible assets	22,828	25,102	Investment capitalised
Total non-current assets	**26,201**	**28,315**	
Inventories	439	1,283	Cash absorbed into inventory in H1
Trade & other receivables	10,108	8,603	
Of which Trade receivables	5,868	3,711	Reduction in trade receivables helping cashflow
Corporation tax recoverable	1,363	1,963	
Cash & cash equivalents	1,963	1,969	
Total current assets	**13,873**	**13,818**	
TOTAL ASSETS	**40,074**	**42,133**	
Borrowings	(3,862)	(3,910)	
Lease liabilities	(571)	(458)	
Trade and other payables	(10,492)	(13,133)	Working capital management aiding cash preservation in H1
Total current liabilities	**(14,925)**	**(17,501)**	Assume partial reversal in H2
Borrowings	(1,422)	(952)	£0.4m debt repaid in H1
Lease liabilities	(2,126)	(1,974)	
Provisions	(235)	(248)	
Deferred tax	(466)	(1,038)	
Total non current liabilities	**(4,249)**	**(4,212)**	
TOTAL LIABILITIES	**(19,174)**	**(21,713)**	
Net assets	**20,900**	**20,420**	
Issued share capital	156	156	
Share premium	16,181	16,181	
Currency differences reserve	(107)	(219)	
Retained earnings	4,670	4,302	
Total equity	**20,900**	**20,420**	
Balance sheet ratios	**2025**	**2026**	
Cash	1,963	1,969	Cash balance maintained at c.£2m
ST Debt	(3,862)	(3,910)	
LT debt	(1,422)	(952)	
Net Debt/(Cash)	**3,321**	**2,893**	

Source:

ENSILICA AND THE SPACE INDUSTRY

EnSilica has an impressive list of blue chip customers in sectors such as Engineering (Siemens, Rolls Royce) and Autos (Jaguar Land Rover). However, we currently see the Space Industry as the end market with the potential for most upside. Market drivers include: demand for high-speed internet connectivity and resilient communication for defence. Many of the drivers are non-discretionary in nature giving an element of protection as global GDP growth wains. Global political turmoil has the potential to expand the market further as users avoid reliance on one dominant provider or from one particular nation. The potential IPO of Elon Musk's SpaceX has further heightened interest in the sector. Only recently Blue Origin (owned by Jeff Bezos) has announced a new constellation called TeraWave comprising of over 5,000 satellites.

EnSilica's traction to date in the space industry

Space is already proving to be a lucrative sector for EnSilica. Projects to date have focused on chips for use in in the payload (the instruments, equipment or systems onboard a satellite) and chips for use in the ground-based user terminals that communicate to and from the satellite constellations. EnSilica is building a track record in the sector and hence is positioned for further wins. *Please see our April 2025 note 'Ensilica Plc - Benefitting from a growing space industry' for more details.*

EnSilica's space industry key contract and funding wins

- **Design win with Nasdaq listed AST SpaceMobile (ASTS:$31bn) for a next generation chip for use in AST's LEO satellites.** In December 2021, EnSilica announced it had been selected by AST to develop an ASIC for use in its satellites. In an August 2024 press release AST noted its payload ASIC (AST5000) had completed its tape out phase with TSMC, the chip is expected to support up to 10x improvement of processing bandwidth per satellite and had a development cost of $45m. Our assumption is that AST5000 is the EnSilica designed ASIC. In June 2025 Ensilica announced it had invoiced its first royalty payment for a payload chip and that the value of the royalty stream to EnSilica had been increased to $28m over 10 years. This is assumed to be from the AST5000.

- **€7m UKSA and ESA funding for the design of a chip for use in vehicle satellite connectivity**. EnSilica has secured significant backing from the European Space Agency (ESA) to support its advanced satellite connectivity roadmap. In 2019, the company was awarded €2.2 million to design a mmWave ASIC, followed by a further €5.0 million in 2023 to develop a digital beamformer ASIC, both targeting vehicle satellite communications. A lead customer, Germany-based Vites GmbH, has been secured, with an initial €2.3 million contract awarded in August 2023. Importantly, EnSilica retains full ownership of all associated intellectual property, providing the potential for meaningful follow-on revenues from the lead customer and additional contract wins. Other customers are also evaluating these chips.

- **£10.4m UKSA funding to design a family of chips for use in ground-based user terminals**. In February 2025 EnSilica was awarded £10.4m of matched funding from the UKSA. The funds are to increase EnSilica's competitiveness as a global supplier of semiconductor chips used to connect ground-based user terminals with LEO satellites. Three satellite operators have funded contracts with EnSilica as they participate in the definition phase of the chips.

- **€2.1m ESA funding to develop a key component for high-end Global Navigation Satellite System ("GNSS") receivers**. The funding from the ESA is to develop a key component for high-end Global Navigation Satellite System ("GNSS") receivers. These receivers are used to provide precise geographical locations to objects via satellite constellations such as the US owned Global Positioning System ("GPS") or the EU's Galileo satellite system. The funding has been awarded to EnSilica and an unnamed "leading European Global Navigation Satellite System (GNSS) device manufacturer".

The big upside potential for EnSilica

Whilst design fees are attractive, the big upside for EnSilica occurs when one of its chips goes into large scale production and generates recurring revenues over several years. EnSilica has already begun generating such revenues in the space industry from what we assume to be the chip going into the AST SpaceMobile's satellites.

Further upside will come from contracts wins for similar payload chips with other satellite constellations. The April 2025 announcement that EnSilica had signed an MOU with a 'major European satellite operator' for a feasibility study of a high-value payload ASIC could be such a contract. EnSilica is also building a family of chips for use in ground-based user terminals, a roll-out of an EnSilica designed chip for one of the many user terminal manufacturers should also prove to be materially financial. EnSilica has announced it is working with a number of operators and satellite user terminal OEMs to respond to requests for information/quotations using EnSilica's chips.

ENSILICA'S DESIGN AND SUPPLY MODEL

EnSilica is rapidly migrating its model from a reliance on Consultancy revenues to developing a strong, high-margin, recurring revenue stream of Design & Supply revenues. From accounting for just 15% of revenues in FY 2020, Design & Supply revenues accounted for 76% of revenues in H1 2026.

The gestation period for Design and Supply work can be two to five years from the initial Design work to the ASIC entering production and being supplied to the customer. Some of EnSilica's early Design work has now entered the Supply stage and the Company has five EnSilica designed ASICs signed off for production (see exhibit 4).

Exhibit 5: ASICs signed off for production

Sector	Client	Product	1st NRE revenues	1st Supply revenues	Long term supply potential
Autos	Tier 1 supplier to a high-end vehicle manufacturer	Key selling feature of range of vehicles providing differentiating feature in the chassis control	2018	Mar-21	June 22 vehicle launch, up to 24 EnSilica ASICs per vehicle. Est. 7-yr production life. May-23 now in additional models, $40m revenue expectation over 6 years. Sept. 24 – shipped 5m chips to date, Nov. 25 – 10m.
Industrial	Supply of an industrial ASIC	ASIC forms key part of a precision electronic timing system	2016	Mid-20	Est. c. 250k-500k chips pa with potential further large upside as product becomes more established, production life 10 years
Aerospace	Supplier to aerospace industry	Component in Gyroscope aiding the measurement and maintaining the orientation and angular velocity of the aircraft	2017	Jun-21	Small batches shipped approximately every 1-2 years, production life >10 years
Industrial	Leading European Industrial OEM (we assume Siemens)	ASIC for industrial factory automation product.	2022	Apr-25	>$30m revenue over 7 years. Tape out announced Oct 23. Sept 24 first production orders received.
Satellite Communications	US based satellite communication service provider	Component for LEO satellites	2021	Jun-25	Royalty revenue per chip and per satellite per month, $28m over ten years

Source: Company data, Allenby Capital

Key to driving future Supply revenues is a healthy level of work in the Design stage. Exhibit 5 below illustrates the key projects in which EnSilica is engaged. We expect the projects listed below to move to the Supply stage in the next one to three years and start generating meaningful annual recurring revenues. Importantly, EnSilica is not exposed to any one particular sector, instead contracts have been won across several industries including Automotive, Industrial, Healthcare and Satellite Communications.

Exhibit 6: ASICs in Design stage – Supply revenue expected in next 1-3 years

Sector	Client	Product	1st NRE Revenues	Long term Supply potential
Satellite Communications	Potential for multiple customers	mmWave chip for LEO satellite user terminal, chip to enable access to satellite's broadband signals	2019 (Part funded by ESA/UKSA €2.2m) All IP owned by EnSilica	Currently being evaluated by a number of customers. A confirmed design win would significantly boost revenues.
Satellite Communications	Multiple customers	Beamformer chip for LEO satellite user terminal, chip to enable access to satellite's broadband signals	2023 (Part funded by ESA/UKSA €5m) All IP owned by EnSilica	August '23 secured Vites GmbH as lead customer committing an additional €2.5m towards production including an order for the first 50k devices. Further Design wins would significantly boost revenues.
Healthcare	Potential for multiple customers	IC for wearable Healthcare market	Development cost borne by EnSilica, All IP owned by EnSilica	Prototype chip design complete, currently on hold due to focusing on markets with nearer term supply
Tele-communications	SIAE Microelettronica (telecommunications equipment supplier)	Components for terrestrial telecommunication infrastructure	FY 2026	Currently delayed due to SIAE accessing its grant funding. Contract expected to be worth in excess of $30m over a ten-year supply life (NRE plus Supply revenues)
Industrial/Auto-motive Consumer	Edge AI semiconductor supplier	Tape-out of custom ASIC (where design is finalised and sent to foundry for fabrication)	FY 2026	$7m NRE revenues then potential for $50m Supply revenues over 5 years. Low margin but strengthens position with foundry
Industrial	Siemens	Industrial automation system	CY 2025	Production phase expected to start in Q4 2027 – no financials given
Automotive & Industrial	European major supplier to OEMS	Mixed signal controller for automotive and industrial motorised actuators	CY 2025	Total value is projected to exceed $31m over 7 years (NRE & Supply)
Networking/ AI	Oriole Networks Ltd	ASIC for use in optical network switch products	Nov 2024	Material NRE in FY 2024 & FY 2025. Supply revenues not disclosed
Industrial	Industrial test equipment supplier	High end equipment used to test semiconductor devices	Early 2025	NRE and Supply revenues of $30m over 10 years. Supply revenues from 2026/2027
Satellite Communications	Multiple customers	Chipset for LEO satellite ground-based user terminals	£10.4m matched funding Feb 2025	Funding secured from the UK space Agency to support the development of a range of chips for ground-based User Terminals. Two Ku-band chips released for customer sampling. Potential design win would have significant supply value starting from 2027
Satellite Communications	Potential for multiple customers	Key component for receivers to connect to all existing and future satnav constellations.	€2.1m ESA funding March 2025	Funding awarded to EnSilica and an unnamed "leading European Global Navigation Satellite System (GNSS) device manufacturer". Longer term potential from sale of licence to other GNSS device manufacturers.
Automotive & Industrial	European supplier of electromechanical products	Arm-based mixed signal sensor interface ASIC	April 2025	NRE and Supply revenues of $18m over 7 years. Supply revenues from 2027

Source: Company data, Allenby Capital

Exhibit 7: Income statement - Y/E 31 May

	2022	2023	2024	2025	2026e	2027e	Comments
Revenues							
Consultancy Design services	7,274	9,445	7,112	6,551	7,500	7,500	
NRE Design services	6,250	8,175	15,228	5,891	12,000	13,000	Contribution towards cost of designing ASICs
Supply of products	1,769	2,856	2,926	5,741	9,000	12,500	Recurring revenue stream as chips enter production
	15,293	**20,476**	**25,266**	**18,183**	**28,500**	**33,000**	
Revenue growth (yoy)	77.7%	33.9%	23.4%	-28.0%	56.7%	15.8%	
Cost of sales	(10,246)	(12,307)	(16,267)	(10,850)	(17,100)	(19,470)	
Gross Profit	**5,047**	**8,169**	**8,999**	**7,333**	**11,400**	**13,530**	
Gross Profit Margin	33.0%	39.9%	35.6%	40.3%	40.0%	41.0%	Margin expansion with move away from Consultancy
Administrative expenses	**(4,328)**	**(7,267)**	**(8,165)**	**(8,893)**	**(10,850)**	**(11,200)**	
Of which D&A	(331)	(730)	(817)	(1,671)	(2,200)	(2,200)	As ASICs move to revenue generation R&D amortised
Of which 'other' Admin expenses	(3,997)	(6,537)	(7,348)	(7,222)	(8,650)	(9,000)	Employee, Property, PLC costs
Credit loss allowance	-	-	-	(1,783)	-	-	Customer receivable assessed to be at risk of non-payment.
Exceptional Items	(699)	(85)	-	(910)	-	-	2021 write down of R&D, 2022 IPO costs
Total operating expenses	**(5,027)**	**(7,352)**	**(8,165)**	**(11,586)**	**(10,850)**	**(11,200)**	
Other operating income	(14)	8	38	1,623	1,400	1,400	Government grants, from 2025 R&D tax credit
EBIT (pre exceptionals)	**705**	**910**	**872**	**(1,720)**	**1,950**	**3,730**	
EBIT Margin (pre exceptionals)	4.6%	4.4%	3.5%	-9.5%	6.8%	11.3%	
Lease liability financing charge	(15)	(201)	(219)	(329)	(250)	(250)	
Net interest on bank and other borrowings	(525)	(577)	(705)	(578)	(600)	(500)	2025 debt refinanced with Lloyds' facility
Profit before tax (pre exceptionals)	**165**	**132**	**(52)**	**(2,627)**	**1,100**	**2,980**	
Tax	683	1,745	(130)	811	400	400	Positively influenced by R&D tax credits
Profit/(loss) for the year (pre exceptionals)	**848**	**1,877**	**(182)**	**(1,816)**	**1,500**	**3,380**	
Fully diluted number of shares	76,106	80,157	80,747	83,512	96,601	96,601	
Diluted EPS (p) - pre exceptionals	1.11	2.34	(0.23)	(2.17)	1.55	3.50	
EBITDA (pre exceptionals)	**1,036**	**1,640**	**1,689**	**(49)**	**4,150**	**5,930**	
EBITDA Margin	6.8%	8.0%	6.7%	-0.3%	14.6%	18.0%	

Source: Company data, Allenby Capital forecasts

Exhibit 8: Balance sheet - Y/E 31 May

	2022	2023	2024	2025	2026e	2027e	Comments
Assets							
Property, plant and equipment	382	2,566	2,997	3,373	3,173	3,023	
Intangible assets	8,576	12,433	18,565	22,828	27,178	30,578	Increases with capitalised investment in R&D
Total non-current assets	**8,958**	**14,999**	**21,562**	**26,201**	**30,351**	**33,601**	
Inventories	215	304	753	439	700	800	
Trade & other receivables	3,257	7,025	8,390	10,108	9,405	10,890	
Of which trade receivables	1,541	3,893	1,743	5,868	4,295	4,973	
Corporation tax recoverable	1,671	2,064	1,349	1,363	1,400	1,400	
Cash & cash equivalents	5,742	3,095	5,156	1,963	576	235	
Total current assets	**10,885**	**12,488**	**15,648**	**13,873**	**12,081**	**13,325**	
TOTAL ASSETS	**19,843**	**27,487**	**37,210**	**40,074**	**42,432**	**46,926**	
Borrowings	(800)	(883)	(1,717)	(3,862)	(3,862)	(3,862)	Up to £9m Lloyds facility
Lease liabilities	(88)	(171)	(199)	(571)	(571)	(571)	
Trade and other payables	(2,391)	(4,723)	(7,118)	(10,492)	(12,825)	(13,629)	
Total current liabilities	**(3,279)**	**(5,777)**	**(9,034)**	**(14,925)**	**(17,258)**	**(18,062)**	
Borrowings	(4,166)	(3,284)	(2,298)	(1,422)	(722)	(1,772)	Up to £9m Lloyds facility
Lease liabilities	(105)	(2,104)	(1,904)	(2,126)	(1,526)	(926)	
Provisions	(140)	(199)	(206)	(235)	(200)	(200)	
Deferred tax	-	(160)	(1,365)	(466)	(466)	(466)	
Total non-current liabilities	**(4,411)**	**(5,747)**	**(5,773)**	**(4,249)**	**(2,914)**	**(3,364)**	
TOTAL LIABILITIES	**(7,690)**	**(11,524)**	**(14,807)**	**(19,174)**	**(20,172)**	**(21,426)**	
Net assets	**12,153**	**15,963**	**22,403**	**20,900**	**22,260**	**25,500**	
Issued share capital	134	137	153	156	156	156	
Share premium	6,900	8,752	14,957	16,181	16,181	16,181	
Currency differences reserve	1	(49)	(117)	(107)	(107)	(107)	
Retained earnings	5,118	7,123	7,410	4,670	6,030	9,270	
Total equity	**12,153**	**15,963**	**22,403**	**20,900**	**22,260**	**25,500**	
Balance sheet ratios	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**	**FY 2026e**	**FY 2027e**	
Cash	5,742	3,095	5,156	1,963	576	235	
ST Debt	(800)	(883)	(1,717)	(3,862)	(3,862)	(3,862)	
LT debt	(4,166)	(3,284)	(2,298)	(1,422)	(722)	(1,772)	
Net Debt/(Cash)	**(776)**	**1,072**	**(1,141)**	**3,321**	**4,008**	**5,399**	

Source: Company data, Allenby Capital forecasts

Exhibit 9: Cashflow statement - Y/E 31 May

	2022	2023	2024	2025	2026e	2027e	Comments
Profit/(loss) for the year	**149**	**1,792**	**(182)**	**(2,726)**	**1,500**	**3,380**	
Adjustments for:							
Depreciation	160	454	495	633	600	600	
Amortisation of intangible assets	171	276	322	1,038	1,600	1,600	
Share based payments	120	213	248	261	260	260	Non-cash items removed from
Impairment of intangible assets	-	-	-	910	-	-	operating cashflow calculations
Net interest costs	540	778	924	908	850	750	
R&D Expenditure credit	-	-	-	(1,278)	(1,400)	(1,400)	
Tax credit	(683)	(1,745)	130	(811)	(400)	(400)	
Op. cashflow pre movements in working cap.	**457**	**1,768**	**1,937**	**(1,065)**	**3,060**	**4,790**	
(Increase)/decrease in inventories	(185)	(89)	(448)	313	(261)	(100)	
Dec/(Inc) in trade and other receivables	(304)	(3,770)	(997)	(1,718)	666	(1,485)	
Increase in trade and other payables	(700)	2,322	1,983	3,374	2,333	804	
Decrease in provisions	(1,183)	59	7	29	(35)	-	
Movements in Working capital	**(2,372)**	**(1,478)**	**545**	**1,998**	**2,703**	**(781)**	
Op. cashflow post movement in working cap.	**(1,915)**	**290**	**2,482**	**933**	**5,763**	**4,009**	
Tax received/(paid)	3,306	1,512	1,788	1,177	1,400	1,400	Tax credits aiding positive operating cashflow
Net cash generated from operating activities	**1,391**	**1,802**	**4,270**	**2,110**	**7,163**	**5,409**	
Purchase of P,P & E	(276)	(395)	(927)	(681)	(400)	(450)	
Additions to intangible assets	(2,241)	(4,133)	(6,425)	(5,797)	(6,000)	(5,000)	Investment in R&D
Proceeds from sale of tangible fixed assets	-	-	-	-	-	-	
Interest received	25	7	1	-	5	5	
Net cash used in investing activities	**(2,492)**	**(4,521)**	**(7,351)**	**(6,478)**	**(6,395)**	**(5,445)**	
Interest paid	(565)	(785)	(925)	(908)	(855)	(755)	
Lease liability payments	(103)	(166)	(172)	(309)	(600)	(600)	
Receipt of bank loans	-	-	713	5,710	-	1,750	Lloyds' facility
Repayment of bank loans	(768)	(832)	(865)	(4,436)	(700)	(700)	2025 historic loans repaid
Commitment fees	(80)	-	-	-	-	-	
Proceeds from issue of equity	6,915	1,855	6,480	1,228	-	-	
Net cash generated from financing activities	**5,399**	**72**	**5,231**	**1,285**	**(2,155)**	**(305)**	
Net movement in cash and cash equivalents	**4,298**	**(2,647)**	**2,150**	**(3,083)**	**(1,387)**	**(341)**	
Cash and cash equivalents - beg. of the year	**1,404**	**5,742**	**3,095**	**5,156**	**1,963**	**576**	
Foreign exchange losses	40	-	(89)	(110)	-	-	
Cash and cash equivalents - end of the year	**5,742**	**3,095**	**5,156**	**1,963**	**576**	**235**	

Source: Company data, Allenby Capital forecasts

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