Presentation team

Vivek Dodd
CEO

- Co-founded Skillcast in 2001

- Ex-investment banker (JP Morgan)

- MS (MIT), BTech (IIT Delhi), former CFA Charterholder

✉ vdodd@skillcast.com

Richard Steele
CFO

- Joined Skillcast as CFO in May 2022

- 30 years commercial finance background

- Previously CFO at Mind Gym Plc

✉ rsteele@skillcast.com

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2024 Financial highlights

+29% to £11.0m
Subscription revenue growth (2023: 28%)

+25% to £11.6m
ARR growth (31 Dec 2023: 9.4m)

2x
ARR and subscription revenues doubled in three years since IPO in December 2021

EBITDA +£0.5m
Return to profitability (2023: LBITDA -£0.6m)

£13.2m
Total revenue
2023: £11.3m

+17%
Total revenue growth
2023: +15%

+29%
Recurring subscription revenue growth
2023: +28%

+25% to **£11.6m**
ARR*
2023: £9.3m

83%
Recurring revenue mix
2023: 76%

73.6%
Gross margin
2023: 69.7%

+£0.5m
EBITDA
2023: -£0.6m

£9.1m
Net cash
2023: £7.2m

+£2.0m
Free cash flow
2023: -£0.3m

0.572p
EPS
2023: -0.733 pence

0.517p
Total dividend
2023: 0.447 pence

120
Headcount
31 December 2024
2023: 118

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2024 Operational highlights

11% to 1,331
Total client numbers growth (2023: 1,249)

101%
High net retention (2023: 105%)
and churn of 11% (2023: 7%)

Product offer innovation:
- Premium offer 6% of ARR at 31.12.24
- Core Compliance 1% of ARR at 31.12. 24
- AI Digital Assistant (AIDA) developed

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

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Investment case

Large, resilient market

- Regulations require companies to educate, monitor and record staff compliance
  - Anti-bribery, AML, GDPR, preventing sexual harassment, health & safety etc
- UK Total Addressable Market (TAM) (management estimate[1]): £1.6 billion
- Current market in the UK (Technavio[2]): £0.5 billion, growing at 13.9% p.a.

Consistent B2B SaaS revenue growth

- Net retention rate above 100% (2024: 101%; 2023: 105%)
- Consistent sales pipeline for new ARR (2024: 18%; 2023: 24%)
- Diversified customer base (Top 10 as % of total revenue 2024: 15%; 2023: 23%)

Strong underlying profitability

- Improving gross margin (2024: 74%; 2023: 70%)
- Improving EBITDA margin (2024: 4%; 2023: -5%)
- Operational gearing (FY 2024: Revenues: +17%, Overheads: +9%, Headcount: +2%)

Well-placed in the changing marketplace

- CoreCompliance: pre-configured, self-serve offering to firms with 1-50 employees
- AIDA: AI-powered compliance assistant in our Enhanced and Premium Plans
- Remote Services: provide content and features to companies with existing compliance portals

Robust operations

- Board and Management with a minimum of 25+ years of experience each
- High employee retention - drives customer service and continuous innovation
- All technology and content IP generated internally

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Our services

Subscription services:
Cloud-based, SaaS, generating ARR, predominantly in the UK

Technology platform

Managed GRC:
Fully hosted and managed corporate compliance portals
- Standard: Compliance e-learning only
- Enhanced: E-learning with innovative approaches
- Premium: E-learning and Regtech

Remote services:
**Remotely delivered content and features for 3rd party portals**
- Lite: Deliver Limited reporting
- Regular: Lite + AIDA
- Max: Regular + further enhancements

Preconfigured GRC:
Affordable, self-serve solution for small teams
- CoreCompliance: All areas of compliance, including cybersecurity

Content libraries

- **Essentials:** in-depth compliance
- **Compliance bites:** compliance microlearning
- **FCA compliance:** FCA Handbook conduct topics
- **Insurance compliance:** FCA Handbook insurance rules
- **Global compliance:** jurisdiction-neutral, multilingual
- **Global risk:** multilingual risk-management training
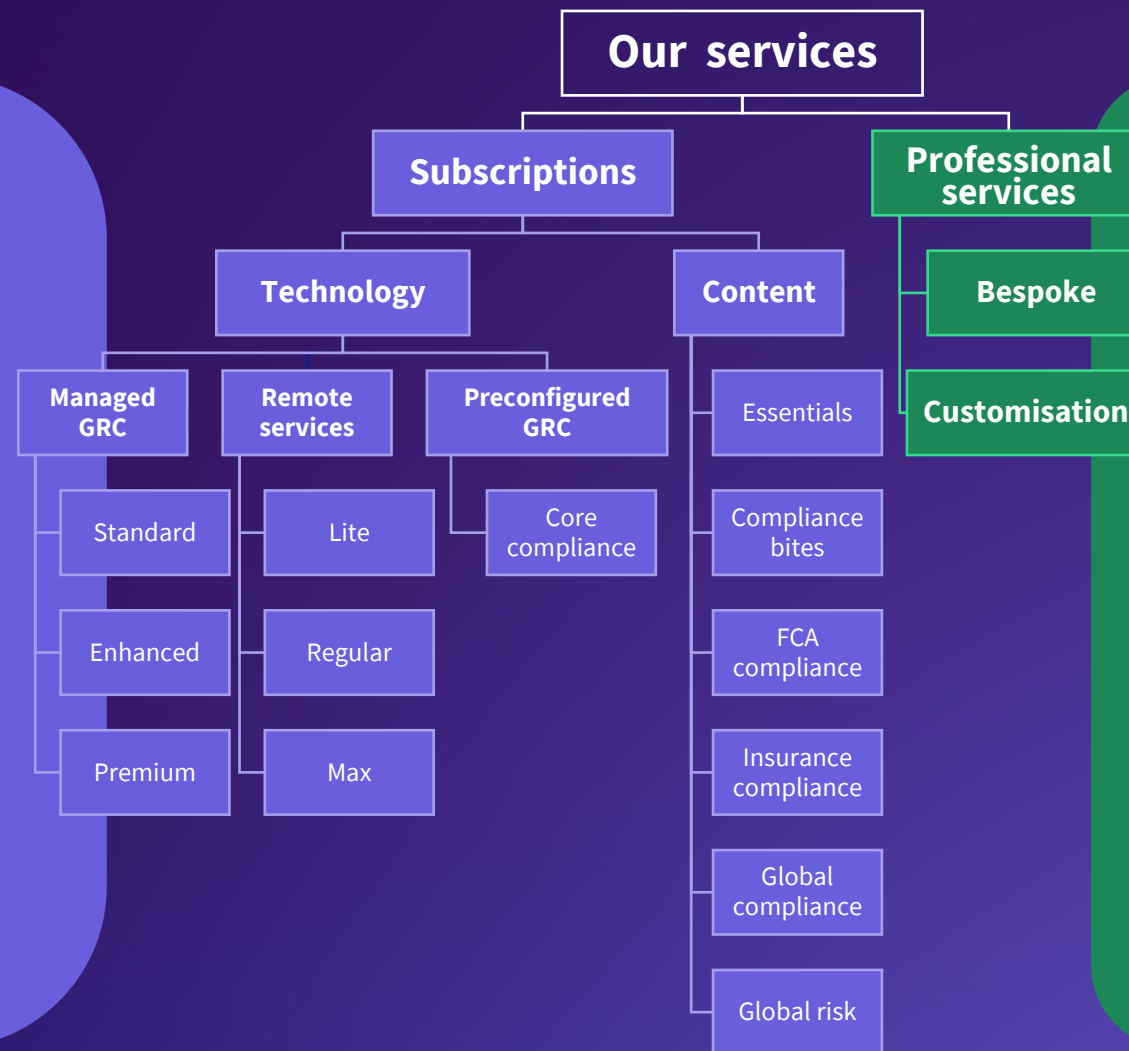
Professional services
Consultancy

Bespoke services
Large enterprises in the UK, EU and the rest of the world

Customisation
Supports subscribers of content libraries

Our services
- **Subscriptions**
  - **Technology**
    - **Managed GRC**
      - Standard
      - Enhanced
      - Premium
    - **Remote services**
      - Lite
      - Regular
      - Max
    - **Preconfigured GRC**
      - Core compliance
  - **Content**
    - Essentials
    - Compliance bites
    - FCA compliance
    - Insurance compliance
    - Global compliance
    - Global risk
- **Professional services**
  - **Bespoke**
  - **Customisation**

Progress since IPO

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

ARR

- £15.0m
- £10.0m
- £5.0m
- £0.0m

| 2021	2022	2023	2024
£5.8m	£6.8m	£9.3m	£11.6m
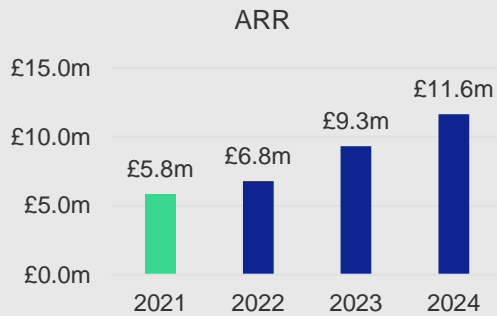
Gross profit margin dipped with investment in infrastructure and security, but bounced back higher than pre-IPO levels in 2024

Gross profit %

- 74.0%
- 72.0%
- 70.0%
- 68.0%
- 66.0%

2021	2022	2023	2024
70.5%	70.1%	69.7%	73.6%
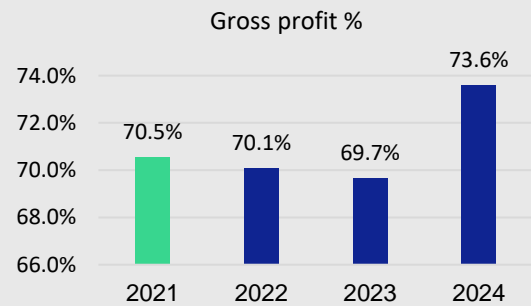
EBITDA margin emerged from the post-IPO investment phase and is expected to grow with a high gross margin and operational gearing

EBITDA margin %

- 20%
- 10%
- 0%
- -10%

2021	2022	2023	2024
15%	-3%	-5%	4%
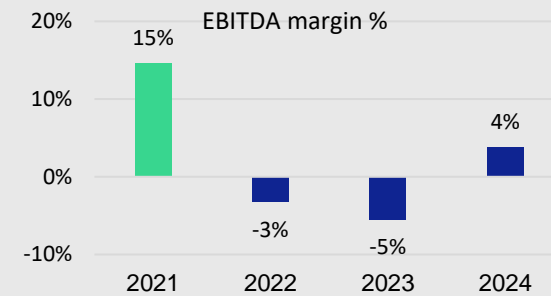
Free cash flow has also reverted back due to strong cash conversion, improved systems and underlying ARR growth

Underlying free cash flow

- £2.5m
- £2.0m
- £1.5m
- £1.0m
- £0.5m
- £0.0m
- -£0.5m

2021	2022	2023	2024
£1.1m	£0.3m	-£0.3m	£2.0m
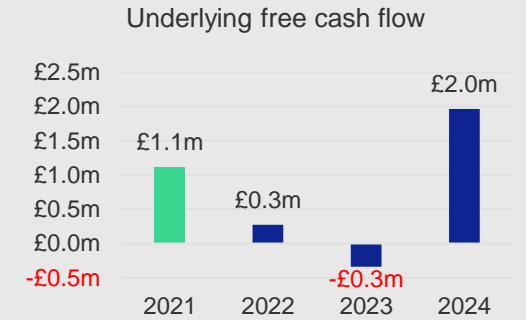
2021
- Board constituted
- IPO on AIM
- ARR crossed £5m

2022
- Strengthened governance & executive
- Expanded sales & marketing
- Regtech registers

2023
- Migrated to MS Azure cloud computing
- FastTrack
- Microlearning

2024
- ARR crossed £10m
- Premium Plan
- CoreCompliance

2025
- AIDA
- Enhanced Plan
- Remote Services

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Financials – Income statement summary

Income Statement (£'000) Years Ended 31.12	2023	Growth Rate	2024	Growth Rate
Subscriptions	8,547	28%	10,988	29%
Professional Services	2,755	-12%	2,252	-18%
Total Revenue	**11,302**	**15%**	**13,240**	**17%**
Gross Profit	7,872		9,744	+24%
Gross Profit %	69.7%	-0.4% pts	73.6%	+3.9% pts
Overheads	8,755	+18%	9,505	+9%
EBITDA / (LBITDA)	-625		500	
Profit / (Loss) Before Tax	**-648**		**548**	
Dividends Declared	400		462	+16%

- All revenue growth came from subscription revenues

- Non-strategic professional services revenues are impacted by clients being more hesitant to commit to bespoke projects

- GP margin increased 3.9% pts due to greater operational gearing

- Overheads of £9.5m in 2024 increased £0.7m (+9% on 2023) primarily from people costs and marketing activity

- EBITDA increased £1.1m on the prior year to £500k (2023: LBITDA: -£0.6m) as revenue and margin growth outpaced overhead growth

- The average headcount increased by 5% to 121 (2023: 115), with the largest increase in client services

Stacked bar chart: Recurring vs Non-recurring revenue mix

Year	Recurring	Non-recurring
2018	47%	53%
2019	54%	46%
2020	56%	44%
2021	62%	38%
2022	68%	32%
2023	76%	24%
2024	83%	17%

Annualised recurring revenue (£m)

Dec 21: 5.8 | Jun 22: 6.3 | Dec 22: 6.8 | Jun 23: 8.1 | Dec 23: 9.4 | Jun 24: 10.4 | Dec 24: 11.6

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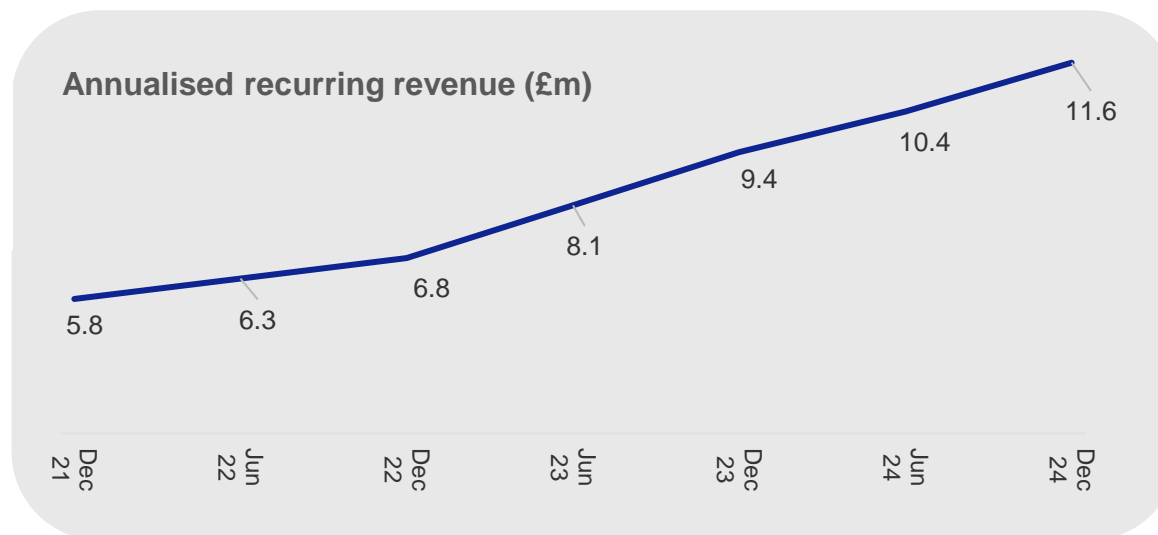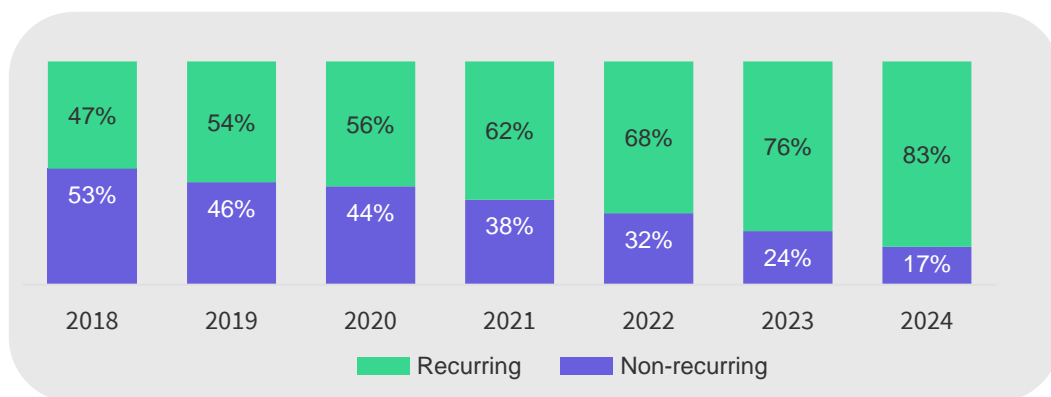
On track for return to profitability

- Overheads as % of ARR, our leading indicator of future subscription revenues, fell to 40% in H2 24, below pre-IPO levels

- Post-IPO increase in overheads, primarily in commercial and organisational structure, to support future growth as intended

- Non-strategic professional services revenues continue to have poor visibility

IPO Dec 21

43% 44% 52% 58% 51% 46% 44% 40%

Legend: ARR | Total Revenue | Overheads before D&A | Overheads/ARR

Chart categories: H121, H221, H122, H222, H123, H223, H124, H224

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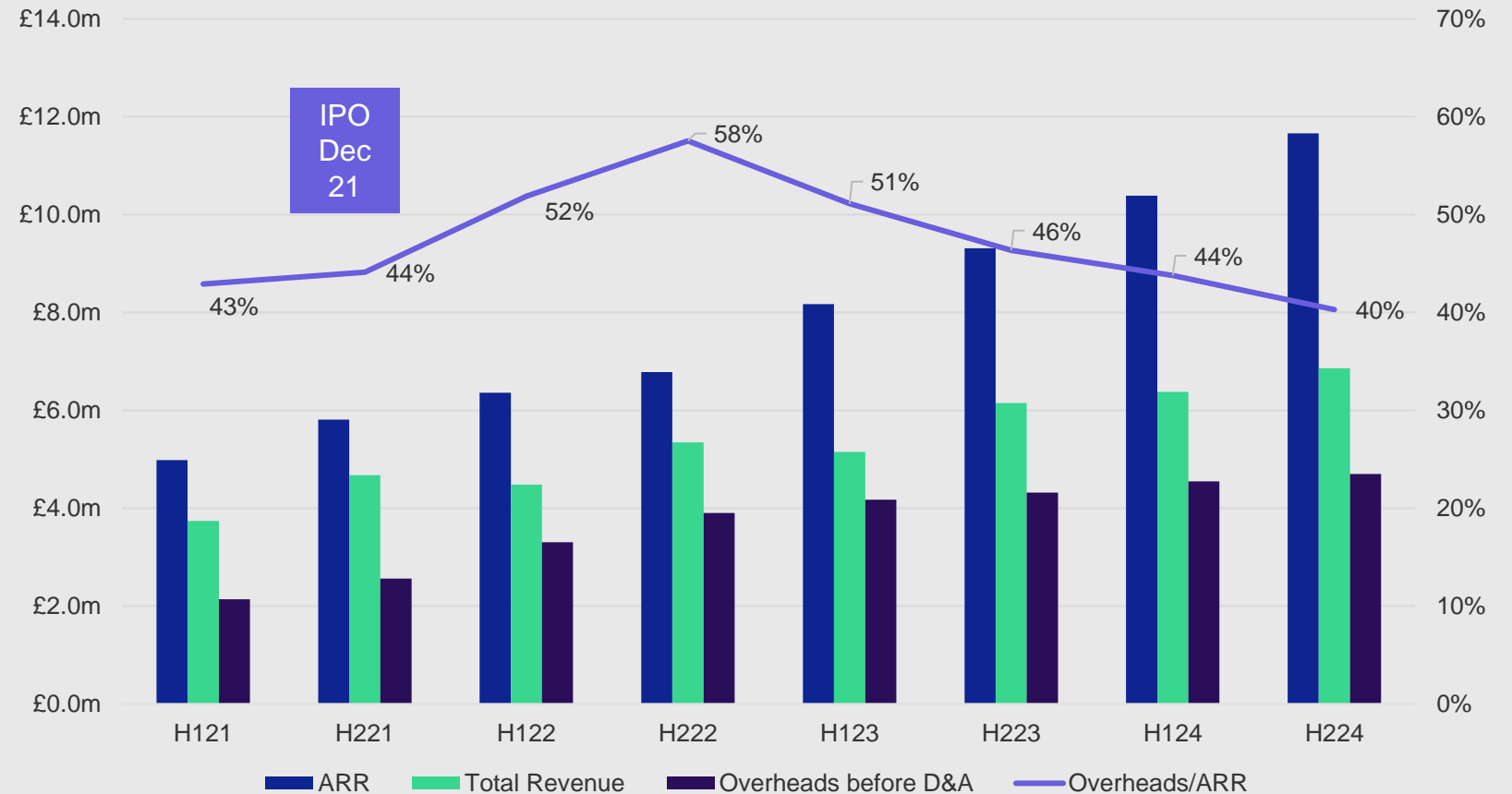
Cash flow statement

- Free cash flow of £2.0m (2023: -£0.3m)
- £0.3m of interest received from cash on deposit
- £1.8m increase in payables includes £1.2m/26% increase from deferred revenue
- £0.1m increase in receivables as higher sales were offset by improved debtor days
- The Group's policy is to increase dividends broadly in line with subscription revenues
  - Final 2023 dividend of £250k paid on July 24
  - A 2024 £150k interim dividend was paid in October 2024
  - A final dividend of £312k is proposed for 2024, payable in July 2025, +25% on the prior year.

Cash Flow Statement (£'000) Years Ended 31.12	2023	2024
PBT	(648)	549
Depreciation/Amortisation	262	254
Share Option Reserve	132	34
Finance Income	(259)	(328)
Movement in Trade and Other Payables	1,434	1,814
Movement in Trade and Other Receivables	(909)	(90)
Finance Expense	20	25
Cash Generated from Operations	32	2,258
Income Tax Paid	0	(98)
Net Cash Flow from Operating Activities	32	2,160
Shares Issued	0	0
Capital Expenditure, Principal and Interest Paid on Lease Liabilities	(373)	(190)
Interest Received	259	323
Dividends Paid - Final	(250)	(250)
Dividends Paid - Interim	(150)	(150)
Movement in Cash	(482)	1,893
Cash at Beginning of Year	7,704	7,222
Cash at End of Year	7,222	9,115

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Financials – Balance sheet summary

Statement of Financial Position (£'000)	31.12.23	31.12.24
Non-current Assets	796	659
Current Assets		
Receivables	4,239	4,331
Cash & Cash Equivalents	7,222	9,115
Total Assets	**12,257**	**14,105**
Equity and Reserves	5,692	5,838
Non-current Liabilities	350	162
Current Liabilities		
Trade Creditors and Other Payables	1,571	2,200
Current Lease Liabilities	119	185
Deferred Income	4,501	5,685
Corporate Tax Liability	24	35
Total Equity & Liabilities	**12,257**	**14,105**

- Non-current assets related to office F&F, IT equipment and the right-of-use assets of the 2 office leases

- All product and tech development is expensed

- Receivables include net trade debtors of £3.1m at 31.12.24, 3% higher than at 31.12.23 with debtor days reducing to 54 (31.12.23: 67)

- £0.6m relates to Maltese withholding tax rebate expected to be received in 2025

- Net cash at 31.12.24 £9.1m, +£1.9m on 31.12.23 representing 10 pence per share

- The Group has no bank debt

- Deferred income up 26%, driven by higher annual SaaS subscriptions

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Our Strategy

Organic ARR growth

- Focus on product innovation and proactive customer service to maintain client retention
- Add-ons and upgrades from Standard to Enhanced and Premium Plans to keep Net Retention Rate above 100%
- Well-established inbound marketing and sales funnel to drive new client wins in mid to large-company segments
- Pre-configured, self-service CoreCompliance to drive penetration in the price-sensitive, small business sector
- AIDA - AI-powered compliance assistant to incentivise take-up of Enhanced and Premium Plans
- Remote Services to serve large companies that can't/won't move their platform to Skillcast

Professional services

- Non-strategic but still important for
    - Client retention - making compliance relevant and engaging
    - Market Intelligence - gaining content and technology insights

Investments

- Alert to growth opportunities in the UK with the potential to add substantially to our ARR growth rate
- Open to opportunities to acquire in adjacent verticals, but the public-private valuation gap presents a hurdle

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Current trading and outlook

Continue to trade in line with expectations

- Solid start to the year, ARR £12.1m at 31 March
- 3% price rise is well accepted by clients
- Professional services are below expectations, but it is inherently lumpy and has poorer visibility

Product and marketing

- Annual summit in January was a sell-out
- AI digital assistant trialled by 87 clients for launch later this year
- Sales of Premium and CoreCompliance offers continue to grow
- Enhanced offer launched in January 2025
- New website and rebrand launched in March 2025

Profitability

- H1 profit in line with expectations
- Continue to see benefits of operational gearing with profitability H2 weighted, as in 2024, due to pay rises and rebrand marketing costs in H1

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Thank you

80 Leadenhall St
London
EC3A 3DH

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Appendix

About Skillcast

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

- Skillcast Group 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

- 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 provides a cloud-based, software-as-a-service (SSkillcast 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

Board of Directors

Richard Amos
NON-EXEC CHAIRMAN

Vivek Dodd
CEO AND CO-FOUNDER

Catriona Razic
CRO AND CO-FOUNDER

Richard Steele
CFO

Anthony Miller
CTO AND CO-FOUNDER

Sally Tilleray
SID & AUDIT CHAIR

James Saralis
NED & REMUNERATION CHAIR

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Advisory Board

David Kenmir
ADVISORY BOARD CHAIR

David Kenmir has 35 years of regulatory experience, including five years as a Managing Director at the FSA and 14 years as a Risk and Regulatory Partner at PwC. Having retired from PwC last year, he is building a plural career, part of which includes taking on the role of Chair of Skillcast's new Advisory Board and has become an INED at a start-up bank.

Scott Morris
ADVISORY BOARD MEMBER

Scott has over 40 years of banking and compliance leadership experience, acquired across a number of global banking organisations, as well as a regulator and professional body.

Katharine Leaman
ADVISORY BOARD MEMBER

Katharine has worked in financial services for over 30 years including insurance claims, investment advice, regulation and banking compliance. Katharine has been European Head of Regulatory Compliance at Standard Chartered Bank and spent over a decade at the UK's regulator, the FSA (now FCA), in senior policy and supervision roles.

EVOLIN

Evolin Broking:
Staff training transformation

Challenge:
After becoming independently regulated by the FCA, Evolin Broking needed a scalable, efficient solution for compliance training. Their previous in-house system was insufficient for expert-designed, regularly updated courses and effective policy management.

Solution:
Evolin chose Skillcast Premium, starting with the Learning Management System (LMS), Essentials and FCA libraries, Policy Hub, and Training 360. They later upgraded to the Premium Plan, adding custom-branded content and advanced compliance functionalities.

Outcome:
Skillcast Premium transformed Evolin's compliance training programme, offering scalable solutions and enhancing efficiency. This led to a strong culture of compliance and improved policy management.

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

› https://www.skillcast.com/blog/evolin-broking-elevate-staff-training-skillcast-premium

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Nudge Learning

Global charity case study:
Nudge Learning success

Challenge:
The global charity faced fragmented compliance processes and inconsistent training engagement across its diverse divisions. They needed a solution to streamline compliance training and improve knowledge retention.

Solution:
Skillcast's nudge learning provided bite-sized, scenario-based training at regular intervals. This digital approach automated weekly learning, reinforced compliance messages through real-world scenarios, and offered one-click access to Compliance Bite videos.

Outcome:
This led to stronger compliance awareness, improved knowledge retention, targeted learning interventions, and enhanced efficiency.

> https://www.skillcast.com/blog/navigating-training-success-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

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Leading African organisation case study: compliance efficiency

Challenge:
The organisation needed to streamline compliance processes for over 3,000 employees across multiple locations while adhering to strict regulatory requirements. Traditional methods were resource-intensive and inefficient.

Solution:
Skillcast developed a custom compliance solution, including an automated compliance declaration system and bespoke training videos. This tailored approach aligned with the organisation's cultural and regulatory landscape.

Outcome:
The solution reduced administrative burdens, improved engagement, and embedded compliance into daily operations. This led to enhanced efficiency and a strong culture of accountability.

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

> https://www.skillcast.com/blog/scaling-compliance-efficiency-with-a-tailored-solution?hs_preview=jemXilWc-215800496315

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JUPITER

Training efficiency with risk analysis

Challenge:
Jupiter, an asset management firm, needed to refine its compliance training to improve efficiency and reduce unnecessary repetition.

Solution:
By partnering with Skillcast, Jupiter implemented FastTrack assessments and a risk-based approach to training frequency. This strategy involved analysing training data to identify trends, breaches, and policy violations, allowing for adjustments in training cycles.

Outcome:
This led to significant time savings, reduced training fatigue, and enhanced compliance efficiency.

> 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

⟩ https://www.skillcast.com/blog/elevating-jupiters-training-efficiency-risk-analysis?hs_preview=QzmAWpNP-216543638764

SUMER
Your Business Champion

Scaling compliance efficiency with a tailored solution

Challenge:
Sumer needed to maintain individual oversight of compliance across its 14 hubs while ensuring a unified, central compliance function.

Solution:
Skillcast's multi-tenanted Compliance Portal provided each hub with a unique space within the portal, offering custom delivery of CPD schemes, content, workflows, and reporting. This ensured consistent learning and policy approaches across the businesses.

Outcome:
The solution seamlessly unified the hubs under one brand while preserving individual oversight. This led to efficient, scalable compliance processes and regulatory excellence without disrupting business operations.

› https://www.skillcast.com/blog/unifying-compliance-solution-multiple-entities

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

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Thank you

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80 Leadenhall St
London
EC3A 3DH

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