RNS Number : 8593Y
Earnz PLC
11 September 2025

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This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

EARNZ plc
(**"EARNZ"** or the "**Company**")
Unaudited Interim Results for the six months ended 30 June 2025 (H1 FY25)
H1 25 adj EBITDA positive, ahead of management forecasts
Acquisition of A&D Carbon Solutions Limited ("A&D") 1 July 2025
HSBC Loan of £0.5m to support acquisitions secured

EARNZ (AIM: EARN), an energy services company whose objective is to capitalise on the drive for global decarbonisation, by building a strong portfolio of energy services businesses, is pleased to announce its unaudited interim results for the six-month period ended 30 June 2025.

Financial highlights

- Revenue from continuing operations was £4.7m (H1 2024: NIL) *, of which Cosgrove and Drew Ltd ("C&D") delivered £4.0m.
- Adjusted EBITDA from continuing operations was ahead of internal forecasts for H1 2025 at £0.1m (H1 2024: -£0.2m loss).
- Operating loss from continuing operations*: -£0.2m (H1 2024: -£0.9m)
- Loss before tax from continuing operations*: -£0.4m (H1 2024: -£0.9m)
- Basic losses per share from continuing operations*: - 0.3p (H1 2024: -3.2p)
- Net cash* (excluding lease liabilities and contingent consideration): £0.9m (30 June 2024: £3.1m)
- EARNZ Plc signed a £0.5m loan agreement with HSBC to support the costs of acquisitions on 10 September 2025.

Operational overview

- On 1 July 2025 Earnz Plc purchased A&D Carbon Solutions Limited ("A&D"), based in Swansea for maximum consideration of £2.8m, details are set out in Note 20.
- Integration of C&D and South West Heating Services Ltd ("SWH") successfully completed, following their acquisition at the end of August 2024.
- New contract wins and contract extensions driving revenue and adj. EBITDA performance ahead of internal targets.
- Board strengthened with the appointment of Peter Smith as CEO.

Outlook

- Strategically positioned to deliver clear growth opportunities in our market-leading businesses, securing significant organic growth.
- Strong pipeline of target acquisitions to fuel our buy and build strategy going forwards.
- Continued momentum into the full year with high revenue visibility from long-term projects and contracts.

* The consolidated financial statements present the results of Earnz Plc and it's subsidiaries ("the Group"). During FY24 the Group disposed of Verditek Solar Italy srl, which has been classified as a discontinued operation in accordance with IFRS 5.
Adj EBITDA is defined as Operating profit before impairment of goodwill, amortisation and depreciation, share-based payment charges and exceptional costs which by nature are one off.

Bob Holt OBE, Non-Executive Chairman of EARNZ plc, commented:

"I am delighted with the performance of the business and the delivery of positive adjusted EBITDA ahead of target.

We move into the second half of the year with confidence in the performances of our subsidiaries and with an exciting pipeline of potential further acquisitions. Our plans for the Group remain ambitious."

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CHAIR'S REPORT

I'm pleased announce trading results for the six months ended 30 June 2025. Turnover was £4.7m with adjusted EBITDA of £0.1m.

Of particular interest is the profitable outcome for the period in which the acquired trading companies created better growth and profitability than anticipated. As the costs of setting up a public listed company with all the necessary financial and legal requirements are significant, the Board was not anticipating a profitable first half start to the year.

In the period the Group also incurred the set-up costs of a new assessor business.

On 1 July we acquired A&D for maximum total consideration of £2.8m. A&D are based in Swansea and are a 'one-stop shop' for installation services under the decarbonisation agenda, across the UK, with a particular focus in Wales. Predominantly they work on residential properties whose owners are looking to improve their Energy Performance Certificate ("EPC") rating. Core activities include internal wall insulation, cavity wall insulation, air source heat pumps and solar panels.

The business is integrating well into the Group, and I look forward to working with the team at A&D and to supporting their ambitious performance targets for the business.

The UK Government is committed to a net zero strategy, and this has provided opportunities for ourselves and other regeneration service providers to grow significantly. The key to managing a profitable outturn will be the successful deployment of capital into areas which provide low risk with long term profitable growth.

The decarbonisation and net zero sectors are significant, and the Board anticipate further acquired and organic opportunities will be forthcoming in the current year. We are continually assessing a number of acquisition targets with earnings enhancing potential.

I look forward to bringing news of those opportunities in the not-too-distant future.

Board

On 1 July 2025 Peter Smith was appointed to the Board as CEO. With the acquisition of A&D Carbon Solutions Limited, this felt like the right time to bring in an experienced CEO. I am delighted that Peter has joined us, he brings with him plc extensive knowledge and experience in this sector.

I have now moved to the role of non-executive chair, and John Charlton has stepped down from the Plc Board but remains Company Secretary.

Outlook

The outlook for the twelve months is encouraging and will include the full year trading performance of the businesses acquired in our previous trading year and six months trading from our recent acquisition.

The success of the group would not be possible without the commitment of all our stakeholders. We are a small team, committed to provide shareholder returns and rely on the commitment and dedication of our employees.

My special thanks go to our shareholders who have shown great commitment to the management team.

We anticipate forthcoming news as we continue to pursue opportunities.

Bob Holt OBE

Non-executive Chair
11 September 2025

FINANCE REPORT

Overall, the Group has performed ahead of management forecasts in the period.
This has been achieved by a combination of winning new business in C&D, together with accelerated bedding down of the businesses into the Group.

The comparatives numbers for H1 2024 reflect the last 2 months of Verditek Plc and the 4 months of EARNZ Plc as a cash shell and therefore do not provide relevant comparisons for performance in H1 2025.

Revenue and Operating Profit

Revenue at £4.7m in H1 2025 (H1 2024: nil) is ahead of management forecasts. C&D delivered £4.0m of revenue (85% of the Group revenue), with 60% coming from facilities management and small works, and 40% from larger projects.
SWHS delivered £0.7m of revenue (15% of Group revenue).

Gross profit was £1.3m (H1 2024: nil). Both businesses achieved strong margins, with a blended Group margin of 27%

The Group adjusted EBITDA for H1 2025 is £0.1m (H1 2024: £0.2m loss).
This result is ahead of management forecast, the Group was not expecting cumulative positive EBITDA until September 2025. This result has been achieved as a result of increased revenue, improved processes for controlling costs in the trading subsidiaries, and discipled cost control in the central group overheads.

Adjusted EBITDA from continuing operations

	30 June 2025	**30 June 2024**	**31 December 2024**
	£'000	£'000	£'000
Operating Loss	**(245)**	(909)	(2,806)
Depreciation & Amortisation	**125**		73
Share based payments	**29**		23
Exceptional Items:			
Acquisition costs	**174**	580	1,622
Non-recurring audit fee	**-**		68
Other payables		132	
Total exceptional items added back	**174**	712	(1,690)
Adjusted EBITDA	**83**	(197)	(1.020)

Operating loss in H1 2025 is -£0.2m (H1 2024: loss of -£0.9m). Included within the loss are £0.2m of acquisition costs incurred as part of the Group buy and build strategy. The Group completed the acquisition of A&D on 1 July 2025 see note 20 for further details on events after the balance sheet date.

Net finance costs

Net finance costs of £0.1m (H1 2024 £2k income), mainly arise from finance charges in C&D on borrowings and debt factoring.

Loss after Tax

Loss after tax from continuing operations was -£0.4m (H1 2024: loss of -£1.0m)

Cash Flows

Cash held at the end of the period was £2.0m (FY24: £2.0m, H1 2024: £3.1m). Within this cash balance is £0.7m of restricted cash, which relates to an amount transferred into escrow pending confirmation of the consideration payable on the acquisition of A&D. See note 13(i).

Net cash outflow from operating activities was £0.6m (H1 2024: £0.8m). The outflow arises from an increase in debtors as a result of higher revenue and a decrease in creditors as the historic aged creditors in C&D have been cleared, together with a payment of £0.1m Corporation Tax in SWHS.

Net cash inflow from financing activities was £0.6m (H1 2024: £4.0m). The Company raised £1.02m gross on 12 June 2025 at 7.2 pence per share to provide funding for the acquisition of the entire share capital of A&D for a maximum consideration of £2.8m and provide additional working capital for the Group.

£0.3m of debt was repaid in the period (FY24: £0.2m, H1 2024: nil)

As a result of the above, overall cash position is consistent with the beginning of the period.

The Board does not recommend the payment of a dividend at this stage in the Group's development.

Net Cash

The balance sheet net cash position (excluding lease liabilities and contingent consideration) is £0.7m (FY24: £0.3m, H1 2024: £3.1m). Total contingent consideration is £1.4m, of which £0.2 is within current liabilities and £1.2m in non-current liabilities.

On 10th September EARNZ Plc signed a loan agreement with HSBC for £0.5m. This loan is repayable by equal instalments over 3 years once it has been drawn down.

Elizabeth Lake
CFO
11 September 2025

Interim condensed consolidated statement of comprehensive income (unaudited)
For the six months ended 30 June 2025

	Note	**Unaudited** ***H1 2025*** ***£'000***	Unaudited *H1 2024* *£'000*	Audited *FY 2024* *£'000*
Continuing operations				
Revenue	*(3,4)*	**4,736**	-	2,637
Cost of sales		**(3,448)**	-	(2,289)
Gross profit		**1,288**	-	348
Administrative expenses		**(1,533)**	(909)	(3,154)
Operating loss		**(245)**	(909)	(2,806)
Net finance costs		**(125)**	2	(74)
Other income / (losses)		**(2)**	-	1
Loss before tax		**(372)**	(907)	(2,879)
Taxation	*(8)*	**12**	-	195
Loss for the period from continuing operations		**(360)**	(907)	(2,684)
Discontinued operations				
Loss from discontinued operations	*(6)*	**-**	(77)	(77)
Loss on disposal of discontinued operations	*(6)*	**-**	(58)	(58)
Loss for the period		**(360)**	**(1,042)**	**(2,819)**
Other comprehensive income				
Items that are or may be reclassified to profit or loss:				
Exchange differences on translation of discontinued operations		**-**	9	9
Other comprehensive income / (loss) for the period		**-**	9	9
Total comprehensive loss for the period		**(360)**	(1,033)	(2,810)
Total comprehensive loss for the period attributable to owners of Earnz plc arises from:				
Continuing operations		**(360)**	(907)	(2,684)
Discontinued operations		**-**	(126)	(126)
		(360)	(1,033)	(2,810)
Earnings per share				
Basic and diluted (£)		(0.003)	(0.032)	(0.046)

The accompanying notes are an integral part of these financial statements

Interim condensed consolidated statement of financial position (unaudited)
As at 30 June 2025

	Note	*Unaudited* **As at 30 June 2025 £'000**	*Unaudited* **As at 30 June 2024 £'000**	*Audited* **As at 31 December 2024 £'000**
Non-current assets				
Property, plant and equipment	*(10)*	*282*	2	310
Right-of-use assets	*(11)*	*199*	-	220
Goodwill	*(12)*	*3,577*	-	3,577
Intangible assets	*(12)*	*974*	-	1,003
Deferred tax asset		*178*	-	130
Total non-current assets		***5,210***	**2**	**5,240**

Current assets				
Cash and cash equivalents	*(13i)*	*1,971*	3,140	1,965
Trade and other receivables	*(13ii)*	*1,052*	160	1,125
Contract assets	*(13iii)*	*437*	-	266
Inventories		*146*	-	145
Other current assets		*296*	-	197
Total current assets		***3,902***	**3,300**	**3,698**
Current liabilities				
Trade and other payables	*(13iv)*	*(1,799)*	(394)	(1,947)
Contract liabilities		*(31)*	-	-
Contingent consideration	*(13v)*	*(180)*	-	(180)
Loans and borrowings	*(13vi)*	*(911)*	-	(1,110)
Lease liabilities	*(13vii)*	*(87)*	-	(92)
Tax liabilities		*-*	-	(64)
Total current liabilities		***(3,008)***	**(394)**	**(3,393)**
Net current assets		***894***	**2,906**	**305**
Non-current liabilities				
Contingent consideration	*(13v)*	*(1,184)*	-	(1,155)
Loans and borrowings	*(13vi)*	*(159)*	-	(261)
Lease liabilities	*(13vii)*	*(133)*	-	(153)
Total non-current liabilities		***(1,476)***	**-**	**(1,569)**
Net assets		***4,628***	**2,908**	**3,976**
Capital and reserves				
Share capital	*(14)*	*4,656*	2,515	4,088
Share premium	*(14)*	*16,035*	14,372	15,621
Share-based payment reserve	*(15)*	*52*	179	39
Currency translation reserve		*-*	-	-
Retained earnings		*(16,115)*	(14,158)	(15,772)
Total equity		***4,628***	**2,908**	**3,976**

The accompanying notes are an integral part of these financial statements.

Interim condensed consolidated statement of changes in equity (unaudited)
For the six months ended 30 June 2025

	Share capital	Share Premium	Share-based payment reserve	Currency translation reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2024	222	12,626	179	(9)	(13,116)	(98)
Loss for the year	-	-	-	-	(1,042)	(1,042)
Other comprehensive loss	-	-	-	9	-	9
Total comprehensive loss	-	-	-	9	(1,042)	(1,131)
Transactions with owners:						
Shares issued, net of costs	2,293	1,746	-	-	-	4,039
Total transactions with owners	2,293	1,746	-	-	-	4,039
Balance at 30 June 2024	**2,515**	**14,372**	**179**	**-**	**(14,158)**	**2,908**
Balance at 1 January 2025	**4,088**	**15,621**	**39**	**-**	**(15,772)**	**3,976**
Loss for the year	-	-	-	-	(360)	(360)
Total comprehensive loss	-	-	-	-	(360)	(360)
Transactions with owners:						
Shares issued, net of costs	568	414	-	-	-	982
Transfer of lapsed share-based payments	-	-	(17)	-	17	-
Equity-settled share-based payments	-	-	30	-	-	30
Total transactions with owners	568	414	13	-	17	1,012
Balance at 30 June 2025	**4,656**	**16,035**	**52**	**-**	**(16,115)**	**4,628**

The accompanying notes are an integral part of these financial statements.

Interim condensed consolidated statement of cash flows (unaudited)
For the six months ended 30 June 2025

	Note	***Unaudited H1 2025 £'000***	*Unaudited H1 2024 £'000*	*Audited FY 2024 £'000*
Cash flows from operating activities				
Loss before taxation		**(372)**	(907)	(2,879)
Adjustments to cash flows from non-cash items:				
Depreciation	*(10,11)*	**73**	1	81
Amortisation	*(12)*	**51**	-	33
Share based payment expense	*(15)*	**30**	-	23
Loss on disposal of subsidiary		**-**	-	(77)
Other (gains)/losses		**3**		
Less utilisation of onerous contract provision		**-**	-	(240)
Bad debt (expense)/write back		**(25)**	-	40
Less finance income		**(10)**	(8)	(39)
Add back finance costs		**73**	6	113
		(177)	(908)	(2,945)
Working capital adjustments:				
(Increase) / decrease in inventories		**(2)**	-	8
(Increase) / decrease in trade and other receivables		**(162)**	(132)	162
Increase / (decrease) in trade and other payables		**(139)**	243	(308)
Cash outflows from operating activities		**(480)**	(797)	(3,083)
Income taxes paid		**(98)**	-	-
Net cash outflows from operating activities		**(578)**	(797)	(3,083)
Cash flows from investing activities				
Interest received		**10**	8	39
Payment for acquisition of subsidiaries net of cash acquired		**-**	-	(747)
Purchase of property, plant and equipment	*(10)*	**(16)**	(1)	(64)
Purchase of intangibles	*(12)*	**(10)**	-	-
Proceeds from sale of property, plant and equipment		**8**	-	1
Staff loans issued		**-**	-	(4)
Net cash (outflows)/inflows from investing activities		**(8)**	7	(775)
Cash flows from financing activities				
Proceeds from issue of shares, net of share issue costs	*(14)*	**982**	4,039	5,663
(Costs)/Proceeds from unauthorised overdraft		**(2)**	-	2
Net (repayment) /proceeds from factoring of trade receivables		**(62)**	-	139
Factoring fees and interest paid		**(57)**	-	(39)
Proceeds from related parties		**-**	-	339
Repayment of borrowings	*(13vi)*	**(203)**	-	(89)
Repayment of lease liabilities	*(13vii)*	**(66)**	-	(73)
Interest paid		**-**	-	(10)
Net cash inflows from financing activities		**592**	4,039	5,932
Net cash outflow from discontinued operations		**-**	(162)	(162)
Net increase/(decrease) in cash and cash equivalents		**6**	3,087	1,912
Cash and Cash Equivalents at the start of the period		**1,965**	54	54
Net foreign exchange differences on cash and cash equivalents		**-**	(1)	(1)
Cash and Cash Equivalents at the end of the period		**1,971***	3,140	1,965*

The accompanying notes are an integral part of these financial statements.

*** Restricted cash of £0.7m is included in cash and cash equivalents at 30.06.25 (2024:£0.6m) see note 13(i) for further details.**

Notes to the condensed financial statements
for the six months ended 30 June 2025

1.0 Corporate Information

The interim condensed consolidated financial statements of EARNZ Plc, previously Verditek Plc and its subsidiaries (collectively, the Group) for the six months ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 10 September 2025.

Earnz Plc (the Company) is a public company limited by share capital, incorporated in the UK, registered in England and Wales (Company number: 10114644) and domiciled in the UK.

The address of its registered office is:

St James House First Floor,
St James House,
St James' Square
Cheltenham,
Gloucestershire,
United Kingdom,
GL50 3PR

The Company's ordinary shares are traded on the Alternative Investment Market (AIM) of the London Stock Exchange under the ticker symbol EARN.

The Company's strategy is to buy and build leading businesses, with a focus on decarbonisation and net zero.

2.0 Basis of preparation
The interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting.*

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those applied in the Group's most recent annual consolidated financial statements.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should therefore be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

The financial statements are presented in pounds sterling which is the presentational currency of the Group, and all values are rounded to the nearest thousand pounds (£'000) unless otherwise stated.

The interim financial statements and accompanying notes have not been audited or reviewed by the Group's external auditor.

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities. There have been no material changes in estimates or judgements from those disclosed in the annual report.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The Group's activities are not subject to significant seasonal variation.

2 .1 New standards, interpretations and amendments adopted by the Group
No new accounting pronouncements effective for reporting periods beginning on or after 1 January 2025 have had a material impact on the interim results.

The following amendments are effective for the period beginning 1 January 2025:
· *Lack of exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)*

The following amendments are effective for the period beginning 1 January 2026:
· *Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments)*

The following amendments are effective for the period beginning 1 January 2027:
· *IFRS 18 Presentation and Disclosure in Financial Statements*
· *IFRS 19 Subsidiaries without Public Accountability: Disclosures*

The Group is currently assessing the impact of the new accounting standards and amendments but does not expect these or any other standards issued by the IASB that are yet to be effective, to have a material impact on the group.

No changes to existing accounting policies are expected as a result of adopting any amendments.

3. Revenue
The Group derives revenue from the transfer of goods and services over time, and at a point in time. (H1 2024: at a point in time)

	Unaudited	**Unaudited**

	H1 2025 £'000	H1 2024 £'000
Rendering of services from contracts with customers over time - continuing operations	**2,559**	-
Rendering of services from contracts with customers at a point in time - continuing operations	**2,177**	-
Rendering of services from contracts with customers at a point in time- discontinued operations	**-**	40
Revenue - continuing	**4,736**	-
Revenue - discontinued	**-**	40

Revenue is disaggregated further in Note 4, which is the level at which it is analysed within the business.

4. Segment information

The following tables present revenue and profit for the Group's operating segments for the six months ended 30 June 2025 and 2024 respectively:

Segmental revenue and gross profit:	**Revenue**		**Results**	
	H1 2025	**H1 2024**	**H1 2025**	**H1 2024**
	£'000	**£'000**	**£'000**	**£'000**
Continuing operations				
Commercial and Industrial mechanical and electrical engineering services	**4,031**	-	**1,102**	-
Domestic maintenance and heating installations	**664**	-	**186**	-
Assessment services	**41**	-	**-**	-
Discontinued operations				
Development and commercialisation of clean technologies		40	**-**	(28)
Segmental revenue/profit - continuing operations	**4,736**	-	**1,288**	-
Segmental revenue/profit - discontinued operations	**-**	40	**-**	(28)

Head office costs - continuing operations	**(1,359)**	(909)
Head office costs - discontinued operations	**-**	(49)
Operating loss before acquisition and disposal costs - continuing operations	**(71)**	(909)
Operating loss before acquisition and disposal costs - discontinued operations	**-**	(77)
Acquisition related costs - continuing operations	**(174)**	-
Loss on disposal of discontinued operations	**-**	(58)
Operating loss - continuing operations	**(245)**	(909)
Operating loss - discontinued operations	**-**	(135)
Finance income - continuing operations	**10**	8
Finance income - discontinued operations	**-**	-
Finance costs - continuing operations	**(135)**	(6)
Finance costs - discontinued operations	**-**	-
Other income - continuing operations	**-**	
Other gains/(losses) - continuing operations	**(2)**	
Loss before taxation - continuing operations		(907)
Loss before taxation - discontinued operations	**-**	(135)
Taxation - continuing operations	**12**	-
Loss for the period from continuing operations	**(360)**	(907)
Loss for the period from discontinued operations	**-**	(135)
Loss for the period	**(360)**	(1,042)

Segmental assets and liabilities	**Assets**		**Liabilities**	
	At 30 June 2025	**At 30 June 2024**	**At 30 June 2025**	**At 30 June 2024**
	£	**£**	**£**	**£**
Commercial and Industrial mechanical and electrical engineering services	**5,868**	-	**(3,485)**	-
Domestic maintenance and heating installations	**2,049**	-	**(553)**	-
Assessment services	**190**	-	**(280)**	-
Development and commercialisation of clean technologies	**-**	-	**-**	-

Segment assets /(liabilities)	**8,107**	-	**(4,318)**	-
Unallocated assets / (liabilities)	**1,005**	3,302	**(166)**	(394)
	9,112	3,302	**(4,484)**	(394)

Unallocated assets predominantly relate to head office cash balances.

Unallocated liabilities include contingent consideration and head office trade payables and accruals.

Geographical segments
All of the Group's operations and revenue-generating activities are conducted in the United Kingdom. As such, no geographical segment disclosures are provided as the Group operates entirely within one geographic area.

All customers are located in the United Kingdom in the current year (H1 2024: all Italy)

5. Exceptional items
During the six months ended 30 June 2025, the Group incurred £174k in relation to corporate advisory, legal and financial due diligence costs relating to an acquisition (H1 2024: nil).

For further details of the acquisition that completed after the reporting date, see Note 20 Post balance sheet events.

6. Discontinued operations
There were no discontinued operations during the six months ended 30 June 2025. Comparative amounts for the six months ended 30 June 2024 include results from discontinued operations as detailed in the Group's annual financial statements for the year ended 31 December 2024.

7. Impairment testing of goodwill and intangibles
No indicators of impairment have been identified for goodwill or other intangible assets as at 30 June 2025, and no impairments losses have been recognised in the period.

8. Taxation
The Group's income tax expense for the six months ended 30 June 2025 was not material and therefore no further disclosure is provided.

9. Earnings per share

	6m ended 30 June 2025 £'000	**6m ended 30 June 2024 £'000**
Loss for the year attributable to equity holders of Parent Company - continuing	**(360)**	(907)
Loss for the year attributable to equity holders of Parent Company - discontinued	**-**	(135)
Weighted average number of ordinary shares - basic and diluted	**103,697**	32,092
Basic and diluted loss per share - continuing operations	**(0.003p)**	(0.028p)
Basic and diluted loss per share - discontinued operations	**-**	(0.004p)
Basic and diluted loss per share	**(0.003p)**	(0.032p)

The effects of anti-dilutive potential ordinary shares are ignored in calculating diluted EPS.

As the Group incurred a loss in the current six-month period and the prior six-month period, the impact of potential ordinary shares is also anti-dilutive and therefore excluded from the diluted earnings per share calculation.

10. Property, plant and equipment

	Land and buildings £'000	**Office equipment £'000**	**Motor Vehicles £'000**	**Plant & Machinery £'000**	**Total £'000**
Cost					
At 1 January 2025	42	32	231	14	319
Additions	-	16	-	-	16
Disposals	-	-	(17)	-	(17)
At 30 June 2025	**42**	**48**	**214**	**14**	**318**
Depreciation					
At 1 January 2025	(3)	(3)	(2)	(1)	(9)
Charged during the period	(5)	(5)	(17)	(2)	(29)
Disposals	-	-	2	-	2
At 30 June 2025	**(8)**	**(8)**	**(17)**	**(3)**	**(36)**
Net book value at 30 June 2025	**34**	**40**	**197**	**11**	**282**
Net book value at 31 December 2024	**39**	**29**	**229**	**13**	**310**

11. Right-of-use assets

	Land and buildings £'000	Motor vehicles £'000	Total £'000
Cost			
At 1 January 2025	108	140	248
Additions	27	-	27
Disposals	-	(13)	(13)
At 30 June 2025	**135**	**127**	**262**
Depreciation			
At 1 January 2025	(8)	(20)	(28)
Charged during the period	(15)	(29)	(44)
Disposals	-	9	9
Foreign exchange	-	-	-
At 30 June 2025	**(23)**	**(40)**	**(63)**
Net book value at 30 June 2025	**112**	**87**	**199**
Net book value at 31 December 2024	**100**	**120**	**220**

12. Goodwill and intangible assets

	Goodwill £'000	Customer relationships £'000	Website development £'000	Total £'000
Cost				
At 1 January 2025	3,577	1,036	-	4,613
Additions	-	-	22	22
At 30 June 2025	**3,577**	**1,036**	**22**	**4,635**
Amortisation				
At 1 January 2025	-	(33)	-	(33)
Charged during the period	-	(50)	(1)	(51)
At 30 June 2025	**-**	**(83)**	**(1)**	**(84)**
Net book value at 30 June 2025	**3,577**	**953**	**21**	**4,551**
Net book value at 31 December 2024	**3,577**	**1,003**	**-**	**4,580**

13. Financial assets and financial liabilities

The group holds the following financial instruments:

		30 June 2025	31 December 2024
Financial assets		**£'000**	**£'000**
Cash and cash equivalents	(i)	**1,971**	1,965
Trade and other receivables	(ii)	**1,052**	1,125
Contract assets	(iii)	**437**	266
Other current assets		**10**	29
Total current financial assets		**3,470**	3,385
Non-financial current assets		**432**	313
Total current assets		**3,902**	3,698

Financial liabilities		**£'000**	£'000
Trade and other payables	(iv)	**(1,290)**	(1,533)
Contingent consideration	(v)	**(1,364)**	(1,335)
Loans and other borrowings (incl. Hire Purchase)	(vi)	**(589)**	(772)
Loans and other borrowings - Factoring liabilities	(vi)	**(481)**	(599)
Lease liabilities	(vii)	**(221)**	(245)
Total financial liabilities		**(3,945)**	(4,484)
Non-financial liabilities		**(778)**	(478)
Total liabilities		**(4,723)**	(4,962)

Since 31 December 2024, the Group has not made any changes to the classification or measurement of its financial instruments.

13(i). Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and short-term deposits with original maturities of three months or less.

	At 30 June 2025	At 31 December 2024
	£'000	£'000
Unrestricted cash and bank	**1,231**	1,382

Restricted cash (VCT funds)	**740**	583
Total	**1,971**	**1,965**

The £0.7m restricted cash at 30 June 2025 relates to an amount transferred into escrow pending confirmation of the consideration payable on the acquisition of A&D Carbon Solutions Limited.

At 31 December 2024, the £0.6m restricted cash balance comprised funds raised through Venture Capital Trust (VCT) investments. In the six-month period to 30 June 2025 the full amount has been invested in accordance with the VCT rules.

13(ii). Trade and other receivables

	30 June 2025	**31 December 2024**
	£'000	£'000
Trade receivables	**921**	995
Less loss allowance	**(40)**	(40)
Retentions	**171**	170
Total trade and other receivables	**1,052**	1,125

No adjustment to expected credit losses has been recognised during the interim period as there have been no significant changes in credit risk, forward-looking macroeconomic indicators, or customer payment behaviour since the last annual reporting date.

13(iii) Contract assets

As at 30 June 2025, contract assets include amounts relating to certified revenue for which payment certificates have been issued by the client. These certifications confirm the performance obligations have been satisfied in accordance with IFRS 15 and, accordingly, revenue has been recognised.

Under the terms of the contract the client operates a self-billing arrangement. As a result, although pay certification triggers revenue recognition, the billing and subsequent cash receipt are dependent on the client's internal billing cycle. The related invoices are only generated by the client as part of their payment process, typically under two months after certification.

The timing difference between certification and client-generated billing on settlement results in an unbilled contract asset at the reporting date. These amounts are expected to be invoiced and settled in the normal course of business in the subsequent period.

As at 30 June 2025, contract assets were as follows:

Description	**30 June 2025** £'000	**31 December 2024** £'000
Other current assets - accrued revenue	**437**	266
Total contract assets	**437**	266

The increase in contract assets in the period relates to the commencement of a new project, in addition to the timing of the client billing cycle resulting in two months revenue remaining unbilled at the reporting date rather than one month in the comparative period.

13(iv). Trade and other payables

	30 June 2025	**31 December 2024**
	£'000	£'000
Trade payables	**1,161**	1,224
Accruals	**111**	288
Payroll liabilities	**366**	295
Pension liabilities	**8**	3
VAT and other indirect taxes	**94**	115
Deferred revenue	**40**	-
Other payables	**19**	22
Total trade and other payables	**1,799**	1,947

13(v). Contingent consideration

The Group continues to recognise a contingent consideration liability related to the acquisitions of Cosgrove & Drew Ltd and South West Heating Services Limited in 2024.

During the interim period ended 30 June 2025, the only movement in the liability was due to the unwinding of the discount, resulting in a finance cost of £29k recognised in the profit or loss account (2024: nil).

There have been no changes to the key assumptions or payment terms since 31 December 2024.

Movement in contingent consideration	30 June 2025	31 December 2024
	£'000	£'000
Opening balance at 1 January	**1,335**	-
Addition on acquisitions	**-**	1,317
Unwinding of discount	**29**	18
Closing balance at 31 December	**1,364**	1,335
Included in current liabilities	**180**	180
Included in non-current liabilities	**1,184**	1,155

13(vi). Loans and Borrowings

	At 30 June 2025	At 31 December 2024
Maturity analysis - contractual undiscounted liability at period end (excluding invoice factoring facility)	£'000	£'000
On demand	**230**	307
Less than one year	**244**	259
One to two years	**154**	216
Two to five years	**16**	68
More than five years	**-**	-
Total undiscounted cash flows	**644**	850
Total discounted borrowings		
Current - related party loan	**225**	225
Current - credit cards	**5**	82
Current - bank borrowings	**163**	158
Current - HP	**38**	46
Non-current - bank borrowings	**117**	200
Non-current -HP	**41**	61
	589	772
Current - Invoice factoring	**481**	599
Total loans and borrowings	**1,070**	1,371
Included in current liabilities	**911**	1,110
Included in non-current liabilities	**159**	261

13(vii). Lease liabilities

The table below includes the total contractual payments due on leases held by the Group.

	30 June 2025	31 December 2024
Maturity analysis - contractual undiscounted cash flows	£'000	£'000
Less than one year	**108**	108
One to two years	**78**	88
Two to five years	**71**	84
More than five years	**-**	-
Total undiscounted cash flows	**257**	280
Total discounted lease liabilities	**220**	245
Included in current liabilities	87	92
Included in non-current liabilities	133	153

14. Share capital

	30 June 2025		31 December 2024	
	No.	**£**	No.	£
All issued shares are ordinary shares, which are fully paid	**116,408,362**	**4,656,335**	102,206,397	4,088,256

Movements in ordinary shares:

	Note	No. shares	Par value	Share Premium	Total
			£	£	£
Balance at 31 December 2024		**102,206,397**	**4,088,256**	**15,621,115**	**19,709,371**
Share placing 8 April 2024	18(i)	14,201,965	568,079	414,237	982,316
Balance at 30 June 2025		**116,408,362**	**4,656,335**	**16,035,352**	**20,691,687**

(i) On 12 June 2025, a share subscription of 14,201,965 shares at 0.072 pence, raised £1.02m before share issue costs of £40k.

15. Share-based payments

There have been no significant changes to the Group's share-based payment arrangements during the interim period ended 30 June 2025 compared to those disclosed in annual financial statements for the year ended 31 December 2024.

During the period, a small number of unvested share options from a discontinued legacy scheme lapsed. The cumulative amount previously recognised in equity in relation to these lapsed options, amounting to £17k (six months to 30 June 2024: £22k), was transferred to retained earnings in accordance with IFRS 2.

The Group recognised a share-based payment expense of £30k during the six-month period ended 30 June 2025 (six months ended 30 June 2024: nil).

For further details on the Group's share-based payment arrangements, refer to Note 19 of the annual financial statements for the year ended 31 December 2024.

16. Financial risk management

The Group's objectives and policies for managing financial risks, including credit risk, liquidity risk, and market risk, remain consistent with those disclosed in the annual financial statements for the year ended 31 December 2024.

There have been no significant changes in the Group's risk exposure or risk management practices during the interim period ended 30 June 2025.

17. Related party transactions

During the interim period ended 30 June 2025, the Group entered into various transactions with related parties in the ordinary course of business. The nature, terms and amounts of significant related party transactions and outstanding balances are disclosed below:

Key management personnel compensation

	Six-month period to 30 June 2025 £'000	Six- month period to 30 June 2024 £'000
Short-term employee benefits	**151**	76
Pension contributions	**8**	2
Share-based payment expenses	**29**	-
Total employee benefits	**188**	78

Transactions with related parties in six-month period to 30 June 2025

Related parties	**Nature of relationship**	**Nature of transaction**	**Six-month period to 30 June 2025 £'000**	**Six-month period to 30 June 2024 £'000**
Earnz Plc /Cosgrove & Drew Ltd	Ultimate parent /subsidiary	Intercompany loan	148	-
Earnz Plc / Cosgrove & Drew Ltd	Ultimate parent /subsidiary	Intercompany sale of services	25	-
Earnz Plc / Cosgrove & Drew Ltd	Ultimate parent /subsidiary	Pass-through operating expenses	30	-
Earnz Plc /South West Heating Services Limited	Ultimate parent /subsidiary	Intercompany sale of services	14	-
Earnz Plc / South West Heating Services Limited	Ultimate parent /subsidiary	Pass-through operating expenses	22	-
Earnz Plc / SW Assessors Limited	Ultimate parent / subsidiary	Intercompany loan repayment	(80)	
Earnz Plc / SW Assessors Limited	Ultimate parent / subsidiary	Intercompany sale of services	10	-
Earnz Plc / SW Assessors Limited	Ultimate parent / subsidiary	Pass-through operating expenses	4	

Earnz Plc (Verditek Plc) /Fly Solar Tech Solutions srl	Common Directorship	Service agreement-rental income	-	42
Earnz Plc (Verditek Plc) /Fly Solar Tech Solutions srl	Common Directorship	Service agreement - rental payment	-	(247)

Outstanding balances with related parties

Related parties	Nature of relationship	Type	At 30 June 2025 £'000	Terms
Earnz Plc / Earnz Holdings Limited	Ultimate parent /subsidiary	Intercompany loan	2,052	Unsecured, interest-free, repayable on demand
Earnz Plc /Cosgrove & Drew Ltd	Ultimate parent /subsidiary	Intercompany loan	819	Unsecured, interest-free, repayable on demand
Earnz Plc / South West Heating Services Limited	Ultimate parent /subsidiary	Intercompany loan receivable (VCT)	366	Unsecured, interest-free, repayable on demand
Earnz Plc / South West Heating Services Limited	Ultimate parent /subsidiary	Intercompany loan payable	(321)	Unsecured, interest-free, repayable on demand
Earnz Plc / South West Heating Services Limited	Ultimate parent /subsidiary	Accounts receivable	5	Payment made post-year end
Earnz Plc / SW Assessors Limited	Ultimate parent / subsidiary	Accounts receivable	2	Payment made post-year end
Earnz Plc / SW Assessors Limited	Ultimate parent /subsidiary	Intercompany loan	225	Unsecured, interest-free, repayable on demand
Earnz Holdings Limited / South West Heating Services Limited	Parent / subsidiary	Intercompany loan	(39)	Unsecured, interest-free, repayable on demand
Cosgrove & Drew Ltd / Bob Holt	Director	Interest free loan repayable on demand	(225)	Unsecured, interest-free, repayable on demand

18. Commitments, contingencies and guarantees

There were no capital commitments as at 30 June 2025 (30 June 2024: none)

The Group has provided guarantees to suppliers to secure supply arrangements in the normal course of business. The maximum amount guaranteed is £0.1m these would only be called in the event of a subsidiary failing to make payments. No liability or provision is included in respect of these guarantees.

The Group has professional indemnity insurance.

19. Distributions made and proposed

No dividends were declared, paid or proposed by the Company during the six months ended 30 June 2025 (six months ended 30 June 2024: none)

20. Events after the reporting period

On 1 July 2025, the Group acquired all the share capital of A&D Carbon Solutions LTD at a cost of £2.6m. The initial consideration was £1.1m comprising cash of £0.8m, of which £0.2m is contingent on performance targets to 31 December 2025, and £0.3m new ordinary shares in EARNZ plc.

The remaining £1.5m consideration is deferred and contingent upon reaching EBITDA targets for up to 3 years post completion and is payable 60% cash and 40% new ordinary shares in EARNZ plc.

Subsequently the completion accounts were finalised and an adjustment of £0.3m has been made to reduce the cash consideration paid to £0.5m, reflecting the final debt, cash and working capital position in the completion balance sheet.

As the acquisition occurred after the reporting date, the results and financial position of the acquired company have not been included in these financial statements. The Group is currently assessing the fair values of the

identifiable assets acquired and liabilities assumed. Accordingly, the accounting for this acquisition is provisional and subject to adjustment.

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