

The information contained within this announcement is deemed by the Company to constitute inside information pursuant to Article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended.

19 September 2025

Skillcast Group PLC
 ("Skillcast", the "Group" or the "Company")
Results for the six months ended 30 June 2025

Skillcast (AIM: SKL), the Governance, Risk and Compliance ("GRC") software and e-learning provider, is pleased to announce continued growth in recurring subscription revenue and profitability in its unaudited results for the six months ended 30 June 2025 ("H1 25").

Highlights

	6 months to 30 June 2025 (unaudited) (H1 25)	6 months to 30 June 2024 (unaudited) (H1 24)	12 Months to 31 December 2024 (audited)	Change (H1 25 v H1 24)
Total revenue	£7.5m	£6.4m	£13.2m	+18%
Subscription revenue	£6.4m	£5.2m	£11.0m	+23%
Gross margin (%)	75.5%	71.7%	73.6%	+3.8pps
Annualised recurring revenue (ARR)*	£12.8m	£10.4m	£11.6m	+23%
EBITDA	£0.7m	£0.03m	£0.5m	+2074%
EBITDA margin (%)	9.0%	-0.5%	3.8%	+9.5pps
Rule of 40*	32%	27%	29%	+5pps
Basic EPS (pence)	0.636p	(0.009)p	0.572p	N/A
Dividend per share (pence)	0.202p	0.168p	0.517p	+20%
Cash in bank	£11.5m	£8.3m	£9.1m	+38%
Free cash flow *	£2.2m	£1.0m	£2.0m	+126%

- Revenue growth of 18% (H1 24: 24%) driven by a 23% increase in subscription revenues
 - o Subscription revenues increased to 85% of total revenues (H1 24: 81%)
 - o Professional services revenues were 7% below the prior year at £1.1 million (H1 24: £1.2 million).
- ARR* increased 23% YoY to £12.8 million as at June 2025 (June 24: £10.4 million) and +10% year to date:
 - o £1.1m ARR growth from new clients in H1 25 in line with H1 24
 - o Net retention of 100% with lower, 3% price rises (H1 24: 7%), which are being welcomed by clients and supporting the lower annualised churn of 7% in the period (H1 24: 12%)
 - o Average ARR per client (excluding Core Compliance) +12%
 - o CoreCompliance accounting for 1.2% of ARR (June 2024: 0.3%).
- Gross margin grew 3.8 percentage points to 75.5% (H1 24: 71.7%) due to a reduced professional services cost base:
 - o SaaS margins increased by 0.5% to 79.5% (H1 24: 79.0%)
 - o Professional services margins increased to 51.7% (H1 24: 41.7%).
- EBITDA rose to £0.7 million (H1 24: £0.03 million) representing 9% of revenues reflecting the continued operational gearing impact of the revenue growth with overhead costs increasing 9% on H1 24. Average headcount increased by 3% over the past 12 months to 123 (June 24: 120) in volume-based roles.
- Interim dividend declared of £180,000, a 20% increase on last year and broadly in line with subscription revenue growth as per our stated policy. This represents 0.202 pence per share (H1 24: 0.168 pence per share).
- Cash in bank increased to £11.5 million at 30 June 2025 (30 June 2024: £8.3 million).
- Free cash flow* of £2.2 million (H1 24: £1.0 million) reflecting upfront cash from growing subscription sales, a return to profitability and accelerating cash flow from auto-renewal terms introduced last year.

Current Trading and Outlook

ARR continues to grow in the second half of the year and drive subscription revenues in line with expectations.

The market demand for our GRC content and software remains resilient. While revenues from non-strategic Professional Services have limited visibility, the continued growth in subscription revenues reduces their impact, and we remain confident of meeting current market expectations.

Vivek Dodd, Chief Executive Officer, said:

"Our H1 2025 performance demonstrates the resilience of the GRC market and our value proposition. In this period, we achieved 23% organic growth in ARR and improved our EBITDA margin to 9% as we progressed further towards meeting the Rule of 40.*

"Skillcast is seen as a trusted partner by over 1,400 companies, mainly in the UK, for simplifying their staff compliance, cutting costs and building resilience. We see opportunities to grow in our core and adjacent markets and continue to look for suitable acquisitions to supplement organic growth.

"Our cash position remains strong, and we have declared an interim dividend of £180,000 that is +20% higher than last year and broadly in line with our subscription revenue growth."

*Further details on the calculation of ARR, Rule of 40 and Free Cash Flow are set out in the Alternative Performance Measures section of the Financial Review below

Enquiries:

Background

Our Purpose

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

Who we are

Skillcast Group Plc (AIM: SKL) is headquartered in the City of London and has 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 helps 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 with existing compliance portals, Skillcast offers Remote Services to enhance their portals with off-the-shelf content and additional functionality.

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

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

Our customers

Skillcast serves over 1,400 clients, including FTSE 100 companies, global financial institutions, and small to mid-sized businesses in the UK. The majority of our clients operate in regulated sectors such as financial services and insurance.

Investment case

Skillcast is a leading provider of GRC SaaS solutions to companies, mainly in the UK. Such companies are subject to many regulations that require them to educate, record, monitor, and analyse employee activities. Consequently, they turn to digital platforms, such as 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. The overwhelming majority of its contracts are annual and invoiced upfront. It aims to offset churn and down-sells with upsells to the retained customer, giving it a typical net retention rate of over 100%. This results in high revenue visibility, strong cash flow, and accreting ARR.

In the years following the Group's IPO in December 2021, we proactively increased overheads ahead of revenue to improve marketing, product development and corporate governance. That phase ended in 2024, and we are now benefitting from operational gearing inherent in our SaaS business model. The Directors expect this operational gearing to increase EBITDA margins further with revenue growth as we strive to meet the Rule of 40. The corporate compliance market is large, resilient, and growing, but fragmented. The Directors believe Skillcast is well-positioned to thrive with multiple opportunities for organic growth in our core and adjacent markets.

Strategic and operational progress

Our focus in H2 2025 remains on growing the subscription business, as measured by our ARR book, and improving profitability.

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

After successful trials in H1 25, Aida, our AI assistant, is currently being rolled out to existing subscribers of our Enhanced and Premium Plans. Aida enables users to access relevant, concise information by asking the AI assistant specific questions rather than reviewing lengthy courses or policies. Users receive answers relying exclusively on their employer's company policies, e-learning courses, and external statutory documents curated by Skillcast. In addition, they receive hyperlinks for instant access to the relevant sources.

We increased our spending on marketing activity by 35% during this period. In March 2025, we launched our revamped and rebranded website with notable increases in engagement and domain authority, supported by increased digital PR activity and a higher share of voice. Search behaviours are changing, and the Group continues to adapt to the move in traffic from SEO to AEO.

On the product side, an improved UI/UX and content authoring tool is being developed for rollout later this year. We continue to add courses to our off-the-shelf libraries to help our clients respond to new regulatory obligations, such as

Failure to Prevent Fraud (F1PF), that come into effect in September this year. In Q4 2025, we will launch an EU Compliance library to improve the product fit with our subscription clients in the EU.

Our Premium Plan, launched in FY24, now represents 7.4% of ARR (H1 24: 2.9%, FY24), and our Enhanced Plan, launched in FY25, represents 1.1% of ARR (H1 24: nil). The sale of these plans to new clients and upgrades by our existing clients supported a 12% increase in ARR per account (excluding CoreCompliance) in the period to £10,620 (H1 24: £9,520).

Our CoreCompliance offering for small businesses launched in FY24 now accounts for 1.2% of ARR (H1 24: 0.3%).

While organic subscription growth remains our core strategy, we remain interested in acquiring other digital compliance GRC/learning providers in adjacent verticals, provided they meet our strict criteria for product fit and valuation. We have recently engaged advisors to assist in finding suitable targets.

Outlook

ARR continues to grow in the second half of the year and drive subscription revenues in line with expectations.

The market demand for our GRC content and software remains resilient. While revenues from non-strategic Professional Services have limited visibility, the continued growth in subscription revenues reduces their impact, and we remain confident of meeting current market expectations.

Financial Review

Revenue

Total revenues of £7.5 million were 18% up on the comparable period last year (H1 24: £6.4 million), driven by SaaS subscription revenues. Subscription revenues typically accrue from 12-month contracts, invoiced up front, for our library of compliance e-learning courses and associated compliance products. During H1 25, subscription revenue growth helped increase the proportion of revenues from subscriptions to 85% (H1 24: 81%) of total revenues. Total revenue-generating clients excluding CoreCompliance in H1 25 increased by 7% to 1,263 (H1 24: 1,178). The top 10 clients accounted for 17% of revenues in the period (H1 24: 16%).

SaaS revenues grew 23% to £6.4 million (H1 24: £5.2 million), driven by an 8% increase in new clients (excluding CoreCompliance). 44% of SaaS revenues included our bespoke GRC technology with the balance derived from e-learning courses (H1 24: 43%).

Annual recurring revenue ("ARR"), our key performance indicator to measure subscription sales progress, grew by 23% to £12.8 million over the past 12 months (June 2024: £10.3 million) and by 10% since the start of the year (December 2024: £11.6 million). All of the net ARR growth in the period was derived from new clients.

Net retention in the period was 100% (H1 24: 100%). Annualised churn on the period was 7%, a significant reduction on the prior year period (H1 24: 12%). Downsells were consistent with the prior year and upsells were lower partly due to a 2025 price rise of 3% compared to 7% in 2024.

Average ARR per account (excluding CoreCompliance) increased by 12% to £10,629 (H1 24: £9,522) from 9% net more clients.

ARR was supported by our three "new" packages.

Our premium plan, launched in 2024 which included all our GRC software and enhanced learning tools grew 217% on the same period last year to 7.4% of ARR (H1 24: 2.9%).

Our enhanced learning plan, launched in early 2025 represented 1.2% of ARR.

CoreCompliance, our self-serve e-commerce offer for small businesses launched in 2024 grew to 1.2% of ARR (H1 24: 0.3%). Client numbers grew 327% to 141 (H1 24: 33) and average ARR per client increased 21% to £1,053 (H1 24: £870).

Revenue from professional services was £1.1 million in the period, 7% below the same period last year (H1 24: £1.2m).

Gross profit

Gross profit margin increased by 3.8 percentage points to 75.5% in H1 25 (H1 24: 71.7%), due to lower costs in Professional Services. In 2024 a decision was made to reduce or redeploy headcount in response to declining Professional Services revenue. The cost benefit of this is now being seen with gross profit margins in H1 25 of 52% (H1 24: 42%), SaaS margins of 79.5% were 0.5% above the same period last year (H1 24: 79.0%).

Overhead costs

Overheads increased by 9% or £0.5 million in the period (H1 24: 9% or £0.4 million) to £5.1 million (H1 24: £4.7 million). 72% of overheads are people costs which increased 9% on the previous year, with the remaining increase in marketing activity which increased 35% to represent 7% of revenues.

No research and development costs are capitalised and expenditure remained consistent with the previous period at 9% of revenues.

In H1 25, total employment costs (including employees in operations included in the cost of sales), increased by £0.3 million or 7% to £4.9 million (H1 24: £4.6 million), and the average headcount increased by 3% to 123 (H1 24: 120). Average cost per headcount increased 5% to £40k in the period (H1 24: £38k). Total headcount at 30 June 2025 was 125 (30 June 2024: 121). The largest area of increased headcount was in the client support team offset by planned reductions in the Professional Services team.

EBITDA

The Group delivered EBITDA of £0.7 million (H1 24: LBITDA: £0.03 million), representing 9% of revenues due to continued improvements in operational gearing, and £0.2m more than in the full prior year (2024: £0.5 million).

Rule of 40

The increase in profitability saw our Rule of 40 performance (the sum of ARR growth rate and EBITDA margin) increase to 32% for the period (H1 24: 27%).

Tax

The Group reported a profit before tax of £0.7 million and a tax charge of £0.14 million with an effective tax rate of 20%.

EPS

The basic earnings per share was 0.636 pence on 89.5 million shares. (H1 24: -0.009 pence). Diluted earnings per share adjusted for unexercised share options under the treasury stock method was 0.631 pence on 89.9 million shares. (H1 24: not applicable).

Dividend

With a business that is backed by recurring revenues that provide strong cash generation, the Board is committed to paying dividends. It is the Board's stated policy to broadly increase dividends in line with subscription revenue growth rates. The Board, therefore, declared an interim dividend of £180,000, 20% higher than the previous year, or 0.202 pence per issued ordinary share. The interim dividend will be paid on 24 October 2025 to shareholders on the register on 3 October 2025.

Balance sheet

The Group had £11.5m cash at bank at 30 June 2025 (30 June 2024: £8.3m) and has no bank debt.

The Group does not capitalise any intellectual property on either the content or technology of its products. It has two right-of-use assets totalling £0.2 million at 30 June 2025, representing its leased offices in London and Malta and £0.2m of property plant and equipment including office and IT equipment.

Trade and other receivables at 30 June 2025 of £3.5 million were £0.7 million lower than 30 June 2024. Trade debtors of £2.7 million were £0.2 million or 7% lower than at 30 June 2024 despite continued revenue growth. Debtor days reduced from 64 at 30 June 2024 to 52 days at 30 June 2025. The introduction of widely accepted auto-renewal standard terms and increased process automation helped to deliver the improvement. Other receivables of £0.8 million at 30 June 2025 were £0.6m below 30 June 2024 of £1.4m. £0.5 million of this reduction relates to a tax rebate paid by the Maltese government. A further £0.2m remains due and is expected to be received before the end of the financial year.

Current liabilities of £9.0 million at 30 June 2025 were £1.7 million higher than at 30 June 2024 primarily due to a £1.4m increase in contractual liabilities relating to deferred income. Deferred income of £6.5 million at 30 June 2025 was £1.4 million or 28% higher than 30 June 2024 due to SaaS contracts and work in progress relating to professional services projects.

Net assets at 30 June 2025 were £6.4 million, an increase of £0.7m since 31 December 2024 and £0.6 million since at 30 June 2024 due to the retained profits accumulated less dividends, all paid in the second half of the financial year.

Cash flow

Free Cash Flow in the period increased by £1.2 million to £2.2 million (H1 24: £1.0 million). The Group generally has a negative working capital cycle due to the upfront cash profile of subscription sales. £0.8m of Free Cash Flow was generated from an increase in deferred revenue from cash receipts paid upfront from higher subscription sales. A further £0.7m (H1 24: £nil) was generated through Profit Before Tax and a further £0.8m (H1 24: £nil) from a reduction in trade and other receivables including the £0.5m Maltese government tax rebate.

Alternative Performance Measures*

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 that was recognised in a month, excluding any retrospective upward adjustments that arise 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 23% to £12.8 million on the year (June 24: £10.4 million) and 10% since December 2024 (£11.6 million).

Rule of 40

The Rule of 40 is a SaaS company performance metric based on the sum of the ARR growth rate and the EBITDA margin. Achieving the target of 40% for this sum is considered as an appropriate performance measure by Directors as the Group balances growth with profitability.

Free Cash Flow (FCF)

Free cash flow is defined as net cash inflows from operations less net cash used in investing activities less principal paid on lease liabilities and less interest paid.

Skillcast Group PLC

Consolidated statement of profit or loss and other comprehensive income

For the period ended 30 June 2025

	Unaudited Six months to 30 June 2025 Note	Unaudited Six months to 30 June 2024 £	Audited Twelve months to 31 December 2024 £
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Revenue	4	7,501,916	6,378,006	13,240,009
Cost of sales		(1,840,003)	(1,806,943)	(3,495,768)
Gross profit		5,661,913	4,571,063	9,744,241
Administrative expenses		(5,104,161)	(4,665,253)	(9,499,526)
Operating profit/(loss)		557,752	(94,190)	244,715
Profit before interest, tax, depreciation & amortisation (EBITDA)	3	673,749	31,208	499,958
Other income		(16,225)	-	400
Finance income		176,405	154,417	328,330
Finance expense		(6,141)	(19,351)	(24,806)
Profit before tax		711,791	40,876	548,639
Income tax		(143,089)	(48,945)	(37,270)
Profit after tax and total comprehensive income		568,702	(8,069)	511,369
EPS basic	7	0.636p	(0.009)p	0.572p
EPS diluted	7	0.631p	N/A	0.569p

Skillcast Group PLC
Consolidated statement of financial position
As at 30 June 2025

	Note	Unaudited as at 30 June 2025 £	Unaudited as at 30 June 2024 £	Audited as at 31 December 2024 £
Assets				
Non-current assets				
Property, plant and equipment		246,465	298,441	265,146
Right-of-use assets		233,832	384,559	309,196
Deferred tax assets		84,611	30,853	84,611
		564,908	713,853	658,953
Current assets				
Trade and other receivables		3,535,892	4,194,790	4,330,686
Cash and cash equivalents		11,499,347	8,349,304	9,115,118
		15,035,239	12,544,094	13,445,804
TOTAL ASSETS		15,600,147	13,257,947	14,104,757
Issued capital and reserves attributable to owners				
Share capital	5	89,459	89,459	89,459
Share Option Reserve		427,979	386,711	388,731
Share Premium Paid		3,490,541	3,490,541	3,490,541
Retained earnings		2,437,563	1,749,307	1,868,861
		6,445,542	5,716,018	5,837,592
Liabilities				
Current liabilities				

Trade and other payables	2,180,044	1,935,518	2,200,156
Contract liability	6,547,533	5,115,863	5,684,309
Current lease liabilities	132,825	140,114	184,964
Income tax payable	168,078	87,836	35,414
	9,028,480	7,279,331	8,104,843
Non-current liabilities			
Long-term lease liabilities	126,125	262,598	162,322
	126,125	262,598	162,322
Total liabilities	9,154,605	7,541,929	8,267,165
TOTAL EQUITY AND LIABILITIES	15,600,147	13,257,947	14,104,757

Skillcast Group PLC

Consolidated statement of changes in equity

	Share capital £	Share Premium Paid £	Share Option Reserve £	Retained earnings £	Total equity £
01 January 2024	89,459	3,490,541	355,029	1,757,376	5,692,405
Comprehensive Income for the period					
Profit/(Loss)				(8,069)	(8,069)
Total comprehensive Income for the year	-	-	-	(8,069)	(8,069)
Total contributions by and distributions to owners					
Share Option Reserve			31,682		31,682
Dividends					
Total contributions by and distributions to owners	-	-	31,682	-	31,682
30 June 2024	89,459	3,490,541	386,711	1,749,307	5,716,018
Comprehensive Income for the period					
Profit/(Loss)				519,438	519,438
Total comprehensive Income for the period	-	-	-	519,438	519,438
Total contributions by and distributions to owners					
Share Option Reserve			2,020		2,020
Dividends - Prior Year				(249,592)	(249,592)
Dividends - Current Year				(150,292)	(150,292)
Total contributions by and distributions to owners	-	-	2,020	-	(399,884)
31 December 2024	89,459	3,490,541	388,731	1,868,861	5,837,592
Comprehensive Income for the period					
Profit/(Loss)				568,702	568,702
Total comprehensive Income for the year	-	-	-	568,702	568,702
Total contributions by and distributions to owners					
Share Option Reserve			39,248		39,248
Dividends					
Total contributions by and distributions to owners	-	-	39,248	-	39,248
30 June 2025	89,459	3,490,541	427,979	2,437,563	6,445,542

Skillcast Group PLC

Consolidated statement of cash flows

	Unaudited 6 months to 30 June 2025 £	Unaudited 6 months to 30 June 2024 £	Audited 12 months to 31 December 2024 £
Cash flows from operating activities			
Profit/ (loss) before tax	711,791	40,876	548,639
Adjustments for:			
Depreciation of property, plant and equipment	39,908	43,510	102,051
Amortisation of right-of-use assets	75,364	81,888	150,728
Finance income	(176,405)	(154,417)	(328,330)
Share based payment	39,248	31,682	33,702
Finance expense	6,141	19,351	24,806
Unrealised foreign exchange (gain)/ loss	(6,189)	-	4,670
	689,858	62,890	536,266
Changes in working capital			
(Increase)/ decrease in trade and other receivables	794,794	44,978	(90,918)
Increase in trade and other payables, including contract liabilities	843,112	979,536	1,812,620
Cash generated from operations	2,327,764	1,087,404	2,257,968
Income taxes paid	(10,425)	(3,757)	(98,263)
Net cash flows from operating activities	2,317,339	1,083,647	2,159,705
Cash flow from investing activities			
Purchases of property, plant and equipment	(21,228)	(24,713)	(43,435)
Interest received	176,405	154,417	328,330
Net cash generated/(used) in investing activities	155,177	129,704	284,895
Cash flow financing activities			
Principal paid on lease liabilities	(88,335)	(66,377)	(121,803)
Dividends paid	-	-	(399,884)
Interest paid on lease liabilities	(6,141)	(19,351)	(24,806)
Net cash (used) in financing activities	(94,476)	(85,728)	(546,493)
Net increase/ (decrease) in cash and cash equivalents	2,378,040	1,127,623	1,898,107
Effects of foreign exchange fluctuations on cash and cash equivalents	6,189	-	(4,670)
Cash and cash equivalents at beginning of period	9,115,118	7,221,681	7,221,681
Cash and cash equivalents at end of period	11,499,347	8,349,304	9,115,118
Free cash flow	2,201,635	973,206	1,969,661

Skillcast Group PLC

Notes to the consolidated financial statements

For the period ended 30 June
2025

1 GENERAL INFORMATION

Skilcast 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. The Company is the ultimate parent of Inmarkets Ltd, Inmarkets Group Ltd, Inmarkets International Ltd.

This report and financial statements reflect the consolidated activities and transactions of the Company and other group companies ('Group') and is non-statutory. It is prepared to present the mid-year trading performance and position.

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.

The accounting year end of the Company and Group is 31 December. This unaudited interim report and financial statements presents activities and transactions for the six months to 30 June 2025.

2 Basis of preparation and statement of compliance

The condensed interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2022, which have been prepared in accordance with International Accounting Standards in conformity with the Companies Act 2006. The unaudited interim financial information does not constitute statutory accounts within the meaning of the Companies Act 2006. This interim report, which has neither been audited nor reviewed by independent auditors, was approved by the Board of Directors on 18 September 2025.

Statutory accounts for the year ended 31 December 2024 were approved by the Board of Directors on 29 April 2025 and delivered to the Registrar of Companies.

The Group's forecast and projections and strong cash balance support the preparation of the interim financial statements on a going concern basis under historical cost convention.

The interim financial statements have been presented in pounds sterling.

The accounting policies used in preparing the interim statements are the same as those applied to the latest audited annual financial statements.

3 Profit before interest, tax, depreciation and amortisation

EBITDA

EBITDA is not defined or recognised under IAS. EBITDA is defined by the Group as 'earnings before interest, tax, depreciation and amortisation'. EBITDA is presented below as 'operating profit' plus all depreciation added back.

	Unaudited as at 30 June 2025	Unaudited as at 30 June 2024	Audited as at 31 December 2024
	£	£	£
Operating profit	557,752	(94,190)	244,715
Other Interest	725	-	2,464
Depreciation	39,908	43,510	102,051
Amortisation	75,364	81,888	150,728
EBITDA	673,749	31,208	499,958

Due to nature of calculation of EBITDA the reported figures may not be comparable to other companies with similar measures.

4 Revenue

	Unaudited as at 30 June 2025	Unaudited as at 30 June 2024	Audited as at 31 December 2024
	£	£	£
<i>Major product lines</i>			
Software as a Service (SaaS) subscriptions (i)	6,403,123	5,197,164	10,987,628
Professional services (ii)	1,098,793	1,180,842	2,252,381
	7,501,916	6,378,006	13,240,009

(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) Skilcast 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 Skilcast 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

(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.

	Unaudited as at 30 June 2025	Unaudited as at 30 June 2024	Audited as at 31 December 2024
	£	£	£
Gross profit by product lines			
Software as a Service (SaaS) subscriptions (i)	5,093,395	4,104,048	8,804,612
Professional services (ii)	<u>568,518</u>	<u>467,015</u>	<u>939,629</u>
	5,661,913	4,571,063	9,744,241

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.

	Unaudited as at 30 June 2025	Unaudited as at 30 June 2024	Audited as at 31 December 2024
	£	£	£
Geographic split			
UK	5,856,080	5,055,834	10,393,492
Europe	550,803	646,231	1,444,687
Rest of world	<u>1,095,033</u>	<u>675,941</u>	<u>1,401,830</u>
	7,501,916	6,378,006	13,240,009

5 Equity - issued capital

	Unaudited as at 30 June 2025	Unaudited as at 30 June 2024	Audited as at 31 December 2024
	£	£	£
Number	89,459,460	89,459,460	89,459,460
Par value per share (GBP)	.10p	.10p	0.10p
Total (GBP)	89,459	89,459	89,459

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.

6 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.
PsyPotential Ltd.	Limited liability company registered in Malta. Company registration number is C 86668
	Provides services to the Group. Sharon Mulligan is both a director of PsyPotential and a member of the key management personnel of the Group.
Thruvision Ltd.	Limited liability company registered in England and Wales. Company registration number is 10940081.
	Client of the Group purchasing an annual subscription. Richard Arrows was both a Non-Executive Director of Skillcast Group Plc. and a Director of Thruvision Group Plc, the ultimate holding company of Thruvision Ltd
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.

	Unaudited as at 30 June 2025	Unaudited as at 30 June 2024	Audited as at 31 December 2024
	£	£	£
Group expenditure with Monad IKE	71,297	84,318	138,972
Group expenditure with PsyPotential Ltd.	17,788	13,068	24,518
Group revenue with Thruvision	635	13,586	-- -- --

Ltd.	---	15,587
Belvedere Consultancy Ltd	175	349

7 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.

	Unaudited as at 30 June 2025 £	Unaudited as at 30 June 2024 £	Audited as at 31 December 2024 £
Profit (Loss) before tax	711,791	40,876	548,639
Tax	(143,089)	(48,945)	(37,270)
Profit (Loss) after tax	568,702	(8,069)	511,369
Earnings	568,702	(8,069)	511,369
Weighted average number of ordinary shares			
Basic	89,459,460	89,459,460	89,459,460
Effect of dilutive potential ordinary shares	710,866	-	404,995
Diluted average number of shares	90,170,326	89,459,460	89,864,455
Earnings per share:			
Basic	0.636p	-0.009p	0.572p
Diluted	0.631p	N/A	0.569p

Basic and diluted earnings per share of 0.636p and 0.631p (H1 24: -0.009p) has been impacted by interest, tax, depreciation, amortisation, non-core operating expenses.

8 Dividends

	Unaudited as at 30 June 2025 Pence per share	Unaudited as at 30 June 2024 Pence per share	Audited as at 31 December 2024 Pence per share
Dividend declared - Final 2023			0.279p
Dividend declared - Interim 2024			0.168p

During the period under review, the Group generated a profit before tax of £711,791. The Group's policy is to broadly increase dividend payments in line with the annual growth rate of subscription revenues.

The Shareholders passed a resolution at the AGM on 24 June 2025 for a final dividend of 0.349p per share to be paid on 25 July 2025 to shareholders on the register at the close of business on 4 July 2025. In combination with the interim dividend paid during 2024 this represented a total dividend for the year 2024 of £462,282 or 0.517p per share based upon the number of shares currently in issue.

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