WALKERCRIPS

Interim Report 2025

Walker Crips Group plc

Contents

Walker Crips Group plc

("Walker Crips", the "Company" or the "Group")

Results for the six months ended 30 September 2025

Key figures

- Total revenues decreased 7.3% to £14.6 million (2024: £15.8 million).
- Gross profits (revenues net of commissions and fees paid out to self-employed investment managers) decreased by 7.4% to £12.1 million (2024: £13.1 million).
- Operating loss in the period of £6,900,000 (2024: £1,682,000). Adjusting for exceptional items, which consists of the impairment of goodwill of £4,388,000, the Group is reporting an adjusted operating loss of £2,512,000 (2024: £1,682,000).
- Loss before tax in the period of £6,324,000 (2024: £1,452,000). Adjusting for exceptional items, the Group is reporting an adjusted loss before tax of £2,582,000 (2024: £1,452,000).
- Cash and cash equivalents of £9.0 million (2024: £12.8 million) was held at the end of the period, which includes £2.5 million drawn down from the Loan Facility from Phillip Brokerage.
- Assets Under Management ("AUM") increased by 9.3% to £3.0 billion (31 March 2025: £2.7 billion) and Total Assets Under Management and Administration ("AUMA") increased by 5.3% to £4.9 billion (31 March 2025: £4.6 billion).
- The Directors do not propose to pay an interim dividend due to the Group's trading performance during the period (2024: nil pence per share).

"Whilst the results for the first six months have been disappointing, we have made significant progress in strengthening our operational foundation, including the migration of our custody operations to BNY Pershing.

These investments will place the firm on a stronger footing, by reducing our operational cost base, enhancing internal control, and creating a more resilient and scalable operating model."

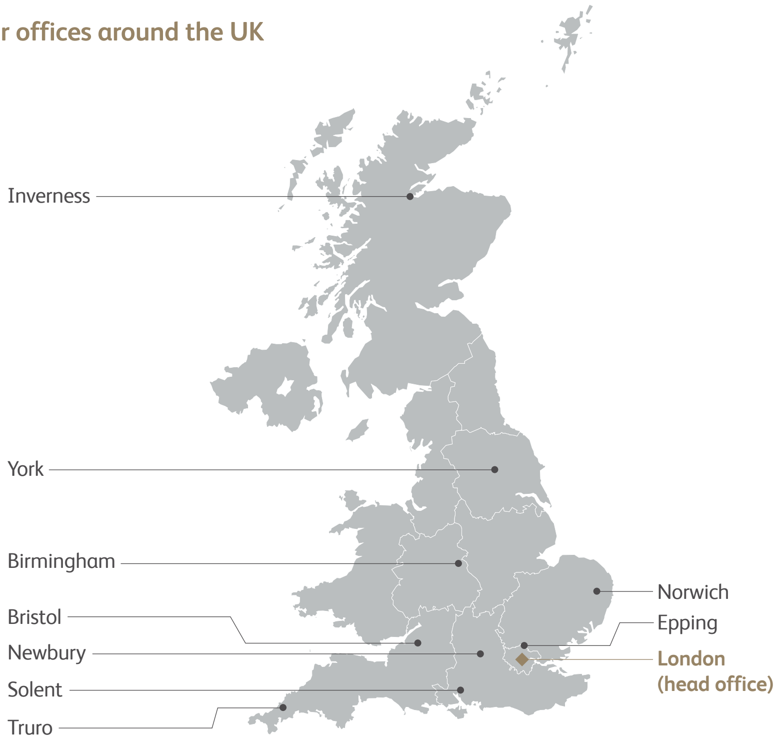
Mark Nelligan, Interim Chairman of Walker Crips Group plc

At a glance

Walker Crips Group offers investment management and financial planning services, pensions administration and cloud-based technology solutions.

We support our clients through the challenging and ever-changing investment environment by providing them with our expertise and utilising the latest technology.

Our offices around the UK



£14.6m
Total revenue for the six months ended 30 September 2025
(2024: £15.8m)

£4.9bn
Total Assets Under Management and Administration
(March 2025: £4.6bn)

£9.0m
Cash and cash equivalents
(2024: £12.8m)

Interim Chairman's statement

Introduction
Given the ongoing internal challenges and broader economic uncertainty, this has been another difficult period for the Walker Crips Group.

It is with that backdrop that the Independent Directors of Walker Crips Group recommended the acquisition of the Group by PhillipCapital UK Ltd on 24 November. PhillipCapital UK Ltd is a wholly owned subsidiary of Phillip Brokerage Pte Ltd, a company associated with the Company's largest shareholder group (referred to in the RNS as the PhillipCapital Concert Party), which also provided the £5.0 million working capital loan facility in July 2025. Further details on the proposed acquisition and the background to and reasons for the recommendation are included in the Company's announcement on 24 November 2025.

Group performance
Over the past year, the UK economy has been navigating a challenging backdrop of persistent inflation and slowing growth, with current levels yet to reach the target of 2 % . Elevated interest rates, maintained by the Bank of England to address higher-than-expected inflation, have increased borrowing costs and placed additional pressure on consumer spending and business investment.

Renewed tariff tensions between key trading partners contributed to supply-chain disruptions and heightened uncertainty in international markets. These combined factors weighed on business confidence and contributed to uneven sectoral performance, with companies increasingly focused on cost management, operational resilience, and strategic repositioning in response to the challenging environment.

The tight financial environment and cautious consumer behaviour continued to affect financial markets and, in turn, our revenues.

Our disappointing performance was impacted further by internal factors, specifically our high costs in relation to our self-initiated CASS and regulatory enhancements, and the upfront costs related to the ongoing Model B (trading, settlement and custody operations) migration to BNY Pershing in the investment management subsidiary (Walker Crips Investment Management Ltd or "WCIM"). It is worth noting that the results do not incorporate £1.8 million of insurance recoverability relating to the WCIM suitability redress provision of the previous financial year. We await FCA approval of the redress methodology before recognising the insurance recoverability which we expect to do so by the end of the financial year.

The Group is reporting a first-half operating loss and loss before tax of £6,900,000 and £6,970,000, respectively (30 September 2024: operating loss of £1,682,000 and loss before tax of £1,452,000), with a notable exceptional charge of £4,388,000 million being the impairment of our entire goodwill balance. This is purely an accounting adjustment, with no cash impact.

Operating costs decreased by 0.7 % compared to same period last year. This may seem unusual given the persistent inflation and rising costs we have previously seen, but last year's operating costs included one-off costs that were specifically related to the CASS and regulatory enhancements, as well as costs on transitioning WCIM's trading, settlement and custody operations to BNY Pershing.

As mentioned in the annual report, the transition of a large part of WCIM's back-office operations to BNY Pershing was completed at the end of June 2025. However, the transition required significant staff and management focus, which affected the ability to execute on growth initiatives, thereby affecting expected revenues in the period.

Revenues declined by 7.3% in total compared to the same period last year, primarily due to a reduced managed interest retention and Structured Products fees. The reduction in managed interest retention was a deliberate strategy to provide greater value to our clients by sharing more interest with them. Structured Products fees saw an unfortunate decline in the first half due to market uncertainty, but have since picked up as clients have seen more value in defensive structures, given fears of a stock market asset bubble.

Whilst the results are not positive, they were not entirely unexpected given the transition we are in. We remain determined to turn things around through several ongoing initiatives, including strengthened cost management efforts, comprehensive tariff reviews, new structured products initiatives, including a structured product fund, and continuous process improvements. The Company has identified a range of cost-cutting measures that are expected to start delivering results in 2026.

After five years of reorganisation and growing the number of financial planners, the Financial Planning subsidiary has returned to profitability, and we believe it is now well placed to continue its growth trajectory and benefit from the time, effort and capital invested by the staff, financial planners, management and the Group. Barker Poland Asset Management LLP continues to be efficiently managed and doing what they do best, in serving our clients, and contributing positively to the Group. Our Pensions subsidiary is also holding its own in a highly challenging SIPP and SASS environment.

Recommended cash acquisition

On 24 November 2025, the Independent Directors of Walker Crips Group plc* and PhillipCapital UK Ltd announced that they had reached agreement on the terms of a recommended cash offer pursuant to which PhillipCapital UK Ltd would acquire the Group (the "acquisition"). The Acquisition valued the Group at £5.6 million, offering 14 pence per share, approximately 87% above the last closing price of 7.5 pence. Further details on the Acquisition, including the background to and reasons for the recommendation, are included in the Group's announcement on 24 November 2025.

** The Independent Directors for the purposes of the Acquisition are considered to be Mark Nelligan, Christian Dougal and Sean Lam.*

Outlook

Whilst the results for the first six months have been disappointing, we have made significant progress in strengthening our operational foundation, including the migration of our custody operations to BNY Pershing. These investments will place the firm on a stronger footing, by reducing our operational cost base, enhancing internal control, and creating a more resilient and scalable operating model.

Our strategic focus remains on driving sustainable growth through targeted initiatives such as creating a structured product fund, hiring quality investment managers and financial planners, and ensuring that our cost base is carefully managed.

I would like to take this opportunity to express my appreciation to our clients, shareholders and employees for their continued support, trust and commitment.

Mark Nelligan
Interim Chairman
31 December 2025
Walker Crips Group plc

Condensed consolidated income statement

for the six months ended 30 September 2025

	Notes	**Unaudited September 2025 £'000**	Unaudited September 2024 £'000	Audited March 2025 £'000
Revenue	4, 7	**14,646**	15,794	31,345
Commissions and fees paid	8	**(2,551)**	(2,734)	(5,515)
Gross profit		**12,095**	13,060	25,830
Administrative expenses		**(14,607)**	(14,742)	(25,653)
Exceptional items	9	**(4,388)**	-	(3,821)
Operating loss	4	**(6,900)**	(1,682)	(3,644)
Investment revenue		**147**	274	479
Finance costs		**(217)**	(44)	(110)
Loss before tax		**(6,970)**	(1,452)	(3,275)
Taxation		**646**	363	747
Loss for the period attributable to equity holders of the Parent Company		**(6,324)**	(1,089)	(2,528)
Earnings per share				
Basic and diluted	5	**(14.85)p**	(2.56)p	(5.26)p

Condensed consolidated statement of comprehensive income

for the six months ended 30 September 2025

	Unaudited September 2025 £'000	Unaudited September 2024 £'000	Audited March 2025 £'000
Loss for the period	**(6,324)**	(1,089)	(2,528)
Total comprehensive loss for the period attributable to equity holders of the Parent Company	**(6,324)**	(1,089)	(2,528)

Condensed consolidated statement of financial position

as at 30 September 2025

	Notes	**Unaudited September 2025 £'000**	Unaudited September 2024 £'000	Audited March 2025 £'000
Non-current assets				
Goodwill		**-**	4,388	4,388
Other intangible assets		**2,746**	3,410	3,073
Property, plant and equipment		**495**	723	631
Right-of-use-assets		**8,830**	1,787	1,525
Investments - fair value through profit or loss		**14**	-	14
		12,085	10,308	9,631
Current assets				
Trade and other receivables		**14,013**	24,434	32,335
Investments - fair value through profit or loss	12	**410**	878	916
Cash and cash equivalents		**8,999**	12,794	12,502
		23,422	38,106	45,753
Total assets		**35,507**	48,414	55,384
Current liabilities				
Trade and other payables		**(9,422)**	(24,076)	(32,351)
Loan		**(2,500)**	-	-
Deferred tax liabilities		**-**	(176)	-
Provisions	15	**(1,191)**	(1,181)	(1,936)
Lease liabilities		**(781)**	(732)	(819)
Dividends payable		**-**	(106)	-
		(13,894)	(26,271)	(35,106)
Net current assets		**9,528**	11,835	10,647

	Unaudited September 2025 £'000	Unaudited September 2024 £'000	Audited March 2025 £'000
Long-term liabilites			
Deferred cash consideration	**(15)**	-	-
Lease liabilities	**(8,566)**	(1,358)	(907)
Provisions	**(669)**	(659)	(684)
	(9,250)	(2,017)	(1,591)
Net assets	**12,363**	20,126	18,687
Equity			
Share capital	**2,888**	2,888	2,888
Share premium account	**3,763**	3,763	3,763
Own shares	**(312)**	(312)	(312)
Retained earnings	**1,301**	9,064	7,625
Other reserves	**4,723**	4,723	4,723
Equity attributable to equity holders of the Parent Company	**12,363**	20,126	18,687

Condensed consolidated statement of cash flows

for the six months ended 30 September 2025

	Notes	**Unaudited September 2025 £'000**	Unaudited September 2024 £'000	Audited March 2025 £'000
Operating activities				
Cash generated from operations	13	**(5,757)**	(618)	(177)
Tax paid		**29**	-	(232)
Net cash (used in)/generated from operating activities		**(5,727)**	(618)	(409)
Investing activities				
Purchase of property, plant and equipment		**(17)**	(58)	(124)
Sale/(Purchase) of investments held for trading		**496**	(181)	(157)
Consideration paid on acquisition of intangibles		**-**	(53)	(105)
Dividends received		**-**	-	8
Interest received		**147**	274	471
Net cash generated from/(used in) investing activities		**626**	(18)	93
Financing activities				
Dividends paid		**-**	-	(106)
Interest paid		**(51)**	(1)	(29)
Loan received		**2,500**	-	-
Repayment of lease liabilities *		**(684)**	(389)	(829)
Repayment of lease interest *		**(166)**	(43)	(81)
Net cash used in financing activities		**1,599**	(433)	(1,045)
Net decrease in cash and cash equivalents		**(3,503)**	(1,069)	(1,361)
Net cash and cash equivalents at beginning of period		**12,502**	13,863	13,863
Net cash and cash equivalents at end of period		**8,999**	12,794	12,502

* Total IFRS 16 lease liability payments of £850,000 (30 September 2024: £432,000; 31 March 2025: £910,000).

Condensed consolidated statement of changes in equity

for the six months ended 30 September 2025

	Share capital £'000	Share premium account £'000	Own shares held £'000
Equity as at 31 March 2024	**2,888**	**3,763**	**(312)**
Total comprehensive loss for the period	-	-	-
Contributions by and distributions to owners			
Dividends paid	-	-	-
Total contributions by and distributions to owners	-	-	-
Equity as at 30 September 2024	**2,888**	**3,763**	**(312)**
Total comprehensive loss for the six-month period	-	-	-
Contributions by and distributions to owners			
Dividends paid	-	-	-
Total contributions by and distributions to owners	-	-	-
Equity as at 31 March 2025	**2,888**	**3,763**	**(312)**
Total comprehensive loss for the six-month period	-	-	-
Contributions by and distributions to owners			
Dividends paid and payable	-	-	-
Total contributions by and distributions to owners	-	-	-
Equity as at 30 September 2025	**2,888**	**3,763**	**(312)**

	Capital redemption £'000	Other £'000	Retained earnings £'000	Total equity £'000
	111	**4,612**	**10,259**	**21,321**
	-	-	(1,089)	(1,089)
	-	-	(106)	(106)
	-	-	(106)	(106)
	111	**4,612**	**9,064**	**20,126**
	-	-	(1,439)	(1,439)
	-	-	-	-
	-	-	-	-
	111	**4,612**	**7,625**	**18,687**
	-	-	(6,324)	(6,324)
	-	-	-	-
	-	-	-	-
	111	**4,612**	**1,301**	**12,363**

Notes to the condensed consolidated financial statements

for the six months ended 30 September 2025

1. General information

Walker Crips Group plc ("the Company") is the Parent Company of the Walker Crips group of companies ("the Group"). The Company is a public limited company incorporated in England and Wales under the Companies Act 2006. The Company's registered office is at 128 Queen Victoria Street, London EC4V 4BJ.

2. Basis of preparation and significant accounting policies

Basis of preparation

This condensed consolidated interim financial report for the half-year reporting period ended 30 September 2025 has been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. They do not include all disclosures that would otherwise be required in a complete set of financial statements, however, selected explanatory notes are included for events and transactions that are significant to an understanding of the Group's financial position and performance.

The condensed consolidated financial statements have been prepared on the basis of the accounting policies and methods of computation set out in the Group's consolidated financial statements for the year ended 31 March 2025 therefore should be read in conjunction with the Group's audited financial statements for the year ended 31 March 2025. The interim financial information is unaudited and does not constitute statutory accounts as defined in section 434 of the Companies Act 2006.

The Group's financial statements for the year ended 31 March 2025 have been reported on by the auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified and did not draw attention to any matters by way of emphasis. The audit report did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The interim financial information has neither been audited nor reviewed pursuant to guidance issued by the Audit Procedures Board.

The interim condensed consolidated financial statements are presented in GBP sterling (£) and are rounded to the nearest thousand, unless stated otherwise.

Going concern

The interim financial statements of the Group are prepared on a going concern basis. As at 30 September 2025, the Group had net assets of £12.4 million (31 March 2025: £18.7 million), net current assets of £9.5 million (31 March 2025: £10.7 million) and net cash and cash equivalents of £9.0 million (31 March 2025: £12.5 million). The Group reported an operating loss of £6.9 million for the period to 30 September 2025 (30 September 2024: £1.682 million) and net cash used from operating activities of £5.76 million (30 September 2024: net cash used of £0.6 million).

The Directors consider the going concern basis to be appropriate following their assessment of the Group's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment, the Directors have considered:

- The Group's base case financial projections for the five-year period through to 31 March 2030.
- The Group's operating cash inflows and outflows during the period to 30 September 2025, and its projected future cash flows, including the adjustment of known and/or planned factors to

projected revenues and costs as at the date of the publication of this report.
- The principal risks facing the Group and its systems of risk management and internal control.
- The outcome of stress scenarios applied to the Group's base case projections.

The Directors have made key assumptions in formulating the forecast such as for economic factors such as interest rates and inflation and have assessed market trends and political events that may also affect trading.

Key stress scenarios that the Directors have considered for illustrative and comparative purposes include:

- A "bear stress scenario": representing a 10 % reduction in management fees, trading commissions, and interest income with the consequent reduction in revenue sharing based costs, compared to the base case in the reporting periods from 1 April 2026 through to 31 March 2030.
- A "severe stress scenario": representing a 20 % fall in management fees, trading commissions, and interest income with the consequent reduction in revenue sharing based costs, compared to the base case in the reporting periods from 1 April 2026 through to 31 March 2030.

The bear and severe stress scenarios indicate potential breaches of the Group's minimum regulatory capital ratio threshold in the next financial year. The Directors note the conservative base case projections and that all stress scenarios are before considering the impact of corrective management actions or expected positive impacts of the Group's changes in own fund and liquid asset threshold requirements subsequent to the delivery of work noted in the Interim Chairman's Statement. As such, based upon the analysis, the Directors consider scenarios leading to a regulatory capital threshold breach to be remote.

Management actions include, but are not limited to, the below:

- Immediate reduction in non-essential/discretionary expenditure such as freezing of hires and much reduced capital expenditure;
- Imposition of employment cutbacks, in real terms represented by salaries being forecast at a consistent level throughout the five-year forecast (cut in the base scenario);
- Consider disposals of assets; and
- Fully utilising the Phillip Brokerage working capital loan facility.

Taxation
The tax credit in the income statement represents the sum of the tax currently receivable and deferred tax.

The tax currently receivable is based on the taxable loss for the period. Taxable loss differs from net loss as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's asset for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date. The amount of taxable loss in the current period has been estimated.

Deferred tax is calculated at the tax rates that are expected to apply in the period in which the liability is

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for the six months ended 30 September 2025 | continued

settled or the asset is realised based on tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to do so and presented as a net number on the face of the statement of financial position.

Use of estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

There have been no material revisions to the nature and amounts of estimates of numbers reported in prior periods.

Impairment of goodwill – estimation and judgement

Determining whether goodwill is impaired requires an estimation of the fair value less costs to sell and the value-in-use of the cash-generating units to which goodwill has been allocated. As mentioned in the Chairman's Statement, goodwill on the balance sheet was fully impaired in the period given the indicative market capitalisation of the Group based on the takeover bid from PhillipCapital UK being significantly lower than the Group's net assets value. After the impairment, the carrying amount of goodwill at the statement of financial position date was £nil (31 March 2025: £4.4 million).

Other intangible assets – judgement

Acquired client lists are capitalised based on current fair values. When the Group purchases client relationships from other corporate entities, a judgement is made as to whether the transaction should be accounted for as a business combination, or a separate purchase of intangible assets. In making this judgement, the Group assesses the acquiree against the definition of a business combination in IFRS 3. Payments to newly recruited investment managers are capitalised when they are judged to be made for the acquisition of client relationship intangibles. The useful lives are estimated by assessing the historic rates of client retention, the ages and succession plans of the investment managers who manage the clients and the contractual incentives of the investment managers. Key assumptions in this regard consist of the following:

1. The Group continues as a going concern;
2. Life expectancy of clients based on data from the Office for National Statistics;
3. Succession plans in place for staff and investment managers;
4. Amounts of AUMA are consistent on average;
5. A growth rate of client list AUMA of a conservative 2 %; and
6. A discount rate of 12 %.

No intangible asset acquisitions were made in the period to 30 September 2025.

Provisions – estimation and judgement

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date, and are discounted to present value where the effect is material.

IFRS 16 "Leases" – estimation and judgement
IFRS 16 requires certain judgements and estimates to be made and those significant judgements are explained below.

The Group has opted to use single discount rates for leases with reasonably similar characteristics. The discount rates used have had an impact on the right-of-use assets' values, lease liabilities on initial recognition and lease finance costs included within the income statement.

Where a lease includes the option for the Group to extend the lease term, the Group has exercised the judgement, based on current information, that such leases will be extended to the full length available, and this is included in the calculation of the value of the right-of-use assets and lease liabilities on initial recognition and valuation at the reporting date.

Provision for dilapidations - estimation and judgement
The Group has made provisions for dilapidations under six leases for its offices. The Group did not enter into any new property leases in the period but allowed the lapse of two existing lease agreements. The amounts of the provisions are, where possible, estimated using quotes from professional building contractors. The property, plant and equipment elements of the dilapidations are depreciated over the terms of their respective leases. The obligations in relation to dilapidations are inflated using an estimated rate of inflation and discounted using appropriate gilt rates to present value. The change in liability attributable to inflation and discounting is recognised in interest expense.

Provision for client payments - estimation and judgement
The Group, with the support of external advisors, is currently investigating an historical client suitability matter from which compensation costs may arise in the future. The current estimate of the provision is noted in note 15.

3. Changes in significant accounting policies

The accounting policies applied in these interim condensed consolidated financial statements are consistent with those applied in the Group's consolidated financial statements as at and for the year ended 31 March 2025.

4. Revenue and segmental analysis

For segmental reporting purposes, the Group currently has three operating segments:

- Investment Management, being portfolio-based transaction execution and investment advice;
- Wealth Management, being financial planning and pension advice; and
- Software as a Service ("SaaS"), comprising provision of regulatory and admin software to regulated companies.

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for the six months ended 30 September 2025 | continued

Walker Crips Investment Management's activities focus predominantly on investment management of various types of portfolios and asset classes.

Walker Crips Wealth Management provides advisory and administrative services to clients in relation to their financial planning, life insurance, inheritance tax and pension arrangements.

EnOC Technologies Limited ("EnOC") provides cloud-based software solutions to our business partners, including the Group's regulated entities. Fees payable by subsidiary companies to EnOC have been eliminated on consolidation.

These activities are the basis on which the Group reports its primary segment information. Unallocated corporate expenses are disclosed separately. Revenues between Group entities and reportable segments are excluded from the below analysis.

Revenue	**Investment management**	**Financial planning**	**SaaS**	**Total**
	£'000	**£'000**	**£'000**	**£'000**
6 months to 30 September 2025	**12,549**	**2,091**	**6**	**14,646**
6 months to 30 September 2024	14,146	1,640	8	15,794
Year to 31 March 2025	27,913	3,416	16	31,345

Operating (loss)/profit				**Unallocated costs**	**Operating profit**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
6 months to 30 September 2025	**(2,149)**	**98**	**(234)**	**(4,615)**	**(6,900)**
6 months to 30 September 2024	(985)	(87)	(245)	(365)	(1,682)
Year to 31 March 2025	1,632	(629)	(490)	(450)	63

5. Loss per share

The calculation of basic loss per share for continuing operations is based on the post-tax loss for the period of £6,324,000 (2024: £1,089,000) and on 42,577,328 (2024: 42,577,328) ordinary shares of 6 2/3p, being the weighted average number of ordinary shares in issue during the period. There is no dilution applicable to the current period.

6. Dividends

Given the reported results and our ongoing capital and liquidity requirements, the Board will not be declaring an interim dividend.

7. Total income

	Six months ended 30 September 2025	Six months ended 30 September 2024	Year ended 31 March 2025
	£'000	£'000	£'000
Revenue from contracts with customers	**13,204**	13,404	26,888
Other revenue	**1,442**	2,390	4,457
	14,646	15,794	31,337
Investment revenue	**147**	274	479
	14,793	16,068	31,824

8. Commissions and fees paid

Commissions and fees paid comprise:

	Six months ended 30 September 2025	Six months ended 30 September 2024	Year ended 31 March 2025
	£'000	£'000	£'000
To self-employed certified persons	**2,551**	2,734	5,515
	2,551	2,734	5,515

9. Exceptional items

Certain items of income and expenditure may be disclosed separately as exceptional due to their nature and materiality in order to provide a clearer understanding of the Group's performance. Exceptional items are as follows:

Exceptional items included within operating loss	Six months ended 30 September 2025	Six months ended 30 September 2024	Year ended 31 March 2025
	£'000	£'000	£'000
Goodwill impairment	4,388	-	-
Client payments and associated costs	-	-	1,757
Regulatory enhancements	-	-	1,842
Restructuring related to transfer to Model B arrangement	-	-	222
	4,388	-	3,821

Notes to the condensed consolidated financial statements

for the six months ended 30 September 2025 | continued

During the period to 30 September 2025, goodwill on both cash-generating units of London York Fund Managers Limited and Barker Poland Asset Management LLP was fully impaired. This is an accounting adjustment to bring down the net asset value of the Group in light of the indicative market capitalisation based on PhillipCapital UK's takeover bid.

In the year ended 31 March 2025, we have classified the following items as exceptional due to their materiality and non-recurring nature:

a) An internal control failure resulted in possible customer detriment. Provision has been made for the present estimate of client payments and associated costs. We are working with our insurers to confirm scope of cover, and any future recovery will also be treated as an exceptional item.
b) The costs of an independent review and resulting actions to remediate and enhance the Group's Compliance framework.
c) Costs relating to restructuring in light of the transfer of back-office functions to the Model B arrangement.

10. Tax

Tax is credited at 25 % for the six months ended 30 September 2025 (2024: 25 %), representing the best estimate of the average annual effective tax rate expected to apply for the full year, applied to the pre-tax loss of the six-month period.

11. Current investments – fair value through profit or loss

	As at 30 September 2025 £'000	As at 30 September 2024 £'000	As at 31 March 2025 £'000
Trading investments			
Investments - fair value through profit or loss	**410**	878	916

Financial assets at fair value through profit or loss represent investments in equity securities and collectives that present the Group with opportunity for return through dividend income, interest and trading gains. The fair values of these securities are based on quoted market prices.

12. Fair values

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. The trading investments fall within this category;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The Group does not hold financial instruments in this category; and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). The Group's investments held in non-current assets fall within this category.

The following tables analyse within the fair value hierarchy to the Group's investments measured at fair value.

	Level 1 £'000	Total £'000
At 30 September 2025		
Financial assets held at fair value through profit and loss	**410**	**410**
	410	**410**
At 30 September 2024		
Financial assets held at fair value through profit and loss	878	878
	878	878
At 31 March 2025		
Financial assets held at fair value through profit and loss	916	916
	916	916

Further IFRS 13 disclosures have not been presented here as the balance represents 2.510 % (2024: 1.814 %) of total assets.

Notes to the condensed consolidated financial statements

for the six months ended 30 September 2025 | continued

13. Cash generated from operations

	Unaudited September 2025	Unaudited September 2024	Audited March 2025
	£'000	£'000	£'000
Operating loss for the period	**(6,900)**	(1,682)	(3,644)
Adjustments for:			
Amortisation of intangibles	**327**	386	775
Impairment of goodwill	**4,388**	-	-
Net change in fair value of financial instruments at fair value through profit or loss	**10**	(159)	(221)
Depreciation of property, plant and equipment	**152**	150	309
Depreciation of right-of-use assets	**999**	314	649
Decrease in debtors *	**18,939**	7,506	43
(Decrease)/increase in creditors *	**(23,672)**	(7,133)	1,912
Net cash used in operations	**(5,757)**	(618)	(177)

* £4,733,000 cash outflow from working capital movement (30 September 2024: £373,000 inflow; 31 March 2025: £1,955,000 inflow).

14. Contingent liability

In 2021, a former associate brought a claim against Walker Crips Investment Management Limited "WCIM") in an Employment Tribunal. A hearing of a preliminary issue took place in 2022 and the Tribunal found in favour of WCIM. The former associate appealed certain aspects of that decision, and in 2023, whilst many of the appeal grounds were not upheld, certain points were referred back to the Employment Tribunal to reconsider. The specific contested points were subsequently upheld and the case will in due course move to trial stage, probably in 2027. WCIM considers the claims to be unjustified and intends to continue to defend them robustly.

During the last year, a legacy systems issue was identified that could have resulted in our client statements being presented incorrectly in relation to equalisation and accumulation units. This information, if used for tax affairs, could have an impact to client tax liability. The investigation is ongoing and the impact on individual clients cannot be determined at this stage and the outcome is uncertain and any liability could not be reliably measured at this point in time, therefore the Board consider it appropriate to report this finding as a contingent liability. The Board expects this investigation to be concluded within the next 6 months.

In addition to above, from time to time, the Group receives complaints or undertakes past business reviews, the outcomes of which remain uncertain and/or cannot be reliably quantified based upon information available and circumstances falling outside the Group's control. Accordingly, contingent liabilities arise, the ultimate impact of which may also depend upon availability of recoveries under the Group's indemnity insurance and other contractual arrangements. Other than any cases where a financial obligation is deemed to be probable and thus provision is made, the Directors presently consider a negative outcome to be remote. As a result, no further disclosure has been made in these financial statements. Provisions made remain subject to estimation uncertainty, which may result in material variations in such estimates as matters are finalised.

15. Provisions

Provisions within one year are made up as follows:

	Client payments and associated professional fees	Stamp Duty liability	Total
	£'000	£'000	£'000
At 1 April 2024	-	**355**	**355**
Utilisation of provision	-	(324)	**(324)**
Release of provision	-	(31)	**(31)**
Additions	1,181	-	**1,181**
At 30 September 2024	**1,181**	**-**	**1,181**
Additions	755	-	**755**
At 1 April 2025	**1,936**	**-**	**1,936**
Additions	-	-	**-**
Utilisation of provision	(745)	-	**(745)**
At 30 September 2025	**1,191**	**-**	**1,191**

Client payments

The provision relates to the current estimate of client redress arising from a legacy suitability issue along with associated costs which in the opinion of the Board, need providing for after taking into account the risks and uncertainties surrounding such events. The investigation is currently ongoing to quantify the impact however the timing of these settlements are unknown but it is expected that they will be resolved within 12 months.

16. Subsequent events

After 30 September 2025, there was takeover bid for the Group from PhillipCapital UK Ltd on 24 November 2025. More information is available in the Group's announcement on 24 November 2025, which can be found on the Company website and that of the London Stock Exchange.

Directors' responsibility statement

The Directors confirm that to the best of their knowledge:

(a) The condensed set of financial statements contained within the half yearly financial report has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU;

(b) The half yearly report from the Chairman (constituting the interim management report) includes a fair review of the information required by DTR 4.2.7R; and

(c) The half yearly report from the Chairman includes a fair review of the information required by DTR 4.2.8R as far as applicable.

On behalf of the Board

Sean Lam
Joint Group CEO
31 December 2025
Walker Crips Group plc

Company information

Company officers

Executive Directors

Sean Lam FCPA (Aust.), Chartered FCSI – Joint Group Chief Executive Officer

Christian Dougal Dip CII, ACSI – Joint Group Chief Executive Officer

Non-Executive Directors

Mark Nelligan – Interim Chairman, Audit Committee & Remuneration Committee Chairman

Hua Min Lim

Linus Lim

Company Secretary

Amanda Read

Registered number

01432059

Registered office

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Further information

For further information, please contact:

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Further information on Walker Crips Group is available on the Company's website:
walkercrips.co.uk

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