FD Technologies plc
("FD Technologies" or the "Group")
3 June 2025

Results for the 12 months ended 28 February 2025

Strong performance in FY25; prioritising efficient growth in FY26

Year to February (£m)[1]	FY25	FY24	YoY (+/-)
ACV[2] added	18.0	13.5	+33%
ARR[3]	81.8	72.5	+13%
Revenue	80.7	79.1	+2%
Loss before tax from continuing operations	(29.1)	(20.3)	NM
Net cash/(debt)[4]	55.1	(18.5)	NM
Reported diluted loss per share (p)	(94.2)p	(74.9)p	NM
Adjusted performance measures			
Adj. EBITDA[5]	6.5	5.1	+27%
Cash EBITDA[6]	(14.6)	(18.8)	NM
Adj. diluted loss per share (p)	(48.9)p	(39.5)p	NM

Highlights

- KX continued to execute well in the second half of the year, delivering FY bookings growth at the top end of our guidance range and ahead of consensus[7] expectations, with £18.0 million annual ACV (FY24: £13.5 million), +33 per cent YoY.
- KX achieved annual recurring revenue +13 per cent to £81.8 million (FY24: £72.5 million), a significant milestone exceeding $100 million[8] for the first time.
- As flagged in our March trading update, Cash EBITDA was ahead of previous guidance and above the top end of consensus expectations with a loss of £14.6 million (FY24: loss of £18.8 million).
- Bookings growth during the period was driven by expansion with existing financial services customers, and we expanded our market share in high-tech semiconductor manufacturing. In addition, we secured new business among tier 2 hedge funds and investment banks, as well as in the aerospace and defence sector.
- We divested MRP[9] and First Derivative, and subsequently returned £120 million to shareholders, closing the year with £55 million net cash and no debt.

Recommended cash offer for FD Technologies plc
On 8 May 2025, the Board unanimously recommended TA's cash offer for the business (under Kairos Bidco), which values FD Technologies at £24.50 per share or £570 million.

Outlook
In FY26, we expect ARR growth of at least 20 per cent and continue to target positive Cash EBITDA in FY27.

Seamus Keating, Group CEO of FD Technologies, commented:
"We made significant strategic and operational progress in FY25. With accelerating ARR growth and better-than-expected operating leverage, KX delivered a strong performance based on good ongoing execution. Meanwhile, our strategic repositioning of the Group during the period has unlocked significant shareholder value."

[1] All figures are only for KX's continuing operations and exclude the divested First Derivative business.
[2] Annual contract value: the sum of the value of each customer contract signed during the year divided by the number of years in each contract.
[3] Annual recurring revenue: the total value of recurring software revenue expected to be recognised over the next 12 months, on the final day of the reporting period.
[4] Excluding lease obligations.
[5] Earnings before interest, tax, depreciation and amortisation adjusted to exclude share-based payments, capitalised R&D, and exceptional items.
[6] Earnings before interest, tax, depreciation and amortisation adjusted to exclude share-based payments and exceptional items.
[7] On 28 February 2025, the Company-compiled analyst mean consensus estimates indicated £16.7 million in ACV added during the period (range £16.0-17.0 million), £82.8 million in ARR (range £81.2-84.5 million), and an £18.5 million Cash EBITDA loss (range of £16.3-20.1 million loss). The consensus included estimates from six analysts.
[8] £81.8 million ARR translated into US dollars was $103.1 million, using the US$/£ exchange rate of 1.26 on 28 February 2025.
[9] The Group retains a 49 per cent associate investment in Pharosiq, which resulted from the subsequent merger of MRP with CONTENTgine.

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About KX

KX is on a mission to make AI a commercial reality for the many by addressing data challenges that impede deployment at scale. By simultaneously ingesting and analysing high volumes of historical and real-time data, KX's AI-ready analytical database enables organisations to unlock the full value of their data to accelerate innovation and make faster, more confident decisions.

KX is the world's most performant, cost-effective and energy-efficient analytical database, delivering advanced data algorithms, insights and analytics at unmatched scale and speed. KX is trusted by the world's top investment banks, Aerospace and Defence, high-tech manufacturing and health and life sciences organisations and operates across North America, Europe, and Asia Pacific.
For further information, please visit www.fdtechnologies.com

Results presentation

An analyst and investor briefing to discuss the results will be held at 09:30 BST. This is only accessible via a live webcast and replay facility. To register to access the webcast, please follow the following link:
https://sparklive.lseg.com/FirstDerivatives/events/221e4977-5ef8-4faa-a1da-3a58167a524e/fd-technology-plc-s-fy25-results

Chief Executive's review

A year of significant strategic progress

In FY25, we separated the Group's three businesses, divesting MRP and First Derivative. Henceforth, KX is the Group's sole continuing operation.

KX is a high-growth subscription software business. It operates in advanced data analytics and AI and has an industry-leading technology platform for managing and analysing historical and real-time structured and unstructured data at any scale.

As these results demonstrate, momentum is accelerating in KX bookings and ARR growth, and the business is on course to deliver sustainable operating leverage over the long term, with cash EBITDA reaching breakeven in FY27.

Following the completion of the disposal of First Derivative for an enterprise value of £230 million in December 2024, we returned £120 million to shareholders via a tender offer in January 2025, reflecting our commitment to maintaining an efficient balance sheet and maximising shareholder value.

Recommended cash offer for FD Technologies plc

On 8 May 2025, the Board unanimously recommended TA's cash offer for the business (under Kairos Bidco), which values FD Technologies at £24.50 per share or £570 million. I believe TA is a valuable partner for the Company with a shared commitment to enhancing KX's business and capitalising on the longer-term opportunity in the data and analytics software market.

TA has significant experience supporting in high-growth global software businesses, and we believe it is a suitable and appropriate partner for our employees, customers, and other stakeholders.

FY25 business performance

In FY25, KX delivered a strong financial performance, as our strategic focus on delivering advanced data and analytics capabilities into high-growth sectors yielded significant wins across our core verticals. We generated an incremental £18.0 million in annual contract value (ACV) at the top end of our guidance range of £16-18 million. Annual recurring revenue (ARR) increased by 13 per cent to £81.8 million (FY24: £72.5 million); this marks a strategic milestone, with ARR surpassing $100 million[*] for the first time. Reported revenue increased by 2 per cent to £80.7 million (FY24: £79.1 million). KX reported an operating loss of £(23.4) million (FY24: £(15.6) million, with an adjusted EBITDA of £6.5 million (FY24: £5.1 million).

We continue to see strong interest and adoption of our KX Insights products, and we are continually enhancing platform accessibility for developers and analysts. Momentum is building for our new AI capabilities among existing customers and new logos.

In the year, 35 per cent of ACV bookings came from industries outside financial services, with notable contributions from aerospace and defence, and industrial IoT.

Strategic highlights

Our mission is to transform industries by enabling organisations to harness high-frequency time-series data, unstructured data, and AI-driven models with unparalleled speed, accuracy, and efficiency.

To achieve this ambition, we have a product portfolio strategy that leverages our differentiation by offering a unified, real-time, time-series AI data platform. We also invest in industry-focused product offerings, targeting further growth in financial services and additional opportunities in industries such as aerospace, defence, and industrial IoT.

Furthermore, we prioritise an efficient go-to-market strategy, focusing on repeatable use cases, primarily through a direct sales model, while also collaborating with strategic partners to generate awareness and demand.

Among our key strategic achievements in FY25 were the following:

- In financial services, we achieved significant expansion bookings with existing customers.
- We achieved notable wins with cloud service partners, enabling customers to deploy KX solutions seamlessly on leading cloud platforms.
- We participated in several initiatives with NVIDIA to support customers in building their advanced AI capabilities.
- We also secured significant new logos at global semiconductor companies through our collaborative partnerships with Applied Materials and Synopsys.

Our markets

With a heritage in the financial services industry, the KX time-series AI data platform is trusted by many of the world's top investment banks and asset managers. We have a significant global market opportunity to expand our presence with existing and new financial services customers. Our software has applications in satellite imagery analysis and signal processing in the aerospace and defence industry. Additionally, we are expanding our presence in the industrial Internet of Things (IoT), specifically for the high-tech semiconductor manufacturing sector, where our software is utilised to enhance machine production lines and improve uptime on the factory floor.

In our assessment of our current serviceable addressable market (SAM), we estimate that the opportunity in our existing markets, utilising our current products, exceeds $8 billion and is growing rapidly.

We focus on several strategic growth opportunities, including:

- Expanding further in financial services as customers deploy our platform across new asset classes and divisions.
- Adding new customers in the financial services industry, specifically among tier-2 and tier-3 investment banks, asset managers and hedge funds.
- Other focus markets, for example, the aerospace and defence industry and industrial IoT.
- Through innovation to sustain our industry leadership position, develop new capabilities, and shorten time-to-value through industry accelerators.
- Through building close relationships with key strategic partners.

Priorities for FY26

We have a robust pipeline of opportunities for FY26, with a healthy mix of expansion and new logo opportunities across financial services, aerospace, defence, and industrial IoT. To execute our growth plans effectively, we prioritise our investment into the following:

- **Accelerate our go-to-market motion:** we aim to optimise our go-to-market efforts and expand customer reach in core sectors.
- **Further expansion in financial services:** we can leverage our loyal network of evangelical users in financial services to solidify our market position further.
- **Innovation, driving flexibility and accessibility:** enhanced functionality (PyKX, AI tools) is helping us to unlock new customer opportunities and further accelerate our go-to-market motion.
- **Build on the new vertical market opportunities:** we continue to evaluate opportunities in regulated sectors, including aerospace and industrial applications.

Sustainability
This has been a year of significant change and transition. Our business started FY25 with 2,400 employees, and today, that number has decreased to just under 600, following the sale of First Derivative, which resulted in the transfer of 1,523 colleagues to their new home at EPAM Systems Inc. In this year of transition, the Company remains deeply committed to developing a People strategy that aligns closely with that of an independent software business.

Being a responsible business is at the core of our sustainability approach. We ensure that sustainability is at the centre of the decision-making processes. We are committed to fostering a sustainable future through our dedication to the three pillars of sustainability: people, environment, and communities. These three pillars are directly linked to a range of key metrics that we measure across our business and are aligned with specific UN Sustainable Development Goals.

During the year, we successfully supported those employees transferring to new business owners, launched three KX employee resource groups (Pride, Women, and Neurodiversity), and rolled out several employee initiatives, including Culture Champions across all regions to ensure our people feel connected and part of the team.

We also deployed a new employee engagement platform, widely regarded as the industry's gold standard, to further strengthen our employee brand, attract top talent more effectively, and reinforce our commitment to fostering an exceptional workforce.

We are committed to reducing our carbon emissions in line with the UK government's targets and have several initiatives underway to embed carbon reduction into all aspects of our business operations, from employee travel to the use of clean energy in our offices and making sustainable choices throughout our supply chain.

Outlook
We made significant strategic and operational progress in FY25. With accelerating ARR growth and better-than-expected operating leverage, KX delivered a strong performance based on good ongoing execution.

Our focus for FY26 is to deliver efficient growth and demonstrate progress in delivering the significant operating leverage that is a feature of our business over the long term. We will prioritise our investments to accelerate deployment, time to value and ease of use, further simplifying our product model and enhancing sales productivity.

Consequently, in FY26, we expect ARR growth of at least 20 per cent and continue to target positive Cash EBITDA in FY27.

Seamus Keating
Group Chief Executive Officer, FD Technologies plc
3 June 2025

* £81.8 million ARR restated in US dollars was $103.1 million, using the US$/£ exchange rate of 1.26 on 28 February 2025

Finance review

Driving growth and value creation in FY25

In FY25, we prioritised efficient organic growth, innovation, and our people, and demonstrated our commitment to maximising shareholder value by returning excess capital to shareholders.

Revenue and margins

The table below shows the Group's performance in the year, with KX as the sole continuing operation.

	FY25 £m	FY24 £m	***(+/-)*** YoY
Revenue	**80.7**	79.1	***2%***
Cost of sales	**(13.1)**	(17.2)	***(24)%***
Gross profit	**67.7**	62.0	***9%***
Gross margin	*84%*	*78%*	
R&D expenditure	**(30.4)**	(30.2)	***1%***
R&D capitalised	**21.1**	23.9	***(12)%***
Net R&D	**(9.3)**	(6.2)	***49%***
Sales and marketing costs	**(32.6)**	(31.8)	***2%***
Adjusted admin expenses	**(19.3)**	(18.8)	***3%***
Adjusted EBITDA	**6.5**	5.1	***27%***
Adjusted EBITDA margin	*8%*	*6%*	
Cash EBITDA	**(14.6)**	**(18.8)**	**(22)%**

KX

In FY25, our continuing operations at KX generated an additional £18.0 million in annual contract value (ACV), an increase of 33 per cent YoY (+33 per cent at constant currency). Reported revenue rose to £80.7 million, an increase of 2 per cent YoY (+3 per cent at constant currency). At the end of the period, annual recurring revenue (ARR) was £81.8 million, reflecting growth of 13 per cent YoY (+13 per cent at constant currency).

	KX Total			**Financial services**			**Industry**		
	FY25 £m	FY24 £m	(+/-) YoY	**FY25 £m**	FY24 £m	(+/-) YoY	**FY25 £m**	FY24 £m	(+/-) YoY
Revenue	**80.7**	79.1	*2%*	**61.7**	62.5	*(1%)*	**19.0**	16.6	*14%*
Recurring	**76.0**	68.4	*11%*	**59.0**	56.4	*5%*	**17.0**	12.0	*42%*
Perpetual	**0.9**	2.3	*(61%)*	**0.0**	0.1	*(100%)*	**0.9**	2.2	*(60%)*
Total software	**76.9**	70.7	*9%*	**59.0**	56.5	*4%*	**17.9**	14.2	*26%*
Services	**3.8**	8.5	*(55%)*	**2.7**	6.0	*(55%)*	**1.1**	2.4	*(55%)*
Gross profit	**67.7**	62.0							
Adj. EBITDA	**6.5**	5.1							

Revenue growth drivers included an 11 per cent increase in recurring license fees to £76.0 million, countered by a reduction in services revenues to £3.8 million. This decline in services aligns with our strategy to focus on software revenue, which reflects the increased ease of adopting our software, resulting in a reduced need for implementation services. As a result of this shift, the gross margin improved to 84 per cent (FY24: 78 per cent) with the reduction in lower-margin services and a higher proportion of software in the mix.

During the year, we generated £18.0 million in additional ACV (FY24: £13.5 million). Perpetual license fees primarily relate to ongoing customer engagements initiated before we focused exclusively on subscription sales for new customers. We made encouraging progress in transitioning several of these legacy agreements to more favourable terms, reflecting the value our products deliver.

During FY25, there was a 1 per cent decline in financial services revenue to £61.7 million, after the 5 per cent increase in recurring software revenue was offset by a 55 per cent decline in services revenue. We are encouraged to see existing and new customers adopting KX Insights, attracted by its performance, ease of use, and rapid time to value; our native integration with essential developer languages, such as Python and SQL, has facilitated this trend.

Industry revenue grew by 14 per cent to £ 19.0 million, with recurring revenue rising by 42 per cent to £17.0 million. The aerospace, defence, and high-tech semiconductor manufacturing sectors primarily drove this growth.

ARR increased by 13 per cent to £81.8 million (FY24: £72.5 million), while our net retention rate (NRR) was 108 per cent, slightly down on the 110 per cent achieved in FY24. This decline was mainly due to an expected higher churn rate in the second half of the year, resulting in an overall gross retention rate (GRR) of 89 per cent for the year, 92% in FY24.

We continue to invest in innovation at KX to maintain our industry leadership and develop future features and products that will enable us to expand our footprint with existing customers and acquire new ones.

Cash EBITDA was £(14.6) million, compared with £(18.8) million a year ago. This result exceeded expectations and our guidance for a similar outcome in FY24. The better-than-expected performance reflects our focus on efficient growth and the timing of certain investments.

Adjusted EBITDA

The reconciliation of operating loss to adjusted EBITDA and cash EBITDA is provided below. Notably, we incurred £6.5 million in restructuring and non-operational costs in the period, primarily relating to the organisational restructuring to separate the First Derivative business of £2.7 million and restructuring costs of £2.5 million. The increase in depreciation and amortisation reflects the expected flow of previously capitalised R&D expenditure.

	FY25	FY24[1]
	£m	£m
Operating loss	**(23.4)**	(15.6)
Restructure and non-operational costs[2]	**6.5**	2.1
Share-based payment and related costs	**1.6**	1.1
Depreciation and amortisation	**21.7**	17.5
Adjusted EBITDA	**6.5**	5.1
R&D capitalised	**(21.1)**	(23.9)
Cash EBITDA	**(14.6)**	(18.8)

[1] FY24 has been restated excluding discontinued operations

[2] Non-operational costs include ERP implementation costs that are required to be expensed under accounting standards

Loss before tax

Adjusted loss before tax increased to £18.3 million (FY24: £15.5 million), resulting from higher software amortisation costs due to the investment in R&D.

Reported loss before tax from continuing operations reached £29.1 million for the period, compared to £20.3 million in FY24 as restated.

The reconciliation of adjusted EBITDA to reported loss before tax is provided below.

	FY25	FY24[1]
	£m	£m
Cash EBITDA	**(14.6)**	(18.8)
Adjustments for:		
R&D capitalised	**21.1**	23.9
Adjusted EBITDA	**6.5**	5.1
Adjustments for:		
Depreciation	**(3.7)**	(3.6)
Amortisation of software development costs	**(17.9)**	(13.6)
Net financing costs	**(3.2)**	(3.5)
Adjusted loss before tax	**(18.3)**	(15.5)
Adjustments for:		
Amortisation of acquired intangibles	**(0.2)**	(0.4)
Share-based payment and related costs	**(1.6)**	(1.1)
Restructure and non-operational costs	**(6.5)**	(2.2)
Loss on foreign currency translation	**(0.7)**	(1.1)
Profit on disposal of associate	**—**	0.1
Impairment	**(0.2)**	—
Share of loss from associate	**(1.3)**	—
Net financing costs	**(0.4)**	(0.2)
Reported loss before tax from continuing operations	**(29.1)**	(20.3)

[1]FY24 Reported loss before tax has been restated excluding loss before tax from discontinuing operations of £17.7m

Discontinued Operations

Following the completion of the divestment in December 2024, we report the nine-month contribution from the First Derivative business within discontinued operations, with FY24 restated for comparison purposes.

The total profit before tax from discontinued operations was £195.5 million (FY24: £17.7 million loss).

Loss per share

The group reported a loss after tax of £ 26.4 million for the year from continuing operations, compared to £21.0 million in FY24. Adjusted loss after tax was £13.7 million, compared to £11.0 million in FY24, resulting in an adjusted diluted loss per share for the period of 48.9 pence. The adjusted loss after-tax calculation is shown below.

	FY25	FY24
	£m	£m
Reported loss before tax from continued operations	**(29.1)**	(20.3)
Tax	**2.7**	(0.7)
Profit/(loss) from discontinued operations	**190.4**	(19.7)
Reported profit/(loss) after tax	**164.0**	(40.8)
Adjustments from loss before tax (as per the table above)	**10.8**	4.8
Tax effect of adjustments	**(1.1)**	(0.5)
(Profit)/loss from discontinued operations	**(190.4)**	19.7
Discrete tax items	**3.0**	5.7
Adjusted loss after tax	**(13.7)**	(11.0)
Weighted average number of ordinary shares (diluted)	**28.1m**	28.1m
Reported LPS (diluted) - continuing operations	**(94.2p)**	(74.9)p
Adjusted LPS (diluted) - continuing operations	**(48.9p)**	(39.5)p

Cash generation and net cash (excluding lease liabilities)

KX generated £12.1 million of cash from operating activities (FY24: £19.3 million). At the end of the period, we had a net cash position from continuing operations of £55.1 million, up from the FY24 position of net debt of £18.5 million. The factors impacting the movement are summarised in the table below:

	FY25	FY24[1]
	£m	£m
Opening net debt (excluding lease liabilities)	**(18.5)**	(9.0)
Cash generated from operating activities	**12.1**	19.3
Taxes paid	**(1.1)**	(0.9)
Capital expenditure: property, plant and equipment	**(0.6)**	(0.3)
Capital expenditure: intangible assets	**(21.1)**	(23.9)
Disposal of other investments and associates	**(1.7)**	3.0
Investments	**—**	(0.2)
Disposal of subsidiaries	**211.4**	—
Issue of new shares	**1.1**	0.1
Repurchase of shares	**(120.0)**	—
Interest, foreign exchange and other	**(6.4)**	(6.6)
Closing net cash/(debt) (excluding lease liabilities) from continuing operations	**55.1**	(18.5)

[1] *FY24 net debt has been restated to exclude £4.1 million cash held by discontinued operations on 29 Feb 2024*

Definition of terms

The Group uses the following definitions for its key metrics:

Annual recurring revenue (ARR): the value, at the end of the accounting period, of recurring software revenue to be recognised in the next twelve months.

Annual contract value (ACV): the sum of the value of each customer contract signed during the year divided by the number of years in each contract.

Gross retention rate (GRR): GRR measures the proportion of ARR that we retain from the cohort of customers that existed twelve months earlier, before any expansion of those customers' subscriptions. Gross Retention Rate isolates revenue contraction and customer attrition and indicates the percentage of baseline ARR that was preserved over the trailing twelve-month period.

Net retention rate (NRR): NRR supplements GRR by also capturing the impact of ARR expansion within the same cohort of customers Net Retention Rate thus reflects customer renewals, contractions, churn, and expansions, and demonstrates our ability not only to maintain but also to grow revenue from our existing customer base over time.

Adjusted admin expenses: is a measure used in internal management reporting which comprises administrative expenses per the statement of comprehensive income of £49.7million (FY24: £35.8 million) adjusted for depreciation and amortisation of £21.7 million (FY24: £17.5 million), share based payments and related costs of £1.6 million (FY24: £1.1 million), restructuring and non-operational costs of £6.5 million (FY24: £2.1 million), impairment loss on trade and other receivables £0.0 million (FY24: £3.7 million) and other income £0.5 million (FY24: £0.0 million)

Consolidated statement of comprehensive income

Year ended 28 February 2025

	Note	**2025** **£'000**	2024 (restated) £'000
Continuing Operations			
Revenue	2	**80,729**	79,146
Cost of sales		**(13,057)**	(17,169)
Gross profit	2	**67,672**	61,978
Operating costs			
Research and development costs		**(30,376)**	(30,166)
– of which capitalised		**21,100**	23,929
Sales and marketing costs		**(32,564)**	(31,834)
Administrative expenses		**(49,706)**	(35,822)
Impairment loss on trade and other receivables		**—**	(3,740)
Total operating costs		**(91,546)**	(77,633)
Other income		**506**	15
Operating loss		**(23,368)**	(15,640)
Finance income		**816**	124
Finance expense		**(4,353)**	(3,809)
Loss on foreign currency translation		**(679)**	(1,065)
Net finance costs		**(4,216)**	(4,750)
Impairment		**(246)**	—
Share of loss from associate		**(1,280)**	—
Profit on disposal of associate		**—**	88
Loss before taxation		**(29,110)**	(20,304)
Income tax credit/(expense)		**2,684**	(735)
Loss for the year from continuing operations		**(26,426)**	(21,039)
Discontinued operations			
Profit/(loss) after tax for the year from discontinued operations	7	**190,440**	(19,745)
Profit/(loss) for the year attributable to owners of the Company		**164,014**	(40,784)

Consolidated balance sheet

As at 28 February 2025

	Note	**2025** **£'000**	2024 £'000
Assets			
Property, plant and equipment	4	**8,752**	14,581
Intangible assets and goodwill	5	**151,293**	154,040
Other financial assets		**6,065**	7,642
Investment in Associate		**12,367**	—
Trade and other receivables		**2,340**	2,146
Deferred tax assets		**13,420**	11,029
Non-current assets		**194,237**	189,438
Trade and other receivables		**40,829**	63,170
Current tax receivable		**4,978**	10,249
Cash and cash equivalents		**55,062**	20,787
Assets classified as held for sale	7	**—**	22,879
Current assets		**100,869**	117,085
Total assets		**295,106**	306,523
Equity			
Share capital		**110**	140
Capital redemption reserve		**31**	—
Share premium		**105,458**	104,120
Share option reserve		**20,657**	19,811
Fair value reserve		**(2,325)**	(723)
Currency translation adjustment reserve		**9,819**	441
Retained earnings		**57,516**	23,195
Equity attributable to owners of the Company		**191,266**	146,984
Liabilities			
Loans and borrowings	6	**5,029**	44,086
Trade and other payables		**3,131**	4,498
Deferred tax liabilities		**13,174**	11,562
Non-current liabilities		**21,334**	60,146
Loans and borrowings		**2,144**	2,466
Trade and other payables		**28,670**	33,690
Deferred income		**49,025**	43,176
Current tax payable		**129**	1,075
Employee benefits		**2,538**	6,349
Liabilities classified as held for sale	7	**—**	12,637
Current liabilities		**82,506**	99,393
Total liabilities		**103,840**	159,539
Total equity and liabilities		**295,106**	306,523

Consolidated statement of changes in equity

Year ended 28 February 2025

	Share capital £'000	Capital Redemption Reserve £'000	Share premium £'000	Share option reserve £'000	Fair value reserve £'000	Currency translation adjustment £'000	Retained earnings £'000	Total equity £'000
Balance at 1 March 2024	140	—	104,120	19,811	(723)	441	23,195	146,984
Total comprehensive income for the year								
Profit for the year	—	—	—	—	—	—	164,014	164,014
Other comprehensive income								
Net exchange loss on net investment in foreign subsidiaries	—	—	—	—	—	(1,191)	—	(1,191)
Net exchange loss on hedge of net investment in foreign subsidiaries	—	—	—	—	—	(64)	—	(64)
Transfer of reserve on disposal of subsidiaries	—	—	—	—	—	10,633	(10,633)	—
Net change in fair value of equity investments at FVOCI	—	—	—	—	(1,602)	—	—	(1,602)
Total comprehensive income for the year	—	—	—	—	(1,602)	9,378	153,381	161,157
Transactions with owners of the Company								
Tax relating to share options	—	—	—	190	—	—	—	190
Exercise of share options	1	—	1,080	—	—	—	—	1,081
Repurchase of shares	(31)	31	—	—	—	—	(120,000)	(120,000)
Issue of shares	—	—	258	—	—	—	—	258
Share based payment release	—	—	—	(940)	—	—	940	—
Share based payment charge	—	—	—	1,596	—	—	—	1,596
Balance at 28 February 2025	**110**	**31**	**105,458**	**20,657**	**(2,325)**	**9,819**	**57,516**	**191,266**

	Share capital £'000	Share premium £'000	Share option reserve £'000	Fair value reserve £'000	Currency translation adjustment £'000	Retained earnings £'000	Total equity £'000
Balance at 1 March 2023	140	103,789	18,974	3,002	5,354	69,609	200,868
Total comprehensive income for the year							
Loss for the year	—	—	—	—	—	(40,784)	(40,784)
Other comprehensive income							
Net exchange loss on net investment in foreign subsidiaries	—	—	—	—	(5,760)	—	(5,760)
Net exchange gain on hedge of net investment in foreign subsidiaries	—	—	—	—	847	—	847
Net change in fair value of equity investments at FVOCI	—	—	—	(3,725)	—	—	(3,725)
Total comprehensive income for the year	—	—	—	(3,725)	(4,913)	(40,784)	(49,422)
Transactions with owners of the Company							
Tax relating to share options	—	—	(215)	—	—	—	(215)
Exercise of share options	—	64	—	—	—	—	64
Issue of shares	—	267	—	—	—	—	267
Tax on other items taken to reserves	—	—	—	—	—	(5,986)	(5,986)
Share based payment release	—	—	(356)	—	—	356	—
Share based payment charge	—	—	1,408	—	—	—	1,408
Balance at 29 February 2024	140	104,120	19,811	(723)	441	23,195	146,984

Consolidated cash flow statement

Year ended 28 February 2025

	2025 £'000	2024 £'000
Cash flows from operating activities		
Profit/(loss) for the year	**164,014**	(40,784)
Adjustments for:		
Net finance costs	**4,979**	6,176
Depreciation of property, plant and equipment	**4,782**	6,339
Amortisation of intangible assets	**18,212**	15,291
Lease modification	**(65)**	(1,469)
Impairment loss on remeasurement of the disposal group	**1,589**	21,204
Equity-settled share based payment transactions	**1,666**	1,408
Profit on disposal of subsidiaries	**(189,142)**	—
Profit on disposal of associate	**—**	(88)
Loss from associate	**1,280**	—
Loss on disposal of fixed assets	**—**	10
Other income	**(582)**	—
Grant income	**—**	(148)
Tax expense	**2,389**	2,735
	9,122	10,674
Changes in:		
Trade and other receivables	**(3,790)**	12,039
Trade and other payables and deferred income	**4,473**	(1,218)
Cash generated from operating activities	**9,805**	21,495
Taxes paid	**(2,088)**	(3,845)
Net cash from operating activities	**7,717**	17,650
Cash flows from investing activities		
Interest received	**816**	125
Acquisition of associate	**(1,732)**	—
Increase in loans to other investments	**(185)**	—
Disposal of associate	**—**	3,005
Investment in other investments	**—**	(249)
Acquisition of property, plant and equipment	**(712)**	(654)
Disposal of subsidiaries, net of cash disposed	**211,420**	—
Acquisition of intangible assets	**(21,100)**	(27,220)
Net cash from/(used in) investing activities	**188,507**	(24,993)
Cash flows from financing activities		
Proceeds from issue of share capital	**1,081**	64
Repurchase of shares	**(120,000)**	—
Drawdown of loans and borrowings	**21,000**	37,867
Repayment of borrowings	**(57,170)**	(38,019)
Payment of lease liabilities	**(2,363)**	(3,381)
Interest paid	**(3,877)**	(4,235)
Net cash from/(used in) financing activities	**(161,329)**	(7,704)
Net increase/(decrease) in cash and cash equivalents	**34,895**	(15,047)
Cash and cash equivalents at 1 March	**20,787**	36,905
Effects of exchange rate changes on cash held	**(620)**	(1,071)
Cash and cash equivalents at end of year	**55,062**	20,787

Cash and cash equivalents at end of year (continuing operations)	**55,062**	16,660
Cash and cash equivalents at end of year (discontinued operations)	**—**	4,127

1. Basis of preparation

The consolidated financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

The financial information included in this preliminary announcement does not constitute statutory accounts of the Group for the years ended 28 February 2025 nor 29 February 2024 but is derived from those accounts. Statutory accounts for 2024 have been delivered to the Registrar of Companies and those for 2025 will be delivered following the Company's Annual General Meeting. The auditors have reported on those accounts; their reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006.

Both the consolidated financial statements and the Company financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards ("IFRSs").

2. Operating and business segments
Information about reportable segments

	Continuing		Discontinued	
	2025 £'000	2024 (restated) £'000	**2025 £'000**	2024 (restated) £'000
Revenue by segment				
Revenue	**80,729**	79,146	**115,158**	198,692
Gross profit	**67,672**	61,978	**28,093**	56,550
Adjusted EBITDA	**6,469**	5,103	**10,457**	13,844
Restructure and non-operational costs	**(6,453)**	(2,153)	**(703)**	(4,395)
Share based payment and related costs	**(1,642)**	(1,088)	**(24)**	(320)
Depreciation and amortisation	**(21,589)**	(17,129)	**(1,253)**	(4,026)
Amortisation of acquired intangibles	**(153)**	(373)	**—**	(101)
Operating (loss)/profit	**(23,368)**	(15,640)	**8,477**	5,002
Net finance costs	**(4,216)**	(4,750)	**(763)**	(1,427)
Impairment of intangible assets and goodwill	**(246)**	—	**(1,343)**	(21,204)
Profit on disposal of associate/investment	**—**	88	**189,142**	—
Share of loss from associate	**(1,280)**	—	**—**	—
Lease costs	**—**	—	**—**	(117)
(Loss)/profit before taxation	**(29,110)**	(20,304)	**195,513**	(17,746)

Geographical location analysis

	Revenues		Non-current assets	
	2025	2024 (restated)	**2025**	2024
	£'000	£'000	**£'000**	£'000
UK	**15,460**	14,160	**87,550**	81,817
EMEA	**9,515**	8,680	**14,055**	15,683
The Americas	**40,387**	36,314	**77,938**	79,593
Asia Pacific	**15,367**	19,992	**1,274**	1,316
Total	**80,729**	79,146	**180,817**	178,409

Disaggregation of revenue

	KX	
	2025	2024
	£'000	£'000
Type of good or service		
Sale of goods – perpetual	**887**	2,251
Sale of goods – recurring	**76,008**	68,438
Rendering of services	**3,834**	8,457
	80,729	79,146
Timing of revenue recognition		
At a point in time	**887**	2,251
Over time	**79,842**	76,895
	80,729	79,146

3. a) Proft/(loss) per ordinary share - from continuing and discontinued operations

Basic

The calculation of basic profit per share at 28 February 2025 was based on the profit attributable to ordinary shareholders of £164,014k (FY24: £40,784k loss), and a weighted average number of ordinary shares in issue of 27,0608k (FY24: 28,080k).

	2025 Pence per share	2024 Pence per share
Basic profit/(loss) per share	**594.1**	(145.2)

Loss per share from continuing operations at 28 February 2025 is 95.7p (FY24: 74.9p), based on the loss attributable to ordinary shareholders from continuing operations £26,426k (FY24: £21,039k).

Weighted average number of ordinary shares

	2025 Number '000	2024 Number '000
Issued ordinary shares at 1 March	**28,080**	28,065
Effect of share options exercised	**96**	4
Effect of shares issued as remuneration	**14**	11
Effect of share buy back	**(590)**	—
Weighted average number of ordinary shares at 28/29 February	**27,608**	28,080

Diluted

The calculation of diluted profit per share at 28 February 2025 was based on the profit attributable to ordinary shareholders of £164,041k (FY24: £40,784k loss) and a weighted average number of ordinary shares after adjustment for the effects of all dilutive potential ordinary shares of 28,061k (FY24: 28,080k).

	2025 Pence per share	2024 Pence per share
Diluted profit/(loss) per share	**584.5**	(145.2)

Diluted loss per share from continuing operations at 28 February 2025 is 94.2p (FY24: 74.9p), based on the loss attributable to ordinary shareholders from continuing operations of £26,426k (FY24: £21,039k).

Weighted average number of ordinary shares (diluted)

	2025 Number ’000	2024 Number ’000
Weighted average number of ordinary shares (basic)	**27,608**	28,080
Effect of dilutive share options in issue	**453**	—
Weighted average number of ordinary shares (diluted) at 28/29 February	**28,061**	28,080

In accordance with IAS 33, share options in FY24 in issue are anti-dilutive meaning there is no difference between basic and diluted loss per share in FY24.

3. b) Profit/(Loss) before tax per ordinary share - from continuing and discontinued operations

Profit/(loss) before tax per share is based on profit before taxation of £166,403k (FY24: £38,049k loss). The number of shares used in this calculation is consistent with note 3(a) above.

	2025 Pence per share	2024 Pence per share
Basic profit/(loss) before tax per ordinary share	**602.8**	(135.5)
Diluted profit/(loss) before tax per ordinary share	**593.0**	(135.5)

Reconciliation from profit/(loss) per ordinary share to profit/(loss) before tax per ordinary share:

	2025 Pence per share	2024 Pence per share
Basic profit/(loss) per share	**594.1**	(145.2)
Impact of taxation charge	**8.7**	9.7
Basic profit/(loss) before tax per share	**602.8**	(135.5)
Diluted profit/(loss) per share	**584.5**	(145.2)
Impact of taxation charge	**8.5**	9.7
Diluted profit/(loss) before tax per share	**593.0**	(135.5)

Profit/(loss) before tax per share is presented to facilitate pre-tax comparison returns on comparable investments.

3. c) Adjusted earnings after tax per ordinary share

The reconciliation of adjusted earnings after tax per share is shown below:

	2025	2024 (restated)
	£'000	£'000
Profit/(loss) after tax	**164,014**	(40,784)
Amortisation of acquired intangibles after tax effect	**153**	373
Share based payments after tax effect	**1,642**	1,088
Restructure and non-operational costs after tax effect	**5,482**	1,858
Profit on disposal of associate after tax effect	**—**	(66)
Share of loss of associate after tax effect	**1,280**	—
Loss on foreign currency translation after tax effect	**509**	804
Finance costs after tax effect	**352**	208
Impairment after tax effect	**263**	—
Discrete items for tax	**3,035**	5,690
(Profit)/loss after tax from discontinued operations	**(190,440)**	19,745
Adjusted loss after tax	**(13,710)**	(11,084)

The number of shares used in this calculation is consistent with note 3(a) above.

	2025	2024 (restated)
	Pence per share	Pence per share
Adjusted basic loss after tax per ordinary share	**(49.7)**	(39.5)
Adjusted diluted loss after tax per ordinary share	**(48.9)**	(39.5)

4. Property, plant and equipment

Group

	Leasehold improvements £'000	Plant and equipment £'000	Office furniture £'000	Right-of-use assets £'000	Total £'000
Cost					
At 1 March 2024	4,306	10,356	854	23,442	38,958
Additions	105	578	29	1,191	1,903
Disposals	(193)	(1,002)	—	(2,670)	(3,865)
Business disposal*	(902)	(393)	—	(5,324)	(6,619)
Exchange adjustments	(40)	(192)	(12)	(240)	(484)
At 28 February 2025	**3,276**	**9,347**	**871**	**16,399**	**29,893**
Depreciation					
At 1 March 2024	2,338	8,035	740	13,264	24,377
Charge for the year	414	1,764	68	2,536	4,782
Disposals	(192)	(1,001)	—	(2,599)	(3,792)
Business disposal*	(434)	(234)	—	(3,160)	(3,828)
Exchange adjustments	(30)	(172)	(11)	(185)	(398)
At 28 February 2025	**2,096**	**8,392**	**797**	**9,856**	**21,141**
Carrying Amount					
At 28 February 2025	**1,180**	**955**	**74**	**6,543**	**8,752**

* Following the sale of the First Derivative business on 2 December, results for the period before disposal and FY24 have been presented in discontinued operations.

	Leasehold improvements £'000	Plant and equipment £'000	Office furniture £'000	Right-of-use assets £'000	Total £'000
Cost					
At 1 March 2023	7,479	15,856	1,592	31,769	56,696
Additions	14	639	1	185	839
Disposals	(1,527)	(1,469)	(620)	(1,013)	(4,629)
Impairment	—	—	—	(1,059)	(1,059)
Transferred to assets held for sale**	(1,506)	(4,269)	(97)	(5,638)	(11,510)
Exchange adjustments	(154)	(401)	(22)	(802)	(1,379)
At 29 February 2024	4,306	10,356	854	23,442	38,958
Depreciation					
At 1 March 2023	4,261	11,331	1,362	14,149	31,103
Charge for the year	561	2,363	112	3,303	6,339
Disposals	(1,508)	(1,469)	(620)	(559)	(4,156)
Transferred to assets held for sale**	(880)	(3,870)	(97)	(3,214)	(8,061)
Exchange adjustments	(96)	(320)	(17)	(415)	(848)
At 29 February 2024	2,338	8,035	740	13,264	24,377
Carrying Amount					
At 29 February 2024	1,968	2,321	114	10,178	14,581

**The MRP operating segment was designated as held for sale in February 2024 and sold on 1 March 2024. Results for the period before disposal and FY24 have been presented in discontinued operations

5. Intangible assets and goodwill
Group

	Goodwill £'000	Customer lists £'000	Acquired software £'000	Brand name £'000	Internally developed software £'000	Total £'000
Cost						
Balance at 1 March 2024	93,762	9,871	26,016	544	135,546	265,739
Additions	—	—	—	—	21,100	21,100
Asset impairment	—	—	—	—	(5,754)	(5,754)
Business disposal*	(3,614)	(2,571)	—	(111)	—	(6,296)
Exchange adjustments	(181)	(54)	(199)	(9)	(744)	(1,187)
At 28 February 2025	**89,967**	**7,246**	**25,817**	**424**	**150,148**	**273,602**
Amortisation						
Balance at 1 March 2024	—	9,871	25,575	542	75,711	111,699
Amortisation for the year	—	—	152	—	18,060	18,212
Asset impairment	—	—	—	—	(4,166)	(4,166)
Business disposal*	—	(2,571)	—	(111)	—	(2,682)
Exchange adjustment	—	(54)	(198)	(7)	(495)	(754)
At 28 February 2025	**—**	**7,246**	**25,529**	**424**	**89,110**	**122,309**
Carrying amount						
At 28 February 2025	**89,967**	**—**	**288**	**—**	**61,038**	**151,293**

* Following the sale of the First Derivative business on 2 December, results for the period before disposal and FY24 have been presented in discontinued operations.

	Goodwill £'000	Customer lists £'000	Acquired software £'000	Brand name £'000	Internally developed software £'000	Total £'000
Cost						
Balance at 1 March 2023	116,642	13,917	32,976	802	125,656	289,993
Additions	—	—	49	—	—	49
Development costs	—	—	—	—	27,171	27,171
Disposals	—	—	—	—	(557)	(557)
Transferred to assets held for sale**	(18,099)	(3,523)	(5,660)	(229)	(16,136)	(43,647)
Exchange adjustments	(4,781)	(523)	(1,349)	(29)	(588)	(7,270)
At 29 February 2024	93,762	9,871	26,016	544	135,546	265,739
Amortisation						
Balance at 1 March 2023	—	13,779	30,449	795	69,310	114,333
Amortisation for the year	—	136	333	5	14,817	15,291
Disposals	—	—	—	—	(557)	(557)
Transferred to assets held for sale**	—	(3,523)	(3,949)	(228)	(7,459)	(15,159)
Exchange adjustment	—	(521)	(1,258)	(30)	(400)	(2,209)
At 29 February 2024	—	9,871	25,575	542	75,711	111,699
Carrying amount						
At 29 February 2024	93,762	—	441	2	59,835	154,040

**The MRP operating segment was designated as held for sale in February 2024 and sold on 1 March 2024. Results for the period before disposal and FY24 have been presented in discontinued operations...

6. Loans and borrowings

This note provides information about the contractual terms of the Group and Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	Group		Company	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000
Current liabilities				
Secured bank loans	**—**	—	**—**	—
Lease liabilities	**2,144**	2,466	**1,016**	1,096
	2,144	2,466	**1,016**	1,096
Non-current liabilities				
Secured bank loans	**—**	35,200	**—**	35,200
Lease liabilities	**5,029**	8,886	**3,973**	6,450
	5,029	44,086	**3,973**	41,650

Terms and repayment schedule

Banking facilities, which had been due to expire in May 2026, were repaid following the divestment of the First Derivative business on 2 December 2024. Prior to repayment the total facility was £130m and was entirely comprised of a revolving credit facility. The interest rate payable was SONIA/SOFR plus a fixed margin that depends on the level of debt relative to adjusted EBITDA. The margin on the new revolving credit facility was equal to 1.85 per cent to 2.80 per cent. The lead arranger for the facility was Bank of Ireland, with participation from Barclays and AIB and HSBC.

7. Discontinued operations and assets/liabilities classified as held for sale

In October 2023 the Group decided to conduct a formal Group structure review to achieve an optimal organisational structure and capital allocation to deliver best value for the Group's shareholders.

After considering the available options and consulting with the shareholders and external advisers, the Board unanimously concluded on the divestment of the MRP and First Derivative (FD) businesses.

On 1 March 2024, the Group announced that it had agreed to an all-share merger of its MRP business with CONTENTgine, a provider of B2B technology buyer insights and lead generation. CONTENTgine tracks content engagement across 650 B2B software and technology categories, identifying which organisations have the highest propensity to buy. The combination with MRP's enterprise demand generation products and services will create an end-to-end provider covering the entire B2B technology sales and marketing process. FD Technologies Group now own 49 per cent of the combined entity pharosIQ, which is reflected as an associate investment rather than consolidated in the Group financial statements. The MRP business represented a distinct operating segment and a major component of the Group's operations, and was classified as a disposal group held for sale at 29 February 2024 in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

On 7 October 2024, the Group signed an agreement to sell its First Derivative division to EPAM Systems Inc. for a total cash consideration of £236.6 million. The transaction was completed on 2 December 2024. The FD division represented a distinct operating segment and a major component of the Group's operations. Accordingly, the results of the division have been classified as a discontinued operation in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Prior period comparatives have been restated to reflect this classification. The FD division was also previously reported as a separate segment in the segmental disclosures under IFRS 8 "Operating Segments".

8. Subsequent events
On 8 May 2025, the boards of Kairos Bidco Ltd (a newly formed company indirectly owned by entities forming part of TA Fund XV) reached agreement on terms of a recommended acquisition by Bidco of the entire issued ordinary share capital of FD Technologies. The acquisition is intended to be implemented by means of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act. The cash offer for the business, values FD Technologies at £24.50 per share or £570million. TA is a valuable partner for the Company with a shared commitment to enhancing KX's business and capitalising on the longer-term opportunity in the data and analytics software market, and the Board of FD Technologies Plc has recommended shareholders approve the scheme.