



**AdvancedAdvT Limited**

Registered in BVI with company number 2040954

UK Companies house number FC037739

**Consolidated Financial Statements For The Year Ended**

**28 February 2025**

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## Chairperson's Statement

### Strategic overview

### For The Year Ended 28 February 2025 - Financial Performance

- Revenue from operations of £43.3m (8 months to 29 February 2024: £21.1m)
- Recurring revenue of £34.8m representing 80.3% of total revenues (8 months to 29 February 2024: £16.3m and 77%)
- Adjusted EBITDA from operations of £11.3m, ahead of management expectations (8 months to 29 February 2024: £4.4m)
- Pre-tax profit from continuing operations of £11.3m (8 months to 29 February 2024: £5.1m)
- Reported basic EPS: 8p (8 months to 29 February 2024: 5p)
- Cash of £88.5m at 28 February 2025 (29 February 2024: £82m)

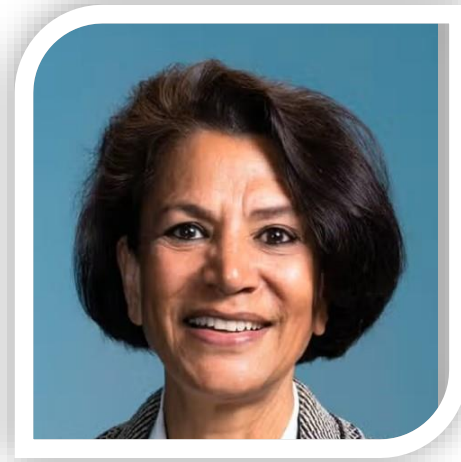
### Proforma financial performance

- Proforma organic revenue growth of 17.8% and Adjusted EBITDA growth of 90.0%<sup>1</sup> on the acquired businesses (12months to 29 February 2025 vs. 29 February 2024), driven by the adoption of best practices and securing a number of multi-year contract renewals with significantly enhanced contract values

### Highlights

- Acquired Celaton Limited ("inSTREAM") an intelligent process automation (IPA) platform in July 2024 for £4.8m
- Post period end in May 2025, acquired HFX Limited, a provider of a workforce management SaaS platform in for £5.3m
- Post period end in May 2025, acquired GOSS Technology Limited, a digital platform that supports public sector organisations in driving digital transformation in for £7.1m
- Continued operational improvements within acquired businesses
- Refreshed the Go To Market ("GTM") strategy following the significant investment in SaaS and Cloud product offerings prior to our acquisition

In the year ended 28 February 2025, the Group made good progress in executing on its strategy which is centred around backing sectors characterised by long term AI, automation, digital transformation and data analytics and business intelligence trends.



Embracing a long-term perspective, the aim is to build a lasting and thriving business. This thinking shapes how capital is deployed on both M&A and within the acquired businesses. A strategy centred around business led digital transformation and continuous improvement aligns and deepens our relationships with our clients and partners.

The management team boasts substantial experience in the software and services sector, having invested in and operated a range of high-performing businesses in the sector. The team has successfully driven operational excellence within these enterprises, resulting in consistent organic growth. Management has a proven track record of targeted and accretive mergers and acquisitions in the software sector. This expertise, combined with the recent acquisitions, positions AdvT well to build a robust platform for future growth.

Our initial acquisition, a carve-out of five businesses on 31 July 2023, established the platform and created an opportunity to expand our capabilities and offerings through three subsequent acquisitions.

Our initiatives since acquiring both the initial and subsequent acquisitions have encompassed a concerted effort towards standardisation and simplification, aimed at harnessing best practices to optimise go-to-market strategies and operational activities.

The Group performance is measured through a set of core financial metrics, including recurring revenue, adjusted EBITDA, and free cash flow. These indicators serve as benchmarks in gauging our progress, ensuring alignment with our overarching strategic objectives and commitment to delivering sustainable value to our stakeholders.

The Group continues to hold a 9.8% stake in M&C Saatchi plc.

<sup>1</sup> Unaudited proforma results for the 12 months to 28 February 2025 and 12 months to 29 February 2024 for the 4 originally acquired businesses on 31 July 2023 and Celaton acquired on 1 July 2024.

## Current trading and outlook

Despite the macroeconomic and political uncertainty, we believe that the current environment will present numerous opportunities to develop the Group, both organically and by acquisition.

In the current financial year, which started on 1 March 2025, the Group has continued to make good progress, securing contracts across both the public and private sector customer bases. The performance of the acquired companies continues to meet expectations with the integration of HFX and GOSS progressing well. Overall, the Group is trading in line with the management's expectation.

## Financial highlights

The Group reported revenues from operations of £43.3m in the year under review, with recurring revenue of £34.8m representing 80.3% of total revenue. Adjusted EBITDA from continuing operations was £11.3m, which was ahead of management expectations. The Group ended the period with cash of £88.5m.

The Group's operational performance has improved significantly, underpinned by a combination of major contract wins and the adoption of best practices that are notably driving operational improvements. These initiatives have resulted in proforma revenue growth of 17.8% and a 90.0% increase in adjusted EBITDA for the 12 months ended 28 February 2025, compared to the 12 months ended 29 February 2024.

Building on this momentum, the Group has continued to embed operational improvements across its businesses, further enhancing their performance and strengthening their long-term prospects. These efforts have been supported by refreshed go-to-market strategies, which align with and leverage the substantial investments made in SaaS and Cloud product offerings prior to the initial acquisitions.

## M&A

The Group acquired inSTREAM for £4.8m net of cash on 1 July 2024. inSTREAM is a machine-learning AI based intelligent process automation ("IPA") platform. Its functionality provides intelligent document processing ("IDP") with data recognition, classification, validation and enrichment, continual process automation with machine-learning AI algorithms and analytics.

This acquisition strengthened the Group's offering, with public sector clients able to benefit from enhanced automation in accounts payable and sales order workflows. inSTREAM's capabilities will drive greater efficiency, throughput, and compliance, improving both operational performance and supplier relationships. The integration creates opportunities for revenue growth and efficiency gains across the Group.

In the two years prior to this acquisition, inSTREAM invested £2.3m in product development, targeted at platform AI capabilities, web user interface and multi-language support. Its

customers consist of multi-national enterprises with high volume process needs including Talk Talk, Currys and Capgemini.

With substantial cash reserves (£88.5m as at 28 February 2025, prior the acquisition of HFX and GOSS), and our investment in M&C Saatchi plc (valued at £21.0m as at 28 February 2025), we remain well-positioned to execute disciplined, synergistic and accretive M&A opportunities.

M&A continues to be central to the Group's strategy, focusing on businesses that align closely with our management team's vision and demonstrate key characteristics necessary to generate long-term value.

The Board will continue to evaluate each potential target against its acquisition criteria, seeking businesses with:

- high recurring revenue streams and good forward visibility;
- sticky customer retention;
- mission critical products and services;
- opportunities for both organic and inorganic growth;
- strong cash generation;
- sectors with high barriers to entry; and in
- highly fragmented industries with opportunities for consolidation.

## Operational review

Our business solutions and healthcare compliance operations have pivoted to place greater emphasis on the customer, their evolving needs and to deliver value-driven software and digital solutions. This focus has helped secure and deepen relationships with both new and existing customers.

The Group is witnessing a growing momentum in the public sector towards digital transformation, driven by an increasing demand for digital services and solutions. While this trend presents significant opportunities for innovation and growth, it is tempered by ongoing budgetary constraints. Public sector organisations are under pressure to adopt digital tools not only to enhance productivity and meet strategic objectives, but also to navigate financial limitations and deliver value within tighter fiscal frameworks.

Within the human capital management ("HCM") operations, the Group continues to expand its customer base on the SaaS platform, reflecting strong market interest and adoption. At the same time, we are investing in new offerings and enhanced capabilities aimed at delivering differentiated value to our clients. While these developments present clear growth opportunities, they also require careful management of investment risk and execution complexity.

Encouragingly, digitalisation trends remain positive, with both new and existing clients increasingly adopting our cloud-based resourcing SaaS platform. This shift supports process simplification and the implementation of best practices. Additionally, the integration of AI functionality, such as the resource suitability engine introduced in recent releases, offers

promising efficiency gains. However, the pace of technological change and evolving client expectations necessitate ongoing innovation and agility to maintain competitive advantage.

The Group has made strategic investments in AI and automation to better serve the evolving needs of public sector customers. In HCM, AI is being applied to enhance resource allocation and support the development of intelligent skill-matching capabilities. These innovations aim to improve workforce planning and operational efficiency. We have also adapted AI-driven technologies for public sector finance operations, including the integration of an intelligent engine for e-invoicing to streamline processing and reduce administrative burden. Additionally, new platforms have been introduced with advanced data interpretation layers, natural language querying, and enhanced reporting features to support data-driven decision-making. As we continue to explore emerging AI use cases, we remain committed to leveraging leading platforms and technologies to drive further automation and deliver measurable value to our customers.

The Group has also set up an Indian offshore development centre, hiring a core team of known individuals. The team has initially focused on developing new functionality for the Human Capital management products.

On behalf of the Board, I would like to extend my sincere thanks to Mark Brangstrup Watts for his valued contribution, commitment, and support since the Company's formation. His insight and guidance have been greatly appreciated, and we wish him every success in his future endeavours.

**Vin Murria OBE**

Chairperson  
27 June 2025

## CFO's Report

For the year ended 28 February 2025, the Group generated revenues of £43.3m, compared to £21.1m for the 8 months to 29 February 2024. Recurring revenues as a proportion of total revenue increased by 3.3percentage points to 80.3%, up from 77% for the 8 months to 29 February 2024. This growth was driven by enhanced go-to-market strategies, updated pricing models, and a stronger alignment with customer needs, resulting in higher revenues from existing customer budgets and the securing of new multi-year contracts.

Our cloud strategy continues to gain strong traction across both public and private sector markets. In the public sector, 60 organisations have already adopted our Centros Integra solution, built on Microsoft Azure. Meanwhile, in the private sector, our Retain cloud product has reported an impressive 96% year-on-year growth in SaaS revenue for the 12 months ending May 2025.

Adjusted EBITDA, a key underlying measure of the Group's performance, rose significantly to £11.3m, representing 26.0% of reported revenues. This marks a substantial improvement against the 8 months ended 29 February 2024 with an EBITDA of £4.4m and a margin 20.0% of revenues. The increase reflects the positive impact of ongoing enhancements to our go-to-market strategies and operational initiatives, which have driven both revenue growth and margin expansion. On a proforma basis, revenue grew by 17.8%, while adjusted EBITDA increased by 90.0% for the 12 months ended 28 February 2025, compared to the prior 12-month period.

Our focus on operational improvements has played a crucial role in this success. By systematically identifying and removing inefficiencies, we have streamlined our operations, leading to cost savings and improved margins. The adoption of fit-for-purpose systems, frameworks, and processes has further supported these efforts, ensuring that our operations are both efficient and scalable.

Looking ahead, we remain committed to these strategic initiatives, which we believe will continue to drive profitability and support sustainable growth. Our ongoing investments in technology and process optimisation are expected to yield further improvements in operational efficiency and readiness for growth.

The Group has successfully implemented core business systems across critical functions as part of an overarching program. These implementations include Customer Relationship Management (CRM) in 2024, benefits administration in 2024, and Human Resources (HR), payroll, financial management, and professional services in 2025. By establishing these foundational frameworks, we aim to streamline processes and enhance operational agility.



As we continue to standardise, optimise, and integrate acquired businesses, we anticipate that the adoption of best practices and the benefits of scale will lead to growth and improved margins.

On 28 November 2024, through the creation of a new subsidiary, the group established its own Indian offshore development centre. Utilising the management teams' network and relationships we employed a core team of known individuals, and the Indian operation ended the year with a headcount of 16. The development team in its first few months has focused on accelerating functionality and capabilities of our Human Capital management products.

The table below reconciles EBITDA to operating profit including one off adjustments and the fair value gains.

Audited Period ending (Feb-24 is a 8 month period)	Feb-25 £000s	Feb-24 £000s
Revenue	43,274	21,122
<b>EBITDA</b>	<b>10,510</b>	2,069
Acquisition expenses, stamp duties and relisting expenses	838	2,309
<b>Adjusted EBITDA</b>	<b>11,348</b>	4,378
Depreciation	(65)	(69)
<b>Adjusted operating profit</b>	<b>11,283</b>	4,309
Amortisation of intangible assets	(3,189)	(1,597)
Acquisition expenses, stamp duties and relisting expenses	(838)	(2,309)
Fair Value gain on Financial Assets	180	2,580
<b>Operating profit</b>	<b>7,436</b>	2,983

Through management of cash reserves, the Group had a net finance income of £3.9m (2024: £2.3m) and profit before tax from continuing operations of £11.3m (2024: £5.1m).

The Group's 9.8% stake in M&C Saatchi plc was valued at £21.0m at 28 February 2025 (29 February 2024: £20.8m), an increase of £0.2m.

The Group has recognised a deferred tax asset of £1.3m predominantly in respect of losses expected to be utilised in future periods. The Group has a deferred tax liability of £4.0m relating to intangible assets recognised on acquisition.

Free cashflow from continuing activities (Feb-24 is a 8month period)	Feb-25	Feb-24
<b>Operating profit from continuing activities</b>	<b>7,436</b>	2,983
Fair Value on Financial Assets	(180)	(2,580)
Depreciation	65	69
Acquisition expenses, stamp duties and relisting expenses	838	2,309
Amortisation and impairment of intangible assets	3,189	1,597
<b>Adjusted EBITDA</b>	<b>11,348</b>	4,378
Provision release	(370)	-
Decrease/(increase) in working capital	(712)	823
<b>Adj. Operating cashflow</b>	<b>10,266</b>	5,201
Cash Conversion	90%	119%
Capital expenditure	(1,358)	(1,025)
Acquisition expenses, stamp duties and relisting expenses	(838)	(2,309)
Unrealised Exchange gains/(losses)	(127)	(5)
Interest and dividend income	3,614	2,530
<b>Free Cashflow</b>	<b>11,557</b>	4,392

Basic and diluted EPS was 8p (29 February 2024: 5 pence).

The Board does not currently recommend a dividend. It intends to review the Group's dividend policy following significant deployment of AdvT's capital and will only commence the payment of dividends when it becomes commercially appropriate.

The Group's cash position as at 28 February 2025 was £88.5m (29 February 2024: £82.1m), before the net cash outflow of £4.8m to acquire HFX and GOSS.

Adjusted operating cashflow was £10.3m, representing 90% cash conversion of adjusted EBITDA (29 February 2024: £5.1m and 119%). Cash conversion was impacted by the timing of a few large trade receivables invoices and their collection shortly after the year end. The Group also capitalised £1.3m of R&D cost.

Free cash flow from continuing activities was £11.6m (29 February 2024: £4.4m). This was impacted by the acquisition of inSTREAM on 1 July 2024, for cash consideration of £4.8m net of cash acquired of £1.7m.

Following the year-end, the Group completed two additional acquisitions: HFX Limited and GOSS Technology Group Limited. HFX provides a workforce management SaaS platform, while GOSS offers a digital platform that supports public sector organisations in driving digital transformation through innovative online solutions (further information in note 27).

**Gavin Hugill**

CFO

27 June 2025



## Directors Report

### Statement of Going Concern

The Company had cash resources of £88.5m and net assets of £141.1m at 28 February 2025. The Group meets its day-to-day working capital requirements from the positive cash flows generated by its trading activities and its available cash resources. The information in these Consolidated Financial Statements has been prepared on a going concern basis, which assumes that the Group will continue to be able to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval.

The Directors confirm that they have re-assessed the principal risks, reviewed current performance and forecasts, combined with expenditure commitments, including capital expenditure. The Group's forecasts demonstrate it will generate profits and cash in the years ending 28 February 2026 and beyond and that they are satisfied that the Group has sufficient cash reserves to enable it to meet its obligations as they fall due, for a period of at least 12 months from the date of signing of these Consolidated Financial Statements.

Subject to the structure of any potential future transactions the Company may need to raise additional funds for the acquisitions in the form of equity and/or debt. This has not been factored into our going concern assessment as it will be dependent on the size and nature of the acquisitions and is within the Board's control.

### Corporate Governance

The Directors recognise the importance of high standards of corporate governance and, effective from admission to AIM ("Admission") on 10 January 2024, the Company adopted the Quoted Companies Alliance Corporate Governance Code ("QCA Code"). The Company's compliance with the QCA Code is detailed in the Admission Document which is available on the Company's website [www.advancedadvt.com](http://www.advancedadvt.com) and the Company has also included a corporate governance statement along with additional disclosures within the Governance section of its website and in the Corporate Governance Statement below, which includes the identification and explanation in respect of areas of non-compliance.

The Board is responsible for leading and controlling the Company and has overall authority for the management and conduct of its business, strategy and development. The Board is also responsible for ensuring the maintenance of a sound system of internal controls and risk management (including financial, operational and compliance controls) and for reviewing the overall effectiveness of systems in place as well as for the approval of any changes to the capital, corporate and/or management structure of the Company.

The Company has two independent non-executive directors to the Board: Barbara Firth, also appointed as Senior Independent Director, and Paul Gibson. The Company also has the following committees; Audit and Risk Committee (comprising: Paul Gibson (Chairman), and Barbara Firth), Remuneration Committee (comprising: Barbara Firth (Chairperson) and Paul Gibson) and Nomination Committee (comprising: Barbara Firth (Chairperson), Vin Murria and Paul Gibson), for which the terms of reference can be found on the Company's website.

The Board has formally delegated duties and responsibilities to the Committees as described below.

### Audit and Risk Committee

The Audit and Risk Committee is responsible for reviewing a wide range of matters, including half-year and annual results before their submission to the Board, and for monitoring the controls that are in force to ensure the integrity of the financial information reported to Shareholders.

A set of Group policies has been created addressing key matters for governance, including but not limited to MAR manual, share dealing policy (in conformity with the requirements of Article 19 of UK MAR and Rule 21 of the AIM Rules for Companies), anti-bribery and anti-corruption policy.

The Audit and Risk Committee comprises of two independent non-executive Directors as members. Both of the members have recent and relevant financial experience and competence in accounting and/or auditing. The Committee meets at least three times a year in the context of the Group's interim and annual financial statements at both the planning and completion stages and advise the Board on the appointment of external auditors, and their remuneration. The Committee will also discuss the nature, scope and results of the audit with the external auditors.

Further details concerning the Audit and Risk Committee and its role appear below under Principle 4 of the Company's Corporate Governance Statement.

### Remuneration Committee

The Remuneration Committee is responsible for reviewing the performance of the Directors and making recommendations to the Board on matters relating to their remuneration and terms of service. The Committee ensures remuneration is aligned to the implementation of the Company's strategy and with effective risk management, taking into account the views of Shareholders and assisted by executive pay consultants if required. The Remuneration Committee will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to the Long-Term Incentive Scheme or any other equity incentive plans in operation from time to time.



The Remuneration Committee comprises of two members, both are independent non-executive Directors. The Committee meets at least twice a year.

#### **Nomination Committee**

The Nomination Committee will regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes and keep under review the leadership needs of the Company.

The Nomination Committee comprises of three members, a majority of which are independent non-executive Directors.

#### **Corporate Governance Statement**

The Company is led by Vin Murria, who is Executive Chair. The Company managed under the direction and supervision of the Board. Among other things, the Board sets the vision and strategy for the Company in order to effectively implement the Company's business model which is described below.

Good corporate governance seeks to create shareholder value by improving performance while reducing or mitigating those risks the Company faces as it seeks to create sustainable growth over the medium to long-term.

To these ends, and in line with the obligation contained in the AIM Rules for Companies requiring all companies to adopt and comply with a recognised corporate governance code, the Board have adopted the QCA Code. It was decided that the QCA Code was more appropriate for the Company's size and stage of development than the more prescriptive Financial Reporting Council's UK Corporate Governance Code. The narrative that follows sets out, in broad terms, how the Company is complying with the QCA Code and how it proposes to comply in the future.

In November 2023, the QCA published an updated version of its Code (the "2023 Code"), that will apply to financial years beginning on or after 1 April 2024. Disclosures in respect of the 2023 Code will therefore be made by the Company in its 2026 financial statements. The Company is undertaking a gap analysis between its current governance practices and the revised expectations of the 2023 Code.

#### **Principle 1: Establish a strategy and business model which promote long-term value for shareholders.**

The Group designs, develops, sells and supports high-end products and solutions for use in a wide range of applications within the private and public sectors. Their products are designed to be compliant with industry specifications and support many of today's leading operating systems. The Group's products are sold worldwide with the majority of focus within Europe and North America.

The Group's business model is designed to promote long-term profitable growth and cash generation. The Company's strategy has a focus on organic growth, through expanding existing customer accounts and accessing similar customers from the sectors in which it operates. In addition, it seeks to expand market share and product reach through accretive, strategically valuable acquisitions.

The Company believes that being quoted on AIM is of long-term value to Shareholders, offering access to capital markets to exploit underlying, structural growth trends believed by the Directors to be inherent in the sectors in which it operates. In addition, it provides the level of transparency its corporate customers expect and will assist with the reward and retention of employees, within a regulatory environment fit for its size and stage of development.

#### **Principle 2: Seek to understand and meet shareholder needs and expectations.**

The Company is committed to listening and communicating openly with Shareholders to ensure that its strategy, business model and performance are clearly understood. Understanding what analysts and investors think about the Company, and in turn, helping these audiences understand its business, is a key part of driving performance and therefore dialogue with the market will be sought actively. This is done through institutional investor roadshows, investor briefings, attending and presenting at investor conferences and meeting with independent investment analysts and financial journalists alongside the Group's regular reporting.

The Directors actively seek to build relationships with institutional Shareholders. The Executive Directors make presentations to institutional Shareholders and analysts from time-to-time, in part to listen to their feedback and have a direct conversation on any areas of concern. The Board as a whole are kept informed of the views and concerns of major Shareholders by briefings from the Executive Directors. Any significant investment reports from analysts are circulated to the Board. The Executive Chairperson is available to meet with major Shareholders if required to discuss issues of importance to them.

The Annual General Meeting ("AGM") will be a forum for dialogue with Shareholders and the Board each year. The notice of AGM will be published at least seven days before the AGM. The Chairperson and all Board committee chairs, together with all other Directors, will routinely attend the AGM and be available to answer questions raised by Shareholders. For each vote taken, the number of proxy votes received for, against and withheld will be announced at the meeting. The results of the AGM will subsequently be announced to the London Stock Exchange and published on the Company's website. The AGM will take place on 5 August 2025.

**Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success.**

Engaging with all stakeholders strengthens relationships and also helps better business decision making and delivery against forecasts and commitments. The Board is regularly updated on wider stakeholder engagement matters in order to stay abreast of stakeholder insights into the issues that matter most to them and the business, and to enable the Board to understand and consider these issues in their decision-making. Some examples of stakeholders aside from Shareholders are employees, customers and suppliers. The Board does therefore closely monitor and review the results of the Company's engagement with those groups to ensure alignment of interests.

**Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation.**

**Risk Management Framework**

The processes in place for the identification and management of risk are disclosed on page 12 of these Consolidated Financial Statements.

**Financial Controls**

The Audit and Risk Committee comprises Paul Gibson (Committee Chair), and Barbara Firth. The Audit and Risk Committee will meet as often as required and at least three times a year. The Audit and Risk Committee's main functions includes reviewing the effectiveness of internal control systems and risk assessment in conjunction with monitoring the integrity of the Consolidated Financial Statements of the Company and Group, including its annual and interim reports and any other formal announcement relating to financial performance. The Audit and Risk Committee is responsible for overseeing the Company's relationship with the external auditors, including making recommendations to the Board on the appointment of the external auditors and their remuneration. The Audit and Risk Committee considers the nature, scope and results of the auditors' work and reviews, and will develop and implement policies on the supply of non-audit services that are provided by the external auditors where appropriate.

The Audit and Risk Committee particularly focuses on compliance with legal requirements, international financial accounting standards and the AIM Rules for Companies, and also ensure that an effective system of internal financial and non-financial controls is maintained. Ultimate responsibility for reviewing and approving the annual report and accounts will remain with the Board. The identity of the Chair of the Audit and Risk Committee will be reviewed on an annual basis and the membership of the Audit and Risk Committee, and its terms of reference kept under regular review. The Audit and Risk Committee members will have no links with the Company's external auditors.

**Standards and policies**

The Board is committed to maintaining appropriate standards for all the Group's business activities and ensuring these standards are set out in written policies where appropriate. The Board acknowledges that the Group's domestic and international operations may give rise to possible claims of bribery and corruption. In consideration of the UK Bribery Act 2010, the Board reviews the perceived risks to the Group arising from bribery and corruption so as to identify any aspects of its business which may be improved to mitigate such risk. The Board has adopted a zero-tolerance policy towards bribery and has reiterated the Company's commitment to carry out business fairly, honestly and openly.

The Company has also adopted a share dealing policy in conformity with the requirements of Article 19 of UK MAR and Rule 21 of the AIM Rules for Companies and will take steps to ensure compliance by the Board and relevant senior staff, as well as by any closely associated persons and other applicable employees, within the terms of the policy.

**Principle 5: Maintain the board as a well-functioning, balanced team led by the Chair.**

The Chair is responsible for leading the Board effectively and overseeing the adoption, delivery, and communication of the Company's corporate governance model. The Chair displays a clear vision and focus on strategy, capitalising on the skills, experience, characteristics, and qualities of the Board and fostering a positive governance culture throughout the Group.

The Board comprises one Executive Chairperson, two Executive Directors and two non-executive Directors. The Board considers the non-executive Directors, Paul Gibson and Barbara Firth, are independent and would bring an independent judgement to bear. Barbara Firth was appointed the Senior Independent Director of the Company. The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company on the other, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

The Board members bring a wealth of knowledge and experience to their discussions, maintaining memberships in various professional bodies and continually developing their skill sets. The Directors have significant experience in executing transactions using listed acquisition vehicles on the London Stock Exchange and have successfully completed a wide array of M&A transactions both on and off London's capital markets. Additionally, they possess substantial experience in the software and services sector, having invested in and operated a range of high-performing businesses. The Directors have successfully driven operational excellence within these enterprises, leading to consistent growth.

The Directors' significant management expertise and extensive experience completing acquisitions in multiple jurisdictions is expected to enable the Company to identify, evaluate and consummate further acquisitions. The Director's biographies are set out on the Company website <https://advancedadvT.com/about/board-of-directors/default.aspx>.

The Board considers and reviews the requirement for continued professional development. The Board undertakes to ensure that their awareness of developments in corporate governance and the regulatory framework is current, as well as remaining knowledgeable of any industry specific updates. The Company's professional advisers and Broker all serve to strengthen this development by providing guidance and updates as required.

The Directors believe that their track records demonstrate their respective abilities to source, structure and complete acquisitions, return value to investors and introduce and complete operational improvements to companies. Additionally, the Company believes that the Directors' experience in driving operational improvements and organic growth will benefit the Company following any future acquisitions and create value for shareholders.

In the year to 28 February 2025 the Committees have not sought external advice on any significant matters. The Committees are able to seek external advice as required.

#### Company Secretary

Antoinette Vanderpuije is the Company Secretary, she is a chartered accountant and chartered tax advisor and a Partner in Marwyn Capital. Antoinette is supported by the wider team at Marwyn Capital and Conyers Corporate Services (BVI) Limited as Assistant Company Secretary.

#### Senior Independent Director

Barbara Firth is appointed the Senior Independent Director. Barbara has decades of experience in financial and operational management working in private equity-backed and publicly listed companies. Most recently she was non-executive director at finnCap Group plc until its merger with Cenkos in September 2024.

Barbara's previous roles included Chief Financial Officer and Chief Operating Officer at Advanced Computer Software Group plc, where she worked closely with Vin Murria, until the sale to Vista in 2015; Chief Financial Officer at Computer Software Group until the merger with Iris in 2007; and Head of UK Finance for Robert's Pharmaceuticals Inc until its merger with Shire Pharmaceuticals in 2002.

#### Board meetings

For the current financial year ending 28 February 2026, it is intended that at least 4 formal periodic Board meetings will take

place, in addition to ad-hoc Board meetings which are to be scheduled as required. Key Board activities in the coming year will include the integration and development of the acquired companies, the receipt, investigation and assessment of any potential acquisition candidates; continued open dialogue with the investment community; consideration of financial and non-financial policies; the discussion of strategic priorities; discussions regarding the Company's capital structure and financial strategy, including capital investments and Shareholder returns; discussions around internal governance processes; a review of the Company's risk profile and a review of any feedback received from Shareholders post full and half year results. All Directors are aware of the time required to fulfil the role and confirmed prior to appointment that they can make the required commitment. This requirement is also included in their deeds of appointment or executive service agreement.

#### **Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.**

Individually, each Director brings a varied and extensive skill set to the Board. Vin Murria has previously led businesses that have executed an M&A agenda, leading the identification and execution of acquisition opportunities. Vin also has extensive operational experience integrating businesses, delivering synergies and developing acquired businesses to deliver value to shareholders. Gavin Hugill has held senior positions in private equity and publicly listed businesses with a focus on executing and integrating M&A transactions with extensive experience in the technology and digital services sector. Karen Chandler has extensive experience in executing cross border transactions and has held CFO and company secretary roles for listed businesses. Paul Gibson has also held senior roles in both financial and operational capacities, having delivered both organic and acquisitive growth for other businesses with extensive experience across the TMT sector. Barbara Firth provides decades of experience in financial and operational management roles as CFO and COO, in private equity and publicly listed companies.

The Board is satisfied that between the Directors, with the nature and extent of the experience and expertise each has developed through their careers, it has an effective and appropriate balance of skills and experience, including in the areas of finance, capital markets, legal and corporate governance. The Board values diversity as a key contributor to its collective insight and decision-making. It comprises three female and two male Directors, including varied cultural backgrounds, enriching the Board's perspectives.

All Directors receive regular and timely information on the Company's operational and financial performance. Relevant information is also circulated to the Directors in advance of meetings.

The Board, with support from the Nomination Committee, makes decisions regarding the appointment and removal of Directors and there is a formal, rigorous and transparent procedure for appointments. All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. In addition, the Directors have direct access to the advice and services of the Company Secretary and external legal counsel.

**Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.**

The Company constantly assesses the individual contributions of each Board member and the senior executive team of the Group to ensure their contribution is relevant and effective, that they are committed and, where relevant, that they have maintained their independence. The Company has delivered on its commitment to design and execute an appropriate Board evaluation process, the process, findings and actions taken from the assessment as discussed in detail in the Remuneration Committee Report. The Board remains committed to put in place robust succession plan for the most senior members of the Group's team, including members of the Board and discussions in this regard have commenced.

**Principle 8: Promote a corporate culture that is based on ethical values and behaviours.**

The Board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximising Shareholder value. With regard to the structure and size of the Company, the Board is confident that its ethical values are being adhered to and this will continue to be considered by the Board. The Company will only meet its objectives if all of its employees are ethical, fair, and transparent in their dealings with all stakeholders. Policies and procedures have been reviewed and updated since the acquisitions from Capita and consideration of corporate culture and the ethical behaviours that the Group wishes to promote are encompassed in the revised policies and will continue to be promoted throughout the Group.

**Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the board.**

The Board intends to meet at least four times each year in accordance with its scheduled meeting calendar. The Board sets the direction of the Company through a formal schedule of matters reserved for its decision. Prior to the start of each financial year, a schedule of dates for that year's Board meetings will be compiled to align, as far as reasonably practicable, with the Company's financial calendar while also ensuring an appropriate spread of meetings across the financial year. This may be supplemented by additional meetings as and when required.

The Board is responsible for the long-term success of the Company. There is a formal schedule of matters reserved to the

Board. It is responsible for overall group strategy, approval of major investments, approval of the annual and interim results, annual budgets, dividend policy, and Board structure. It monitors the exposure to key business risks and reviews the annual budgets and performance compared to those budgets.

The Company is led by Vin Murria, who is Executive Chair, during the year, the Nomination Committee considered whether the appointment of a CEO was required to segregate the roles of CEO and Chair, however, the Nomination Committee were satisfied that the executive team has the necessary skills, experience, capacity and capabilities to execute the Company's strategy at this stage. This is to be reconsidered on a periodic basis and at key points during the Company's execution of its M&A strategy. At such time as an appropriate candidate is appointed as CEO, Vin Murria OBE will be the Executive Chairperson. In the event that Vin Murria is appointed as the CEO of the Company, a Non-Executive Chairperson would be appointed.

The Board is cognisant that the QCA Code recommends that the Chairperson of the Board has adequate separation from the day-to-day business and, following the appointment of a CEO, intends to separate the Chairperson from an executive role. Upon the appointment of a CEO, the role of a Chairperson is to run the business of the Board and for ensuring appropriate strategic focus and direction, while a CEO is responsible for proposing the strategic focus to the Board, implementing it once it has been approved, and overseeing the management of the Company through the executive team. In the event that Vin Murria is appointed as the CEO of the Company, the Board would appoint a non-executive Chairperson.

The Board is supported by the Audit and Risk Committee, the Remuneration Committee and the Nomination Committee. The Board and its committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting, and Board and committee papers are distributed before meetings take place. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties. Please see sections headed "Audit and Risk Committee", "Remuneration Committee" and "Nomination Committee" above for details on the function and composition of the Committees.

**Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.**

The Company will communicate with Shareholders through the annual report and accounts, full-year and half-year announcements, the AGM, appropriate regulatory news announcements, other general meetings (as required) and one-to-one meetings with large existing or potential new Shareholders. A range of corporate information (including all

Company announcements and presentations) will also be available to Shareholders, investors and the public on the Company's corporate website at [www.advancedadvt.com](http://www.advancedadvt.com). The Board will receive regular updates on the views of Shareholders through briefings and reports from the executive Chairperson and the Company's broker. The Company will also communicate with institutional investors frequently through briefings with management.

### Sustainability and Environmental, Social and Governance performance

As a BVI-incorporated company listed on AIM, the Group is not currently required to provide disclosures under the Task Force on Climate-related Financial Disclosures (TCFD) or the Streamlined Energy and Carbon Reporting (SECR) framework. However, the Board appreciates the environmental, social, and corporate governance (ESG) responsibilities faced by the Group and recognises that fostering a sustainable future is not only a moral imperative but also a key driver of long-term value creation. The Group is actively collecting relevant data and is in the process of developing a carbon and ESG strategy. In anticipation of the adoption of IFRS S1 and S2, the Group expects to align with the evolving sustainability reporting standards in due course.

The Group is committed to managing its environmental footprint, promoting diversity and inclusion, and upholding the highest standards of ethical conduct. Through transparent governance and continuous engagement with stakeholders, the Board aims to achieve sustainable growth that benefits shareholders, the communities it serves, and the wider environment. In line with this commitment, the Group has published a Modern Slavery Statement on its website, reflecting its dedication to responsible and ethical business practices.

### Directors

The Directors of the Company have served as directors during the year and until the date of this report as set out below:

Vin Murria (*Chairperson*)

Gavin Hugill (*Chief Financial Officer*)

Karen Chandler (*Chief Operating Officer*)

Mark Brangstrup Watts (*resigned 27 February 2025 was non-executive director*)

Paul Gibson (*non-executive director*)

Barbara Firth (*Senior Independent Director*)

Director biographies can be found on the Company's website.

### Directors' Interests

Vin Murria holds 17,500,000 (12.82%), and Barbara Firth holds 70,000 (0.05%) of the issued share capital of the Company as at 28 February 2025 and at the date of this report.

No other Directors held any direct interests in the Ordinary Shares of the Company at 28 February 2025.

The Director's interests in the participation shares are detailed in note 23 to the Consolidated Financial Statements.

There were no loans or guarantees granted or provided by the Company and/or any of its subsidiaries to or for the benefit of any of the Directors.

### Substantial Shareholdings

As at 2 June 2025 (the latest practicable date prior to the publication of this Report), the following had disclosed an interest in the issued ordinary share capital of the Company (being 3% or more of the voting rights in the Company) complying with the requirements of the Disclosure and Transparency Rules (the "DTRs"):

Ordinary Shares Held and % of Issued share capital	Number	%
Marwyn Investment Management	20,525,000	15.04
BGF Investment Management	20,000,000	14.66
Vin Murria & Sunil Bhalla	17,500,000	12.83
Artemis Fund Managers	6,761,134	4.96
Dowgate Capital	4,643,839	3.40
Rathbone Investment Mgt	4,452,947	3.26
Gresham House	4,033,617	2.96

### Directors' Emoluments

Directors' emoluments during the year are disclosed in note 6 and the remuneration report on pages 13 to 15.

### Board Interaction

Board meetings are held formally on a periodic basis and diarised in advance. Ad hoc meetings are held by the Board of Directors as and when required. The Board understands that it is critical for Board meetings to be well managed and balanced for the business to successfully deliver and achieve its strategy. The Chairperson is responsible for the Board meeting agenda, which, for periodic meetings, is agreed in advance of each Board meeting and prepared based on an agreed Board standing agenda. The board pack is prepared and circulated to the Board approximately a week prior to the meeting. For ad hoc meetings, the agenda is agreed with the Chairperson and circulated to the Board along with supporting papers as soon as practicable prior to the meeting. Board packs capture all ongoing corporate governance requirements. The Board is presented with papers to support its discussions including timely financial information, investor relations information, subsidiary management reporting and details of potential acquisition targets and current status.



The Company's culture is to openly and frequently discuss any important issues both at and outside of formal meetings.

### Board evaluation process

The Nomination Committee, along with the Chairperson are responsible for putting in place a formal and rigorous annual evaluation of the performance of the Board, its Committees and individual directors.

In Q1 2025, the Board performed its inaugural assessment of its effectiveness through questionnaires completed by each of the Directors covering a wide range of topics from frequency of meetings, scope of topics discussed at meetings, timeliness and quality of board materials, the way in which risk management was addressed by the Board and the roles & responsibilities and interaction between board members.

The findings were discussed in detail by the Board with the positive remarks in respect of board challenge and open dialogue noted. The Board considered the areas for improvement identified and agreed action items agreed to address the feedback provided. Feedback included the request for further information to be provided within board packs to aid Board discussions at meetings, that the roles and responsibilities of the executive directors should be further refined, and to ensure that Vin's role as both Chair and CEO is clearly articulated by the Company. It was also agreed that a holistic board calendar be prepared so that the Board had greater visibility on the matters to be considered over the course of the next financial year and that Board members would also suggest deep dive topics to be covered during the year. All matters identified have been actioned by the Board.

### Board and Committee meeting attendance

No. of Board meetings attended/conducted in the year to 28 February 2025	
Vin Murria	7/8
Gavin Hugill	8/8
Karen Chandler	8/8
Mark Brangstrup Watts	7/8
Barbara Firth	7/8
Paul Gibson	8/8

### Risks

The Directors have carried out a robust assessment of the principal risks facing the Company including those that would threaten its business model, future performance, solvency, or liquidity. The Company has published its principal risks in the Admission Document dated January 2024 and previously the

Company's prospectuses dated 4 December 2020, 18 March 2021, and 31 March 2023. The Directors are of the opinion that the risks detailed in the Company's Admission Document dated January 2024 remains applicable for the current financial year. Details of the risks faced by the Company are set out at the end of this report (pages 64 onwards). The Admission Document and detailed risks can also be found on the Company's website. The Company maintains a risk register which is regularly reviewed by the Executive Directors and periodically by the Board. A risk management framework is in place, which ensures risk are identified, measured and assessed with suitable risk mitigations and monitoring with a reporting regime and risk governance process in place.

The Company's risk management framework incorporates a risk assessment that identifies and assesses the strategic, operation and financial risks facing the business and mitigating controls.

The risk assessment is documented through a risk register which categorises the key risks faced by the business into:

- business risks;
- shareholder risks;
- financial and procedural risks; and
- risks associated with the acquisition process.

The risk assessment identifies the potential impact and likelihood of each of the risks detailed on the risk register and factors/actions have also been identified.

The Company's risk management process includes both formal and informal elements. The size of the Board and the frequency with which the directors interact ensures that risks, or changes to the nature of the Company's existing risks, are identified, discussed, and analysed quickly. The Company's governance framework, including formal periodic board meetings with standing agendas, ensures that the Company has a formal framework in place to manage the review, consideration, and formal approval of the risk register, including risk assessment.

The Audit and Risk Committee was formed during the prior period, see report on pages 17 to 19.

**Vin Murria OBE**  
Chairperson  
27 June 2025

## Remuneration Report

### Remuneration Committee

The Remuneration Committee is responsible for reviewing the performance of the Directors and making recommendations to the Board on matters relating to their remuneration and terms of service, and to ensure remuneration is aligned to the implementation of the Company's strategy and effective risk management, taking into account the views of Shareholders and will also be assisted by executive pay consultants if and when required. The Remuneration Committee will also make recommendations to the Board on proposals for the granting of share options and other equity incentives pursuant to the Long-Term Incentive Scheme or any other equity incentive plans in operation from time to time.

### Composition of the Remuneration Committee

The Remuneration Committee comprises of two members, both of whom are independent non-executive Directors. The Committee will meet at least twice a year. The Remuneration Committee comprises Barbara Firth as Chairperson and Paul Gibson as member.

### Remuneration policies

The Board may appoint one or more Directors to hold any executive office of the Company (including such positions as Chairperson, chief executive officer or managing director) for such period and on such terms as the Board may decide ("Executive Director") on recommendation from the Remuneration Committee. An Executive Director appointed to act as Chairperson, chief executive officer or managing director or such other role as the Board may decide shall automatically cease to hold office if he or she ceases to be a Director of the Company.

The Directors and Executive Directors shall be remunerated for their services at such rate as the Remuneration Committee shall determine. For the avoidance of doubt, the remuneration of Executive Directors may be by way of salary, benefits, participation in profits or otherwise and either in addition to or inclusive of his or her remuneration as a Director of the Company, and inclusion in the Group's Long Term Incentive Scheme. In addition, all of the Directors may be paid all reasonable out-of-pocket expenses properly incurred by them in attending meetings of Shareholders, board or Committee meetings or otherwise in connection with the discharge of their duties.



### Activities during the year

During the year to 28 February 2025, the Committee considered the following matters:

- Bonus awards for the Executive Directors in respect of the period ended 29 February 2024 and 2025 salaries
- Resource requirements of the senior management team and necessary recruitment
- Its report as included in the period ended 29 February 2024 Consolidated Financial Statements
- KPIs in respect of bonus awards and salaries for the year ended 28 February 2025

In the period to the date of these Consolidated Financial Statements, the Committee has considered the establishment of a new long term incentive plan to further incentivise other senior employees within the Group and the Committee's report as included in these Consolidated Financial Statements.

### Directors' remuneration

#### Bonuses awarded for the year to 28 February 2025

Vin Murria took no salary, bonus or benefits for the period from March 2021 to AIM Admission in January 2024 a three-year period during which she reviewed and worked on multiple transactions. Vin was awarded a bonus equal to 100% of her current annual salary for the year ended 28 February 2025, in recognition of her significant contributions to the improved performance of acquired assets and her ongoing leadership in shaping and executing the Company's M&A strategy.

Gavin Hugill and Karen Chandler were awarded 30% of their current annual salary as a bonus for the year ended 28 February 2025, in recognition of the successful acquisition of inSTREAM and notable improvements in the performance of the acquired assets.



## Components of Directors' remuneration

Further details can be found in notes 6, 23 and 25.

Director	Annual Salary/ fee £000	Bonus % of Salary	Pension	Incentive shares	Other benefits/ Insurance
Vin Murria	450	100%	*5%	Yes	Health & Life
Gavin Hugill	200	30%	5%	Yes	Health & Life
Karen Chandler	130	30%	5%	Yes	Health & Life
Barbara Firth	50	-	-	-	-
Paul Gibson	50	-	-	-	-

\* Currently opted out

## Year to 28 February 2025

Director £000s	Salary/ fee	Bonus	Pension	Other benefits	Total
Vin Murria	450	450	-	-	900
Gavin Hugill	200	60	10	2	272
Karen Chandler	127	39	6	2	174
Mark Brangstrup Watts	40	-	-	-	40
Barbara Firth	50	-	-	-	50
Paul Gibson	50	-	-	-	50
<b>Total</b>	<b>917</b>	<b>549</b>	<b>16</b>	<b>4</b>	<b>1,486</b>

## Eight months to 29 February 2024

Director £000s	Salary/ fee	Bonus	Pension	Other benefits	Total
Vin Murria	65	450	-	-	515
Gavin Hugill	135	60	7	1	203
Karen Chandler	44	36	-	-	80
Mark Brangstrup Watts	28	-	-	-	28
Barbara Firth	7	-	-	-	7
Paul Gibson	7	-	-	-	7
<b>Total</b>	<b>286</b>	<b>546</b>	<b>7</b>	<b>1</b>	<b>840</b>

## Incentive shares

Vin Murria, Gavin Hugill, Karen Chandler and Mark Brangstrup Watts all have a beneficial interest in the A ordinary shares (Incentive Shares) issued by the Company's subsidiary, MAC I (BVI) Limited. Full details are disclosed in note 23 of these Consolidated Financial Statements.

## Executive service agreement with Vin Murria OBE

On 5 January 2024, MAC I (BVI) Limited entered into a service agreement with Vin Murria OBE, pursuant to which she will be appointed by the Company as executive Chairperson with effect from Admission and until the appointment of a CEO. Vin is entitled to an annual fee of £450,000 for her services as an Executive Chairperson, along with an annual bonus of such amount, at such intervals and subject to such conditions as the Remuneration Committee shall in its sole discretion determine up to a maximum amount per annum of 100% of Vin's annual salary.

From the date on which the roles of Chief Executive Officer and Non-Executive Chairperson of the Company are performed by two separate individuals, Vin shall be immediately appointed as either Non-Executive Chairperson or Chief Executive Officer on terms to be agreed between Vin and MAC I (BVI) Limited.

The service agreement may be terminated by either the MAC I (BVI) Limited or Vin by giving not less than 12 months' written notice to the other party. Vin's Service Agreement contains restrictive covenants limiting her ability to compete with the Group for a 12-month period following her resignation or termination from employment with MAC I (BVI) Limited. The service agreement is governed by English law.

Prior to Admission, Vin was entitled to a fee of £50,000 per annum. However, from 23 March 2021 to 10 January 2024 Vin waived her entitlement to fees until Admission.

## Executive service agreement with Gavin Hugill

On 5 January 2024, MAC I (BVI) Limited and Gavin Hugill entered into a service agreement pursuant to which Gavin was appointed as the Chief Financial Officer of the Company.

Gavin is entitled to receive an annual salary of £200,000 per annum, along with an annual bonus of such amount, at such intervals and subject to such conditions as the Remuneration Committee shall in its sole discretion determine up to a maximum amount per annum of 30% of Gavin's annual salary. The service agreement may be terminated by either MAC I (BVI) Limited or Gavin by giving not less than 6 months' written notice to the other party. The service agreement contains restrictive covenants limiting Gavin's ability to compete with the Group for a 12-month period following his resignation or termination from employment with MAC I (BVI) Limited. The service agreement is governed by English law.

Prior to Admission Gavin was Chief Operating Officer.

#### Executive service agreement with Karen Chandler

On 5 January 2024, Karen Chandler entered into a service agreement with MAC I (BVI) Limited, pursuant to which she was appointed by the Company as the Chief Operating Officer with effect from Admission. Upon acquisition of inSTREAM Karen's annual salary increased to £120,000. Karen's salary was increased to £130,000 in December 2024, a transfer of the £10,000 she was previously receiving from inSTREAM for her services.

Karen is entitled to receive an annual salary of £130,000. In addition, Karen is also entitled to an annual bonus of such amount, at such intervals and subject to such conditions as the Remuneration Committee shall in its sole discretion determine up to a maximum amount per annum of 30% of Karen's annual salary. The service agreement may be terminated by either MAC I (BVI) Limited or Karen by giving not less than 6 months' written notice to the other party. Karen's Service Agreement contains restrictive covenants limiting her ability to compete with the Group for a 12-month period following her resignation or termination from employment with MAC I (BVI) Limited. The service agreement is governed by English law.

Prior to Admission Karen was both entitled and receiving an annual fee of £50,000 for her services as a non-executive director.

#### Deed of appointment with Mark Brangstrup Watts

On 5 January 2024, Mark Brangstrup Watts entered into a deed of appointment with the Company which sets out the terms of Mark's appointment as a non-executive Director from 16 May 2022. Pursuant to the deed of appointment, Mark is entitled to a fee of £40,000 per annum. Mark's appointment as a non-executive

Mark did not receive director's fees for his services prior to the Acquisitions. From the date of Acquisition until Admission Mark's fees were £50,000 per annum.

On the 27 February 2025 Mark resigned, with immediate effect, as a non-executive director.

#### Deed of appointment with Barbara Firth

On 5 January 2024, Barbara Firth entered into a deed of appointment with the Company pursuant to which she is appointed by the Company as a non-executive Director and Senior Independent Director effective from Admission. Pursuant to the deed of appointment, Barbara is entitled to a fee of £50,000 per annum. Her appointment as a non-executive Director may be terminated upon 3 months' prior written notice. The deed of appointment contains customary non solicitation provisions. The deed of appointment is governed by English law.

#### Deed of appointment with Paul Gibson

On 5 January 2024, Paul Gibson entered into a deed of appointment with the Company pursuant to which he is appointed by the Company as a non-executive Director effective from Admission. Pursuant to the deed of appointment, Paul is entitled to a fee of £50,000 per annum. His appointment as a non-executive Director may be terminated upon 3 months' prior written notice. The deed of appointment contains customary non solicitation provisions. The deed of appointment is governed by English law.

#### Remuneration Committee meeting attendance

No. of Remuneration Committee meetings attended/conducted in the period to 28 February 2025	
Barbara Firth (Chairperson)	4/4
Paul Gibson	4/4

#### Barbara Firth

Chairperson of Remuneration Committee  
27 June 2025

## Nomination Committee Report

### Nomination Committee

The Nomination Committee will regularly review the structure, size and composition of the Board and make recommendations to the Board with regard to any changes and keep under review the leadership needs of the Company.

The Nomination Committee comprises of three members, a majority of which are independent non-executive Directors. The Nomination Committee comprises Barbara Firth as Chairperson and Vin Murria OBE and Paul Gibson as members.

The Board, with support from the Nomination Committee, makes decisions regarding the appointment and removal of Directors and there is a formal, rigorous and transparent procedure for appointments. All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. In addition, the Directors have direct access to the advice and services of the Company Secretary and external legal counsel. There have been no appointments made in the year to 28 February 2025 or to the date of this report.

Whilst in the early stages of executing its strategy, the Company chosen not to appoint a separate CEO and Vin Murria fulfils both the Executive Chairperson and CEO roles. This is to be reconsidered on a periodic basis and at key points during the Company's execution of its M&A strategy. Having made the Acquisitions, the Board believes that the executive team has the necessary capabilities to execute the Company's strategy at this time. At such time as an appropriate candidate is appointed as CEO, Vin Murria will be Executive Chairperson. In the event that Vin Murria is appointed as the CEO of the Company, a Non-Executive Chairperson would be appointed.

The terms of reference can be found on the Company's website.

### Nomination Committee meeting attendance

No. of Nomination Committee meetings attended/conducted in the period to 28 February 2025	
Barbara Firth (Chairperson)	2/2
Paul Gibson	2/2
Vin Murria	2/2

### Barbara Firth

Chairperson of Nomination Committee  
27 June 2025

## Audit and Risk Committee Report

### Audit and Risk Committee

The Audit and Risk Committee particularly focuses on compliance with legal requirements, international financial reporting standards (“IFRS”) and the AIM Rules for Companies, and also ensure that an effective system of internal financial and non-financial controls is maintained. Ultimate responsibility for reviewing and approving the annual report and accounts will remain with the Board. The identity of the Chairperson of the Audit and Risk Committee will be reviewed on an annual basis and the membership of the Audit and Risk Committee, and its terms of reference kept under regular review. The Audit and Risk Committee members will have no links with the Company’s external auditors.

As Chair of the Audit and Risk Committee (“the Committee”), I am pleased to present our Audit and Risk Committee Report for the year to 28 February 2025.

### Membership

The Audit and Risk Committee comprised of three members during the year, Barbara Firth, Mark Brangstrup Watts and me, Paul Gibson. Mark resigned and left the Committee on 27 February 2025. All members are Non-Executive Directors of the Company. The Audit and Risk Committee was formed on Admission to AIM in January 2024. Barbara Firth and I are considered Independent. As Chair of the Committee with a background as a qualified accountant I have significant, recent and relevant financial experience. The Committee’s biographies are set out on the Company website <https://advancedadvt.com/about/board-of-directors/default.aspx>.

### Meetings and Attendance

The Committee met five times during the year ending to 28 February 2025 and two times prior to the date of this report during April and June 2025. All members of the Committee at the time of each meeting were present. Gavin Hugill, Chief Financial Officer, also attended all meetings by invitation. The external auditor attended part of the meetings where the Interim results, final results and the audit plan were discussed and reviewed. Also, we held a meeting in June 2025 at which the annual audit and the Annual Report and Consolidated Financial Statements for the year ending 28 February 2025 were reviewed.



### Duties

The full list of the Committee’s responsibilities is set out in its Terms of Reference, which are available on the Company’s website, and is summarised below:

- monitoring the integrity of the Consolidated Financial Statements of the Group, including all formal announcements relating to financial performance;
- reviewing and reporting to the Board on significant financial reporting issues and judgements contained in any announcements of financial performance;
- reviewing the effectiveness of internal financial controls and internal control and risk management systems;
- reviewing the adequacy of arrangements for the raising of concerns about possible wrongdoing, procedures for detecting fraud and systems and controls for the prevention of bribery;
- the recommendation of, appointment, re-appointment, and removal of the external Auditor;
- reviewing the scope and results of the external annual audit by the Auditor, their effectiveness, independence and objectivity; and
- reviewing the nature and extent of any non-audit services provided by the external Auditor.

The Committee reports on all such matters to the Board

The main items of business considered by the Committee during the period (and at its meeting in June 2025 in relation to the audit and Annual Report and Consolidated Financial Statements for the year to 28 February) included:

- Consideration and approval of the 2025 Consolidated Financial Statements of the Group and Company, the external audit report and management representation letter;
- Review and approval of the interim report for the six months ended 31 August 2024;
- Engagement of external professional advisors to review the PPA in respect of the Acquisitions;
- Review and update of the Group's terms of reference, policies and governance documents; and
- A review of the year-end 2025 audit plan, consideration of the scope of the audit, the risks identified by the external auditor and the external auditor's fees.
- Review of the control environment of the newly established Indian subsidiary.
- Review of the newly adopted group systems policies and procedures on migration from the Capita Transitional services agreement.
- Review of the integration of the in-year acquisitions.

#### **External Auditor**

The Committee approved the appointment and remuneration of the external Auditor. The Chief Financial Officer monitors the level and nature of non-audit services, and specific assignments are flagged for approval by the Committee as appropriate. The Committee reviews non-audit fees and considers implications for the objectivity and independence of the relationship with the external Auditor. The Committee maintains regular dialogue with the external auditor on ways to improve the efficiency and effectiveness of the external audit process. The responsibilities of the Board and external auditor in connection with the Group's Consolidated Financial Statements are set out in the Statement of Directors' Responsibilities and Auditor's Report respectively and details of the services provided by and fees payable to the auditor are included in note 7 to the Consolidated Financial Statements. The external auditor has direct access to me and other members of the Committee, without executive management being present if they wish.

The Group's audit was put out to tender during the prior period and after review and consideration of the proposals received, Baker Tilly Channel Islands were appointed. Baker Tilly Channel Islands have been appointed as auditors since 22 September 2021, first auditing the period from incorporation to 30 June 2021.

Having reviewed the auditor's independence and performance to date, the Committee recommended to the Board that they be reappointed for the Company's 2025 audit. Baker Tilly have expressed their willingness to continue in office and a resolution to re-appoint them as auditor will be proposed at the next annual general meeting. There are no contractual restrictions on the auditor choice.

The Audit and Risk Committee considers auditor independence and, considers the amount of non-audit services earned by the auditor and associates. During the year ending 28 February 2025, fees paid to Baker Tilly Channel Islands (including MHA, which is a Baker Tilly International network firm) in relation to non-audit services amounted to £30k (2024: £180k).

#### **Audit Process**

The external auditor prepares an audit plan setting out how the auditor will audit the full year Consolidated Financial Statements. The audit plan is reviewed, agreed in advance, and overseen by the Committee. The plan includes the proposed scope of the work, the approach to be taken with the audit and also describes the auditor's assessment of the principal risks facing the business. Prior to approval of the Consolidated Financial Statements, the external auditor presents its findings to the Committee, highlighting areas of significant financial judgement for discussion.

The Committee reviews the effectiveness of the external audit process and reports its findings to the Board. The audit for the current period was the second since the Acquisitions and a full debrief with the auditors and senior management will consider the effectiveness of the audit and recommendations for the future.

#### **Internal Audit**

The Audit and Risk Committee has considered the need for an internal audit function during the year and is of the view that, given the size and nature of the Group's operations and finance team, there is no current requirement to establish a separate internal audit function, but this will be kept under review and how this affects the work of the external auditor will be considered.

### Risk Management and Internal Controls

The principal risks facing the Group are summarised on pages 64 onwards of this Report. The Audit Committee supports the Board in reviewing the risk management methodology and the effectiveness of internal control. During the period, there was an ongoing process for identifying, evaluating and managing the significant and emerging risks faced by the Group. The corporate risk register and changes in risk profile is shared and refined with the Audit Committee and Board at key intervals in the year, coordinated by the Chief Financial Officer and with reporting on mitigating actions for each risk. The Committee reviews the principal risks, including descriptions of the risks, an assessment of the impact on the business, the probability of their occurrence, management accountability and mitigating controls and actions. The Committee has reviewed the risk and control framework and processes are its obligation to ensure they are operating properly. As noted in the CFO's report, the Group has invested in system enhancements to bolster its growth strategy.

Under the agreement with Capita plc for the acquired businesses, the Group engaged in a transitional services arrangement (the "TSA"). The Group has significantly reduced its reliance on the TSA services and is currently well-advanced in the final stages to transition the remaining services onto its new platforms.

### Audit Committee meeting attendance

No. of Audit and Risk Committee meetings attended/conducted during the period to 28 February 2025	
Paul Gibson (Chairman)	5/5
Barbara Firth	5/5
Mark Brangstrup Watts	5/5

### Paul Gibson

Chairman of Audit and Risk Committee  
27 June 2025

## Responsibility Statement

Each of the Directors confirms that, to the best of their knowledge:

(a) these Consolidated Financial Statements, which have been prepared in accordance with IFRS and applicable law and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;

(b) the Directors Report includes a fair review of the development and performance of the business and the position of the Company, and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and

(c) the annual report and Consolidated Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

The Directors confirm that so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware. They have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Neither the Company nor the Directors accept any liability to any person in relation to the financial report except to the extent that such liability could arise under applicable law.

Details on the Company's Board of Directors can be found on the Company's website at [www.advancedadvT.com](http://www.advancedadvT.com).

## Auditor

Details of auditors' remuneration are set out in note 7 to the Consolidated Financial Statements.

The auditor, Baker Tilly Channel Islands Limited, has expressed its willingness to continue in office.

This report was approved by the Board of Directors on 27 June 2025 and were signed on its behalf by:

**Vin Murria OBE**

Chairperson

27 June 2025





## Consolidated Financial Statements



## Independent Auditor's Report to the Members of AdvancedAdvT Limited

### Opinion

We have audited the consolidated financial statements of AdvancedAdvT Limited (the 'Company' and, together with each of its subsidiaries, the 'Group'), which comprise the consolidated statement of financial position as at 28 February 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the consolidated financial position of the Group as at 28 February 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS); and
- have been prepared in accordance with the requirements of the BVI Business Companies Act 2004, as amended.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Jersey, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the matter	Key observations communicated to those charged with governance
<b>Acquisition accounting</b>  There is a risk that the acquisition transaction has not been accounted for in accordance with the applicable accounting standard, IFRS 3.	Our audit procedures in relation to the acquisition transaction included: <ul style="list-style-type: none"> <li>• Reperformance of the acquisition date calculations made for determining goodwill, substantiating key inputs against supporting documentation;</li> </ul>	We have nothing to report to those charged with governance.

Key audit matter	How our audit addressed the matter	Key observations communicated to those charged with governance
	<ul style="list-style-type: none"> <li>Evaluating the reasonableness &amp; challenging management's assumptions made, in determining the acquisition date fair values of assets acquired &amp; liabilities assumed;</li> <li>Evaluating the credentials of the expert used to determine the acquisition date fair values and challenged them on the assumptions used and conclusions reached; and</li> <li>Evaluating the reasonableness of key estimates made, such as expected useful lives.</li> </ul>	
<p><b>Fraud in relation to revenue recognition</b></p> <p>The revenue of the trading subsidiaries arises from contracts with customers.</p> <p>There is a risk that revenue is misstated as a result of incorrectly applying the contractual provisions &amp; requirements of the accounting standards.</p>	<p>Our audit procedures in relation to revenue from contracts with customers included:</p> <ul style="list-style-type: none"> <li>Reaffirming our understanding of the groups revenue recognition processes and relevant controls;</li> <li>Assessing the operational effectiveness of these controls by performing a walkthrough over a sample of transactions;</li> <li>Tracing a sample of revenue transactions through to the underlying agreements to assess whether the performance obligations have been appropriately met to qualify for revenue recognition;</li> <li>Performing cut-off testing over a sample of contracts to ensure that revenue / contract liabilities were appropriately recognised;</li> <li>Inquiring from management about their awareness of any potential fraudulent activities;</li> <li>Reviewing minutes of board &amp; other executive committee meetings; and</li> <li>Performing substantive analytical procedures.</li> </ul>	<p>We have nothing to report to those charged with governance.</p>

## **Our Application of Materiality**

Materiality for the consolidated financial statements as a whole was set at £4,901,000 (PY: £3,918,000), determined using a benchmark of 3.5% (PY: 3%) of net assets.

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the consolidated financial statements as a whole.

Performance materiality was set at 70% (PY: 70%) of materiality for the consolidated financial statements as a whole, which equates to £3,430,000 (PY: £2,742,000).

We reported to the Board of Directors any uncorrected omissions or misstatements exceeding £245,000 (PY: £195,000), in addition to those that warranted reporting on qualitative grounds.

In addition, we have allocated specific materiality for revenue, cost of sales and administrative expenses. We considered a threshold of £779,000 (PY: £401,200) to be an indicator of materiality for these specific areas based on 1.8% of revenue (PY: 1.8% of revenue). Specific materiality has been used in these areas due to their lower value to ensure we have performed adequate audit work in these areas. The specific performance materiality for these areas was also set at 70% (PY: 70%) and equates to £545,300 (PY: £280,800). We report to the Board of Directors all corrected and uncorrected misstatements we identified through our audit in these areas with a value in excess of £38,900 (PY: £20,000), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

## **Conclusions relating to Going Concern**

In auditing the consolidated financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and Company's ability to continue as a going concern for a period of at least twelve months from when the consolidated financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

## **Other Information**

The other information comprises the information included in the annual report other than the consolidated financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the consolidated financial statements themselves. If, based on the work performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of the Directors**

As explained more fully in the Directors' responsibilities statement set out on page 20, the Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Enquiry of management to identify any instances of non-compliance with laws and regulations, including actual, suspected or alleged fraud;
- Reading minutes of meetings of the Board of Directors;
- Review of professional invoices;
- Review of management's significant estimates and judgements for evidence of bias;
- Review for undisclosed related party transactions;
- Obtained and reviewed bank statements as well as reviewed ledgers and minutes to ensure revenue is complete and as per our expectations;
- Using analytical procedures to identify any unusual or unexpected relationships; and
- Undertaking journal testing, including an analysis of manual journal entries to assess whether there were large and/or unusual entries pointing to irregularities, including fraud.

A further description of the auditor's responsibilities for the audit of the consolidated financial statements is located at the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.

## **Other Matters which we are Required to Address**

We were re-appointed by AdvancedAdvT Limited on 8 January 2025 to audit the consolidated financial statements. Our total uninterrupted period of engagement is 4 years.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group and we remained independent of the Group in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee in accordance with ISAs.

## Use of this Report

This report is made solely to the Members of the Company, as a body, in accordance with BVI Business Companies Act 2004, as amended. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditor's 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 and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Sandy Cameron**

**For and on behalf of Baker Tilly Channel Islands Limited**

Chartered Accountants

St Helier, Jersey

Date: 27 June 2025

## Consolidated Statement of Comprehensive Income

	Note	Year ended 28-Feb-2025 £000s	Eight months ended 29-Feb-2024 £000s
<b>Revenue</b>	5	43,274	21,122
Cost of sales	6	(15,580)	(8,333)
<b>Gross Profit</b>		<b>27,694</b>	<b>12,789</b>
Administrative expenses	6,7	(17,184)	(10,720)
Depreciation	12	(65)	(69)
Amortisation	11	(3,189)	(1,597)
Fair Value on Financial Assets	14	180	2,580
<b>Operating profit</b>		<b>7,436</b>	<b>2,983</b>
Dividend Received	8	192	-
Net Finance Income	8	3,740	2,295
Share-based payment expense	23	(109)	(72)
<b>Profit/(loss) before tax for continuing operations</b>		<b>11,259</b>	<b>5,206</b>
Taxation	9	(382)	(458)
<b>Profit/(loss) for the period from continuing operations</b>		<b>10,877</b>	<b>4,748</b>
<b>Discontinued Operations</b>			
Profit for period from discontinued operations	21	-	37
Gain on disposal of discontinued operations	21	-	2,218
<b>Total comprehensive profit/(loss) for the period attributable to owners of the parent</b>		<b>10,877</b>	<b>7,003</b>
<b>Other comprehensive income</b>			
<b>Items that may subsequently be reclassified to profit and loss</b>			
Translation		(127)	(5)
<b>Total comprehensive income for the period attributable to owners of the parent</b>		<b>10,750</b>	<b>6,998</b>
<b>Profit per ordinary share (£)</b>			
Basic	10	0.08	0.05
Diluted	10	0.08	0.05

The Group's activities, except for the noted discontinued operations, derive from continuing operations.

The notes on pages 32 to 61 form an integral part of these Consolidated Financial Statements.



## Consolidated Statement of Financial Position

	Note	As at 28-Feb-2025 £000s	As at 29-Feb-2024 £000s
<b>Non-current assets</b>			
Intangible assets	11	19,405	18,987
Goodwill	11	24,715	22,145
Property, plant and equipment	12	53	70
Contract fulfilment assets	13	308	775
Deferred tax	9	1,263	1,170
Financial asset at fair value through profit or loss	14	21,000	20,820
		<b>66,744</b>	<b>63,967</b>
<b>Current assets</b>			
Inventories		108	81
Trade and other receivables	15	12,602	7,067
Cash and cash equivalents	16	88,510	82,111
<b>Total current assets</b>		<b>101,220</b>	<b>89,259</b>
<b>Total assets</b>		<b>167,964</b>	<b>153,226</b>
<b>Equity and liabilities</b>			
Sponsor shares	22	-	-
Ordinary shares	22	131,166	131,166
Warrant reserve	22	98	98
Warrant cancellation reserve	22	350	350
Share-based payment reserve	22	582	473
Translation reserve		(122)	5
Retained Earnings		9,051	(1,826)
<b>Total equity</b>		<b>141,125</b>	<b>130,266</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	17	6,130	5,036
Corporation taxation	9	727	248
Contract liabilities	18	13,872	11,051
<b>Total current liabilities</b>		<b>20,729</b>	<b>16,335</b>
<b>Non-current Liabilities</b>			
Deferred tax liability	9	3,963	3,769
Contract liabilities	18	475	814
Provisions	19	1,672	2,042
<b>Total non-current liabilities</b>		<b>6,110</b>	<b>6,625</b>
<b>Total equity and liabilities</b>		<b>167,964</b>	<b>153,226</b>

The notes on pages 32 to 61 form an integral part of these Consolidated Financial Statements.

These Consolidated Financial Statements were approved by the Board of Directors and authorised for issue on 27 June 2025 and were signed on its behalf by:

Vin Murria  
Chairperson

Gavin Hugill  
Chief Financial Officer

## Consolidated Statement of Changes in Equity

	Sponsor share £000s	Ordinary shares £000s	Warrant reserves £000s	Warrant cancellation Reserve £000s	Share based payment reserve £000s	Translation Reserve £000s	Accumulated losses/ Retained Earnings £000s	Total equity £000s
<b>Balance as at</b>								
<b>30 June 2022</b>	-	131,166	98	350	305	-	(10,261)	121,658
Total comprehensive profit for the period	-	-	-	-	-	-	1,432	1,432
Share-based payment expense	-	-	-	-	96	-	-	96
<b>Balance as at</b>								
<b>30 June 2023</b>	-	131,166	98	350	401	-	(8,829)	123,186
Total comprehensive profit for the period	-	-	-	-	-	-	7,003	7,003
Share-based payment expense	-	-	-	-	72	-	-	72
Translation	-	-	-	-	-	5	-	5
<b>Balance as at</b>								
<b>29 February 2024</b>	-	131,166	98	350	473	5	(1,826)	130,266
Total comprehensive profit for the period	-	-	-	-	-	-	10,877	10,877
Share-based payment expense	-	-	-	-	109	-	-	109
Translation	-	-	-	-	-	(127)	-	(127)
<b>Balance as at</b>								
<b>28 February 2025</b>	-	131,166	98	350	582	(122)	9,051	141,125

The notes on pages 32 to 61 form an integral part of these Consolidated Financial Statements.

## Consolidated Statement of Cash Flow

		Year ended 28-Feb-2025 £000s	Eight months ended 29-Feb-2024 £000s
	Notes		
<b>Cashflow from operating activities</b>			
Profit/(loss) before taxation for the period		11,259	7,461
<b>Adjustments for:</b>			
Depreciation	12	65	69
Amortisation	11	3,189	1,597
Interest income		(3,740)	(2,295)
Fair value (gains)/losses on financial assets	14	(180)	(2,580)
Gain on disposal of discontinued operation		-	(2,218)
Add back share-based payment expense	23	109	72
Provision release	19	(370)	-
Dividend		(192)	-
<b>Working capital adjustments:</b>			
(Increase)/decrease in trade and other receivables and prepayments	15	(4,336)	54
Decrease in contractual fulfilment assets	13	467	43
Increase in trade and other payables	17	675	2,588
Increase/(decrease) in contractual liabilities	18	2,482	(1,862)
Tax paid		(365)	-
<b>Net cash flow from operating activities</b>		<b>9,063</b>	<b>2,929</b>
<b>Cash flow used in investing activities</b>			
Purchase of property, plant and equipment		(38)	(17)
Development of intangible assets	11	(1,320)	(1,133)
Acquisition of subsidiaries, net of cash acquired	20	(4,793)	(30,139)
Sale of subsidiary, net of cash retained	21	-	3,250
<b>Net cash flow used in investing activities</b>		<b>(6,151)</b>	<b>(28,039)</b>
<b>Financing activities</b>			
Dividend income		192	-
Interest income		3,422	2,530
<b>Net cash flows from financing activities</b>		<b>3,614</b>	<b>2,530</b>
Net (decrease) in cash and cash equivalents		6,526	(22,580)
Net foreign exchange differences		(127)	(5)
Cash and cash equivalents at the beginning of the period		82,111	104,696
<b>Cash and cash equivalents at the end of the period</b>	16	<b>88,510</b>	<b>82,111</b>

The notes on pages 32 to 61 form an integral part of these Consolidated Financial Statements.

## Notes to the Consolidated Financial Statements

### 1. GENERAL INFORMATION

AdvancedAdvT Limited was incorporated on 31 July 2020 in the British Virgin Islands ("BVI") as a BVI business company (registered number 2040954) under the BVI Business Company Act, 2004 and has its registered address at Commerce House, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands VG1110 and UK establishment at 11 Buckingham Street, London WC2N 6DF. The Company has one direct subsidiary, MAC I (BVI) Limited and a number of indirectly held subsidiaries named in note 14 (together with the Company, the "Company" or "Group").

The Group provides software solutions and platforms across two business transformational areas: business solutions & healthcare compliance, and human capital management. The Group's operations are IBSS (financial management software), CHKS (AI based healthcare intelligence compliance and accreditation software), inSTREAM (intelligent process automation software), Retain (global resource planning and talent management software) and WFM (workforce management software provider). The Company is an agent for change, enabling the delivery of Artificial Intelligence ("AI"), data analytics and business intelligence, all of which are key future drivers for growth in these sectors where long term digitisation trends are set to transform the workplace for professionals.

The Group is developing both organically and through acquisitions, by expanding its presence across adjacent markets, geographical boundaries, and digital sectors.

The Company was listed on the Main Market of the London Stock Exchange from 4 December 2020, the Acquisitions constituted a reverse takeover, and shares were therefore suspended from 8 June 2023, the Company was subsequently admitted to AIM from 10 January 2024.

The accounting reference date was changed from 30 June to 28 February (or 29 February, as the case may be), resulting in a short accounting period of 8 months to 29 February 2024 in the prior period. A shorter accounting period was selected on the Admission to AIM.

Certain items in the Consolidated Statement of Comprehensive income have been reclassified for presentational purposes, the effect of which is immaterial.

### 2. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Consolidated Financial Statements under IFRS requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities including those that would result in a material adjustment to carrying amounts within the next financial year. Estimates and judgements are

continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

#### Key sources of estimation uncertainty

##### *Identifiable assets acquired and liabilities assumed*

As required by IFRS 3, we have measured the assets acquired and liabilities assumed on the acquisitions in the period at their fair value on acquisition. The fair values of contract liabilities at acquisition dates were estimated to obtain a price that would be paid to transfer the liability in an orderly transaction between market participants. The approach used was based on a market participant's estimate of the costs that will be incurred to fulfil the obligation plus a normal profit margin, based on the overall cost profile over the life of the contract.

The determination of the fair value of assets and liabilities including goodwill arising on the acquisition of businesses, the acquisition of branding, customer relationships and intellectual property, whether arising from separate purchases or from the acquisition as part of business combinations, and development expenditure, which is expected to generate future economic benefits, are based, to a considerable extent, on management's estimations. Independent specialists were engaged to review the assessment.

The fair value of these assets is determined by discounting estimated future net cash flows the asset is expected to generate where no active market for the assets exists. The use of different assumptions for the expectations of future cash flows and the discount rate would change the valuation of the intangible assets

##### *Goodwill impairment*

Goodwill is not considered impaired based on cash flow projections.

#### Critical accounting judgements

##### *Revenue Recognition*

There are a number of areas where judgement has been applied in respect of revenue recognition. A description of the way in which revenue and associated assets are recognised is detailed in note 3(e). in applying IFRS 15 Revenue from Contracts with Customers significant judgement which may affect the determination of the amount and timing of revenue from contracts with customer include: assessment of the costs the Group incurs to deliver the contractual commitments and whether such costs should be expensed as incurred or capitalised.

##### *Recovery of deferred tax assets*

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

### *Provisions*

Onerous contract provisions are recognised where the unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

For the year to 28 February 2025, the Directors do not consider that they have made any other significant estimates, judgements or assumptions which would materially affect the balances and results reported in these Consolidated Financial Statements or in the next period.

## **3. MATERIAL ACCOUNTING POLICIES**

### **(a) Basis of preparation**

These Consolidated Financial Statements ("Financial Statements") have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as adopted by EU, and are presented in British pounds sterling, which is the presentational and functional currency of the Company. The Consolidated Financial Statements present the results for the year ended 28 February 2025 with a comparative eight month period to 29 February 2024. As noted above, the periods are not directly comparable due to the shortened financial period end and acquisitions made during the period.

### *Historical cost convention*

The Consolidated Financial Statements have been prepared on a historical cost basis, except for certain financial assets (investments) and liabilities – measured at fair value or revalued amount.

### *Critical accounting estimates*

The preparation of the Consolidated Financial Statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements, are disclosed in note 2.

### **(b) Going concern**

The Group meets its day-to-day working capital requirements from the positive cash flows generated by its trading activities and its available cash resources. The information in these Consolidated Financial Statements has been prepared on a going concern basis, which assumes that the Group will continue to be able to meet its liabilities as they fall due, for a period of at least 12 months from the date of approval.

The Directors confirm that they have re-assessed the principal risks, reviewed current performance and forecasts, combined with expenditure commitments, including capital expenditure. The Group's forecasts demonstrate it will generate profits and cash in the year ending 28 February 2026 and beyond and are satisfied that the Group has sufficient cash reserves to enable it

to meet its obligations as they fall due, for a period of at least 12 months from the date of signing of these Consolidated Financial Statements.

### **(c) New standards and amendments to International Financial Reporting Standards**

*Standards, amendments and interpretation effective and adopted by the Group*

IFRSs applicable to the Consolidated Financial Statements of the Group have been applied for the year ending 28 February 2025 and for the comparative year which have no material impact on the financial results or presentation.

### *Standards issued but not yet effective*

The following standards are issued but not yet effective. The Company intends to adopt these standards, if applicable, when they become effective. It is not expected that these standards will have a material impact on the Company.

Standard	Effective date
<b>IFRS 18 Presentation and Disclosure in Financial Statement</b> IFRS 19 - Subsidiaries without Public Accountability Disclosures	1 January 2027
<b>Amendments to IFRS 7 and IFRS 9 -</b> Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
<b>IFRS 7 and IFRS 9 -</b> Contracts Referencing Nature-dependent Electricity	1 January 2026
<b>Amendments to IAS 21 -</b> Lack of Exchangeability of Currencies	1 January 2025
<b>IFRS 19 -</b> Subsidiaries without Public Accountability: Disclosures	1 January 2027

\* Subject to EU endorsement

### **(d) Basis of consolidation**

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

These Consolidated Financial Statements incorporate the results of business combinations using the acquisition method. In the Consolidated Statement of Financial Position, the acquiree's identifiable assets and liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Intragroup balances, and any gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the Consolidated Financial Statements.

Critical estimates and judgements are set out in note 2 above.

### (e) Revenue Recognition

The revenue and profits recognised in any period are based on the delivery of performance obligations and an assessment of when control is transferred to the customer and revenue has been earned.

In determining the amount of revenue and profits to record, and related balance sheet items (such as contractual liabilities, contract fulfilment assets, trade receivables and accrued income) to recognise in the period, management is required to form a number of key judgements and assumptions. This includes an assessment of the costs the Group incurs to deliver the contractual commitments and whether such costs should be expensed as incurred or capitalised. These judgements are inherently subjective and may cover future events such as the achievement of contractual milestones, performance KPIs and planned cost savings. In addition, key assumptions are made concerning contract extensions and amendments, as well as opportunities to use the contract developed systems and technologies on other similar projects.

Revenue is recognised either when the performance obligation in the contract has been performed (so 'point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer.

In determining the transaction price, this includes, but is not limited to, estimating variable consideration, adjusting the consideration for the effects of the time value of money and measuring non-cash consideration.

The Group determines if the arrangement with a customer creates enforceable rights and obligations. The Group enters into contracts which contain extension periods, where either the customer or both parties can choose to extend the contract or there is an automatic annual renewal, and/or termination clauses that could impact the actual duration of the contract. Judgement is applied to assess the impact that these clauses have when determining the appropriate contract term. The term of the contract impacts both the period over which revenue from performance obligations may be recognised and the period over which contract fulfilment assets and capitalised costs to obtain a contract are expensed.

For contracts with multiple components to be delivered, management applies judgement to consider whether those promised goods and services are (i) distinct - to be accounted for as separate performance obligations; (ii) not distinct - to be combined with other promised goods or services until a bundle is identified that is distinct or (iii) part of a series of distinct goods and services that are substantially the same and have the same pattern of transfer to the customer.

At contract inception the total transaction price is estimated, being the amount to which the Group expects to be entitled and has rights to under the present contract. This includes an assessment of any variable consideration where the Group's performance may result in additional revenues based on the

achievement of agreed KPIs. Such amounts are only included based on the expected value or the most likely outcome method, and only to the extent that it is highly probable that no revenue reversal will occur.

The transaction price does not include estimates of consideration resulting from change orders for additional goods and services unless these are agreed.

#### *Transactional (point in time) contracts*

The Group delivers a range of goods and services in all reportable segments that are transactional services for which revenue is recognised at the point in time when control of the goods or services has transferred to the customer. This may be at the point of physical delivery of goods and acceptance by a customer or when the customer obtains control of an asset or service in a contract with customer-specified acceptance criteria.

The nature of contracts or performance obligations categorised within this revenue type is diverse and includes (i) fees received in relation to delivery of professional services; (ii) passive software licence agreements; (iii) provision of IT hardware goods; and (iv) commission received as agent from the sale of third party software.

#### *Performance obligations over time contracts*

Passive software licences are licences which have significant stand-alone functionality and the contract does not require, and the customer does not reasonably expect, the Group to undertake activities that significantly affect the licence code. Any ongoing maintenance or support services for passive licences are typically separate performance obligations.

Software licences delivered by the Group can either be right to access ('active') or right to use ('passive') licences. Active licences are licences which require continuous upgrade and updates for the software to remain useful, often as part of a subscription or SaaS obligation. All other licences are treated as passive licences and recognised upon delivery. The assessment of whether a licence is active or passive involves judgement. The key determinant of whether a licence is active is whether the Group is required to undertake activities that significantly affect the licensed intellectual property and code (or the customer has a reasonable expectation that it will do so), so that the customer is, therefore, exposed to positive or negative impacts resulting from those changes.

The Group considers for each contract that includes a separate licence performance obligation all the facts and circumstances in determining whether the licence revenue is recognised over time or at a point in time from the go live date of the licence.

Consultancy, training and upgrades are typically assessed as a service contract to provide distinct service work based on clear statements of work, demonstrating separately identifiable obligations and standalone benefit to the customer. The services are contracted for on either a time and materials or fixed priced basis. Time and materials are recognised in the period in which



they are performed. Fixed price work is recognised on a percentage completion basis of the remaining unbilled milestones. The percentage completed is determined with reference to time incurred to date and time required to complete the agreed works.

Support and maintenance, hosting and managed service revenue is typically recognised over the period of the contract as the customer simultaneously receives and consumes the benefits of the services provided by the Group consistently over the contract term.

#### *Contract modifications*

The Group's contracts are often amended for changes in contract specifications and requirements. Contract modifications exist when the amendment either creates new or changes the existing enforceable rights and obligations. The effect of a contract modification on the transaction price and the Group's measure of progress for the performance obligation to which it relates, is recognised as an adjustment to revenue in one of the following ways:

- a. prospectively as an additional separate contract;
- b. prospectively as a termination of the existing contract and creation of a new contract;
- c. as part of the original contract using a cumulative catch up; or
- d. as a combination of (b) and (c).

For contracts for which the Group has decided there is a series of distinct goods and services that are substantially the same and have the same pattern of transfer where revenue is recognised over time, the modification will always be treated under either (a) or (b); (d) may arise when a contract has a part termination and a modification of the remaining performance obligations.

The facts and circumstances of any contract modification are considered individually as the types of modifications will vary contract by contract and may result in different accounting outcomes.

#### *Principal versus agent*

The Group has arrangements with some of its customers whereby it needs to determine if it acts as a principal or an agent as more than one party is involved in providing the goods and services to the customer. The Group acts as a principal if it controls a promised good or service before transferring that good or service to the customer. The Group is an agent if its role is to arrange for another entity to provide the goods or services. Factors considered in making this assessment are most notably the discretion the Group has in establishing the price for the specified good or service, whether the Group has inventory risk and whether the Group is primarily responsible for fulfilling the promise to deliver the service or good.

This assessment of control requires judgement in particular in relation to certain service contracts. Where the Group is acting as a principal, revenue is recorded on a gross basis. Where the

Group is acting as an agent, revenue is recorded at a net amount reflecting the margin earned.

#### *Contract fulfilment assets*

Contract fulfilment costs are divided into (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred.

When determining the appropriate accounting treatment for such costs, the Group firstly considers any other applicable standards. If those other standards preclude capitalisation of a particular cost, then an asset is not recognised under IFRS 15.

If other standards are not applicable to contract fulfilment costs, the Group applies the following criteria which, if met, result in capitalisation: (i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered.

The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable. Contract fulfilment assets are amortised on a systematic basis consistently with the transfer of goods or services related to the asset.

#### *Contractual Liabilities and Contract Assets*

The Group's customer contracts include a diverse range of payment schedules dependent upon the nature and type of goods and services being provided. These payment schedules may include performance-based payments or progress payments as well as regular monthly or quarterly payments for ongoing service delivery. Payments for transactional goods and services may be at delivery date, in arrears or part payment in advance.

Where payments received are greater than the revenue recognised at the period end date, the Group recognises a contractual liability for this difference. Where payments received are less than the revenue recognised at the period end date, the Group recognises an accrued income contract asset for this difference.

At each reporting date, the Group assesses whether there is any indication that accrued income assets may be impaired by considering whether the revenue remains highly probable that no revenue reversal will occur. Where an indicator of impairment exists, the Group makes a formal estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. There are no obligations for refunds or returns.

The period between when it is expected that the services will be transferred to the customer and when payment will be made at contract inception is less than one year, and the Group therefore applies IFRS 15's practical expedient, removing the

need to adjust the promised amount of consideration for the effects of a significant financing component.

Revenue from certain contracts is recognised in the amount to which the Group has a right to invoice, as this corresponds directly with the value to the customer of the Group's performance to date. The Group has applied the practical expedient in IFRS 15.121.

#### *Impairment*

Financial Assets: impairment is based on expected credit losses for all financial assets not held at fair value through profit or loss, reflecting the Group's expectation of the creditworthiness of the financial asset and includes accrued income.

Non-Financial Assets: including contract fulfilment assets, are subject to impairment tests when there is an indication that the asset may be impaired, comparing the carrying amount of the asset with its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

#### **(f) Intangible assets**

All intangible assets, except goodwill, are stated at cost less accumulated amortisation and any accumulated impairment losses.

#### *Goodwill*

Goodwill represents the amount by which the fair value of the cost of a business combination exceeds the fair value of the net assets acquired. Goodwill is not amortised and is stated at cost less any accumulated impairment losses.

The recoverable amount of goodwill is tested for impairment annually or when events or changes in circumstance indicate that it might be impaired. Impairment charges are deducted from the carrying value and recognised immediately in the income statement. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

#### **Acquisition-related intangible assets**

Net assets acquired as part of a business combination includes an assessment of the fair value of separately identifiable acquisition-related intangible assets, in addition to other assets, liabilities and contingent liabilities purchased. These are amortised on a straight-line basis over their useful lives which are individually assessed.

#### **Branding**

Branding intangible value is the deemed fair value attributable to the acquired brands.

#### **Customer relationships**

Customer relationships intangible is the allocated fair value of the customer relationships of the acquired companies.

#### **Software and IP on acquisition**

Software and IP intangible value is the allocated fair value to the software and IP acquired.

#### **Internal software development**

##### *Research and development expenditure*

Research expenditure is recognised as an expense when it is incurred and included in administrative expenses.

##### *Capitalised internally generated research and development expenditure*

Development expenditure is recognised as an expense except that costs incurred on development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised only if it meets the criteria for capitalisation under IAS 38.

Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, if any. Development expenditure initially recognised as an expense is not recognised as an asset in subsequent periods.

Capitalised development expenditure is amortised using the straight-line method over a period of between five and ten years when the products or services are ready for sale or use. In the event that it is no longer probable that the expected future economic benefits will be recovered, the development expenditure is written down to its recoverable amount. The amortisation charge is recognised within operating expenses.

#### *Amortisation periods of intangible assets*

Intangible Asset	Amortisation period
Branding	5 years
Customer relationships	10 years
Intellectual Property	5-10 years
Internal software development	5-10 years

#### **(g) Functional and foreign currencies**

##### **(i) Functional and presentation currency**

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

These Consolidated Financial Statements are presented in Pounds Sterling, which is the Group's presentation currency.

##### **(ii) Transactions and balances**

Transactions in foreign currencies are converted into the respective functional currency on initial recognition, using the exchange rates ruling at the transaction dates. Monetary assets and liabilities at the end of the reporting period are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are recognised in profit or loss.

**(iii) Foreign operations**

Assets and liabilities of foreign operations are translated to Pounds Sterling at the rates of exchange ruling at the end of the reporting period. Revenues and expenses of foreign operations are translated at the average rate of exchange. All exchange differences arising from translation are taken directly to other comprehensive income and accumulated in equity under the foreign exchange translation reserve.

Goodwill and fair value adjustments arising from the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the end of the reporting period. Exchange differences are recognised in other comprehensive income.

**(h) Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values on a straight-line basis over their useful lives.

Computer equipment	3 - 5 years
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**(i) Leasing**

The Group has elected not to recognise the right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**(j) Pensions**

The Group participates in defined contribution pension schemes and contributions are charged to the income statement in the year in which they are due. Employer contributions range from 3-5% on a matched basis. These pension schemes are funded, and the payment of contributions are made to separately administered trust funds. The assets of the pension schemes are held separately from the Group.

**(k) Inventories**

Inventories are stated at the lower of cost and net realisable value on a weighted average cost basis. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion.

**(l) Discontinued operations**

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

**(m) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances and demand deposits at banks. All deposits are readily convertible to known amounts of cash and which are subject to an insignificant risk of change with a short maturity of 3 months. Limited bank balances are held in Euro and USD the balance of which is subject to foreign exchange movements.

**(n) Equity**

**(i) Sponsor shares**

Sponsor shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in the associated stated capital as a deduction from the proceeds. Details of rights attributable to sponsor shares are set out in note 22.

**(ii) Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in the associated stated capital as a deduction from the proceeds.

**(iii) Warrant reserve**

The warrant reserve was created to represent the fair value of the warrants issued on 4 December 2020. The Company issued 700,000 of Ordinary Shares and matching Warrants at a price of £1 for one Ordinary Share and matching Warrant. Under the terms of the warrant instrument, warrant holders can acquire one ordinary share per warrant at a price of £1 per ordinary share. Each Ordinary Warrant ranks equally and each warrant holder has subscription rights to subscribe in cash during the subscription period for all or any of the Ordinary Shares for which he is entitled to subscribe under such Ordinary Warrants at the exercise price payable on the exercise of an Ordinary Warrant at the relevant time, subject to the other restrictions and conditions described in the Warrant Instrument. The Ordinary Warrants are denominated in pounds sterling. Warrants are accounted for as equity instruments under IAS 32 and are measured at fair value at grant date, the combined market value of one Ordinary Share and one Warrant was considered to be £1, in line with the market price paid by third party investors. A Black Scholes option pricing methodology was used to determine the fair value of the Warrants, which considered the exercise price, expected volatility, risk free rate, expected dividends and expected term. Warrants have been

assigned a fair value of 14p per Warrant and therefore each ordinary share has been valued at 86p per share.

(iv) Warrant cancellation reserve

On 4 February 2021, the Company drew down £2,500,000 under the terms of the forward purchase agreement ("FPA"), which was entered into by the Company and MVI II LP on 27 November 2020. 2,500,000 A shares and matching A warrants were issued to MVI II Holdings I LP, beneficially owned by MVI II, in consideration for the funds. With effect from 23 March 2021, the A Shares were converted into Ordinary Shares and the A Warrants were cancelled. On 18 March 2021, the Company announced that it had raised a total of £130m by way of a placing of, and subscription for, new ordinary shares of no par value in the Company issued at £1 per share. The amount raised included subscriptions by MVI II Holdings I LP, beneficially owned by MVI II, and Vin Murria of £17.5m each. The new ordinary shares were admitted to the standard segment of the Official List and to trading on the London Stock Exchange's Main Market on 23 March 2021. Effective upon Admission, the A Shares were converted into Ordinary Shares and as a result MVI II Holdings I LP's holding was increased to 20,525,000 Ordinary Shares and MVI II Holdings I LP waived its right to the matching A Warrants resulting in the creation of the warrant cancellation reserve.

(v) Share based payment reserve

Arises to account for the credit entry for share-based payment arrangements in respect of the incentive shares, charged to the statement of comprehensive income.

(vi) Translation reserve

Arises due to the translation of IB Software and Solutions (Ireland) Limited which has a functional currency of Euros and Retain International Software USA Limited which has a functional currency of USD into GBP for consolidation into the Groups results.

(vii) Retained earnings

Retained earnings represented the cumulative net earnings of the Group.

**(o) Share based payments**

The A ordinary shares in MAC I (BVI) Limited (the "Incentive Shares"), represent equity-settled share-based payment arrangements under which the Company receives services as a consideration for the additional rights attached to these equity shares.

Equity-settled share-based payments to Directors and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value is expensed, with a corresponding increase in equity, on a straight-line basis from the grant date to the expected exercise date. Where the equity instruments granted are considered to vest immediately, the services are deemed to have been received in full, with a

corresponding expense and increase in equity recognised at grant date.

**(p) Warrants**

On 4 December 2020, the Company issued 700,000 ordinary shares and matching warrants. Under the terms of the warrant instrument, warrant holders can acquire one ordinary share per warrant at a price of £1 per ordinary share. The Warrants are exercisable until 4 December 2025 being any time up to five years after the IPO date (4 December 2020). Warrants are accounted for as equity instruments under IAS 32 and are measured at fair value at the date of issue. Fair value of the warrants has been calculated using a Black Scholes option pricing methodology, which considered the exercise price, expected volatility, risk free rate, expected dividends, and expected term of the Warrants. Of these factors estimates and judgement are required when determining the expected volatility, dividends, and warrant term. No revisions have been made in the period.

**(q) Corporation tax**

Corporation tax for the period presented comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to taxes payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is not probable that the related tax benefit will be realised.

**(r) Earnings per ordinary share**

Earnings per ordinary share ("EPS") is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive instruments into ordinary shares.

**(s) Provisions**  
**General**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed,

the expense relating to a provision is presented in the statement of profit or loss net of any expected reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

#### **Onerous contracts**

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

#### **(t) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **Financial assets**

##### *Initial recognition and measurement*

Financial assets are classified, at initial recognition, and subsequently measured at fair value through profit or loss ("FVPL"), amortised cost, or fair value through other comprehensive income ("FVOCI").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding (the "SPPI Criterion").

Financial assets are initially measured at their fair value plus, for those financial assets not at fair value through profit or loss, transaction costs.

##### *Subsequent measurement*

For the purposes of subsequent measurement, all of the Group's financial assets (except its Level 1 financial asset as detailed below) are classified as financial assets at amortised cost. Financial assets at amortised cost comprises assets that are held within a business model with the objective to hold the financial assets to collect contractual cash flows that meet the SPPI Criterion. This category includes the Group's trade and other receivables. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by any impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

##### *Level 1 financial assets*

The Group holds an investment in M&C Saatchi plc which it has classified as a Level 1 financial asset as detailed in note 14. The Company accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment at FVOCI. The fair value was determined in line with the requirements of IFRS 13 'Fair Value Measurement'. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions.

As at the balance sheet date the Group has not classified any assets as being financial assets at FVOCI.

##### *Derecognition*

A financial asset is primarily derecognised and removed from the Consolidated Statement of Financial Position when the rights to receive cash flows from the asset have expired.

#### **Financial liabilities**

##### *Initial recognition and measurement*

Financial liabilities are classified as financial liabilities at fair value through profit or loss or amortised cost. All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

##### *Subsequent measurement*

Financial liabilities are subsequently measured at amortised cost and in the case of interest-bearing financial liabilities at amortised cost using the effective interest rate method. Gains and losses are recognised in the Consolidated Statement of Comprehensive Income when the liabilities are derecognised.

##### *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

#### 4. ALTERNATIVE PERFORMANCE MEASURES

In reporting financial information, the Group presents alternative performance measures (“APMs”) which are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for IFRS measures, provide stakeholders with additional useful information on the underlying trends, performance and position of the Group and are consistent with how business performance is measured internally. The alternative performance measures are not defined by IFRS and therefore may not be directly comparable with other companies’ alternative performance measures. The key APMs that the Group uses are outlined below.

	Closest equivalent IFRS measure	Reconciling items to IFRS measure	Definition and purpose
<b>Income Statement Measures</b>			
Adjusted EBITDA or Profit before tax (PBT)	Operating Profit OR Profit before Tax	Adjusting items	Adjusted Operating profit/Profit before tax excludes adjusting items.
Adjusting items	None	Refer to definition	Items which are not considered part of the normal operating costs of the business, are separately disclosed because of their size, nature or incidence are treated as adjusting. The Group believes the separate disclosure of these items provides additional useful information to users of the Consolidated Financial Statements to enable a better understanding of the Group’s underlying financial performance. These may include the financial effect of adjusting items such as, inter alia, restructuring costs, impairment charges, amortisation of intangibles, costs relating to business combinations, one-off foreign exchange gains or losses, integration costs, acquisition-related expenses, share-based payment charges, contingent consideration and earn-outs, cloud computing configuration and customisation costs, and right-of-use asset disposal gains or losses.
Recurring Revenue	Revenue	See note 5	Recurring Revenues are income occurring continuously and repeatedly.
Transactional Revenue	Revenue	See note 5	Transactional Revenue are recognised at the point of transfer (delivery) to a customer.
<b>Balance Sheet Measures</b>			
Net cash or debt	None	See note 16	Net cash debt is defined as Cash and cash equivalents and short-term deposits, less Bank overdrafts and other current and non-current borrowings.
<b>Cash Flow Measures</b>			
Cash conversion	None	Refer to definition	Adjusted operating cash flow as a percentage of Adjusted EBITDA.
Free cash flow	None	Refer to definition	Cash flow in the period after accounting for operating activities, investing activities, lease payments, interest and tax.



## 5. SEGMENT INFORMATION

### Revenue from continuing operations

	Year ended 28-Feb-2025 £000s	Eight months ended 29-Feb-2024 £000s
Recurring Revenues	34,768	16,250
Transactional Revenues	8,506	4,872
	<b>43,274</b>	<b>21,122</b>

Revenue is recognised for each category as follows:

- Recurring Revenues: income occurring continuously and repeatedly; and
- Transactional Revenues: recognised at the point of transfer (delivery) to a customer.

### Operating segments

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers to allocate resources to the segments and to assess their performance.

The chief operating decision makers have been identified as the Executive Directors. The Group revenue is derived from the sale and subscription of recurring and transactional revenue engagements with its customers. Consequently, the Executive Directors review the two revenue streams, but as the costs are not recorded in the same way, the information on costs is presented as one segment and as such the information included below is presented in line with management information.

	Year ended 28-Feb-2025 £000s	Eight months ended 29-Feb-2024 £000s
<b>Revenue</b>	<b>43,274</b>	<b>21,122</b>
<b>EBITDA</b>	<b>10,510</b>	<b>2,069</b>
Acquisition expenses, stamp duties and relisting expenses	838	2,309
<b>Adjusted EBITDA</b>	<b>11,348</b>	<b>4,378</b>
Depreciation	(65)	(69)
<b>Adjusted operating profit</b>	<b>11,283</b>	<b>4,309</b>
Amortisation of intangible assets	(3,189)	(1,597)
Acquisition expenses, stamp duties and relisting expenses	(838)	(2,309)
Fair Value gain on Financial Assets	180	2,580
<b>Operating profit</b>	<b>7,436</b>	<b>2,983</b>



## 6. EMPLOYEES AND DIRECTORS

### (a) Employment costs for the Group during the year:

	Year ended 28-Feb-2025 £000s	Eight months ended 29-Feb-2024 £000s
Wages and salaries	15,849	9,222
Pension contributions	485	243
Social security costs	1,767	951
<b>Total employment costs expense</b>	<b>18,101</b>	<b>10,416</b>
Employment expenses included in cost of sales	8,433	5,445
Employment expenses include in administrative expenses	9,668	4,971
<b>Total employment costs expense</b>	<b>18,101</b>	<b>10,416</b>

Included within accruals, see note 17, is £631,000, which relates to unpaid directors' bonuses of £549,000 plus employers NI, for the year to 28 February 2025. See remuneration report on page 13 for further details.

### (b) Key management compensation

The Board considers the Directors of the Company, to be the key management personnel of the Group.

During the year ended 28 February 2025, the Company had the following executive directors: Vin Murria, Gavin Hugill and Karen Chandler. The roles and responsibilities and salaries of all directors changed following the completion of the Acquisitions and subsequent re-listing.

In conjunction with the Company's admission to AIM, two independent non-executive directors were appointed, Barbara Firth (the Senior Independent Director) and Paul Gibson.

Full details of Directors' compensation is included in the remuneration report starting on page 13.

### (c) Employed persons

The average monthly number of persons employed by the Group (including Directors) during the period was as follows (in the prior period persons from Acquisitions included for seven of the eight months):

	Year ended 28-Feb-2025 number	Eight months ended 29-Feb-2024 number
Leadership	12	10
Management	6	6
Technical	193	169
Sales and marketing	22	18
Administration	20	12
	<b>253</b>	<b>215</b>

## 7. OPERATING EXPENSES ARE STATED AFTER CHARGING

	Year ended 28-Feb-2025 £000s	Eight months ended 29-Feb-2024 £000s
<b>Group operating expenses by nature</b>		
Short-term lease costs	18	6
Depreciation	65	69
Amortisation	3,189	1,597
Auditor's remuneration:		
• Fees payable to the Company's auditor for the audit of consolidated accounts	195	208
• Audit of subsidiary undertakings	94	75
• Non audit services	30	180
Net foreign exchange (gains)/losses	-	108
Non-recurring project costs	838	2,309
Share based payment expense	109	72

The Company's independent auditor, Baker Tilly Channel Islands Limited and its network firms for subsidiary audits, have fees amounting to £319,000 for the final year end audit, including £30,000 in respect of advisory work in relation to the acquisition in the period (2024: £283,000).

## 8. FINANCE INCOME

	Year ended 28-Feb-2025 £000s	Eight months ended 29-Feb-2024 £000s
Interest from cash and cash equivalents	3,740	2,295
Dividends from listed equity securities	192	-
	<b>3,932</b>	<b>2,295</b>

## 9. TAXATION

	Year ended 28-Feb-2025 £000s	Eight months ended 29-Feb-2024 £000s
<b>Analysis of tax in year</b>		
Current tax on profits	845	117
Deferred tax movements	(463)	341
<b>Total current tax</b>	<b>382</b>	<b>458</b>

The central management and control of the Company is exercised in the UK and accordingly the Company is treated as tax resident in the UK.

<b>Reconciliation of effective rate and tax charge:</b>	<b>Year ended 28-Feb-2025 £000s</b>	<b>Eight months ended 29-Feb-2024 £000s</b>
Profit on ordinary activities from continuing operations before tax	<b>11,259</b>	5,206
Profit on ordinary activities from discontinuing operations before tax	-	2,255
Over allowance for the tax charge recognised in the prior year	-	-
<b>Profit on ordinary activities subject to corporation tax</b>	<b>11,259</b>	<b>7,461</b>
Profit on ordinary activities multiplied by the rate of corporation tax in the UK of 25% (2024: 25%)	<b>2,815</b>	1,865
Effects of:		
Losses not deductible for tax purposes	<b>(102)</b>	(645)
Differences in effective overseas tax rates	<b>(423)</b>	(87)
Brought forward losses utilised in the period	<b>(1,823)</b>	(1,434)
Movements in deferred taxation	<b>100</b>	594
Other adjustments	<b>(185)</b>	165
<b>Total taxation charge</b>	<b>382</b>	<b>458</b>

As at 28 February 2025, cumulative tax losses available to the Group to carry forward against future trading profits were £4.5m (29 February 2024: £10.7m) subject to agreement with HM Revenue & Customs. At 28 February 2025 a deferred tax asset of £1.3m was recognised equivalent to tax losses and timing differences of £5.0m anticipated to be utilised in the foreseeable future. Prior to an acquisition, there is no certainty as to future profits and no deferred tax asset is recognised in relation to these carried forward losses.

UK companies can carry forward trading losses indefinitely and can be carried back 1 year (or in certain limited circumstances up to 3 years). Companies have 4 years from the end of the tax year in question to report losses, either on a tax return or in writing to HMRC.

Pillar Two Tax reform has been considered but the Group is not of a sufficient size to be included.

## 10. EARNINGS PER ORDINARY SHARE

Basic EPS is calculated by dividing the profit/(loss) attributable to equity holders of a company by the weighted average number of ordinary shares in issue during the year. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive instruments into ordinary shares.

The Company has issued 700,000 warrants, each of which is convertible into one ordinary share.

As more fully detailed in note 23 incentive shares in MAC I (BVI) Limited have been issued. On exercise, the value of these shares is expected to be delivered by the Company issuing new ordinary shares, and hence the Incentive Shares could have a dilutive effect, although the Company has the right at all times to settle such value in cash. Although the Preferred Return is currently being met, the Incentive Shares remain outside the exercising period and therefore cannot be redeemed. As a result, they have not been included in the calculation of diluted EPS.

As disclosed in note 27, Post Balance Sheet Events, 3,225,806 new ordinary shares were issued in connection with an acquisition. These shares became effective on 2 June 2025 and were therefore excluded from the calculation of earnings per share (EPS).

The Company has issued two sponsor shares, the sponsor shares have no right to receive distributions and so have been ignored for the purposes of IAS 33.

	Year ended 28-Feb-2025	Eight months ended 29-Feb-2024
<b>Basic</b>		
Profit attributable to owners of the parent (£000s)	10,877	7,003
Weighted average number of ordinary shares in issue	133,200,000	133,200,000
Basic profit per ordinary share (pence)	8.17	5.26
<b>Diluted</b>		
Profit attributable to owners of the parent (£000s)	10,877	7,003
Weighted average shares in issue	133,200,000	133,200,000
Adjustment to number of shares for warrants	700,000	700,000
Adjusted weighted average shares in issue	133,900,000	133,900,000
<b>Diluted profit/(loss) per ordinary share (pence)</b>	<b>8.12</b>	<b>5.23</b>
<b>Basic EPS on adjusted operating profit</b>		
Adjusted operating profit	11,283	4,309
Weighted average number of ordinary shares in issue	133,200,000	133,200,000
Basic profit per ordinary share (pence)	8.47	3.23

## 11. INTANGIBLE ASSETS

	Goodwill £000s	Customer relationships £000s	Brand names £000s	Software and IP on Acquisition £000s	Internal Software Development £000s	Total £000s
<b>Cost</b>						
At 1 March 2024	22,145	8,678	1,558	9,340	1,008	42,729
Acquired	2,570	835	275	1,177	-	4,857
Additions	-	-	-	-	1,320	1,320
At 28 February 2025	24,715	9,513	1,833	10,517	2,328	48,906
<b>Accumulated amortisation</b>						
At 1 March 2024	-	506	182	900	9	1,597
Amortisation	-	938	348	1,701	202	3,189
At 28 February 2025	-	1,444	530	2,601	211	4,786
<b>Carrying amount</b>						
At 29 February 2024	22,145	8,172	1,376	8,440	999	41,132
At 28 February 2025	24,715	8,069	1,303	7,916	2,117	44,120

See note 3(f) for further details of the description of the intangible assets.

### Goodwill impairment assessment

The goodwill arose in respect of the Acquisitions during the current and prior periods, see note 20 for further details of the consideration and assets and liabilities acquired. Goodwill has been tested for impairment at the end of the period in accordance with IAS 36 based on value in use.

The cash generating units (“CGU’s”) have been determined to be each of the acquired businesses, namely IBSS, CHKS, Retain, WFM and inSTREAM. Each business represents the lowest level that is considered in respect of forecasts and meaningful cash flow projections. Each business has its own software and customer base and does not have further segments that would be considered as a separate CGU.

The table below sets out the key assumptions used in assessing goodwill. For all CGU’s a period of greater than 5 years has been considered in assessing goodwill as the near-term cash flows include continued spend on product development the benefit of which is expected to be realised over a greater period. In calculating the terminal value, a long-term growth rate of 2% has been used to reflect the expected stable growth.

During the performance of our detailed impairment assessment, we have noted that there is significant headroom for each individual CGU when applying the stated assumptions.

	IBSS	CHKS	Retain	WFM	inSTREAM	Total
	£000s	£000s	£000s	£000s	£000s	£000s
Goodwill	15,960	1,232	4,557	396	2,570	24,715
Long term growth rate (%)	2.0	2.0	2.0	2.0	2.0	2.0
WACC (%)	7.85	7.85	7.85	7.85	7.85	7.85
Cash flow assessment approach	Terminal Value	Terminal Value	Terminal Value	Terminal Value	Terminal Value	

## 12. PROPERTY, PLANT & EQUIPMENT

	Computer Equipment £000s	Total £000s
<b>Cost</b>		
At 1 March 2024	233	233
Acquired	21	21
Additions	38	38
Disposals	(8)	(8)
At 28 February 2025	284	284
<b>Accumulated depreciation</b>		
At 1 March 2024	163	163
Acquired	11	11
Charge for period	65	65
Disposals	(8)	(8)
At 28 February 2025	231	231
<b>Net book value</b>		
At 29 February 2024	70	70
At 28 February 2025	53	53

Property, plant and equipment is not expected to have a residual value.

### 13. CONTRACTUAL FULFILMENT ASSETS

	As at 28 February 2025 £000s	As at 29 February 2024 £000s
Opening balance	775	-
Acquisition	-	775
Used	(467)	-
Closing balance	308	775

There were no amortisation or impairment losses provided for contract fulfilment assets during the period. The balances were valued at fair value on acquisition.

### 14. SUBSIDIARIES AND INVESTMENTS

#### Principal subsidiary undertakings of the Company

The Company directly owns the whole of the issued ordinary share capital of its subsidiary undertaking. Details of the Company's subsidiary are presented below:

Subsidiary	Nature of business	Country of incorporation	Proportion of ordinary shares held by parent	Proportion of ordinary shares held by the Company
MAC I (BVI) Limited	Incentive vehicle	BVI	100%	100%

The registered office of MAC I (BVI) Limited Commerce House, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands VG1110.

Details of the indirectly held subsidiaries are presented below:

Subsidiary	Nature of business	Country of incorporation	Proportion of ordinary shares held by the Group
ADV Holding Group Limited	Holding company	England and Wales	100%
ADV Finance Holding Limited	Holding company	England and Wales	100%
ADV People Holding Limited	Holding company	England and Wales	100%
ADV US Inc.	Holding company	USA	100%
Integrated Business Software and Solutions Limited (1)	Trading company	England and Wales	100%
CHKS Limited ("CHKS")	Trading company	England and Wales	100%
Retain International Software Limited (2)	Trading company	England and Wales	100%
Workforce Management Software Limited ("WFM")	Trading company	England and Wales	100%
Celaton Limited ("inSTREAM")	Trading company	England and Wales	100%
IB Software and Solutions (Ireland) Limited (1)	Trading company	Ireland	100%
Retain International Software USA Limited (2)	Trading company	USA	100%
ADV Software India Private Limited	Trading company	India	100%
<b>Disposed in the prior period</b>			
ADV Data Holding Limited	Holding company	England and Wales	100%
Synaptic Software Limited ("Synaptic")	Trading company	England and Wales	100%

(1) Integrated Business Software and Solutions Limited and IB Software and Solutions Limited together (“IBSS”).

(2) Retain International Software Limited and Retain International Software USA Limited together (“Retain”).

On 26 January 2024, the Company sold its 100% subsidiary, ADV Data Holding Limited the parent company of Synaptic Software Limited (“Synaptic”) and as such Synaptic is presented, in the prior period, as a discontinued operation as disclosed in note 21.

All subsidiaries year ends, apart from ADVT Software India Private Limited whom have a year end of 31 March, have been aligned with the Company to be 28 February. ADVT Software India Private Limited aligns with local requirements and its materiality and impact is therefore low.

### Financial assets of the Company

The Company directly owns equity investments (Level 1) for which the Company has not elected to recognise fair value gains and losses through Other Comprehensive Income.

The following gains/(losses) were recognised in profit or loss:

	As at 28 February 2025 £000s	As at 29 February 2024 £000s
Level 1 Financial assets at fair value through profit or loss (FVTPL) opening fair value	20,820	18,240
Fair value gains/(losses) on equity investments at FVTPL recognised in other gains/(losses)	180	2,580
Closing fair value	<u>21,000</u>	<u>20,820</u>

There were no transfers between levels for fair value measurements during the year. The Company’s policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

- Level 1:** The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.
- Level 2:** The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

There are no restrictions on the Group’s ability to access or use any of its assets to settle the liabilities of the Group.



## 15. TRADE AND OTHER RECEIVABLES

	As at 28 February 2025 £000s	As at 29 February 2024 £000s
<b>Amounts receivable within in one year:</b>		
Trade receivables	10,261	5,128
Prepayments	848	352
Accrued income	1,138	1,466
Other receivables	355	121
	<b>12,602</b>	<b>7,067</b>

Trade receivables relate to revenue from contracts with customers, further details of the accounting policies are included in note 3(e). Other receivables are all current.

There is no material difference between the book value and the fair value of the receivables. Receivables are considered to be past due once they have passed their contracted due date.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses ("ECL") which uses lifetime expected loss allowance for all trade receivables. The expected loss rates are based on management assessment of historical losses from customers which has been very low, with customers being typically billed in advance.

Due to this, management believe there is no further credit risk provision required in excess of normal provision for doubtful receivables where amounts are outstanding for over 180 days.

## 16. CASH AND CASH EQUIVALENTS

	As at 28 February 2025 £000s	As at 29 February 2024 £000s
<b>Cash and cash equivalents</b>		
Cash at bank	28,661	22,996
Deposits on call	59,849	59,115
	<b>88,510</b>	<b>82,111</b>

Credit risk is managed on a Company basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum short-term credit rating of P-1, as issued by Moody's, are accepted.

## 17. TRADE AND OTHER PAYABLES

	As at 28 February 2025 £000s	As at 29 February 2024 £000s
<b>Amounts falling due within one year:</b>		
Trade payables	1,563	1,379
Taxes and Social Security	632	490
Accruals	3,819	3,051
A ordinary share liability	116	116
	<b>6,130</b>	<b>5,036</b>

There is no material difference between the book value and the fair value of the trade and other payables.

## 18. CONTRACT LIABILITIES

	As at 28 February 2025 £000s	As at 29 February 2024 £000s
Contractual Liabilities up to 1 year	13,872	11,051
Contractual Liabilities over 1 year	475	814
	<b>14,347</b>	<b>11,865</b>

The contract liabilities balance relates to revenue from contracts with customers and all relate to the businesses acquired in the previous year. The majority of the balance relates is less than 12 months.

## 19. PROVISIONS

	As at 28 February 2025 £000s	As at 29 February 2024 £000s
Opening balance	2,042	2,042
Utilised	(370)	-
Closing balance	<b>1,672</b>	<b>2,042</b>

A provision has been recognised upon acquisition for certain contracts with customers of IBSS, for which the unavoidable costs of meeting the obligations, relating to hosting costs at a data centre, exceed the economic benefits expected to be received. It is anticipated that these costs will be incurred over the next one to two financial years. No reimbursement is expected.

## 20. ACQUISITIONS

In the year, the Group acquired 100% of the equity interests in inSTREAM. Outlined below is a summary of the consideration paid, the provisional fair value of acquired intangible assets, the provisional fair value of other acquired assets and liabilities assumed at the acquisition date and the resulting goodwill for each entity acquired, subject to the finalisation of the purchase price allocation report.

On 1 July 2024, AdvancedAdvT Limited completed the acquisition of inSTREAM for cash consideration of £6.5m, funded from the Company's cash resources. The net cash outflow as detailed below reflects the consideration paid, net of the cash acquired. Details on each of the entity's acquired is set out below:

inSTREAM provider of intelligent process automation software solutions that streamline data intensive clerical tasks.

Acquisition related costs of £0.1m has been charged to the statement of comprehensive income within administration expenses.

Goodwill arises due to expectation of future economic benefits, going concern value, excess business income, reputation, brand recognition, and proprietary technology, strong and loyal customer base expertise of employees, social impact of the company, stability and experience and synergistic benefits that do not qualify for separate recognition as an intangible. None of the goodwill is expected to be deductible for tax purposes. None of the goodwill is expected to be deductible for tax purposes.

The following table summarises the consideration paid for acquisitions, the fair value of assets acquired and liabilities assumed at the acquisition date.

	inSTREAM Fair value £000s
<b>Consideration</b>	
Cash	6,500
Cash and cash equivalents acquired	1,707
Net Cash outflow	4,793
PPE: Computer equipment	9
Trade and other receivables	909
Trade and other payables	(413)
Contractual Liabilities	(6)
Deferred tax assets on acquisition	(563)
Customer relationships identified on acquisition	835
Software and intellectual property identified on acquisition	1,177
Brand name identified on acquisition	275
Total identifiable net assets	2,223
Goodwill	2,570
	4,793
<b>Amortisation period</b>	
Customer relationships	8 years
Software and IP on acquisition	5 years
Brand name identified	5 years

The acquisition recognised £2.4m of revenue for the period between the date of acquisition and the balance sheet date and £0.76m of profit before tax attributable to equity holders of the parent. As a preliminary assessment, had the acquisition been completed on the first day of the period, as opposed to the completion date of 1 July 2024, Group revenues from continuing activities would have been approximately £1.1m higher and group profit before tax attributable to equity holders of the parent would have been approximately £0.1m higher.

## 21. DISPOSAL OF DISCONTINUED BUSINESS

In the prior period, on 26 January 2024, the Company sold ADV Data Holdings Limited and its wholly owned subsidiary Synaptic Software Limited. The business line was classified as a discontinued operation within the 2024 financial results.

### Financial performance information:

	For the period from 31 July 2023 to 26 January 2024 £000s
<b>Revenue from contracts with customers</b>	1,168
Expenses	(1,130)
<b>Operating Income</b>	38
Finance Costs	(1)
<b>Profit before tax from discontinued operations</b>	37
Tax benefit/(expense)	-
<b>Profit after tax from discontinued operations</b>	37

The discontinued operation was not material to the calculation of earnings per share as set out in note 10.

Cash flow information:

	For the period from 31 July 2023 to 26 January 2024
Operating activities	38
Working Capital adjustments	(72)
Investing activities	35
Financing activities	(1)
<b>Total cashflow contributed by the discontinued operation</b>	<b>-</b>

Carrying amounts of assets and liabilities disposed:

	As at 26 January 2024 £000s
Cash and cash equivalents	1,407
Trade and other receivables	384
Deferred Tax	256
Goodwill	793
Intangible Assets	125
<b>Total assets</b>	<b>2,965</b>
Trade and other payables	309
Provisions	217
<b>Total liabilities</b>	<b>526</b>
<b>Net Assets</b>	<b>2,439</b>

Details of the disposal

	As at 26 January 2024 £000s
<b>Total sale consideration</b>	<b>5,101</b>
Carrying amount of net assets disposed	2,439
Disposal costs	444
<b>Profit on disposal before tax</b>	<b>2,218</b>
<b>Profit on disposal after tax</b>	<b>2,218</b>

## 22. EQUITY AND RESERVES

### Authorised

Unlimited ordinary shares of no par value

Unlimited A shares of no par value

100 sponsor shares of no par value

	Stated Capital As at 28 February 2025 £000s	Stated Capital As at 29 February 2024 £000s
<b>Issued</b>		
133,200,000 ordinary shares of no par value	131,166	131,166
2 sponsor shares of no par value	-	-
<b>Reserves</b>		
Warrant reserve	98	98
Warrant cancellation reserve	350	350
Share-based payment reserve	581	473

### Ordinary and Sponsor share rights

Holders of ordinary shares are entitled to receive notice and attend and vote at any meeting of members, the right to a share in any distribution paid by the Company and a right to a share in the distribution of the surplus assets of the Company on a winding up.

### The Sponsor Shares:

- confer upon the holders no rights to dividends or distributions (including on the Company's liquidation);
- confer upon the holders no right to receive notice of or attend and vote as a member at any meeting of members (provided that if at any time the Sponsor Shares are the only shares in issue each holder of Sponsor Shares shall have the right to receive notice of, attend and vote as a member at any meeting of members);
- are not convertible or exchangeable for any other class or series of shares of the Company;
- for so long as the holder of a Sponsor Share, holds directly or indirectly 5% or more of the issued and outstanding shares of the Company (of whatever class other than any Sponsor Shares), the holder of a Sponsor Share has the right to appoint one director to the Board;
- confer upon any holder the right to require that: (i) any purchase of Ordinary Shares; or (ii) the Company's ability to amend the Memorandum and Articles, be subject to a special resolution of members whilst a holder of a Sponsor Share holds directly or indirectly 5% or more of the issued and outstanding shares of the Company or a holder of a Sponsor Share also holds Incentive Shares; and
- confer certain control rights whilst a holder of the Sponsor Share holds directly or indirectly 5% or more of the issued and outstanding shares of the Company (of whatever class other than any Sponsor Shares), or is a holder of a Sponsor Share and holds Incentive Shares, such that the Company shall not, without the prior vote or consent of holders of all of the Sponsor Shares:
  - Issue any further Sponsor Shares;
  - amend, alter or repeal any existing or introduce any new share-based compensation or incentive scheme in the Company; and
  - issue any class of shares on a non pre-emptive basis where the Company would be required to issue such share pre-emptively if it were incorporated under the UK Companies Act 2006 and acting in accordance with the Pre-Emption Company's Statement of Principles; or
  - take any action that would not be permitted (or would only be permitted after an affirmative shareholder vote) if the Company were admitted to the Premium Segment of the Official List.

### Warrants

On 4 December 2020, the Company issued 700,000 of Ordinary Shares and matching Warrants at a price of £1 for one Ordinary Share and matching Warrant. Under the terms of the warrant instrument, warrant holders can acquire one ordinary share per warrant at a price of £1 per ordinary share. Each Ordinary Warrant ranks equally and each warrant holder has subscription rights to subscribe in cash during the subscription period for all or any of the Ordinary Shares for which he is entitled to subscribe under such Ordinary Warrants at the exercise price payable on the exercise of an Ordinary Warrant at the relevant time, subject to the other restrictions and conditions described in the Warrant Instrument. The Ordinary Warrants are denominated in pounds sterling.

Warrants are accounted for as equity instruments under IAS 32 and are measured at fair value at grant date, the combined market value of one Ordinary Share and one Warrant was considered to be £1, in line with the market price paid by third party investors. A Black Scholes option pricing methodology was used to determine the fair value of the Warrants, which considered the exercise price, expected volatility, risk free rate, expected dividends and expected term. Warrants have been assigned a fair value of 14p per Warrant and therefore each ordinary share has been valued at 86p per share.

The Ordinary Warrants are exercisable only up until 4 December 2025 at £1.00 per Ordinary Share (subject to downwards adjustment and the winding-up of the Company). The exercise of the Ordinary Warrants will result in a dilution of the Shareholders' interests if the value of an Ordinary Share exceeds the exercise price payable on the exercise of an Ordinary Warrant at the relevant time. If any additional class of share is issued with voting rights or the right to convert into a class of share with voting rights in connection with the raising of committed acquisition capital and/or the private issuance of listed or unlisted shares to provide financing for transactions, the voting rights of the holders of Ordinary Shares will be diluted on issue or conversion (as applicable).

## 23. SHARE BASED PAYMENTS

The Company has put in place a long-term incentive plan ("LTIP"), to ensure an alignment with all Shareholders, and which reflects the high competition for the best executive management talent.

The general principles of the Company's compensation strategy are to be:

- Proportionate: to the role and risk being taken by the participant and reflecting the participants' value to delivering outstanding, sustainable shareholder returns;
- Transparent: the compensation structure and its associated terms should be transparent to investors and the impact of the scheme clearly communicated to investors on an ongoing basis;
- Performance Based: minimum performance criteria should be based on all equity issuance over the lifetime of the relevant measurement period, subject to minimum preferred returns and based only on a share of equity profits generated; and
- Drive Sustainable Value Creation: incentive arrangements should be structured to encourage the creation of sustainable returns over the long term through long term vesting and a lengthy performance measurement period.

The LTIP will only reward the participants if shareholder value is created. This ensures alignment of the interests of management, being Vin Murria, Gavin Hugill and Karen Chandler at the balance sheet date, and Marwyn (in which Mark Brangstrup Watts is beneficially interested through their indirect interest in Marwyn Long Term Incentive LP ("MLTI")) directly with those of shareholders. It is the expectation that the LTIP will ultimately include senior executives of the acquired companies.

### Preferred Return

The incentive arrangements are subject to the Company's shareholders achieving a preferred return of at least 7.5% per annum on a compounded basis on the capital they have invested from time to time (with dividends and returns of capital being treated as a reduction in the amount invested at the relevant time) (the "Preferred Return").

### Incentive Value

Subject to a number of provisions detailed below, if the Preferred Return and at least one of the vesting conditions have been met, the holders of the Incentive Shares can give notice to redeem their Incentive Shares for ordinary shares in the Company ("Ordinary Shares") for an aggregate value equivalent to 20% of the "Growth", where Growth means the excess of the total equity value of the Company and other shareholder returns over and above its aggregate paid up share capital (20% of the Growth being the

“**Incentive Value**”). 15% of the gross incentive value is attributable to the A1 ordinary shares and 5% is attributable to the A2 ordinary shares.

*Grant date*

The grant date of the Incentive Shares will be deemed to be the date that such shares are issued.

*Redemption / Exercise*

Unless otherwise determined and subject to the redemption conditions having been met, the Company and the holders of the Incentive Shares have the right to exchange each Incentive Share for Ordinary Shares, which will be dilutive to the interests of the holders of Ordinary Shares. However, if the Company has sufficient cash resources and the Company so determines, the Incentive Shares may instead be redeemed for cash. Circumstances where the Company may exercise this right include, but are not limited to, where the Company is not authorised to issue additional Ordinary Shares or on the winding-up or takeover of the Company. However, it is currently expected that in the ordinary course of business, Incentive Shares will be exchanged for Ordinary Shares.

Any holder of Incentive Shares who exercises their Incentive Shares prior to other holders is entitled to their proportion of the Incentive Value to the date that they exercise but no more. Their proportion is determined by the number of Incentive Shares they hold relative to the total number of issued shares of the same class.

*Vesting Conditions and Vesting Period*

The Incentive Shares are subject to certain vesting conditions, at least one of which must be (and continue to be) satisfied for a holder of Incentive Shares to exercise its redemption right, which right begins on the third anniversary and ends on the seventh anniversary of the date of the Company’s initial acquisition.

The vesting conditions are as follows:

- i. it is later than the third anniversary of the initial acquisition;
- ii. a sale of all or substantially all the revenue or net assets of the business of the Subsidiary in combination with the distribution of the net proceeds of that sale to the Company and then to its shareholders;
- iii. a sale of all the issued ordinary shares of the Subsidiary or a merger of the Subsidiary in combination with the distribution of the net proceeds of that sale or merger to the Company’s shareholders;
- iv. whereby corporate action or otherwise, the Company effects an in-specie distribution of all or substantially all the assets of the Company to the Company’s shareholders;
- v. aggregate cash dividends and cash capital returns to the Company’s Shareholders are greater than or equal to aggregate subscription proceeds received by the Company;
- vi. a winding up of the Company;
- vii. a winding up of the Subsidiary; or
- viii. a sale, merger or change of control of the Company.

If any of the vesting conditions described in paragraphs (ii) to (viii) above are satisfied before the third anniversary of the initial acquisition, the A Shares will be treated as having vested in full.

*Leaver, lock-in and clawback provisions*

In addition to the vesting conditions above, lock-in periods, leaver provisions, and clawback provisions have been entered into by all the holders of the A1 ordinary shares in MAC I (BVI) Limited in issue at the balance sheet date.

The shares will vest on a straight-line basis over 3 years from the acquisition date, save on an exit event when the Incentive Shares will vest in full. If deemed a good leaver vested Incentive Shares will be retained, but any unvested shares will be forfeited.

Either cash/securities received upon exercise (for example on a distribution in specie) in the prior 36 months (less tax amounts paid) of the Incentive Shares being exercised, and/or the remaining Ordinary shares/Incentive Shares held may be clawed back if the



holder commits: (i) gross misconduct, (ii) fraud (iii) a criminal act, or (iv) a material breach of any post termination covenants or restrictions in the holder's contract with the Company (if applicable), and (v) the combination of (a) a requirement that the Parent materially restate the audited consolidated accounts of the Parent or the Company (excluding for any reason of change in accounting practice or accounting standards); and (b) thereafter, a determination by the Remuneration Committee (or Board until the establishment of a Remuneration Committee – acting in good faith) that, had such audited consolidated accounts been correct at the time of exchange of such A1 Shares, the Subscriber or any of the Subscriber's Associates would not have received the full payment to which he or it was owed (or the full number of Parent Ordinary Shares he or it was issued).

Holders of the shares have agreed that if they exchange some or all their Incentive Shares for an allotment of Ordinary Shares, they shall not be permitted to enter into an agreement to give effect to any transfer of the Ordinary Shares so allotted at any time during the period of 12 months and one day following the date of such allotment save in certain limited circumstances.

#### *Holding of Incentive Shares*

MLTI, Vin Murria, Gavin Hugill and Karen Chandler hold Incentive Shares entitling them in aggregate to 100% of the Incentive Value. Any future management partners or senior executive management team members receiving Incentive Shares will be dilutive to the interests of existing holders of Incentive Shares, however the share of the Growth of the Incentive Shares in aggregate will not increase.

Issue Date	Name	Share Designation at balance sheet date	Nominal Price	Issue price per A ordinary share	Number of A ordinary shares	Unrestricted market value at grant date	IFRS 2 Fair Value
25/11/2020	Marwyn Long Term Incentive LP	A2	£0.01	£7.50	2,000	£15,000	£169,960
31/12/2020	Vin Murria OBE	A1	£0.01	£5.42	6,000	£32,500	£354,050
05/02/2021	Gavin Hugill	A1	£0.01	£25.56	600	£15,336	£65,040
15/02/2021	Karen Chandler	A1	£0.01	£36.67	600	£22,000	£93,415
17/03/2021	Vin Murria OBE	A1	£0.01	£4.79	9,600	£45,984	£195,120

#### *Valuation of Incentive Shares*

Valuations were performed by Deloitte using a Monte Carlo model and ascertaining a fair value at each date. Details of the valuation methodology and estimates and judgements used in determining the fair value are noted herewith and were in accordance with IFRS 2 at grant date.

There are significant estimates and assumptions used in the valuation of the Incentive Shares. Management has considered at the grant date, the probability of a successful first acquisition by the Company and the potential range of value for the Incentive Shares, based on the circumstances on the grant date.

The fair value of the Incentive Shares granted under the scheme was calculated using a Monte Carlo model. The fair value uses an ungeared volatility of 25%, and an expected term of seven years. The Incentive Shares are subject to the Preferred Return being achieved, which is a market performance condition, and as such has been taken into consideration in determining their fair value. A risk-free rate of 0% has been applied, based on the average yield on a five-year UK Gilt at the valuation date. The model incorporates a range of probabilities for the likelihood of an acquisition being made of a given size.

#### *Expense related to Incentive Shares*

The A2 shares were expensed in full in 2021. An expense of £109,000 (2024: £72,000) has been recognised in the Consolidated Statement of Comprehensive Income in respect of the A1 ordinary shares.

## 24. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

The Company has the following categories of financial instruments at the period end:

	As at 28 February 2025 £000s	As at 29 February 2024 £000s
<b>Financial assets measured at amortised cost</b>		
Cash and cash equivalents	88,510	82,111
Trade receivables	10,261	5,128
Other receivables	355	121
<b>Financial assets at fair value through profit or loss (FVTPL)</b>	21,000	20,820
	<b>120,126</b>	<b>108,180</b>
<b>Financial liabilities measured at amortised cost</b>		
Trade and other payables	6,130	5,036
	<b>126,256</b>	<b>113,216</b>

The Company has exposure to the following risks from its use of financial instruments:

- Market risk;
- Liquidity risk;
- Credit risk; and
- Currency risk

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing these risks.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Treasury activities are managed on a Company basis under policies and procedures approved and monitored by the Board. These are designed to reduce the financial risks faced by the Company which primarily relate to movements in interest rates.

### *Market risk*

Market risk is the risk that changes in market prices such as currency rates, interest rates and stock market prices will affect the Group's results.

This includes the investment in M&C the carrying value of which is determined by stock market price and represents approximately 14.9% of the Company's net assets as at 28 February 2025. There can be no guarantee that the Company will be able to dispose of the M&C Investment at a value equal to or more than the value for which it was obtained. In the Company's Consolidated Financial Statements, the M&C Investment is accounted for as an asset held at fair value. The shares are revalued to market value at the end of every reporting period with gains or losses on valuation taken to the profit and loss account. Further, any fall in the share price of M&C would have a corresponding negative effect on the value of the M&C Investment and potentially the share price of the Ordinary Shares, which could have a material adverse impact on the Company's performance and prospects.

The Company's activities primarily expose it to the risk of changes in interest rates due to the significant cash balance held; however, any change in interest rates will not have a material effect on the Company. The Company's operations are predominately in GBP, its functional currency, and accordingly minimal translation exposures arise in receivables or payables.

*Currency risk*

Currency risk is a new risk in the period, whilst the majority of the cash balances are held in GBP, some bank balances are now held by subsidiaries in local currency. At 28 February 2025 the following balances were held in foreign currencies, USD: \$2.1m (equivalent £1.7m) and €7.4m (equivalent to £6.2m) and INR 1.4m (equivalent to £12.2k).

The cash balances are translated to GBP at the prevailing month end rate and hence currency risk exists on translation. The balances are held by trading subsidiaries whose functional currency is USD and Euros and are used in normal course of business. The level of cash balances held not in GBP will be kept under review and any excess funds translated into GBP as appropriate.

Trade receivables and payables balances are translated to GBP at the prevailing month end rate resulting in a currency risk exists on translation.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company currently meets all liabilities from cash reserves and the Directors believe this risk is adequately mitigated. Financial liabilities are all short term and due within one year. Financial liabilities are expected to be settled in cash and amounts paid are not expected to differ materially from the balance sheet amounts.

In respect of cash deposits, the carry value approximates to fair value because of the short maturity of the deposits. Interest rates are floating and based on base rate. There is no difference between the fair value of other financial assets and financial liabilities and their carry value in the balance sheet.

*Credit risk*

The financial assets and liabilities represent the maximum exposure to credit risk.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The main credit risk relates to the cash held with financial institutions. The Company manages its exposure to credit risk associated with its cash deposits by selecting counterparties with a high credit rating with which to carry out these transactions. The counterparty for these transactions is Barclays Bank plc, which holds a short-term credit rating of P-1, as issued by Moody's. The Company's maximum exposure to credit risk is the carrying value of the cash on the Consolidated Statement of Financial Position reserves and the Directors believe this risk is adequately mitigated.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses ("ECL") which uses lifetime expected loss allowance for all trade receivables. The expected loss rates are based on management assessment of historical losses from customers which has been very low, with customers being typically billed in advance. Due to this, management believe there is no further credit risk provision required in excess of normal provision for doubtful receivables where amounts are outstanding for over 180 days. No bad debt write offs have occurred in the period. Debts would be written off where management considered no realistic possibility of recovery.

The ageing of trade receivables and the associated provision at the end of the period are summarised below (2024: £5,128,000).

	As at 28 February 2025	
	Gross £000s	Provision £000s
<b>Financial assets measured at amortised cost</b>		
Not past due	8,733	-
Past due 31-90 days	880	-
Past due 90 days	715	(118)
Past due 180 days	299	(248)
	<b>10,627</b>	<b>(366)</b>

#### Capital management

The Board's policy is to maintain a strong capital base so as to maintain creditor and market confidence and to sustain future development of the business. Capital includes stated capital and all other equity reserves attributable to the equity holders of the Company and totals £141.1m as at 28 February 2025 (February 2024: £130.3m). The Directors actively monitor this. There were no changes in the Company's approach to capital management during the year and the Company's capital management policy will be revisited once an Acquisition has been identified.

## 25. RELATED PARTY TRANSACTIONS

Transactions between Group undertakings, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Details of Directors' remuneration is set out in the remuneration report on pages 13 to 15.

The Directors: Vin Murria, Gavin Hugill, Karen Chandler and Mark Brangstrup Watts (resigned on 27 February 2025) have beneficial interests in the Incentive Shares issued by the Company's subsidiary. Details of their respective interests can be found in note 23, there have been no changes to these interests in the period.

In the year ended 30 June 2023 Mark Brangstrup Watts ceased to be a managing partner of Marwyn Investment Management LLP<sup>2</sup> which holds 15.41% of the issued share capital of the Company as at 28 February 2025 and at the date of this report. Mark Brangstrup Watts also ceased being a managing partner of Marwyn Capital LLP during the prior year, a firm which previously provided corporate finance advice to the Company and currently provides managed services support.

Antoinette Vanderpuije (the Company Secretary) is a partner of Marwyn Capital and beneficially interested in the Marwyn shareholding and an indirect beneficiary of the Long-Term Incentive Plan. Details of the respective interests can be found in note 23, there have been no changes to these interests in the period.

On 23 October 2023 an intercompany loan of £2,403,034.54 due from MAC I (BVI) Limited to AdvancedAdvT Limited and an outstanding intercompany loan of £2,403,034.54 due from ADV Holding Group Limited MAC I (BVI) Limited were satisfied by way of a capital contribution made by AdvancedAdvT Limited to MAC I (BVI) Limited with no additional shares being issued and from MAC I (BVI) Limited to ADV Holding Group Limited MAC I (BVI) Limited with one additional share being issued.

<sup>2</sup> Marwyn Investment Management LLP is the manager of Marwyn Value Investors II LP ("MVI II"), the entity which beneficially owns 15.41% of the ordinary shares issued by the Company and 1 sponsor share in the Company.

## 26. COMMITMENTS AND CONTINGENT LIABILITIES

There were no commitments or contingent liabilities outstanding at 28 February 2025 that requires disclosure or adjustment in these Consolidated Financial Statements.

## 27. POST BALANCE SHEET EVENTS

### *Acquisition of HFX Limited*

On the 13 May 2025 the Group acquired 100% of the share capital of HFX Limited for a enterprise value of £5.3m in cash, net of cash acquired of approximately £0.6m. The Acquisition was subject to and conditional upon National Security and Investment Act approval, which was duly received, and completion took place on 19 February 2025. The Group now holds 100% of the voting rights in HFX Limited.

HFX provides workforce management software to over 450 customers across a wide range of sectors ranging from SMEs to smaller enterprise customers. Combined with WFM the acquisition significantly expands the Groups existing workforce management software offering with a complimentary SaaS product, enabling us to better serve both enterprise and SME customers with tailored solutions. It will also provide an alternative solution for smaller on-premise clients to migrate to and enjoy all the benefits a cloud solution. HFX further expands our addressable market and scale in the UK, aligning with our strategy to enhance long-term growth through recurring SaaS revenues.

In the 12 months ended 31 December 2024, HFX recorded pre-exceptional revenue of £3.39m (73% recurring), with pre-exceptional EBITDA of £0.93m and had net assets of £2.51m.

A summary of the consideration and assets and liabilities acquired is set out in the table below. Consideration was settled in cash on completion and there is £2m of deferred consideration payable.

Consideration	Fair value £000s
Total Consideration	5,300
Deferred cash payment	(2,000)
Cash and cash equivalents acquired	(600)
Net cash outflow	<u>2,700</u>

Due to the proximity of completing the transaction to the date of signing the Consolidated Financial Statements a purchase price allocation exercise has not yet been completed and hence goodwill and intangibles recognisable under IFRS 3 have not yet been determined.

It is expected separately identifiable intangibles will arise in respect of customer relationships, software and intellectual property and brand name identified on acquisition. Goodwill is expected to arise from the transaction, which is expected to be attributable to synergies from combining operations and intangible assets that do not qualify for separate recognition. Tax deductibility in respect of goodwill or any deferred tax or tax provision has not yet been evaluated.

### *Acquisition of GOSS Technology Group Limited*

On the 29 May 2025 the Group acquired 100% of the share capital of GOSS Technology Group Limited ("GOSS") for an enterprise value of £7.1m in cash, net of cash acquired of approximately £6.4m. The Acquisition was subject to and conditional upon National Security and Investment Act approval, which was duly received, and completion took place on 25 April 2025. The Group now holds 100% of the voting rights in GOSS.

GOSS provides of a digital platform enabling public sector organisations to achieve digital transformation through innovative digital and online solutions.

In the audited 12 months ended 30 June 2024, Goss reported revenue of £5.35m, of which 71% was recurring, EBITDA, excluding the capitalisation of development costs, of £0.77m and net assets were £3.25m.

A summary of the consideration and assets and liabilities acquired is set out in the table below. Consideration was settled in cash and new equity issued on completion and there is no deferred or contingent consideration payable.

Consideration	Fair value £000s
Total Consideration	13,500
Ordinary Shares	(5,000)
Cash and cash equivalents acquired	(6,400)
Net cash outflow	<u>2,100</u>

Due to the proximity of completing the transaction to the date of signing the Consolidated Financial Statements a purchase price allocation exercise has not yet been completed and hence goodwill and intangibles recognisable under IFRS 3 have not yet been determined.

It is expected separately identifiable intangibles will arise in respect of customer relationships, software and intellectual property and brand name identified on acquisition. Goodwill is expected to arise from the transaction, which is expected to be attributable to synergies from combining operations and intangible assets that do not qualify for separate recognition. Tax deductibility in respect of goodwill or any deferred tax or tax provision has not yet been evaluated.

3,225,806 new ordinary shares (the "New Shares") were issued as part of the Acquisition with, effective on 2 June 2025. The New Shares rank pari passu with the existing ordinary shares. The Company as at the date of this report have a total of 136,425,806 ordinary shares in issue. The Company does not hold ordinary shares in treasury.

#### *Other*

No other matter or circumstance has arisen since 28 February 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

## Advisors

### Nominated Adviser and Broker

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### Company Secretary

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WC2N 6DF

### Registrar

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St Sampson, Guernsey  
GY2 4LH

### Registered Agent and Assistant Company Secretary

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Road Town, VG1110  
Tortola, British Virgin Islands

### Depository

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Kent, BR3 4TU

### Solicitors to the Company (as to English law)

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United Kingdom

### Auditor

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St Helier Jersey JE2 4UB

### Solicitors to the Company (as to BVI Law)

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Road Town, VG1110  
Tortola, British Virgin Islands

### UK establishment address

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London  
WC2N 6DF





## Risks

## Risks

### Risks applicable to investing in the Company

An investment in the ordinary shares involves a high degree of risk. No assurance can be given that shareholders will realise a profit or will avoid loss on their investment. The Board has identified a wide range of risks as set out in the Company's Admission Document dated 8 January 2024 which can be found on the Company's website: [www.advancedadvt.com](http://www.advancedadvt.com)

The board has set out below the risks most relevant to the Company based on its current status. The risks referred to below do not purport to be exhaustive and are not set out in any order of priority. If any of the following events identified below occur, the Company's business, financial condition, capital resources, results and/or future operations and prospects could be materially adversely affected.

### Risks relating to the Group and its operations.

- **Competitive threats.**

The Group is engaged in business activities where there are a number of competitors both domestically and internationally. In some markets, where commercial alternatives or existing suppliers are competitive to the Group's offering, certain of these competitors are larger and have access to greater financial, technical and marketing resources than the Group, enabling unit economics the Group cannot compete with. The Group's future success will depend in part upon the Group's ability to retain its competitive position in the market. Any failure to maintain its competitive position may have material adverse effect on the Group's prospects, results of operations and financial condition. The Group may also face competition from new companies that have greater research, development, marketing, financial and personnel resources than the Group or as a result of the insourcing of its activities into OEMs, prime contractors or systems integrators to which it currently sells.

- **Reputation is important in winning contracts with both new and existing customers.**

The Group's reputation, in terms of the products and solutions it provides and the way in which it conducts its business, is central to the Group winning contracts with both new and existing customers and consequently its future success. If the Group fails to meet the expectations of these customers and other business partners it may have a material adverse effect on the Group's reputation, business, prospects, results of operations and financial condition.

The Group's future financial performance depends on its ability to provide both existing and new customers with high quality solutions and a high quality of service. If for any reason the Group is unable to provide customers with high quality solutions

and service, it could face customer dissatisfaction and a lack of customer confidence in the Group and its solutions, which may have a material adverse effect on the Group's reputation, business, prospects, results of operations and financial condition.

- **Dependence on key executives and managers**

The Group is highly dependent upon key senior management personnel who have extensive experience and knowledge of the Group, its solutions, its customers, its target markets and its business generally. The successful implementation of the Group's growth strategy depends on the continued availability of senior management and the Group's ability to continue to attract, motivate and retain such individuals. If members of the Group's senior management depart and adequate succession plans are not put in place, the Group may not be able to find effective replacements in a timely manner, or at all and the Group's business may be disrupted or damaged. In addition, the loss of key members of senior management to competitors may have a material adverse effect on the Group's reputation, business, prospects, results of operations and financial condition.

- **Failing to successfully implement and manage its growth strategies.**

The Group is highly dependent upon key senior management. The Group's growth and future success will be dependent on the success of those growth and expansion strategies currently or proposed to be undertaken by the Group. The failure to successfully implement its growth strategy, and therefore a failure to meet customer demand, may have a materially adverse effect on the Group's prospects, results of operations and financial condition.

The execution of the Group's growth and expansion strategies are expected to place further demands on management, support functions, sales and marketing functions and other resources of the Group. In order to manage the further expansion of the Group's business and the growth of its operations and personnel, the Group may be required to expand and enhance its infrastructure and technology and enhance its operational and financial systems as well as its procedures and controls from time to time in order to match that expansion. This could have a material cost to the Group and may have a material adverse effect on the Group's prospects, results of operations and financial condition.

There can be no assurance that the Group's current and planned staff, infrastructure, systems, procedures and controls will be adequate to support any expansion of operations in the future

and across the periods currently envisioned. If the Group fails to manage its expansion effectively, it may have a material adverse effect on the Group's business, prospects, results of operations and financial condition.

- **Operational Failures**

The Group depends on the performance, reliability and availability of its plant, equipment and information technology systems. Any damage to, or failure of, its plant, equipment and/or systems (including, for example, as a consequence of fire, malicious act or terrorism) could result in disruption to the Group's operations. The Group's disaster recovery plans may not adequately address every potential event and its insurance policies may not cover any loss in full or in part or damage that it suffers fully or at all, which could have a material adverse effect on the Group's business, financial condition and results of operations.

- **Product and technology risks**

Products and technologies used within the Group's current markets are constantly evolving and improving and the Group may not possess the adequate technology or technical know-how to meet these challenges or its customers' changing needs. Therefore, there is a risk that the Group's current product offering may become less relevant with regard to the markets in which it operates, or even outdated or obsolete as improvements in competitors' products and technology are made or alternative solutions developed.

Any failure of the Group to ensure that its products and other technologies remain up to date with the latest technology and continue to meet the changing needs of its customers may have a material adverse effect on the Group's business, prospects, results of operations and financial condition. The Group's success will depend, in part, on its ability to develop and adapt to any technological changes and industry trends and it is therefore imperative the Group is able to innovate to produce products which adhere to the future requirements of its customers. To mitigate these risks, the Group's research and development team seeks to keep up with latest industry developments.

- **Demand and Product Relevance**

The rapid advancement and adoption of artificial intelligence (AI) technologies present both opportunities and risks to the Group. As a UK-based software and services provider with a portfolio of proprietary software products, the Group may face increased competition from AI-driven solutions that could disrupt existing markets or reduce demand for its current offerings.

While the Group continues to monitor and explore the integration of AI into its own products and services, there is no guarantee that it will be able to adapt at the pace required to

remain competitive. Emerging AI tools may offer alternative functionalities, automate services traditionally delivered by the Group, or shift customer expectations, potentially rendering certain products less relevant.

Failure to respond effectively to these technological shifts could adversely affect the Group's market position, revenue streams, and long-term growth prospects. Additionally, the value of the Group's intellectual property may be impacted if AI-driven alternatives diminish the commercial viability of its existing software assets.

- **Undetected defects in the products provided by the Group**

The Group's business involves providing customers with reliable products and solutions. If a product contains undetected defects, errors and/or bugs when first introduced, or when upgraded or enhanced, the Group may fail to meet its customers' performance requirements or otherwise satisfy contract specifications. As a result, it may incur significant additional development and product recall, repair or replacement costs, or liability for personal injury or property damage caused by such defects, errors and/or bugs and potentially also lose customers or orders and/or become liable to its customers for damages which may, amongst other things, damage the Group's reputation and financial condition.

The Group endeavours to negotiate limitations on its liability in its customer contracts where possible, however, this cannot always be achieved and defects in its solutions, errors and/or bugs could result in the loss of a customer, a reduction in business from any particular customer, negative publicity, reduced prospects and/or distraction to the management team. A successful claim by a customer to recover such losses may have a material adverse effect on the Group's reputation, business, prospects, results of operations and financial condition.

- **Increasing customer prices in line with inflationary cost pressure**

The Group faces cost increases and fluctuations as a result of wage, energy and material price inflation and its results of operations may inevitably be impacted by such fluctuations. The prices of raw materials have fluctuated significantly in recent years and have also increased in the recent past, and it is likely they will do so again in the future.

Such volatility in the prices of these commodities as well as supply shortages or delays in the delivery of raw materials, components or energy could increase the costs of manufacturing the Group's products.

The Group may not be able to offset these cost increases by cost reductions elsewhere, improvements in productivity and/or by imposing price increases acceptable to its customers which may in turn have a material adverse effect on the Group's prospects, operating results and financial condition.

- ***Financial controls, internal reporting procedures and regulatory policies***

The Group has systems and controls in place to allow it to produce accurate and timely Consolidated Financial Statements and to monitor and manage risks. If any of these systems or controls were to fail, the Group may be unable to produce Consolidated Financial Statements accurately or on a timely basis, therefore exposing the Group to risk. Any concerns investors may have over the potential lack of available and current financial information and the controls the Group has in place could adversely affect the Company's share price.

- ***Use of third party logos***

The Group uses certain third-party logos and names on its website and in promotions, marketing and advertising materials. The Group does not have an explicit licence with such third parties and instead relies on custom and practice to use the logos and names. The unauthorised use of third party IPR by the Group would constitute an infringement of such IPR and might expose the Group to the risk of third party claims in this respect. If such claims were successful, they may have a material adverse effect on the Group's results of operations and financial condition.

- ***Security breaches of the Group's own or its suppliers or customers' IT systems***

The Group is generally exposed to risks in the field of information technology because unauthorised access to or misuse of data processed on its IT systems or those of its third-party service providers (including cloud-based providers), cybercrime, human errors associated therewith or technological failures of any kind could disrupt its operations, including its manufacturing and engineering process.

In particular, cybercrime can be technologically sophisticated and may be difficult or impossible to detect and defend against. A significant malfunction or disruption in the Group's IT systems or those of its third-party service providers (including cloud based providers), or a security breach that compromises the confidential and sensitive information stored in any of those systems, could disrupt the Group's business and materially affect its intellectual property or reputation.

Although the Group employs security and testing measures for its solutions, these may not protect against all possible security breaches that could harm the Group's or its customers' businesses. Any compromise of the Group's security could harm its reputation or financial condition and, therefore, its business. In addition, a party who is able to circumvent the Group's security measures could, among other things, misappropriate proprietary information, interrupt the Group's operations or expose customers to viruses or other disruptions in their systems. Actual or perceived vulnerabilities may lead to claims

against the Group. Whilst the Group will, where possible, seek to ensure that its customer agreements contain provisions that limit the Group's liability, the Group may need to enforce these provisions to enjoy the benefit of them, with associated risk and expense.

- ***The Group may be vulnerable to hacking, identity theft and fraud.***

A failure of or breach in cybersecurity ("cyber incidents") refers to both intentional and unintentional events that may cause the relevant party to lose proprietary information, suffer data corruption, or lose operational capacity. In general, cyber incidents can result from deliberate attacks ("cyber-attacks") or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption). Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users).

Cyber incidents may cause significant disruption and materially impact business operations, potentially resulting in financial losses, impediments to trading, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs.

While the Group has in place security measures and guidelines in an effort to prevent hacking, identity theft and fraud, including the loss of intellectual property, it may not be able to fully protect itself and its customers from unauthorised access or hacking. For example, the Group is subject to the risk that unauthorised persons could access its systems and fraudulently transfer funds or obtain data on the Group and/or its clients. Cybersecurity is of particular importance to business operating within the digital, software and services sector. Any such unauthorised access, whether or not such access results in financial loss, could result in significant reputational damage to the Group amongst its clients and the market generally and affected parties could seek damages from the Group, any of which could have a material adverse effect on its business, financial condition, results of operations and prospects.

- ***The Group may be adversely affected by technological changes.***

The Group expects that new technology will continue to emerge and develop; therefore, it is possible that this technology may be superior to, or render obsolete or unmarketable, the products that the Group currently offers. Any failure of the Group to ensure that its products remain up to date with the latest technology may have a material impact on the Group's competitiveness and financial performance. The Group plans to

continue to develop innovative solutions for its customers but there can be no assurance that the Group will be able to successfully develop new products and expand its business as planned or that these new products will be successful or profitable or will satisfy the specific technological needs of all customers. In order to limit the impact of technological changes and remain competitive, the Group must continually update its products. The process of updating its software could result in increased costs and the Group's investment may therefore affect the Group's profitability. The Group's success will depend, in part, on its ability to develop and adapt to these technological changes and industry trends.

- ***Risk management procedures***

Although the Directors believe that the Group's risk management procedures are adequate, the methods used to manage risk may not identify or anticipate current or future risks, correctly understand the interrelationship of risk or the extent of future exposures, which could be significantly greater than historical measures indicate. Risk management methods depend on the evaluation of information regarding markets or other matters that are publicly available or otherwise accessible to the Group. Failure (or the perception that the Group has failed) to develop, implement and monitor the Group's risk management policies and procedures and, when necessary, pre-emptively upgrade them could give rise to reputational and trading issues which may have a material adverse effect on the Group's business, prospects, results of operations and financial condition.

- ***Litigation risk***

Whilst the Group has taken and intends to continue to take such precautions as it regards appropriate to avoid or minimise the likelihood of any legal proceedings or claims, or any resulting financial loss to the Group, the Directors cannot preclude the possibility of litigation being brought against the Group.

There can also be no assurance that the other parties to any litigation proceedings will not be able to devote substantially greater financial resources than the Group to those proceedings or that the Group will prevail in any such litigation. Any litigation, whether or not determined in the Group's favour or settled by the Group, may be costly and may divert the efforts and attention of the Group's management and other personnel from normal business operations.

- ***Insurance***

The Group has insurance coverage which is deemed satisfactory by the Company in light of its current operations and contractual obligations. No guarantee can be given that the Group will be sufficiently insured against any potential claim or that its insurance arrangements will be sufficient in light of any expansion of the Group's activities or indeed, that the Company

will be able to procure sufficient insurance in light of any such expansion. In the event the Group's insurances should prove insufficient with respect to a claim, such insufficiency may have a significant adverse effect on the Group's business, prospects, financial results and results of operations.

- ***Currency risk***

Revenues generated and purchases made by the Group will not always be denominated in Pounds Sterling. The Group has multiple currency accounts but trades predominantly in Sterling, US Dollars and Euros. As a result it will be subject to foreign currency exchange risks due to exchange rate movements, which will affect the Group's transaction costs and the translation of its results. The Group proactively seeks methods to limit its exposures through natural hedging and will consider foreign currency arrangements. Any losses incurred as a result of the Group not fully addressing the risks of exchange rate movements that cannot be passed on through its reciprocal pricing arrangements, are likely to have an adverse impact on the business, results and financial condition/prospects of the Group.

- ***Claims relating to infringement of Intellectual Property Rights of, or by, the Group***

The Group uses its proprietary know-how and other intellectual property in its operations. The Directors believe that the combination of the Group's domain experience together with the confidentiality obligations typically entered into by it with employees, independent contractors and third parties in the ordinary course of its business provide a degree of protection of its intellectual property, domain knowledge and know-how. However, these arrangements rely on the law of copyright and confidentiality, neither of which permits registration. Accordingly, there is a risk that the Group may not have the benefit of adequate intellectual property protection of its assets.

Any unprotected intellectual property (including unregistered or unregistrable intellectual property rights) used by the Group in the course of its business or in respect of which the Group believes it has proprietary rights may be prejudiced and/or open to challenge by third parties (including where such third parties have or claim to have pre-existing rights in such intellectual property). In any such case, the Group may be prevented from using such intellectual property or may be required to become involved in litigation to protect its intellectual property rights, each of which may have a material adverse effect on the Group's reputation, business, prospects, results of operations and financial condition. Conversely, while the Directors believe the Group has taken appropriate precautions, they cannot guarantee that any action or inaction by the Group will not inadvertently infringe the intellectual property rights of others. Any infringement by the Group of the intellectual property rights

of third parties could have a material adverse effect on the Group's reputation, business, prospects, results of operations and financial condition.

- **Identification and implementation of acquisition opportunities**  
 To the extent that suitable opportunities arise and are identified, the Group may expand its business through the acquisition of companies, businesses, assets and/or services from third parties. There can be no assurance that the Group will identify suitable acquisitions or opportunities, once existing cash reserves have been utilised, obtain any financing necessary to complete and support such acquisitions, be able to satisfy potential conditions relating to approvals for changes of control or otherwise acquire businesses on satisfactory terms and across planned timeframes. In addition, there can be no certainty that any business acquired by the Group will prove to be profitable and the acquisition and integration of independent businesses is a complex, costly and time-consuming process involving a number of possible problems and risks which could have a material adverse effect on the results of operations or financial condition of the Group. This includes possible adverse effects on the Group's operating results, diversion of management's attention, failure to retain personnel, failure to maintain customer service levels or disruption to relationships with customers and other third parties. There are also risks in any acquisition associated with unanticipated events or liabilities and difficulties in the assimilation of any acquired operations, technologies, systems, services, products and/or employees.

If the Group were to make any acquisitions in the future or were to need capital for other growth opportunities, it may require further financing, once existing cash reserves were utilised. Any additional equity financing may be dilutive to Shareholders and debt financing, if available, may involve restrictions on financing and operating activities.

If, following any such acquisition, the Group was required to record impairments of significant amounts of intangible assets, record impairments of goodwill in connection with future acquisitions, or divest non-performing assets at below market prices, its operating results could be materially and adversely affected.

- **Expansion into new international geographic markets.**  
 The Group has identified opportunities for its products and services in the medium term in new geographies outside the UK. There is a risk that the Group's limited experience of international expansion means that it is managed incorrectly and/or causes a significant distraction to the Group's management, each of which may have an adverse impact on the Group's business, results of operations and/or financial position. Further, there is also a risk that the Group may be unable to recruit and retain suitably skilled employees in any new

jurisdiction of operation to exploit the opportunities identified by it, leading to additional costs which materially and adversely affect its operating performance.

- **Loss of key accreditations and certifications**  
 The Group is reliant on a number of regulatory or customer-driven accreditations in order to be able to deliver its services and solutions to particular industries and sectors. If these accreditations are detrimentally affected in any way or were to lapse, this could have a material adverse effect on the Group's financial condition and prospects as, unless those accreditations are restored, the Group could be excluded from opportunities to tender for future work or from being able to continue to perform its existing contracts.

Similarly, future growth opportunities may be reliant on securing new accreditations or meeting higher levels of certification. Past performance in its obtaining desired accreditations has been positive, however there is no guarantee that the Group will be able to meet additional or higher levels of requirement in the future. Failure to do so could have a material adverse effect on the Group's growth potential or financial performance.

#### **Risks relating to the Company's business and strategy.**

- ***The Company may face significant competition for acquisition opportunities and cannot assure investors that it will be successful against such competition.***

There may be significant competition for some or all of the acquisition opportunities that the Company may explore. Such competition may for example come from strategic buyers, sovereign wealth funds, special purpose acquisition companies and public and private investment funds, many of which are well established and have extensive experience in identifying and completing acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Company.

Therefore, the Company may identify an investment opportunity in respect of which it incurs costs, for example through due diligence and/or financing, but the Company cannot assure investors that it will be successful against such competition. Such competition may cause the Company to incur significant costs but be unsuccessful in executing an acquisition or may result in a successful acquisition being made at a significantly higher price than would otherwise have been the case which could materially adversely impact the business, financial condition, result of operations and prospects of the Company.

- ***The Company could incur costs for transactions that may ultimately be unsuccessful.***

There is a risk that the Company may incur substantial legal, financial and advisory expenses arising from unsuccessful transactions which may include public offer and transaction



documentation, legal, accounting and other due diligence which could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

- *The Company may be unable to obtain additional funding needed to implement its strategy. Additional funding, whether through equity and/or debt, could dilute the rights of existing Shareholders and/or restrict the Company's ability to operate its business.*

The Company's cash may be insufficient to fund in full future acquisitions and/or investments identified by the Board. Accordingly, the Company may seek additional sources of financing (equity and/or debt) to implement its strategy. There can be no assurance that the Company will be able to raise (for example, through the issue of further Ordinary Shares) those funds, whether on acceptable terms or at all.

If further financing is obtained or the consideration for an acquisition is provided by issuing equity securities or convertible debt securities, Shareholders at the time of such future fundraising or acquisition may be (for example, through the issue of further Ordinary Shares) diluted and the new securities may carry rights, privileges and preferences superior to the Ordinary Shares. Save for the Sponsor Shares, no unlisted Shares exist.

The Company may seek debt financing to fund all or part of any future acquisition. The incurrence by the Company of substantial indebtedness in connection with an acquisition could result in:

- (i) default and foreclosure on the Company's assets, if its cash flow from operations was insufficient to pay its debt obligations as they become due; or
- (ii) an inability to obtain additional financing, if any indebtedness incurred contains covenants restricting its ability to incur additional indebtedness.

An inability to obtain debt financing may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company. If such financing is obtained, the Company's ability to raise further finance and its ability to operate its business may be subject to restrictions.

The occurrence of any or a combination of these, or other, factors could decrease Shareholders' proportional ownership interests in the Company or have a material adverse effect on its financial condition and results of operations.

- *Vin Murria OBE has interests in companies with similar strategies to that of the Company.*

Vin Murria OBE is, and may in the future become, affiliated with entities engaged in business activities similar to those intended to be conducted by the Company, including other entities established with a similar objective to that of the Company and

investment opportunities may be taken up by Vin Murria OBE and/or entities affiliated with her in advance of the Company.

During business activities, Vin Murria OBE may become aware of investment and business opportunities which may be appropriate for presentation to the Company as well as the other entities with which they are affiliated. Vin Murria OBE may have conflicts of interest in determining to which entity a particular business opportunity should be presented. The Directors will seek to mitigate or resolve any conflict of interest that has been identified and will take appropriate action to do so – this may be through the implementation of policies dealing with conflicts of interest or otherwise.

- *The Group has a limited history and therefore limited historical financial data upon which prospective investors may base on evaluation of the Company.*

While the Group has now completed two audited trading periods, covering the eight months to 28 February 2024 and the twelve months to 28 February 2025, it remains in the early stages of its development. Although these periods provide an initial financial track record, the Group still has a relatively limited operating history upon which prospective investors can base an evaluation of its long-term performance.

Since incorporation, the Company has raised £130m of new capital (March 2021), completed the eight Acquisitions, divesting one of the original acquisitions, and made an investment in M&C Saatchi. While these milestones mark significant progress, the Group's future success remains substantially dependent on the effective execution of both its organic and inorganic investment strategy.

The past performance of the companies and assets managed by the Company is not necessarily indicative of the future results, financial condition, or prospects of the Company. Investors will continue to rely on the ability of the Board and management to identify and assess new growth and acquisition opportunities, conduct due diligence, secure financing where required, and execute successfully.

- *The Company may not acquire total voting control of any target company or business.*

There is a risk that The Company may either consider acquiring total voting control of any target company or business, or acquiring a non-controlling interest constituting less than total voting control or less than the entire equity interest of that target company or business if such opportunity is considered attractive or where the Company expects to acquire sufficient influence to implement its strategy. In such circumstances, the remaining ownership interest will be held by third parties and the Company's decision-making authority may be limited. Such acquisitions may also involve the risk that such third parties may



become insolvent or unable or unwilling to fund additional investments in the target. Such third parties may also have interests which are inconsistent or conflict with the Company's interests, or they may obstruct the Company's strategy for the target or propose an alternative strategy. Any third party's interests may be contrary to the Company's interests. In addition, disputes among the Company and any such third parties could result in litigation or arbitration. Any of these events could impair the Company's objectives and strategy, which could have a material adverse effect on the continued development or growth of the acquired company or business and therefore on the Company.

- *The companies or businesses in which the Company invests may have borrowings; which create greater potential for loss.*

The companies or businesses in which the Company invests may have borrowings. Although such facilities may increase investment returns, they also create greater potential for loss. This includes the risk that the relevant borrower will be unable to service the interest repayments, or comply with other requirements, rendering the debt repayable, and the risk that available capital will be insufficient to meet required repayments. There is also the risk that existing borrowings will not be able to be refinanced or that the terms of such refinancing will not be as favourable as the terms of existing borrowings. A number of factors (including changes in interest rates, conditions in the banking market and general economic conditions), all of which are beyond the Company's control, may make it difficult for the Company to obtain new financing on attractive terms or at all, which could have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

- *The success of the Company's investment objective not guaranteed.*

The Company's return will be reliant upon the performance of the assets acquired and the Company's investment objective from time to time. The success of the investment objective depends on the Directors' ability to identify investments in accordance with the Company's investment objectives and to interpret market data and predict market trends correctly. No assurance can be given that the strategy to be used will be successful under all or any market conditions or that the Company will be able to generate positive returns for Shareholders. If the investment objective is not successfully implemented, this could adversely impact the business, development, financial condition, results of operations and prospects of the Company.

- *The Company may be unable to refocus and improve the operating and financial performance of an acquired business.*

The success of any of the Company's acquisitions may depend in part on the Company's ability to implement the necessary technological, strategic, operational and financial change programmes in order to either: (i) transform the acquired business and improve its financial performance; or (ii) continue to grow the acquired business and expand its current operations. Implementing change programmes within an acquired business may require significant modifications, including changes to hardware and other business assets, operating and financial processes and technology, software, business systems, management techniques and personnel, including senior management.

There is no certainty that the Company will be able to successfully implement such change programmes within a reasonable timescale and cost, and any inability to do so could have a material adverse impact on the Company's performance and prospects.

#### **Risks relating to sectors in which the Company may invest.**

- *The performance of the software sector may be affected by changes in general economic activity levels which are beyond the Company's control.*

It is anticipated that the Company will invest in businesses or companies in the software and services sector globally, however, its principal focus will be on those with a significant presence in the UK, Europe and North America. The performance of the software and services sector may be cyclical in nature with some correlation to levels of demand within targeted end markets. As a result, the digital, software and services sector may be affected by changes in general economic activity levels which are beyond the Company's control but which may have a material adverse effect on the Company's financial condition and prospects. Whilst businesses and companies involved in digitalisation have seen their addressable market grow as a result of the Covid-19 pandemic, it is not clear that such growth will continue and inflation or the fear of inflation may provide a counterweight to such growth. An adverse change in economic activity could have a material adverse effect on the profitability of the Company following an acquisition.

The Company may acquire or make investments in companies and businesses that are susceptible to economic recessions or downturns. During periods of adverse economic conditions, the markets in which the Company operates may decline, thereby potentially decreasing revenues and causing financial losses, difficulties in obtaining access to, and fulfilling commitments in respect of, financing, and increased funding costs. In addition, during periods of adverse economic conditions, the Company may have difficulty accessing financial markets, which could

make it more difficult or impossible for the Company to obtain funding for additional investments and negatively affect the Company's net asset value and operating results. Accordingly, adverse economic conditions could adversely impact the business, development, financial condition, results of operations and prospects of the Company.

In addition, the political risks associated with operating across a broad number of jurisdictions could affect the Company's ability to manage or retain interests in its business activities and could have a material adverse effect on the profitability of its business following an acquisition. There is also a risk that new economic, legal, social and tax policies may be introduced in certain countries under new national and regional administrations, including the United States, which could potentially have an adverse impact on the trading conditions for the Company and/or businesses operating in sectors in which the Company may invest.

- ***Increased competition and unanticipated actions by competitors or customers.***

The markets in which the Company and its proposed acquisition targets will operate are highly competitive with significant competition from large international competitors and smaller regional competitors within the software industry. The Group may lose market share to other competitors or to other products or services that can be substituted for the products or services of the Group. Increased competition and unanticipated actions by competitors or customers, which could arise as a result of, among other things, unforeseen changes in the competitive landscape due to the introduction of disruptive technologies, could lead to an adverse effect on results and hinder the Company's growth potential. The Company may, where the Board decides it is necessary, invest in new facilities to allow it to maintain its key market positions. Following an acquisition, the ability of the Group to compete in the digital, software and services sector will be dependent on its ability to develop technological innovations, to introduce new products and services, and to protect its intellectual property, trade secrets and know-how.

Clients moving their accounts to competitors on relatively short notice, choosing another provider over the Group or placing restrictions on the representation or servicing of competing accounts or product lines, could have a material adverse effect on the Group's market share and its business, financial condition, results of operations and prospects.

- ***New entrants to the market.***

The Company will always be at risk that new entrants to the market are able to procure, by way of acquisition or licence, businesses which compete with the Company. Any new entrant in this space could have a disruptive effect on the Company and

its ability to implement the investment objective and deliver significant value for Shareholders. If any new entrant was able to establish a foothold in the market, this could have a corresponding negative effect on the financial prospects of the Company.

- ***ESG risks and compliance could lead to penalties and an impact on long term value.***

The Company needs to consider evolving ESG risks and governance requirements. Non-compliance may lead to financial penalties, reputational harm, and exclusion from sustainable investments. Embracing sustainability can offer opportunities like green financing and attracting responsible investors. Proactive ESG integration is essential for long-term value and societal impact.

#### **Risks relating to the markets in which the Group operates.**

- ***Economic conditions and current economic weakness.***

The Group may be affected by general global market trends which are unrelated to the performance of the Group itself. Demand for technology products and services depends to a large extent on general economic, political and social conditions in a given market and can be affected by international trade and other factors.

Any economic downturn either globally or locally in any area in which the Group operates may have an adverse effect on demand for the Group's products and services. A more prolonged economic downturn may have a material adverse effect on the Group's prospects, results of operations and financial condition.

- ***Economic, political, judicial, administrative, taxation, environmental or other regulatory matters.***

In addition to the impact of a downturn of the world's economies, the Group may be adversely affected by other changes in economic, environmental, political, judicial, administrative, taxation, regulatory or other unforeseen matters. The nature of the Group's operations expose it to the risk of liabilities or claims with respect to environmental, regulatory and worker health and safety matters. If the Group violates or fails to comply with environmental and/or worker health and safety laws, regulations and permits, it could be subject to penalties, fines, restrictions on operations or other sanctions, and the Group's operations or business could be interrupted or otherwise suspended.

- ***Reliance on manufacturing capacity located in areas that have been impacted by natural disasters and other disruptions, which may affect the availability of supplies and services.***

As the Group focuses on the design and supply of systems which rely on electronic components, it is reliant on third party manufacturers as part of its supply chain. Traditionally, high

levels of such components are manufactured outside the UK in countries including Taiwan and China – all countries that are located in regions having a particular disposition to natural disasters and other emergencies (earthquakes, forest fires, severe snow and other similar events). Accordingly, the full production life cycle is outside of the Group's control and accordingly, the Group's revenue is exposed to temporal supply chain disturbance.

- ***The Group may be subject to certain risks arising from political tensions with China.***

The current political situation in China, following on from recent trade disputes with the US, has created an escalation of political issues that could create long term and far-reaching consequences for the global economy and the individual economies of countries to which the Group is directly exposed and could not switch away from in the short-term.

In particular, any further interruption and/or limitation in the supply of semiconductor components, being in itself a market that has still not yet fully recovered from various supply shocks over the past two years, could have a material adverse effect on the Group's business, prospects, financial results and results of operations.

- ***A change in the Company's tax status or in taxation legislation in the UK could adversely affect the Company's profits and/or returns to Shareholders and/or the tax treatment of Ordinary Shares or the Depository Interests.***

The current levels of and reliefs from taxation may change, adversely affecting the financial prospects of the Company. Any change in the Company's tax status or in taxation legislation in the UK in particular (including a change in the interpretation of such legislation) could affect the Company's ability to achieve its business and strategic objectives. Any such change could also adversely affect the net amount of any dividends which may be payable to Shareholders and/or the market price of the Ordinary Shares and/or the tax treatment (including the stamp duty and SDRT treatment) of the Ordinary Shares or the Depository Interests.

- ***Exposure to Global Tariff and Trade Policy Risks***

The Group operates across multiple jurisdictions and is therefore exposed to risks arising from changes in global trade policies, including the imposition of tariffs and non-tariff trade barriers. While software and related services are currently not subject to significant global tariffs, there is no assurance that this will remain the case. Any future introduction of tariffs, regulatory restrictions, or protectionist measures targeting digital services could adversely affect the Group's ability to deliver its products and services efficiently across borders.

Rising protectionist sentiment in key markets, including measures introduced by major economies such as the United States since 2018, has increased uncertainty in the global trade environment. These developments could lead to higher operational costs, restricted market access, and reduced customer demand in affected territories. Such changes may have a material adverse impact on the Group's financial performance, growth prospects, and ability to scale its operations internationally.

#### **Risks relating to the Ordinary Shares.**

- ***Shareholders are subject to potential dilution from the incentivisation of management.***

The Company has in place an incentivisation scheme through which Vin Murria OBE, Karen Chandler, Gavin Hugill and future members of management that may be employed by the Company will be rewarded for increases in shareholder value, subject to certain conditions and performance hurdles. The Incentive Shares are shares in IncentiveCo. Subject to the specified preferred return and at least one of the vesting conditions being met, the holders of the Incentive Shares will receive in aggregate 20%. Of the increase in value of the Company.

Unless otherwise determined, the Company and the holders of the Incentive Shares have the right to exchange each Incentive Share for Ordinary Shares. If Ordinary Shares are to be issued in order to satisfy the incentivisation scheme, the existing Shareholders may face dilution. If so determined by the Company, the holders of Incentive Shares may receive cash, thereby reducing the Company's cash resources.

- ***Being a publicly quoted Company.***

One consequence of the Company being a publicly quoted company whose shares are admitted to trading on AIM is that certain changes in operations and controls will be required. In addition, an increased awareness is needed of the requirements of being a publicly quoted company and a requirement to ensure that management and staff satisfy a number of new obligations, including those associated with the AIM Rules, disclosure and financial reporting requirements and enhanced corporate governance obligations. Whilst the Board has made, and will continue to make, the effort necessary to successfully manage this transition, any failure to do so may have a material adverse effect on the Company's reputation, business, prospects, results of operations and financial condition.

- ***The ability of overseas shareholders to bring actions or enforce judgements against the Company or the Directors may be limited.***

The ability of an Overseas Shareholder to bring or enforce an action against the Company may be limited under law. The

Company is a company limited by shares incorporated in the British Virgin

Islands. The rights of holders of Ordinary Shares are governed by BVI law and by the Amended Articles. The rights of holders of the Ordinary Warrants are governed by English law and the Warrant Instrument. These rights may differ from the rights of shareholders in corporations which are incorporated in other jurisdictions. An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors. It may not be possible for an Overseas Shareholder to effect service of process upon the Directors within the Overseas Shareholder's country of residence or to enforce against the Directors judgments of courts of the Overseas Shareholder's country of residence based on civil liabilities under that country's securities laws.

There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in

civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors in any original action based solely on foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.

- ***Major Associated Shareholder influence***

Vin Murria and Barabra Firth (the "Major Associated Shareholders") will together hold approximately 12.88% of the Company's issued share capital (Marwyn Investment Management no longer considered a major associated shareholder as no representation on the board). Investors may perceive this level and concentration of share ownership negatively due to the influence that the Major Associated Shareholders may exert, which may adversely affect the market value of the Ordinary Shares. The Major Associated Shareholders' interests may not be aligned with those of the Group or the other Shareholders which could, for example, delay or prevent approval of any final dividends, a future acquisition, a further equity fundraise or a change of control of the Company.

- ***The Company is not subject to the Takeover Code, save to the extent it applies to a member of the Group as an offeror, potential offeror or investor.***

As a company incorporated in the BVI, the Company will not be subject to the Takeover Code, save to the extent it applies to a member of the Group as an offeror, potential offeror or investor. As a result, certain protections that are afforded to shareholders under the Takeover Code, for example in relation to a takeover of the Company or certain stake-building activities by shareholders, do not apply to the Company.

- ***Investments in AIM companies attract a higher degree of risk.***

The market prices of publicly traded securities can be volatile. The price of securities is dependent upon a number of factors, some of which are general or market or sector specific and others are specific to the company issuing the relevant securities. The Ordinary Shares will not be listed on either of the Official Lists and although the Ordinary Shares will be traded on AIM, this should not be taken as implying that there will always be a liquid market in the Ordinary Shares. In addition, the market for shares in smaller public companies is less liquid than for larger public companies. Therefore, an investment in the Ordinary Shares may be difficult to realise and the price of the Ordinary Shares may be subject to greater fluctuations than might otherwise be the case.

An investment in the shares of a company traded on AIM may carry a higher risk than an investment in the shares of a company quoted on either of the Official Lists. AIM has been in existence since June 1995 but its future success and liquidity in the market for Ordinary Shares cannot be guaranteed. Investors should be aware that the value of the Ordinary Shares may be volatile and may go down as well as up and investors may therefore not recover their original investment.

- ***If securities or industry analysts do not publish research reports about the Company's business, or if they downgrade their recommendations, the market price of the Ordinary Shares and their trading volume could decline.***

The trading market for the Ordinary Shares will be influenced by the research and reports that industry or securities analysts publish about the Company or its business. If any of the analysts that cover the Company or its business downgrade it or them, the market price of the Ordinary Shares may decline. If analysts cease coverage of the Company or fail regularly to publish reports on it, the Company could lose visibility in the financial markets, which in turn could cause the market price of the Ordinary Shares and their trading volume to decline.

- ***Suitability of the Ordinary Shares as an investment.***

The Ordinary Shares may not be a suitable investment before making a final decision, prospective investors are advised to consult an appropriate independent financial adviser authorised under FSMA if such prospective investor is resident in the UK or, if not, from another appropriately authorised independent financial adviser who specialises in advising on acquisitions of shares and other securities. The value of the Ordinary Shares, and the income received from them, can go down as well as up and Shareholders may receive less than their original investment. In the event of a winding-up of the Company, the Ordinary Shares will rank behind any liabilities of the Company and therefore any return for Shareholders will depend on the

Company's assets being sufficient to meet the prior entitlements of creditors.

- ***The Company's ability to pay dividends in the future is not certain.***

Although the Company does intend to declare dividends in the near term, the payment of dividends by the Company to Shareholders in the future will be highly dependent upon the performance of the Group. The Company cannot guarantee that it will have sufficient cash resources to pay dividends.

- ***Future issues of Ordinary Shares are likely to result in immediate dilution of existing Shareholders.***

The Company may decide to issue additional Ordinary Shares in the future in subsequent public offerings or private placements to fund further investments. If existing Shareholders do not (or are otherwise not entitled or permitted to) subscribe for additional Ordinary Shares on a pro rata basis in accordance with their existing shareholdings, this will dilute their interests in the Company. Furthermore, the issue of additional Ordinary Shares may be on more favourable terms than those on which the Placing Shares were offered. The issue of additional Ordinary Shares by the Company, or the possibility of such issue, may cause the market price of the Ordinary Shares to decline and may make it more difficult for Shareholders to sell Ordinary Shares at a desirable time or price. There is no guarantee that market conditions prevailing at the relevant time will allow for such a fundraising or that new investors will be prepared to subscribe for Ordinary Shares at a price which is equal to or in excess of the Placing Price.

- ***The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which may be out of the Company's control.***

From time to time, publicly traded securities experience significant price and volume fluctuations

which may be unrelated to the operating performance of the companies which have issued them. In addition, the market price of the Ordinary Shares may prove to be highly volatile. The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which are beyond the Company's control, including: variations in operating results in the Company's reporting periods, changes in financial estimates by securities analysts, changes in market valuations of similar companies, strategic alliances, joint ventures or other capital commitments, additions or departures of key personnel, any shortfall in turnover or net profit or any increase in

losses from levels expected by securities analysts and future issues or sales of Ordinary Shares. Any or all of these events could result in a material decline in the price of the Ordinary Shares.

- ***Impact of events affecting companies with comparable business models.***

There are a relatively small number of companies with comparable business models to the Company. Accordingly, any event which detrimentally affects one or more companies in this comparator group may adversely affect the value of the Company and the value of the Ordinary Shares.

- ***Market perception.***

Market perceptions of the Company and/or the Group may change, potentially affecting the value of investor's holdings and the ability of the Company to raise additional funds by the issue of further Ordinary Shares or otherwise.

- ***The Ordinary Shares are not admitted to the Official Lists.***

The Ordinary Shares are traded on AIM and are not admitted to either of the Official Lists or admitted to trading on the London Stock Exchange's Main Market for listed securities. The AIM market is designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. The AIM Rules are less demanding than those of the Official Lists and an investment in Ordinary Shares traded on AIM may carry a higher risk than an investment in shares admitted to either of the Official Lists.

Although the Company is admitted to trading on AIM, there can be no assurance that an active trading market for the Ordinary Shares will develop or, if developed, that it will be maintained. In addition, the market in Ordinary Shares on AIM may have limited liquidity, making it more difficult for an investor to realise its investment than might be the case in respect of an investment in shares which are quoted on the London Stock Exchange's Main Market for listed securities. Investors should therefore be aware that the market price of the Ordinary Shares may be more volatile than the market prices of shares quoted on the London Stock Exchange's Main Market for listed securities and may not reflect the underlying value of the net assets of the Group. For these and other reasons, investors may not be able to sell at a price which permits them to recover their original investment.

- ***The Warrants may result in up to 0.5% dilution for the Ordinary Shares***

The Warrants are exercisable only up until 4 December 2025 at £1.00 per Ordinary Share (subject to downwards adjustment and the winding-up of the Company). The exercise of the Warrants will result in a dilution of the Shareholders' interests if the value of an Ordinary Share exceeds the exercise price payable on the exercise of a Warrant at the relevant time. The potential for the issue of additional Ordinary Shares pursuant to exercise of the Warrants could have an adverse effect on the market price of the Ordinary Shares. Any Warrants not exercised on or before 4 December 2025 will lapse without any payment being made to



the holders of such Warrants. The Marwyn Shareholder waived its rights to 2,500,000 Class A Warrants during the March fundraising.

#### Risks relating to the M&C investment

- *The Company may not be able to dispose of part or all of its stake in M&C on favourable terms*

The M&C Investment represents approximately 14.9% of the Company's net assets as at 28 February 2025, the latest practicable date prior to the publication of these Consolidated Financial Statements. There can be no guarantee that the Company will be able to dispose of the M&C Investment at a value equal to or more than the value for which it was obtained. In the Company's Consolidated Financial Statements, the M&C Investment is accounted for as an asset held at fair value. The shares are revalued to market value at the end of every reporting period with gains or losses on valuation taken to the profit and loss account. Further, any fall in the share price of M&C would have a corresponding negative effect on the value of the M&C Investment and potentially the share price of the Ordinary Shares, which could have a material adverse impact on the Company's performance and prospects.

- *Maintaining a minority stake in M&C could have an adverse effect on the Company's strategy.*

The Company may maintain its investment in M&C.

Company decisions relating to the holding of, disposal of, or further investment in, shares in M&C will be affected by a broad range of factors including, without limitation, the activities of other shareholders in M&C, market conditions generally, and operational and financial factors relating to M&C specifically. As a consequence, Company decisions relating to the M&C Investment will be more reactive than if the Company held no existing stake in M&C. Failure by the Company to respond effectively to any of the foregoing factors when making investment decisions relating to M&C could have a detrimental impact on the value of the M&C Investment and potentially the share price of the Ordinary Shares, which could have a material adverse impact on the Company's performance and prospects.

To the extent that the M&C Investment is maintained, whether in contemplation of a future offer for M&C being made by the Company or otherwise, such continued holding will affect the Company's strategy and consideration of other Acquisition targets. For example, the Company may pursue a potential Acquisition which, in order to finance the consideration, requires the Company to dispose of the M&C Investment at a price which is less than its cost of acquisition. Alternatively, the Company may be unable to complete an Acquisition because it is unable to dispose of the M&C Investment at a favourable price. If the Company were to dispose of the M&C Investment at an unfavourable price or did not complete another Acquisition

because it could dispose of the M&C Investment at a favourable price, any such occurrence could lead to a material adverse effect on the Company's results of operations, financial condition and prospects.

- *The market in which M&C operates is subject to rapid change*

Advertising markets are changing as audiences move online and fragment. Agencies must re-orient their models to target audiences and reflect client demands for more integrated solutions in this more complicated marketing environment. Technology and digital platforms, together with the large volume of data that these generate, are disrupting the marketing and communication industry. This disruption is set to continue, with Covid-19 accelerating these trends, potentially in ways that are impossible to predict. The Group cannot predict with certainty the changes that may occur and the effect of those changes on the competitiveness of its business. The competitive environment in which M&C operates will require M&C to continually enhance and adapt its offering, develop and invest in new propositions and services and invest in technology to better serve the needs of its existing clients and to attract and retain clients. If M&C is unable to adapt to such market changes or competitive pressure successfully and/or develop its business and activities in a timely fashion in response to such changes, for example as a result of disruption caused by Covid-19, it could have a material adverse effect on M&C's results of operations, financial condition and prospects. This in turn could lead to an adverse effect on the Company's results of operations, financial condition and prospects.

- *M&C competes for clients in a highly competitive industry.*

The services industry in which M&C operates is highly competitive. M&C competes with established players, as well as new market participants. M&C Saatchi's competitors include large multinational advertising and marketing communication companies, regional and national marketing services companies and new market participants, such as consultancy businesses and technology companies. M&C Saatchi's competitors include digital and strategy consultants, in addition to advertising, marketing and communication services agencies and technology companies.

M&C may face significant competition from both domestic and international competitors who have greater capital, greater resources and superior brand recognition than M&C and who may be able to provide better services or adopt more aggressive pricing policies. There is no assurance that M&C will be able to compete successfully in such an environment.

The ability to attract new clients and to retain or increase the amount of work from existing clients may also in some cases be limited by client policies on conflicts of interest which may operate to prohibit M&C from working for two or more clients in

the same industry or sector. Further, the ability of M&C to attract new clients may be limited by contractual provisions entitling existing clients to the most favourable prevailing terms offered by M&C. In accordance with standard industry terms, clients may, in some instances, terminate their contractual relationship with M&C. Such an occurrence could have a material adverse effect on M&C's results of operations, financial condition and prospects. This in turn could lead to a material adverse effect on the Company's results of operations, financial condition and prospects.

- *M&C depends on the ability to attract and retain key people without whom it may not be able to manage its business effectively.*

M&C is highly dependent on the talent, creative abilities and technical skills of its personnel as well as the relationships that its key employees have with clients. Competition for experienced personnel in the digital media and marketing industry is intense, and M&C is vulnerable to the effects of key personnel loss. The successful management and operations of M&C depend on the contribution of M&C's personnel. The continuing success of M&C will depend, to a significant degree, on M&C's ability to continue to attract, motivate and retain highly experienced and skilled personnel. If M&C does not succeed in retaining and attracting highly experienced and skilled personnel, it may not be able to grow its business as anticipated. Furthermore, the departure from M&C of any of its highly experienced and skilled personnel, many of whom have long term relationships with M&C's clients, could have a material adverse effect on M&C's business. Whilst M&C has ongoing employment agreements with its key employees, their retention cannot be guaranteed. Equally, the ability to attract new employees with the appropriate expertise and skills cannot be guaranteed. M&C may experience difficulties in hiring appropriate employees and the failure to do so may have a detrimental effect upon the trading performance of M&C.

M&C's strong reputation as a significant content provider makes its staff potentially attractive to competitors. There is a risk that key personnel will move elsewhere if offered significant increases in remuneration with which M&C is unable to compete. If one or more key personnel were to join a competitor or set up business in competition with M&C, there can be no assurance that the loss of such key personnel's services would not have an adverse effect on M&C's financial condition and results of operations. Any such adverse effects could, in turn, lead to adverse effects on the Company's results of operations, financial condition and prospects.

