

## Interim Report

For the half-year ended 31 March 2024



**Specialists in the  
transition to a more  
sustainable economy**

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### Our 2023 reporting suite



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# IMPAX

## Asset Management



## Investing in the transition to a more sustainable economy

**25+ years' experience**

**Large investment team**

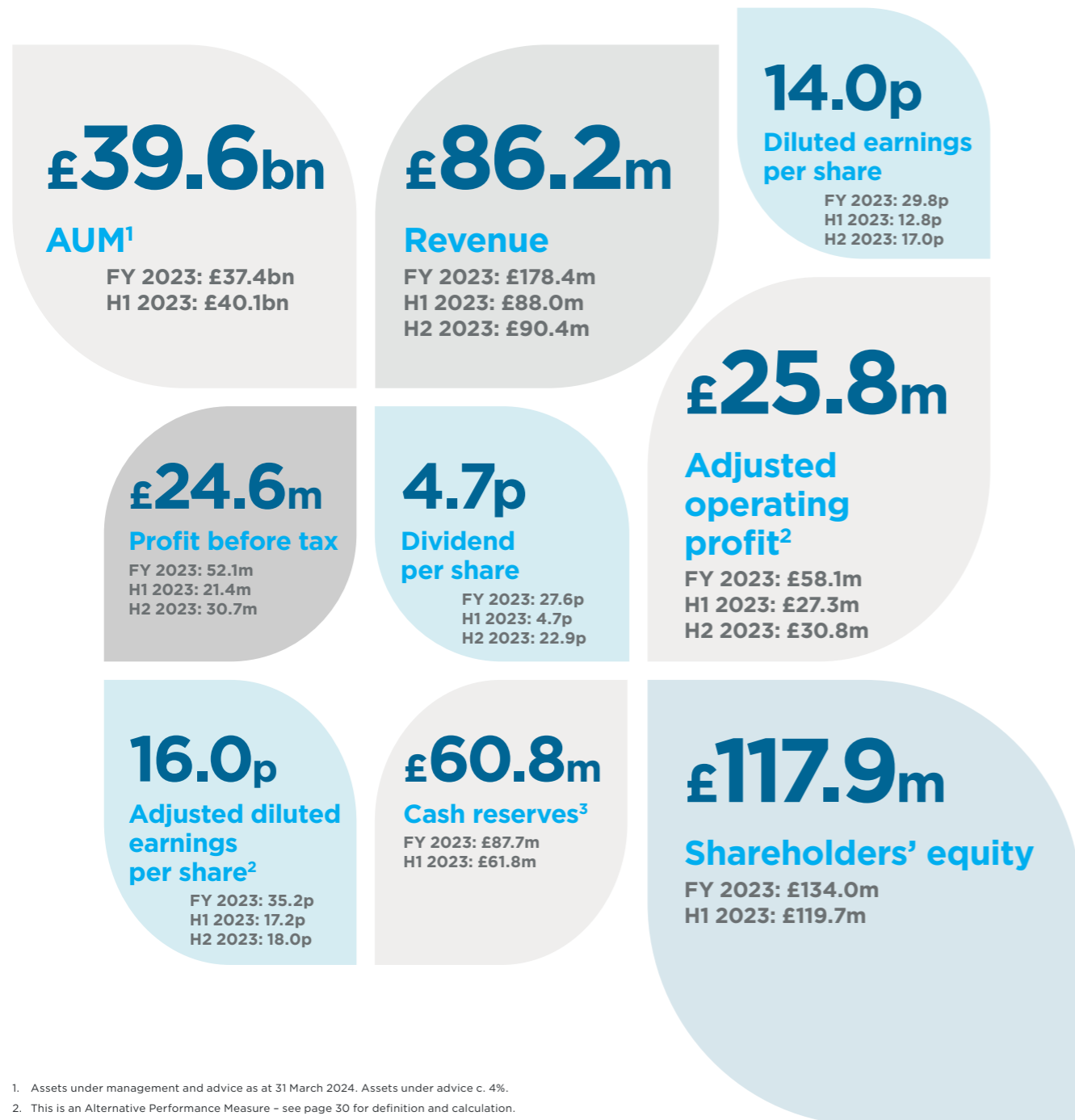
- Listed Equities
- Fixed Income
- Private Markets

**Expertise in highly attractive areas recognised worldwide**

**Global client base of institutional & intermediary investors**

**Scalable business model based on organic growth**

## Financial Highlights



1. Assets under management and advice as at 31 March 2024. Assets under advice c. 4%.  
 2. This is an Alternative Performance Measure – see page 30 for definition and calculation.  
 3. Represents cash and cash equivalents, plus cash invested in money market funds, less cash held in research payment accounts. See page 31 for further information and note 13 of the financial statements for a reconciliation.

## Chief Executive's Report

**“We believe that Impax continues to be well placed for further success.”**

### BUSINESS UPDATE

**Impax showed its resilience in the first half of its financial year, which includes the six months to 31 March 2024 (“the Period”). During the Period, Impax’s assets under management and advice (“AUM”) rose by 5.9% to reach £39.6 billion, driven by the performance of our investment strategies.**



**Ian Simm**  
Chief Executive

The positive impact of £4.9 billion from investment performance, market movement, and foreign exchange was partially offset by net outflows of £2.7 billion, following asset allocation decisions by clients primarily within our wholesale channel in Europe, who rotated to a more ‘risk-off’ stance amid a higher interest rate environment. Meanwhile, our institutional channel continues to be more robust and we saw an increase in the net number of institutional accounts due to some significant new client wins; our new business pipeline also remains healthy.

Despite ongoing challenges within the wider asset management industry, the opportunities to invest in the transition to a more sustainable economy continue to multiply. With experience dating back over 25 years and today’s global footprint, Impax continues to stand out from peers in offering attractive investment products and solutions to asset owners around the world.

We are seeking to build out our differentiated positioning by increasing our direct distribution capability, diversifying our product offering and focusing on delivering strong investment returns, while at the same time carefully managing our costs.

## Chief Executive's Report continued

### MARKETS

During the six months of the Period, global equities posted strong returns amid an improving inflationary backdrop. While investment performance continued to be heavily influenced by a small number of 'mega-cap' technology stocks, this group was less dominant, as a broader range of companies benefitted from resilient economic data from the United States and a relatively strong earnings season. Notwithstanding this positive backdrop, the shares of companies solving environmental problems and/or advancing the transition to a more sustainable economy generally traded at lower ratings and their expected earnings recovery relative to other stocks appeared to be delayed.

### INVESTMENT PERFORMANCE

Impax offers actively managed listed equities strategies that use our thematic Environmental Markets taxonomies and the Impax Sustainability Lens, as well as strategies in fixed income and private markets.

Although, in the main, our strategies have largely performed positively on an absolute basis over the Period, top-down factors continue to impact performance relative to generic indices. For example, the market concentration of the mega cap technology stocks in the MSCI All Country World Index ("ACWI") acted as a detractor for many of our strategies, particularly in the first quarter of the financial year.

For the six-month Period, the Leaders and the Water strategies both outperformed, though the remainder of our Environmental Markets strategies lagged their benchmarks despite recording positive absolute returns.

Within our Sustainability Lens equities strategies range, the US Large Cap strategy outperformed its benchmark over the Period, while the Global Opportunities and US Small Cap strategies underperformed.

Meanwhile, in fixed income, the High Yield and Core Bond strategies both performed in line with their benchmarks.

Longer term, six out of our 10 largest strategies have outperformed their benchmarks over five years.

### FIXED INCOME AND PRIVATE MARKETS

We have identified the development of our fixed income platform as a strategic priority as we aim to provide a wider range of solutions to our clients who are seeking to allocate to the transition to a more sustainable economy.

In January 2024, we took an important step in this journey as we entered into an agreement to acquire from the Formuepleje Group, the assets of Absalon Corporate Credit ("Absalon"), with closing expected over the summer. Absalon serves European institutional investors and Danish high net worth individuals. Its four-person portfolio management team manages two fixed income strategies in Global High Yield and Emerging Market Corporate Debt and, as of 31 March 2024, had in aggregate approximately £364 million of assets under management.

Meanwhile, within private markets, we announced the successful final close of our fourth and largest ever fund in this area, raising €459 million. The fund's portfolio comprises 10 investments that have completed within two years of the fund's first close. The team is currently focused on developing the portfolio as well as executing exits in the third fund, including a group of German wind farms and a French wind and solar platform.

### CLIENT GROUP

We continue to build out our direct distribution capabilities to support the growth of our own label fund ranges in Europe and the US and to serve professional and institutional investors globally. This activity is led by our Client Group, which includes sales, client service, product development, and marketing professionals in North America and Europe & Asia-Pacific.

Significant new client wins during the Period included listed equities mandates for pension funds in the UK, Sweden and Australia. In the United States we saw additional subscriptions into the US Large Cap strategy from a leading private bank and the Leaders strategy was chosen for inclusion in two model portfolios.

Redemptions during the Period were primarily made through our wholesale channel and largely by retail clients served by our third-party distribution partners, including BNP Paribas Asset Management in Europe & Asia-Pacific.

By the Period end Environmental Markets strategies represented 57% (H1 2023: 62%) and Sustainability Lens strategies 36% (H1 2023: 32%) of the Company's total assets under management.

Our Ireland-based UCITS fund range grew by 11% to £2.2 billion, with flat net flows. In the US, our own label fund range's AUM grew by 10% to £7 billion, despite net outflows of £245 million.

As part of our new product development in listed equities, in December 2023 we launched a Global Social Leaders strategy, which invests in businesses with strong corporate cultures that are responding to long-term, secular social trends.

In March 2024, we seeded a Global Emerging Markets Opportunities strategy, which will be managed by our investment team in London and Hong Kong and is aimed at clients seeking a sustainable core allocation equities product investing in those growth markets.

We continue to invest in our brand, and our leadership was again recognised as Impax was named 'Responsible Investor of the Year' in the Reuters Responsible Business Awards and 'Boutique Manager of the Year' by Financial News. After the Period end, we were honoured with a coveted King's Award for Enterprise in the Sustainable Development category, placing Impax among the most innovative businesses in the UK; this is the third time we have been recognised with this award.<sup>1</sup>

### IMPAX SUSTAINABILITY CENTRE

We recently formed the Impax Sustainability Centre to bring together our expertise in areas including sustainability research, company engagement, policy advocacy, thought leadership and impact reporting. In recent years the team has interacted consistently with regulators and companies regarding the approach to reporting on physical climate risk. Our leadership on this issue was demonstrated in March this year, when the United States Securities & Exchange Commission cited Impax 24 times in the background notes to its new climate risk disclosure rule, including the requirement that companies report on physical risks and asset locations when impacts are material.

Meanwhile the team also provided a detailed response to the European Union's Sustainable Finance Disclosure Regulation consultation process, acted as co-chair of the UK's Asset Management Transition Plan working group and signed on as an early adopter of recommendations from the Task Force on Nature Related Financial Disclosures.

### CORPORATE SERVICES

We have continued to work hard to ensure our support functions are optimally positioned to operate efficiently, support the wider firm's risk management and contribute to new business development opportunities, while at the same time responding to evolving regulatory requirements.

### AUM movement for the Period

	Listed equities £m	Fixed income £m	Private markets £m	Total firm £m
<b>Total AUM at 30 September 2023</b>	35,552	1,283	564	37,399
Net flows	(2,710)	(106)	114	(2,702)
Market movement, FX and performance	4,893	38	(8)	4,922
<b>Total AUM at 31 March 2024</b>	<b>37,735</b>	<b>1,215</b>	<b>670</b>	<b>39,620</b>

1. Previously awarded Queen's Award for Enterprise, Sustainable Development in 2020 and 2014.

## Chief Executive's Report continued

### Performance for Environmental Markets strategies<sup>1, 2, 3</sup>

	AUM	Cumulative returns (%), GBP, gross of fees			
		6M	1YR	3YR	5YR
Leaders	£7.4bn	18.1	12.9	25.5	77.0
Water	£6.6bn	18.8	16.7	38.1	98.9
Specialists	£3.3bn	12.3	3.9	9.2	69.0
Climate	£2.8bn	12.7	7.0	9.5	69.9
Sustainable Food	£0.8bn	7.4	(1.1)	2.2	29.8
<b>MSCI ACWI</b>		<b>16.1</b>	<b>20.6</b>	<b>33.6</b>	<b>73.2</b>
Asian Environmental	£0.7bn	0.5	(7.9)	(10.4)	23.2
<b>MSCI Asia Pac Composite</b>		<b>8.3</b>	<b>6.9</b>	<b>(1.2)</b>	<b>25.2</b>

### Performance for Sustainability Lens Listed Equities strategies<sup>1, 2</sup>

	AUM	Cumulative returns (%), GBP, gross of fees			
		6M	1YR	3YR	5YR
Global Opportunities	£10.3bn	13.4	12.4	31.9	83.8
<b>MSCI ACWI</b>		<b>16.1</b>	<b>20.6</b>	<b>33.6</b>	<b>73.2</b>
US Large Cap	£2.2bn	20.5	22.7	41.4	119.4
<b>S&amp;P 500</b>		<b>19.3</b>	<b>27.1</b>	<b>51.4</b>	<b>107.9</b>
US Small Cap	£0.6bn	13.5	13.1	19.8	61.2
<b>Russell 2000</b>		<b>15.9</b>	<b>17.2</b>	<b>8.9</b>	<b>52.3</b>

### Performance for Sustainability Lens Fixed Income strategies<sup>1, 3</sup>

	AUM	Cumulative returns (%), GBP, gross of fees			
		6M	1YR	3YR	5YR
High Yield Bond	£0.4bn	4.5	7.1	12.8	25.2
<b>ICE BofA US Cash Pay High Yield Constrained (BB-B)</b>		<b>4.8</b>	<b>7.8</b>	<b>16.1</b>	<b>25.3</b>
Core Bond	£0.7bn	2.7	0.3	3.3	7.4
<b>Bloomberg US Aggregate</b>		<b>2.4</b>	<b>(0.5)</b>	<b>1.4</b>	<b>5.0</b>

1. AUM (GBP as at 31 March 2024). The strategy returns are calculated including the dividends re-invested, net of withholding taxes, gross of management fee, and are represented in sterling.

2. MSCI AC AP Composite is a custom-made benchmark made up of 80% MSCI AC Asia Pacific ex-Japan and 20% MSCI Japan rebalanced daily. MSCI indices are total net return (net dividend re-invested).

3. MSCI indices are total net return (net dividend re-invested). S&P, Russell, ICE BofA, and Bloomberg indices are all total gross return.

We have prioritised the development of our data management capabilities and the integration of artificial intelligence-based tools across the business, combined with appropriate governance controls. We also strengthened our approach to risk and compliance, including developing an enterprise risk framework and creating a single global team in this area.

Across the firm we have significantly slowed down our rate of hiring and our headcount remained broadly flat, with 306 employees at the end of March.<sup>1</sup>

### FINANCIAL RESULTS FOR THE PERIOD

Revenue for the Period decreased slightly to £86.2 million compared to both the first and second half of 2023 (H1 2023: £88.0 million, H2 2023: £90.4 million) as a result of a relative decrease in average AUM over the Periods.

At the end of the Period the weighted average run rate revenue margin remained stable at 45 basis points (30 September 2023: 45 basis points). The Period-end increase in AUM compared to H2 2023 saw our run-rate revenue rise to £177.1 million (30 September 2023: £169.0 million).

Adjusted operating costs for the Period increased marginally to £60.3 million compared to H2 2023 (H1 2023: £60.6 million, H2 2023: £59.7 million) as costs continued to be carefully managed.

Adjusted operating profit for the Period was £25.8 million (H1 2023: £27.3 million, H2 2023: £30.8million). The decrease from H1 and H2 2023 is due to the decrease in revenue discussed above. Despite reduced revenues, the operating profit margin remains robust at 30.0% (H1 2023: 31.0%, H2 2023: 34.1%). Run-rate adjusted operating margin at the end of the Period was 30.6% (H2 2023: 32.6%). Run-rate adjusted operating profit was £54.2 million at the end of the Period (H1 2023: £58.0 million, H2 2023: £51.9 million).

### Financial Highlights for H1 2024 versus H1 2023 and H2 2023

	H1 2024	H1 2023	H2 2023
Revenue	<b>£86.2m</b>	£88.0m	£90.4m
Adjusted operating costs <sup>2</sup>	<b>£60.3m</b>	£60.6m	£59.7m
Adjusted operating profit <sup>2</sup>	<b>£25.8m</b>	£27.3m	£30.8m
Adjusted diluted earnings per share <sup>2</sup>	<b>16.0p</b>	17.2p	18.0p
IFRS operating profit	<b>£24.1m</b>	£24.8m	£29.4m
IFRS profit before tax	<b>£24.6m</b>	£21.4m	£30.7m
IFRS diluted earnings per share	<b>14.0p</b>	12.8p	17.0p

<sup>1</sup> Full-time equivalent.

<sup>2</sup> This is an Alternative Performance Measure – see page 30 for definition and calculation.

## Chief Executive's Report continued

Adjusted profit before tax of £27.4 million (H1 2023: £28.2 million, H2 2023: £31.8 million) and adjusted diluted earnings per share of 16.0 pence (H1 2023: 17.2 pence, H2 2022: 18.0 pence) include net finance income of £1.5 million (H1 2023: £0.9 million, H2 2023 £1.0 million).

IFRS profit before tax of £24.6 million (H1 2023: £21.4 million, H2 2023: £30.7 million) and IFRS diluted earnings per share of 14.0 pence (H1 2023: 12.8 pence, H2 2023: 17.0 pence) includes £1.7 million of acquisition related charges and £1.1 million of foreign exchange losses attributable to the foreign exchange losses on the retranslation of intercompany loans and other assets held in foreign currencies.

### TAX

The effective tax rate has increased due to an increase in the main corporation tax rate in the UK from 19% to 25% from 1 April 2023.

### FINANCIAL RESOURCES

The Company continues to retain high levels of cash reserves and no debt. Our cash reserves, which include amounts invested in money market funds, were £60.8 million at the Period end (H1 2023: £61.8 million). We continue to hold seed investments and to invest in our private equity funds. These investments were in total valued at £15.4 million at the Period end (H1 2023: £10.1 million).

### DIVIDENDS

A final dividend for 2023 of 22.9 pence per share was paid in March 2024, following approval at the Annual General Meeting. This took the total dividend paid for 2023 to 27.6 pence per share. We are amending our dividend policy which going forward will be to pay, in normal circumstances, an annual dividend of at least 55% of adjusted profit after tax, while ensuring that we retain sufficient capital to invest in our future growth.

As described above, despite the outflows experienced during the Period, the business continued to demonstrate resilience and we are pleased to announce an interim dividend of 4.7 pence per share (2023: 4.7 pence per share). This dividend per share will be paid on 19 July 2024 to ordinary shareholders on the shareholder register at the close of business on 14 June 2024. The Company operates a dividend reinvestment plan ("DRIP"). The final date for receipt of elections under the DRIP will be 28 June 2024. For further information and to register and elect for this facility, please visit [www.signalshares.com](http://www.signalshares.com) and search for information related to the Company.

### SHARE MANAGEMENT

The Board will consider purchasing the Company's shares from time to time after due consideration of alternative uses of the Company's cash resources.

Share purchases are usually made by the Group's Employee Benefit Trust ("EBT") (subject to the trustees' discretion), using funding provided by the Company.

During the Period, the EBT purchased 1.6 million of ordinary shares at a weighted average price of £4.53 per share. The EBT holds shares for Restricted Share awards until they vest or to satisfy share option exercises.

At the Period end the EBT held a total of 4.6 million shares, 3.3 million of which were held for Restricted Share awards leaving up to 1.3 million available for option exercises and future share awards.

At the end of the Period, there were 2.6 million options outstanding, of which 50,000 were exercisable.

### BOARD SUCCESSION

After the Period end, we announced the appointment of Lyle Logan as Non-Executive Director, effective 1 May 2024. Lyle, who is based in Chicago, has considerable experience within the wealth management, asset management and asset servicing space and is currently Vice Chairman of Northern Trust.

The announcement follows the appointment of Julia Bond as a Non-Executive Director in November 2023. As previously announced, Sally Bridgeland and Lindsey Brace Martinez will step

down from the Board at the end of July 2024 on the ninth anniversary of joining. On behalf of the Board, I would like to thank Sally and Lindsey for their excellent contributions and wise counsel over the years.

On 31 July 2024, current Impax Director, Simon O'Regan will succeed Sally as independent Non-Executive Chair, subject to regulatory approval. Board member Annette Wilson will succeed Simon as Senior Independent Director and Julia will succeed Lindsey as Chair of the Remuneration Committee. Lyle and Julia are both members of the Audit & Risk and Remuneration Committees.

**5.9%**  
AUM increase

### OUTLOOK

Following nearly two years of relative headwinds, asset owner sentiment around the transition to a more sustainable economy and associated areas of Impax expertise has improved in recent months. The recovery in global equities since last November appears to be resilient and there are indications that stocks within the 'quality growth' portfolios that Impax is focused on are due for a re-rating.

Meanwhile, the rise in the severity of issues linked to climate change, for example weather-related damage, is featuring in both the public and offline comments of leading major investment institutions globally, raising the likelihood that allocations to investment areas in which Impax has expertise will increase.

Our investment team continues to look for mispriced opportunities and is constructing portfolios that should benefit from an improvement in secular and/or cyclical market drivers.

**“Our positioning as a specialist active manager continues to appeal strongly to asset owners and their advisers around the world.”**

This includes companies recovering from destocking, such as natural ingredients suppliers, as well as businesses with strong pricing power and inflation resilience.

We believe that the drivers of the transition to a more sustainable economy remain intact and that companies providing innovative solutions that address environmental and social challenges remain compelling. Over the long run, we believe these companies can benefit from rising demand for their products and services and deliver strong earnings growth.

We are encouraged by the strength of our new business pipeline and have noticed an uptick in the number of institutional mandate tenders in recent months. While we have been impacted by net outflows in our European wholesale channel, our client retention overall remains strong.

Impax's positioning as a specialist active manager continues to appeal strongly to asset owners and their advisers around the world. Our strategy of increasing our direct distribution, diversifying our product offering into areas such as fixed income and focusing on compelling investment returns should translate into the delivery of further value for our stakeholders.

**Ian Simm**  
Chief Executive  
28 May 2024

## Condensed Consolidated Income Statement

For the six months ended 31 March 2024

	Notes	Unaudited Six months ended 31 March 2024 £000	Unaudited Six months ended 31 March 2023 £000	Audited Year ended 30 September 2023 £000
<b>Revenue</b>		<b>86,150</b>	87,960	178,367
Operating costs		<b>(62,030)</b>	(63,142)	(124,120)
Finance income	5	<b>1,893</b>	1,457	3,130
Finance expense	6	<b>(1,453)</b>	(4,879)	(5,271)
<b>Profit before taxation</b>		<b>24,560</b>	21,396	52,106
Taxation	7	<b>(6,321)</b>	(4,601)	(12,884)
<b>Profit after taxation</b>		<b>18,239</b>	16,795	39,222
<b>Earnings per share</b>				
<b>Basic</b>	8	<b>14.3p</b>	13.0p	30.5p
<b>Diluted</b>	8	<b>14.0p</b>	12.8p	29.8p

Adjusted results are provided in note 3.

## Condensed Consolidated Statement of Comprehensive Income

For the six months ended 31 March 2024

	Unaudited Six months ended 31 March 2024 £000	Unaudited Six months ended 31 March 2023 £000	Audited Year ended 30 September 2023 £000
<b>Profit for the Period</b>	<b>18,239</b>	16,795	39,222
Exchange differences on translation of foreign operations	<b>(710)</b>	(466)	(119)
<b>Total other comprehensive income</b>	<b>(710)</b>	(466)	(119)
<b>Total comprehensive income for the Period attributable to equity holders of the parent</b>	<b>17,529</b>	16,329	39,103

All amounts in other comprehensive income may be reclassified to income in the future.

The statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 15 to 27 are an integral part of the condensed consolidated financial statements.

## Condensed Consolidated Statement of Financial Position

For the six months ended 31 March 2024

	Note	Unaudited As at 31 March 2024 £000	Unaudited As at 31 March 2023 £000	Audited As at 30 September 2023 £000
<b>Assets</b>				
<b>Non-current assets</b>				
Goodwill	10	<b>12,501</b>	12,738	12,883
Intangible assets	10	<b>12,378</b>	15,378	14,185
Property, plant and equipment	11	<b>8,198</b>	8,271	8,820
Deferred tax assets		<b>3,887</b>	5,278	3,665
<b>Total non-current assets</b>		<b>36,964</b>	41,665	39,553
<b>Current assets</b>				
Trade and other receivables		<b>39,229</b>	44,003	42,543
Investments	12	<b>15,364</b>	10,127	13,270
Current tax asset		<b>1,127</b>	2,416	1,645
Cash invested in money market funds	13	<b>44,103</b>	20,153	53,542
Cash and cash equivalents	13	<b>20,899</b>	46,932	37,963
<b>Total current assets</b>		<b>120,722</b>	123,631	148,963
<b>Total assets</b>		<b>157,686</b>	165,296	188,516
<b>Equity and liabilities</b>				
<b>Equity</b>				
Ordinary shares	14	<b>1,326</b>	1,326	1,326
Share premium		<b>9,291</b>	9,291	9,291
Merger reserve		<b>1,533</b>	1,533	1,533
Exchange translation reserve		<b>2,230</b>	2,593	2,940
Retained earnings		<b>103,471</b>	104,966	118,868
<b>Total equity</b>		<b>117,851</b>	119,709	133,958
<b>Current liabilities</b>				
Trade and other payables		<b>31,012</b>	35,166	44,809
Lease liabilities	11	<b>1,957</b>	1,361	1,524
Current tax liability		<b>655</b>	1,985	1,007
<b>Total current liabilities</b>		<b>33,624</b>	38,512	47,340
<b>Non-current liabilities</b>				
Lease liabilities	11	<b>6,211</b>	6,706	7,218
Deferred tax liability		<b>-</b>	369	-
<b>Total non-current liabilities</b>		<b>6,211</b>	7,075	7,218
<b>Total liabilities</b>		<b>39,835</b>	45,587	54,558
<b>Total equity and liabilities</b>		<b>157,686</b>	165,296	188,516

The notes on pages 15 to 27 are an integral part of the condensed consolidated financial statements.

## Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 March 2024

	Share capital £000	Share premium £000	Merger reserve £000	Exchange translation reserve £000	Retained earnings £000	Total equity £000
<b>1 October 2022</b>	<b>1,326</b>	<b>9,291</b>	<b>1,533</b>	<b>3,059</b>	<b>122,969</b>	<b>138,178</b>
<i>Transactions with owners of the Company</i>						
Dividends paid	-	-	-	-	(30,216)	(30,216)
Cash received on option exercises	-	-	-	-	1,261	1,261
Tax credit on long-term incentive schemes	-	-	-	-	1,623	1,623
Share based payment charge	-	-	-	-	2,649	2,649
Acquisition of own shares	-	-	-	-	(10,115)	(10,115)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(34,798)</b>	<b>(34,798)</b>
Profit for the Period	-	-	-	-	16,795	16,795
<i>Other comprehensive income</i>						
Exchange differences on translation of foreign operations	-	-	-	(466)	-	(466)
Total other comprehensive income	-	-	-	(466)	-	(466)
<b>31 March 2023</b>	<b>1,326</b>	<b>9,291</b>	<b>1,533</b>	<b>2,593</b>	<b>104,966</b>	<b>119,709</b>
<i>Transactions with owners of the Company</i>						
Dividends paid	-	-	-	-	(6,160)	(6,160)
Tax charge on long-term incentive schemes	-	-	-	-	(1,252)	(1,252)
Share based payment charge	-	-	-	-	3,886	3,886
Acquisition of own shares	-	-	-	-	(4,999)	(4,999)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,525)</b>	<b>(8,525)</b>
Profit for the Period	-	-	-	-	22,427	22,427
<i>Other comprehensive income</i>						
Exchange differences on translation of foreign operations	-	-	-	347	-	347
Total other comprehensive income	-	-	-	347	-	347
<b>30 September 2023</b>	<b>1,326</b>	<b>9,291</b>	<b>1,533</b>	<b>2,940</b>	<b>118,868</b>	<b>133,958</b>

## Condensed Consolidated Statement of Changes in Equity continued

For the six months ended 31 March 2024

	Share capital £000	Share premium £000	Merger reserve £000	Exchange translation reserve £000	Retained earnings £000	Total equity £000
<b>30 September 2023</b>	<b>1,326</b>	<b>9,291</b>	<b>1,533</b>	<b>2,940</b>	<b>118,868</b>	<b>133,958</b>
<i>Transactions with owners of the Company</i>						
Dividends paid	-	-	-	-	(30,132)	(30,132)
Cash received on option exercises	-	-	-	-	359	359
Tax charge on long-term incentive schemes	-	-	-	-	(63)	(63)
Share based payment charge	-	-	-	-	3,375	3,375
Acquisition of own shares	-	-	-	-	(7,175)	(7,175)
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33,636)</b>	<b>(33,636)</b>
<b>Profit for the Period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,239</b>	<b>18,239</b>
<i>Other comprehensive income</i>						
Exchange differences on translation of foreign operations	-	-	-	(710)	-	(710)
Total other comprehensive income	-	-	-	(710)	-	(710)
<b>31 March 2024</b>	<b>1,326</b>	<b>9,291</b>	<b>1,533</b>	<b>2,230</b>	<b>103,471</b>	<b>117,851</b>

The notes on pages 15 to 27 are an integral part of the condensed consolidated financial statements.



## Condensed Consolidated Statement of Cash Flows

For the six months ended 31 March 2024

	Note	Unaudited Six months ended 31 March 2024 £000	Unaudited Six months ended 31 March 2023 £000	Audited Year ended 30 September 2023 £000
<b>Operating activities:</b>				
Cash generated from operations	16	19,493	6,203	53,218
Corporation tax paid		(6,440)	(5,932)	(14,562)
<b>Net cash generated from operating activities</b>		<b>13,053</b>	<b>271</b>	<b>38,656</b>
<b>Investing activities:</b>				
Net acquisition of property plant and equipment and intangible assets		(643)	(376)	(824)
Investments into unconsolidated Impax funds		(4,903)	(2,298)	(8,073)
Redemptions from unconsolidated Impax funds		3,883	96	2,792
Settlement of investment related hedges		(984)	(477)	(390)
Investment income received		1,803	1,264	2,865
Decrease in cash held by money market funds		9,439	38,534	5,145
<b>Net cash generated from investment activities</b>		<b>8,595</b>	<b>36,743</b>	<b>1,515</b>
<b>Financing activities:</b>				
Interest paid on bank borrowings		-	(34)	(86)
Payment of lease liabilities		(654)	(1,011)	(1,979)
Acquisition of own shares		(7,175)	(10,115)	(15,114)
Cash received on exercise of Impax share options		359	1,261	1,261
Dividends paid		(30,132)	(30,216)	(36,376)
<b>Net cash used by financing activities</b>		<b>(37,602)</b>	<b>(40,115)</b>	<b>(52,294)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(15,954)</b>	<b>(3,101)</b>	<b>(12,123)</b>
Cash and cash equivalents at the beginning of the Period		37,963	52,232	52,232
Effect of foreign exchange rate changes		(1,110)	(2,199)	(2,146)
<b>Cash and cash equivalents at the end of the Period</b>	13	<b>20,899</b>	<b>46,932</b>	<b>37,963</b>

The notes on pages 15 to 27 are an integral part of the condensed consolidated financial statements.

## Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 31 March 2024

### 1 BASIS OF PREPARATION

This interim report is unaudited and does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' and the AIM rules. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 September 2023.

The comparative figures for the financial year ended 30 September 2023 are not the Company's statutory accounts for that financial year. Those accounts, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, have been reported on by the Company's auditors and delivered to Companies House. The report of the auditors was (i) unqualified, (ii) did not include a reference to 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. Copies of these accounts are available upon request from the Company's registered office at 7th floor, 30 Panton St, London, SW1Y 4AJ or at the Company's website: [www.impaxam.com](http://www.impaxam.com).

### Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons. Cash flow forecasts covering a period of 12 months from the date of approval of these financial statements indicate that, taking account of reasonably possible downside assumptions in relation to asset flows, market performance and costs, the Group will have sufficient funds to meet its liabilities as they fall due and regulatory capital requirements for that period. The Group has sufficient cash balances and no debt and, based on Period-end AUM, is profitable. A significant part of the Group's cost basis is variable as bonuses are linked to profitability. The Group can also preserve cash through dividend reduction and through issuance of shares to cover share option exercises/restricted share awards (rather than purchasing shares). Consequently, the Directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

### Accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 30 September 2023.

### New and forthcoming accounting standards applicable to the Group

No new accounting standards or interpretations issued or not yet effective are expected to have an impact on the Group's condensed consolidated financial statements.

## Notes to the Condensed Consolidated Interim Financial Statements continued

### 2 ESTIMATES

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, income and expense. Actual results may differ from these estimates.

The Group has not identified any significant judgements and estimates at the end of the reporting Period. However the key areas that include judgement and/or estimates are set out in note 10.

### 3 ADJUSTED PROFITS AND EARNINGS

The reported operating earnings, profit before tax and earnings per share are substantially affected by business combination effects and other items. The Directors have therefore decided to report an adjusted operating profit, adjusted profit before tax and adjusted earnings per share which exclude these items in order to enable comparison with peers and provide consistent measures of performance over time. A reconciliation of the adjusted amounts to the IFRS reported amounts is shown below.

	Six months ended 31 March 2024			
	Reported IFRS £000	Adjustments		Adjusted £000
		Historic business combination effects £000	Other £000	
<b>Income statement</b>				
<b>Revenue</b>	<b>86,150</b>			<b>86,150</b>
Operating costs	<b>(62,030)</b>			<b>(60,320)</b>
Amortisation of intangibles arising on acquisition		<b>1,286</b>		
Acquisition equity incentive scheme charges		<b>396</b>		
Mark to market charge on equity awards			<b>28</b>	
<b>Operating profit</b>	<b>24,120</b>	<b>1,682</b>	<b>28</b>	<b>25,830</b>
Finance income	<b>1,893</b>			<b>1,893</b>
Finance expense	<b>(1,453)</b>		<b>1,091</b>	<b>(362)</b>
<b>Profit before taxation</b>	<b>24,560</b>	<b>1,682</b>	<b>1,119</b>	<b>27,361</b>
Taxation	<b>(6,321)</b>			
Tax on adjustments			<b>(280)</b>	<b>(6,601)</b>
<b>Profit after taxation</b>	<b>18,239</b>	<b>1,682</b>	<b>839</b>	<b>20,760</b>
<b>Diluted earnings per share</b>	<b>14.0p</b>	<b>1.3p</b>	<b>0.6p</b>	<b>16.0p</b>

	Six months ended 31 March 2023			
	Reported IFRS £000	Adjustments		Adjusted (restated)** £000
		Historic business combination effects £000	Other £000	
<b>Income statement</b>				
<b>Revenue</b>	87,960			87,960
Operating costs	(63,142)			(60,645)
Amortisation of intangibles arising on acquisition		1,344		
Acquisition equity incentive scheme charges		661		
Mark to market charge on equity awards			492	
<b>Operating profit</b>	<b>24,818</b>	<b>2,005</b>	<b>492</b>	<b>27,315</b>
Finance income	1,457			1,457
Finance expense	(4,879)		4,328	(551)
<b>Profit before taxation</b>	<b>21,396</b>	<b>2,005</b>	<b>4,820</b>	<b>28,221</b>
Taxation	(4,601)			
Tax on adjustments			(1,085)	(5,686)
<b>Profit after taxation</b>	<b>16,795</b>	<b>2,005</b>	<b>3,735</b>	<b>22,535</b>
<b>Diluted earnings per share</b>	<b>12.8p</b>	<b>1.5p</b>	<b>2.8p</b>	<b>17.2p</b>

The adjusted diluted earnings per share is calculated using the adjusted profit after taxation shown above. The diluted number of shares is the same as used for the IFRS calculation of earnings per share (see note 8).

Similar adjustments have been made, where relevant, for the year ended 30 September 2023 to give adjusted operating profit of £58,103,000, adjusted profit before tax of £59,956,000 and adjusted diluted earnings per share of 35.2 pence.

#### Amortisation of intangibles

Management contracts, which are classified as intangible assets, were acquired as part of the acquisition of Pax World Management LLC (the "Acquisition"), subsequently referred to as 'Impax NH'. These management contracts are amortised over their 11 year life. This charge is not linked to the operating performance of the Impax NH business so is excluded from adjusted profit.

## Notes to the Condensed Consolidated Interim Financial Statements continued

### 3 ADJUSTED PROFITS AND EARNINGS CONTINUED

#### Acquisition equity incentive scheme charges

Impax NH staff have been awarded share-based payments in respect of the acquisition of Impax NH. Charges in respect of these relate to the acquisition rather than the operating performance of the Group and are therefore excluded from adjusted profit.

#### Mark to market charge on equity incentive awards

The Group has in prior years and the current period awarded employees options over the Group's shares, some of which are either unvested or unexercised at the balance sheet date. The Group has also made awards of restricted shares ("RSS awards") which have not vested at the balance sheet date. Employers' national insurance contributions ("NIC") are payable on the options when they are exercised and on the RSS awards when they vest, based on the valuation of the underlying shares at that point. A charge is accrued for the NIC within IFRS operating profit based on the share price at the balance sheet date. The Group also receive a corporation tax credit equal to the value of the awards at the date they are exercised (options) or vest (RSS awards). The tax credit in excess of the cumulative share-based payment expense is recognised directly in equity.

These two charges/credits vary based on the Group's share price (together referred to as mark to market charge on equity incentive schemes) and are not linked to the operating performance of the Group. They are therefore eliminated when reporting adjusted profit.

#### Finance income and expense

Finance expense for the Period has been adjusted for foreign exchange gains and losses on monetary assets that are not linked to the operating performance of the Group. £450,000 of the current Period foreign exchange loss relates to the retranslation of a US dollar denominated loan between the Parent Company and a US subsidiary with the remaining amount mainly relating to retranslation of cash and cash equivalents. A corresponding gain is recognised in equity in the exchange translation reserve.

### 4 SEGMENT INFORMATION

The Group is managed on an integrated basis and there is one reportable segment. Segment information is presented on the same basis as that provided for internal reporting purposes to the Group's chief operating decision maker, the Chief Executive.

### 5 FINANCE INCOME

	31 March 2024 £000	31 March 2023 £000	30 September 2023 £000
<b>Fair value gains</b>	<b>90</b>	193	265
<b>Interest income</b>	<b>1,803</b>	1,264	2,865
	<b>1,893</b>	1,457	3,130

### 6 FINANCE EXPENSE

	31 March 2024 £000	31 March 2023 £000	30 September 2023 £000
Interest on lease liabilities	<b>217</b>	209	411
Finance costs on bank loans	-	34	86
Foreign exchange losses	<b>1,236</b>	4,636	4,774
	<b>1,453</b>	4,879	5,271

Foreign exchange losses in the Period mainly arose on the retranslation of monetary assets held in US dollars. £450,000 of this loss relates to the retranslation of a US dollar denominated loan between the Parent Company and a US subsidiary. The remaining amount relates to the retranslation of cash and cash equivalents. A corresponding gain is recognised in equity in the exchange translation reserve.

### 7 TAXATION

The tax rate for the Period is higher than the standard rate of corporation tax in the UK for the Period (25%). The differences are explained below:

	Six months ended 31 March 2024 £000	Six months ended 31 March 2023 £000	Year ended 30 September 2023 £000
Profit before tax	<b>24,560</b>	21,396	52,106
Tax charge at 25% (FY23: 22% and HY23: 19%)	<b>6,140</b>	4,707	11,463
Effects of:			
Non-taxable income	<b>(13)</b>	(47)	(231)
Non-deductible expenses and charges	<b>62</b>	4	778
Tax differences on share awards	<b>656</b>	(449)	478
Adjustment in respect of historical tax charges	<b>(393)</b>	289	559
Effect of lower tax rates in foreign jurisdictions	<b>(131)</b>	(1)	(29)
Tax losses not recognised	-	98	9
Recognition of prior year tax losses	-	-	(143)
Total income tax expense	<b>6,321</b>	4,601	12,884

## Notes to the Condensed Consolidated Interim Financial Statements continued

### 8 EARNINGS PER SHARE

Basic earnings per share (“EPS”) is calculated by dividing the profit for the year attributable to ordinary equity holders of the Parent Company (the “Earnings”) by the weighted average number of ordinary shares outstanding during the year, less the weighted average number of own shares held. Own shares are held in Employee Benefit Trusts (“EBTs”). Diluted EPS includes an adjustment to reflect the dilutive impact of share awards.

	Earnings for the Period £000	Shares ‘000	Earnings per share
<b>Six months ended 31 March 2024</b>			
<b>Basic</b>	<b>18,239</b>	<b>127,838</b>	<b>14.3p</b>
<b>Diluted</b>	<b>18,239</b>	<b>130,113</b>	<b>14.0p</b>
<b>Six months ended 31 March 2023</b>			
Basic	16,795	129,076	13.0p
Diluted	16,795	131,114	12.8p
<b>Year ended 30 September 2023</b>			
Basic	39,222	128,769	30.5p
Diluted	39,222	131,572	29.8p

The weighted average number of shares is calculated as shown in the table below.

	Six months ended 31 March 2024 ‘000	Six months ended 31 March 2023 ‘000	Year ended 30 September 2023 ‘000
Weighted average issued share capital	<b>132,597</b>	132,597	132,597
Less own shares held	<b>(4,759)</b>	(3,521)	(3,828)
Weighted average number of ordinary shares used in the calculation of basic EPS	<b>127,838</b>	129,076	128,769
Additional dilutive shares re share awards	<b>5,339</b>	3,767	4,080
Adjustment to reflect option exercise proceeds and future service from employees receiving awards/shares	<b>(3,064)</b>	(1,729)	(1,277)
Weighted average number of ordinary shares used in the calculation of diluted EPS	<b>130,113</b>	131,114	131,572

### 9 DIVIDENDS

On 12 March 2024, at the Company’s Annual General Meeting, payment of a 22.9 pence per share final dividend for the year ended 30 September 2023 (2022: 22.9 pence per share) was approved. Combined with an interim payment of 4.7 pence this gave total dividends for the year ended 30 September 2023 of 27.6 pence. The Trustee of the Impax Employee Benefit Trusts waived the Trusts’ rights to part of the final dividend, leading to a total dividend payment of £30,132,057 which was paid on 22 March 2024.

The Board has declared an interim dividend for the Period of 4.7 pence per ordinary share (2023: 4.7 pence). This dividend will be paid on 19 July 2024 to ordinary shareholders on the register at close of business on 14 June 2024.

### 10 GOODWILL AND INTANGIBLE ASSETS

The goodwill balance within the Group at 31 March 2024 arose from the acquisition of Impax Capital Limited on 18 June 2001 and the acquisition of Impax NH in January 2018.

#### Goodwill

	£000
<b>Cost</b>	
At 1 October 2022	13,932
Foreign exchange movement	(1,194)
At 31 March 2023	12,738
Foreign exchange movement	145
At 30 September 2023	12,883
Foreign exchange movement	(382)
<b>At 31 March 2024</b>	<b>12,501</b>

There were no brought forward impairment losses at 1 October 2023 or impairment charges during the Period.

## Notes to the Condensed Consolidated Interim Financial Statements continued

### 10 GOODWILL AND INTANGIBLE ASSETS CONTINUED

#### Intangible assets

	Management contracts £000	Software £000	Total £000
<b>Cost</b>			
At 1 October 2022	31,910	301	32,211
Additions	-	132	132
Foreign exchange movement	(3,490)	-	(3,490)
<b>At 31 March 2023</b>	<b>28,420</b>	<b>433</b>	<b>28,853</b>
Additions	-	167	167
Foreign exchange movement	780	-	780
<b>At 30 September 2023</b>	<b>29,200</b>	<b>600</b>	<b>29,800</b>
Additions	-	-	-
Foreign exchange movement	(1,387)	-	(1,387)
<b>At 31 March 2024</b>	<b>27,813</b>	<b>600</b>	<b>28,413</b>
<b>Accumulated amortisation</b>			
At 1 October 2022	13,646	225	13,871
Charge for the period	1,344	15	1,359
Foreign exchange movement	(1,755)	-	(1,755)
<b>At 31 March 2023</b>	<b>13,235</b>	<b>240</b>	<b>13,475</b>
Charge for the period	1,469	47	1,516
Foreign exchange movement	624	-	624
<b>At 30 September 2023</b>	<b>15,328</b>	<b>287</b>	<b>15,615</b>
Charge for the period	1,286	58	1,344
Foreign exchange movement	(924)	-	(924)
<b>At 31 March 2024</b>	<b>15,690</b>	<b>345</b>	<b>16,035</b>
<b>Net book value</b>			
<b>At 31 March 2024</b>	<b>12,123</b>	<b>255</b>	<b>12,378</b>
At 30 September 2023	13,872	313	14,185
At 31 March 2023	15,185	193	15,378

The management contracts were acquired with the acquisition of Impax NH in January 2018 and are amortised over an 11-year life.

Assets under management, forecast asset inflows and operation margin are all the same or in excess of the assumptions when the management contracts were first valued. The discounted cost of capital is the same as when the management contracts were first valued. As such, there are no indicators of impairment.

### 11 PROPERTY, PLANT & EQUIPMENT

#### Property plant and equipment

	31 March 2024 £000	31 March 2023 £000	30 September 2023 £000
Right-of-use assets	<b>6,593</b>	6,689	7,254
Property, plant and equipment owned by the Group	<b>1,605</b>	1,582	1,566
	<b>8,198</b>	8,271	8,820

The carrying value of the Group's right of use assets, associated lease liabilities and the movements during the Period are set out below.

#### Lease arrangements

	Right of use asset £000	Lease liabilities £000
At 1 October 2023	<b>7,254</b>	8,742
Additions	<b>314</b>	314
Lease payments	-	(968)
Interest expense	-	217
Depreciation charge	<b>(859)</b>	-
Foreign exchange movement	<b>(116)</b>	(137)
<b>At 31 March 2024</b>	<b>6,593</b>	<b>8,168</b>

## Notes to the Condensed Consolidated Interim Financial Statements continued

### 12 CURRENT ASSET INVESTMENTS

The Group makes seed investments into its own Listed Equities funds and also invests in its Private Equity funds. Where the funds are consolidated the underlying investments are shown in the table below. Investments made in unconsolidated funds are also included.

	£000
At 1 October 2022	7,255
Additions	2,298
Fair value movements	670
Repayments/disposals	(96)
At 31 March 2023	10,127
Additions	5,775
Fair value movements	64
Repayments/disposals	(2,696)
At 30 September 2023	13,270
Additions	4,903
Fair value movements	1,074
Repayments/disposals	(3,883)
<b>At 31 March 2024</b>	<b>15,364</b>

An analysis of the investment by valuation technique hierarchy is disclosed below:

	31 March 2024 £000	31 March 2023 £000	30 September 2023 £000
Level 1	10,546	6,363	8,623
Level 2	-	-	-
Level 3	4,818	3,764	4,647
	<b>15,364</b>	10,127	13,270

Level 1 means that valuation is made by reference to quoted prices in active markets for the relevant securities.

Level 2 assets do not have regular market pricing but can be given a fair value based on quoted prices in active markets.

Level 3 assets are those where there is no readily available market information to value them and the asset value are based on models. They represent investments in our private equity funds.

### 13 CASH RESERVES

Cash and cash equivalents under IFRS does not include cash invested in money market funds which is exposed to market variability. However the Group considers its total cash reserves to include these amounts. Cash held by consolidated funds is not considered to be available to the Group so it is not included in cash reserves. Cash held in Research Payment Accounts (“RPAs”) is collected from funds managed by the Group and can only be used towards the cost of researching stocks. A liability of an equal amount is included in trade and other payables. This cash is excluded from cash reserves. A reconciliation is shown below:

	31 March 2024 £000	31 March 2023 £000	30 September 2023 £000
Cash and cash equivalents	20,899	46,932	37,963
Cash held in money market funds	44,103	20,153	53,542
Less: cash held in RPAs	(4,190)	(5,276)	(3,813)
Total cash reserves	<b>60,812</b>	61,809	87,692

### 14 SHARE CAPITAL AND OWN SHARES

	31 March 2024	31 March 2023	30 September 2023
<b>Issued and fully paid ordinary shares of 1 pence each</b>			
Number	132,596,554	132,596,554	132,596,554
£000s	1,326	1,326	1,326

	31 March 2024	31 March 2023	30 September 2023
<b>Own shares</b>			
Number	4,633,424	3,613,276	4,274,276
£000s	20,168	8,995	18,605

Own shares represents those held by the Impax Asset Management Group plc Employee Benefit Trust 2012 (the “EBT”) which are typically used to fund exercise of options or awards of restricted shares. 1.6 million shares were purchased by the EBT in the six months ended 31 March 2024. The EBT transferred 1.2 million shares to option/restricted share holders on exercise of options or to holders of restricted shares when the restrictions lapsed.

As at 31 March 2024, there were a total of 2.6 million options outstanding over the Group’s shares, of which 50,000 were exercisable. As at 31 March 2024, employees also held 3.3 million Restricted Shares over which the restrictions lapse from June 2024 through to January 2029. These Restricted Shares are held in the EBT and included in the own shares numbers shown above.

## Notes to the Condensed Consolidated Interim Financial Statements continued

### 15 RELATED PARTY TRANSACTIONS

Private equity funds managed by the Group, entities controlled by these funds and the Global Resource Optimization Fund LP and Impax Global Opportunities Fund LP are related parties of the Group by virtue of subsidiaries being the General Partners to these funds. The Group earns management fees from these entities.

BNP Paribas Asset Management Holdings is a related party of the Group by virtue of owning a 13.8% equity holding as well as having a representative on the Board of Directors. The Group sub-manages certain funds for BNP for which it earns fees.

Other funds managed by subsidiaries of the Group are also related parties by virtue of their management contracts.

Fees earned from the above related parties and amounts receivable are disclosed within this note below. During the Period, there were two existing loan facilities that were provided to an Executive Director for the sole purpose of investment in funds managed by the Group. The loans are provided at interest rates of 2.25% and 3.0% per annum on amounts drawn, calculated on a daily basis. Total interest of €2,111 was accrued during the Period and the total balance of the two loans at the Period end was €237,951 (2023: €292,194).

Revenue earned from and operating costs for related parties of the Group are as shown in the table below:

	Six months ended 31 March 2024 £000	Six months ended 31 March 2023 £000	Year ended 30 September 2023 £000
<b>Revenue</b>	<b>84,405</b>	84,425	172,373
<b>Operating costs</b>	<b>542</b>	537	1,237

Investments in related parties of the Group and trade and other receivables due from related parties are as shown in the table below:

	31 March 2024 £000	31 March 2023 £000	30 September 2023 £000
Current asset investments	<b>14,578</b>	10,127	13,270
Trade and other receivables	<b>31,290</b>	35,593	33,660

### 16 RECONCILIATION OF NET CASHFLOW FROM OPERATING ACTIVITIES

This note should be read in conjunction with the Condensed Consolidated Statement of Cash Flows. It provides a reconciliation of how profit before tax, which is based on accounting rules, translates to cashflows.

	31 March 2024 £000	31 March 2023 £000	30 September 2023 £000
Profit before taxation	<b>24,560</b>	21,396	52,106
Adjustments for:			
Depreciation of property plant and equipment and amortisation of intangible assets	<b>2,447</b>	2,428	5,073
Finance income	<b>(1,893)</b>	(1,457)	(3,130)
Finance expense	<b>1,453</b>	4,879	5,271
Share-based payment charges	<b>3,375</b>	2,649	6,535
Loss on disposals of property, plant and equipment	<b>34</b>	-	31
<i>Adjustment for statement of financial position movements:</i>			
Decrease/(increase) in trade and other receivables	<b>3,314</b>	(5,234)	(3,774)
Decrease in trade and other payables	<b>(13,797)</b>	(18,458)	(8,894)
Cash generated from operations	<b>19,493</b>	6,203	53,218

### 17 GROUP RISKS

The Group's principal risks remain as detailed within the Directors' Report of the Group's 2023 Strategic Report.

## Independent Review Report to Impax Asset Management Group plc

### CONCLUSION

We have been engaged by Impax Asset Management Group plc (“the Company”) to review the condensed set of financial statements in the half-yearly report for the six months ended 31 March 2024 which comprises the Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Statement of Cash Flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly report for the six months ended 31 March 2024 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and the AIM Rules.

### BASIS FOR CONCLUSION

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity (“ISRE (UK) 2410”) issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### CONCLUSIONS RELATING TO GOING CONCERN

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

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the Group to cease to continue as a going concern, and the above conclusions are not a guarantee that the Group will continue in operation.

### DIRECTORS' RESPONSIBILITIES

The half-yearly report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly report in accordance with the AIM Rules.

As disclosed in note 1 the latest annual financial statements of the Group were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and the next annual financial statements will be prepared in accordance with UK-adopted international accounting standards. The Directors are responsible for preparing the condensed set of financial statements included in the half-yearly report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the Directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

### OUR RESPONSIBILITY

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report.

### THE PURPOSE OF OUR REVIEW WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the Company in accordance with the terms of our engagement. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

### Alison Allen

for and on behalf of KPMG LLP

**Chartered Accountants**  
**15 Canada Square**  
**London**

28 May 2024



## Alternative Performance Measures

The Group uses the following Alternative Performance Measures (“APMs”).

### ADJUSTED OPERATING PROFIT, ADJUSTED PROFIT BEFORE TAX AND ADJUSTED PROFIT AFTER TAX

These APMs exclude the impact of the following items:

- amortisation of intangible assets which arose on the acquisition of Impax NH
- charges in respect of equity incentive scheme related to the acquisition of Impax NH
- mark-to-market credits and charges in respect of national insurance payable on share awards
- foreign exchange gains and losses on the retranslation of monetary assets that are not linked to the operating performance of the Group

These performance measures are reported as they facilitate comparison with prior periods and provide an appropriate comparison with our peers. Excluding amortisation of intangible assets arising from acquisitions is consistent with peers and therefore aids comparability. It also aids comparison to businesses which have grown organically, and do not have such charges. Mark-to-market credits and charges in respect of national insurance are excluded as they arise due only to changes in the share price and therefore do not reflect the operating performance of the Group. Foreign exchange gains and losses on the retranslation of monetary assets are excluded as they are not linked to the operating performance of the Group.

A reconciliation to the relevant IFRS terms is provided in note 3 of the financial statements.

### ADJUSTED OPERATING MARGIN

This is calculated as the ratio of adjusted operating profit to revenue. This number is reported as it gives a good indication of the underlying profitability of the Company and how this has changed year-on-year.

### ADJUSTED DILUTED EARNINGS PER SHARE

This is calculated as the adjusted profit after tax divided by the diluted number of shares used in the calculation of IFRS diluted earnings per share.

This is used to present a measure of profitability per share in line with adjusted profits.

A reconciliation to IFRS diluted earnings per share is shown in note 3 of the financial statements.

### RUN RATE REVENUE AND RUN RATE ADJUSTED OPERATING PROFIT

Run rate revenue is the revenue that the Group would report if the AUM for the year remained static at that shown at 31 March and fee rates were those at 31 March. Run rate revenue margin is the ratio of run rate revenue to AUM.

Run rate adjusted operating profit is the run rate revenue less adjusted operating costs for the month of March extrapolated for 12 months. Adjustments are made to exclude any one-off items.

Run rate numbers are reported as they give a good indication of the current profitability of the Group.

### CASH RESERVES

Cash reserves is the sum of cash and cash equivalents and cash held in money market accounts or fixed term deposit accounts less cash held in research payment accounts and cash held by consolidated funds.

The calculation of cash reserves is shown in note 13 to the financial statements.

Cash reserves are reported as they give a good indication of the total cash resources available to the Group.

## Officers & Advisers

### DIRECTORS

Sally Bridgeland (Chair)  
 Ian Simm (Chief Executive)  
 Lindsey Brace Martinez (Non-Executive)  
 Arnaud de Servigny (Non-Executive)  
 Simon O'Regan (Non-Executive)  
 Annette Wilson (Non-Executive)  
 Karen Cockburn (Chief Financial Officer)  
 Julia Bond (Non-Executive)<sup>1</sup>  
 Lyle Logan (Non-Executive)<sup>2</sup>

### SECRETARY

Zack Wilson

### REGISTERED OFFICE

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 London  
 SW1Y 4AJ

### AUDITOR

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 15 Canada Square  
 London  
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### REGISTRARS

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 LS1 4DL

### NOMINATED ADVISER AND BROKER

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 100 Liverpool St  
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 EC2M 2AT

### JOINT BROKER

Berenberg  
 (Joh. Berenberg, Gossler & Co. KG, London Branch)  
 60 Threadneedle Street  
 London  
 EC2R 8HP

### SOLICITOR

Stephenson Harwood LLP  
 1 Finsbury Circus  
 London  
 EC2M 7SH

<sup>1</sup> Appointed 29 November 2023.


<sup>2</sup> Appointed 1 May 2024.



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