[front cover]

Compliance made simple

[Logo]

Skillcast Group plc Annual Report 2024

Contents

Introduction

Highlights

- Total revenues up 17% at £13.2 million (2023: £11.3 million)
    - Revenue increase was all driven by strong growth in recurring subscription revenues, up 29% at £11.0 million (2023: £8.6 million).
    - Annualised recurring revenue (ARR)* up 25% to £11.6 million (December 2023: £9.3 million) predominantly from new client acquisitions.
    - Subscription revenues +110% in the three years since IPO in December 2021 and ARR has doubled.
    - Recurring subscriptions contributed to 83% of total revenues (2023: 76%).
    - Non-strategic professional services revenues declined 18% to £2.3 million (2023: £2.8 million).
- Gross margin increased by 3.9 ppts to 73.6% (2023: 69.7%).
- EBITDA of £0.5 million (2023: -£0.6 million)
    - Overhead growth rate continues to reduce, increasing by £0.7m/9% on the prior year (2023: £1.3 million/18%).
    - Headcount increased by 2% to 120 (2023: 118) at 31 December 2024.
    - Research and development is fully expensed.
- Strong net cash position at 31 December 2024: £9.1 million (31 December 2023: £7.2 million), representing c. 10 pence per ordinary share in the Company.
    - Up-front payments on increased subscription revenues and higher creditors.
    - Free cash flow* of £2.0 million (2023: -£0.3 million).
- Basic EPS 0.572 pence per share (2023: LPS -0.733 pence).
- Total dividend of 0.517 pence per share (2023: 0.447 pence).
    - Final dividend proposed: 0.349 pence (2023: 0.279 pence).
    - Interim dividend paid: 0.168 pence (2023: 0.168 pence).
- Operational highlights
    - Total client numbers grew 11% to 1,331 (2023: 1,249).
    - Net retention of 101% supported by price rises and two new subscription plans.
        - Premium offer representing 6% of ARR at December 2024.
        - Core compliance e-commerce self-serve offer, representing 1 % of ARR at December 2024.
    - Churn of 11% (2023: 7%).
    - AI digital assistant (Aida) developed in house for launch in 2025.
    - Recruited Head of Marketing to drive marketing activity, rebrand and new website launched March 2025, Advisory Board launched.
    - Maintained excellent customer service records (Feefo Platinum Service Award 4.9/5.0).
    - Enhanced trust and security with SOC Type 2 and Cyber Essentials Plus accreditation achieved and Trustcentre launched.
    - Professional services team reduced to reflect lower demand.
    - Rolled out new standard terms of service rolled incorporating auto-renewal.

Total Revenue £13.2m 2023: £11.3m	**Total Revenue Growth +17%** 2023: +15%	**Recurring Subscription Revenue Growth +29%** 2023: +28%	**ARR*+25% to £11.6m** 2023: £9.3m
Recurring revenue mix 83% 2023: 76%	**Gross Margin 73.6%** 2023: 69.7%	**EBITDA +£0.5m** 2023: LBITDA -£0.6m	**Net Cash at 31 December 2024 £9.1m** 2023: £7.2m
Free cash flow +£2.0m 2023: -£0.3m	**EPS 0.565 pence** 2023: -0.733 pence	**Total dividend 0.517 pence** 2023: 0.447 pence	**Headcount 31 December 2024 120** 2023: 118

*Annualised Recurring Revenue (ARR) is calculated by annualizing revenue recognised in a given month from all client subscriptions on annual contracts.
** Free cash flow is calculated as net cash flows from operations less capital expenditure and lease costs.

At a Glance

Our Purpose

Skillcast enables businesses to build ethical and resilient workplaces and to **make compliance simple**.

Who we are

Skillcast Group Plc (AIM: SKL) is headquartered in the City of London, with an operations hub on the island of Malta. It is a leading provider of governance, risk and compliance (GRC) content and software to help companies create compliant and resilient workplaces.

What we do

The Group provides a cloud-based, software-as-a-service (SaaS) portal for managing GRC. It combines learning content, activity tracking, policy management, and a range of compliance declarations and submissions. Skillcast supports firms in simplifying their staff compliance and meeting complex regulatory obligations cost-effectively and to help them reduce risk from compliance breaches. The Group has grown entirely organically, building and maintaining all its technology and content IP in-house allowing it to deliver customisable solutions.

The Group offers three subscription plans for its Managed Portal Services: Standard, Enhanced and Premium, to meet the different needs of organisations. These plans include a dedicated Customer Success Manager to deliver award-winning customer service, and the Enhanced and Premium include Aida - our AI-powered compliance assistant.

For mid-size and large companies that have existing compliance portals, Skillcast can now offer Remote Services to enhance the functionality of those third-party portals.

Additionally, the Group offers CoreCompliance, a pre-configured, self-serve compliance solution for small UK businesses.

Over 80% of revenues benefitting from a recurring revenue model with low churn, long-term customer relationships, and a high gross margin. In the four years 2021-2024 since the IPO, subscription revenues have grown by a CAGR of 26%, and the Group returned to profitability in 2024, as guided.

Investment case

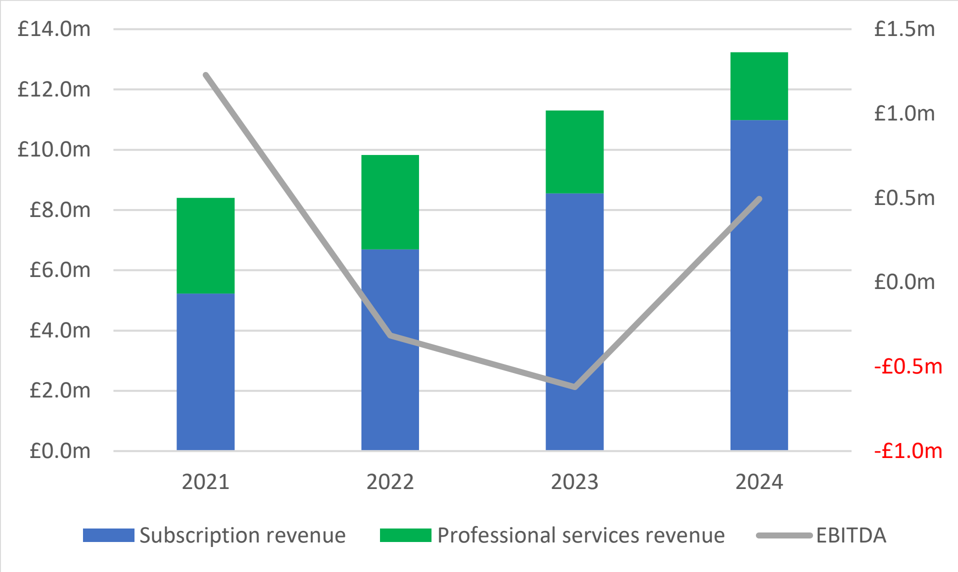
Skillcast is a leading provider of GRC SaaS solutions in the UK, where all companies are subject to a myriad of regulations. These regulations require companies to educate, record, monitor, and analyse employee activities. Consequently, they are turning to digital platforms, like those provided by Skillcast, to comply with these obligations and demonstrate compliance with regulators, customers, and stakeholders.

The Group's management estimates the total addressable market (TAM) for GRC platforms to be over £1.6 billion based on the company demographics data from the UK Government Department of Business and Trade and its prices for relevant business segments. Just over half of this TAM exists in small companies with less than 50 employees, which the Group targets with its CoreCompliance solution. The remaining TAM exists in mid-size and large companies that the Group can serve with Managed Portal Services and Remote Services.

The Group's management expects to increase its penetration in both market segments, aided by the quality and breadth of its current offering and innovations like Aida - its AI-powered compliance assistant.

The Group benefits from a business-to-business model with low churn (2024: 11%, 2023: 7%). The overwhelming majority of its contracts are annual and invoiced upfront. It aims to offset churn and downsells with upsells to the retained customer, giving it a net retention rate of over 100%. This results in high revenue visibility, strong cash flow, and accreting ARR.

Following the post-IPO investment period, when the Group proactively increased overheads in sales, marketing, product development and corporate governance, the Group's management expects to benefit from operational gearing inherent in SaaS. In FY 2024, the Group's revenues increased by 17%, while overheads grew by only 9% and headcount increased by 2%. The Group's management expects this operational gearing to increase EBITDA margins as revenues continue to grow.



Our customers

Skillcast serves over 1,300 clients, including FTSE 100 companies, global financial institutions, and small to mid-sized businesses. The majority of its clients operate in regulated sectors such as financial services and insurance, both in the UK and internationally.

Client quotes

“Training times have been reduced by nearly half with new content and pre-testing functionality.” (MS ABS: Improving Induction & Compliance Training Efficiency)

“Following the introduction of Compliance Bites, the bank has seen increased pass rates and scores in the related full-length training modules.” (Nord/LB: Building Bite-sized Training)

“The Skillcast LMS enabled over 350,000 learners to acquire new skills and unleash their full potential. The initiative was a resounding success, upskilling and reskilling the Tesco workforce and enabling them to easily adapt to new job roles and functions, with over 800,000 skills assigned. “(Future-Proofing Tesco: Workforce Skills Transformation)

“BFML has saved around 390 working hours a year (equivalent to 1 day per week) in maintaining and managing documents with the help of Skillcast's Policy Hub tool. By automating what was previously a manual process across 300 documents, they now save a huge amount of staff time.” (Reducing the Policy Burden for BFML.)

“Manual processing has been eliminated, reducing reporting time by up to three days per report submission period. Automatic tracking and recording saves time and improves the accuracy of reporting.” (Empowering Reporting Excellence for Commercial Express.)

“Learning and development activities increased by 313%. By the end of the second year, around 18 topics were addressed in mandatory learning paths, and the optional learning library included 197 modules.” (Delivering a New Talent Strategy for Kentro Capital).

Progress since IPO (2021-2024)

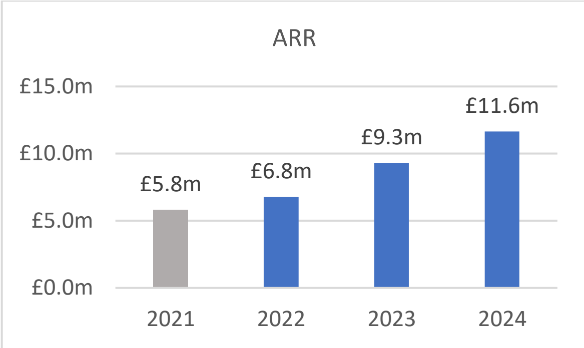
The Group raised £3.5m at its IPO in December 2021 and invested that to accelerate investments in sales, marketing, and product development to improve IT resistance and scalability and to build robust governance structures. This investment has set the Group on a steady growth path despite economic headwinds.

The Group's core SaaS subscription business provides a recurring revenue stream with a high margin. Due to the investments, which were expensed as they were incurred, the Group's EBITDA fell for two years following the IPO but has returned to profit and will benefit going forward from the high gross margins and operational leverage.

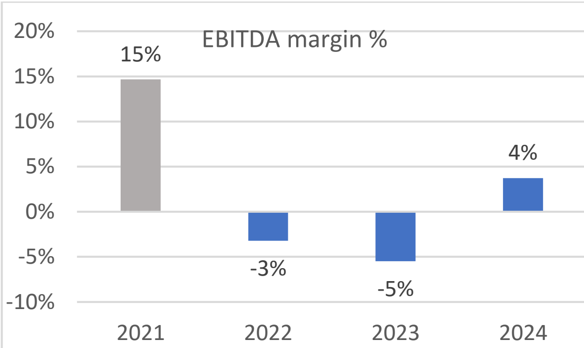
Similarly, the Group's free cash flow, which fell in the post-IPO investment years, has rebounded strongly, resulting in a net cash position of £9.1m, which is equivalent to c. 10p per ordinary share in issue in the Company.

During this period, revenues from non-strategic, non-recurring professional services business fell from £3.1m to £2.1m. This did impact the Group's overall financial performance, although resources in this area were redeployed or reduced to mitigate the effect.

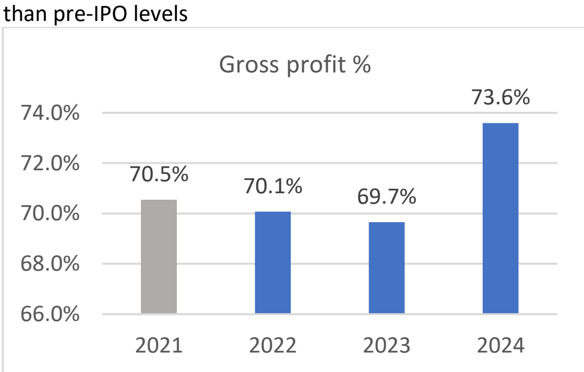
Annualised recurring revenue (ARR)* book grew from £5.8m to £11.6m (CAGR: 26%)



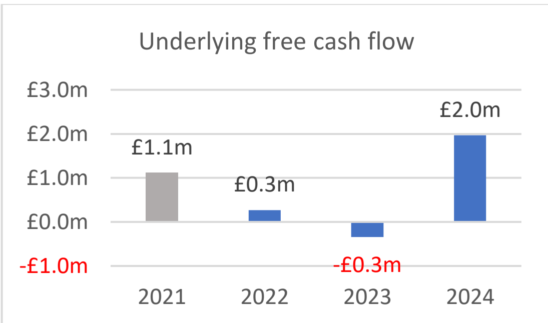
EBITDA margin has emerged from post-IPO investment phase and is expected to grow due to high gross margin and operational gearing



Gross profit margin dipped with investment in infrastructure and security but has bounced back higher than pre-IPO levels



Free cash flow has also reverted back due to strong cash conversion, improved systems and underlying ARR growth



Strategic Report

Chairman's Statement

Introduction

This statement reports on the third full year of trading since Skillcast floated on the Stock Exchange in December 2021. I am pleased to report that not only is the Group reporting a strong set of results from the last twelve months, but when combined with the two previous years, it has delivered consistently on the plan that was set out to shareholders at the time of the IPO. The Board remains excited about the next stage in Skillcast's development, which we enter with an innovative GRC product portfolio, a proven business model and a talented and highly motivated team.

Results and Dividend

The business achieved a strong set of results for the year ended 31 December 2024, with progress made in key strategic areas. Most importantly, after two years of investment following the IPO, in 2024 the business returned to profitability, with adjusted EBITDA of £0.5 million (2023: loss of £0.6 million). This was achieved primarily through a growth in recurring subscription revenues of 29%. The results are a demonstration of the strength of our business model, as with a net retention of 101% of prior year subscriptions, a gross margin of around 75% and a relatively stable cost base following the expansion of 2022 and 2023, a very significant proportion of new sales revenue is now dropping straight through to the bottom line.

The Group retains a robust balance sheet, with net cash at 31 December 2024 of £9.1 million (2023: £7.2 million). Given this and the return to profitability, the Board has, as indicated previously, reviewed the dividend policy. We see dividends as an important financial discipline for a business with repeatable revenues that provide strong cash generation. Accordingly, at the AGM on 24 June 2025, the Board will propose a final dividend per share of 0.349p per share, up 25% on the 0.279p paid as the final dividend for 2023. Taken in combination with an interim dividend per share of 0.168p that was paid in October 2024, this will result in a full year dividend per share of 0.517p (2023: 0.447p) an increase of 16%. The Board's policy for the foreseeable future will be to increase dividends broadly in line with future increases in subscription revenue levels.

Strategy

Skillcast's overall strategy remains unchanged. Our purpose is to enable companies to build ethical and resilient workplaces and our vision is to be the leading provider of digital training and technology for workplace compliance. We are undertaking this against a market backdrop that is broadly helpful, with generally increasing regulation albeit macro-economic conditions are of course challenging and the attractions of our core market mean that it is increasingly competitive. Strategically we are focussed on the organic growth of our recurring subscription revenue stream and in ensuring that this delivers attractive margins and returns for shareholders.

Whilst we can reflect positively on the achievements against these goals over the last three years, the Board is very much aware of the challenges that face us moving forward and are adapting the strategy accordingly. As we grow bigger so maintaining the same percentage growth rate becomes an increasing challenge. Medium term we are seeking to maintain growth rates of subscription revenues in the 20% range whilst driving margins to a similar level and hence achieve the "Rule of 40" (as explained in further detail below) by which world class SaaS businesses are measured. As set out in Vivek Dodd's CEO Report, we aim to achieve this through a mixture of on-going product innovations and efficiency initiatives and through targeting our marketing activities to areas and businesses where the simplicity of our offer and its ability to be customised to suit medium sized operations will most likely resonate.

Given the growth in our cash reserves, we continue to view bolt-on acquisitions as an important potential accelerator of growth and strategy. We seek content-based acquisitions where we can leverage our existing technology stack to offer the wider content to our existing customers and conversely offer our technology and existing content to the acquired customers. In this regard, progress in 2024 has been challenging. We have found, unsurprisingly, that price expectations amongst private companies are considerably in excess of those we are experiencing in the public markets. We are mindful of our growing cash balance and will continue to seek ways to deploy the capital, albeit will only do so when we are comfortable with the returns it will offer to our shareholders.

Shareholder Engagement
I would like to thank investors for their support over the last twelve months. The fact that the business has doubled in size since we came to Market but that our valuation remains the same is a matter of frustration for both the Board and, we know, our shareholders. The Board recognises that this frustration is not confined to Skillcast but reflects challenges generally with the small cap London market. We continue to follow shareholders' advice to focus on running the business although we plan to be more proactive in the coming year with investor relations activity.

We have enjoyed meeting with investors over the last twelve months at both formal meetings and investor conferences and events and have had wide ranging discussions on product development, M&A plans and dividend policy. We welcome the opportunity to speak with existing and prospective investors and look forward to welcoming shareholders to our AGM on 24 June.

People and Organisation
During the year, James Saralis joined us an independent NED and Chair of the Remuneration Committee. We are delighted to have him on board and are benefiting from his counsel as an incumbent CEO of another listed business.

In line with our previously set out plans, headcount growth over the last twelve months has slowed, as we essentially completed the expansion investment in 2023. However, it is worth noting that headcount is now around 50% higher than it was when we floated. But importantly, despite that growth, the culture of the organisation has not changed, and it is to the credit of the senior team that they have managed to maintain that during the period of expansion. The results that have been delivered over the last twelve months are testament to the efforts of the whole staff and I want to express the thanks of the Board for their achievements in this regard.

Current Trading and Outlook
We have had a solid start to the new financial year and have continued to trade in line with expectations. Our ARR is up more than 20% year on year, rising above £12m by March 2025. Non-strategic Professional Services revenues have started well though continue to have limited visibility.

We continue to drive brand awareness and innovation. Our Annual Summit in January aimed at L&D managers and Compliance Officers was a sell-out. The event included a demonstration of our AI-powered compliance assistant trialled by 87 customers and due to be launched this year.

The market demand for our GRC content and software is resilient and growing, and we have not experienced any impact of the recent political and global economic events on demand for our services. We remain confident in our ability to continue to grow and enhance margins.

Richard Amos
Non-Executive Chairman
29 April 2025

CEO's Review

I am pleased to report another successful year for Skillcast in 2024. This year, we can see the results of a disciplined programme of investment in our talent, product and marketing we undertook following our IPO in December 2021. Our subscription revenues have more than doubled over three years since the IPO, and we've returned to profitability. The ARR at the end of the year was £11.6 million, +25% up on the year. Total revenue grew 18% and overheads by 9%, generating £0.5m of EBITDA, a £1.1 million improvement over 2023. Our EBITDA margin should continue to grow further in the coming periods due to our operational gearing.

However, the financials only tell a part of our story. Even more encouraging are the teams we've built at all levels in the Company, the robust procedures we've put in place for performance, financial control and governance, and the product and service improvements we've made for our customers. All of these should support our goal to sustain our ARR and revenue growth in the future.

Purpose and vision

Skillcast has supported businesses in the UK and beyond to build ethical and resilient workplaces and **make compliance simple**. Our comprehensive GRC solutions equip companies with the tools to strengthen their team and protect their reputation.

We are a leading provider of corporate compliance portals and digital courseware in the UK. This gives us access to a growing market with resilient demand. Our critical mass of over 1,300 clients gives us insights into compliance challenges and emerging needs that feed into our product development. Our experienced workforce and passion for customer service result in long-lasting relationships with clients, enabling us to innovate and drive down their compliance costs.

Our values and culture

We prioritise developing and promoting our existing talent to build knowledge and experience within our organisation. In 2024, we revisited our four values and strive to achieve our purpose by embedding and living them across the organisation:

- **Care**: we pay attention to detail, act responsibly, and truly care for our customers
- **Collaboration**: we're supportive, helpful, and respectful, working with businesses to achieve a common goal
- **Transparency**: we're open and honest and offer full transparency to everyone we work with
- **Continuous Improvement**: we're curious about new ideas and are always looking for ways to do things better

Our Chief People Officer leads our people and culture initiatives within our Executive Management Committee. All employees are eligible to receive additional remuneration above their base pay linked to their performance and demonstrating our values. Employees use Skillcast's compliance portal and tools to read and attest to policies and receive compliance training.

We undertake several initiatives to promote our values and culture, including quarterly virtual town halls, employee surveys, and various employee-led initiatives.

Our market

Skillcast serves companies predominantly in the UK that face an increasingly complex regulatory environment. To meet their obligations, companies must educate staff, maintain accurate records, and monitor and analyse employee conduct. As a result, many are turning to digital platforms like Skillcast to manage compliance efficiently and demonstrate accountability to regulators, customers, and stakeholders.

We estimate the Total Addressable Market (TAM) in the UK for platforms such as the Skillcast Portal to exceed £1.6 billion. This estimate is based on company size data from the UK Department for Business and Trade and Skillcast's pricing across relevant business segments. The current serviceable market is estimated at £0.5 billion by the global market research and advisory firm, Technavio (Corporate Compliance Training Market Analysis, Size and Forecast 2024-2028 by Technavio).

Around half of this market consists of small businesses (fewer than 50 employees), which Skillcast serves with our CoreCompliance solution. The remainder comprises mid-sized and large enterprises, which Skillcast serves with various plans for Managed Portal Services and Remote Services.

Business model

Skillcast offers innovative GRC solutions to make compliance simple. We enable companies to digitise and automate their compliance training, record-keeping, monitoring and other processes. By consolidating these functions onto a single platform, Skillcast streamlines operations and minimises the risk of compliance oversights, ensuring our clients have a more efficient and secure compliance framework. We aim to reduce operational costs while enhancing employees' compliance experience.

We are the sector leaders in staff compliance training with comprehensive coverage of corporate regulations. Our Essentials and Compliance Bites libraries cover all the key topics for general compliance in the UK. Our FCA Compliance and Insurance Compliance libraries cover all the key topics in the FCA Handbook for UK financial services firms. Our Global Compliance and Global Risk libraries cater to the needs of multinational corporations that need jurisdiction-neutral, multilingual training. Our off-the-shelf courses can be customised easily to meet every client's unique needs and risk perceptions.

Skillcast Portal is our technology platform, which features a learning management system (LMS) and various tools designed to facilitate compliance management. These tools include a Policy Hub for delivering corporate policies and gathering employee attestations, Anonymous Surveys for honest employee feedback, Staff Declarations for self-reported disclosures, Compliance Registers for documenting various compliance-related activities such as gifts & hospitality, and other features for managing and recording in-person training and events. This integrated platform ensures a uniform user and administrator experience, consolidates data by breaking down silos, and reduces the risk of compliance failures.

We offer three plan levels for our Managed Portal Services: Standard, Enhanced and Premium. All these plans are available through annual subscriptions, simplifying procurement and allowing businesses to deploy training and compliance resources on time and with minimal effort.

Skillcast **Standard** suits companies of all sizes that are getting started with staff compliance and want to build a compliance portal for their staff. Although this is the least expensive plan, it still comes with full corporate branding, dashboard reporting, and platinum-rated customer service with a designated Customer Success Manager (CSM). Additionally, clients can choose the e-learning libraries they need and additional tools for their compliance programme.

Skillcast **Enhanced** includes all the features of Standard and our innovative learning features: Aida- our AI compliance assistant, fast track completion options for experienced employees, diagnostics for automatic competency-based assignments, and nudge learning - combining our microlearning library with the question-of-the-day to make compliance programmes more effective.

Skillcast **Premium** includes all the features of Enhanced plus our suite of tools to make compliance management simple, including staff declarations, compliance registers, anonymous surveys, Policy Hub and Training 360 to track offline training and other activities.

We also provide e-learning courses for our customers to deploy on third-party portals. We now have an improved offering for such clients, called **Skillcast Remote Services**, which can enhance the functionality of the customers' portals along with the content provision. For small businesses, we offer **CoreCompliance**, a preconfigured, self-serve, e-commerce staff compliance e-learning solution. Clients can effortlessly set up their employees with access to 150+ engaging compliance courses, assign mandatory training and monitor all activity from intuitive administrator dashboards.

High-quality recurring subscription revenues

Staff compliance is a non-discretionary cost for many companies, especially in regulated sectors like financial services. This provides Skillcast with the potential to grow in even stagnant economic environments.

Subscriptions to our technology and content are the key drivers in our growth strategy. These subscriptions constitute a book of high-quality annual recurring revenues (ARR) contracts, which grew organically at 25% to £11.6 million in December 2024 (2023 growth 37% to £9.3 million in December 2023).

In 2024, 83% (2023: 76%) of our revenues came from such subscriptions, with the rest from professional services, which include bespoke content development and customisation of OTS courses and were lower at £2.3 million (2023: £2.8 million) as demand for large bespoke work fell. While not core to our growth strategy, we remain committed to our professional services, which are critical for helping our clients make compliance more relevant and engaging for their staff.

Our total revenue increased by 17% to £13.2 million (2023: £11.3 million), and EBITDA increased by £1.1million to £0.5 million (2023: LBITDA of £0.6 million) as the benefits of our post-IPO investments started to become evident. With a break-even H1 2024, all our EBITDA was generated in H2 2024. Our free cash flow was £2.0 million (2023: £-0.3 million).

We typically enter into annual contracts for our subscriptions and invoice upfront. This gives us healthy cash flows from operations and high revenue visibility over the coming twelve months.

Strategic and operational progress in 2024

Our focus in 2024 remained on growing the subscription business, as measured by our ARR book, and on return to profitability as we neared the end of our post-IPO investment phase. We believe Skillcast has a tremendous growth opportunity to help companies simplify compliance as they seek to digitise their staff compliance to reduce costs, improve employee experience and reduce the risk of breaches in the face of ever-growing regulations.

Our business model of recurring annual subscriptions provides a stable base we can build upon with product upsells and new customer acquisitions.

Here are some of the highlights of the work done on our strategic objectives in 2024:

- Restructured the marketing team to drive data-driven decisions, refreshed the brand and rebuilt our website, which launched in March 2025.
- Attained Cyber Essentials Plus accreditation from the National Cyber Security Centre, achieved SOC 2 Type 2 compliance and launched our Trust Centre (trust.skillcast.com) to enhance our commitment to data security.
- Launched our Sandbox environment, which enables prospects to try out features in a live working environment to aid sales of our digital compliance solutions to clients.
- Launched our Advisory Board comprising pre-eminent compliance industry experts to provide strategic direction and endorse our proposition.
- Launched Skillcast Premium, our all-inclusive service product bundle that accounted for 6% of our total ARR by December 2024.
- Launched Skillcast CoreCompliance, our self-serve, cost-effective e-learning solution for small businesses, which accounted for 1% of ARR by December 2024.
- Rolled out new standard terms of service to our annual subscription contracts with automatic renewals, with nearly 95% acceptance of clients coming up for renewal accepting the new terms.

- Developed Aida, the compliance assistant that helps employees engage with and clarify compliance concepts - undergone client trials in Q1 2025 with a launch planned for Q2.
- Started Partnership programmes to drive sales through referrals, resellers and platform integrations
- Improved employee benefits plan to sustain our high employee retention rate.
- Reduced the size of the professional services team in light of lower market demand for such services and implemented changes to refocus our bespoke development offering on areas of core strengths.

ESG

We are committed to promoting inclusivity, sustainability, and integrity, and fostering diversity, well-being, and personal growth within our organisation.

Environmental, Social, and Governance (ESG) is inherent in our products and services, not only in staff compliance that we promote but also in digitisation that helps lower waste and carbon footprint. We are equally focused on minimising our own environmental and social impact and reaching net-zero by 2050. In 2024, 100% renewable energy was sourced for our UK office. We also maintained our status as Living Wage Employer, enhanced mental health and well-being and employee benefits. We continue to monitor risks and enhance our risk management framework. We have developed and reviewed all our policies and used our Policy Hub tool to raise staff awareness efficiently and effectively.

V Dodd

Vivek Dodd

Chief Executive Officer

29 April 2025

AI digital assistant (Aida)

In 2024 Skillcast has used third-party Artificial Intelligence (AI) services to develop Aida, an AI digital assistant that enables users to access relevant, concise information by asking the AI assistant specific questions rather than reviewing lengthy courses or policies. Users receive answers that contain hyperlinks to access your own company policies, e-learning courses, or external statutory documents to answer their questions. This way, employees can quickly retrieve key rules and guidance while reflecting on how they apply to their work. The learning experience is personalised to the individual's needs and tailored to the corporate's policies and procedures. Aida is being tested with clients in early 2025 for an expected full launch later in 2025.

- Compliance-Driven Responses: Aida only provides legitimate, compliant answers, guiding users to act in accordance with company policies.
- User Feedback Mechanism: Users can react to Aida's responses with likes or dislikes.
- Smarter Compliance Oversight: The discussion log provides insights to admins to review all interactions with Aida (without linking them to specific users to respect confidentiality). This provides visibility into common queries and engagement trends.
- Targeted Learning: Instead of assigning lengthy, generic courses, Aida helps deliver more engaging and personalised learning experiences tailored to individual needs.
- AI-powered course tutor embedded in our e-learning to answer users' questions and clarify their understanding.
- Client feedback from initial tests in early 2025 were encouraging and included:

  "It was able to clarify/elaborate on some of the info, and responded to a challenge on why an answer was incorrect. Easy to access at any point of the module".
  "It was good to be able to ask any question whilst it was fresh in your mind."
  "Businesses that have your policy hub will hugely benefit from the AI accessing the company policy to answer questions."

Customer Success

We are truly passionate about customer service. We assign a Customer Success Manager (CSM) to each client to act as their partner and ensure the success of their compliance initiatives. CSMs administer everything from user management, course assignments and communications to reporting and ensure the success of their learning initiatives. This dedicated service has resulted in glowing customer reviews on sites like Feefo, Google, Gartner and Elearningindustry.com.

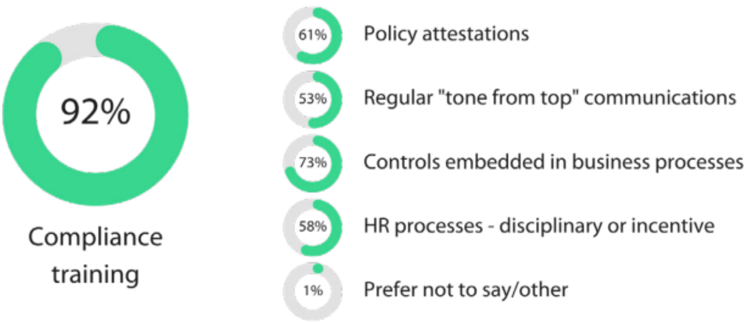
Feefo, the UK's customer rating platform, has recognised Skillcast for going above and beyond to provide consistently excellent service and being dedicated to reporting customer experience as rated by real customers. In 2024, we again received their Platinum Trusted Service Award for maintaining our customer service rating over 4.9/5.0 for the third consecutive year.

The 2024 Skillcast Benchmarking Survey offers a comprehensive view into how compliance and learning professionals across industries are adapting to evolving challenges. Drawing insights from over 100 practitioners, this year's findings reveal a sector in transition, moving toward smarter, more integrated, and data-informed compliance and training strategies.

Innovation

Compliance training continues to be the most widely used method of reinforcing ethical behaviour, with 92% of respondents using it as their primary method. This confirms that structured learning continues to play a vital role in supporting employee awareness and maintaining regulatory standards. However, there is a shift from more traditional tools like policy attestations, with a 6% drop in usage compared to last year. This indicates a growing emphasis on meaningful engagement and practical understanding over simple declarations.

Q1. Which methods, if any, do you use to reinforce ethics and compliance in your business? (% of respondents)

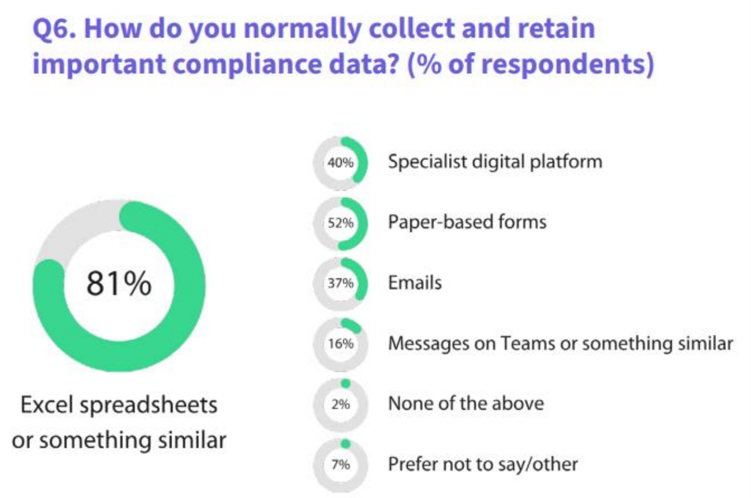


Email updates have grown in popularity as a reinforcement tool, now used by 46% of organisations. While emails offer quick delivery, concerns persist around engagement and comprehension. In response, more organisations are using analytical feedback to measure training outcomes, with a 10% increase in adoption, signalling a move toward evidence-based learning strategies.

Despite AI's promise, 57% of firms are not yet using it in compliance. Most cite concerns around oversight and complexity, though some are beginning to explore its use for routine compliance tasks, keeping key decision-making in human hands.

Data-Led Compliance

Compliance functions are increasingly turning to digital systems to track training and regulatory updates. Still, 10% more respondents than last year reported relying on Excel spreadsheets for data collection, especially among smaller organisations with tighter budgets. Meanwhile, email use for this purpose has nearly halved, but paper-based forms have more than doubled, raising concerns about traceability and data security.



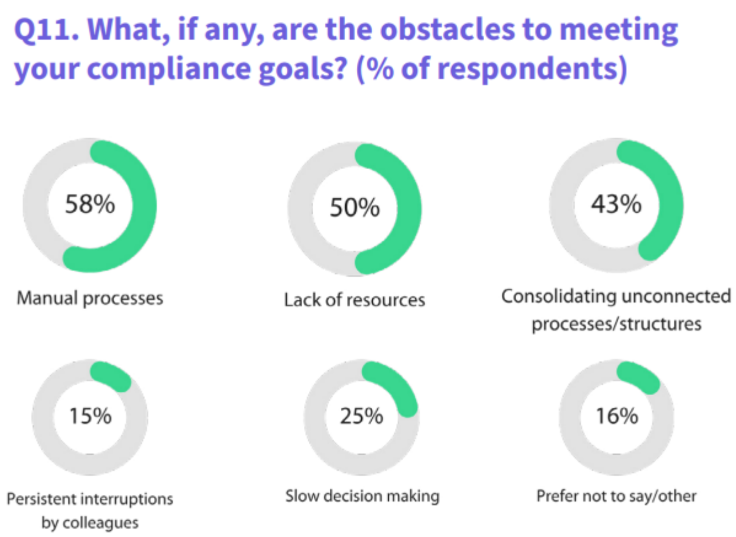
Many firms are still responding to regulatory requests with spreadsheets and emails, a practice that could hinder efficient data retrieval and follow-up. A strong majority, 73%, believe that access to more or better-quality compliance data would enhance monitoring and controls. Additionally, 55% say it would improve board-level reporting, and 47% see it as beneficial for regulatory submissions.

Value

Budget expectations for 2025 remain largely stable, with 40% of respondents anticipating flat budgets and 25% expecting increases in line with inflation. However, factoring in inflation, this could represent a reduction in real terms for many.

Risk avoidance continues to be the leading rationale for compliance investment, cited by 77% of professionals. Additionally, 62% believe the cost of compliance is lower than that of remediation. While 58% say compliance helps deliver better outcomes for customers, only 26% view it as a competitive advantage suggesting room to better align compliance and customer-facing strategies.

The most cited barriers to achieving compliance objectives are manual processes (58%) and lack of resources (50%). Furthermore, 43% of respondents struggle with fragmented systems, reinforcing the call for more integrated, streamlined solutions.

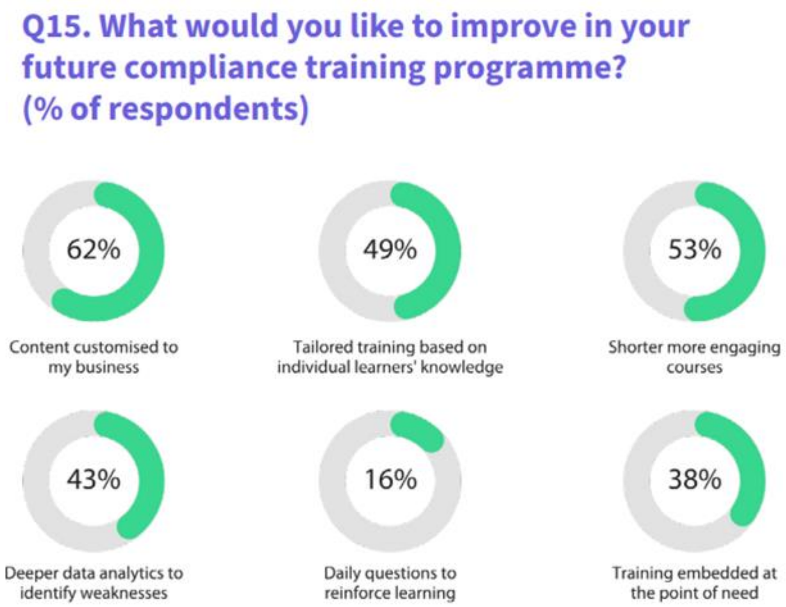


Culture, Conduct, and Ethics

43% of professionals report that their board members consistently emphasise the importance of organisational culture and values. While compliance teams are highly engaged in championing compliance programmes (83%), fewer than half of respondents acknowledge active senior leadership involvement, underscoring the need for more visible executive support.

Email remains the dominant channel for reporting concerns, used by 82% of organisations. However, there is growing adoption of more confidential channels, such as anonymous hotlines and online platforms (both used by 46%). Traditional methods like physical complaints boxes still persist in 14% of firms, demonstrating the need for flexible, multi-channel approaches.

Training expectations are shifting. A majority (62%) want customised content, while 53% prefer shorter, more engaging formats. Nearly half (49%) seek personalised training based on knowledge levels, and 43% want deeper analytics to assess impact. Another 38% prioritise training delivered at the point of need, reinforcing the importance of just-in-time learning.



When Evolin Broking needed a scalable, efficient solution, they turned to Skillcast Premium, which transformed their compliance training programme.

Client feedback

"I have been extremely pleased with Skillcast from the beginning. I am the primary admin for the system (as well as a user), and I find it very easy to use. I review and customise all content before assigning the courses to our staff. I love that Skillcast does not 'gatekeep' this functionality and even gives us the ability to build a course from scratch. That said, the Skillcast team is always ready to jump in and help when needed, so you never feel like you are 'on your own' in figuring anything out."

- Meg Allwein, Operations Management Consultant, Evolin Broking Limited

Background

Evolin Broking is an agile and forward-thinking insurance intermediary that is committed to excellence, transparency, and going the extra mile to support their clients. When Evolin became independently regulated by the Financial Conduct Authority (FCA), the firm took on full responsibility for its training and compliance.

In the past, this was managed by its parent company. This was the start of the company creating and implementing a compliance programme.

Challenges

Evolin's parent organisation relied on an in-house system, where courses were custom-built by their Compliance Officer. However, Evolin required a solution that would provide expert-designed training courses with regularly updated content that allowed for customisation.

Additionally, **policy management** functionality was a critical requirement to ensure effective tracking of policy acceptance and attestations. In essence, Evolin needed a solution that extended beyond the internal system that was once used so they could achieve greater efficiency and, most importantly, scalability.

Solution

Evolin chose Skillcast as a staff training partner to help embed a culture of compliance. They began with just the Learning Management System (LMS), the Essentials and FCA libraries. Along with this, Evolin opted for Skillcast's Policy Hub and **Training 360**, which allow for CPD tracking. In time, they replaced the FCA library with a newly available **Insurance Library** and added the **Compliance Bites Library**, along with SSO functionality.

After experiencing the flexibility and expertise that Skillcast provides, Evolin decided to upgrade to the Premium Plan. This plan elevated their compliance training programme to the next level since it added other compliance-related functionality they had been handling 'manually', such as **Gifts & Hospitality Register** and **DSE Declarations**.

Furthermore, all course content was custom-branded for Evolin, reinforcing the company's brand identity internally and enhancing alignment with its compliance training programme.

Skillcast's Premium Plan is designed to grow with a company. It is fit for purpose at the right point in time, improving efficiency at every stage. The innovation behind Premium Plan's tools and features allows for growth with more users and changes in regulatory requirements and/or needs of the business.

Outcomes

With Skillcast Premium, Evolin has been able to take its training programme to the next level. The key benefit is that this all-in-solution has allowed Evolin to grow by adding features as and when it needs them.

- **Digitised training programme** - ensuring content is up-to-date, relevant and endorsed with subject-matter expertise.
- **Automated manual compliance processes** - this has allowed for a reduction in workload and immense improvement in efficiency.
- **Saved invaluable time** - by consolidating relevant training, attestations, disclosures and submissions, user journeys have been created to help to amplify Evolin's training programme.
- **Compliance training is more engaging** - innovative training techniques such as FastTrack and Compliance Bites have helped to ensure training is relevant to the individual and bite-sized, improving completion rates. All staff have access to a platform which has a clean, modern look and feel.
- **Flexibility to customise**- in terms of course content as well as the compliance tools needed. This has been essential in allowing Evolin to have oversight of their compliance programme to help them achieve compliance success by meeting FCA expectations.
- **Continuous growth** - Evolin has had the room to add tools and functionality at any point in time with Skillcast Premium.

Asset management firm Jupiter partnered with Skillcast when they needed to refine and evolve their staff training to improve efficiency.

Client feedback

"Having the tools to analyse our staff training to identify trends, breaches and policy violations and map this to training subjects has been invaluable. This process is in its initial stages, and we look forward to continuing this journey with Skillcast to save time and improve efficiency in our compliance training programme"

- Anne Campbell, Senior Compliance Officer

Background

Jupiter is a leading specialist asset management firm committed to building trust and delivering the best investment outcomes for its clients. The firm values its people and strongly emphasises independent thought and accountability.

Jupiter's compliance training programme has traditionally delivered annual modules to ensure comprehensive coverage of all compliance areas.

Challenges

Senior management recently reviewed Jupiter's compliance training programme and raised concerns about the volume of training assigned to employees. The review concluded that the annual training requirements were excessive and needed refinement.

With the volume of mandatory training assigned, staff were under time pressure to fit it into their already busy workdays. As an employee-focused firm, Jupiter recognised that the annual rollout was not effectively supporting its staff.

Solution

Jupiter's compliance team took proactive steps to streamline its training programme. To address this challenge, the firm partnered with Skillcast to explore more efficient solutions.

As part of the strategy, Jupiter introduced **FastTrack assessments**, allowing employees to test out of content they already understood, reducing redundancy.

The firm also adopted a risk-based approach to optimise training frequency—ensuring compliance while minimising unnecessary repetition. By analysing two years of training data, including failure rates, policy breaches, and regulatory focus areas, Jupiter identified opportunities to adjust training cycles.

Through this data-driven strategy, the firm extended the frequency of certain training modules to 18 or 24 months where appropriate, rather than assigning them annually. However, critical areas—such as new regulatory requirements, high-risk topics, and financial crime training—remained on a 12-month cycle.

Moving forward, Jupiter will conduct this risk assessment annually, leveraging its partnership with Skillcast, using **the diagnostic assignments tool** to continuously refine training schedules and improve efficiency.

Outcomes

- **Significant time savings** by streamlining training requirements and reducing unnecessary repetition.

- **Reduced training fatigue** through FastTrack, allowing employees to test out of content they already understand the training topic.
- **Improved engagement and efficiency** with FastTrack, enabling Jupiter's compliance team to focus on high-priority risks.
- **Optimised training frequency** for key modules based on a data-driven, risk-based approach:
    - DSE Assessment - Shifted from 12 to 24 months, with exceptions for new joiners, maternity returners, desk moves, or employee requests.
    - CASS 7 & CASS 7A - Extended to 24 months for most employees, while those with direct CASS responsibilities continue annual training.
    - Whistleblowing - Adjusted from 12 to 18 months due to low failure rates, with an annual policy reminder in place.

Client Spotlight: Navigating Training Success with Nudge Learning

When ensuring staff knowledge retention became a challenge, Skillcast partnered with a global charity to embed compliance into routines through Nudge Learning.

"For the first time, we have a system that harmonises everything we need for compliance training. Skillcast's nudge learning has improved knowledge retention and efficiency. We've seen staff actively discussing weekly training content — this is exactly the culture we aimed to build."

- Governance Risk and Compliance Professional, Global Charity

Background

The global charity provides education, public services, and consultancy across various sectors in the UK and beyond. With divisions spanning sustainability, farming, traditional arts, and more, the organisation faced the challenge of building a consistent compliance culture across its various teams.

Challenges

Managing compliance across multiple entities meant fragmented processes, inconsistent training engagement, and difficulty consolidating records.

The organisation sought a solution that would streamline compliance training across divisions, reinforce key compliance messages to improve knowledge retention and embed compliance into the daily work culture.

Solution

To address these challenges, the organisation partnered with Skillcast. With Skillcast Premium, the organisation had access to a range of tools and features. One of the enhanced learning features, Nudge Learning was trialled with success.

Nudge learning is a digital approach that delivers **bite-sized, scenario-based compliance training** at regular intervals. The organisation was unsure of the best way to embed compliance training and boost engagement—until they implemented nudge learning.

This **form of digital learning** automated weekly learning and reinforced compliance messages through real-world scenarios. It gave employees one-click access to **Compliance Bite videos** which made learning quick, engaging, and effective.

Customisable campaigns allowed training to be tailored to different teams and risk areas. Integrated tracking and reporting helped identify knowledge gaps for targeted interventions. By embedding compliance into staff routines, nudge learning transformed training from a one-time event into an ongoing conversation.

Outcomes

The organisation saw measurable improvements in compliance engagement, efficiency, and culture:

- **Stronger compliance awareness** – employees actively discussed compliance topics, embedding learning into workplace culture.
- **Improved knowledge retention** – regular engagement reduced the need for repetitive training.
- **Targeted learning** – identified knowledge gaps, allowing for focused interventions and training in specific areas.

- **Enhanced efficiency** – automated processes reduced administrative burden and helped to streamline the organisation's compliance programme.
- **Data-driven insights** – advanced tracking provided a clearer picture of compliance progress throughout the organisation.

Client Spotlight: Scaling Compliance Efficiency with a Tailored Solution

When a leading African organisation faced the challenge of streamlining its compliance processes while ensuring adherence to strict regulatory requirements, it turned to Skillcast to overcome this challenge at scale.

"This solution has transformed our compliance processes—streamlining reporting, empowering our people, and embedding a culture of accountability. We've seen a tangible shift in efficiency and engagement. It's not just a system; it's a game-changer for how we uphold compliance."

- Compliance Team, Leading African organisation

Background

The organisation is a cornerstone of its industry, dedicated to serving the best interests of the economy. It prides itself on maintaining transparency and accountability while employing declaration and policy tools to achieve its objectives. Regulatory compliance is a guiding principle that shapes the organisation's actions.

With 3,000+ employees requiring annual declarations and attestations, implementing this at scale has been a complex task.

Challenges

Managing compliance for such a large workforce spread across multiple locations posed a significant challenge for the organisation. With evolving industry standards and regulatory requirements, ensuring that all employees remained informed and compliant was a challenging and resource-intensive task. Traditional compliance processes require extensive administrative effort, making it difficult to keep up with regulatory changes while maintaining efficiency.

Beyond meeting regulatory obligations, the organisation also aimed to embed **a strong compliance culture** across all levels. However, delivering engaging and effective processes at scale was a hurdle, as employees needed to understand not just the rules but also their practical applications. Additionally, the compliance team faced reporting inefficiencies, making it challenging to identify risk areas and track compliance metrics in real-time.

The organisation partnered with Skillcast to implement a conduct and compliance solution tailored to its unique cultural and regulatory landscape. Introducing a streamlined, scalable solution was essential to address these pain points and transform the compliance process.

Solution

To address the organisation's challenges, Skillcast developed a custom compliance solution designed to streamline processes, improve engagement, and enhance reporting. At the heart of this solution was an automated **compliance declaration system**, simplifying the annual declaration process for employees while reducing administrative burdens. This ensured that compliance remained a seamless part of daily operations rather than a disruptive task.

Recognising the importance of cultural relevance, the organisation considered **Skillcast's bespoke training** videos and a tailored media library, aligning compliance content with its African culture and regulatory framework. This approach has been making training more engaging and accessible, helping employees better understand compliance requirements in a way that resonates with them.

Additionally, the scalable model allowed the organisation to efficiently deliver over 3,000 staff within the required timeframe, ensuring widespread adoption without overwhelming staff.

To further enhance oversight, the solution included advanced reporting capabilities and risk-targeting tools. These features enabled Risk Co-ordinators to pinpoint compliance gaps, track key metrics, and generate high-quality management reports with ease. By integrating these innovations, the organisation successfully streamlined compliance processes at scale, fostering a more proactive and efficient compliance culture.

"Skillcast's commitment to understanding our unique needs and tailoring the solution accordingly has been invaluable and remains so as we evolve annually during our declaration process."

- Compliance Team, Leading African organisation

Outcomes

- **Significant process improvements** – Compliance metrics improved across the organisation.
- **Enhanced reporting capabilities** – High-quality management reports are now generated seamlessly.
- **Reduced administrative burden** – Risk compliance teams can now focus on strategic initiatives rather than manual reporting.
- **Stronger compliance culture** – Employees better understand the importance of declarations and compliance responsibilities.

Client Spotlight: Enhancing Compliance Engagement at ABF

Ensuring compliance across a diverse global workforce is a significant challenge, so when Associated British Foods (ABF) needed to overcome this, they turned to Skillcast to create engaging, interactive training that resonated with employees across its multi-country operation.

Feedback

"Better than every corporate online training I've completed in the past. The structure forced my attention, and ensured that I made sure to truly understand things to answer all questions correctly."

- ABF employee

Background

Associated British Foods (ABF) is a diversified international food, ingredients and retail group. Operating in 56 countries with 138,000 employees, they supply many of the products we all have in our food cupboards.

Challenge

Ensuring that such a diverse workforce is compliant in key topics is a big challenge, and to help achieve this, ABF partnered with Skillcast.

Solution

A key driver was to make compliance topics fun and engaging. The team from ABF, led by Dan Waite, worked with Skillcast to hone a narrative storyline that really resonated with their staff.

For each section, the learner boarded the **Anti-Bribery Express** and visited areas representing the wide range of businesses within the group.

At each stopping point, they explored fun scenarios to illustrate key points.

With interactive exercises to check understanding.

The course was highly interactive. In this visit to spice world, the learner has to react to a ringing mobile phone on the table.

The learner opens the message.

And answers questions on the content.

Outcome

Once the content was signed off, it was delivered on the Skillcast **Learning Management System(LMS)**. ABF was interested in learning about knowledge gaps within their workforce so adopted the Skillcast analytic reporting option.

Enhanced LMS analytical reporting

This gave them detailed metrics about the performance of all staff.

They could see a success rate of 86% across the whole organisation.

And break that down into performance in key topics.

Grouped by location.

Skillcast remote delivery

As individual businesses within the organisation have their own LMS, they chose to host the training themselves. In order for the central compliance team to monitor usage on multiple LMS platforms, Skillcast used Remote SCORM delivery. A version of the course was sent to each company to load onto their LMS.

As a result, the ABF compliance team could access results from multiple LMS platforms in a single central report as completion records were automatically passed back to Skillcast — a groundbreaking development that is helping them manage their compliance programmes effectively.

Results - for users

The feedback on the course was highly positive, with 82% of learners ranking the course as four and above out of five.

“A very good training in the sense that it encourages an ongoing dialogue about ethics and compliance, that leads to continuous improvement in everyday practices”

Results - for the ABF Compliance team

This training has not only improved awareness but has also empowered our teams to apply these principles in real-world scenarios. The ability to track engagement seamlessly across multiple businesses has given us key oversight of our training programme, allowing us to focus on areas where there may be gaps in understanding.

Client Spotlight: Unifying Compliance Solution for Multiple Entities for Sumer

When Sumer, a growing accountancy collaborative, needed to maintain individual oversight of compliance across its hubs while ensuring a unified, central compliance function, they turned to Skillcast.

"With Skillcast's multi-tenanted Compliance Portal, we were able to seamlessly unify over 14 hubs under one brand while preserving individual oversight. Our collaboration delivered a tailored, efficient, and scalable compliance solution—ensuring regulatory excellence without disrupting business as usual."

- Jules McKittrick, Chief Risk & Compliance Officer, Sumer

Background

Sumer champions small to medium-sized businesses across the UK and Ireland and are a collaboration of the best in business services. They bring together the indispensable value of leading regional practices with the tech, scale and breadth of expertise that only a national organisation can muster, in just two years they have become the 13th largest, and fastest growing, accounting firm in the UK.

Compliance Team

Jules McKittrick joined Sumer in April 2023 as the Chief Risk & Compliance Officer. As Sumer grew, so did the need to bring in Neil Stonehouse as Head of Compliance. Both Jules and Neil had previously worked with Skillcast and trusted us to help them achieve their goals.

Challenge

As a regulated business, it was essential that the individual hubs retained their own oversight and management of their compliance processes, operating as business as usual but with a central compliance function providing best-in-class service.

The tasks for Sumer and Skillcast were to cater for the individual needs of multiple hubs (14 and growing), while creating a unifying brand and common compliance processes.

Solution

Skillcast were able to support with their Multi-tenanted Compliance Portal. This ensured that each firm had their own unique space within the portal, with custom delivery of:

- CPD schemes
- Content
- Workflows for Declarations and Registers
- Email communications
- Reporting

While serving consistent learning, policies and approaches across the businesses with one consolidated compliance portal.

By choosing the Skillcast Premium service, Sumer was able to deliver a one-stop solution covering:

- Learning Management System
- Offline training records
- CPD scheme management

- Policy Hub

Gifts & Hospitality Registers• Declarations

Content Hosting to share internal materials

Configuring this toolset was a truly collaborative experience, with Neil working closely with the Skillcast Success Manager, Mandy Vella, to ensure a seamless set-up and delivery. The process involved:

- Branding and customisation to ensure consistent branding for all users.
- User provisioning of linking to the HR data for each hub and setting permissions, and applying restricted access where necessary to meet specific needs.
- Configuration of multiple CPD schemes and integrated offline activity tracking.
- Creation of custom declarations with alert notifications for approval requirements were created for each Hub

Policy Management set up, with policies uploaded, and approval workflows implemented for effective compliance tracking.

Configuration of Gifts & Hospitality, Donation & Sponsorship, and Breach Registers, each with a customized workflow tailored to Sumer’s specific needs, ensuring efficient tracking and approvals.

Outcomes

Sumer's partnership with Skillcast saw a number of improvements in the management and oversight of its compliance processes:

- Enhanced oversight -A consolidated reporting dashboard provided the central compliance team with clear visibility of all compliance activities.
- Improved monitoring - Each firm maintained independent compliance tracking, ensuring accountability at the local level.
- Group-wide transparency - Neil, as Head of Compliance, could efficiently oversee and manage compliance across the entire Sumer group.

By proactively addressing Sumer's needs and offering best-practice recommendations, Skillcast ensured a smooth and efficient onboarding process, laying a solid foundation for long-term compliance success.

A third successful year post-IPO with revenues growing 17% on the year and overhead investment growth rate halving to 9% on the year. This has led to a return to profitability in the second half of the year as planned. By ending the year with a 25% increase in ARR, we remain well-placed for further revenue growth and improvement in profit margin growth in 2025.

Revenues for the year ended 31 December 2024 increased by 17% to £13.2 million (2023: £11.3 million), driven by new subscription customers, with ARR* growing 25% on the year to £11.6 million (2023: £9.3 million). In contrast, overheads increased by £0.7m/9% as the post-IPO investment phase ended and the Group returned to profitability. EBITDA increased £1.1m on the year to £0.5m (2023 LBITDA: £0.6m). Net cash at year-end of £9.1 million was 26% above last year (2023: £7.2 million), with free cash flow of £2.0 million (2023: -£0.3million).

Key Performance Indicators

Key performance indicators (KPIs) tracked through monthly reviews against targets approved by the Board

	2024	2023	% change
	£'000	£'000	
Revenue	**13,240**	11,302	+17%
Software-as-a-service revenue (SaaS revenue)	**10,987**	8,547	+29%
Gross Margin	**73.6%**	69.7%	+3.9 pts
Overheads	**9,505**	8,759	+9%
EBITDA / (LBITDA)	**500**	-625	n/a
*Annual recurring (SaaS) revenue (ARR) as at 31 December	**11,640**	9,311	+25%
Net retention rate	**101%**	105%	-4 pts
Churn (as a percentage of ARR)	**11%**	7%	+4pts
Deferred revenue from subscriptions as at 31 December	**5,345**	4,276	+25%
Cash at 31 December	**9,115**	7,222	+26%
Free cash flow **	**1,965**	-341	n/a
Number of employees at 31 December	**120**	118	+2%
Rule of 40 ***	**29%**	32%	-3%

** defined later in the financial report in Alternative Performance Measures section*

Revenue

61% of total revenue were derived from clients in the financial services industries, consistent with the previous year. 78% of total revenues were derived from the UK (2023: 79%), 11% from the EU (2023: 9%) and 11% from elsewhere (2023: 13%). The top 10 customers accounted for 15% of total revenues (2023: 23%).

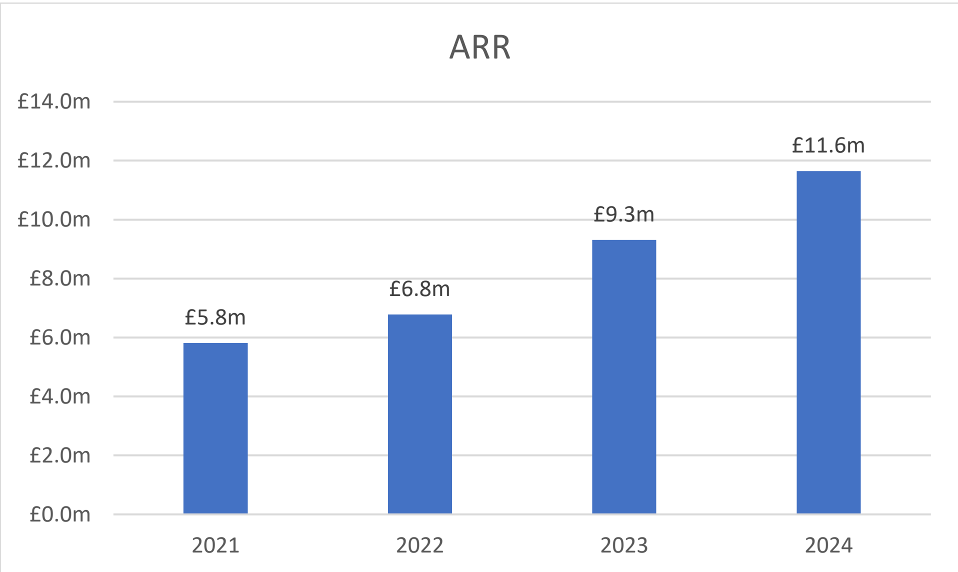
Subscription revenues typically accrue from twelve-month contracts, invoiced up front, for our compliance e-learning libraries and compliance technology. During 2024, subscription revenue growth helped grow the proportion of revenues from subscriptions to 83% (2023: 76%) of total revenues.

Subscription ("SaaS") revenues grew 29% to £11.0 million (2023: £8.5 million). The growth was driven by a combination of new clients, product upsells and increased users at existing clients.

Subscription revenue growth was supported by the launch of several new products. In January 2024, Skillcast Premium was launched, an all-inclusive service bundle that includes e-learning and all our compliance management "regtech" products to support upsells. Customers on our Premium Plan accounted for 6% of our ARR by the end of December 2024.

In December 2023, we released Skillcast Core Compliance, our self-serve, cost-effective compliance e-learning solution for small businesses with up to 50 users. We started marketing this product in February 2024 and by December 2024 it accounted for 1% of ARR.

Annual recurring revenue (ARR*), our key performance indicator to measure subscription sales progress, grew by 25% to £11.6 million over the past 12 months (December 2023: £9.3 million). Average ARR per client increased 10% on the previous year and the number of subscription clients increased 14% to 1,328 (2023: 1,168). New sales lifted ARR by 23% from December 2023 and net retention rate was 101% (2023: 105%), which included 11% churn (2023: 7%). 2023 net retention was boosted by a standard 7% price rise on new business and renewals throughout the year. Since the IPO in December 2021, ARR has doubled to £11.6m at 31 December 2024 (31 December 2021: £5.8m).



Revenue from Professional Services was £2.3 million, which was 18% below the same period last year (2023: £2.8 million). The reduction reflected a lower 4% average spend per client and 15% fewer clients as increased economic uncertainty impacted client budgets for bespoke e-learning solutions.

Gross profit

Gross Profit Margin increased by 3.9 percentage points to 73.6% (2023: 69.7%). The increase was primarily due to greater productivity within the content team and a reduction in the Professional Services team in response to falling demand for bespoke Professional Services.

In addition, the prior year included one-off transitional higher cloud computing costs incurred during the migration of all clients to Microsoft Azure, which was completed in March 2023.

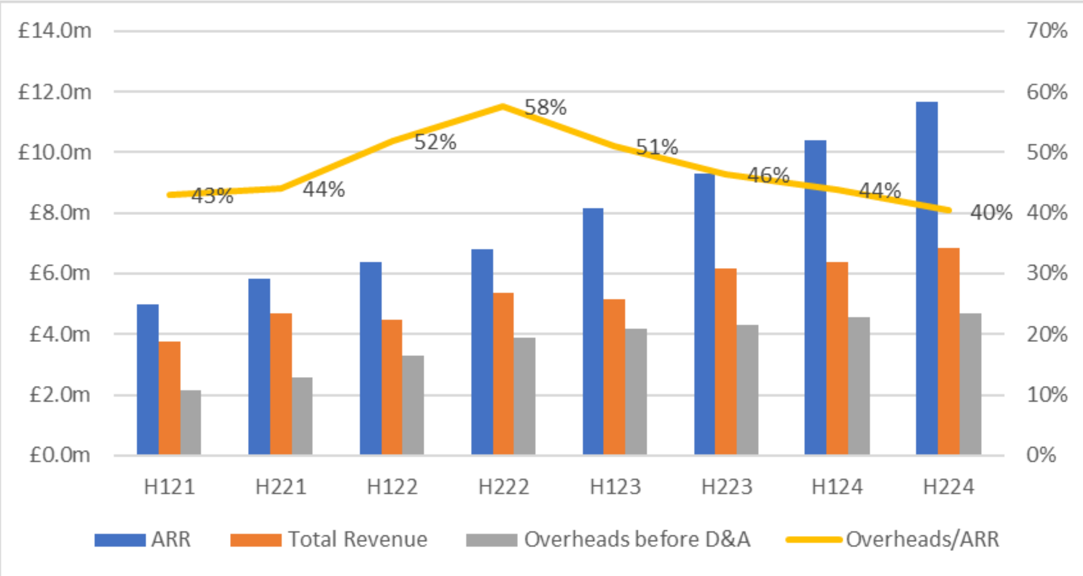
Gross Margin from our SaaS revenues increased to 80.1% (2023: 73.9%) through operational gearing while in our Professional Services business Gross Margins fell to 41.7% (2023: 56.5%).

Overheads

The rate of overhead growth reduced to 9% (2023: 18%) as the planned post-IPO investment phase was largely complete.

In absolute terms, overheads were £9.5 million in the period, an increase on the prior year of £0.7 million (2023: £1.3 million). 74% of overheads are employee-related (2023: 78%), and £0.2 million of the increase in the year was from higher employee costs. A further £0.2 million was incurred in consultancy costs as we switched to outsourcing our sales operations function. Marketing activity increased by £0.2 million on the prior year following the hire of our first Head of Marketing in January 2024. The remaining increase was derived from £0.1 million higher subscription costs and professional fees.

Overheads excluding depreciation and amortisation as a percentage of ARR fell during the year and represented 40% of ARR in H2 2024, 4 percentage points below H2 2021 (excluding IPO costs). The graph below demonstrates how this measure temporarily increased due to planned investments primarily in the commercial and organisational infrastructure to support ARR growth and is now falling back to lower than pre-IPO levels.



Headcount

On 31 December 2024, the total headcount had increased to 120 (31 December 2023: 118). Total average headcount increased in 2024 by 5% to 121 (2023: 115). The largest growth area was in the client services function, with an increase of seven heads during the period. Total staff costs increased 5% to £9.5 million (2023: £9.0 million), with average salary increases of 5% awarded in January 2024. In April 2024, the Company offered all employees private medical insurance, life assurance and employer pension contributions of 4% of basic salary. Prior to this time only UK employees benefitted from a stakeholder pension plan.

EBITDA

As a consequence of operational gearing in the business, increasing gross margin and slower overhead growth, the Group returned to sustained profitability and delivered a £1.1 million improvement in EBITDA* to £0.5 million for FY 2024 (2023: -£0.6 million).

The Rule of 40*** was 29% in the period, 3 percentage points below the prior year (2023: 32%).

Depreciation and amortisation

The Group incurred £0.3 million in depreciation and amortisation (December 2023: £0.3 million) relating to office and IT equipment and leases for its two offices in London and Malta. The Group does not capitalise any research or development costs.

Interest receivable

£0.3 million of bank interest was received on cash balances during the year (2023: £0.3 million) as the Group benefited from the interest rates and putting surplus cash on deposit.

Tax

The Group reported a profit before tax of £0.5 million (2023: loss of £0.6 million).

The taxation charge for the Group in 2024 was £0.1 million. No taxes are due in the UK for the current year as the Group intends to utilise losses from prior years.

Corporation tax of £0.1 million was paid during the year in relation to prior year UK corporation tax liabilities. This was an effective tax rate of 7% reduced by losses brought from previous years and the recognition of a deferred tax asset. Now the Group has returned to profitability it expects to be able to utilise this asset in future years.

Earnings per share (EPS)

The basic earnings per share for the period was 0.572 pence on 89.5 million shares (2023: -0.733 pence). On a diluted basis, on 89.7 million shares EPS was 0.570 pence (2023: not applicable).

Dividends

With a business backed by strong ARR growth supporting future recurring revenues that provide strong cash generation, the Board is committed to paying dividends. In light of the return to profitability the Board has updated its dividend policy and for the foreseeable future will increase dividends broadly in line with future increases in subscription revenue levels.

Accordingly, at the AGM on 24 June 2025, the Board will propose a final dividend per share of 0.349p up 25% on the 0.279p paid as the final dividend for 2023. Taken in combination with an interim dividend per share of 0.168p that was paid in October 2024 this will result in a full year dividend per share of 0.517p (2023: 0.447p) an increase of 16%. The final dividend will be paid on 25 July 2025 to shareholders on the register on 4 July 2025.

Balance sheet and cash flow

Net assets at 31 December 2024 were £5.8 million (31 December 2023: £5.7 million). The £0.1 million increase in the year was due to the £0.5 million in comprehensive income in the year less £0.4 million of dividend payments.

Non-current assets of £0.7 million at 31 December 2024 (31 December 2023: £0.8 million) reduced by a net £0.1 million as reducing office lease liabilities in accordance with IFRS 16. The Group does not capitalise any intellectual property additions to its products' content or technology, and costs are expensed as they are incurred.

Current assets, excluding cash, were £4.3 million at 31 December 2024 (31 December 2023: £4.2 million). This predominantly includes trade receivables which grew only 3% to £3.1 million at 31 December 2024 (31 December 2023: £3.0 million) despite the 17% growth in revenue on the year through improved cash collection. As a consequence, debtor days at 31 December 2024 were 54 (31 December 2023: 67). Debtors more than 60 days overdue represented 11% of trade receivables at 31 December 2024 (31 December 2023: 14%). There was small immaterial reduction in the allowance for expected credit losses in the year. A further £0.6 million of trade receivables is due from the Maltese tax authorities relating to withholding tax rebates on dividends declared from subsidiary companies.

cash from a return to profitability of £0.5 million (2023: -0.6 million), and up front payments from a growing contractual book of £1.8 million (2023: £1.4 million).

Alternative Performance Measures

The Group elects to report certain financial measures not defined or recognised under IFRS, including EBITDA. See note 3 of the Group Consolidated Accounts, Annual Recurring Revenue (ARR) and Free Cash Flow defined below.

*Annual Recurring Revenue (ARR)

ARR is also used to assess the performance and the trend of subscription revenue. ARR is calculated by multiplying the Monthly Recurring Revenue ("MRR") by twelve. MRR is defined as the subscription revenue recognised in a month, excluding any retrospective upward adjustments arising at the end of the contract where there have been more subscribers than a client originally contracted for, less any contract losses (Churn) or downward adjustments arising on contract renewal. The Directors consider that the ARR, derived from software-as-a-service (SaaS) sales, is a key measure of the performance of the business. The ARR increased by 37% in the year to £9.3 million at 31 December 2024.

** Free cash flow

Free Cash Fow is calculated as net cash flows from operations less capital expenditure and lease costs.

*** Rule of 40

The Rule of 40 is a defined as the addition of the EBITDA percentage margin in the year and the ARR percentage growth on the previous year.

Richard Steele

Chief Financial Officer

29 April 2025

Risk management framework

The Group has established a process for identifying and managing risk within a defined governance framework. The Board has ultimate responsibility for reviewing the risks faced by the business and for assessing and determining the Group's attitude to these risks, supported by the Audit and Risk Sub-committee, which meets at least twice a year. Operational management of risk is delegated to an Executive Risk Committee, which is chaired by the CFO and includes key functional managers. The identified risks are ranked by likelihood and potential impact and listed in a master risk register. The Risk Committee develops and deploys mitigating strategies and regularly assesses the effectiveness of these initiatives. The risk management framework also includes a comprehensive list of policies. The Group uses its own "Policy Hub" product to distribute and manage employee attestations.

Risk Appetite

The Group's approach to risk minimises exposure to financial and operational risk whilst accepting and recognizing a risk/reward trade-off in pursuing its strategic and commercial objectives.

Given the Group's purpose of enabling companies to build ethical and resilient workplaces, integrity and compliance in our own business are crucial. Consequently, the Group has zero tolerance for risks relating to non-adherence to laws and regulations.

The Group retains client information on its software and on third party cloud services and has a low risk appetite to any compromise to that information.

The Group operates in a growing and highly competitive marketplace with constant technology and process innovation. Therefore, it remains open to strategic investments to pursue growth objectives, accepting the risk that the anticipated benefits from these investments may not always be fully realised. The Group is open to making investment decisions in product and technological innovation, new compliance e-learning market sectors including M&A and partnership opportunities. Its acceptance of risk is subject to ensuring that potential benefits and risks are fully understood and sensible measures to mitigate risk are established.

Principal risks

The Directors believe the following risks to be the most significant for the Group. However, the risks listed do not necessarily comprise all those associated with the Group. In particular, the Group's performance may be affected by changes in the market, political or economic conditions and legal, regulatory and tax requirements.

If any of the following risks were to materialise, the Group's business, financial condition, results, or future operations could be materially adversely affected. Additional risks and uncertainties not presently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect upon the Group.

People risks

The Group's ability to implement its growth strategy will depend partly on its ability to recruit, hire, train, manage and integrate many individuals in e-learning design, technology, sales, marketing, and customer success. The nature of the Group's business requires its employees in the technical and development teams to be highly skilled and experienced in their respective fields.

Equally, losing key management or other key personnel, particularly to competitors, could have adverse consequences. Furthermore, as the Group expands, it may need to recruit and integrate additional senior personnel in a competitive market for suitably qualified candidates. The Group may not be successful in identifying and engaging suitably qualified people or inducting them into the Group, which may impact its performance.

Mitigation

As part of the Group's investment strategy for growth, it has increased its headcount, reducing the dependency on key personnel and increasing its skill base.

The Group has entered into service agreements or letters of appointment with each of its directors and certain senior employees that provide appropriate notice periods. Equally, remuneration packages are structured to assist with staff retention. Senior managers are significant shareholders in the business, which also provides mitigation.

Commercial /client risks

The Group is in part dependent upon annual customer subscription renewals to sustain and grow its revenues. No guarantee exists that customers will continue to renew subscriptions at the rate they have done in the past. The Group relies on its long-standing relationships with several of its key clients and its high levels of customer satisfaction rather than on contractual tie-ins such as formal cancellation notice periods. However, the loss of key contracts could adversely affect the Group's overall revenues and profitability.

The Group's growth strategy also relies partly on increasing revenue from existing customers through the upsell of RegTech tools. The Group may be unsuccessful at its cross-selling efforts to convince clients about the need for staff compliance technology in their organisations or the value of running multiple staff compliance processes in a single SaaS application provided by the Group. This could impact revenue growth rates.

Mitigation

Whilst the lack of contractual ties reduces the barriers to preventing customers from leaving, we believe it makes the new customer acquisition process easier, as prospects are less worried about being tied to the subscription. Instead, the Group uses a high level of customer service as the tool to retain clients and reduce churn. We believe this to be a more sustainable approach that will bring long-term business success.

To this end, we have invested in growing our Customer Success team, whose role is to engage with the customers through their subscriptions to ensure that they do not want to terminate at the end of the period. This engagement with the customer through their contract also supports the upsell process as it is useful in informing our understanding of what additional challenges the customer is facing that we need to address.

The Group continue to de-risk its revenue from non-repeat professional services by focussing on growing subscription revenues.

Market share & brand awareness risks

The Board is aware that the staff compliance technology market is developing rapidly and that long-term success as a major player in the market is likely to be achieved by organisations that build a strong market share and brand leadership awareness in the early stages. Failure to achieve that would hamper the Group's ability to build significant shareholder value.

Mitigation

The Group's strategy following the equity raise in December 2021 is to invest significant resources to develop this awareness, focusing on identifying and interpreting emerging trends in staff compliance, engaging with the community of compliance officers, and sharing best practices and its content marketing efforts. The Group is also investing in its product development to ensure its offering remains relevant to the market requirements. In January 2024 the Group employed a Head of Marketing to further develop our market share and brand awareness who created a marketing plan to support increased brand awareness including a rebranded new website which launched in March 2025.

Competition risks

The demand for the Group's products and services will likely depend on the continued evolution in technology and content to satisfy changing industry standards, customer needs, and competition. The market for e-learning and staff compliance management solutions is highly fragmented, and as such, there may be competitors and services of which the Group is currently unaware. The Group's current and potential competitors may develop and produce new products or services of a higher quality or lower price.

If the Group is unable to anticipate changes in technology standards, the emergence of new standards, trends in customer requirements or fails to invest and develop software, it may have an adverse impact on the Group's business and prospects.

Mitigation

The Group has a proven track record of client retention and acquisition based on its strong links with customers, which it continues to invest in strongly to maintain. Significant investment in software and content will be required to meet customer demands and keep up with the trends and new standards. The Group monitors its customer churn rate closely and identifies competitor insight wherever possible and is committed to maintaining excellent customer service and continued product innovation.

Technology risks

The Group's software is complex. As with any such technology, it may contain defects or vulnerabilities that may surface in the future and make the Group and its customers vulnerable to adverse performance or IT security failures.

The Group currently hosts, serves, and backs up its SaaS technology using third-party data centres. Furthermore, the Group uses Microsoft and other SaaS providers for its internal operations. The Group's operations depend on the ability of these third-party providers to protect their facilities and services against damage or interruptions and would be impacted if this failed to happen.

The Group's SaaS application incorporates open-source software and may include additional open-source software in the future. Open-source software is generally freely accessible, usable, and modifiable. However, if an author or third party that distributes the open-source software were to allege that the Group had not complied with the conditions of use of such software, the Group could incur significant legal expenses defending against such allegations. This could result in substantial damages and business disruption and require additional research and development resources to change its technology.

We see Artificial Intelligence ("AI") as a disruptive force that presents significant challenges and risks with its adoption as well as benefits. We may be unable to leverage AI in our platform as fast as our competitors and may, therefore, lose our competitive advantage. Issues in using AI in our platform, including algorithmic errors, insufficient data sets and bias, may result in harm or reputational damage. Despite Skillcast's efforts to address privacy, accuracy, and bias issues found in Generative AI, clients may be wary of adopting Skillcast AI tools due to regulatory and reputational concerns.

Mitigation

These technology risks are typical for SaaS businesses such as Skillcast, and the Group is no more exposed than many similar organisations. In 2023, the Group completed the migration of all the data it holds on behalf of its clients and for its internal use to cloud-based technology. This reduces reliance on third-party data centres and such facilities and allows the business to scale more readily as the growth targets are achieved.

In terms of AI, the Group is harnessing this technological development to remain competitive. Our technical teams have been using AI to help develop software for some time. Recently, awareness and use have spread to other areas of the Group, including e-learning and production departments. A sharing and learning forum has been established. During the year we invested in an AI based revenue forecasting tool to better understand our revenue pipeline and sales team performance. We also invested in an AI based customer service tool which is being implemented in 2024. In terms of our own products we used generative AI to develop an in-course digital assistant Aida which we intend to launch during 2025.

Information security

The Group's principal business activity is the provision of software to businesses. The Group has developed and owns all its software products and services in house. Through external cloud-based hosting providers, it holds the majority of software and associated data for its clients. The Group also adopts hybrid working and relies on its IT services to work effectively. A loss of data or cyber-attack could cause serious harm to the Group.

Mitigation

The Group employs its own Head of Cyber Security team that actively monitors the threat of cyber attacks. The Group embeds robust processes and procedures to mitigate risks from information security and is certified under ISO 27001. During 2023 the Group implemented EDR (Endpoint Detection and Response) and SASE (Secure Access Service Edge) software to reduce virus threats and enhance network security. The Group performs mock incidents and trained all employees in Cyber awareness during 2024. During the year the Group achieved SoC Type 2 Cyber Essentials Plus accreditation.

Intellectual Property Risks

The Group's ongoing success depends in part on the intellectual property it owns within its content and systems and on its ability to protect that intellectual property effectively from threats of confidentiality or piracy. Much of the Group's intellectual property is not capable of patent protection.

Equally, the Group sells subscriptions to OTS course libraries and SaaS. Its business may suffer if it is alleged or determined that its content or technology infringes the intellectual property rights of others. Responding to claims of IP infringement, regardless of merit, can be time-consuming, costly, diverting management's attention and resources, and damaging to the Group's reputation.

Mitigation

The Group relies on copyrights, trademarks, trade secrets and contractual restrictions to establish and protect its intellectual property rights in its products and services.

The Group has implemented procedures to ensure that necessary approvals are in place before any content is published and technology designed.

Brand reputation

The Group's vision is to help make compliance simple and help clients build ethical and inclusive workplaces. Any compliance breach Skillcast suffered could call into question its fitness to provide its products and services.

Mitigation

The Group maintains a zero-tolerant approach to non-adherence to laws and regulations, which is communicated and reinforced to all employees. The Group prides itself on customer service surveys to clients and end employees annually. The Group relies on a combination of copyrights, trademarks, trade secrets and contractual restrictions to establish and protect its intellectual property rights in its products and services.

The Group has implemented procedures to ensure that necessary approvals are in place before any content is published and technology is designed.

Law and Regulatory Risk

The Group is exposed to legal and regulatory changes, customer requirements and preferences trends, and the emergence of new industry standards and practices. The Group's success requires it to continue updating and improving its products and services and develop new products and services in response to legislation, regulation, and standards changes. Although all customer contracts hold the customer responsible for the content served to their end users, there may be material inaccuracies in the Group's content that could harm customers or employees resulting in negative publicity, loss of customers and reduced business prospects.

Also, by the nature of its products and services, the Group may store its customers' sensitive data and is therefore at risk of failing to protect such data under the General Data Protection Regulation requirements in the UK and the EU ('GDPR').

Mitigation

The Group has dedicated staff and contracts with panels of industry experts responsible for understanding regulatory changes and ensuring that the Group's contents and services reflect the latest regulations.

Economic Outlook

Economic conditions are highly uncertain due to the macro impact from the introduction of tariffs by the US in April 2025 and retaliatory action by other countries. The ongoing Russia/Ukraine war continued instability in Israel/Gaza exacerbate the situation further.

Mitigation

The Group operates in the non-discretionary regulatory compliance market. It has over 1300 clients and is diversified across many sectors. While not immune from an economic downturn, the Group believes it is well-placed to weather any downturn in revenues. It can reduce certain expenditures and has healthy cash balances and no bank debt. The Group raised its prices by 7% in 2024 and will raise by a further 3% in 2025 with no visible impact on customer churn.

Climate change

The risks around climate change include an increase in unpredictable weather patterns leading to reduced security to sustainable life on the planet. These are mainly macro-economic effects, and as a multi-location software provider, specific impacts are relatively limited.

Mitigation

The Group has an ESG sub-committee and ESG policy which is detailed in the report and on the website.

ESG

Skillcast places compliance management at the heart of Environmental, Social, and Governance (ESG) initiatives, striving to lead by example. We aim to foster ethical and inclusive workplaces through comprehensive staff training and strong compliance frameworks. It is our belief that our digital learning solutions not only support clients in meeting regulatory standards but also contribute to a smaller carbon footprint.

Environmental

The Group has no disclosure requirement under ask Force on Climate-related Financial Disclosures (TCFD). Skillcast remains committed to environmental sustainability, continuously working to reduce carbon emissions year on year. Our total carbon footprint stands at 653.9 tCO_2e, with an employee carbon intensity of 5.5 tCO_2e per employee. Skillcast's carbon footprint consists entirely of Scope 3 upstream emissions [see Graph Set 1]. Once again, the largest contributor to our emissions is purchased goods and services, reflecting the increase in workforce and the quality of reporting [see Graph 2].

Following the advice of our carbon accountants, Positive Planet, with whom we continue to collaborate on measuring our emissions, we have removed the term "carbon neutral" from our reporting and revised our Net Zero target to align with our supply chain. We remain proactive in implementing our Carbon Reduction Plan (CRP) as we work towards achieving our Science-based Target Initiatives (SBTi) and reaching Net Zero status by 2050.

As part of our CRP to address our Scope 3 emissions, we have focused on supply chain decarbonisation by setting up a supplier sustainability survey. This survey helps assess how well our suppliers align with our environmental targets and where they stand in their sustainability journey year on year.

To promote staff awareness, we implemented mandatory training on environmental sustainability in business, along with an Environmental Sustainability policy attestation.

During our annual review, we identified that two of our legacy benefits did not support our environmental commitments and were therefore removed. Our staff are also encouraged to select low-carbon options for travel in line with our Business Travel policy.

Our recycling efforts have resulted in a 67% recycling rate, marking a 4% improvement from the previous year. As strong advocates for recycling, we have earned Silver recycling status from First Mile, having recycled 2,450kg of materials over the year. This has saved 15 trees and generated 825kWh of energy.

Our ongoing commitment to reduce our environmental impact is further demonstrated by our ISO 14001 certification, which we have consistently maintained since 2010. EcoVadis has awarded us a commitment badge in recognition of our efforts and, in partnership with One Tree Planted, planted a tree on our behalf.

Social

We believe our innovative solutions can transform workplace behaviour and redefine the perception of compliance training. Our mission is driven by a social purpose—to create a positive impact on businesses and the world around us.

We continuously strive to ensure we are fulfilling our purpose by engaging with our clients through surveys to gather their feedback. Our annual benchmarking survey highlights key concerns and industry trends. This survey provides us with valuable insight into where we can support businesses, such as the hesitancy to adopt AI tools and widespread use of Excel spreadsheets to collate compliance data.

All our surveys, games, and promotions are tied to charitable donations, reinforcing our commitment to giving back. Over the year, we contributed £4520 to charities that align with our values. Since 2019, Skillcast has proudly been a Living Wage Employer, ensuring that both our employees and those within our supply chain receive fair compensation.

The mental health and wellbeing of our employees is a top priority. We have 24 fully accredited Mental Health First Aiders and 13 Mental Health Champions within our organisation. Additionally, Skillcast has implemented wellbeing benefits to all employees that focusses on financial stability, health, wellbeing and lifestyle.

Skillcast is committed to fostering workplace diversity, equity, and inclusion (DEI). We recognise the value of a diverse workforce [see employee diversity statistics in Graph Set 3] and strive to create an inclusive environment where all employees can thrive and reach their full potential.

Governance

Skillcast is dedicated to helping our customers achieve their ESG goals, with corporate governance at the heart of our mission. We continue to add value by providing innovative solutions that empower companies to engage their employees and transform workplace culture.

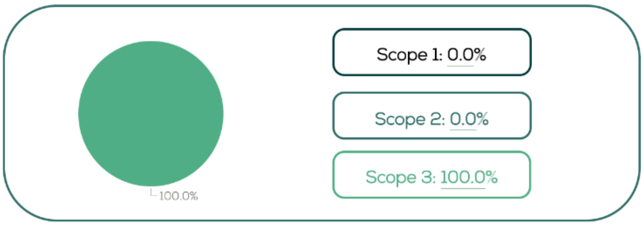
As part of our commitment to strong governance, we have introduced and implemented key policies to ensure alignment with best practices and regulatory standards. During the year, employees attested to the Vendor Management Policy, Environmental and Procurement Sustainability Policy, and the Sexual Harassment Policy, in line with the Worker Protection Act. These policies reinforce our dedication to ethical business practices, responsible sourcing, and worker protection.

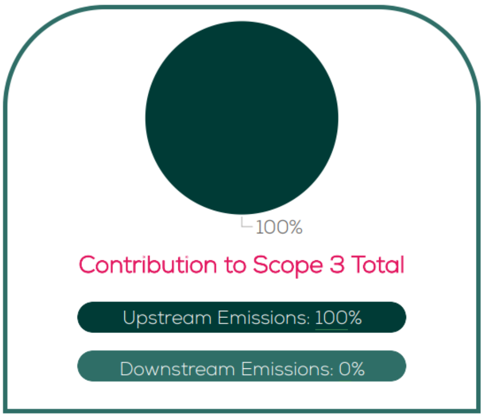
To strengthen our cybersecurity framework, we successfully achieved Cyber Essentials and Cyber Essentials Plus accreditation. This milestone underscores our commitment to data security, risk management, and safeguarding sensitive information across our operations.

In addition, our Remuneration Committee revised and enhanced the Remuneration Policy which is publicly available. This reflects our dedication to transparency and accountability in executive compensation.

The Group also continues to adhere to the QCA Governance Code and has fully adopted the updates introduced in November 2023. By embedding these governance principles into our operations, we ensure robust oversight, ethical decision-making, and long-term sustainability.

<u>Graph Set 1: Carbon Footprint Emissions</u>





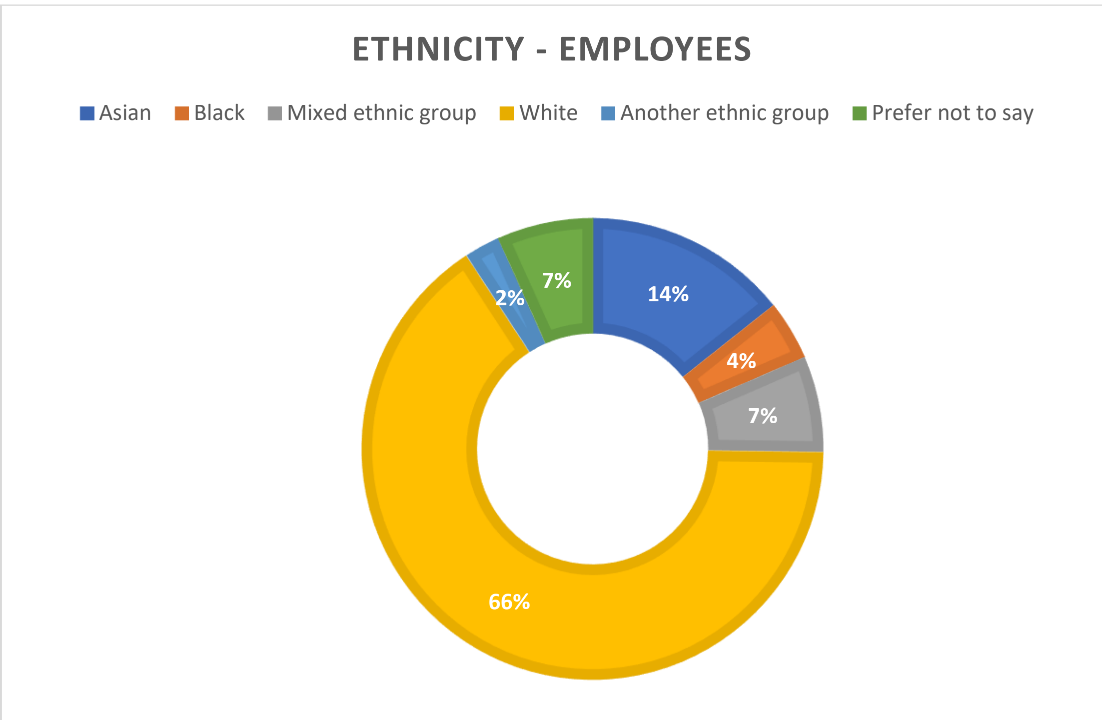
Graph 2: Table showing Scope 3 emissions

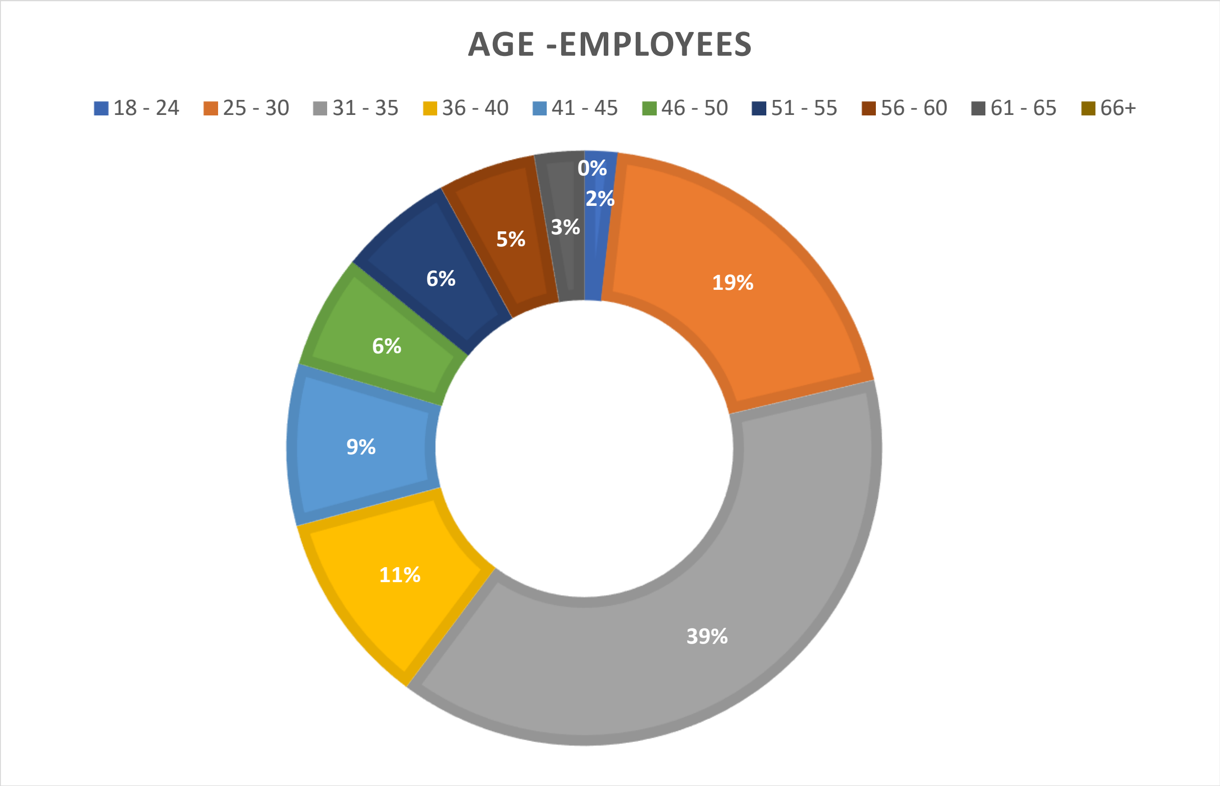
Scope 3 Upstream Emissions contributing activities

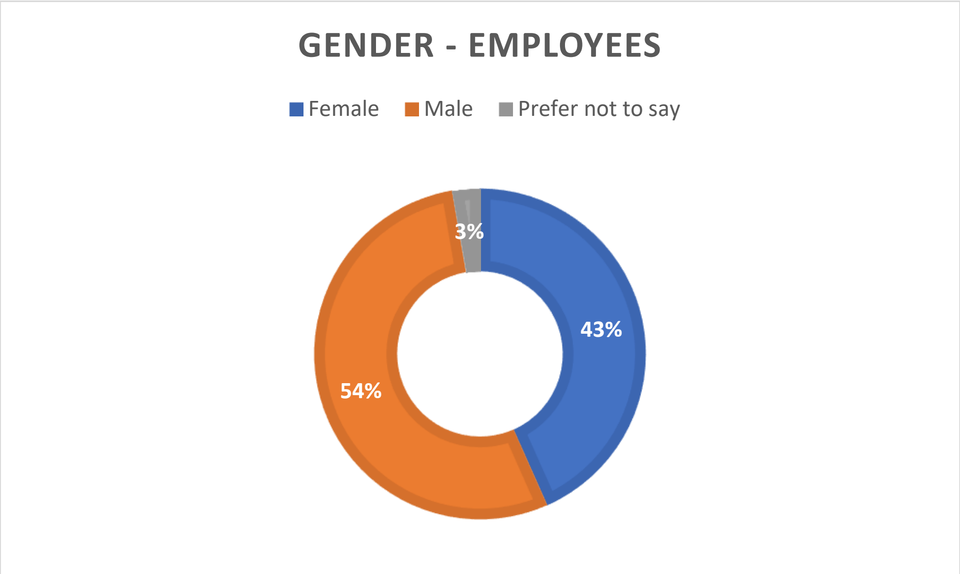
Purchased Goods & Services	508.5
Capital Goods	14.3
Fuel & Energy Related Activities	11.1
Transportation & Distribution	0.4
Operational Waste	0.0
Business Travel	33.1
Employee Commuting & Home Working	86.4
Leased Assets	0.0

Scope 3 total upstream emissions:
653.9 tCO_2e

Graph Set 3: Diversity, Equity and Inclusion (DEI)




AGE -EMPLOYEES
18 - 24
25 - 30
31 - 35
36 - 40
41 - 45
46 - 50
51 - 55
56 - 60
61 - 65
66+
0%
2%
19%
39%
11%
9%
6%
6%
5%
3%


GENDER - EMPLOYEES
Female
Male
Prefer not to say
3%
43%
54%

Section 172 Statement

The directors acknowledge their duty under s.172 of the Companies Act 2006 and consider that they have, individually and together, acted in a way that, in good faith, would promote the Company's success. This duty is for the benefit of the members as a whole, regarding the likely consequences of decisions in the long- term.

In addition, the Directors must have regard to:

- The likely consequences of any decision in the long term.
- The interests of the Company's employees
- The need to foster the Company's business relationships with suppliers, customers, and others
- The impact of the Company's operations on the community and the environment
- The desirability of the Company to maintain a reputation for high standards of business conduct
- The need to act fairly between members of the Company

The likely consequences of any decision in the long term.

The Board spends 2 days each year to review the strategic direction of the business, assessing macro-economic forecasts and research the GRC and e-learning trends and competitive changes. The strategic section of the Annual Report outlines the decisions we made during the year to enhance our product offering with generative AI. The Group's strategic report is set out on pages 9 to 46 of the annual report. The strategic report outlines our performance against our strategic objectives, performance and financial position, as well as our outlook for the future.

The interests of the Company's employees

The Group's employees are at the hear of its culture and its operations and as a service provider the Group recognises the importance of its people to drive its strategy and provide the high level of customer that it is renowned for. The Board engages with employees through a dedicated People and Culture team. The Chief People Officer sits in the Executive Management Team that meets weekly and attends Board meetings by invitation.

The Group seeks to understand the needs of its staff through an annual staff employee survey. The results are presented to both the workforce as a whole and discussed at Executive Management Team meetings. Employees are encouraged to talk to their managers about any issues through regular check-ins.

The Group undertakes an annual pay review, taking into account market benchmarks. A 5% increase was awarded to employees in January 2024. Pay increases above this are considered on an individual basis and take into account personal performance, responsibility advances and skill/knowledge. In April 2024 the Group enhanced employee benefits. In the UK the Group introduced a salary sacrifice pension scheme, private medical cover for individuals and their families and life assurance together with other benefits through an employee benefits platform provider. In Malta, an employer matching pension scheme up to 4% of salary was introduced, private medical cover and life assurance.

The need to foster the Company's business relationships with suppliers, customers, and others

The Board acknowledges that in order to deliver on its strategy it needs to ensure effective collaboration with its key stakeholders. These include suppliers, customers, and investors. The Group engages regularly with clients through both its Account Management and Client Service Teams and provides many opportunities for them to engage with the Group's employees and product/market developments through a series of blogs, webinars, email newsletter and an in person Annual Summit. The CEO and CFO meet regularly with key institutional investors and attend retail investor events.

The impact of the Company's operations on the community and the environment

The Board are aware that the activities of the Group has an impact on the environment and communities and are mindful to take actions to limit the Group's impact on the environment as outlined in the ESG report on page 40.

The desirability of the Company to maintain a reputation for high standards of business conduct

As a Group that provides compliance courseware and tools to help their customers manage compliance, the Board is very aware and committed to ensuring that the leadership team provides exceptional oversight and governance that aligns to our values. Details of the Board can be found on pages 47 and 48 details of how the Board has complied with the QCA Corporate Governance Code can be found on page 49.

The need to act fairly between members of the Company

The Board seeks to balance its long term strategy and exciting growth opportunities with due consideration to its employees, customers, suppliers and shareholders as well as the impact it makes on the environment and local communities. The Board believes that its chosen strategy of developing and growing its product and service offer in the Governance, Risk and Compliance (GRC) market through continued innovation in technology and content remains the most appropriate to drive long term value for its shareholders.

Approved by the board and signed on its behalf by

VDodd

Vivek Dodd

29 April 2025

Corporate Governance Report

Board of Directors

Richard Amos

Non-Executive Chairman

Richard is a Chartered Accountant who qualified with EY before moving into industry and then serving in several senior finance roles. Over 20 years, Richard served as an executive on the boards of five companies listed on the London Stock Exchange, most recently as Chief Financial Officer of Wilmington plc, Chief Financial Officer of Plant Impact plc and Group Finance Director of Anite plc. He is currently an independent non-executive director at Thruvision Group plc (AIM: THRU) and Xaar plc (LSE:XAR). Richard is a member of the Company's Audit and Risk and Remuneration committees.

Vivek Dodd

Co-founder & Chief Executive Officer

Vivek is a co-founder of Skillcast. He has been creating regulatory courses and compliance tools for over two decades. Before Skillcast, he worked as an investment banker at JP Morgan and as a finance and compliance trainer. He has a Master's degree from the Massachusetts Institute of Technology and a Bachelor's degree from the Indian Institute of Technology and has been a CFA Charterholder.

Catriona Razic

Co-founder and Chief Commercial Officer

Catriona is a co-founder of Skillcast. She has advised the Group's global clients on their compliance communication strategy for over twenty years. She leads the sales function to offer clients of all sizes Skillcast's solutions for their compliance and learning initiatives. Catriona previously worked in learning and development at Japanese securities house Nikko Securities and youth development charity Raleigh International. She holds a degree in Psychology and Economics.

Anthony Miller

Co-founder & Chief Technology Officer

Anthony is a co-founder of Skillcast. Over the last twenty years, he has led the design and development of the Group's award-winning technology products. He has worked with enterprise customers to deliver transformative training and compliance solutions tailored to their specific requirements. Anthony manages the Group's Application Development, IT Infrastructure, Product Management and Cyber Security teams. He has an Executive MBA from Cass Business School and a BSc in Economics from the London School of Economics.

Richard Steele

Chief Financial Officer

Richard joined Skillcast in May 2022. He qualified as a Chartered Management Accountant. Richard has over 30 years of experience in commercial and operational finance roles in the professional services, food and retail sectors, including 15 years in board-level roles. His career started at Tate & Lyle plc, where he qualified as an accountant and worked for ten years from 1989. He was Finance Director at retailer White Stuff Limited from 2007 to 2012 and at Cook Trading Limited, the frozen ready meal retailer, from 2012 to 2018. Most recently, Richard was Chief Financial Officer of Mind Gym plc (AIM: MIND), the global provider of human capital and business improvement solutions, from its AIM admission in 2018 until the end of 2021. He is also currently a non-executive director of Laine Theatre Arts Limited, where he chairs the Audit and Risk committee.

James Saralis

Independent Non-Executive Director

James is a Chartered Accountant and fellow of the ICAEW, a member since 2003. He has a wealth of experience both operationally and in the AIM market, having spent over 15 years in the legal, general insurance and financial services sectors. James is currently the CEO of NAHL Group plc (AIM: NAH), a leading marketing and services business focused on the UK consumer legal market, which he joined, initially as CFO, in 2018. Before that, James was CFO of the Direct & Partnerships and Employee Benefits divisions of Jelf, part of Marsh & McLennan Companies. He held various finance roles in Clearspeed Technology, HBOS, and RAC plc. He holds a BSc in Physics from the University of Bristol. James chairs the Remuneration Committee and is a member of the Audit and Risk Committee.

Sally Tilleray

Senior Independent Non-Executive Director

Sally is a qualified Chartered Institute of Management Accountants (CIMA) accountant and an experienced UK public company director. She served as Group Chief Operating Officer and Group Chief Financial Officer at Huntsworth plc, the international public relations and healthcare communications group, from 2004 to 2014. She is an experienced marketing service agency executive and has been Non-Executive Chair of digital agency UNRVLD since 2020. She has been Non-Executive Director of NAHL plc (AIM: NAH), the consumer legal-focused marketing and services business, since 2019, Senior Independent Non-Executive Director of Mind Gym plc (AIM: MIND), an international behavioural science company delivering business improvement solutions to companies across the world since 2018 and since 2023 the Senior Independent Non-Executive Director of Fadel plc (AIM: FADL) the brand compliance, rights management and royalty billing software provider. Since 2022 she has been the Senior Independent Non-Executive Director of Nominet, the official registry for all .UK domain names. Sally chairs the Company's Audit and Risk Committee and is a member of the Company's Remuneration committee, a role she also holds at NAHL plc, Mind Gym plc and Fadel plc.

Corporate Governance Statement

This report to Shareholders sets out Skillcast's approach to corporate governance.

The Directors acknowledge the importance of high standards of corporate governance and, taking account of the Company's size, have developed its governance procedures accordingly. The Company is listed on AIM and is not required to comply with the UK Corporate Governance Code (the 'Code') provisions. However, the Directors have elected to adopt, as far as practicable, many of the provisions contained in the Code. The Company formally reports against the Quoted Companies Alliance Corporate Governance Code (the 'QCA Code'). In November 2023 the QCA published a revised code. Full details of how it complies with the revised QCA Code are available on the Company's website at www.skillcast.com.

Board of Directors

As at 31 December 2024, the Board was comprised of three Non-Executive Directors and four Executive Directors. The Board is aware that the QCA Code 2023 states that Non-Executive Directors should comprise at least half the Board and that it does not meet this recommendation. Nevertheless, 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.

Details of the directors in post and their biographies are included on pages 47 and 48.

The Role of the Board

The Board meets regularly and is responsible for providing effective leadership to promote the Company's long-term success and oversee its generation of shareholder value and contribution to the wider society. There is a formal list of matters reserved for the Board that may only be amended by the Board. The key responsibilities of the Board include the following:

- Setting the Company's vision and strategy
- Ensuring the necessary financial and human resources are in place to support the implementation of the strategy
- Maintaining the policy and decision-making process through which the strategy is implemented
- Providing entrepreneurial leadership within a framework of good governance and risk management
- Monitoring performance against key financial and non-financial indicators
- Responsibility for risk management and systems of internal control
- Setting values and standards in corporate governance matters

Division of responsibilities

The responsibilities of both the Chairman and CEO are clearly defined and understood:

- The Non-Executive Chairman, Richard Amos, has primary responsibility for leading the Board, facilitating the effective contribution of all members and ensuring that it operates effectively in the interests of the shareholders. In addition, he maintains a strong focus on governance to ensure good practice is embedded in the day-to-day operations with good flows in communication and reporting. He maintains a regular dialogue with the CEO to ensure the business receives the support from the Board necessary to progress the strategy. Shareholders have an opportunity to engage with the Chairman and the Board at the Company's AGM.

- The Chief Executive Officer (CEO), Vivek Dodd, is responsible for the day-to-day running of the business, which includes the implementation of the strategy. He is supported by an Executive Management Committee ("EMC"), which has management responsibility for the business operations and support functions. Relevant matters are reported to the Board by the CEO and, as appropriate, the Chief Financial Officer and other EMC members.

The role of the independent Non-Executive Directors is to:

- Provide oversight and scrutiny of the performance of the Executive Directors
- Constructively challenge to help develop and execute the agreed strategy
- Satisfy themselves as to the integrity of the financial reporting systems and the information they provide
- Satisfy themselves as to the robustness of the internal controls
- Ensure that the systems of risk management are robust and defensible
- Review corporate performance and the reporting of performance to shareholders

Board support, meeting management and attendance

The Board and its Committees meet regularly on scheduled dates. In leading and controlling the Company, the directors are expected to attend all meetings, and their attendance for the financial year 2024 is shown below.

The Company Secretary plays a vital role in ensuring good governance and assisting the Chairman. Procedures are in place for distributing meeting agendas and reports to receive them in good time, with the appropriate information. Ahead of each Board meeting, the directors each receive reports which include updates on strategy, finance (including management accounts), operations, commercial activities, business development, technology and infrastructure, people, and legal and regulatory matters.

The directors are encouraged to maintain and develop their skills and regulation changes relevant to the performance of their roles and may have access to independent professional advice at the Company's expense, where needed.

All executive directors work on a full-time basis. Non-executive directors' time commitment will vary depending on the demands of the Company but are expected to commit at least two days per month on average.

Board Committees

The Company has established an Audit and Risk Committee and a Remuneration Committee, each with formally delegated duties and responsibilities and with written terms of reference. The full Board covers the activities normally performed by a Nomination Committee.

Audit and Risk Committee

The Audit and Risk Committee comprises three Non-Executive Directors, Sally Tilleray as chair of the committee, Richard Amos and James Saralis. The Board is satisfied that the Committee members have recent and relevant experience. The Audit and Risk Committee will meet as often as required, which will be at least twice a year going forward.

A separate Audit and Risk Committee Report is included on pages 55 to 56.

The Committee's main functions include, among other things, reviewing the effectiveness of internal control systems and risk assessments; considering the need for an internal audit function; making recommendations to the Board about the appointment of the Company's auditors; determining in consultation with the Board as a whole the auditor's remuneration; and monitoring and reviewing the auditor's independence, objectivity, effectiveness and qualifications annually.

In addition, it monitors the integrity of the company's financial statements, including its annual and interim reports, financial results announcements and any other financial information provided to Shareholders. The Audit and Risk Committee is responsible for overseeing the Company's relationship with the external auditors as a whole and also considers the nature, scope and results of the auditors' work and reviews, and develops, recommends to the Board and implements policies on the supply of non-audit services that are to be provided by the external auditors.

The Audit Committee further focuses on compliance with legal requirements, accounting standards and the relevant provisions of the AIM Rules for Companies, ensuring that an effective system of internal financial and non-financial controls is maintained. The ultimate responsibility for reviewing and approving the annual report and accounts remain with the Board. The membership of the Audit and Risk Committee and its terms of reference will be reviewed on an annual basis. The terms of reference of the Audit and Risk Committee are available on the Company's website.

Remuneration Committee

The Remuneration Committee comprises James Saralis as chair of the committee, Richard Amos and Sally Tilleray.

The Remuneration Committee's main functions include, among other things, determining and agreeing with the Board on the framework or broad policy for the remuneration of the Company's Chairman and Executive Directors; approving the design of and determining targets for any performance-related pay schemes operated by the Company and approving the total annual payments made under such schemes; reviewing the design of all share incentive plans for approval by the Board and Shareholders together with determining each year whether awards will be made and, if so, the overall amount of such awards, the individual awards to Executive Directors, company secretary and other senior executives and the performance targets to be used; and determining the total individual remuneration package of the chairman, each executive director, the company secretary and other senior executives including bonuses, incentive payments and share options or other share awards. The terms of reference of the Remuneration Committee are available on the Company's website.

The Report of the Remuneration Committee is included on pages 57 to 65.

ESG Committee

The ESG committee comprises Sally Tilleray as chair of the Committee and comprises employees of the company including the CFO. The report of the ESG Committee is on pages 40 to 44. The terms of reference of the ESG Committee are available on the Company's website. The Committee has engaged external advisors to assist in assessing the Carbon footprint of the Company and measures to reduce it.

Attendance at meetings

All Committee and Board meetings held in the year were quorate. Eleven Board meetings were held in the year, five of which were in person and six virtually. Director's attendance during the year ended 31 December 2024 was as follows:

	Board	Remuneration Committee	Audit Committee
Number of formal meetings held	**11**	**2**	**3**
Richard Amos[1, 2]	11	2	3
Vivek Dodd	11	n/a	n/a
Catriona Razic	11	n/a	n/a
Anthony Miller	11	n/a	n/a
Richard Steele	11	n/a	n/a
Isabel Napper[1, 2, 3]	4	0	2
James Saralis[1, 2,4]	5	2	1
Sally Tilleray[1, 2]	10	2	3

[1]Remuneration Committee member

[2]Audit and Risk Committee member

[3]Resigned 1 July 2024

[4]Appointed 1 July 2024

Board Effectiveness

The Board performed an annual formal evaluation of its effectiveness shortly after the end of 2024 and reviewed the results in February 2025. The evaluation comprised a survey that each Board member completed in confidence and the results were amalgamated and presented to the Board for review. The evaluation addressed the board composition and how it operates, its behaviours and its activities including its sub-committees.

The Chair presented the results to the Board, summarising that the results and confirming that the collective view was that the Board and its sub-committees were working effectively, with the results from the evaluation slightly higher than last year. In terms of Board composition and process, the outcomes included:

- succession planning of directors was a challenger
- the length of the Board pack remained longer than ideal

It was acknowledged that succession planning was a challenge when three of the executive directors were co-founders. The Board have addressed the key person risks and continue to delegate and document knowledge, which is becoming easier as the company grows.

The length of the pack was to be reviewed with better summaries to ensure focus on key matters and more pages being moved to appendices where appropriate.

In terms of Board behaviours and activities, the overriding outcome was one of satisfaction. Specific outcomes included a recommendation for setting specific objectives for each director.

The Senior Independent Director separately performed a formal evaluation of the Chair of the Board and shared the outcomes with the Board, confirming a high level of satisfaction.

Board Induction, Training and Development

When appointed, new Directors are provided with a full and tailored induction to introduce them to the business and management of the Group. Throughout their tenure, directors are given access to the Group's operations and staff and receive updates on relevant issues as appropriate, taking into account their qualifications and experience. This allows the directors to function effectively with appropriate knowledge of the Group.

The Board is satisfied that each director has sufficient time to devote to discharging his responsibilities as a director of the Company.

Re-election of Directors

The rules on appointment, re-appointment and retirement by rotation of Directors are contained in the Articles. A Director may be appointed by Shareholders' Ordinary resolution or by the Board. The current Articles require that all Directors are subject to election at the first AGM following their appointment and after that to re-election at least every three years. However, in line with governance best practice, all Directors submit themselves for re-election at the forthcoming AGM.

Stakeholder engagement

The Board and its Committees recognise their responsibilities to shareholders and other stakeholders.

The Company communicates with shareholders through the Annual Report and Accounts, regulatory announcements, the AGM, and meetings with existing or potential new shareholders. Annual reports, other regulatory announcements, and related information are all available on the Company's website.

A list of the Company's significant shareholders can be found in the Directors' Report and in the investor section of the Company's website, updated following formal notifications of movements to the Company.

The Company maintains regular communication and dialogue with stakeholders, such as employees, customers, suppliers and regulators, to understand their needs and concerns and factor these requirements into its decisions and activities. No particular or significant challenges were experienced during the year, and there was no movement in the significant shareholder base.

Internal controls

The Board is ultimately responsible for the Group's internal control systems and for reviewing their effectiveness throughout the year. The systems are designed to manage rather than eliminate the risk of the failure to achieve the Group's strategic objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board monitors financial controls by setting and approving an annual budget and regularly reviewing the monthly management accounts. Management accounts contain a number of indicators that are designed to reduce the possibility of misstatements in the financial statements.

Key elements of the internal control system are described below:

- Clearly defined management structure and delegation of authority to Board Committees and the Executive Management Committee
- High recruitment standards to ensure the integrity and competence of staff

- Regular and comprehensive information provided to management, covering financial and non-financial performance indicators
- A detailed budgeting process for the coming year for Board approval
- Monthly monitoring and re-forecasting of annual and half-yearly results against budget, with major variances, followed up, and management action is taken where appropriate
- Procedures for the approval of capital expenditure and investments
- Regular review and updating of the Group risk register, including the implementation of mitigating actions

The Board, with the assistance of the Audit and Risk Committee, has conducted its annual review of the effectiveness of the system of internal control based on a review of significant risks identified, external audits and reports from management and concluded that the system of internal control is adequate given the stage of the Group's development.

Annual General Meeting

The Company's Annual General Meeting will take place on Tuesday, 24 June 2025, at 11:00 am at 80 Leadenhall Street, London, England, EC3A 3DH.

Composition and responsibilities

The Audit & Risk Committee ("the Committee") is comprised of three Non-Executive Directors: Sally Tilleray (Chairperson), Richard Amos and James Saralis.

All Committee members are considered by the Board to be independent directors of the Company and to have appropriate skills and expertise to enable them to carry out their roles effectively.

All three members of the Committee have a mix of knowledge and skills gained through their experience in business, including risk management and industry sector experience. The Board agrees that at least one member of the Committee should have recent and relevant financial experience, and all three members meet these requirements.

Only members of the Committee have the right to attend Committee meetings. The CEO and CFO are invited to attend all meetings, while other senior management may also attend by invitation as appropriate. The Committee has unrestricted access to the Group's external auditors, who are routinely invited to the meetings to discuss the planning and conclusions of their work.

The Committee meets at least twice a year, scheduled according to the timing of the Company's half-year and full-year results, with additional meetings held as required.

Activities during the year

The Committee met three times during the year, with all members of the Committee present at each meeting.

The Committee reviewed and updated its terms of reference in April 2024, which were approved by the Board and are published on the Company's website.

The Committee works on a planned programme of activities focused on key events in the annual financial reporting cycle and other matters that are included in its terms of reference. It provides oversight and guidance to contribute to the ongoing good governance of the business, particularly by assuring that shareholders' interests are being properly protected by appropriate financial management, reporting and internal controls.

Financial reporting

The Committee reviewed the half-year and annual financial statements. As part of this review, the Committee discussed the financial statements with the external auditor and management and considers the appropriateness of the accounting principles, the reasonableness of significant accounting judgements and the clarity of disclosures in the financial statements. The Committee reviewed and challenged the external auditor's report on these matters.

The Committee also considered management's assessment of going concern concerning the Group's cash position and commitments for the next 12 months.

In fulfilling its responsibility for monitoring the integrity of financial reports to shareholders, the Committee gave due consideration as to whether the Annual Report and Accounts are fair, balanced and understandable.

The coordination and review of the Group-wide input into the Annual Report and Accounts is a sizeable exercise and runs alongside the formal audit process undertaken by external Auditors. It is designed to arrive at a position where initially the Committee, and then the Board, is satisfied with the overall fairness, balance and clarity of the document and is underpinned by the following:

- Detailed guidance issued to contributors at operational levels;
- A verification process dealing with the factual content of the reports;
- Thorough review undertaken at different levels that aims to ensure consistency and overall balance; and
- Comprehensive review by the senior management team.

External Auditors

The Committee oversees the relationship with the external auditors and monitors all their services and fees payable to them. The Committee considers various matters when reviewing the ongoing appointment of an external auditor, including their performance in conducting the audit and its scope and planning, terms of engagement including remuneration, and their independence and objectivity.

Crowe U.K. LLP was reappointed as external auditors at the Company's Annual General Meeting in June 2024. The Audit and Risk Committee has confirmed it is satisfied with Crowe U.K. LLP's knowledge of the Company and its effectiveness as an external auditor. As such, the Audit and Risk Committee has recommended the reappointment of Crowe U.K. LLP to the Board, and there will be a resolution to this effect at the forthcoming Annual General Meeting.

Risk management and internal controls

The Committee has oversight of the internal financial controls and risk management systems. During the year, the Committee:

- reviewed the principal risks and the developments of the risk management framework. This included reviewing and approving the terms of reference of an executive management risk sub-committee;
- reviewed the updated Group's Financial Position and Prospects Board Memorandum, including the delegation of authority and Group policy frameworks;
- reviewed the Group's insurance policies;
- considered the Group's whistleblowing policy; and
- reviewed the requirement for an internal audit function and determined this was not deemed necessary due to the relatively small size of the Group.

Annual General Meeting

As Chair of the Committee, I will be attending the forthcoming Annual General Meeting of the Company and will be pleased to respond to shareholder questions on the Committee's activities.

Sally Tilleray

Audit & Risk Committee Chair
29 April 2025

Statement from the Chair

On behalf of the Board, I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2024. This is my first report since taking over as Remuneration Committee Chair from Isabel Napper on 1 July 2024 and I would like to take this opportunity to thank Isabel for her stewardship and guidance over the past three years.

Skillcast listed on the Alternative Investment Market ('AIM') on 1 December 2021 and has adopted the Quoted Companies Alliance (QCA) Corporate Governance Code (the "QCA Code") and the recent changes announced in November 2023. To improve transparency with investors and alignment with best practice, the Remuneration Committee (the 'Committee') has presented a separate Remuneration Policy and Annual Report on Remuneration.

Committee Activities in 2024

The Remuneration Committee has responsibility for Executive Directors' remuneration as well as the remuneration of Executives who form the Executive Management Team. Over the last 12 months, we have continued to develop our remuneration policy and create a more market aligned remuneration package to our executive Directors, with the introduction of key benefits as a core element of our remuneration offering.

After careful consideration, the Committee reviewed the bonus calculations for 2024 and determined that the outcome was reflective of the overall performance of the business. This resulted in a formulaic outcome of 32% achievement of maximum bonus, resulting in payments of £28,000 each to Catriona Razic, Anthony Miller and Richard Steele respectively.

Committee Composition

The Chair of the Committee is James Saralis, and the other members of the Committee are Richard Amos and Sally Tilleray.

Isabel Napier stepped down from the Board and her role as Committee Chair on 24 June 2024, and James Saralis was appointed to the role of Committee Chair on 1 July 2024.

The Committee met two times during the year, and all committee members attended all the meetings.

No Directors are involved in determining their own remuneration. The Committee may invite other individuals to attend all or part of any Committee meeting, as and when appropriate and necessary, including members of management and external advisers.

Implementing the Remuneration Policy in 2025

This is summarised in the report below and contains the normal elements of fixed and variable pay. The bonus and long-term incentives are capped by reference to base salary.

Base salary is reviewed annually and the Committee approved a 3% increase for Executive Directors from 1 January 2025, which was in line with that of the wider workforce.

The annual bonus will continue to be a key driver in incentivising in-year performance, with budget targets being set for revenue and EBITDA and stretch targets above budget based on Annualised Recurring Revenue ("ARR") for 2025.

On 30 January 2025, the Company granted 300,000 share options to Richard Steele. This award is consistent with the Company's Remuneration Policy and will be reported in next year's Directors' Remuneration Report.

I trust that you will find this report helpful and informative and agree that the determinations made by the Committee are appropriate and in the long-term interests of both the Company and our shareholders.

I would also like to take this opportunity to thank our shareholders for their ongoing support. I'll be available to answer any questions regarding the work of the Committee at our Annual General Meeting in [x] 2025.

James Saralis, Chair, Remuneration Committee

30 April 2025

Directors' Remuneration Policy

This section sets out the Company's Directors' Remuneration Policy (the "Remuneration Policy") which is currently in place. The Remuneration Policy was developed taking into account the principles of the QCA Code and relevant UK institutional investor guidance.

The Company is committed to ensuring that its remuneration practices enable it to appropriately compensate employees for the services they provide to the Company, attract and retain employees with skills required to effectively manage the operations and growth of the business, and motivate employees to perform in the best interests of the Company and its shareholders.

The Company's remuneration principles ensure that:

- It offers a suitable package to attract, retain and motivate people with the skills and attributes needed to deliver the Company's business goals.
- It's policy and practices aim to drive behaviours that support the Company strategy and business objectives.
- Incentive plans are linked to company and individual performance to encourage high performance from employees both at an individual and collective level.

  These policy objectives will be achieved by ensuring remuneration is reflective of applicable market conditions, statutory obligations and who should be incentivised by variable remuneration.

Our aim is to deliver outstanding performance, whilst providing organisational flexibility and operational efficiency.

Remuneration Components

The Company currently defines its main fixed and performance related elements of remuneration as follows:

- Base salary, benefits and retirement benefits (fixed);
- Annual performance bonus (variable); and
- Long term Incentive Plan

Remuneration Policy Table

Component	Purpose	Operation	Maximum opportunity	Performance measures
Base salary	Core element of fixed remuneration to support the recruitment and retention of Executive Directors and Executive Managers required to develop and deliver the Group's strategy. The base salary reflects the size and scope of the Executive Directors or Managers' responsibilities and experience.	The Committee sets base salary taking into account the individual's skills and experience, pay and conditions elsewhere in the Group, underlying Company performance, AIM-quoted peers, and others in the market. Base salary is normally reviewed annually, although it may be reviewed more frequently if the Committee determines it appropriate.	No upper limit. Increases will normally align with those awarded to other Executive Directors and Managers. However, larger increases may be awarded for growth in the role or to move salary closer to the typical market level for the Executive Director or Manager of equivalent experience. Individuals who are recruited or promoted to the Board may, on occasion, have their salaries set at a lower level with larger increases provided as they gain experience.	None, although individual and corporate performance is taken into account during any annual salary review
Benefits	To provide market competitive benefits package as part of total remuneration, to support recruitment and retention of Executive Director and Managers with the necessary experience and expertise to deliver the Company's strategy.	Executive Directors and Managers receive benefits in line with market practice, and these include, but are not limited to, life insurance and private medical insurance. Other benefits, such as relocation allowances may be offered if considered appropriate and reasonable by the Committee may be provided based on individual circumstances	Whilst the Committee has not set an absolute maximum on the level of benefits Executive Directors receive the value of the benefit is at a level which the Committee considers appropriate against the market and provides sufficient level of benefit based on individual circumstances.	None.

Component	Purpose	Operation	Maximum opportunity	Performance measures
		Any reasonable business-related expenses can be reimbursed in accordance with the Company’s expenses policy, including the tax thereon if determined to be a taxable benefit.		
Retirement Benefits (UK employed only)	To provide an appropriate level of retirement benefit to support recruitment and retention of Executive Directors and Managers with the necessary experience and expertise to deliver the Company's strategy.	UK resident Executive Directors and Managers are eligible to participate in the Company's defined contribution pension plan or receive a cash allowance equivalent.	The maximum employer pension contribution (or cash allowance equivalent) as a percentage of base salary is aligned with the level available to the majority of the wider UK workforce. (currently up to a 4% matched company contribution).	None.
Annual Performance Bonus	The Annual Bonus Plan provides an incentive to the Executive Managers linked to achievement in delivering goals that are closely aligned with the Company’s strategy, culture and the creation of value for shareholders.	Performance measures, weightings and targets are reviewed and set annually by the Committee, in line with the Company’s strategic objectives at that time. Awards are based on annual performance against key measures and targets and are based on audited results, unless otherwise noted. The Committee has discretion to amend the pay-out both upwards and downwards, should any formulaic output not reflect the Committee's assessment of	The normal maximum annual bonus opportunity is up to 100% of base salary in respect of the financial year.	The annual bonus may be based on a combination of financial, strategic and individual performance measures. The Committee determines the metrics each year depending on the key goals for the coming year.

Component	Purpose	Operation	Maximum opportunity	Performance measures
		overall business performance. The bonus is payable in April following the completion of the Annual Accounts audit unless the Committee determines otherwise.		
Long Term Incentive Plan (LTIPs)	To align the interests of Executive Directors or Managers to that of the shareholders and to retain and reward managers for achieving the Group's long-term strategy and performance.	Awards normally vest over four years (unless the Committee determines otherwise). LTIP awards are normally awarded in the form of options over shares. Vested options may normally be exercised until the tenth anniversary of the date at grant.	The maximum individual award is an accumulated grant value of no more than four times the annual salary of the Executive Director or Manager over a ten year period.	Vesting of LTIP awards may be subject to performance conditions determined by the Committee. The Committee sets the performance measures at the time of each award so that targets stretch and represent value creation for shareholders while presenting a realistic, achievable incentive.
Non-Executive Director Fees	Sole element of Non-Executive Director remuneration, set at a level that reflects market conditions and is sufficient to attract individuals with appropriate knowledge and experience.	Fees are normally reviewed annually. Fees paid to Non-Executive Directors for their services are approved by the Board. Fees may include a basic fee and additional fees for further responsibilities (for example, Chairing of Board Committees). Save for one-off, non-qualifying awards made under the EMI on the IPO of the Company, Non-Executive Directors do not	Overall fees will not exceed the maximum in the Company's articles of association	None.

Component	Purpose	Operation	Maximum opportunity	Performance measures
		participate in the Company share options scheme or annual bonus scheme; nor do they receive any pension contributions. Actual fee levels are disclosed in the Annual Report on Remuneration for the relevant financial year.		

Remuneration Committee Discretion

The Committee retains discretion to make any payments, notwithstanding that they are not in line with the policy set out above, where the terms of the payment were agreed (I) before the policy came into effect, or (ii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration of the individual becoming a Director of the Company.

The Committee will operate the variable pay plans (i.e. Annual Bonus Plan, EMI Plan & any other incentive plans in place from time to time) according to their respective rules. The Committee retains certain discretion in respect of the operation and administration of these arrangements. In addition, the Committee retains the ability to adjust the targets and/or set different measures if events occur (e.g. a material acquisition and/or divestment of a Group business) which cause it to determine that the conditions are no longer appropriate, and the amendment is required so that the conditions achieve their original purpose and are not materially less difficult to satisfy.

Recruitment Policy

The remuneration arrangements for a new Executive Director or Manager would normally be in line with the terms of the Remuneration Policy and would be set considering the specific circumstances of the individual. In addition, the Committee may offer additional remuneration to replace remuneration forfeited on leaving a previous employer.

Where a position is filled internally, the Committee may honour any pre-existing remuneration obligations or outstanding variable pay arrangements in relation to the individual's previous role such that these shall be allowed to continue according to the original terms (adjusted as relevant to take account of the Board appointment).

For internal and external appointments, the Committee may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

Service Contracts

Service contracts for Catriona Razic and Anthony Miller have a notice period of twelve months by either party. Service contracts for Vivek Dodd and Richard Steele have a notice period of six months by either party.

Non-Executive Directors are appointed for a fixed period of three years and may be terminated by either party giving the other not less than three months' notice.

Payments for loss of office

The principles on which the determination of payments for loss of office will be approach are set out below:

Payment in lieu of notice	In line with the Executive Manager's Service Contract.
Annual Bonus	At the discretion of the Committee, dependent upon the circumstances of departure and contribution to the business during the bonus period.
Share Awards	The extent to which any unvested award will vest will be determined in accordance with the rules of EMI Plan. Unvested awards will normally lapse on cessation of employment, other than when the individual is considered to be a "good leaver" in line EMI Plan rules, amended from time to time.
Other Payments	In appropriate circumstances, payments may also be made in respect of accrued holiday, outplacement, legal fees and the cost of providing contractual benefits during any unexpired notice period.

Policy for the remuneration of employees more generally

Remuneration arrangements are determined throughout the Group based on the same principle, that reward should be achieved for successful delivery of the business strategy and should be sufficient to attract, retain and motivate high calibre employees.

Remuneration arrangements are simple and easy for employees to understand, and it is clear how these support and reinforce the Company's culture and promote the correct behaviours and decisions.

There is no consultation with employees regarding Directors' remuneration**.**

Shareholder views

The Committee considers shareholder feedback received on remuneration matters, including issues arising in relation to the AGM, as well as any additional comments received during any other meetings with shareholders. The Committee will seek to engage directly with major shareholders and their representative bodies should any material changes be made to the Directors' Remuneration Policy or to material changes to existing or the development of new Long Term incentive arrangements.

Annual Report on Remuneration

This section of the report provides details of how Skillcast's Remuneration policy was implemented in the year ended 31 December 2024 and how the Group plans to implement the policy for the year ending 31 December 2025.

Remuneration Committee activities in the year ended 31 December 2024

The Committee was formed on 1 December 2021 following the AIM listing of the Group. The Committee operates under the agreed Terms of Reference and is responsible for reviewing the framework for remuneration arrangements for Executive Managers and other senior executives on an annual basis. The Committee also reviews information on pay outcomes and processes for the wider workforce to take account of wider workforce pay, and conditions when setting executive remuneration and to consider alignment between pay structures.

The Committee met three times over the course of the year. Remuneration Committee activities over the course of the year were as follows:

- Approval of the Director's Remuneration Report for the year ended 31 December 2024.
- Design of new Directors' Remuneration Policy.
- Review of remuneration for members of the Executive leadership team.
- Review and approval of the measures and targets for the 2025 Annual Bonus Scheme for the Executive Directors and Executive leadership team.

Directors' remuneration for the year ended 31 December 2024

Executive Director	**Basic salary 2024 £'000**	Basic salary 2023 £'000	**Pension 2024 £'000**	Pension 2023 £'000	**Benefits 2024 £'000**	Benefits 2023 £'000	**Bonus 2024 £'000**	Bonus 2023 £'000	**Total 2024 £'000**	Total 2023 £'000
Vivek Dodd[1]	**109**	99	**-**	-	**10**	-	**-**	-	**119**	99
Catriona Razic[2,4,5]	**191**	126	**15**	4	**-**	-	**28**	90	**234**	220
Anthony Miller[2,3,4,5]	**184**	126	**15**	4	**7**	-	**28**	90	**234**	220
Richard Steele[4,5]	**191**	189	**15**	6	**-**	-	**28**	28	**234**	223
Total	**675**	540	**45**	14	**17**	-	**84**	208	**821**	762

1 Vivek Dodd does not receive any pension contributions, and there is no requirement for the Company to make any, as he is not resident in the UK. He also has a smaller bonus opportunity than other directors as he is a significant shareholder in the Company. His salary is paid in the Czech Republic where he is resident and the Company pays health insurance

2 Total remuneration for Anthony Miller and Catriona Razic was equalised with Richard Steele in 2024 through an increase in base salary and a reduction to their minimum bonus.

3 Anthony Miller has an electric vehicle leased by the Company through a salary sacrifice arrangement.

4 Private medical cover was introduced April 2024 the executive directors and their families

Non-Executive Director	**Fees 2024 £'000**	Fees 2023 £'000	**Pension 2024 £'000**	Pension 2023 £'000	**Benefits 2024 £'000**	Benefits 2023 £'000	**Bonus 2024 £'000**	Bonus 2023 £'000	**Total 2024 £'000**	Total 2023 £'000
Richard Amos	**79**	76	**-**	-	**-**	-	**-**	-	**79**	76
Sally Tillery	**44**	42	**-**	-	**-**	-	**-**	-	**44**	42
Isabel Napier[1]	**22**	42	**-**	-	**-**	-	**-**	-	**22**	42
James Saralis[2]	**22**	-	**-**	-	**-**	-	**-**	-	**22**	-
Total	**167**	160	**-**	-	**-**	-	**-**	-	**167**	160

1 Isabel Napier stepped down from the Board on 25 June 2024.

2 James Saralis was appointed to the Board on 1 July 2024 and appointed as Chair of the Remuneration Committee on the same date.

Director's share awards under the share option plan at 31 December 2024

Executive Director	At 1 during January 2024	Awarded during the year	Lapsed during the year	Exercised during the year	At 31 December 2024	Grant Date	Exercisable from	Exercise Price

Richard Steele	1,060,000	-	-	-	1,060,000	22/6/22 and 10/5/23	22/6/23 to 22/6/26 and 10/5/23 and 10/5/26	21p-24p

Non-Executive Director	At 1 during January 2024	Awarded during the year	Lapsed during the year	Exercised during the year	At 31 December 2024	Grant Date	Exercisable from	Exercise Price
Richard Amos	80,000	-	-	-	80,000	1/12/21	1/12/22 to 1/12/25	37p
Sally Tillery	50,000	-	-	-	50,000	1/12/21	1/12/22 to 1/12/25	37p
Isabel Napier[1]	50,000	-	50,000	-	-	1/12/21	1/12/22 to 1/12/25	37p

1 Isabel Napier stepped down from the Board on 24 June 2024 and her LTIP award lapsed on this date.

Three Executive Directors, as founders of the business, hold a significant stake in the shares of the Company. The interests of the Directors at the end of the year in the share capital of the Company were as follows:

Executive Director	At 31 December 2024	At 31 December 2023
Vivek Dodd	52,459,459	52,459,459
Catriona Razic	4,924,324	4,924,324
Anthony Miller	7,124,324	7,124,324
Richard Steele	56,496	56,496

Non-Executive Director	At 31 December 2024	At 31 December 2023
Richard Amos	92,638	92,638
Sally Tillery	54,054	54,054
Isabel Napier[1]	54,054	54,054
James Saralis[2]	-	-

1 Isabel Napier stepped down from the Board on 24 June 2024

2 James Saralis was appointed to the Board on 1 July 2024.

James Saralis

Chair, Remuneration Committee

29 April 2025

The Directors of Skillcast Group plc (the 'Company') present the Annual Report to Shareholders together with the audited financial statements of the Company and its subsidiaries for the year ended 31 December 2024.

Principal activities

The Company is the ultimate parent of Inmarkets Ltd, Inmarkets Group Ltd and Inmarkets International Ltd. This report and financial statements reflect the activities and transactions of the Company and consolidate the other group companies ("Group"). The Company is primarily involved in providing management services to other entities in the group. The Group is primarily involved in providing clients with staff compliance training and the ability to demonstrate compliance with various laws, regulations and standards relevant to the business.

Review of Business

A full review of the Group's activities during the year, recent events and future developments are contained in the Chairman and CEO statements on pages 79 to 14.

Dividends

The Board recognise the importance of dividend distributions to shareholders, and the Company has a history of regular dividend distributions. The Board's policy for the foreseeable future will be to increase dividends broadly in line with future increases in subscription revenue levels.

During the year under review, the Group declared and paid an interim dividend of 0.168p per share.

At the AGM on 25 June 2024, the Board will propose a final dividend of 0.391p per share. In combination with the interim dividend, this represents a total distribution of 0.559p per share or £0.5 million, which is a 25% increase with the total dividend in 2023. If approved by shareholders, the final dividend is expected to be paid on 25 July 2025 to investors on the register at 4 July 2025.

Future developments

The directors consider that the year-end financial position was satisfactory. The operating loss in the year, despite continued sales growth, was in line with the Board's investment strategy to accelerate future growth. The increase in ARR growth during the year is evidence that the strategy is working.

Financial risk management

The successful management of risk is essential to enable the Group to achieve its objectives. The ultimate responsibility for risk management rests with the directors who evaluate the Company's risks and formulate policies for identifying and managing such risks. There are a number of financial risks that could potentially impact the Group's activities, including, but not limited to, the following: credit risk, foreign currency risk, liquidity risk, etc. The Group's objective in managing such risks is the creation and protection of shareholder value. To manage and mitigate such risks, the Group employs a number of risk management tools in its day-to-day operation.

Post Balance Sheet Events

No reportable events have occurred from 31 December 2024 to the date of this report.

US tariffs and potential trade wars

The introduction of tariffs by the US in April 2025 and retaliatory measures by other countries increases economic uncertainty. While the Group provides services that are exempt from tariffs and have a minor exposure to US businesses it could have a wider economic impact.

Inflation and the higher cost of living

The business operates in the compliance/non-discretionary market and is therefore relatively resilient to adverse economic conditions. To support its financial standing, the business increased prices by 7% to all customers in 2024 and saw no material adverse reaction from its customers. It is increasing its prices by a further 3% in 2025. The business increased salaries to all employees in January 2025 by 3% to support cost of living increases.

Substantial Shareholdings

As at 24 March 2025, the significant shareholdings of 3% or more in the company's existing issued share capital are:

Name	**Number of shares**	**Shareholding %**
Vivek Dodd[1]	53,099,459	59.36%
Anthony Miller	7,124,324	7.96%
Gurmakh Minas	5,113,726	5.72%
Catriona Razic	4,924,324	5.50%
Cannacord Genuity Inc	4,339,767	4.85%
Gresham House Asset Management Limited	4,244,629	4.74%

[1] Including 640,000 Ordinary Shares held by a related party.

Directors

Details of the directors of the Company who held office during the year and at the year-end are set out on pages 47 and 48. James Saralis was appointed as a non-executive director on 1 July 2024 and Isabel Napper, did not stand for re-appointment at the AGM in June 2024 and resigned on the same date.

Directors’ interests

Details of the interests in the shares of the Company of the directors holding office as at the date of this report, and their immediate families, appear in the Remuneration report.

No director had a material interest in any significant contract with the Company or any of its subsidiaries during the year. Procedures for dealing with directors’ conflicts of interest are in place and are operating effectively.

Inmarkets Limited, a subsidiary of Skillcast plc, provided services to Thruvision Plc during the year, a company Richard Amos is a non-executive director.

Political donations

The Group made no political donations during the year.

Directors’ and Officers’ indemnities and insurance

The Company maintains liability insurance for its directors and officers.

Stockbrokers

So far as each Director in office at the date of approval of this report is aware, there is no relevant audit information of which the Company's external auditor (Crowe U.K. LLP) is unaware.

Each of the Directors has taken all steps that they ought to have taken in performing their roles as Directors to exercise due care, skill and diligence in order to make themselves aware: (i) of any relevant audit information and (ii) to establish that the Company's external auditor is aware of such information.

For the purposes of this statement on disclosure of information to the external auditor, 'relevant audit information' is the information needed by the Company's external auditor in connection with the preparation of its report.

Auditors

Crowe U.K. LLP has expressed its willingness to continue as auditor of the Company. A resolution to re-appoint Crowe U.K. LLP as the Company's auditor will be put to the forthcoming AGM.

Approved by the Board of Directors and signed by order of the Board:

Richard Steele

Chief Financial Officer

29 April 2025

Directors' Responsibility Statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and the Company financial statements in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006. Under Company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable.
- State whether applicable UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with the legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website are the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Statement of disclosures to auditors

So far as each of the Directors at the date of approval of this report are aware;

(a) there is no relevant audit information of which the Company's auditors are unaware; and

(b) 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.

Forward-Looking Statements

This document contains certain forward-looking statements. The forward-looking statements reflect the knowledge and information available to the Company and Group during the preparation and up to the publication of this document. By their very nature, these statements depend upon circumstances and relate to events that may occur in the future and thereby involving a degree of uncertainty. Therefore, nothing in this document should be construed as a profit forecast by the Company or Group.

Richard Steele

Chief Financial Officer

29 April 2025

Financial Statements

Independent Auditor's Report to the members of Skillcast plc

Opinion

We have audited the financial statements of Skillcast Group plc (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2024 , which comprise:

- the Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 24;
- the Consolidated and Company statements of financial position as at 31 December 2024;
- the Consolidated and Company statement of changes in equity for the year then ended;
- the Consolidated and Company statements of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included

The going concern assessment period used by the Directors was 12 months from the date of the approval of the financial statements. We assessed the appropriateness of the approach, assumptions and arithmetic accuracy of the model used by management when performing their going concern assessment.

We evaluated the Directors' assessment of the Group and the Company's ability to continue as a going concern, including but not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group's and company's ability to continue as a going concern;
- Obtaining and reviewing management's cashflow forecasts as a part of going concern assessment;
- Evaluating the directors' method to assess the group's and company's ability to continue as a going concern;
- Performing sensitivity analysis on the management's performance expectations;
- Evaluating the key assumptions used and judgements applied by the directors in forming their conclusions on going concern;
- Reviewed and considered potential downside scenario, which included the effect of failing to achieve the growth rate for new business targets and the resultant impact on available funds; and
- Evaluating the appropriateness of the directors' disclosures in the financial statements.

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's and Company's ability to continue as a going concern for a period of at least twelve months from when the 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.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £132,000 (2023: £100,000), based on approximately 1% of the Group revenue. Materiality for the Company financial statements as a whole was set at £25,000 (2023: £20,000) based on 5% of the Company's profit before tax.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £92,400 (2023: £70,000) for the group and £17,500 (2023: £14,000) for the Company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit and Risk Committee to report to it all identified errors in excess of £6,600 (2023: £5,000). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

We identified two significant components, being the principal operating subsidiaries, Inmarkets Limited and Inmarkets International Limited. Our group audit strategy focused on the company and both of the significant components, which were subject to a full scope audit. The audit of Inmarkets International Limited was performed in Malta by a local Crowe member firm who acted as component auditors. All Group companies were within the scope of our audit testing. We interacted regularly with the component auditor across all stages of the audit and reviewed working papers and were responsible for the scope and direction of the audit process. This gave us sufficient and appropriate evidence for our opinion on the Group financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included 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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Key audit matter	*How the scope of our audit addressed the key audit matter*
Revenue recognition *See note 4* The Group generated revenues of £13.2mn as detailed in note 4 based on the Group's revenue recognition policy. Revenue is recognised in accordance with the accounting policy as set out in the financial statements. We focus on the risk of material mis-statement in revenue recognition, as a result of fraud and error, because revenue is material, there are estimates involved and is an important determinant of the group's business operations and its impact on share price performance.	We performed the following audit procedures: 1. Assessed that the revenue recognition is in accordance with the accounting policy being appropriate and consistent with IFRS15 2. Obtained a understanding, evaluated the design and implementation of the controls over revenue recognition. 3. Reviewed the disclosure in the accounts to ensure the requirements of the standards have been met. 4. For samples tested for software as a service (SaaS) subscriptions revenue: - Obtained the necessary contracts/ communications to ensure that the services were agreed for the tenure - Tested the supporting invoices raised, ensuring the revenue calculated for the period, and appropriately deferred since the subscriptions are generally across 12 months from the start date. - Traced receipts to the bank statement to agree settlement of the invoice. 5. For samples tested for Professional Services revenue: - Obtained the contracts/ work orders that determine the scope of work agreed - Tested the same with the invoices raised and traced the receipts to the bank statements to agree their settlement - Ensured that the revenue is calculated based on the management's matrix of transaction price allocation to the stage of completion - Recalculated the revenue to be deferred and accrued based on the timing of the services performed, invoices raised and payment received.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the 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 financial statements or our knowledge obtained in 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 financial statements themselves. If, based on the work we have 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 69, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's 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 the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 (UK) 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to management override risks included enquiries of management about their own identification and assessment risk of irregularities, testing a risk-based selection of journals, reviewing accounting estimates for biases, assessing the accounting treatment of non-routine transactions, corroborating amounts and balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under IFRS's and applicable law.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's 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 the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Leo Malkin

(Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

29 April 2025

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

	Note	2024	2023
		£	**£**
Revenue	4	**13,240,009**	**11,301,700**
Cost of sales		**(3,495,768)**	**(3,429,372)**
Gross profit	4	**9,744,241**	**7,872,328**
Administrative expenses		(9,499,526)	(8,759,363)
Operating profit		**244,715**	**(887,035)**
Profit/ (Loss) before interest, tax, depreciation & amortisation	3	**499,958**	**(625,325)**
Other Income		400	-
Finance income		328,330	258,752
Finance expense		(24,806)	(19,680)
Profit/ (loss) before taxes	5	**548,639**	**(647,963)**
Income tax	7	(37,270)	(7,473)
Profit/(loss) after tax and total comprehensive income		**511,369**	**(655,436)**
Earnings/(loss) per share:			
Basic	18	**0.572p**	**(0.733)p**
Diluted	18	**0.570p**	**-**

The notes on pages 82 to 107 form an integral part of the financial statements.

Consolidated statement of financial position
As at 31 December

	Note	2024 £	2023 £
Assets			
Non-current assets			
Property, plant and equipment	10	265,146	323,762
Right-of-use assets	11/20	309,196	459,923
Deferred tax assets	15	84,611	11,999
		658,953	795,684
Current assets			
Trade and other receivables	8	4,330,686	4,239,768
Cash and cash equivalents	9	9,115,118	7,221,681
		13,445,804	11,461,449
TOTAL ASSETS		**14,104,757**	**12,257,133**
Issued capital and reserves attributable to owners			
Share capital	16	89,459	89,459
Share Premium		3,490,541	3,490,541
Share Option Reserve	21	388,731	355,029
Retained earnings		1,868,861	1,757,376
Total equity		**5,837,592**	**5,692,405**
Liabilities			
Current liabilities			
Trade and other payables	12	2,200,156	1,570,820
Contract liability	13	5,684,309	4,501,025
Current lease liabilities	20,22	184,964	118,674
Income tax payable	14	35,414	23,794
		8,104,843	6,214,313
Non-current liabilities			
Long-term lease liabilities	20, 22(a)(iii)	162,322	350,415
		162,322	350,415
Total liabilities		**8,267,165**	**6,564,728**
TOTAL EQUITY AND LIABILITIES		**14,104,757**	**12,257,133**

The notes on pages 82 to 107 form an integral part of the financial statements.
The financial statements on pages 78 to 81 were approved and authorised for issue by the Board of Directors on29/04/25.

Signed on behalf of the Board of Directors by

V Dodd

Vivek Dodd
Director

Skillcast Group PLC
Consolidated statement of changes in equity
For period ended 31 December 2024

	Note	Share capital	Share Premium	Share Option Reserve	Retained earnings	Total
1 January 2023		**89,459**	**3,490,541**	**223,331**	**2,812,695**	**6,616,026**
Comprehensive Income for the period						
(Loss) for the year		-	-	-	(655,436)	(655,436)
Total comprehensive Income for the period		-	-	-	(655,436)	(655,436)
Total contributions by and distributions to owners						
Share Option Reserve		-	-	131,698	-	131,698
Dividends - Prior Year					(249,591)	(249,591)
Dividends - Current Year		-	-	-	(150,292)	(150,292)
Total contributions by and distributions to owners		-	-	131,698	(399,883)	(268,185)
31 December 2023		**89,459**	**3,490,541**	**355,029**	**1,757,376**	**5,692,405**
1 January 2024		**89,459**	**3,490,541**	**355,029**	**1,757,376**	**5,692,405**
Comprehensive Income for the period						
Profit for the year		-	-	-	511,369	511,369
Total comprehensive Income for the period		-	-	-	511,369	511,369
Contributions by and distributions to owners						
Share Option Reserve		-	-	33,702	-	33,702
Dividends - Prior Year	19				(249,592)	(249,592)
Dividends - Current Year	19	-	-	-	(150,292)	(150,292)
Total contributions by and distributions to owners		-	-	33,702	(399,884)	(366,182)
31 December 2024		**89,459**	**3,490,541**	**388,731**	**1,868,861**	**5,837,592**

The notes on pages 82 to 107 form an integral part of the financial statements.

Skillcast Group PLC

Consolidated statement of cash flows

For the year ended 31 December

	Note	2024	2023
		£	**£**
Cash flows from operating activities			
Profit/ (loss) before tax		548,639	(647,963)
Adjustments for:			
Depreciation of property, plant and equipment	3	102,051	105,609
Amortisation of right-of-use assets	3	150,728	156,101
Finance income		(328,330)	(258,752)
Share based payment		33,702	131,698
Finance expense		24,806	19,680
Unrealised foreign exchange (gain)/ loss		4,670	
Changes in working capital			
(Increase)/decrease in trade and other receivables		(90,918)	(909,194)
Increase in trade and other payables, including contract liabilities		1,812,620	1,434,714
Cash generated from operations		**2,257,968**	**31,893**
Income taxes paid		(98,263)	-
Net cash flows from operating activities		**2,159,705**	**31,893**
Cash flow from investing activities			
Purchases of property, plant and equipment		(43,435)	(175,084)
Interest received		328,330	258,752
Net cash generated/(used) in investing activities		**284,895**	**83,668**
Cash flow financing activities			
Principal paid on lease liabilities		(121,803)	(178,319)
Dividends paid		(399,884)	(399,884)
Interest paid on lease liabilities		(24,806)	(19,680)
Net cash (used) in financing activities		**(546,493)**	**(597,883)**
Net increase/ (decrease) in cash and cash equivalents		1,898,107	(482,322)
Effects of foreign exchange fluctuations on cash and cash equivalents		(4,670)	
Cash and cash equivalents at beginning of period		7,221,681	7,704,003
Cash and cash equivalents at end of period		**9,115,118**	**7,221,681**

The notes on pages 82 to 107 form an integral part of the financial statements.

Skillcast Group PLC

Notes to the consolidated financial statements

31 December 2024

1 General Information

Skillcast Group PLC ('Company') is registered in the United Kingdom with registration number 12305914 and is limited by shares and registered on the London AIM stock exchange. Its registered office is at 80 Leadenhall Street, London, England, EC3A 3DH. The Company is the ultimate parent of Inmarkets Ltd, Inmarkets Group Ltd and Inmarkets International Ltd.

This report and financial statements reflect the consolidated activities and transactions of the Company and other group companies ('Group').

Up to the 28 July 2021 the Company was a private limited company. On the 28 July 2021 the Company re-registered as a public company as Skillcast Group PLC. The Company did this in preparation of admission to the AIM market of the London Stock Exchange. On 1 December 2021 the Company's ordinary shares were admitted in trading on AIM.

The Company is primarily involved in providing management services to other entities in the group. The Group provides software and content subscriptions and related professional services to enable companies to transform their staff compliance. Operating from its two bases, in London and Malta, the Group helps companies across a broad spectrum of industry sectors in the UK, EU and in the rest of the world, to train their staff and demonstrate compliance with various laws, regulations, and standards that are relevant for their business.

2.1 Basis of preparation and statement of compliance

These financial statements have been prepared in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. They have been prepared under the historical cost convention and on a going concern basis. The financial statements are presented in Pounds Sterling, which is the Group's presentation currency.

The group meets its day to day working capital requirements from the cash flows generated by its trading activities and it's available cash resources. As at the 31st of December 2024 the group had £9.1 million of cash. The group prepares cash flow forecasts and reforecasts regularly as part of the business planning process. The directors have reviewed forecast cash flows for the forthcoming 12 months for the group from the date of the approval of the financial statements and consider that the group will have sufficient cash resources available to meet its liabilities as they fall due.

2.2 Consolidation

A subsidiary is defined as an entity over which the Group has control. The Group controls an entity when the Group 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Business combinations other than the share for share acquisition of Inmarkets Group Ltd by Skillcast Group PLC in 2019 are accounted for under the acquisition method and merger relief has been taken on recognising the shares issued on acquisition, where applicable.

Under the acquisition method, the results of the subsidiaries acquired or disposed of are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the financial statements. The cost of acquisition is measured at the aggregate of the fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Any excess of the purchase consideration of the business combination over the fair value of the identifiable assets and liabilities acquired is recognised as goodwill. Goodwill, if any, is not amortised but reviewed for impairment at least annually. If the consideration is less than the fair value of assets and liabilities acquired, the difference is recognised directly in the statement of comprehensive income. Acquisition related costs are expensed as incurred.

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Intragroup losses may indicate an impairment which may require recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

2.3 Changes in Accounting Policies and Disclosures

The Company has adopted all of the new or amended UK adopted International Accounting Standards and Interpretations that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted for the annual reporting period ended 31 December 2024. The Company has initially assessed and concluded that they may not be material.

2.4 Summary of material accounting policies

Revenue recognition

Software as a Service (SaaS) subscriptions

The Group provides subscriptions for the right of access to its content and technology products to clients for subscription periods of typically twelve months.

Revenue is recognised evenly (apportioned on a monthly basis), over the contractual period of the subscription for all products and services contracted for.

The Group has fulfilled its performance obligations once all products and services have become available for use for the client, and recognises revenue on this basis irrespective of whether the products or services are subsequently used.

The balance of the revenue which has not been recognised at the reporting date is deferred as a contract liability in current liabilities, until it is due to be recognised as revenue.

Professional services

The Group provides customised and standard content to its clients provided under fixed-price contracts which is generally non-recurring revenue.

Fixed price contracts are recognised on the percentage of completion method unless the outcome of the contract cannot be reliably determined, in which case contract revenue is only recognised to the extent of contract costs incurred that are recoverable. This is because either the Group is creating an asset with no alternative use to it and the contract contains the right to payment for work completed to date, or the client is simultaneously receiving and consuming the benefits of the Group's services as it performs.

Business development costs incurred as part of a bid or tender process are expensed as incurred. There are no material costs incurred during the period between the contract being awarded and service delivery commencing.

For fixed-price contracts, the client pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, an amount recoverable on contract assets is recognised. Conversely, if the payments exceed the services rendered, a liability is recognised.

Amounts recoverable on contracts are included in current assets and represent revenue recognised on account.

Segmentation

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-maker (which takes the form of the Board of Directors of the Group), in order to allocate resources to the segment and to assess its performance. The Directors of the Group consider the Group is organised as one business unit and all assets, liabilities, revenues and expenditure are retained and recorded as such. However, the Group does segment revenue by type of revenue, namely SaaS subscriptions and Professional Services, and on a geographic basis.

However, the Group has started to analyse and consider costs and gross profit of SaaS and Professional Services. In doing this it is making estimates of time spent and notional allocations of cost between them. It is expected that this will continue in the future and be developed further. The purpose of this is to provide more insight for decision making. See note 4 for gross profit information.

Foreign currencies

The financial statements are presented in the Company's functional currency, Pounds Sterling, being the currency of the primary economic environment in which the Group operates. Transactions denominated in currencies other than the functional currency are translated at the rates of exchange ruling on the date of transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are re-translated to the functional currency at the exchange rate ruling at year end. Exchange differences arising on the settlement and on the re-translation of monetary items are dealt with in the statement of comprehensive income. When deemed to be material these will be disclosed.

Taxes

Current and deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also dealt with in other comprehensive income or in equity, as appropriate.

2.4 Summary of material accounting policies continued

Taxes

Current tax is based on the taxable result for the period. The taxable result for the period differs from the result as reported in profit or loss because it excludes items which are non-assessable or disallowed and it further excludes items that are taxable or deductible in other periods. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset when the Group has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to set off its current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

In Malta, Inmarkets Group Ltd is able to reclaim a proportion of the corporation tax paid by its subsidiary, Inmarkets International Ltd, as long as it meets certain criteria laid down by the Maltese tax authorities. The criteria include that the relevant corporation tax has been paid by Inmarkets International Ltd and that dividends to Inmarkets Group Ltd have been declared by Inmarkets International and are payable to non-Maltese tax resident shareholders. It is Group policy to reclaim Maltese corporation tax to the fullest extent permissible and to recognise this income in Inmarkets Group Ltd based upon dividends declared, or that will be declared once tax returns are completed, for the financial year. The reclaimed corporation tax is presented as netted off with the income tax expense and in other receivables.

Property, plant and equipment

The Group's fixed assets are classified as furniture and fittings, computer hardware and software, office equipment and leasehold improvements. Property, plant and equipment is:

- initially measured at cost. Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Expenditure on repairs and maintenance of property, plant and equipment is recognised as an expense when incurred.
- stated at cost less any accumulated depreciation and any accumulated impairment losses.
- derecognised on disposal or when no future economic benefits are expected from their use or disposal. Gains or losses arising from derecognition represent the difference between the net disposal proceeds, if any, and the carrying amount, and are included in the profit or loss in the period of derecognition.

Depreciation

Depreciation commences when the depreciable assets are available for use and is charged to profit or loss so as to write off the cost, less any estimated residual value, over their estimated useful lives, using the straight-line method, on the following bases:

Computer hardware	25% per annum
Computer software	33% per annum
Furniture and fittings	10% per annum
Office equipment	25% per annum

Leasehold Improvements	Based upon length of Contract

The depreciation method applied, residual value and useful life, are reviewed and adjusted prospectively, if appropriate, at the end of each reporting period.

2.4 Summary of material accounting policies continued

Right of use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Financial assets

Initial recognition and measurement

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

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. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are ‘solely payments of principal and interest (SPPI)’ on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as financial assets at amortised cost (debt instruments).

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.4 Summary of material accounting policies continued

Financial assets

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

The Group recognises a provision allowance for any expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

Trade receivables is held at amortised cost less any impairment provisions which equate to their recoverable values. The Group applies the IFRS 9 simplified approach to measuring ECLs which uses a lifetime expected loss allowance for all trade receivables from service contracts (contract assets). The Group considers and profiles aged debtors from a recent sample period and applies the value of bad debt to each time period to calculate the percentage of bad debt for each time period. The Group then considers the future factors and impact on the aged receivables bad debt percentage profile per aged period. The Group then applies the bad debt percentages per period to the year end trade receivables balance profiled by period to determine the overall provision for bad debt. Any provisions are shown in note 8. Trade receivables are written off when there is no reasonable expectation of recovery.

Impairment of non-financial assets

At the end of each reporting period the carrying amount of assets is reviewed to determine whether there is any indication or objective evidence of impairment, as appropriate, and if any such indication or objective evidence exists, the recoverable amount of the asset is estimated. An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the higher of fair value less costs to sell (which is the amount obtainable from sale in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal) and value in use (which is the present value of the future cash flows expected to be derived, discounted using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset). Where the recoverable amount is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount, as calculated.

Impairment losses are recognised immediately in profit or loss. An impairment loss recognised in a prior year is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Employee benefits

The Group contributes towards the state pension in accordance with local legislation. The only obligation of the Group is to make the required contributions. Costs are expensed in the period in which they are incurred.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and on treasury or notice deposits. Notice deposits with less than three months maturity at inception.

Share-based payments

Employees (including Directors and Senior Management) of the Company and its subsidiaries receive remuneration in the form of share-based payment transactions, whereby these individuals render services as consideration for equity instruments (equity-settled transactions) There individuals are granted share options rights approved by the Board which can only be settled in shares of the Company. No cash-settled awards have been made or are planned.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant individuals become fully entitled to the award (vesting point). The cumulative expense recognised for the equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments and value that will ultimately vest. The statement of comprehensive income charge for the year represents the movement in the cumulative expense recognised as at the beginning and end of that period.

The fair value of share-based remuneration is determined at the date of grant and recognised as an expense in the statement of comprehensive income on a straight-line basis over the vesting period, taking account of the estimated number of shares that will vest. The fair value is determined by use of the Black-Scholes model method.

2.5 Significant accounting judgements, estimates and assumptions

In preparing the financial statements, the directors are required to make judgements, estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates. Actual results in the future could differ from such estimates and the differences may be material to the financial statements. These estimates are reviewed on a regular basis and if a change is needed, it is accounted for in the period the change becomes known.

In the opinion of the directors, the accounting estimates, assumptions and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as most significant in terms of the requirements of IAS 1 (revised) ‘Presentation of Financial Statements’.

Estimated revenues

The group recognises revenue on bespoke projects when a performance obligation is satisfied and accepts judgement is required. The group has developed a matrix of transaction price allocation to performance obligations to assist in applying a consistent approach to all bespoke projects. The matrix defines the stage of completion of a bespoke project and the percentage of the transaction price that should be allocated to that stage.

3 Earnings/ (loss) before interest, tax, depreciation and amortisation EBITDA/ (LBITDA)

	2024	2023
	£	£
Operating profit	244,715	(887,035)
Other interest	2,464	
Depreciation	102,051	105,609
Amortisation	150,728	156,101
EBITDA/ (LBITDA)	499,958	(625,325)

EBITDA and LBITDA are not terms recognised under IFRS and therefore the reported figures may not be comparable to other companies with similar measures.

4 Revenue & gross profit

	2024	2023
	£	£
Revenue by major product lines		
Software as a Service (SaaS) subscriptions (i)	10,987,628	8,547,389
Professional services (ii)	2,252,381	2,754,311
	13,240,009	11,301,700

(i) SaaS subscriptions - The Group provides right of access of subscriptions to its content and technology products to the customer over time for the subscription periods that are typically twelve months. The revenue is recognised evenly over the period of the subscription. This revenue includes subscriptions to: (a) Skillcast Portal - the Group's integrated compliance management application that comes with a broad range of tools, namely SELMS, Policy Hub, Compliance Declarations, Surveys, Compliance Registers, Training 360, Events Management and SMCR 360; and (b) the Skillcast OTS course libraries, namely Essentials, FCA Compliance, Insurance Compliance and Risk.

(ii) Professional services - The Group provides customised and standard content to its clients under fixed-price contracts. This non-recurring revenue includes: (a) bespoke e-learning development projects for large corporates; (b) translations of those bespoke courses; (c) customisation of OTS courses for subscription clients; and (d) other content and technology consultancy.

	2024	2023
	£	£
Gross profit by product lines		
Software as a Service (SaaS) subscriptions (i)	8,804,612	6,316,026
Professional services (ii)	939,629	1,556,302
	9,744,241	7,872,328

The Group has analysed costs along product lines after having identifiable direct costs and using judgement to allocate other direct costs such as staff based on a proportion related to that product line.

4 Revenue & gross profit - continued

	2024	2023
	£	£
Revenue geographic split by customer		
UK	10,393,492	8,913,470
Europe	1,444,687	942,870
Rest of world	1,401,830	1,445,360
	13,240,009	11,301,700

Non-current assets in which they are based are shown below:

	2024	2023
Property, plant and equipment		
UK	140,674	175,327
Malta	124,472	148,435
	265,146	323,762
Right of use assets		
UK	149,492	255,042
Malta	159,704	204,880
	309,196	459,922

5 Profit/ (loss) before taxes

The profit/ (loss) before taxation is stated after charging the following amounts:

	2024	2023
	£	£
Staff cost (CoS)	2,443,389	2,194,546
Subcontracted services (CoS)	667,124	785,053
Staff costs (Admin)	7,005,261	5,779,421
Directors' compensation	1,128,125	1,053,731
Professional fees	486,877	269,952
Depreciation and amortisation expense	252,780	261,710
Fees payable to the Company's auditor for the audit of Parent and Subsidiaries	99,425	47,133

The aggregate amount of research and development expenditure recognised as expenses during the period is £1,291,200 (2023: £1,230,999).

6 Staff costs and employee information

	2024	2023
	£	£
Salaries & wages	8,291,777	7,847,604
Social security costs	841,545	873,174
Pension	189,440	124,747
Share-based payment expenses	33,702	131,698
Other payroll costs	92,186	50,475
	9,448,650	9,027,698

The Group companies contribute towards the state pension in accordance with local legislation. The only obligation of the companies is to make the required contributions. Costs are expensed in the period in which they are incurred.

Number of staff

The average number of persons employed by the Group during the year was 121, and at December 2024 the number of persons employed was 120, analysed by category as follows:

	At 31 December	At 31 December	Average	Average
	2024	2023	2024	2023
Directors	7	7	7	7
Administration	5	5	5	4
Client Service	33	26	30	25
Operations/Production	18	21	20	22
Sales & Marketing	32	34	34	34
Finance	5	5	5	4
Technology	20	20	20	19
	120	118	121	115

6 Staff costs and employee information - Continued

Key management personnel

The remuneration of key management personnel (considered to be the Directors and Senior Management) is £1,418,369 (2023: £1,486,336) and is set out in the table below in aggregate for each of the categories specified in IAS24: Related Party Disclosures. See note 17 for additional information relating to related party transactions that are included in the table below.

	2024			2023		
	Directors	**Senior Management**	**Total**	**Directors**	**Senior Management**	**Total**
	£	**£**	**£**	**£**	**£**	**£**
Wages and Salaries	926,118	111,001	1,037,119	912,511	199,883	1,112,394
Social Security	149,600	2,410	152,010	137,011	4,154	141,165
Pension	44,651	0	44,651	38,522	0	38,522
Share-based payment expenses	563	13,343	13,906	20,335	9,501	29,836
Other benefits	7,193	0	7,193	0	0	0
Consultancy fees	0	163,490	163,490	0	164,419	164,419
	1,128,125	290,244	1,418,369	1,108,379	377,957	1,486,336

The Company made contributions to defined contribution personal pension schemes for three Directors in the period (2023: three). Vivek Dodd is a Director and owns more than 50% of the shares in the parent company and is the ultimate controlling party.

7 Income tax expense

	2024	2023
	£	**£**
Current year tax charge	19,120	7,473
Prior year tax charge	80,123	-
Deferred tax movement	(61,973)	-
	37,270	7,473

A reconciliation of the current income tax expense applicable to the profit before taxation at the statutory rate to the current income tax expensed at the effective tax rate of the Company is as follows:

7 Income tax expense - Continued

	2024 £	2023 £
Profit/ (loss) before taxation	548,639	(647,963)
Tax calculated at applicable UK statutory tax rate of 25% (2023: 23.52%)	135,757	(152,401)
Tax effects of:		
-Expenses not deductible for tax purposes	21,951	84,732
-Losses carried forward	-	89,002
-Utilisation of losses brought forward	(118,100)	-
-Withholding tax credit on intercompany dividends	-	-
-Research and Development Credits	-	-
-Differing tax rates due to trade in different jurisdictions	23,080	(6,691)
-Prior year tax paid and adjustment	83,089	-
-Deferred tax movement and temporary differences	(119,508)	
-Other adjustments	11,001	(7,169)
Current income tax	37,270	7,473

The Company provides for income taxes on the basis of its income for financial reporting purposes, adjusted for items that are not assessable or deductible for income tax purposes in accordance with the regulation of domestic tax authorities.

The effective rate of tax for the year ended 31 December 2024 was 7% (2023: -1%). This effective tax rate is a combination of the following items:

* the tax rates and tax regimes in the UK and Malta in which the businesses of the Company operate;
* used capital losses;
* the tax loss carry forward regulations in different jurisdictions.
* the diverse tax treatments of deferred consideration amounts applied in each jurisdiction;
* deferred tax;
* As at 31/12/2024 the Group had unutilised trading losses of £66,607.

The tax rates applicable in the jurisdictions are:

* UK: The applicable statutory tax rate for 2024/23 is 25% (2023: 23.52%)
* Malta: Income taxes are due at 35% of taxable income.

8 Current assets - trade and other receivables

	2024	2023
	£	£
Trade receivables	3,106,264	3,008,270
Less: Allowance for expected credit losses	(58,558)	(95,353)
	3,047,706	2,912,917
Prepayments	404,704	472,379
Accrued Income	195,343	157,668
Maltese withholding tax	628,057	628,057
Other receivables	54,876	68,747
	1,282,980	1,326,851

As of 31 December 2024, trade receivables totalled £3,106,574 (2023: £3,008,270). Within this figure, £2,060,434 was not due (2023: £1,649,657). The directors believe that the value of provisions is sufficient although any actual impairment can be higher or lower.

The Maltese withholding tax relates to withholding tax rebate claim post a Group restructure necessary for the IPO in December 2021. Due to an error in the original filing of the restructure, which has now been rectified, the withholding tax rebate filing was delayed. The Group does not consider it necessary to provide for this receivable.

9 Current assets - cash and cash equivalents

	2024	2023
	£	£
Cash at bank	9,115,118	7,221,681
	9,115,118	7,221,681

	2024	2023
	£	£
Geographic split		
United Kingdom	8,715,774	6,644,470
Malta	399,344	577,211
	9,115,118	7,221,681

	2024	2023
	£	£
Cash Held by Currency (in Pound Sterling)		
Pound Sterling	8,520,192	6,962,276
Euro	538,828	254,382
Czech Koruna	135	2,326
US Dollar	55,963	2,697
	9,115,118	7,221,681

10 Non-current assets - property, plant and equipment

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Computer Software & Hardware	Furniture and Fixtures	Office Equipment	Leasehold Improvements	Total
Balance at 1 January 2023	87,328	82,644	1,350	82,965	254,287
Additions	36,825	36,358	2,418	99,483	175,084
Disposals	-	-	-	-	-
Depreciation expense	(53,869)	(16,174)	(1,288)	(34,278)	(105,609)
Balance at 31 December 2023	70,284	102,828	2,480	148,170	323,762
Balance at 1 January 2024	70,284	102,828	2,480	148,170	323,762
Additions	39,020	2,589	490	1,336	43,435
Disposals	-	-	-	-	-
Depreciation expense	(46,920)	(15,690)	(1,272)	(38,169)	(102,051)
Balance at 31 December 2024	62,384	89,727	1,698	111,337	265,146

Geographic split	Computer Software & Hardware	Furniture and Fixtures	Office Equipment	Leasehold Improvements	Total
United Kingdom					
Balance at 1 January 2023	41,573	72,423	783	82,965	197,744
Additions	34,402	1,370	-	-	35,772
Disposals	-	-	-	-	-
Depreciation expense	(26,583)	(10,498)	(366)	(20,742)	(58,189)
Balance at 31 December 2023	49,392	63,295	417	62,223	175,327
Balance at 1 January 2024	49,392	63,295	417	62,223	175,327
Additions	22,572	1,263	-	-	23,835
Disposals	-	-	-	-	-
Depreciation expense	(26,905)	(10,545)	(297)	(20,741)	(58,488)
Balance at 31 December 2024	45,059	54,013	120	41,482	140,674
Malta					
Balance at 1 January 2023	45,755	10,222	566	-	56,543
Additions	2,423	34,988	2,418	99,483	139,312
Disposals	-	-	-	-	-
Depreciation expense	(27,286)	(5,676)	(922)	(13,536)	(47,420)
Balance at 31 December 2023	20,892	39,534	2,062	85,947	148,435

Balance at 1 January 2024	20,892	39,534	2,062	85,947	148,435
Additions	16,448	1,327	490	1,336	19,601
Disposals	-	-	-	-	-
Depreciation expense	(20,015)	(5,145)	(976)	(17,428)	(43,564)
Balance at 31 December 2024	17,325	35,716	1,576	69,855	124,472

11 Non-current assets - Right-of-use assets

Reconciliations of the written down values at the beginning and end of the current and previous financial periods are set out below:

	Leasehold property	Car leases	Total
Balance at 1 January 2023	610,651	5,373	616,024
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(150,728)	(5,373)	(156,101)
Balance at 31 December 2023	459,923	-	459,923
Balance at 1 January 2024	459,923	-	459,923
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(150,727)	-	(150,727)
Balance at 31 December 2024	309,196	-	309,196

The Group leases its offices, typically for a period of several years, with an option to extend (see note 21). On renewal, the terms of the lease are renegotiated.

Geographic split	Leasehold property	Car leases	Total
United Kingdom			
Balance at 1 January 2023	360,595	5,373	365,968
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(105,552)	(5,373)	(110,925)
Balance at 31 December 2023	255,043	-	255,043
Balance at 1 January 2024	255,043	-	255,043
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(105,551)	-	(105,551)
Balance at 31 December 2024	149,492	-	149,492
Malta			
Balance at 1 January 2023	250,056	-	250,056
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(45,176)	-	(45,176)
Balance at 31 December 2023	204,880	-	204,880

Balance at 1 January 2024	204,880	-	204,880
Additions	-	-	-
Disposals	-	-	-
Amortisation expense	(45,176)	-	(45,176)
Balance at 31 December 2024	159,704	-	159,704

12 Current liabilities - trade and other payables

	2024 £	2023 £
Trade payables	179,695	94,095
Accruals	624,400	794,740
Amount due to shareholders	450	450
Sales and payroll taxes	1,294,594	628,339
Wages & Pension payable	101,017	53,196
	2,200,156	1,570,820

13 Current liabilities - Contract liability

	Subscriptions	Professional Services
Balance at 1 January 2023	3,212,733	225,031
New Contracts	9,610,826	2,754,135
Revenue Recognised	(8,547,389)	(2,754,311)
Balance at 31 December 2023	4,276,170	224,855
Balance at 1 January 2024	4,276,170	224,855
New Contracts	12,057,352	2,365,941
Revenue Recognised	(10,987,628)	(2,252,381)
Balance at 31 December 2024	5,345,894	338,415

14 Current liabilities - Income tax

	2024 £	2023 £
Corporation tax payable	35,414	23,794

15 Non-current liabilities - Deferred tax

The deferred tax (liability)/asset for the year is analysed as follows.	2024 £	2023 £
At beginning of the period	11,999	11,999
Movement in the year	72,612	-
At end of the period	84,611	11,999
Deferred tax asset		
Temporary differences - on short term differences including share based payments	109,133	11,999
Fixed asset temporary differences	(24,521)	-

Deferred tax assets have been recognised as it is probable that there will be sufficient future taxable profits available to recover or utilise them. The Group returned to profitability in 2024 after a planned period of investment. It has produced three year forecasts that support this judgement

16 Equity - issued capital

	2024	2023
	£	£
Issued Shares	89,459,460	89,459,460
Par value per share	0.10p	0.10p
Total	89,459	89,459

All shares in the Company are fully paid up. Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of, and amounts paid, on the shares held. On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll, each share shall have one vote.

17 Related party transactions

Monad IKE	Limited liability company registered in Greece. Company registration number is 153449133000 Provides services to the Group. Morten Damsleth is both a director of Monad IKE and a member of the key management personnel of the Group, see note 6.
PsyPotential Ltd	Limited liability company registered in Malta. Company registration number is C86668 Provides services to the Group. Sharon Mulligan is both a director of PsyPotential and a member of the key management personnel of the Group, see note 6.
Thruvision Ltd	Private Limited liability company registered in England and Wales. Company registration number is 10940081 Purchased services from the Group. Richard Amos is both a Non-Executive director of Thruvision Ltd. and a Non-Executive Director of the Group.
Belvedere Consultancy Ltd	Private Limited liability company registered in England and Wales. Company registration number is 08254276 Purchased services from the Group. Richard Steele is both an Executive director of Belvedere Consultancy Ltd and an Executive Director of the Group.

	2024	2023
	£	£
Monad IKE	138,972	136,834
PsyPotential Ltd	24,518	27,585
Thruvision Ltd	15,587	2,486
Belvedere Consultancy	349	-
Outstanding payables of Group with PsyPotential Ltd.	-	8,971

18 Earnings per share

Earnings per share (EPS) is calculated on the basis of profit attributable to equity shareholders divided by the weighted average number of shares in issue for the year.

Diluted earnings per share has been calculated on the same basis as above, except that the weighted average number of ordinary shares that would be issued on the conversion of the dilutive potential ordinary shares as calculated using the treasury stock method (arising from the Company's share option scheme and warrants) into ordinary shares has been added to the denominator.

	2024	2023
Profit/ (loss) before tax	548,639	(647,963)
Tax	(37,270)	(7,473)
Profit/ (loss) after tax	511,369	(655,436)
Earnings	511,369	(655,436)
Weighted average number of ordinary shares (undiluted)	89,459,460	89,459,460
Effect of dilutive potential ordinary shares	274,595	(3,786,667)
Diluted average number of shares	89,734,055	85,672,793
Earnings per share (basic)	0.572p	(0.733p)
Earnings per share (diluted)	0.570p	-

19 Dividends

	2024		2023	
	Pence per share	**£**	**Pence per share**	**£**
Dividend declared - Final 2023	0.279p	249,592		
Dividend declared - Interim 2024	0.168p	150,292		
Dividend declared - Final 2022			0.279p	249,592
Dividend declared - Interim 2023			0.168p	150,292
Dividend declared per share		0.477p		0.477p

During the period under review, the Group generated a profit before tax of £542,944 (2023: loss before tax of £647,963). A final dividend of £249,592 (0.279p) was declared and paid with regards to the year ended 2023 and £150,292 (0.168p) interim dividend was declared and paid with regards to the year ended 2024. The Group's policy is to at least maintain dividend payments.

The Board is proposing a final dividend of 0.391p per share. In combination with the interim dividend, if confirmed by the shareholders at the AGM, this will represent a total dividend for the year of £462,282 (2023: £399,884) or 0.517p per share based upon the number of shares currently in issue. If further approved by shareholders at the AGM on 24 Jube 2025, the final dividend will be paid on 25 July 2025 to shareholders on the register at the close of business on 4 July 2025.

20 Leases

The Company leases various offices and vehicles under non-cancellable leases expiring within six months to six years of the reporting date. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

	2024	2023
	£	£
Lease liabilities		
Current lease liabilities	184,964	118,674
Non-current lease liabilities	162,322	350,415
Total lease liabilities	347,286	469,089

	2024	2023
	£	£
Right-of-use assets		
Leasehold property	309,196	459,923
Total right-of-use assets	309,196	459,923

Interest expense related to the lease liabilities and depreciation related to the right-of-use assets recognised in the consolidated statement of comprehensive income for the period are shown below:

	2024	2023
	£	£
Amortisation for right-of-use assets	150,727	156,101
Interest expense on lease liabilities	24,806	19,680

Properties

The Company leases office space at the following locations, all of which are operating leases:

London, UK. The lease agreement was entered into on 23 May 2021 with a break option at 36 months and an expiry date of 22 May 2026.

Mriehel, Malta. The lease agreement was entered into on 15 September 2014 with an initial three year term which was extended an additional seven year and which would have expired on 31 December 2024**.** On 20 September 2022 this lease was modified. The new modified agreement has an initial three year term with a break option at 36 months and an expiry date of 30 September 2028

Motor vehicles

The company had one motor vehicle lease in London, UK. The lease term was for 36 months to Jan 2023. There was no vehicle in 2024.

21 Share options and warrants

Share options

The share option scheme, adopted by the Company after admission to AIM on 1 December 2021, was established to reward and incentivise the executive management team and staff for delivering share price growth. The option schemes are equity settled.

The share scheme is administered by the Remuneration Committee.

No options were granted during 2024 (2023: 1,600,000 with a weighted average fair value of 4 pence). 600,000 options lapsed during 2024 (2023: 540,000) with a weighted average fair value of 10 pence (2023: 7 pence) These fair values were based on the Company's share price at the date of grant. Out of the 5,080,000 outstanding options (2023: 5,680,000), 3,193,033 options were exercisable (2023: 2,070,300).

A charge of £39,094 (2023: £131,698) has been recognised in the consolidated statement of comprehensive income for the year relating to these options.

Options are exercisable in accordance with the contracted vesting schedules; if an employee leaves the employment of the Company prior to the options vesting, then unless otherwise agreed, the share options will lapse.

Details of the share options outstanding at the year-end are as follows:

	Number 2024	WAEP* 2024	Number 2023	WAEP* 2023
Outstanding at 1 January as per 2024 Reporting	5,680,000	32.5p	4,670,000	37p
Adjustment to 2022 Grants	-	-	(50,000)	37p
Granted during the year	-	-	1,600,000	21p
Exercised during year	-	-	-	0p
Lapsed during year	600,000	35.1p	540,000	28p
Outstanding at 31 December	5,080,000	32.2p	5,680,000	32.5p
Thereof exercisable at 31 December	3,193,033	34.3p	2,070,300	36p

* Weighted average exercise price

The weighted average remaining contractual life of the options outstanding at the statement of financial position date is 8.3 years.

Share options granted are valued under the Black-Scholes model. All options granted vest equally over 3 or 4 years. A dividend yield was assumed based on the Group's stated policy of paying £400,000 per annum. No options were granted in 2024. Options were granted in 2023 with an exercise price of 21 pence. An expected volatility of 27% has been assumed for options granted in 2023. Options granted at the time of the IPO in 2021 had an exercise price equal to the IPO price of 37 pence.

22 Financial instruments

The Company's activities are exposed to a variety of risk including foreign currency, credit and liquidity risk. The Company's overall financial risk management policy focuses on minimising potential adverse effects on its financial performance. The Company does not trade in financial instruments.

The principal financial instruments used by the Company, from which financial instrument risk arises are as follows:

	2024	2023
	£	£
Financial assets measured at amortised cost		
Trade and other receivables	4,330,686	3,767,389
Cash and cash equivalents	9,115,118	7,221,681
	13,445,804	10,989,070
Financial liabilities measured at amortised cost		
Trade and other payables and accruals	2,200,156	1,570,820
Current lease liabilities	184,964	118,674
	2,385,120	1,689,494

Non-current borrowings are included within section (iii), liquidity risk, below.

22 **Financial instruments**

(a) Financial risk management policies

(i) Market risk

The Company is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Sterling (GBP). The currency giving rise to this risk is primarily the Euro. Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. The Group maintains a natural hedge whenever possible, by matching the cash inflows (revenue stream) and cash outflows used for purposes such as capital and operational expenditure in the Euro.

The carrying amounts of the Company's financial instruments at 31 December 2024 are denominated in the following currencies:

	GBP	EUR	USD	CZK	Total
	£	**£**	**£**	**£**	**£**
Current financial assets					
Trade and other receivables	3,782,548	139,167	4,267	-	3,925,982
Cash and cash equivalents	8,520,192	538,828	55,963	135	9,115,118
	12,302,740	677,995	60,230	135	13,041,100
Current financial liabilities measured at amortised cost					
Trade and other payables	2,984,452	(777,373)	(6,956)	33	2,200,156
Current lease liabilities	147,974	36,990	-	-	184,964
	3,132,426	(740,383)	(6,956)	33	2,385,120

The carrying amounts of the Company's financial instruments at 31 December 2023 are denominated in the following currencies:

	GBP	EUR	USD	CZK	Total
	£	**£**	**£**	**£**	**£**
Current financial assets					
Trade and other receivables	3,590,025	165,519	11,845	-	3,767,389
Cash and cash equivalents	6,962,276	254,382	2,697	2,326	7,221,681
	10,552,301	419,901	14,542	2,326	10,989,070
Current financial liabilities measured at amortised cost					
Trade and other payables	1,612,717	-41,267	-630	0	1,570,820
Current lease liabilities	80,509	38,165	0	0	118,674
	1,693,226	-3,102	-630	0	1,689,494

The sensitivity analysis in the table below details the impact of changes in foreign exchange rates on the Company's post-tax profit or loss for the period.

If the Sterling strengthened or weakened by 10% against the currency specified in the table below, with all other variables in each case remaining constant, then the impact on the Company's post-tax profit or loss would be gains or losses as follows:

	2024	**2023**
	Strengthen / Weaken	Strengthen / Weaken
	£	**£**
EUR	+/-17,162	+/-44,050

(ii) Credit risk

The Company's exposure to credit risk arises mainly from trade and other receivables. The Company manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating institutions.

The expected loss rates are based on the historical payment profiles of sales and the credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information. The loss allowance is shown in Note 8.

22 Financial instruments

(a) Financial risk management policies

(iii) 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 manages its exposure to liquidity risk by reviewing the cash resources required to meet its business objectives through both short and long-term cash flow forecasts. The Company maintains a level of cash and cash equivalents and bank facilities deemed adequate by management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. All current liabilities are repayable within one year.

The maturity profile of the Group's financial lease liabilities, including interest payments, based on contractual undiscounted payments are summarised below.

	Less than one year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Year ended 31 December 2024	223,046	81,006	52,822	40,501	397,375
Year ended 31 December 2023	131,892	190,175	71,938	93,878	487,883

(iv) Capital risk management

The aim of the Company's capital management policy is to ensure the Company's ability to continue as a going concern, maintain a strong capital base in order to provide confidence to investors and creditors, and to sustain the future development of the business.

The Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt in order to maintain the capital structure. Capital is regarded as total equity, as recognised in the statement of financial position, plus cash, less debt. Debt includes lease liabilities.

The debt-to-equity ratio of the Company as at the end of each reporting period was as follows:

	2024	**2023**
	£	**£**
Total equity	5,837,592	5,692,405
Less debt: lease liability	(347,286)	(469,089)
Capital	5,490,306	5,223,316
Debt-to-equity ratio	0.06	0.08

There have been no events of default on any financing arrangements during the year.

23 Financing cash flows

A reconciliation of the financing cash flow is set out below:

	2024	2023
	£	£
Lease liability		
At 1 January	469,089	647,408
Additions	-	-
Interest expense	24,806	19,680
Lease payments	(146,609)	(197,999)
At 31 December	347,286	469,089
Dividend liability		
At 1 January	-	-
Dividends declared	399,884	399,884
Dividend payments	(399,884)	(399,884)
At 31 December	-	-
Net financing payments	(546,493)	(597,883)
Financing per statement of cash flows	(546,493)	(597,883)

A final dividend of £249,592 was declared and paid in 2023 with regards to the year ended 31 December 2022 and £150,292 interim dividend was also declared and paid for the year ended 31 December 2023.

24 Events after the reporting period

Apart from the final dividend declared as disclosed in note 19, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Company statement of financial position
As at 31 December 2024

	Note	2024	2023
		£	£
Assets			
Non-current assets			
Investment	4	450,424	409,582
Deferred tax assets	5	19,853	-
		470,277	409,582
Current assets			
Trade and other receivables	6	4,512,736	4,400,810
Taxes receivables	6	181,900	154,623
Cash and cash equivalents	7	40,042	30,547
		4,734,678	**4,585,980**
TOTAL ASSETS		**5,204,955**	**4,995,562**
Issued capital and reserves attributable to owners			
Share capital	10	89,459	89,459
Share Premium		3,490,541	3,490,541
Share Options Reserve		388,731	355,029
Retained earnings		1,030,237	933,595
TOTAL EQUITY		**4,998,968**	**4,868,624**
Liabilities			
Current liabilities			
Trade and other payables	8	194,928	119,465
Income tax payable	9	11,059	7,473
Total liabilities		**205,987**	**126,938**
TOTAL EQUITY AND LIABILITIES		**5,204,955**	**4,995,562**

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Income Statement and Statement of Comprehensive Income.

The profit for Skillcast Group Plc was £491,134 (2023: £915,147).

The notes on pages 112 to 122 form an integral part of the financial statements.

The financial statements on pages 109 to 111 were approved and authorised for issue by the Board of Directors on 29 April 2025.

Signed on behalf of the Board of Directors by

V Dodd

Vivek Dodd
Director
Skillcast Group PLC

Company statement of changes in equity

For the year ended 31 December 2024

	Share capital	Share premium Paid	Share Option Reserve	Retained earnings	Total equity
	£	£	£	£	£
1 January 2023	**89,459**	**3,490,541**	**223,331**	**418,332**	**4,221,663**
Comprehensive Income for the period					
Profit	-	-	-	915,147	915,147
Total comprehensive Income for the period	-	-	-	915,147	915,147
Contributions by and distributions to owners					
Share Option Reserve	-	-	131,698	-	131,698
Dividends				(399,884)	(399,884)
Total contributions by and distributions to owners	**-**	**-**	**131,698**	**(399,884)**	**(268,186)**
31 December 2023	**89,459**	**3,490,541**	**355,029**	**933,595**	**4,868,624**
1 January 2024	**89,459**	**3,490,541**	**355,029**	**933,595**	**4,868,624**
Comprehensive Income for the period					
Profit	-	-	-	496,526	496,526
Total comprehensive Income for the period	-	-	-	496,526	496,526
Contributions by and distributions to owners					
Share Option Reserve	-	-	33,702	-	33,702
Dividends				(399,884)	(399,884)
Total contributions by and distributions to owners	**-**	**-**	**33,702**	**(399,884)**	**(366,182)**
31 December 2024	**89,459**	**3,490,541**	**388,731**	**1,030,237**	**4,998,968**

The notes on pages 112 to 122 form an integral part of the financial statements.

Skillcast Group PLC

Company statement of cash flows

For the year ended 31 December 2024

	2024	2023
	£	£
Cash flows from operating activities		
Profit before tax	483,862	922,620
Adjustments for:		
Share Based Payment	(7,140)	131,698
	476,722	1,054,318
(Increase)/ decrease in trade and other receivables	(139,203)	(658,274)
Increase/ (decrease) in trade and other payables	75,463	41,860
Cash generated from operations	**412,982**	**437,904**
Income taxes paid	(3,603)	(7,473)
Net cash flows from operating activities	**409,379**	**430,431**
Financing activities		
Dividends paid	(399,884)	(399,884)
Net cash (used in)/from financing activities	**(399,884)**	**(399,884)**
Net increase in cash and cash equivalents	9,495	30,547
Cash and cash equivalents at beginning of period	30,547	-
Cash and cash equivalents at end of period	**40,042**	**30,547**

The notes on pages 112 to 122 form an integral part of the financial statements.

1 General Information

Skillcast Group PLC ('Company') is registered in the United Kingdom with registration number 12305914 and is limited by shares. Its registered office is at 80 Leadenhall Street, London, England, EC3A 3DH and registered on the London AIM stock exchange.. The Company is the ultimate parent of Inmarkets Ltd, Inmarkets Group Ltd, Inmarkets International Ltd . Together referred to as the 'Group'.

This report and financial statements reflect the activities and transactions of the Company.

The Company is primarily involved in providing management services to other entities in the Group.

2.1 Basis of preparation and statement of compliance

These financial statements have been prepared in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. They have been prepared under the historical cost convention and on a going concern basis. The financial statements are presented in Pounds Sterling, which is the Group's presentation currency.

2.2 Changes in accounting policies and disclosures

The Company has adopted all of the new or amended UK adopted International Accounting Standards and Interpretations that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted for the annual reporting period ended 31 December 2024. The Company has initially assessed and concluded that they may not be material.

2.3 Summary of material accounting policies

Revenue recognition

Professional services

Revenue is recognised as the client simultaneously receives and consumes the benefits of the Companies services.

Dividend Income

The company receives dividends from its subsidiaries which are recognised in the Company statement of profit and loss and other comprehensive income when declared.

Foreign currencies

The financial statements are presented in the Company's functional currency, Pounds Sterling, being the currency of the primary economic environment in which the Group operates. Transactions denominated in currencies other than the functional currency are translated at the rates of exchange ruling on the date of transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are re-translated to the functional currency at the exchange rate ruling at year end. Exchange differences arising on the settlement and on the re-translation of monetary items are dealt with in the statement of comprehensive income. When deemed to be material these will be disclosed.

2.3 Summary of material accounting policies - continued

Taxes

Current tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the current tax is also dealt with in other comprehensive income or in equity, as appropriate.

Current tax is based on the taxable result for the period. The taxable result for the period differs from the result as reported in profit or loss because it excludes items which are non-assessable or disallowed and it further excludes items that are taxable or deductible in other periods. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Fixed asset investments

Fixed asset investments in Group undertakings are carried at cost less any provision for impairment.

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 are subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, Inmarkets initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as follows financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.3 Summary of material accounting policies - continued

Financial assets

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

The Company recognises a provision allowance for any expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. Any provisions will be shown in note 5.

Impairment of non-financial assets

At the end of each reporting period the carrying amount of assets is reviewed to determine whether there is any indication or objective evidence of impairment, as appropriate, and if any such indication or objective evidence exists, the recoverable amount of the asset is estimated.

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the higher of fair value less costs to sell (which is the amount obtainable from sale in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal) and value in use (which is the present value of the future cash flows expected to be derived, discounted using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset). Where the recoverable amount is less than the carrying amount, the carrying amount of the asset is reduced to its recoverable amount, as calculated.

Impairment of non-financial assets continued

Impairment losses are recognised immediately in profit or loss.

An impairment loss recognised in a prior year is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

Impairment reversals are recognised immediately in profit or loss.

2.3 Summary of material accounting policies - continued

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Share-based payments

Employees (including Directors and Senior Management) of the Company receive remuneration in the form of share-based payment transactions, whereby these individuals render services as consideration for equity instruments (equity-settled transactions) There individuals are granted share options rights approved by the Board which can only be settled in shares of the Company. No cash-settled awards have been made or are planned.

2.3 Summary of significant accounting policies - continued

Share-based payments

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant individuals become fully entitled to the award (vesting point). The cumulative expense recognised for the equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments and value that will ultimately vest. The statement of comprehensive income charge for the year represents the movement in the cumulative expense recognised as at the beginning and end of that period.

The fair value of share-based remuneration is determined at the date of grant and recognised as an expense in the statement of comprehensive income on a straight-line basis over the vesting period, taking account of the estimated number of shares that will vest. The fair value is determined by use of the Black-Scholes model method.

2.4 Significant accounting judgements, estimates and assumptions

In preparing the financial statements, the directors are required to make judgements, estimates and assumptions that affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates. Actual results in the future could differ from such estimates and the differences may be material to the financial statements. These estimates are reviewed on a regular basis and if a change is needed, it is accounted for in the period the change becomes known.

In the opinion of the directors, the accounting estimates, assumptions and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised) 'Presentation of Financial Statements'.

3 Administrative expenses

	2024	**2023**
	£	£
Director's compensation	167,764	159,600
Social security costs	19,022	18,259
Other Employer Contributions	(7,140)	(203,384)
Professional fees	59,318	116,783
Auditor's remuneration	75,570	43,000
Insurance	78,819	91,150
Expenses related to AIM	102,168	87,225
Other expenses	10,617	4,747
	506,138	317,380

4 Investments

	2024	2023
	£	£
Investment in Inmarkets Limited	335,499	304,871
Investment in Inmarkets International Limited	112,925	102,711
Investment in Inmarkets Group Limited	2,000	2,000
	450,424	409,582

The increase in investment in the subsidiaries reflects the increase in share options held by employees of the subsidiaries.

5 Deferred assets

	2024	2023
	£	£
Deferred tax asset recognised on share based transactions following a current year profit.	19,853	-

As at 31/12/2024 the company derived £16,652 of the deferred tax asset from trading losses. Deferred tax assets have been recognised as it is probable that there will be sufficient future taxable profits available to recover or utilise them. The Group returned to profitability in 2024 after a planned period of investment. It has produced three year forecasts that support this judgement.

6 Current assets - Tax and other receivables

	2024	2023
	£	£
Sundry Debtors	4,400	4,400
Due from Group companies	4,409,121	4,328,004
Prepayments	99,215	68,406
Sales taxes	181,900	154,623
	4,694,636	4,555,433

No impairment allowance is considered necessary for these receivables.

7 Current assets - cash and cash equivalents

	2024	2023
	£	**£**
Cash at bank	40,042	30,547

8 Current liabilities - Trade and other payables

	2024	2023
	£	£
Trade Payables	103,918	9,000
Accruals	90,560	110,015
Amount due to Shareholder	450	450
	194,928	119,465

9 Current liabilities - Income tax

	2024	2023
	£	£
Corporation tax payable	11,059	7,473

10 Equity - issued capital

	2024	2023
	£	£
Number	89,459,460	89,459,460
Par value per share	0.001	0.001
Total	89,459	89,459

All the shares in the Company are fully paid up. Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of, and amounts paid, on the shares held. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

11 Key management personnel

The key management personnel are:

Catriona Razic	Director	(appointed 8/11/2019)
Anthony Miller	Director	(appointed 25/11/2019)
Vivek Dodd	Director and owns more than 50% of the shares in the parent company and is the ultimate controlling party.	(appointed 25/11/2019)
Richard Steele	Director	(appointed 11/05/2022)
Richard Amos	Director	(appointed 2/8/2019)
Isabel Napper	Director	(appointed 2/8/2021 & resigned 25/6/2024)
Sally-Ann Tilleray	Director	(appointed 2/8/2019)
James Saralis	Director	(appointed 1/7/2024)

	2024	2023
	£	£
Compensation for key management personnel.	179,646	177,859

12 Related party transactions

The Group related party companies are:

Inmarkets Group Ltd	Limited liability company registered in Malta. Company registration number is C73909. Registered office is 1, Sqaq il-Għadam, Mriehel, Birkirkara BKR3000, Malta. 100% subsidiary of the Company.
Inmarkets International Ltd	Limited liability company registered in Malta. Company registration number is C39269. Registered office is 1, Sqaq il-Għadam, Mriehel, Birkirkara BKR3000, Malta. 100% subsidiary of Inmarkets Group Ltd.
Inmarkets Ltd	Limited liability company registered in England and Wales. Company registration number is 04267842. Registered office is 80 Leadenhall Street, London, EC3A 3DH, UK. 100% subsidiary of the Company.

	2024	**2023**
	£	£
Transactions		
Revenue with Inmarkets International Ltd	120,000	120,000
Revenue with Inmarkets Ltd	120,000	120,000
Balances outstanding		
Amount due from Inmarkets International Ltd	73,556	193,556
Amount due from Inmarkets Limited Ltd	1,408,065	1,456,948
Amount due from Inmarkets Group Ltd	2,927,500	2,677,500

13 Financial instruments

The Company's activities are exposed to a variety of risk including foreign currency, credit and liquidity risk. The Company's overall financial risk management policy focuses on minimising potential adverse effects on its financial performance.

Financial risk management policies

The Company is not exposed to foreign currency risk on transactions and balances that are denominated in currencies other than Pounds Sterling. All intercompany transactions are conducted in Pounds Sterling.

Credit risk

The Company's exposure to credit risk arises mainly from Intercompany receivables. At each reporting date, loans made to subsidiaries are reviewed to determine whether there is any indication that those assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount. Any resulting impairment loss is recognised immediately in profit or loss. For other financial assets (including cash and bank balances), the Company minimises credit risk by dealing exclusively with high credit rating institutions.

The Directors have reviewed the loans at 31 December 2024 and have concluded that there are no indicators of impairment.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Company manages its exposure to liquidity risk by reviewing the cash resources required to meet its business objectives through both short- and long-term cash flow forecasts. The Company maintains a level of cash and cash equivalents and bank facilities deemed adequate by management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due. All current liabilities are repayable within one year.

13 **Financial instruments - continued**

Capital risk management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The Company has a capital risk management policy in place.

14 **Events after the reporting period**

Apart from the final dividend declared as disclosed in note 19 of the Group accounts, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Company Information

DIRECTORS, SECRETARY AND ADVISERS

Directors	Richard Amos	*Non-Executive Chairman*
	Vivek Dodd	*Chief Executive Officer*
	Catriona Razic	*Chief Commerial Officer*
	Anthony Miller	*Chief Technical Officer*
	Richard Edward Steele	*Chief Financial Officer*
	James Saralis	*Non-Executive Director*
	Sally-ann Tilleray	*Non-Executive Director*
	All of whose business address is at the Company's registered office	
Company Secretary	MSP Corporate Services Limited Eastcastle House 27-28 Eastcastle Street London W1W 8DH	
Registered office	80 Leadenhall Street London EC3A 3DH	
Website	www.skillcast.com	
Nominated adviser and broker	Allenby Capital Limited 5 St. Helen's Place London EC3A 6AB	
Auditors	Crowe U.K. LLP	

55 Ludgate Hill

London

EC4M 7JW

Solicitors to the Company Mills & Reeve LLP

Botanic House

100 Hills Road

Cambridge

CB2 1PH

Registrars

Link Group

6th Floor

65 Gresham Steet

London

EC2V 7NQ

[back cover]

Skillcast Group plc

80 Leadenhall Street

London,

EC3A 3DH

United Kingdom

skillcast.com