

This announcement contains inside information for the purposes of Article 7 of the UK version of Regulation (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended ("MAR"). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

25 June 2025

ACUITY RM GROUP PLC

("Group" or the "Company")

Final results for the year ended 31 December 2024

Acuity RM Group plc (AIM: ACRM) is pleased to announce its final results for the year ended 31 December 2024.

Highlights

- In the year the Group achieved NRR (Net recurring revenue) of 105% and grew revenues £2.1M (2023 £1.4m) (2023 was an eight month period following the acquisition of Acuity Risk Management Ltd)
- Acuity expanded its presence by winning new contracts with key customers
- Acquisition of Rizikon is complete with its features now incorporated in STREAM®, the cost has been recovered and first significant new contract opportunities are being won
- New Chief Executive, David Rajakovich, was appointed in December 2024
- After the year end - several changes were made by the new Chief Executive
 - Sales refocused on cyber security market - a large fast growing sector
 - New website - launched
 - New product development on STREAM® has been finalized. It is ready for June launch - offering significant advantages to both customers and Acuity including new features and functions not available in competing products
 - Partner programme is now focused on the most productive partners
 - Overheads have been reduced by £0.4m pa, with further material savings planned
 - Forward contracted revenues £3.4m (£2.9m 2023) 17% growth

Angus Forrest, Chief Executive commented on the results:

"2024 was a year of consolidation for the Company. It grew orders from key accounts, at the end of the year Acuity made a small acquisition which is generating returns and has considerable growth potential. A new Chief Executive, David Rajakovich, was appointed. In the first half of 2025 he has made strategic changes, focusing the business on cybersecurity, bringing new sales and distribution programmes and these have begun to deliver results. There is a new focus on financial performance.

For further information:

Acuity RM Group plc

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Angus Forrest, Chairman

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David Rajakovich, Chief Executive

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Bob Roberts

Chairman's Statement

I am pleased to present the results of Acuity RM Group plc ("Company" or "Group") for the year ended 31 December 2024. Acuity RM's STREAM® is a leading Cyber GRC SaaS platform that provides CISOs (Chief Information Security Officer) with instant, actionable intelligence in business-risk terms, enterprise-wide.

2024 was a year of consolidation for the Group, having acquired total ownership of Acuity Risk Management Limited ("Acuity RM") in 2023.

There were four notable developments:

- Sales - Revenues increased because of the organic growth of business, in particular there was significant strengthening of the relationships with our largest customers.
- Acquisition - in November 2024 a vendor management GRC product Rizikon was acquired, bringing with it new customers and potential new partners.
- Development - a new version of Acuity RM's software platform, STREAM®, was started, incorporating a range of new features sought by customers such as AI, improving the user experience. In addition, it will give major benefits to Acuity RM, such as easier and faster customer implementations, and lower costs. The new product is now ready for new customers, this includes a new vendor management hub which is the replacement for Rizikon, with additional features for third party vendor management.
- Changes to the management team - with the appointment of David Rajakovich as Chief Executive and Kate Buchan as Finance Director.

There is much to do but the market opportunity for management of cybersecurity risk and GRC is large, and growing strongly because of an increased prevalence of attacks and a greater awareness that the risks, not only financial but other losses for example of assets and reputation, can be devastating for an enterprise or organisation.

- 74% of large businesses, 70% of smaller businesses and 66% of larger charities suffered cyber-attacks (source UK Government, "Official Statistics, Cyber security breaches survey 2024")
- Cybersecurity failure is expensive, averaging 5m per breach and may run into 1bn+ of business costs, and it takes an average of 200 days to discover a cybersecurity breach (Sources "Cost of data Breach Report 2024", IBM and "Equifax Data Breach Case Study", BreachSense). The business costs identified in these reports relate to business interruption, post breach customer support, remediation and regulatory fines.

A major reason that STREAM® is attractive to users is that it continuously monitors and measures to manage risks and ensure compliance and provides reports and alarms in real time. See the Acuity RM website <https://www.acuityrm.com>

There is more detail about Acuity RM and its future plans in the Chief Executive's report which follows this statement. Additional information on the Group is available on the Company's website <https://www.acuityrmgroup.com>

Board and employment

I welcome David Rajakovich and Kate Buchan who both joined the Board in 2024. Kate joined as Finance Director in June 2024 and David, having been appointed a non-executive director in November 2024, became Chief Executive in December, replacing Kerry Chambers. I would like to thank Kerry for her contribution and wish her well for the future.

David's background is as Chief Executive of high growth software businesses. At his last company, Skill Dynamics Ltd and its predecessor businesses, revenues grew 18 fold over a nine year period. In the period since his appointment David has made significant changes to the operations at Acuity RM with the objective of accelerating growth in 2025, building the business and improving the financial performance.

I want to thank our employees, customers, partners, and shareholders for their contribution, continued support and confidence in our vision. Together, we are building a company that is helping organisations around the world become more secure and resilient in the face of evolving cyber threats.

Outlook

Acuity RM operates in a large, high growth global market with key customers in the UK, Europe, USA and other territories. The opportunity for 2025 is to accelerate the pace of growth by increasing the customer base. This will be achieved both with the internal business development team and through closer relationships with partners. We anticipate the developments in hand will increase the number and value of contracts. This should be key to attaining the financial objectives.

I look forward to reporting further progress over the coming months.

Chief Executive's Statement

Looking Forward with Confidence

As we close another fiscal year, I am pleased to present our annual report highlighting our strategic initiatives, achievements, and vision for the future. I became Chief Executive midway through December 2024, and am enthusiastic about the progress we have already made, and more importantly, delivering results in 2025. When I was first approached about the opportunity to lead this organisation, I was immediately drawn to its innovative approach to solving critical security challenges and the tremendous potential for growth in today's increasingly complex digital landscape.

In particular, I was attracted to Acuity RM because it has a strong background in cybersecurity, with its award-winning software platform, STREAM®, having been developed over 20 years. STREAM® can provide risk management in Cyber GRC, Cyber Risk Quantification, Continuous Controls Monitoring, Cybersecurity Continuous Compliance Automation. The STREAM® solution delivers all these capabilities on a single integrated software platform. It is highly configurable and can meet complex organisational needs without additional development. STREAM® provides users with a custom set up exactly matching their profile and systems.

2024 Financial Results

Revenue for the 12 months to December 2024 was £2.1m, the prior period was £1.4m, however this was for an 8 month period from date of acquisition. Comparing on a like for like basis, revenue in 2024 has moderately increased, mainly due to upselling to current customers, evident through a net revenue retention (NRR*) percentage of 105% (based on recurring revenue only).

Administrative costs in Acuity RM were slightly lower in the 12 months to December 2024 when compared on a like for like basis with the prior period. This is the result of a focus on cost control via a continuous assessment of the cost base throughout 2024, ensuring that resources are used efficiently and effectively.

The adjusted loss for the year was £1.2m (2023: £1.0m) before exceptional costs of £141k which predominantly relate to organisational changes and the P&L charge for share based payments of £27k. The reported loss for the year was £1.3m (2023: £1.3m).

Forward contracted revenue, (deferred income per the balance sheet and forward contracted revenue*) has continued to grow increasing 17% year-on-year to £3.4m as at the year end (2023: £2.9m). This balance represents revenue that will be released to the profit and loss statement over future periods. Contract renewals for the year ran at 78%.

*NRR and forward contracted revenue are not IFRS measures.

Cash and debtors at the year end were £1.3m (2023: £1.4m) of which cash was £0.6m (2023: £0.1m). Loans and borrowings at the year end were £0.2m (2023: £0.3m).

Strategic Focus on Cyber Security Risk Management

In an era where cyber threats continue to evolve at an unprecedented pace, we have made the strategic decision to focus exclusively on cyber security risk management rather than attempting to address enterprise risk management as a whole. This focused approach allows us to deliver specialised solutions that address the challenges our clients face in identifying, assessing, and mitigating cyber risks. By maintaining this focus, we can offer unparalleled expertise and value in an area that continues to be mission-critical for organisations across all sectors.

Product Innovation: The Next Generation

I am excited to announce that a completely rebuilt version of our flagship product is now ready for new customers. This next-generation platform represents a significant investment in our product capabilities and user experience. Key improvements include:

- A revamped user interface with intuitive workflows based on extensive user research
- Simplified integration capabilities with popular security and business tools such as AI
- Enhanced dashboards and reporting features for greater visibility and insights

These improvements directly support our strategic shift toward Product Led Growth (PLG) by making onboarding seamless and intuitive. The new platform has been designed to dramatically reduce time-to-value for new customers, allowing them to experience the benefits of our solution faster and with minimal friction.

Revitalised Go-To-Market Strategy

We have fundamentally transformed our go-to-market approach to better align with market opportunities and customer needs:

- Direct sales efforts have been repositioned to focus primarily on mid-market clients where we see the highest conversion rates and fastest adoption
- The partner network has been rationalised and refocused on a limited number of strategic partnerships to target blue-chip enterprise clients, leveraging our partners' established relationships and implementation capabilities
- Sales processes have been optimised to reduce cycle times and improve conversion at every stage of the funnel

This revised approach is supported by a data-driven framework that enables us to continuously measure effectiveness, identify bottlenecks, and refine our tactics. Early results are promising, which bodes well for improved performance, especially in the latter half of 2025.

Organisational Transformation

To support our new direction, we have made several key changes to our organisational structure and leadership team. These changes were necessary to better align our resources with our strategic priorities, improve operational efficiency, and reduce costs. While organisational change is never easy, these adjustments have created a more agile, focused team that is better positioned to execute on our vision and deliver value to our customers and shareholders.

Strategic Acquisition: Rizikon

I am pleased to report that we have successfully completed the acquisition of the Rizikon product, a complementary software GRC tool in the cyber risk assessment space. Rizikon's features are being incorporated into STREAM®. This strategic acquisition provides an immediate opportunity to introduce STREAM® to Rizikon's established client base, creating significant cross-selling and upselling potential. In addition, it has provided the opportunity to enter into direct commercial negotiations with two significant organisations as partners to distribute Acuity RM's STREAM® product. These potential new partners of Acuity RM, one of which is a major defence contractor, have the capability to enable Acuity RM to grow new customer numbers and revenues materially, over and above the Rizikon assets' anticipated contribution to Acuity RM's overall future performance.

Looking Ahead

As we move forward, I am confident that our strategic focus, product investments, and organisational improvements have positioned us for sustained growth and market leadership. The demand for effective cyber security risk management solutions continues to grow, and our targeted approach puts us in an excellent position to capture significant market share in a largely greenfield market.

David Rajakovich
Chief Executive

Group statement of comprehensive income

for the year ended 31 December 2024

		Year ended 31 December 2024	Year ended 31 December 2023 ¹
	Notes	£'000	£'000
<i>Continuing operations</i>			
Revenue	1	2,132	1,366
Cost of sales		(201)	(112)
Gross profit		1,931	1,254
Administrative expenses	2 & 3	(3,007)	(2,167)
Operating (loss)		(1076)	(913)
Finance Income	4	3	1
Finance Expense	4	(41)	(20)
Loss on Investments	5	(43)	(66)
Exceptional costs	6	(141)	(282)
Share based payment expense	21	(27)	(61)
Loss for the period before taxation		(1,325)	(1,341)
Taxation	8	58	-
Loss for the year from continuing operations		(1,267)	(1,341)
Other comprehensive income			

Other comprehensive income

Total comprehensive income for the year attributable to shareholders of the parent company	(1,267)	(1,341)
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Loss per share

Basic and diluted loss per share from total and continuing operations	9	(0.92)p	(1.39)p
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¹ For the year ended 31 December 2023, the revenue and expenses of the subsidiary are included from acquisition date, 25 April 2023.

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Group statement of financial position

as at 31 December 2024

	Notes	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Non-current Assets			
Intangible assets	10	319	233
Tangible assets	10	9	8
Goodwill	11	5,154	5,154
Investments at fair value through profit or loss	12	207	244
		5,689	5,639
Current assets			
Trade and other receivables	14	672	1,255
Cash and cash equivalents		606	100
		1,278	1,355
Total assets		6,967	6,994
LIABILITIES			
Current liabilities			
Trade & other payables	16	532	557
Deferred Income	17	1,362	1,016
Loans & borrowings	17	91	165
Total Current liabilities		1,985	1,738
Long term liabilities			
Deferred Income	18	1,090	1,014
Loans & borrowings	18	92	154
Total long term liabilities		1,182	1,168
Total Liabilities		3,167	2,906
Net Assets		3,800	4,088
EQUITY			
Share capital	19	2,796	2,767
Share premium		13,370	12,447
Share based payment reserve	21	139	112
Merger reserve		1,012	1,012
Retained earnings		(13,517)	(12,250)
Total Equity		3,800	4,088

The consolidated financial statements were approved by the Board of Directors and authorised for issue on 24 June 2025.

Angus Forrest
Chairman

David Rajakovich
Chief Executive

Company Number. 00298654

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Company statement of financial position

as at 31 December 2024

		As at 31 December 2024 £'000	As at 31 December 2023 £'000
	Notes		
Non-current assets			
Investments at fair value through profit or loss	12	207	244
Investment in subsidiaries	13	4,210	4,210
		4,417	4,454
Current assets			
Trade and other receivables	14	22	16
Cash and cash equivalents		362	40
Inter group loan	15	604	392
		988	448
Total assets		5,405	4,902
LIABILITIES			
Current liabilities			
Trade and other payables	16	99	104
Total liabilities		99	104
Net assets		5,306	4,798
EQUITY			
Share capital	19	2,796	2,767
Share premium		13,370	12,447
Share based payment reserve	21	139	112
Merger reserve		1,012	1,012
Retained earnings		(12,011)	(11,540)
Total Equity		5,306	4,798

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Parent Company Statement of Comprehensive Income. The loss for the Parent Company for the year was £470,926 (31 December 2023: loss of £631,205).

The financial statements were approved by the Board of Directors and authorised for issue on 24 June 2025.

Angus Forrest David Rajakovich

Chairman Chief Executive

Company Number 00298654

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Group statement of changes in equity

for the year ended 31 December 2024

	Share capital £'000	Share premium £'000	Share based payment Reserve £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2023	2,688	8,385	51	1,012	(10,909)	1,227
Loss for the year	-	-	-	-	(1,341)	(1,341)
Other comprehensive income - issue of share warrants.	-	-	61	-	-	61
Total comprehensive expense for the year	-	-	61	-	(1,341)	(1,280)
Transactions with owners in own capacity						
Ordinary Shares issued in the year	78	4,375	-	-	-	4,453
Issue Shares for adviser fees	1	130	-	-	-	131
Share Issue Costs	-	(443)	-	-	-	(443)
Transactions with owners in own capacity	79	4,062	-	-	-	4,141
Balance at 31 December 2023	2,767	12,447	112	1,012	(12,250)	4,088
Balance at 1 January 2024	2,767	12,447	112	1,012	(12,250)	4,088
Loss for the year	-	-	-	-	(1,267)	(1,267)
Total comprehensive expense for the year	-	-	-	-	(1,267)	(1,267)

Transactions with owners in own capacity

Ordinary Shares issued in the year	29	971	-	-	-	1,000
Share Issue Costs	-	(48)	-	-	-	(48)
Issue of share options	-	-	27	-	-	27
Transactions with owners in own capacity	29	923	27	-	-	979
Balance at 31 December 2024	2,796	13,370	139	1,012	(13,517)	3,800

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Company statement of changes in equity

for the year ended 31 December 2024

	Share capital £'000	Share premium £'000	Share based payment Reserve £'000	Merger reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2023	2,688	8,385	50	1,012	(10,909)	1,227
Loss for the year	-	-	-	-	(631)	(631)
Other comprehensive income - issue of share warrants.	-	-	61	-	-	61
Total comprehensive income	-	-	61	-	(631)	(570)

Transactions with owners in own capacity

Ordinary Shares issued in the year	78	4375	-	-	-	4,453
Issue Shares for adviser fees	1	130	-	-	-	131
Share Issue Costs	-	(443)	-	-	-	(443)
Transactions with owners in own capacity	79	4,062	-	-	-	4,141
Balance at 31 December 2023	2,767	12,447	112	1,012	(11,540)	4,798
Balance at 1 January 2024	2,767	12,447	112	1,012	(11,540)	4,798
Loss for the year	-	-	-	-	(471)	(471)
Total comprehensive income	-	-	-	-	(471)	(471)

Transactions with owners in own capacity

Ordinary Shares issued in the year	29	971	-	-	-	1,000
Share issue costs	-	(48)	-	-	-	(48)
	-	-	27	-	-	27
Transactions with owners in own capacity	29	923	27	-	-	979
Balance at 31 December 2024	2,796	13,370	139	1,012	(12,011)	5,306

The accompanying accounting policies and notes form an integral part of these financial statements.

Group statement of cash flows

for the year ended 31 December 2024

	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Cash flows from operating activities		
Loss before taxation	(1,267)	(1,341)
Adjustments for:		
Depreciation & Amortisation	163	137
Fair value adjustment for listed investments	37	61
Share based payments	27	61
Decrease/(Increase) in trade and other receivables	582	(823)

Increase in trade and other payables	262	898
Net cash outflow from operating activities	(196)	(1,007)
Cash flows from investing activities		
Purchase of tangible fixed assets	(7)	(3)
Purchase/development of Intangible fixed assets	(243)	-
Purchase of investments in subsidiaries, net of cash acquired	-	(500)
Cash acquired on acquisition	-	331
Net Cash flows used in investing activities	(250)	(172)
Cash flows from financing activities		
Cash raised through issue of shares (net of transaction costs)	952	1,057
Net cash flow from financing activity	952	1,057
Net increase/(decrease) in cash and cash equivalents	506	(122)
Cash and cash equivalents at the beginning of the period	100	222
Cash and cash equivalents at end of the year	606	100

During the year ended 31.12.2024 there were no material non-cash transactions.

During the year ended 31.12.2023 there were the following material non-cash transactions:

- On 25 April 2023 the Company issued 45,709,570 ordinary 0.1p shares to the shareholders of Acuity RM as part of the consideration for the acquisition.
- On 25 April 2023 and 9 October 2023, the Company issued in total 1,642,539 ordinary 0.1p shares to the advisers as part payment for fees.

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Company statement of cash flows

for the year ended 31 December 2024

	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Cash flows from operating activities		
Loss before taxation	(471)	(631)
Adjustments for:		
Fair value adjustment for listed investments	37	61
Share based payments	27	61
(Increase) in trade and other receivables	(218)	(286)
(Decrease)/increase in trade and other payables	(5)	56
Net cash used in operating activities	(630)	(739)
Cashflows from investing activities		
Purchase of investment in subsidiaries	-	(500)
Net Cash flows from investing activity	-	(500)
Cash flows from financing activities		
Cash raised through issue of shares (net of transaction costs)	952	1,057
Net cash flow from financing activity	952	1,057
Net increase/(decrease) in cash and cash equivalents	322	(182)
Cash and cash equivalents at beginning of financial year	40	222
Cash and cash equivalents at end of financial year	362	40

During the year ended 31.12.2024 there were no material non-cash transactions.

During the year ended 31.12.2023 there were the following material non-cash transactions:

- On 25 April 2023 the Company issued 45,709,570 ordinary 0.1p shares to the shareholders of Acuity RM as part of the consideration for the acquisition.
- On 25 April 2023 and 9 October 2023, the Company issued in total 1,642,539 ordinary 0.1p shares to the advisers as part payment for fees.

The accompanying accounting policies and notes form an integral part of these consolidated financial statements.

Notes to the Financial Statements
for the year ended 31 December 2024

1. Revenue and segmental analysis

The following is an analysis of the Group's revenue for the year from continuing operations:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Fees and Income from investee companies	-	15
Provision of software licences and Services consisting of:	2,132	1,351
Revenue from subscriptions	1,804	1,114
Revenue from services	328	237
The geographical analysis of revenue is as follows:		
United Kingdom	1,335	832
Europe	421	220
USA	190	165
South Africa	61	52
Canada	64	37
Rest of World	61	45
	2,132	1,351

2. Administrative expenses

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Expenses by nature		
Staff and related costs	1,969	1,286
Professional fees	220	207
Office related costs	131	104
Depreciation	6	5
Amortisation	157	133
Software services	225	88
Other expenses	299	344
Total	3,007	2,167

3. Staff Costs

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Staff costs - including directors		
Wages and salaries	1,658	1,092
National insurance	193	127
Other pension costs	69	40
Other staff related costs	49	27
	1,969	1,286

	Year ended 31 December 2024	Year ended 31 December 2023
	No. of employees	No. of employees
The average number of employees (including Directors) of the Group was:	26	23

4. Finance Costs

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Finance Costs		
Interest on bank deposits	(3)	(1)
Bank Interest payable	2	8
Other interest payable & Exchange rate variance	39	12
	38	19

5. Gain/Loss on remeasurement of financial assets and liabilities

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Loss on remeasurement of CBILS Loan	6	5
Loss on revaluation of investment in KCR Residential REIT plc	37	61
	43	66

6. Exceptional costs

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Legal fees	18	149
Other	123	133
	141	282

The exceptional costs predominantly relate to the cost of terminating Kerry Chambers contract. These costs include legal fees, a termination payment and notice period.

7. Auditor's remuneration

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Auditor's remuneration	61	57
Transaction services in respect of the re-admission to AIM	-	100
	61	157

8. Corporation tax

There is a tax credit for the current year related to R&D reclaims. The tax assessed for the year is explained as follows:

Year ended 31 December 2024	Year ended 31 December 2023
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	£'000	£'000
Loss on ordinary activities before taxation	(1,266)	(1,341)
Loss on ordinary activities multiplied by standard rate of UK corporation tax of 25% (2023: 23.5%)	(317)	(315)
Effect of:		
Disallowable items	57	62
Addition of tax losses arising	260	253
R&D reclaim ¹	(58)	-
Total tax (credit)	(58)	-

The Group has unrecognised deferred tax assets of £2,017,000 (2023: £1,757,000) as a result of losses in the current year and prior periods carried forward of £10,030,000 (2023: £8,990,000).

¹ The R&D reclaim covers the periods from 1 April 2022 to 31 March 23 and 1 April 2023 to 31 December 2023 where the cash was received in 2024.

9. Earnings per ordinary share

The calculation of basic and diluted earnings per share is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December 2024	Year ended 31 December 2023
Loss attributable to equity shareholders (£'000)	(1,267)	(1,341)
Weighted number of ordinary shares in issue	137,013,405	96,242,220
Loss per ordinary share	(0.92)p	(1.39)p

Diluted earnings per share is taken as equal to basic earnings per share, as the Group's average share price during the period is lower than the exercise price of the share options and warrants and therefore the effect of including the share options and warrants is anti-dilutive.

10. Tangible and intangible assets - Group

	Group Tangible Assets £'000	Group Software development £'000	Group Customer contracts £'000	Group Website £'000	Group Total Intangible £'000
Cost or valuation					
B/F 1 January 2024	33	670	227	37	934
Additions	7	243			243
Disposal			(227)	(37)	(264)
C/F 31 December 2024	40	913	-	-	913
Accumulated depreciation					
B/F 1 January 2024	25	437	227	37	701
Additions	6	157			157
Disposal			(227)	(37)	(264)
C/F 31 December 2024	31	594	-	-	594
Net Book Value 31 December 2024	9	319	-	-	319
Cost or valuation					
At date of acquisition 25 April 2023	30	670	227	37	934
Additions	3	-	-	-	0
C/F 31 December 2023	33	670	227	37	934
Accumulated depreciation					
At date of acquisition 25 April 2023	20	331	208	29	568
Charge for year	5	106	19	8	133
C/F 31 December 2023	25	437	227	37	701
Net Book Value 31 December 2023	8	233	-	-	233

Note: In 2024 we commenced the redevelopment of STREAM®. As at 31 December 2024, the capital commitment for the redevelopment was £147,517.

11. Goodwill

	Group 31 December 2024 £'000	Group 31 December 2023 £'000
Goodwill	5,154	5,154

The goodwill arises on the acquisition of Acuity RM in April 2023. The goodwill has been tested for impairment using a discounted cashflow forecast model. The model is for 5 years and uses a number of scenarios for growth rates on new sales and upsell. The growth rate used in costs varies depending on the type of cost, with the biggest growth being employment costs as these are the most significant. The pre-tax weighted average cost of capital used in the model was 7.92% and range of values were used to test the model. No impairment was deemed necessary at the reporting date.

12. Investments held at Fair Value through Profit and Loss

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Cost of investments				
B/F cost	1,705	2,330	1,705	2,330
Additions	-	-	-	-
Transfer to investment in subsidiaries ¹	-	(625)	-	(625)
C/F cost	1,705	1,705	1,705	1,705
Fair Value Movement				
B/F fair value	(1,461)	(1,400)	(1,461)	(1,400)
Fair Value adjustment	(37)	(61)	(37)	(61)
C/F Fair Value movement	(1,498)	(1,461)	(1,498)	(1,461)
Fair Value of Investments	207	244	207	244

¹ Acuity RM Group plc previously held a 25% stake in Acuity RM. On 25 April 2023 it acquired 100% of the ordinary share capital of Acuity RM. The investment in Acuity RM has been transferred to an investment in subsidiary. See note 13.

The Company acquired its legacy investment in KCR Residential REIT plc at a price of £0.70 per share in 2018. KCR is an AIM quoted real estate investment trust focused on the residential property market. The investment was classed as fair value through profit and loss in accordance with IFRS 9. The share price at 31 December 2024 was £0.085 per share so the investment was valued downwards at the year end by £36,536 in accordance with IFRS 13. The closing value at 31 December 2024 was £207,035. (31 December 2023: £243,571).

Fair value hierarchy

As KCR Residential REIT plc is an AIM quoted company, it is measured under level 1 of the fair value hierarchy in accordance with IFRS 13:

- Level 1: quoted prices in an active market for identical assets or liabilities. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's-length basis. The quoted market price used for financial assets held by the Group is the closing price on the last day of the financial year of the Group. These instruments are included in level 1 and comprise FTSE and AIM-quoted investments classified as held at fair value through profit or loss.

All assets held at fair value through profit or loss were designated as such upon initial recognition.

13. Investment in subsidiary

At 31 December 2024 the Company held 100% of the ordinary share capital of the following company:

	Company 31 December 2024 £'000	Company 31 December 2023 £'000
B/F Investment in Acuity RM ¹	4,210	625
Acquisition of remaining 75% stake in Acuity RM ²	-	3,585
C/F investment in Acuity RM	4,210	4,210

¹ Prior to the acquisition of Acuity RM, the Company held a £625,000 investment in Acuity RM.

² On the 25 April 2023 the Company completed the successful acquisition of Acuity RM and now holds 100% of the share capital.

14. Trade and Other Receivables

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Trade receivables	495	1,093	6	-
Prepayments and accrued income	146	150	3	16
Other receivables	31	12	13	-
	672	1,255	22	16

15. Inter-Group Receivable

	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Inter-group loan - Acuity RM ¹	604	392

¹ The inter-group loan is repayable on demand and interest free.

16. Trade and other payables

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Trade payables	141	115	35	52
Employment taxes and VAT	104	250	2	14
Accruals	277	182	51	38
Other payables	10	10	11	-
	532	557	99	104

17. Other current liabilities

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Deferred income ¹	1,362	1,016	-	-
Bank loans ²	68	68	-	-
Other loans ³	23	97	-	-
	1,453	1,181	-	-

¹ Acuity RM recognises revenue from annual software subscription and support licences over the term of the contract on a straight line basis. Deferred income is the difference between the cash paid upfront by the customer and the revenue recognised to date.

² The bank loan is a Coronavirus Business Interruption loan, (CBIL), that was taken out in July 2021. The loan is repayable over 6 years and is secured by a debenture. Under the terms of the CBILS no interest was payable for the first 12 months, therefore the CBIL has been fair valued through profit and loss. The fair value adjustment is disclosed in note 5.

³ The other loan was a short term loan taken out in 2024 and fully repaid in January 2025.

18. Other non-current liabilities

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Deferred income ¹	1,090	1,014	-	-
Bank loans ²	92	154	-	-
	1,182	1,168	-	-

¹ As per note 17

² As per note 17

19. Share capital

Allotted, called up and fully paid

Number of ordinary shares of 0.1p each	Year ended 31 December 2024	Year ended 31 December 2023
B/F	121,556,731	419,822,048
Consolidation and subdivision ¹	-	(377,839,648)
Shares issued during the year	28,571,428	79,574,331
C/f	150,128,159	121,556,731

¹ On 24 April 2023 a resolution was approved by shareholders in a general meeting whereby the ordinary shares were subject to a consolidation and subdivision effectively reducing the number of shares and share options by a factor of 10. At the same time the number of deferred shares increased by 377,839,648.

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Allotted, called up and fully paid		
150,128,159 (2023: 121,556,731) ordinary shares of 0.1p each	150	121
2,645,954,765 (2023: 2,645,954,765) deferred shares of 0.1p each	2,646	2,646
	2,796	2,767

20. Deferred shares

On 24 April 2023 at the General Meeting of the Ordinary Shareholders a resolution to consolidate and subdivide the ordinary shares was approved. The effect of this was to reduce the number of ordinary shares in issue on the basis of 1 for 10 but the underlying assets remain at the same value so assets per share increased tenfold; and to create additional deferred shares which are effectively valueless.

The other rights of the deferred shares are:

- no right to any dividend;
- the right to receive notice of any general meeting and to attend such meeting but no right to vote thereat.

21. Share options and warrants

The group operates two share option schemes. A new EMI approved share option scheme set up in 2024 and an unapproved scheme set up prior to 2024. The details of the share options issued and outstanding for each scheme is set out in the notes below.

EMI Approved Share Option Scheme

During 2024 a new EMI approved share option scheme was set up and awards made to senior employees. On 26 June 2024 7,131,088 were issued exercisable at 3.75p of which 2,251,922 were issued to Kerry Chambers and lapsed when she left the company. Save for 1,501,282 options granted to Angus Forrest, the options are exercisable in whole or in part at any time for five years from date of grant conditional on the market price (under the rules of the EMI Scheme) of the Company's shares reaching double the exercise price for a period of at least five consecutive trading days. 1,501,282 of the options granted to Angus Forrest have been awarded as a reward for initiating, delivering and successfully integrating the acquisition of Acuity Risk Management Limited. These bonus options are not subject to any performance criteria and are exercisable between the first and tenth anniversaries of the date of grant.

The Group has used a Monte Carlo model to calculate the fair value of the share options due to the performance criteria conditions for vesting. The assumptions applied to Monte Carlo model for share options issued and the resultant fair value per option are detailed in the table below for options. Volatility was calculated using historical share price information for the 12 months prior to the date of grant. The charge calculated up to 31 December 2024 is £27,298 (2023: nil).

Valuation of Share Options - where vesting linked to a performance condition¹		options 2024 grant
Date of grant		26 June 2024
Time to maturity		4.5 years
Volatility of share price		43%
Dividend yield		0%
Risk free interest rate		4.19%
Share price at date of valuation		2.05p
Exercise price		3.75p
Fair value per option		1.51p

¹ The share price must reach double the exercise price (7.5p) for at least five consecutive trading days. This impacts 3,377,884 of the share options issued.

Valuation of Share Options - where vesting is not linked to a performance condition²		Approved share options 2024 grant
Date of grant		26 June 2024
Time to maturity		9.5 years
Volatility of share price		43%
Dividend yield		0%
Risk free interest rate		4.19%
Share price at date of valuation		2.05p
Exercise price		3.75p
Fair value per option		1.37p

² The options can be exercised from the vesting date until the expiry date. This impacts 1,501,282 of the share options issued.

Unapproved Share options scheme

Awards under the scheme were made periodically to employees. The share options in this scheme vest three years after the date of grant and have an exercise period of seven years. The options may only be exercised by option holders while they are still employees of the Group. If death in service occurs the options can be exercised (to the extent that they have vested) by the option holder's personal representatives within 12 months from the date of death. If an option holder ceases to be employed and the Directors deem the option holder to be a 'Good Leaver' the options can be exercised (to the extent that they have vested) within six months from the date of cessation of employment.

A reconciliation of share option movements over the year ended 31 December 2024 is shown below:

	Year ended 31 December 2024	Year ended 31 December 2023
Number of outstanding share options B/F	1,500,000	1,500,000
Number of options lapsed during the year	600,000	-
Number of outstanding share options C/F	900,000	1,500,000

At 31 December 2024 outstanding options granted over ordinary shares were as follows;

Share option scheme	Exercise price	Number	Date granted	Dates Exercisable
Company unapproved	6.5p	500,000	15 July 2020	15 July 2023 to 14 July 2030
Company unapproved	5.5p	400,000	25 Nov 2020	25 Nov 2023 to 24 Nov 2030

The weighted average exercise price for the Group's options under the unapproved are as follows:

Options outstanding at 31 December 2024:	6.06p
Options exercisable at 31 December 2024:	900,000

The weighted average remaining contractual life of the share options under the unapproved scheme outstanding at the end of the year is 5 years (2023: 6 years).

The Group has used the Black-Scholes formula to calculate the fair value of outstanding share options. The assumptions applied to the Black-Scholes formula for share options issued and the fair value per option are detailed in the table below for options issued. The charge calculated up to 31 December 2024 is £nil (2023: nil). Volatility was calculated using historical share price information for the six months prior to the date of grant.

	Unapproved share options 2020 grant
Date of grant	15 July 2020
Expected life of options based on options exercised to date	3 years
Volatility of share price	87%
Dividend yield	0%
Risk free interest rate	0.01%
Share price at date of grant - adjusted for share reorganisation April 2023	6.5p
Exercise price - adjusted for share reorganisation April 2023	6.5p
Fair value per option - adjusted for share reorganisation April 2023	4.6p

Date of grant	25 Nov 2020
Expected life of options based on options exercised to date	3 years
Volatility of share price	96%
Dividend yield	0%
Risk free interest rate	0.01%
Share price at date of grant - adjusted for share reorganisation April 2023	4.8p
Exercise price - adjusted for share reorganisation April 2023	5.5p
Fair value per option - adjusted for share reorganisation April 2023	3.5p

Warrants

On 25 April 2023, in connection with the acquisition of Acuity RMI, the Company issued certain advisers with warrants to subscribe for the number of shares shown below at a price of 4.5 pence per share. The first date of exercise to be 25 April 2024 and the warrants expire on 24 April 2026.

Share Warrant Holders	Exercise price	Number	Date granted	Dates Exercisable
Clear Capital Markets Ltd	4.5p	1,674,465	25 April 2023	25 April 2024 - 24 April 2026
Peterhouse Capital Ltd	4.5p	475,534	25 April 2023	25 April 2024 - 24 April 2026

Warrants exercisable at 31 December 2024: 2,149,999

The Group has used the Black-Scholes formula to calculate the fair value of outstanding share options. The assumptions applied to the Black-Scholes formula for share warrants issued and the fair value per warrant are detailed in the table below for warrants issued. The charge calculated up to 31 December 2024 is nil (2023: £61,000).

Date of grant	25 April 2023
Expected life of the Warrants	3 years
Volatility of share price	60.2%
Dividend yield	0%
Risk free interest rate	3.67%
Share price at 31 December 2023	6.0p
Exercise price	4.5p
Fair value per warrant	3.1p

22. Pensions

The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. Employer contributions for the year were £69,429, of which £10,210 was payable at 31 December 2024

Contributions payable to the pension scheme are charged to the income statement in the year to which they relate. The Group has no further payment obligations once the contributions have been paid.

23. Transactions with related parties

Group and Company

The key management personnel of the Company are considered to be the Directors.

Acuity Risk Management Limited, a 100% owned subsidiary, was charged £60,000 for management fees for the period ended 31 December 2024 (12 months ended December 2023: £60,000), of which £6,000 was payable at 31 December 2024.

24. Financial instruments and risk profile

The Group's and Company's financial instruments comprises investment, cash balances, debtors and creditors that arise directly from its operations and derivative instruments. The Group and Company are exposed to risk through the use of financial instruments and specifically to liquidity and market price risk and foreign exchange rate risks, which result from the Group's operating activities.

The Board's policy for managing these risks is summarised below.

Liquidity and market price risks

The Group currently has an investment in KCR Residential REIT plc. Although this is a traded investment it has limited liquidity. The Group and Company are exposed to market price risk as shown by movements in the value of its equity investment. Any such risk is regularly monitored by the Directors.

Foreign exchange rate risks

Acuity RM trades overseas and invoices in the local currency in territories with currencies traded in major markets, but in less developed areas it invoices in £ Sterling or other major currency as agreed with the customer.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group monitors capital on the basis of the carrying amount of equity, less cash and cash equivalents as presented on the face of the Statement of financial position. The movement in the capital to overall financing ratio is shown below:

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Equity	3,800	4,088	5,305	4,798
Less: cash and cash equivalents	(606)	(100)	(362)	(40)
Capital	3,194	3,988	4,944	4,758
Equity	3,800	4,088	5,305	4,798
Borrowings	183	319	-	-
Overall financing	3,983	4,407	5,305	4,798
Capital to overall financing	80.2%	90.5%	93.2%	99.2%

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

Credit risk

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the balance sheet date.

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Trade and other receivables	672	1,255	22	16
Cash and cash equivalents	606	100	362	40
Inter group loan	-	-	603	392
	1,278	1,355	987	448

The Directors consider that all the above financial assets are of reasonable quality. No amounts shown above are considered to be past their due date.

Summary of financial assets and liabilities by category

The carrying amount of financial assets and liabilities as recognised at the balance sheet date of the reporting periods under review may also be categorised as below:

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Current assets				
Trade and other receivables	672	1,255	22	16
Cash and cash equivalents	606	100	362	40
Inter group loan	-	-	603	392
Financial assets at amortised cost	1,278	1,355	987	448
Financial assets at FVTPL	207	244	207	244

Current liabilities				
Trade and other payables	532	557	99	104
Deferred income	1,362	1,016	-	-
Loans	-	68	-	-
Financial liabilities carried at amortised cost	1,894	1,641	99	104
Financial liabilities carried at FVTPL	68	97	-	-
Non current liabilities				
Deferred Income	1,091	1,014	-	-
Financial liabilities carried at amortised cost	1,091	1,014	-	-
Financial liabilities carried at FVTPL	92	154	-	-

The financial instruments held at fair value through profit or loss have been valued in accordance with IFRS 13. In the current year, these are determined by reference to quoted prices where there is an active market for identical assets or liabilities. Otherwise, the fair value is determined by using valuation techniques such as earnings multiples. There is no material difference between the carrying value and fair value of the Group's aggregate financial assets and liabilities.

Interest rate risk profile of financial liabilities

	Group 31 December 2024 £'000	Group 31 December 2023 £'000	Company 31 December 2024 £'000	Company 31 December 2023 £'000
Floating rate financial liabilities	-	-	-	-
Fixed rate financial liabilities	183	319	-	-
Financial liabilities on which no interest is paid	2,984	2,587	99	104
	3,167	2,906	99	104

25. Subsidiary undertakings

At 31 December 2024 the Group held 100% of the equity of the following:

Company name	Country of registration	Principal activity	Holding	Class of shares
Acuity Risk Management Limited	England	Software development	100%	Ordinary

The registered address of the Acuity Risk Management Limited is the same as that of the parent company, see note 26.

Previously the Group held 100% share capital of World Life Sciences Limited. It was a company with no assets as at 31 December 2023 and was dissolved in March 2024. The registered address of World Life Sciences Limited was Burnham Yard, London End, Beaconsfield, HP9 2JH.

26. Company information

The Company is a Public Limited Company registered in England and Wales. The registered office is 2nd Floor, 80 Cheapside, London EC2V 6EE.

27. Ultimate controlling party

The Directors believe that there is no overall controlling party of the Company.

28. Events after the reporting date

On 19th May 2025, the Company completed a fundraise via a placing and subscription and raised gross proceeds of £411,071 by the issue of 41,107,143 shares at 1p per share. The directors and the largest shareholder Simon Marvell announced their intention to subscribe for 10,500,000 shares at 1p per share to raise a further £105,000, to be effected once this report and accounts has been published. The placing included a broker option and on 21st May 2025 it was announced that this had raised a further £10,000 through the issue of 1,000,000 shares. For every one shares purchased under the fundraise one warrant will be issued, entitling the holder to subscribe for one share at a price of 1.5p per share exercisable for a period of 12 months.

Additionally on 19 May 2025 the Company announced that it was issuing 344,827 shares at a price of 1.45 pence per share to settle £5,000 of deferred consideration for the purchase of a loan note, in accordance with the terms of the purchase, and that it was issuing 1,121,454 shares at a price of 1.45 pence per share to settle £16,261 of a supplier

invoice, in accordance with the terms agreed with that supplier at the outset of that supplier being engaged.

Share options were issued to David Rajakovich on 6 February 2025 - see page 17 for further details.

29. Contingent Liabilities

There are no contingent liabilities to be disclosed.

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