



NEWS RELEASE

# Half-year Report

2025-11-20

RNS Number : 26001

XPS Pensions Group PLC

20 November 2025

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## XPS Pensions Group plc

Unaudited interim results for the half year ended 30 September 2025

**Continued strong revenue growth and client demand, with successful ongoing expansion of services**

### Financial highlights:

|                              | Adjusted <sup>(1)</sup> |                |            | As reported    |                |              |
|------------------------------|-------------------------|----------------|------------|----------------|----------------|--------------|
|                              | 2025                    | 2024           | YoY        | 2025           | 2024           | YoY          |
| Half year ended 30 September |                         |                |            |                |                |              |
| Advisory                     | £73.7m                  | £62.1m         | 19%        | £73.7m         | £62.1m         | 19%          |
| Administration               | £48.1m                  | £45.2m         | 6%         | £48.1m         | £45.2m         | 6%           |
| SIP                          | £6.7m                   | £6.1m          | 10%        | £6.7m          | £6.1m          | 10%          |
| <b>Total Group revenue</b>   | <b>£128.5m</b>          | <b>£113.4m</b> | <b>13%</b> | <b>£128.5m</b> | <b>£113.4m</b> | <b>13%</b>   |
| EBITDA                       | £33.4m                  | £30.9m         | 8%         | £24.0m         | £26.1m         | (8%)         |
| Profit before tax            | £27.9m                  | £26.5m         | 5%         | £13.7m         | £18.2m         | (25%)        |
| Earnings per share           | 10.2p                   | 9.4p           | 9%         | 4.2p           | 6.3p           | (33%)        |
| <b>Fully diluted EPS</b>     | <b>9.7p</b>             | <b>8.9p</b>    | <b>9%</b>  | <b>4.0p</b>    | <b>5.9p</b>    | <b>(32%)</b> |

|                  |               |               |             |               |               |             |
|------------------|---------------|---------------|-------------|---------------|---------------|-------------|
| <b>Net debt</b>  | <b>£62.2m</b> | <b>£22.4m</b> | <b>178%</b> | <b>£62.2m</b> | <b>£22.4m</b> | <b>178%</b> |
| Interim dividend | 4.1p          | 3.7p          | 11%         | 4.1p          | 3.7p          | 11%         |

- (1) Adjusted measures exclude the impact of amortisation of acquired intangibles, share based payments and exceptional items.
- (2) Organic means excluding the impact of the Polaris acquisition which completed on 28 February 2025. Polaris contributed revenues of £6.1 million in Advisory in H1 FY26.

- Strong client demand, continuing project work, expansion of services, and expansion into the insurance consulting market (including the Polaris acquisition in February 2025) drove 13% growth in Group revenues to £128.5 million
  - Organic(2) revenue growth of 8% particularly pleasing given the significant revenues from the one-off McCloud remedy project in prior year comparator
  - Excluding the impact of McCloud, organic(2) revenue growth was 12%
- 12th consecutive half year of YoY growth in revenues across Advisory and Administration (95% of Group revenues):
  - Continued healthy growth in Advisory revenues across all service lines (+19% YoY, +9% organic(2))
  - Administration revenue growth of 6% YoY despite significant revenues from the McCloud remedy project in prior year comparator. Excluding McCloud, Administration revenues grew 16%
- SIP revenues grew 10% driven by growth in underlying SIP sales and interest income from higher client deposits
- Adjusted EBITDA of £33.4 million (+8%) despite the NI headwind and further growth investment in insurance consulting partially offset by continued operational efficiencies.
- Adjusted EBITDA margin reduced from 27.2% to 26.0% reflecting the growth investment in Insurance Consulting, higher NI and the impact of contribution from the McCloud remedy project in the prior year comparator
- Adjusted fully diluted EPS up 9% YoY to 9.7 pence benefiting from profit growth as well as a lower share count
- Net debt higher following the acquisition of Polaris and EBT share purchases; covenant leverage comfortably below 1.0x at 0.88x
- Increased interim dividend of 4.1 pence (2024: 3.7 pence) per share declared by the Board, reflecting progressive dividend policy and our continued confidence in the Group's prospects

#### **Continuing to deliver on our growth strategy:**

- Continued YoY double digit revenue growth driven from new client wins across all service lines and doing more with existing clients
- Expanding our target addressable markets through strategic M&A such as our recent acquisition of Polaris which is integrating well and opening doors to wider opportunities in the insurance markets
- Strong culture reflected in high levels of staff retention and fourth consecutive year of high employee net promoter score (+32)
- Further enhanced our technology propositions, including the capabilities of Radar, in preparation for the most significant regulatory changes in the market in 20 years
- Continuing to successfully transition clients on to Aurora, our proprietary administration platform, as well as winning new mandates in both public and private pension administration markets
- In November 2025 appointed administrators to our largest public sector client - The Metropolitan Police - on a long term contract servicing c.80,000 members.

#### **Outlook**

We delivered another strong financial performance in the first half, which highlights our ability to seize growth opportunities thanks to our robust brand and service offerings. The pensions industry is experiencing more change now than at any point in the past two decades, all of which drives increasing need for advice which XPS is well placed to provide. We have built comprehensive capabilities across all the services our clients need to manage risk and capitalise on opportunities. These industry changes are expected to unfold over many years, and we expect to support our clients throughout this time. With our

proven history of innovation and agility, combined with our employee-driven culture, we are well positioned to keep driving growth.

The Board is delighted with the Group's performance in the first half of the year and is confident of achieving full year results in line with its previous expectations.

**Paul Cuff, Co-CEO of XPS Group, commented:**

"We are very pleased with the first half performance of the Group. Over recent years we have invested in our business to be able to provide the full range of support that our clients need, of a very high quality, against the backdrop of a high volume of regulatory and market change.

"This investment has paid off as we continue to be busy supporting our clients strategically and operationally, whilst winning new clients across the full range of our service offerings.

"We are proud that we continue to do this in the right way, with a strong employee-centric culture, which is reflected in the very positive results of our most recent employee survey. I would like to thank all our people for the brilliant ways in which they look after each other and our clients as this is key to our success."

**For further information, contact:**

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**Notes to Editors:**

XPS Group is a leading consulting and administration business focused on UK pension schemes and insurers. XPS combines expertise, insight and technology to address the needs of over 1,300 pension schemes and their sponsoring employers on an ongoing and project basis, also providing advice and administration to UK insurance companies. We undertake pensions administration for c. 1.2 million members and provide advisory services to schemes and corporate sponsors in respect of schemes of all sizes, including 83 with assets over £1bn.

**Forward Looking Statements**

This announcement may include statements that are forward looking in nature. Forward-looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. These forward-looking statements are made only as at the date of this announcement. Nothing in this announcement should be construed as a profit forecast. Except as required by the Listing Rules and applicable law, the Group undertakes no obligation to update, revise or change any forward-looking statements to reflect

events or developments occurring after the date such statements are published.

## **CO-CHIEF EXECUTIVES' REVIEW**

### **Overview and Market Backdrop**

We continued to perform strongly in the period, winning new clients across all service lines and doing more with existing clients. Revenues grew 13%, with organic(2) growth of 8% being particularly pleasing given the strong performance in the prior year representing a tough comparator.

Our core advisory business is demonstrating good momentum and will continue to benefit from a highly supportive market backdrop, including significant ongoing regulatory changes and new opportunities to advise increasingly well-funded pension schemes. The evolving landscape means that clients will require a wide range of support and services, including greater levels of strategic advice and guidance, which we are well positioned to provide due to our broad platform and proprietary technology.

As we anticipated, the increasing overlap between the pensions and insurance industries is providing opportunities that our recent accelerated entry into Insurance Consulting - via the acquisition of Polaris in February 2025 - is allowing us to capitalise on. We have been particularly pleased with early success in cross-referrals and in winning mandates to deploy broader XPS capabilities into large insurers.

It is an exciting time for the pensions and insurance sectors. Current and prospective clients need our advice more than ever and we are well placed to continue our growth trajectory.

### **Advisory**

Overall, the Advisory business, which accounts for 57% of Group revenue, delivered 19% growth in revenues year on year; 9% organic(2).

Within Advisory, Actuarial and Investment Consulting performed strongly and is continuing to demonstrate good momentum. This momentum is being supported by ongoing regulatory change, including new rules on pension scheme valuations that came into force in 2024 which have a multi-year effect as our clients reach their next triennial actuarial valuations which need to be done differently to previously, and continued demand for support in GMP rectification projects.

The bigger picture is that we are very well positioned to provide the anticipated rising levels of consulting support required by increasingly well-funded pension schemes. Our proprietary Radar platform has new functionality helping pension scheme sponsors and trustees assess their options in the 'run on versus buyout' debate. Clients that choose to 'run on for surplus' will need extensive advice to do so safely and efficiently, whilst many clients (particularly smaller pension schemes) will still want to access the insurance market, creating sustained and high demand for support from our Risk Transfer team. This backdrop as a whole creates a high degree of visibility on revenue.

Advisory also includes our Insurance Consulting business. We accelerated our service offering in this market through the acquisition of Polaris in February 2025. The combined Insurance Consulting business has integrated well and is performing in line with our expectations. The Polaris client relationships are driving opportunities for the wider Group in both Actuarial Consulting and Administration. We continue to focus on leveraging cross-referrals and deploying broader XPS capabilities into large insurers, with the Group recently being retained on Preferred Supplier Lists (PSLs) for several big insurers who have recently carried out reviews of the partners they will work with, and in a number of cases we have expanded the categories for which we are on the PSL beyond those that Polaris were on before the acquisition. This sets us up well for the future.

### **Administration and SIP**

In Administration, our second largest division, accounting for 38% of Group revenues, performance has been very strong, both in absolute terms and on an underlying basis when excluding the contribution from the non-recurring McCloud project work which was largely completed in FY25. Overall, revenues in Administration grew 6% year on year. Excluding the impact of the non-recurring McCloud project work, growth was a very healthy 16% year on year.

Following the successful onboarding of the John Lewis Partnership pension scheme, ahead of schedule, in February 2025, we

continued to win new business, including being appointed to provide full administration services for the SEI Master Trust, taking on an expanded role having already been the administrator of National Pension Trust which has now merged into the bigger SEI Trust.

Our well documented success in the McCloud project work has, and continues to, open up many opportunities. We have seen particular success in winning new clients in the public sector, and in November 2025 we secured our biggest ever public sector client, the Metropolitan Police. This is a scheme with 80,000 members, which we expect to go live as an XPS client in the next financial year on a multi-year contract.

Our SIP business (5% of Group revenues) continues to deliver good growth, benefiting from an excellent reputation and an award-winning platform. Revenues grew 10% year on year with 2% growth in the number of SIP and SSAS schemes.

### **Technology and Efficiencies**

Our technology capabilities continue to be a key differentiator in the market, helping to drive revenue growth, unlock significant client opportunities, and support ongoing cost efficiencies across the Group.

The transition to our market leading, proprietary administration platform Aurora is progressing to plan and we remain on track for it to fully replace all legacy third party platforms (with associated expense savings) in our service delivery from 2028.

### **Employee culture at XPS**

We continue to place a high degree of emphasis on the importance of a positive culture across the Group. Put simply, we think that happy motivated people look after each other well, and in turn will look after our clients well, leading to good outcomes for all.

We've reviewed the initial results of our annual employee survey and are pleased to report that our net promoter score remains very positive at +32. Our Glassdoor rating is also one of the highest in the industry.

We believe that this positive culture has driven the continued strong performance of the Group and sets us up well for the future. We would like to thank all our people for all that they do.

### **Summary and Outlook**

We delivered another strong financial performance in the first half, which highlights our ability to seize growth opportunities thanks to our robust brand and service offerings. The pensions industry is experiencing more change now than at any point in the past two decades, all of which requires continued advice which XPS is well placed to provide. We have built comprehensive capabilities across all the services our clients need to manage risk and capitalise on opportunities. These industry changes are expected to unfold over many years, and we expect to support our clients throughout this time. With our proven history of innovation and agility, combined with our employee-driven culture, we are well positioned to keep driving growth.

The Board is delighted with the Group's performance in the first half of the year and is confident of achieving full year results in line with its previous expectations.



## Financial Review

|                              | Adjusted(1)    |                |            | As reported    |                |              |
|------------------------------|----------------|----------------|------------|----------------|----------------|--------------|
| Half year ended 30 September | 2025           | 2024           | Change YoY | 2025           | 2024           | Change YoY   |
| <b>Revenue</b>               |                |                |            |                |                |              |
| Advisory                     | £73.7m         | £62.1m         | 19%        | £73.7m         | £62.1m         | 19%          |
| Administration               | £48.1m         | £45.2m         | 6%         | £48.1m         | £45.2m         | 6%           |
| SIP                          | £6.7m          | £6.1m          | 10%        | £6.7m          | £6.1m          | 10%          |
| <b>Total revenue</b>         | <b>£128.5m</b> | <b>£113.4m</b> | <b>13%</b> | <b>£128.5m</b> | <b>£113.4m</b> | <b>13%</b>   |
| Operating expenses           | (£95.1m)       | (£82.5m)       | (15%)      | (£104.5m)      | (£87.3m)       | (20%)        |
| <b>EBITDA</b>                | <b>£33.4m</b>  | <b>£30.9m</b>  | <b>8%</b>  | <b>£24.0m</b>  | <b>£26.1m</b>  | <b>(8%)</b>  |
| Depreciation & amortisation  | (£3.4m)        | (£3.1m)        | (10%)      | (£8.2m)        | (£6.6m)        | (24%)        |
| <b>EBIT</b>                  | <b>£30.0m</b>  | <b>£27.8m</b>  | <b>8%</b>  | <b>£15.8m</b>  | <b>£19.5m</b>  | <b>(19%)</b> |
| Net finance expense          | (£2.1m)        | (£1.3m)        | (62%)      | (£2.1m)        | (£1.3m)        | (62%)        |
| <b>Profit before tax</b>     | <b>£27.9m</b>  | <b>£26.5m</b>  | <b>5%</b>  | <b>£13.7m</b>  | <b>£18.2m</b>  | <b>(25%)</b> |
| Income tax expense           | (£7.0m)        | (£7.0m)        | -          | (£5.0m)        | (£5.2m)        | 4%           |
| <b>Profit after tax</b>      | <b>£20.9m</b>  | <b>£19.5m</b>  | <b>7%</b>  | <b>£8.7m</b>   | <b>£13.0m</b>  | <b>(33%)</b> |
|                              |                |                |            |                |                |              |
| Earnings per share           | 10.2p          | 9.4p           | 9%         | 4.2p           | 6.3p           | (33%)        |
| <b>Fully diluted EPS</b>     | <b>9.7p</b>    | <b>8.9p</b>    | <b>9%</b>  | <b>4.0p</b>    | <b>5.9p</b>    | <b>(32%)</b> |
| Interim dividend             | 4.1p           | 3.7p           | 11%        | 4.1p           | 3.7p           | 11%          |

(1) Adjusted measures exclude the impact of amortisation of acquired intangibles, share-based payments, and exceptional items. See note 3 for details of exceptional and non-trading items.

(2) Organic means excluding the impact of the Polaris acquisition which completed on 28 February 2025 which contributed revenue of £6.1 million in Advisory in H1 FY26.

### Group revenue

Total Group revenue for the six months ended 30 September 2025 grew 13% year on year to £128.5 million, including continued strong organic(2) growth of 8% despite a particularly tough prior year comparator containing revenues from the one-off McCloud remedy project; adjusting for this, organic(2) growth was an even healthier 12%.

#### Advisory

Advisory revenues have grown 19% year on year (9% organic(2)) driven by the acquisition of Polaris and continued client demand for our services such as Risk Transfer, GMP equalisation as well as new client wins. Within this, Actuarial and Consulting revenues have grown 21% year on year (10% organic(2)), and Investment Consulting has returned to growth with

4% increase in revenues year on year.

### **Administration**

Revenues have grown 6% year on year on the back of new client wins coming on stream, strong demand for project work, and inflationary fee increases. The number of members under administration was circa 1.2 million at 30 September 2025, being a YoY increase of 14.0%. Excluding the significant impact of the McCloud remedy project last year which was largely completed by 31 March 2025, revenue growth in Administration was 16%.

### **SIP**

Revenues have grown 10% to £6.7 million, driven by strong underlying sales volumes and interest income from higher client deposits.

### **Operating costs**

Total operating costs (excluding exceptional and non-trading items) of £98.5 million grew by 15% or £12.9 million year on year, slightly ahead of the growth in group revenues. In addition to growth in employee numbers underpinning revenue growth, along with inflationary/market driven pay increases, the incremental increase in costs reflect an increase in employers National Insurance, the acquisition of Polaris, investment in Insurance Consulting and inflationary increases in other cost lines.

### **Adjusted EBITDA**

Adjusted EBITDA of £33.4 million grew 8% year on year with a margin of 26.0% which is lower than the H1 last year due to the increase in employer's National Insurance contributions from 1 April 2025, investment in Insurance Consulting and the absence of the significant McCloud remedy project which was largely completed in the last financial year.

### **Exceptional and non-trading items**

During the half year ended 30 September 2025 the Group incurred £14.2 million (H1 2024/25: £8.2m) of exceptional and non-trading charges, comprising amortisation of acquired intangibles, share based payments and the acquisition-related remuneration for the acquisition of Polaris (see note 3 for further details).

### **Net finance expenses**

Net finance expense of £2.1 million was 62% higher than the prior year, largely due to the increase in the debt following the acquisition of Polaris in February 2025.

### **Taxation**

Tax charge on adjusted profit before tax for the half year was £7.0 million.

The tax charge on statutory profits was £5.0 million (H1 FY2024/25 £5.2 million).

### **Basic EPS**

Basic EPS in the half year ended 30 September 2025 was 4.2p; a decrease of 33% YoY largely driven by an element of the consideration for the acquisition of Polaris in February 2025 being treated by IFRS 3 as post-acquisition remuneration due to a continued employment condition within the terms of the share purchase agreement. These costs will be expensed over the three years to March 2028.

### **Adjusted fully diluted EPS**

Adjusted fully diluted EPS in the half year ended 30 September 2025 was 9.7p; up 9% YoY benefitting from a strong trading performance resulting in an increase in profits in the period.

### **Dividend**

An interim dividend of 4.1p has been declared by the Board (2024: 3.7p), reflecting XPS's progressive dividend policy and our continued confidence in the Group's prospects. The interim dividend amounting to £8.4 million (2024: £7.7 million), will be paid on 6 February 2026 to those shareholders on the register on 9 January 2026.

### **Cash-flow, capital expenditure and net debt**

The Group generated £15.5 million from operating activities. After £4.4 million of capital expenditure; paying £16.7 million in dividends; £1.7 million of interest payments, £1.1 million of lease liabilities; £0.9 million dividend equivalents on vesting of employee share schemes; £14.5 million on purchases of own shares by the EBT, partially offset by £18.0 million drawdown of committed facility, and receipt of £1.9 million on the exercise of SAYE share options by employees, the net decrease in cash was £3.9 million at 30 September 2025.

At 30 September 2025 net debt (as defined for RCF covenants and therefore excluding IFRS 16) was £62.2 million, up 178% year on year. The leverage ratio for financing covenants was 0.88x (2024: 0.37x). At 30 September 2025, the Group had £47.0 million of undrawn committed facility. The Group's RCF expires in March 2029.

## Principal risks and uncertainties affecting the business

The principal risks and uncertainties affecting the Group's business activities remain those detailed within the Principal Risks and Uncertainties section of the Annual Report and Accounts for the year ended 31 March 2025 (pages 52-58).

### *Appendix: Reconciliation of reported/statutory results to alternative performance measures (APMs)*

In order to assist the reader's understanding of the financial performance of the Group, it continues to present a range of results metrics to demonstrate its performance. These include those presented in accordance with International Accounting Standards (IFRS) and APMs. APMs exclude specific exceptional and non-trading items as set out in note 3 of the condensed consolidated financial statements.

*An explanation of the Group's key APMs has been detailed below:*

| APM                        | Closest equivalent statutory measure  | APM definition and purpose                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------------|---------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Adjusted EBITDA            | Profit/loss from operating activities | <b>Definition:</b> Earnings before interest, tax, depreciation and amortisation excluding exceptional and non-trading items.<br><b>Purpose:</b> A recognised APM which has been central to the business over many years and through different ownership structures. It allows the Group to monitor the underlying trading performance of the business without the impact of external and exceptional and non-trading factors distorting the figures. |
| Adjusted diluted EPS       | Diluted earnings per share            | <b>Definition:</b> Reflects the profit after tax, adjusted to remove the impact of exceptional and non-trading items.<br><b>Purpose:</b> Presents an EPS measure used more widely by investors and analysts and more in line with how the Group's dividends are calculated.                                                                                                                                                                          |
| Leverage (Net debt/EBITDA) | Cash and cash equivalents             | <b>Definition:</b> Leverage ratio showing the amount of third-party debt excluding leases (net of cash held) relative to last twelve months adjusted pro-forma EBITDA.<br><b>Purpose:</b> Management can measure exposure to reliance on third-party debt. Leverage is the key measure in reporting to the Group's banks and driving the interest rate margin which is added to SONIA to determine the all-in rate payable.                          |

*A reconciliation of the Group's APMs to their closest statutory measure has been provided below:*

#### 1. Adjusted EBITDA

| Half year ended 30 September            | 2025 | 2024 |
|-----------------------------------------|------|------|
|                                         | £m   | £m   |
| Profit from operating activities        | 15.8 | 19.6 |
| Depreciation and amortisation           | 8.2  | 6.5  |
| Other exceptional and non-trading items | 9.4  | 4.8  |

|                        |             |             |
|------------------------|-------------|-------------|
| <b>Adjusted EBITDA</b> | <b>33.4</b> | <b>30.9</b> |
|------------------------|-------------|-------------|

## 2. Adjusted diluted EPS

| <b>Half year ended 30 September</b>                                        | <b>2025</b> | <b>2024</b> |
|----------------------------------------------------------------------------|-------------|-------------|
|                                                                            | <b>£m</b>   | <b>£m</b>   |
| Profit after tax and total comprehensive income                            | 8.7         | 13.0        |
| Adjustment for exceptional and non-trading items (net of tax) <sup>1</sup> | 12.2        | 6.5         |
| Adjusted profit after tax                                                  | 20.9        | 19.5        |
| Dilutive weighted average number of shares ('000)                          | 215,728     | 220,231     |
| <b>Adjusted diluted EPS (pence)</b>                                        | <b>9.7</b>  | <b>8.9</b>  |

## 3. Leverage

| <b>Half year ended 30 September</b>                                | <b>2025</b>  | <b>2024</b>  |
|--------------------------------------------------------------------|--------------|--------------|
|                                                                    | <b>£m</b>    | <b>£m</b>    |
| Cash and cash equivalents                                          | 10.8         | 9.6          |
| Bank debt                                                          | (73.0)       | (32.0)       |
| Contingent consideration                                           | -            | -            |
| Net debt                                                           | 62.2         | 22.4         |
| Last twelve months (LTM) trading EBITDA <sup>2</sup>               | 72.2         | 63.5         |
| Impact of IFRS 16 ignored for bank covenants purposes <sup>3</sup> | (3.4)        | (3.0)        |
| Pro-forma impact of M&A transactions in year <sup>4</sup>          | 2.0          | (0.2)        |
| Adjusted EBITDA for covenant                                       | 70.8         | 60.3         |
| <b>Leverage</b>                                                    | <b>0.88x</b> | <b>0.37x</b> |

<sup>1</sup> See note 3 of the condensed consolidated interim financial statements

<sup>2</sup> The LTM trading EBITDA can be calculated from:

|                                                      | 2025   | 2024   |
|------------------------------------------------------|--------|--------|
|                                                      | £m     | £m     |
| March 2025 (2024) full year reported adjusted EBITDA | 69.7   | 55.3   |
| Less: September 2024 (2023) interim results          | (30.9) | (22.7) |
| Add: September 2025 (2024) interim results           | 33.4   | 30.9   |
| LTM trading EBITDA                                   | 72.2   | 63.5   |

3 The Group's banking facilities agreement ignores IFRS 16 for covenant test purposes. Debt excludes lease-related liabilities and to be on a consistent basis adjusted pro-forma EBITDA includes rent-related costs as an operating expense unlike in the statutory income statement where they are treated as depreciation of right-of-use assets with a related financing cost.

4 Pro-forma related adjustments reflect the impact of M&A-related transactions as if they had been included for the last twelve months.



## Condensed Consolidated Statement of Comprehensive Income

for the period ended 30 September 2025

|                                                                              | Note | 6 month period ended 30 September 2025 |                                                |                    | 6 month period ended 30 September 2024 |                                                |                    |
|------------------------------------------------------------------------------|------|----------------------------------------|------------------------------------------------|--------------------|----------------------------------------|------------------------------------------------|--------------------|
|                                                                              |      | Trading items                          | Non-trading and exceptional items <sup>1</sup> | Total              | Trading items                          | Non-trading and exceptional items <sup>1</sup> | Total              |
|                                                                              |      | Unaudited<br>£'000                     | Unaudited<br>£'000                             | Unaudited<br>£'000 | Unaudited<br>£'000                     | Unaudited<br>£'000                             | Unaudited<br>£'000 |
| Revenue                                                                      | 4    | 128,526                                | -                                              | 128,526            | 113,414                                | -                                              | 113,414            |
| Operating expenses                                                           |      | (98,545)                               | (14,205)                                       | (112,750)          | (85,590)                               | (8,232)                                        | (93,822)           |
| <b>Profit/(loss) from operating activities</b>                               |      | <b>29,981</b>                          | <b>(14,205)</b>                                | <b>15,776</b>      | <b>27,824</b>                          | <b>(8,232)</b>                                 | <b>19,592</b>      |
| Finance income                                                               |      | 52                                     | -                                              | 52                 | 36                                     | -                                              | 36                 |
| Finance costs                                                                |      | (2,165)                                | -                                              | (2,165)            | (1,383)                                | -                                              | (1,383)            |
| <b>Profit/(loss) before tax</b>                                              |      | <b>27,868</b>                          | <b>(14,205)</b>                                | <b>13,663</b>      | <b>26,477</b>                          | <b>(8,232)</b>                                 | <b>18,245</b>      |
| Income tax (expense)/credit                                                  |      | (7,003)                                | 1,981                                          | (5,022)            | (6,973)                                | 1,766                                          | (5,207)            |
| <b>Profit/(loss) after tax and total comprehensive income for the period</b> |      | <b>20,865</b>                          | <b>(12,224)</b>                                | <b>8,641</b>       | <b>19,504</b>                          | <b>(6,466)</b>                                 | <b>13,038</b>      |

  

|                                                                                       |   | Pence           | Pence | Pence           | Pence |
|---------------------------------------------------------------------------------------|---|-----------------|-------|-----------------|-------|
| <b>Earnings per share attributable to the ordinary equity holders of the Company:</b> |   | <b>Adjusted</b> |       | <b>Adjusted</b> |       |
| <b>Profit or loss:</b>                                                                |   |                 |       |                 |       |
| Basic earnings per share                                                              | 5 | 10.2            | 4.2   | 9.4             | 6.3   |
| Diluted earnings per share                                                            | 5 | 9.7             | 4.0   | 8.9             | 5.9   |

  

|                                                | Trading items      | Non-trading and exceptional items <sup>1</sup> | Total              | Trading items      | Non-trading and exceptional items <sup>1</sup> | Total              |
|------------------------------------------------|--------------------|------------------------------------------------|--------------------|--------------------|------------------------------------------------|--------------------|
|                                                | Unaudited<br>£'000 | Unaudited<br>£'000                             | Unaudited<br>£'000 | Unaudited<br>£'000 | Unaudited<br>£'000                             | Unaudited<br>£'000 |
| <b>Memo</b>                                    |                    |                                                |                    |                    |                                                |                    |
| <b>EBITDA</b>                                  | <b>33,422</b>      | <b>(9,469)</b>                                 | <b>23,953</b>      | <b>30,907</b>      | <b>(4,818)</b>                                 | <b>26,089</b>      |
| <b>Depreciation and amortisation</b>           | <b>(3,441)</b>     | <b>(4,736)</b>                                 | <b>(8,177)</b>     | <b>(3,083)</b>     | <b>(3,414)</b>                                 | <b>(6,497)</b>     |
| <b>Profit/(loss) from operating activities</b> | <b>29,981</b>      | <b>(14,205)</b>                                | <b>15,776</b>      | <b>27,824</b>      | <b>(8,232)</b>                                 | <b>19,592</b>      |

<sup>1</sup> See note 3 for additional information regarding non-trading and exceptional items.

## Condensed Consolidated Statement of Financial Position

as at 30 September 2025

|                                                    | Note | 30 September<br>2025<br>Unaudited<br>£'000 | 31 March<br>2025<br>Audited<br>£'000 |
|----------------------------------------------------|------|--------------------------------------------|--------------------------------------|
| <b>Assets</b>                                      |      |                                            |                                      |
| <b>Non-current assets</b>                          |      |                                            |                                      |
| Property, plant and equipment                      |      | 5,356                                      | 5,278                                |
| Right-of-use assets                                |      | 15,649                                     | 13,835                               |
| Intangible assets                                  |      | 220,170                                    | 222,998                              |
| Other long-term receivables                        |      | 4,479                                      | 5,971                                |
|                                                    |      | <b>245,654</b>                             | <b>248,082</b>                       |
| <b>Current assets</b>                              |      |                                            |                                      |
| Trade and other receivables                        |      | 63,312                                     | 60,683                               |
| Current income tax asset                           |      | 1,734                                      | -                                    |
| Cash and cash equivalents                          |      | 10,843                                     | 14,717                               |
|                                                    |      | <b>75,889</b>                              | <b>75,400</b>                        |
| <b>Total assets</b>                                |      | <b>321,543</b>                             | <b>323,482</b>                       |
| <b>Liabilities</b>                                 |      |                                            |                                      |
| <b>Non-current liabilities</b>                     |      |                                            |                                      |
| Loans and borrowings                               | 6    | 72,126                                     | 54,021                               |
| Lease liabilities                                  |      | 13,596                                     | 12,038                               |
| Provisions                                         |      | 2,433                                      | 2,903                                |
| Trade and other payables                           |      | 4,435                                      | 670                                  |
| Deferred tax liabilities                           |      | 17,791                                     | 16,138                               |
|                                                    |      | <b>110,381</b>                             | <b>85,770</b>                        |
| <b>Current liabilities</b>                         |      |                                            |                                      |
| Lease liabilities                                  |      | 3,473                                      | 2,915                                |
| Provisions                                         |      | 3,128                                      | 2,700                                |
| Trade and other payables                           |      | 36,332                                     | 46,456                               |
| Current income tax liabilities                     |      | -                                          | 234                                  |
|                                                    |      | <b>42,933</b>                              | <b>52,305</b>                        |
| <b>Total liabilities</b>                           |      | <b>153,314</b>                             | <b>138,075</b>                       |
| <b>Net assets</b>                                  |      | <b>168,229</b>                             | <b>185,407</b>                       |
| <b>Equity</b>                                      |      |                                            |                                      |
| <b>Equity attributable to owners of the parent</b> |      |                                            |                                      |
| Share capital                                      | 7    | 104                                        | 104                                  |
| Share premium                                      | 8    | 1,786                                      | 1,786                                |
| Merger relief reserve                              | 8    | 48,687                                     | 48,687                               |
| Investment in own shares held in trust             | 8    | (13,374)                                   | (15,142)                             |
| Retained earnings                                  | 8    | 131,026                                    | 149,972                              |
| <b>Total equity</b>                                |      | <b>168,229</b>                             | <b>185,407</b>                       |



## Condensed Consolidated Statement of Changes in Equity

for the period ended 30 September 2025

|                                                                   | Share capital<br>£'000 | Share<br>premium<br>£'000 | Merger relief<br>reserve<br>£'000 | Investment in<br>own shares<br>£'000 | Retained<br>earnings<br>£'000 | Total equity<br>£'000 |
|-------------------------------------------------------------------|------------------------|---------------------------|-----------------------------------|--------------------------------------|-------------------------------|-----------------------|
| <b>Balance at 1 April 2025</b>                                    | <b>104</b>             | <b>1,786</b>              | <b>48,687</b>                     | <b>(15,142)</b>                      | <b>149,972</b>                | <b>185,407</b>        |
| Profit after tax and total comprehensive income for the period    | -                      | -                         | -                                 | -                                    | 8,641                         | 8,641                 |
| Contributions by and distributions to owners                      |                        |                           |                                   |                                      |                               |                       |
| Dividends paid (note 9)                                           | -                      | -                         | -                                 | -                                    | (16,697)                      | (16,697)              |
| Dividend equivalents paid on exercised share options              | -                      | -                         | -                                 | -                                    | (876)                         | (876)                 |
| Shares purchased by Employee Benefit Trust for cash               | -                      | -                         | -                                 | (14,485)                             | -                             | (14,485)              |
| Exercise of share options settled from the Employee Benefit Trust | -                      | -                         | -                                 | 16,253                               | (14,354)                      | 1,899                 |
| Share-based payment expense - IFRS2 charge                        | -                      | -                         | -                                 | -                                    | 3,914                         | 3,914                 |
| Deferred tax movement in respect of share-based payment expense   | -                      | -                         | -                                 | -                                    | (2,557)                       | (2,557)               |
| Current tax movement in respect of share-based payment expense    | -                      | -                         | -                                 | -                                    | 2,983                         | 2,983                 |
| Total contributions by and distributions to owners                | -                      | -                         | -                                 | 1,768                                | (27,587)                      | (25,819)              |
| <b>Unaudited balance at 30 September 2025</b>                     | <b>104</b>             | <b>1,786</b>              | <b>48,687</b>                     | <b>(13,374)</b>                      | <b>131,026</b>                | <b>168,229</b>        |
| <b>Balance at 1 April 2024</b>                                    | <b>104</b>             | <b>1,786</b>              | <b>48,687</b>                     | <b>(2,925)</b>                       | <b>138,202</b>                | <b>185,854</b>        |
| Profit after tax and total comprehensive income for the period    | -                      | -                         | -                                 | -                                    | 13,038                        | 13,038                |
| Contributions by and distributions to owners                      |                        |                           |                                   |                                      |                               |                       |
| Dividends paid (note 9)                                           | -                      | -                         | -                                 | -                                    | (14,577)                      | (14,577)              |
| Dividend equivalents paid on exercised share options              | -                      | -                         | -                                 | -                                    | (591)                         | (591)                 |
| Shares purchased by Employee Benefit Trust for cash               | -                      | -                         | -                                 | (6,405)                              | -                             | (6,405)               |
| Exercise of share options settled from the Employee Benefit Trust | -                      | -                         | -                                 | 6,037                                | (5,270)                       | 767                   |
| Share-based payment expense - IFRS2 charge                        | -                      | -                         | -                                 | -                                    | 2,586                         | 2,586                 |
| Deferred tax movement in respect of share-based payment expense   | -                      | -                         | -                                 | -                                    | 421                           | 421                   |
| Current tax movement in respect of share-based payment expense    | -                      | -                         | -                                 | -                                    | 1,437                         | 1,437                 |
| Total contributions by and distributions to owners                | -                      | -                         | -                                 | (368)                                | (15,994)                      | (16,362)              |
| <b>Unaudited balance at 30 September 2024</b>                     | <b>104</b>             | <b>1,786</b>              | <b>48,687</b>                     | <b>(3,293)</b>                       | <b>135,246</b>                | <b>182,530</b>        |
| <b>Balance at 1 April 2024</b>                                    | <b>104</b>             | <b>1,786</b>              | <b>48,687</b>                     | <b>(2,925)</b>                       | <b>138,202</b>                | <b>185,854</b>        |
| Profit after tax and total comprehensive income for the year      | -                      | -                         | -                                 | -                                    | 30,343                        | 30,343                |
| Contributions by and distributions to owners                      |                        |                           |                                   |                                      |                               |                       |
| Dividends paid                                                    | -                      | -                         | -                                 | -                                    | (22,185)                      | (22,185)              |
| Dividend equivalents paid on exercised share options              | -                      | -                         | -                                 | -                                    | (591)                         | (591)                 |
| Shares purchased by Employee Benefit Trust for cash               | -                      | -                         | -                                 | (18,715)                             | -                             | (18,715)              |
| Exercise of share options settled from the Employee Benefit Trust | -                      | -                         | -                                 | 6,498                                | (5,630)                       | 868                   |
| Share-based payment expense - IFRS2 charge                        | -                      | -                         | -                                 | -                                    | 5,946                         | 5,946                 |
| Deferred tax movement in respect of share-based payment expense   | -                      | -                         | -                                 | -                                    | 2,366                         | 2,366                 |
| Current tax movement in respect of share-based payment expense    | -                      | -                         | -                                 | -                                    | 1,521                         | 1,521                 |
| Total contributions by and distributions to owners                | -                      | -                         | -                                 | (12,217)                             | (18,573)                      | (30,790)              |
| <b>Balance at 31 March 2025</b>                                   | <b>104</b>             | <b>1,786</b>              | <b>48,687</b>                     | <b>(15,142)</b>                      | <b>149,972</b>                | <b>185,407</b>        |



## Condensed Consolidated Statement of Cash Flows

for the period ended 30 September 2025

|                                                                   | Note | Period ended<br>30 September<br>2025<br>Unaudited<br>£'000 | Period ended<br>30 September<br>2024<br>Unaudited<br>£'000 |
|-------------------------------------------------------------------|------|------------------------------------------------------------|------------------------------------------------------------|
| <b>Cash flows from operating activities</b>                       |      |                                                            |                                                            |
| Profit after tax for the period                                   |      | 8,641                                                      | 13,038                                                     |
| <i>Adjustments for:</i>                                           |      |                                                            |                                                            |
| Depreciation                                                      |      | 581                                                        | 486                                                        |
| Depreciation of right-of-use assets                               |      | 1,415                                                      | 1,390                                                      |
| Amortisation                                                      |      | 6,181                                                      | 4,621                                                      |
| Finance income                                                    |      | (52)                                                       | (36)                                                       |
| Finance costs                                                     |      | 2,165                                                      | 1,383                                                      |
| Share-based payment expense                                       |      | 3,461                                                      | 2,586                                                      |
| Income tax expense                                                |      | 5,022                                                      | 5,207                                                      |
|                                                                   |      | <b>27,414</b>                                              | <b>28,675</b>                                              |
| Increase in trade and other receivables                           |      | (1,137)                                                    | (2,287)                                                    |
| Decrease in trade and other payables                              |      | (5,485)                                                    | (1,683)                                                    |
| (Decrease)/increase in provisions                                 |      | (383)                                                      | 122                                                        |
|                                                                   |      | <b>20,409</b>                                              | <b>24,827</b>                                              |
| Income tax paid                                                   |      | (4,912)                                                    | (6,068)                                                    |
| <b>Net cash inflow from operating activities</b>                  |      | <b>15,497</b>                                              | <b>18,759</b>                                              |
| <b>Cash flows from investing activities</b>                       |      |                                                            |                                                            |
| Purchases of property, plant and equipment                        |      | (735)                                                      | (1,603)                                                    |
| Purchases of software                                             |      | (3,688)                                                    | (2,779)                                                    |
| <b>Net cash outflow from investing activities</b>                 |      | <b>(4,423)</b>                                             | <b>(4,382)</b>                                             |
| <b>Cash flows from financing activities</b>                       |      |                                                            |                                                            |
| Proceeds from existing loans                                      |      | 18,000                                                     | 12,000                                                     |
| Repayment of loans                                                |      | -                                                          | (4,000)                                                    |
| Payment relating to extension of loan facility                    |      | (20)                                                       | -                                                          |
| Purchase of own shares                                            |      | (14,485)                                                   | (6,405)                                                    |
| Proceeds from the exercise of share options settled by EBT shares |      | 1,899                                                      | 767                                                        |
| Interest paid                                                     |      | (1,660)                                                    | (870)                                                      |
| Lease interest paid                                               |      | (207)                                                      | (166)                                                      |
| Payment of lease liabilities                                      |      | (902)                                                      | (966)                                                      |
| Dividends paid to the holders of the parent                       | 9    | (16,697)                                                   | (14,577)                                                   |
| Dividend equivalents paid on vesting of share options             |      | (876)                                                      | (591)                                                      |
| <b>Net cash outflow from financing activities</b>                 |      | <b>(14,948)</b>                                            | <b>(14,808)</b>                                            |
| Net decrease in cash and cash equivalents                         |      | (3,874)                                                    | (431)                                                      |
| Cash and cash equivalents at start of the period                  |      | 14,717                                                     | 10,005                                                     |
| <b>Cash and cash equivalents at end of period</b>                 |      | <b>10,843</b>                                              | <b>9,574</b>                                               |



## Notes to the Condensed Consolidated Financial Statements

for the period ended 30 September 2025

### 1 Accounting policies

XPS Pensions Group plc (the "Company") is a public limited company incorporated in the UK. The principal activity of the Group is consulting and administration services relating to UK pension schemes and insurers. The registered office is Phoenix House, 1 Station Hill, Reading RG1 1NB. The Condensed Group Financial Statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

#### *Basis of preparation and statement of compliance with IFRS*

The annual financial statements are prepared in accordance with UK-adopted International Accounting Standards ("IAS"). These condensed financial statements have been prepared in accordance with UK-adopted IAS 34 'Interim Financial Reporting'. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the latest audited financial statements, for the year ended 31 March 2025.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2025, except for the following amendments which apply for the first time in 2025/26. However, the below are not expected to have a material impact on the Group's financial statements as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

The following new standards and amendments are effective for the period beginning 1 April 2025:

- Lack of exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates).

This amendment has had no material effect on the interim condensed consolidated financial statements. The following amendments are effective for the annual reporting period beginning 1 April 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

The following standards and amendments are effective for the annual reporting period beginning 1 April 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Group is currently assessing the impact of these new accounting standards and amendments.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

#### *Going concern*

IFRS accounting standards require the Directors to consider the appropriateness of the going concern basis when preparing the interim financial statements. The Directors have taken notice of the Financial Reporting Council guidance 'Guidance on the going concern basis of accounting and reporting on solvency and liquidity risks' which requires the reasons for this decision to be explained.

Management has prepared cash flow forecasts up to 31 March 2027, which the Directors have approved. The period to 31 March 2027 covers the current and next financial years and includes the 12-month period from the date of signing these interim financial statements which is defined as the going concern review period. These forecasts show that during the going concern review period the Group is expected to generate sufficient cash from its operations to settle its liabilities as they fall due without the requirement for additional borrowings. Inflationary increases have been modelled using the OBR inflation

forecasts for that period, and interest rate increases have been included in the forecast based on latest market projections.

The Group's banking facility is in place until March 2029 and gives the Group access to a revolving credit facility of £120 million with an accordion of £50 million. The facility is subject to two covenants - net leverage and interest cover. These covenants were not breached during the period, nor are any breaches forecast in the going concern period. The Group does not have any non-financial covenants. At 30 September 2025, the Group had £10.8 million of cash in the bank, and £47.0 million of undrawn non-accordion revolving credit facility.

Management has also performed some scenario modelling to further assess the going concern assumption of the Group over the going concern period. Firstly, management have modelled a scenario which threatens the going concern position, considering the sooner of the point at which the banking covenants are breached or the Group requiring additional funding. In this worst case scenario, revenue is modelled to decrease significantly, partially offset with a reduction in staff bonuses. The headroom between this scenario and current performance, and the budget and latest forecast, is significant and a decrease of this magnitude is considered to be extremely unlikely. In addition, the Group has several additional cost reduction and cash preservation levers it could utilise, which include managing staff costs through a hiring freeze or a reduction in workforce, a reduction in capital expenditure, and a reduction of dividends if this worst case scenario was to happen. Another scenario modelled was a reasonable downside scenario, where no growth is experienced in revenues not related to compliance. The result of this reasonable downside scenario was that even with no actions to reduce costs in line with the revenue decrease, the Group remained profitable and complied comfortably with its banking covenants. This reasonable downside scenario is considered to be very unlikely, as historically the Group has always performed discretionary work for its customers.

The Directors have reviewed the historical accuracy of the Group's budgets/forecast. The Group's prior year performance was compared to the budget/forecast, and actual revenue was within 1% of the forecast figure, and adjusted EBITDA was within 4% of the forecast figure. Actual results were ahead of forecast in both cases. This demonstrates that the Group's forecasting process is at a sufficient standard to be able to place reliance on it when making a going concern assessment. The financial performance in the current period has been favourable when compared to budget. The Directors, after reviewing the Group's budget and longer-term forecast models, including the worst case scenario referred to above, conclude that the Group has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing these interim financial statements.

In terms of the wider macroeconomic and financial situation, the increase in the rate of inflation has stabilised at a lower level than in recent years, although management is monitoring the situation with Russia and Ukraine as well as the situation in the Middle East as any further escalations could trigger further price increases with potential for related interest rate increases. The Group does have protection for any increases in the inflation rate built into customer contracts, which stipulate that the price charged can be increased by an inflationary amount. Pricing on indexation-linked contracts continues to be reviewed and prices are uplifted accordingly as contracts are renewed. Whilst higher interest rates have led to higher finance expenses this has been modelled in the Group's forecasts and is not considered a significant risk. The Group also monitors other macro events both UK centric and globally to assess the potential impact on its trading environment. It does not foresee that there is anything currently in the news that would have a material impact in terms of going concern.

#### ***Alternative performance measures (APMs)***

The Group presents APMs within its interim report, these APMs are not defined under the requirements of IFRS. These include those that are visible from the consolidated statement of comprehensive income and the following key APMs: adjusted EBITDA, adjusted EBITDA margin, adjusted diluted earnings per share, and leverage. Management believes that the presentation of these APMs provides stakeholders with additional information on the underlying performance of the business, as well as aiding comparability between reporting periods by adjusting for factors which affect IFRS performance measures. These APMs are not a substitute for or superior to IFRS measures. The Group's APMs are defined, explained and reconciled to the nearest statutory measure within the Chief Financial Officer's review.

#### ***Non-trading and exceptional items***

To assist in understanding its underlying performance, the Group has defined the following items of income and expense as non-trading and exceptional items as they either reflect items which are exceptional in nature or size or are associated with the amortisation of acquired intangibles and share based payments. Items treated as non-trading and exceptional include:

- Profits or losses on disposal of assets or businesses, which are considered to be non-trading in nature as these do not reflect the underlying performance of the Group. These transactions tend to be material in value, and the timing can be uncertain. The impact on the financial statements can be significant and can distort certain key performance indicators, such as basic EPS;
- Corporate transaction and restructuring costs are considered to be exceptional in nature as these can be material and are not a reflection of the underlying performance of the Group. The timing of these costs can vary, and amounts can differ significantly year on year, which can have a distortive impact on the statutory measures of performance;
- Amortisation of customer-related intangibles acquired as part of a business combination is considered to be non-trading as this is a material cost linked to non-trading activity, which does not reflect the underlying performance of the Group, and users of the accounts expect to be able to assess the profitability and growth of the Group excluding this figure;
- Changes in the fair value of contingent consideration - these movements do not reflect underlying trade and the timing of these items can be significantly different from the date of the original transaction to which they relate. They

- do not reflect the underlying performance of the Group as a whole;
- Expenses deemed as post-acquisition remuneration under IFRS 3 are considered to be exceptional in nature. Without the link to continuing employment, these costs would have been treated as consideration and are material;
- Share-based payments, which are considered a non-trading cost as the IFRS 2 charge is a significant non-cash cost, and along with the related National Insurance is excluded from the results for the purposes of measuring performance for Performance Share Plan (PSP) awards and also dividend amounts. Additionally, the large non-cash related credits go directly to equity and so have a limited impact on the reserves of the Group; and
- the related tax effect of these items.

Any other non-recurring items are considered individually for classification as non-trading or exceptional by virtue of their nature or size.

The separate disclosure of these items allows a clearer understanding of the trading performance on a consistent and comparable basis, together with an understanding of the effect of non-recurring or large individual transactions upon the overall profitability of the Group.

The non-trading and exceptional items have been included within the appropriate classifications in the consolidated income statement. Further details are given in note 3.

### ***Critical accounting estimates and judgments***

The Group makes certain estimates and assumptions within the course of business. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. In the future, actual experience may differ from these estimates and assumptions. Significant judgements are separately identified where applicable. The Directors have reviewed the accounting estimates and judgements made, and have determined that there are no critical estimates in the period, but there are two critical judgements, relating to the valuation of the Polaris acquisition-related remuneration accrual, and also the valuation of contract assets - accrued income within the unbilled element of pensions, investment and administration services.

#### ***Acquisition-related remuneration***

A payment of up to £35.0 million is payable in 2028/29 relating to the acquisition of Polaris Actuaries and Consultants Limited in February 2025. See note 6 to the March 2025 accounts for further details relating to this transaction. Because the £35.0 million includes a clause linked to continuing employment, under IFRS 3 this amount is not treated as consideration but instead is treated as a post-acquisition remuneration accrual. The amount paid is contingent on achieving certain stretching business performance criteria, as well as the continuing service condition already referred to. Judgements have been applied by Management when assessing the expected figure to be paid at the end of the three years.

#### ***Contract assets - accrued income***

Management will make a judgment as to whether a project is in an accrued or deferred position at the end of each month/reporting period. This judgement is based on the time recorded against each client project versus the amount billed, as well as other factors including expected recoverability levels based on past experience, the nature of the work undertaken, and to what extent the performance obligations have been met, all in line with IFRS 15.

### ***Functional and presentation currency***

The financial statements are presented in British Pounds which is the functional currency of all Group entities. Figures are rounded to the nearest thousand.

## **2 Financial information**

The financial information in this report was formally approved by the Board of Directors on 19 November 2025. The financial information set out in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

Statutory accounts prepared under UK adopted IFRS for the year ended 31 March 2025 for XPS Pensions Group plc have been delivered to the Registrar of Companies. The auditor's report on these accounts was not qualified, did not draw attention to any matters by way of emphasis and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The financial information in respect of the period ended 30 September 2025 is unaudited but has been reviewed by the Group's auditor. Their report is included at the end of this document. The financial information in respect of the period ended 30 September 2024 was unaudited but was reviewed by the Group's auditor.

## **3 Non-trading and exceptional items**

|                                                   | Period ended<br>30 September 2025 |                                           |                                   | Period ended<br>30 September 2024 |                                           |                                   |
|---------------------------------------------------|-----------------------------------|-------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------------------|-----------------------------------|
|                                                   | Unaudited                         |                                           |                                   | Unaudited                         |                                           |                                   |
|                                                   | Total<br>before tax               | Tax on<br>adjusting<br>items <sup>4</sup> | Adjusting items<br>after taxation | Total<br>before tax               | Tax on<br>adjusting<br>items <sup>4</sup> | Adjusting items<br>after taxation |
|                                                   | £'000                             | £'000                                     | £'000                             | £'000                             | £'000                                     | £'000                             |
| Acquisition-related remuneration <sup>1</sup>     | (5,391)                           | -                                         | (5,391)                           | (1,106)                           | -                                         | (1,106)                           |
| <b>Exceptional items</b>                          | <b>(5,391)</b>                    | <b>-</b>                                  | <b>(5,391)</b>                    | <b>(1,106)</b>                    | <b>-</b>                                  | <b>(1,106)</b>                    |
| Share-based payment costs <sup>2</sup>            | (4,078)                           | 797                                       | (3,281)                           | (3,712)                           | 912                                       | (2,800)                           |
| Amortisation of acquired intangibles <sup>3</sup> | (4,736)                           | 1,184                                     | (3,552)                           | (3,414)                           | 854                                       | (2,560)                           |
| <b>Non-trading items</b>                          | <b>(8,814)</b>                    | <b>1,981</b>                              | <b>(6,833)</b>                    | <b>(7,126)</b>                    | <b>1,766</b>                              | <b>(5,360)</b>                    |
| <b>Total</b>                                      | <b>(14,205)</b>                   | <b>1,981</b>                              | <b>(12,224)</b>                   | <b>(8,232)</b>                    | <b>1,766</b>                              | <b>(6,466)</b>                    |

1 Acquisition related remuneration of £5.4 million in the period relates to the acquisition of Polaris in February 2025, and acquisition related remuneration of £1.1 million in the prior period relates to contingent amounts owed to the vendor as acquisition-related remuneration in respect of the acquisition of Penfida Limited. For both the Polaris and the Penfida acquisitions, as continued employment is one condition of the share purchase agreements, then in accordance with IFRS 3, the entire additional amount must be treated as a post-transaction employment cost accruing over the deferment period (to March 2028 for Polaris, and to September 2024 for Penfida). These additional amounts are material in size and one-off in nature. As such, in line with the Group's accounting policies, and the treatment adopted in prior periods, they have been classified as exceptional items. The entire Penfida acquisition-related remuneration of £3,500,000 was paid in October 2024. Users of the financial statements expect these costs to be disclosed separately, to aid visibility of underlying performance. The timing of these costs can also vary and are normally not aligned with the related benefits of the transaction.

2 Share-based payment expenses and related National Insurance are included in non-trading and exceptional costs as the IFRS 2 charge is a significant non-cash cost, and these costs are excluded from the results for the purposes of measuring performance for Performance Share Plan (PSP) awards and dividend amounts. Additionally, the largely non-cash related credits go directly to equity and so have a limited impact on the reserves of the Group. They are therefore shown as a non-trading item to give clarity to users of the financial statements on the profit figures that dividends and PSP performance are based on.

3 During the period the Group incurred £4.7 million of amortisation charges in relation to acquired intangible assets (customer-related intangibles acquired as part of a business combination) (H1 2024/25: £3.4 million). As this figure is material, and is linked to non-trading activity, management excludes this cost when reviewing and reporting on the underlying performance of the Group. Similarly, users of the financial statements expect to be able to assess the profitability and growth of the Group excluding this figure.

4 The tax credit on exceptional and non-trading items of £2.0 million (H1 2024/25: £1.8 million) represents a credit of 14% (H1 2024/25: 21%) of the non-trading and exceptional items incurred of £14.2 million (H1 2024/25: £8.2 million). This is different to the expected tax credit of 25% (H1 2024/25: 25%), as various adjustments are made to tax including for deferred tax and the exclusion of amounts not allowable for tax.

#### 4 Operating segments

In accordance with IFRS 8 'Operating Segments', an operating segment is defined as a business activity whose operating results are reviewed by the chief operating decision maker ('CODM') and for which discrete information is available. The Group's CODM is the Board of Directors.

The Group has one operating segment, and one reporting segment due to the nature of services provided across the whole business being the same, consulting and administration services to UK pension schemes and insurance companies. The Group's revenues, costs, assets, liabilities and cash flows are therefore totally attributable to this reporting segment. The table below shows the disaggregation of the Group's revenue, by product line.

|                                 | 2025<br>Unaudited<br>£'000 | 2024<br>Unaudited<br>£'000 |
|---------------------------------|----------------------------|----------------------------|
| Revenue from external customers |                            |                            |
| Actuarial and Consulting        | 63,301                     | 52,107                     |
| Investment Consulting           | 10,438                     | 10,011                     |
| <b>Advisory</b>                 | <b>73,739</b>              | <b>62,118</b>              |
| Administration                  | 48,053                     | 45,233                     |
| SIP <sup>1</sup>                | 6,734                      | 6,063                      |
| <b>Total</b>                    | <b>128,526</b>             | <b>113,414</b>             |

1 Self Invested Pensions (SIP) business, incorporating both SIPP and SSAS products.

## 5 Earnings per share

|                                                    | 30 September<br>2025<br>Unaudited<br>£'000 | 30 September<br>2024<br>Unaudited<br>£'000 |
|----------------------------------------------------|--------------------------------------------|--------------------------------------------|
| <b>Profit for the period</b>                       | <b>8,641</b>                               | <b>13,038</b>                              |
| Weighted average number of shares:                 | '000                                       | '000                                       |
| Weighted average number of shares in issue         | 204,948                                    | 207,273                                    |
| Effects of:                                        |                                            |                                            |
| Outstanding share options                          | 10,780                                     | 12,958                                     |
| Diluted weighted average number of ordinary shares | 215,728                                    | 220,231                                    |
| Basic earnings per share (pence)                   | 4.2                                        | 6.3                                        |
| Diluted earnings per share (pence)                 | 4.0                                        | 5.9                                        |

The calculation of basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

The Group has invested in shares for its Employee Benefit Trust ('EBT'). These have been used to satisfy vested share options within the period.

### *Adjusted earnings per share*

|                                                     | 30 September<br>2025<br>Unaudited<br>£'000 | 30 September<br>2024<br>Unaudited<br>£'000 |
|-----------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Adjusted profit after tax                           | 20,865                                     | 19,504                                     |
| Adjusted basic earnings per share (pence)           | 10.2                                       | 9.4                                        |
| Diluted adjusted earnings per share (pence) – total | 9.7                                        | 8.9                                        |

The adjusted profit after tax is the trading profit after tax and excludes the exceptional and non-trading items disclosed in note 3.

## 6 Loans and borrowings

At 30 September 2025, the Group had drawn down £73.0 million (31 March 2025: £55.0 million) of its £120.0 million revolving credit facility. The current revolving facility agreement was entered into on 27 March 2025 and has a 4-year term. Interest is calculated at a margin above SONIA (Sterling Overnight Index Average), subject to a net leverage test. The related fees for access to the facility are included in the consolidated statement of comprehensive income.

Capitalised loan-related costs are amortised over the life of the loan to which they relate.

Total debt net of capitalised arrangement fees was £72.1 million (31 March 2025: £54.0 million).

Net debt for bank reporting purposes:

|                                 | Period ended<br>30 September<br>2025<br>Unaudited<br>£'000 | Period ended<br>31 March<br>2025<br>Audited<br>£'000 |
|---------------------------------|------------------------------------------------------------|------------------------------------------------------|
| Drawn revolving credit facility | 73,000                                                     | 55,000                                               |
| Less: cash                      | (10,843)                                                   | (14,717)                                             |
| <b>Net debt</b>                 | <b>62,157</b>                                              | <b>40,283</b>                                        |

## 7 Share capital

|                                          | Ordinary<br>shares<br>(£'000)<br>30 September<br>2025 | Ordinary<br>shares<br>(£'000)<br>30 September<br>2025 | Ordinary<br>shares<br>(£'000)<br>31 March<br>2025 | Ordinary<br>shares<br>(£'000)<br>31 March<br>2025 |
|------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------|---------------------------------------------------|
| In issue at the beginning of the period  | 208,355                                               | 104                                                   | 207,545                                           | 104                                               |
| Issued during the period                 | -                                                     | -                                                     | 810                                               | -                                                 |
| <b>In issue at the end of the period</b> | <b>208,355</b>                                        | <b>104</b>                                            | <b>208,355</b>                                    | <b>104</b>                                        |

|                                                          | 30 September<br>2025<br>(£'000) | 30 September<br>2025<br>(£'000) | 31 March<br>2025<br>(£'000) | 31 March<br>2025<br>(£'000) |
|----------------------------------------------------------|---------------------------------|---------------------------------|-----------------------------|-----------------------------|
| <i>Allotted, called up and fully paid</i>                |                                 |                                 |                             |                             |
| Ordinary shares of 0.05p (March 2025: 0.05p) each        | 204,465                         | 102                             | 203,654                     | 102                         |
| <i>Shares held by the Group's Employee Benefit Trust</i> |                                 |                                 |                             |                             |
| Ordinary shares of 0.05p (March 2025: 0.05p) each        | 3,890                           | 2                               | 4,701                       | 2                           |
| <b>Shares classified in shareholders' funds</b>          | <b>208,355</b>                  | <b>104</b>                      | <b>208,355</b>              | <b>104</b>                  |

The Group has invested in the shares for its Employee Benefit Trust ('EBT'). These shares are held on behalf of employees and legal ownership will transfer to those employees on the exercise of an award. This investment in own shares held in trust is deducted from equity in the consolidated statement of changes in equity.

## 8 Reserves

The following describes the nature and purpose of each reserve within equity:

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| Reserve                   | Description and purpose                                                                                                                                   |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Retained earnings:        | All net gains and losses recognised through the consolidated statement of comprehensive income.                                                           |
| Share premium:            | Amounts subscribed for share capital in excess of nominal value.                                                                                          |
| Merger relief reserve:    | The merger relief reserve represents the difference between the fair value and nominal value of shares issued on the acquisition of subsidiary companies. |
| Investment in own shares: | Cost of own shares held by the EBT.                                                                                                                       |

## 9 Dividends

*Amounts recognised as distributions to equity holders of the parent in the period*

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|                                                                              | 30 September<br>2025<br>Unaudited<br>£'000 | 30 September<br>2024<br>Unaudited<br>£'000 |
|------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Final dividend for the year ended 31 March 2025: 8.2p per share (2024: 7.0p) | 16,697                                     | 14,577                                     |

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|                                                                         | 30 September<br>2025<br>Unaudited<br>£'000 | 30 September<br>2024<br>Unaudited<br>£'000 |
|-------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| Interim dividend for the year ending 31 March 2026 of 4.1p (2025: 3.7p) | 8,412                                      | 7,664                                      |

The final dividend for 2024/25 was paid on 22 September 2025. The final dividend has been reflected in the Statement of Changes in Equity.

The interim dividend was approved by the Board on 19 November 2025 and has not been included as a liability at 30 September 2025.

## 10 Related party transactions

**Key management emoluments during the period**

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|            | 30 September<br>2025<br>Unaudited<br>£'000 | 30 September<br>2024<br>Unaudited<br>£'000 |
|------------|--------------------------------------------|--------------------------------------------|
| Emoluments | 659                                        | 563                                        |

|                                                       |              |              |
|-------------------------------------------------------|--------------|--------------|
| Share-based payments                                  | 1,356        | 1,026        |
| Company contributions to money purchase pension plans | 15           | 15           |
| Social security costs                                 | 138          | 104          |
|                                                       | <b>2,168</b> | <b>1,708</b> |

1,038,156 shares were exercised by Directors in the period (H1 FY25: 922,615).

#### Non-executive emoluments during the period

|                       | 30 September<br>2025<br>Unaudited<br>£'000 | 30 September<br>2024<br>Unaudited<br>£'000 |
|-----------------------|--------------------------------------------|--------------------------------------------|
| Emoluments            | 244                                        | 250                                        |
| Social security costs | 34                                         | 31                                         |
|                       | <b>278</b>                                 | <b>281</b>                                 |

## 11 Financial Instruments

The fair values and the carrying values of financial assets and liabilities are not materially different.

## Responsibility Statement

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' and provide a true and fair view as required by DTR 4.2.10;
- the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of the important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

On behalf of the Board,

**Snehal Shah**  
Chief Financial Officer  
19 November 2025

## INDEPENDENT REVIEW REPORT TO XPS PENSIONS GROUP PLC

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2025 is not prepared, in all material respects, in

accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2025 which comprises of the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Statement of Cash Flows and related notes.

### **Basis for conclusion**

We conducted our review in accordance with the International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

### **Conclusions relating to going concern**

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410, however future events or conditions may cause the group to cease to continue as a going concern.

### **Responsibilities of directors**

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the review of the financial information**

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

### **Use of our report**

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP

Chartered Accountants

London, UK

19 November 2025

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