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IntelliAM AI PLC
07 July 2025

7 July 2025

IntelliAM AI Plc
('IntelliAM' or the 'Company')
Final Results

Strong maiden full year results with rapid growth in Annual Recurring Revenue

IntelliAM AI plc (AQSE: INT), the software company leveraging the power of AI and machine learning in the manufacturing industry, announces its unaudited financial results for the twelve months ended 31 March 2025 (the 'period'). Audited results are expected to be completed this month.

Highlights

- Successful completion of IPO on the Aquis Exchange, raising gross proceeds of £5.08m on 3 July 2024
- Successful completion of acquisition of 53 Degrees North Engineering Ltd ('53DN') for £5.187m on 4 July 2024, and therefore earnings for the period include 9 months of trading as a Group
- ARR (Annual Recurring Revenue)[1] up from £60k to £810k
- For illustrative purposes only, if the acquisition had occurred at the start of the period, Group results would have been as follows:
  - Revenue of £3,920k
  - Adjusted EBITDA[2] loss of £25k
- Actual results for the period, reflecting only 9 months trading as a Group, are:
  - Revenue of £3,213k, split as revenue from the Consulting Division £2,597k and revenue from Platform and Platform services £617k
  - Adjusted EBITDA[2] loss £157k
  - Adjusted net loss of £136k[3]
- Headcount across the Group was 55 at the end of the period.
- Cash at end of the period stood at £2million.

Operational highlights

- Since IPO we have onboarded over 60 enterprise sites to the IntelliAM platform.
- Signed a letter of intent with SKF, the world's largest bearing and lubrication systems manufacturer, and have continued to develop our relationship with them including co-hosting an upcoming conference in September 2025 for some of the top food and beverage manufacturers to showcase the future go-to-market approach.
- IntelliAM has strong relationships with top food & beverage companies, including 5 out of the top 10, and we continue to build our client base with exciting client wins such as Hovis and a global leader in beverage

alcohol.

- The platform has already demonstrated significant efficiency gains with one customer improving OEE (Overall Equipment Effectiveness) by 10% across the entirety of one of its lines.
- We have also demonstrated the ease with which customers can scale the platform across its network of manufacturing lines with one customer scaling across 35 production lines in 6 factories in less than 3 months.
- The Group was named as a Lighthouse for AI and received a Digital Innovation Fund ("DIF") Lighthouse Funding award of £263,000 which was completed fully and on time during the period.
- Post year end: won first order in the USA for IntelliAM AI platform services and sensor supplies from a high-quality food manufacturer for three of its major manufacturing sites and; entered into a formal agreement with US-based hardware innovatorConnection Technology Center Inc ("CTC") to sell world-class sensory hardware integrated with IntelliAM's AI-powered platform to US industry.

Outlook

- Having reviewed the progress made in the last financial year, the Company believes that ARR should grow to £2m in the current year.
- The Company is confident that it has sufficient cash resources to invest in the business and achieve its financial goals.
- Revenue growth expected to be in the range of 75-90%.

[1] Annualised recurring revenue is defined as the monthly subscription revenue in March 2025 (and September 2024 for H1) multiplied by 12 to illustrate the expected annual revenues at the end of the stated period.

[2] Adjusted EBITDA (Earnings before interest, tax, depreciation and amortisation) are stated excluding any costs related to the IPO and any stock based compensation in the period.

[3] Adjusted operating profit and net profit is stated before acquired intangible amortisation, IP amortisation, stock based compensation and costs related to the IPO.

[4] Annualised recurring revenue is defined as the monthly subscription revenue in March 2025 (and September 2024 for H1) multiplied by 12 to illustrate the expected annual revenues at the end of the stated period.

Chief Executive Officer Tom Clayton said:

"The past financial year has been pivotal for the company. The successful completion of our IPO, the acquisition of 53 Degrees North Engineering and the growing adoption of our AI and machine learning platforms by major industrial players have provided a firm basis for our future growth.

"We continue to build momentum with our AI-driven technology. which is driving a much enhanced customer proposition which in turn is rapidly growing our recurring revenue streams. We have a strong pipeline of revenue opportunities, both domestically and internationally, and we look forward to the period ahead with confidence."

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Chairman's Statement

Introduction

I am honoured to have been appointed Chairman of IntelliAM on 1st July 2025, having joined the Board in May 2025, following the financial year under review. I would like to begin by thanking my predecessor, Mr. D Richards, for his service. He chaired the Board through the 2024/25 financial year and stepped down on 1st July as per the announcement made in January.

This annual report reflects a period during which the company accomplished a huge amount including the successful IPO in July 2024, the acquisition of 53 Degrees North Engineering and the delivery of its early strategic goals.

As the incoming Chairman, I have been impressed by the resilience of the business, the clarity of its strategic direction, and the depth of expertise across the Board and executive team. My immediate priority has been to support a smooth transition while engaging with stakeholders to ensure continued alignment with our long term objectives.

A Year of Exceptional Growth

Financial year ending 31st March 2025 (FY25) was a landmark year. Annual Recurring Revenue (ARR)[4] increased by more than 400% as at the end of H1 2025 and the year end 31st March 2025, a testament to the growing demand for our AI-driven machine learning platform across the manufacturing and engineering sectors. We saw particularly strong traction in the UK FMCG sector, underpinned by our strategic "land and expand" approach, enabling customers to start quickly and deepen their engagement as their operational needs evolve.

This scalable model is allowing us to convert early wins into long-term partnerships, driving consistent growth in recurring revenue.

Looking Ahead

As we move into financial year 2026 (ending 31st March 2026), our outlook remains positive. We are focused on scaling our presence both domestically and internationally. Our international strategy will be partner-led - a capital-efficient route to global expansion that leverages trusted local players. We have already announced our first US customer and have announced a strategic hardware partner in the US, Connection Technology Center Inc (CTC) that will help to accelerate our growth in H2.

The Board expects continued strong growth in FY26, including more than doubling ARR, particular as we leverage new partnerships in H2. With a robust customer pipeline and increasing product depth, we believe IntelliAM is well-positioned to continue delivering exceptional shareholder value.

Tribute to Dame Julie Kenny DBE DL

It is with deep sadness that I reflect on the passing of Dame Julie Kenny DBE DL, our esteemed Non-Executive Director, on 21 February 2025.

Dame Julie was a vital member of the IntelliAM Board. Her contribution to IntelliAM was immeasurable - offering insight, wisdom, and a steady hand during pivotal moments. Julie was a pioneering business leader, a passionate public servant, and a tireless champion for South Yorkshire. She inspired everyone around her with her strength, grace, and vision. The loss of Dame Julie is deeply felt across the IntelliAM community and beyond.

Keith R Harris
Chairman

Chief Executive Officer's Statement

Introduction

The past year has been one of substantial growth for IntelliAM Plc, marked by several milestones that have set the stage for continued success in the years ahead. From completing our IPO and raising £5.08m in capital to experiencing a remarkable increase in Annual Recurring Revenue (ARR), we have positioned the company to not only lead the AI-driven manufacturing sector but to continue transforming it with innovative solutions.

Review of the FY25 Performance

We have made significant strides in our mission to revolutionize asset management within manufacturing. Key highlights of the year include:

- A 400% growth in ARR from H1 to H2, showing the increasing value of our platform to customers.
- Successful market expansion, particularly in the FMCG sector, leveraging the strong relationships established by our consulting division.
- The integration of 53 Degrees North Engineering Ltd, which bolstered our technical expertise and strengthened our position in the market.

Strategic Vision and Market Expansion

Looking forward, our strategy remains focused on maintaining strong growth through continued innovation and expansion. We are committed to scaling both in the UK and internationally. Our international strategy will be driven by forming strategic partnerships in select markets, allowing us to scale without overstretching our resources. In the UK, we will continue to focus on FMCG while also expanding into additional sectors.

Post year end 31 March 2025 we entered into a formal agreement with US based hardware innovator Connection Technology Center Inc ("CTC") deepening our collaborative partnership to co-develop cutting edge dual branded industrial sensing solutions.

We also remain committed to enhancing our platform. Our approach to machine learning and data collection, which supports industries from industrial manufacturing to FMCG, remains one of the key differentiators for IntelliAM. We believe that our flexibility in working with various data sources, combined with our deep industry expertise, is what sets us apart from competitors.

Financial Highlights

Financially, IntelliAM is in a strong position. Our IPO in July 2024 raised £5.08m, which has been crucial in supporting our operations and product development. The continued expansion of our ARR, from £151k at the end of the first half to £810k by year end, demonstrates the growing demand for our platform and validates our long-term strategy.

In the first year of business, the Group reported a £157k loss in adjusted EBITDA due to accelerated hiring and increased investment in our platform. We believe that these investments will drive future growth. With a robust cash position, we are confident that we can sustain our operations while continuing to build out our machine learning platform.

Product Development and Innovation

At the heart of IntelliAM's success is our platform. This year, we have made significant progress in enhancing its capabilities. Through our six-stage machine learning journey that supports customers

scale AI through their factories, we have already seen substantial improvements in predictive maintenance, operational and machine efficiency, and customer satisfaction.

Our platform's unique interoperable nature nature allows it to integrate with a wide variety of hardware and data sources and ensures that we are not limited by hardware constraints. This, combined with the expertise from our consulting division, allows us to provide deeper insights, which are driving greater reliability and operational efficiency for our customers.

Looking ahead, we will continue to evolve our platform, focusing on deeper machine learning models and broader capabilities. This includes the development of predictive AI agents and a customer library within Stage 4, which will be seamlessly integrated with the machine learning outputs from Stage 3. This integration will significantly enhance performance and efficiency in site predictability and internal communications. As a result, customers will benefit from an enriched experience while using the IntelliAM platform. By leveraging advanced AI tools throughout the entire process, the platform will continue to self-learn, becoming increasingly powerful for users. This ongoing improvement will not only enhance the customer experience but also support the company's growth and help maintain a low churn rate.

Customer Growth and Success

In terms of customer growth, we have made great strides. The "land and expand" strategy, which starts customers with automated data collection and condition-based monitoring (Stage 3), has proven successful. As customers progress through the stages of our platform, from Stage 3 to Stage 4 and beyond, we have seen the value we deliver grow substantially.

Additionally, we have secured several key customer wins in the FMCG sector, strengthening our position in the market. Partnerships with some of the world's largest food and beverage companies have been critical to our growth.

In July 2024 we announced that we had been named as a Lighthouse for AI and given a Digital Innovation Fund ("DIF") Lighthouse Funding award of c£263,000 for which we successfully delivered a project into the application of AI in lubrication analysis.

In August 2024 we announced a significant extension to a contract with a global leader in beverage alcohol, valued at a minimum of £100,000 over two years.

In September 2024, we announced a contract with Hovis which saw all manufacturing sites linked to project services and key sites linked to the IntelliAM platform.

In December 2024, we signed a letter of intent with SKF, the world's largest bearing and lubrication systems manufacturer. This is a precursor to a partnership agreement for the provision of IntelliAM's machine learning platform and SKF AI-ready products. The IntelliAM platform will link future SKF products for AI insights and optimised machine performance, helped by linking in contextualised machine and process data. We are holding a joint conference in September for some of the largest global food and beverage companies to showcase our joint plans and future go-to-market initiative

Leadership and Team Development

As we continue to scale, our team remains our greatest asset. Over the last year, we have hired exceptional talent to support our growth, and we are particularly proud of our technical team's ability to innovate and drive the development of our platform. We are also investing in leadership development, ensuring that we are well-equipped to meet the demands of a rapidly evolving industry.

Outlook and Future Plans

Looking ahead, our outlook is optimistic. We are confident in our ability to continue delivering value to our customers and scaling our platform. With our strong cash position and the expertise within our team, we are excited about the future.

As we move into FY26, we expect our ARR to more than double, driven by the continued expansion of our customer base and product development. We will also focus on strengthening our international presence through strategic partnerships and further investment in our platform.

Risks

As a fast-growing company operating in a newly defined and evolving space, we face natural business risks including client decision uncertainty, macroeconomic and political factors, and changing regulatory landscapes. Navigating these requires us to remain nimble, responsive to emerging concerns, and focused on prudent management. We recognise these challenges as part of our growth journey and are committed to maintaining a disciplined approach to risk while pursuing our strategic objectives.

Conclusion

I would like to take this opportunity to thank the entire team at IntelliAM for their hard work and dedication over the past year. Our progress has been remarkable, and I am excited for what lies ahead as we continue to build on our success and transform the manufacturing sector with AI-driven solutions

Future Developments

Looking ahead, IntelliAM remains focused on:

- **Expanding Market Reach**: Both within the UK and internationally, particularly by leveraging strategic partnerships in key sectors.
- **Continued Product Development**: Improving the IntelliAM platform with cutting-edge AI features and predictive maintenance capabilities.
- **Strengthening Operational Capabilities**: Scaling the workforce and enhancing internal processes to support the growing business.

The Group's international strategy in the short to medium term is centred on establishing partnerships across Europe and the USA. These regions present compelling opportunities to extend the Group's predictive AI solutions within established customer and supplier networks. This financial year, the focus is on implementing and scaling Stage 3 predictive AI with key partners to strengthen operational and predictive maintenance capabilities, setting the foundation for a more aggressive international expansion in the subsequent phases.

Employee Engagement and Development

IntelliAM is dedicated to creating an inclusive and engaging workplace. Our focus on continuous learning, competitive compensation, and promoting employee wellness helps maintain a motivated and productive team.

Chief Financial Officer's Report

Introduction

This report provides an overview of the financial performance of IntelliAM for the year ending 31 March 2025. It outlines the key financial highlights, performance against expectations, and the company's approach to managing financial risks and resources. The results reflect the successful execution of our business strategy, which has focused on scaling our operations, expanding the customer base, and investing in product development to drive future growth.

Financial Performance Overview

Revenue

Total revenue for the year was £3.2m. On a pro-forma basis, assuming that 53 Degrees North Engineering had been acquired at the beginning of the period, revenue was £3.9m, representing growth of 40% compared to the revenue in the prior period on a similar basis. This growth was primarily driven by an increase in Annual Recurring Revenue (ARR), which saw an exceptional rise from £151k in H1 to £810k in H2, driven by the expansion of our customer base and the successful adoption of our platform by key industries.

	2025 **Group** £
Consulting revenue	2,597,081
Platform services	140,879
Platform recurring revenue	185,815
Other Income	263,804
Royalty fees	26,187
	3,213,766

The revenue breakdown above illustrates the performance of the various areas of the business. Revenue linked to IntelliAM was £617k, including £264k linked to an AI research project into the application of AI in lubrication analysis. As noted above ARR (defined as the annual subscription value of contracts in place at the year end) was £810k. This sharp increase in H2 was due to the Group's strategy of land and expand which leveraged consulting contracts to onBoard customers to Stage 3 of the IntelliAM platform providing enhanced Conditioned Based Monitoring (CBM) using automated collection and analysis of data from manufacturing lines. This initiative proved hugely successful and positions IntelliAM for further growth within accounts.

Royalty revenue was a mechanism for subscription revenue to pass to IntelliAM from 53 Degrees North, linked to IP owned by IntelliAM. After the acquisition, and from 1st October, the agreement moved to a royalty free relationship allowing 53 Degrees North to sell IntelliAM products.

Gross Profit

Gross profit for the year stood at £1.5m, resulting in a gross margin of 47%. Gross margin is dependent on business mix. The consulting division is mainly based on time and materials but also includes the provision of hardware at the request of customers. IntelliAM services are generally fixed priced projects and IntelliAM subscription products are generally higher margin with costs of sales linked to the provision of cloud infrastructure.

Operating Expenses

Operating expenses totalled £2.44m, with the main areas of expenditure being in payroll, as we continued to scale operations and invest in R&D, marketing to drive customer acquisition.
Adjusted operating expenses were £1.7m, when excluding share based payments, IPO exceptional costs and amortisation of acquired intangibles and IP.

Adjusted EBITDA

The company recorded an adjusted EBITDA loss of £157k for the period, which was in line with the Board's expectations. The loss was primarily driven by accelerated investments in technology development and team expansion in the second half of the financial year, setting a strong foundation for future profitability. On an unaudited pro-forma basis adjusted EBITDA loss reduces to £25.0k.

Net Profit/Loss

The Group recorded a net loss of £823k for the year. This is reflective of the successful Aquis listing in July as well as the planned strategic investments that were necessary for the long-term growth of the business, including the investment in talent.

Excluding exceptional costs, share based payments and amortisation of acquired intangibles, the adjusted net loss was £136.4k. On a pro-forma basis, the adjusted net loss would have been £44.5k.

	FY25	**Pro-forma FY 25**
Revenue	3,213,766	3,920,506
Cost of Sales	-1,704,886	-2,085,872
Gross Profit	**1,508,880**	**1,834,634**
Operating Expenses	(2,436,755)	(2,666,654)
Share based payments	(39,005)	(39,005)
Amortisation of acquired intangibles and IP	(437,922)	(437,922)
Exceptional costs	(278,810)	(309,046)
Adjusted Operating Expenses	(1,681,018)	(1,880,681)
Adjusted Operating Losss	**(172,138)**	**(46,047)**
Depreciation	14,967	21,069
Amortisation of financing arrangements	3,183	
Adjusted EBITDA	**(153,988)**	**(21,795)**
Adjusted Operating loss	**(172,138)**	**(46,047)**
Net Interest	(22,829)	(26,323)
Adjusted Loss before tax	**(194,967)**	**(72,371)**
Tax on adjusted loss	58,493	27,844
Adjusted Net Loss	**(136,474)**	**(44,527)**
Adjusted Loss per share		
Basic shares	17,638,992	17,638,992
Basic adjusted loss per share (p)	(0.77)	(0.25)

The Group reported a Loss per share of 4.67p and on an adjusted basis a loss of 0.77p.
On a pro-forma basis the loss per share would have been 0.25p.

Balance Sheet and Financial Position

Capitalisation of development costs

Investing in our Platform is critical to sustaining our competitive advantage and delivering against our product roadmap and customer needs. During the period we capitalised £549k of development expenditure which will benefit the company in the years to come. These costs are amortised over 3 years.

Trade and other receivables

Trade debtors at the end of the period stood at £1.1m. Our customers generally pay on 60 day standard terms. Aged debt is carefully monitored and pursued. With the majority of customers being large national or international brands, we believe that collectability even on aged debt is high.

Borrowings and deferred payments

At the end of the period, loans outstanding stood at £260k with £69k due within one year.
Amounts owed for the purchase of 53 Degrees North Engineering Stood at £1.43m. 53 Degrees North was acquired for £5.19m, over which 50% was paid with shares in IntelliAM, and the balance was due to be paid in cash over a 2 or 3 year period. The amounts owed become interest bearing if the company executes its option to extend payment. The Group believes it has sufficient financial flexibility to ensure the terms of the sale agreement are adhered to.

Cash Flow and Liquidity

The cash position at the end of the year was £1.97m. We have sufficient liquidity to support ongoing operations, including investments in product development and expansion.
Capital Raise from IPO

In July 2024, we successfully completed our IPO, raising £5.08m. These funds have been used to strengthen our balance sheet, support product development, and scale the business to meet the growing demand for our platform.

Financial Risk Management

Overview of Financial Risks

As part of our risk management framework, IntelliAM continually monitors financial risks, including liquidity risk, currency risk, credit risk, and interest rate risk. We have in place processes to mitigate these risks through.

- **Liquidity Risk**: The company has maintained a strong cash position, supported by the IPO proceeds, to ensure we can meet operational needs and growth plans.
- **Credit Risk**: We manage credit risk by maintaining strong relationships with customers, and continually monitoring aged debt.

- **Foreign Exchange Risk**: As the Company expands into international markets, we will continue to monitor any exposure to foreign exchange fluctuations, especially in Europe and the USA.

Capital Allocation and Investment Strategy

We have made substantial investments in product development, R&D, talent acquisition during the year, which we believe are essential for the long-term success of the business. Moving forward, the company will continue to focus on high-return investments in technology and customer acquisition, while maintaining a balanced approach to capital management.

Conclusion

The financial year ending 31 March 2025 has been one of significant growth and strategic investment for IntelliAM. The Company is in a strong financial position to support its growth trajectory, backed by a solid customer base, a growing pipeline of recurring revenue, and a strong balance sheet supported by IPO proceeds. As we move into FY26, we are well-positioned to continue delivering strong growth and value for our shareholders.

The ongoing focus will be on scaling our platform, increasing customer adoption, and ensuring financial discipline as we continue to invest in the business.

Directors' Report

The Directors present their report with the financial statements of IntelliAM for the year ended 31 March 2025. This is the second financial year since the incorporation of IntelliAM and the first year when the company is preparing consolidated financial statements, and the report outlines the key business activities and financial performance during the year.

Principal Activities

The principal activity of IntelliAM during the year under review was the provision of machine learning software and services via the IntelliAM platform as well as consulting services related to asset management for the manufacturing industry. The Company operates primarily in the manufacturing industry, providing innovative solutions to leverage machine data and optimize asset performance.

The Company is focused on helping manufacturing organizations transform their operations by harnessing the power of AI and machine learning. Through the Group's six-stage journey, IntelliAM's platform enables businesses to optimize maintenance practices, improve productivity, and reduce operational costs. Through its services division, the company aims to provide asset management reliability services as well as project based services focussed on specialised aspects of the manufacturing process.

Review of the Business

The business has experienced significant growth during the year, marked by several key milestones:

IPO Completion: In FY25, IntelliAM successfully completed its Initial Public Offering (IPO) on the Aquis Stock Exchange in July 2024, raising £5.08m in gross proceeds, which significantly strengthened its financial position and provided capital to support continued growth and product development.

Revenue Growth: The Company achieved a total consolidated revenue of £3.2m, in line with the Board's range of expectations. The growth in Annual Recurring Revenue (ARR) from £151k in H1 2025

to £810k in H2 was a key achievement during the year.

Customer Expansion: We continued to expand our customer base, particularly within FMCG and manufacturing sectors, and deepened relationships with key clients.
The acquisition of 53 Degrees North Engineering Ltd added significant technical capabilities, which enhanced our offering and enabled us to provide greater value to our customers.

Key Developments in the Year

Successful IPO: The successful IPO in July 2024 raised £5.08m, providing necessary capital to fund the Group's operations and scale our platform.

Product Development: Significant progress was made in enhancing the platform's capabilities, especially in predictive maintenance, operational optimization, and network improvement, further solidifying IntelliAM's market position.

Strategic Partnerships: The Group formed key partnerships with leading FMCG companies, resulting in increased market penetration and further customer acquisition. During the period we signed a letter of intent with SKF, the world's largest bearing and lubrication company as a precursor to a formal partnership agreement. In the current financial year we are planning a joint conference to present to some of the largest food and beverage companies to showcase our product development and our future joint go to market initiatives.

Post year end (31 March 2025) we entered into a formal agreement with US based hardware innovator Connection Technology Center Inc ("CTC") deepening our collaborative partnership to co-develop cutting edge dual branded industrial sensing solutions.

Passing Of Dame Julie Kenny
It is with deep regret that the Directors of IntelliAM reported the passing of Dame Julie Kenny DBE DL, a non-executive director of the Company, on 21 February 2025 following a short illness.

Dame Julie was an accomplished entrepreneur and a highly respected business leader. She made significant contributions to the Company's Board and provided valuable insights that were instrumental in guiding the Company's strategy. Her service to both business and the public sector, particularly in South Yorkshire, has left a lasting impact.

Going Concern

The Directors have assessed the Group and Company's ability to continue as a going concern. The Company raised £5.08m in its IPO during FY25, significantly strengthening its financial position. The Directors are confident that, based on the available cash reserves and projected future revenues, assessment of potential downside scenarios the Group and Company will have adequate resources to continue operations for the foreseeable future. Consequently, the Directors have prepared the financial statements on a going concern basis.

Financial Performance and Results

The Company reported total consolidated revenue of £3.2m, in line with management expectations. The Group incurred an adjusted EBITDA loss of £157k, primarily due to accelerated hiring and investment in platform development. These investments were necessary to ensure continued growth and to strengthen the Company's position in the market.

A detailed analysis of the Group's financial performance is provided in the Chief Financial Officer's Report.

Financial Risk Management

The Board is responsible for overseeing the financial risk management policies of the Company, ensuring that financial risks are identified and managed appropriately. IntelliAM faces several key financial risks, including liquidity risk, currency risk, and interest rate risk, which are managed in line with the Company's overall risk management framework.

LiquidityRisk:
The Company has an overdraft facility to ensure sufficient liquidity to meet its operational requirements. This facility provides flexibility in managing short-term cash flow needs.

Currency Risk:
As the Company incurs some expenses in USD (such as costs related to international suppliers or services), it is exposed to fluctuations in currency exchange rates. These expenses are translated at the time of the transaction, and the Board regularly reviews the exposure to ensure that the Company can manage any material impact on its financial performance.

Interest Rate Risk:
The Company places excess funds in higher interest-bearing accounts to generate returns on its surplus cash. This approach is designed to minimize interest rate risk, ensuring that the Company benefits from higher returns on funds held while managing any potential impact from interest rate fluctuations. The Board monitors interest rate exposures regularly and adjusts the Company's investment strategies as needed.

Corporate Governance Statement

IntelliAM is committed to maintaining high standards of corporate governance, ensuring transparency and accountability to its shareholders and stakeholders. The Company adheres to the Quoted Companies Alliance (QCA) Corporate Governance Code for small and mid-size quoted companies, which provides a framework for good governance practices that suit the size and nature of IntelliAM's operations.

The Board ensures that the principles of the QCA Code are applied effectively, with an emphasis on strong leadership, effective risk management, and the protection of shareholder interests. The details of our governance framework, including the composition and responsibilities of the Board, and how we apply the QCA principles, can be found on the Company's website at **https://intelliam.ai/about/corporate-governance/.**

We believe that good governance is integral to the long-term success of the Company and are committed to continuously reviewing and enhancing our practices to ensure alignment with best practices.

Directors

The Directors who held office during the year and up to the date of signing of the financial statements were as follows:

Tom Clayton (Appointed 10 July 2023)
Keith Smith (Appointed 10 July 2023)
David Richards (Appointed 10 July 2023, resigned 1st July 2025 as planned at the IPO)
Keith Ridgway (Appointed 12 December 2023)
Dame Julie Kenny (Appointed 21 February 2024, sadly passed away on 21 February 2025)
Hafeez Daud Khan (Appointed 23 November 2023, Company Secretary)
Keith Reginald Harris (Appointed 2 May 2025 post period end)

Directors' Interests

The interest held in shares of the Company by the Directors at the end of the financial year was as follows:

	No. of shares held	% Holding
David Richards*	1,385,695*	7.20
Tom Clayton	*4,731,330	24.72
Hafeez Daud Khan	600,436	3.13
Keith Smith	1,955,904	10.22
Dame Julie Kenny	756,875	3.95

*David Richards holds a 40% beneficial interest in YAIL LLP, which owns 3,446,383 ordinary shares and holds 7,142 shares directly. Tom Clayton has an indirect interest of 21,902 shares.

Directors' interests in share options

	Grant Date	No. of share options granted	Option price(p)	Date first Exercisable*	Expiry Date
Tom Clayton	4/7/24	100,000	94	4/7/25	4/7/34
Hafeez D Khan	4/7/24	85,000	94	4/7/25	4/7/34
Keith Smith	4/7/24	85,000	94	4/7/25	4/7/34
Keith Ridgway	7/6/24	80,000	18.486	7/6/25	7/6/34

Options vest over 3 years with a third of the total vesting each year.

Substantial Shareholders

As at 31 March 2025, the Company had received notification of substantial interests in its shares from:
Gresham House Asset Management Ltd: 23.5%

Charitable and Political Donations

The Company did not make any charitable or political donations during the year ended 31 March 2025.

Indemnity of Directors and Officers

The Company maintains Directors' and Officers' Liability Insurance for the benefit of its Directors and officers. In addition, the Directors and officers are indemnified by the Company, to the fullest extent permitted by law, against liabilities incurred in the course of performing their duties, including the costs of defending civil or criminal proceedings, subject to certain exceptions as outlined in the Company's Articles of Association.

Employees

The average number of employees during the year was 29, with the total cost of employees amounting to £1,956,944 including share based payments. Further details are provided in Note 7 to the financial statements.

The Company is committed to providing equal opportunities for all its employees and applicants, and it follows an inclusive recruitment process. The Company actively encourages applications from disabled candidates and takes all reasonable steps to ensure that disabled employees are treated fairly and given equal opportunities to develop within the organization. Reasonable adjustments are made to the work environment to support employees with disabilities, and we provide appropriate training to staff to promote inclusivity and awareness.

Post-Balance Sheet Events

Leadership Transition: As announced in January 2025, David Richards stepped down as Chairman of the Company effective 1st July 2025. We are grateful for his leadership and significant contribution to IntelliAM.

Director Appointment: On 2nd May 2025, Keith Reginald Harris was appointed a Director of the Company. At the time of his appointment, he holds no beneficial interest in the Company's shares. Keith served as the Head of the Remuneration Committee until he took up the Chairman post on 1st July and was awarded 64,000 share options at an exercise price of 0.5p.

Future Developments

The Company's strategy for the coming year focuses on:

Continued product development, particularly enhancing the machine learning platform to meet the increasing demands of our customers.

Expansion into new markets, both within the UK and internationally, through strategic partnerships.

Leadership development and governance changes, ensuring that the Company remains well-positioned to execute on its strategy and meet the expectations of its stakeholders.

Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the United Kingdom Accounting Standards (Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;

• State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and;
• Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure to Auditors

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware. The directors have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Consolidated Statement of Comprehensive Income

	Note	12 months 2025 Group £
Turnover	**4**	3,213,766
Cost of sales		(1,704,886)
Gross profit		1,508,880
Distribution costs		(49,969)
Administrative expenses		(2,107,976)
Exceptional costs		(278,810)
Operating loss	**5**	(927,875)
Share based payments		39,005
Amortisation of acquired intangibles, IP, and other		437,922
Exceptional costs		278,810
Operating lossbefore **share based** payment, **amortisation of acquired intangibles, IP and exceptional costs**		**(172,138)**

Other interest receivable and similar income	**9**	721
Interest payable and similar expenses	**10**	(23,550)
Loss before taxation		(950,704)
Tax on loss	**11**	127,600
Loss for the financial year and total comprehensive income		(823,104)

All the activities of the group are from continuing operations.

Consolidated Statement of Financial Position

	12 months
	31/03/2025
	Group
	£
Fixed assets	
Intangible assets	5,048,038
Tangible assets	489,367
	5,537,405
Current assets	
Stocks	113,018
Debtors	1,111,922
Cash at bank and in hand	1,967,233
	3,192,173
Creditors: amounts falling due within one year	1,528,384
Net current assets/(liabilities)	1,663,789
Total assets less current liabilities	7,201,194
Creditors: amounts falling due after more than one year	907,885
Provisions of deferred tax	(184,945)
Net assets	6,478,254
Capital and reserves	
Called up share capital	95,708
Share premium account	4,452,850
Merger Relief	2,579,704
Other reserves	258,831
Equity based payment reserve	39,005
Profit and loss account	(947,844)
Shareholders funds	6,478,254

Consolidated Statement of Changes in Equity

	Called up share capital	Share premium account	Other reserves	Merger Reserve	Sh ba pay res
	£	£	£	£	
At 10 July 2023	-	-	-	-	
Loss for the year (as previously stated)					
Restatement					
Loss for the year (restated)	-	-	-	-	-
Total comprehensive income for the year	-	-	-		
Issue of shares	313,723	181,266	-	-	
Total investments by and distributions to owners	313,723	181,266	-	-	
At 31 March 2024	313,723	181,266	-	-	
Loss for the year					
Total comprehensive loss for the year			-	-	
Issue of shares	40,817	5,052,968		2,579,704	
Issue of bonus shares	(41,169)	-	-		
Other movements	(217,663)		258,831		
IPO costs charged to share premium	-	(781,384)	-	-	
Equity-settled share-based payments	-	-	-		
Total investments by and distributions to owners	(218,015)	4,271,584	258,831	2,579,704	
At 31 March 2025	95,708	4,452,850	258,831	2,579,704	

	2025
	£
Cash flows from operating activities	
Loss for the financial year	**(823,104)**
Adjustments for:	
Depreciation of tangible assets	14,976
Amortisation of intangible assets	437,923
Other interest receivable and similar income	(721)
Interest payable and similar expenses	23,550
Provision for doubtful debts	1,305
Equity-settled share-based payments	39,005
Tax Expense	(127,600)
Operating cashflow before movements in working capital	**(434,666)**
Changes in:	
Increase in Stocks	(106,919)
Increase in trade and other receivables	(326,996)
Decrease in trade and other creditors	295,266
Cash generated from operations	(573,315)
Interest paid	(23,550)
Interest received	282
Tax paid	(105,710)
Net cash from/(used in) operating activities	**(702,293)**

Cash flows from investing activities	
Additions to intangible assets	(553,706)
Purchase of tangible assets	(49,526)
Transaction costs related to acquisition	(60,524)
Acquisition of subsidiaries	(1,164,873)
Acquired cash	177,566
Net cash used in investing activities	**(1,651,063)**
Cash flows from financing activities	
Proceeds from issue of ordinary shares	5,044,989
Share issue costs paid	(781,384)
Repayment of borrowings	(33,693)
Net cash from financing activities	**4,229,912**
Net increase in cash and cash equivalents	1,876,556
Cash and cash equivalents at beginning of year	90,677
Cash and cash equivalents at end of year	1,967,233

Notes to the Financial Statements

1. General information

Intelliam AI PLC ("the company") is a public limited company domiciled and incorporated in England and Wales. The registered office is 53 North House, 8 Caxton Way, Dinnington, Sheffield, South Yorkshire, S25 3QE.
The group consists of IntelliAM AI PLC and all of its subsidiaries.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

For the year ending 31 March 2025, the company has prepared its first consolidated financial statements inclusive of 53 degrees North Engineering acquired in July 2024 therefore there is no comparative consolidated numbers requiring disclosure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Consolidation

The financial statements consolidate the financial statements of IntelliAM AI PLC and all of its subsidiary undertakings.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group. All intra-group

transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. These estimated and assumptions include

- The volatility and forfeiture rates used in calculating the cost associated with the share based payments.
- The Purchase Price Allocation (PPA) on the business combination of 53 Degrees North Engineering Ltd which is a complex accounting area subject to key estimates and judgments mainly in relation to completeness intangible assets and fair valuation of assets and liabilities acquired.
- The discount rate and useful economic life (UEL) when valuing customer relationships within the PPA exercise.
- The assumptions applied when determining the qualifying costs for development cost capitalisation and whether the costs are expected to be recoverable.
- Consulting revenue includes work in progress, which involves estimates and judgements and affects revenue recognised in the period.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Directors' have made estimates and judgments with regards to above listed areas which are based on their best estimations made under FRS 102.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

The Company's revenue streams for the current period include the following:

Platform Services

The Group provides a platform setup service that includes the delivery of hardware and related engineering consulting services. Revenue from services is recognised at the point in time when the services are delivered, reflecting the transfer of control of the setup and completion of the performance obligations under the contract.

Platform recurring revenue

The Group generates recurring revenue from customers subscribing to its machine learning platform. Subscription fees are typically charged on a monthly or annual basis for access to the platform's features and functionality. Revenue is recognised over time on a straight-line basis over the subscription period, reflecting the continuous transfer of services to the customer. This approach is consistent with standard Software-as-a-Service (SaaS) revenue recognition practices, whereby access to the platform represents a series of distinct services provided evenly over the contract term.

Royalty Fees

Royalty fees are invoiced quarterly and recognised as revenue in line with the point at which the licensor has made the sales to third parties, as this represents the point at which the income becomes receivable. During the period, royalty fees were received only from 53 Degrees North Ltd., which licensed the intellectual property (IP) of IntelliAM AI Plc to sell software to customers. After 30th September 53 Degrees North Ltd continued to license the IP on a royalty free basis.

Other revenue

Other revenue is linked to revenue not categorised by the above definitions. In FY25 this was linked to grant income. Revenue was recognised on invoicing which followed strict guidelines for deliverables.

Consulting services

The Group provides engineering consulting services on a contracted or project basis with associated hardware and training services. Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is

measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible assets other than goodwill

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10 years straight line
Development costs	-	3 years straight line
Intellectual Property (IP)	-	5 years straight line
Customer relationships	-	10 years straight line
Arrangement & security fees	-	1 year straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Research and development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Following initial recognition, product developments are carried at cost less any accumulated amortisation and any accumulated impairment losses. The useful lives of these intangible assets are assessed to have a finite life of five years. Amortisation is charged on assets with finite lives, and until economic benefit can be received and recognised, this expense is taken to the income statement and useful lives are reviewed on an annual basis. Amortisation is charged from the point when the asset is available for use.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Capitalised development costs are recorded as intangible assets and amortised from the point at which they are ready for use on a straight-line basis over their useful life.
The following key judgements and estimates have been applied in determining the treatment of internally generated intangible assets:

- Capitalisation: Management exercises judgement in determining the point at which development costs meet the criteria for capitalisation under FRS 102 Section 18.
- Amortisation: The useful life of the intangible asset is based on management's best estimate of the period over which future economic benefits will be derived.
- Impairment: The carrying amount of the intangible asset is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a

revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	No depreciation on land. Building depreciated at 1% reducing balance
Fixtures and fittings	-	20% reducing balance
Equipment	-	20% reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate.

Investments in joint ventures

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Share-based payments

Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. This is based upon the company's estimate of the shares or share options that will eventually vest which takes into account all vesting conditions and non-market performance conditions, with adjustments being made where new information indicates the number of shares or share options expected to vest differs from previous estimates.

Fair value is determined using an appropriate pricing model. All market conditions and non-vesting conditions are taken into account when estimating the fair value of the shares or share options. As long as all other vesting conditions are satisfied, no adjustment is made irrespective of whether market or non-vesting conditions are met.

Where the terms of an equity-settled transaction are modified, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the fair value of the transaction, as measured at the date of modification.

Where an equity-settled transaction is cancelled or settled, it is treated as if it had vested on the date of cancellation or settlement, and any expense not yet recognised in profit or loss is expensed immediately.

Business combinations

Business combinations are accounted for using the purchase method.

The cost of a business combination is measured as the aggregate of the fair values, at the acquisition date, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

Where control is achieved in stages, the cost of the business combination is the aggregate of the fair values of the assets given, liabilities incurred or assumed, and equity instruments issued at the date of each transaction in the series.

Where the business combination requires an adjustment to the cost contingent on future events, the estimated amount of that adjustment is included in the cost of the combination at the acquisition date providing it is probable and can be measured reliably. Where it is not recognised at the acquisition date but subsequently becomes probable and can be measured reliably, the additional consideration is treated as an adjustment to the cost of the combination. If such expected future events do not occur, or the estimate needs to be revised, the cost of the business combination is adjusted accordingly. The unwinding of any discounting is recognised as a finance cost in profit or loss in the period it arises.

4 Turnover

The whole of the turnover is derived from the United Kingdom. An analysis of turnover by business operation is given below:

	2025 Group £
Consulting revenue	2,597,081
Platform services	140,879
Platform recurring revenue	185,815
Other Income	263,804
Royalty fees	26,187
	3,213,766

The majority of sales is derived from the UK. In the period £125,944 were non UK sales for the Group (2024 (Company) £NIL)

5 Operating loss

Operating profit or loss is stated after charging/crediting:

	2025 £
Amortisation of intangible assets	437,922
Depreciation of tangible assets	14,967
Impairment of trade debtors	1,305
Equity-settled share-based payments expense	39,005
Operating lease rentals	63,818

6 Exceptional costs

	2025
Other exceptional items included within operating loss	
Executive bonuses linked to IPO	278,810

Exceptional items are items that management consider should be separately identified on the face of the income statement to assist in the understanding the underlying financial performance of the Group.

7 Staff costs

The average number of persons employed by the group during the year, including the directors, amounted to:

	2025 No.
Staff	29

The aggregate payroll costs incurred during the year, relating to the above, were:

	2025 Group £
Wages and salaries	1,690,446
Share Based Payment	39,005
Social security costs	194,119
Other pension costs	33,374
	1,956,944

8 Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2025 £
Salaries and fee	405,359
Bonuses	245,000
Share based payment expense	29,250
Benefits in Kind	15,667
Company contributions to defined contribution pension plans	8,100
	703,376

The number of directors for whom retirement benefits are accruing under defined contribution schemes was: 3.

The highest paid director received total emoluments of £247,115 (2024: £NIL), including £1,800 in pension contributions (2024: £NIL) and £5,327 in share-based payments (2024: £NIL).

9 Other interest receivable and similar income

	2025 £
Interest on bank deposits	721

10 Interest payable and similar expenses

	2025 £
Interest on banks loans and overdrafts	23,550

11 Tax on loss

Major components of tax income

	2025 £
Current tax:	
UK corporation tax on profits for the current period	50,800
Deferred tax:	
Origination and reversal of timing differences	(178,400)
Total tax (credit)/charge	(127,600)

The actual credit for the period can be reconciled to the expected credit for the period based on the profit or loss and the standard rate of tax as follows:

	12 months 2025 Group £
Loss before taxation	(950,704)
Expected tax credit based on the standard rate of corporation tax in UK of 25%	(237,676)
Tax effect of expenses that are not deductible in determining taxable profit	110,076
Tax (credit)/charge	(127,600)
Taxation credit in the financial statements	(127,600)

12 Earnings per share

Earnings per share data is based on the consolidated profit using and the weighted average number of shares in issue of the Company. Basic earnings per share are calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares. Adjusted earnings per share is based on the consolidated profit deducting the acquisition related exceptional costs and share-based payment.

A number of non-FRS102 adjusted profit measures are used in these financial statements. Adjusting items are excluded from our headline performance measures by virtue of their size and nature, in order to reflect management's view of the performance of the Group. Summarised below is a reconciliation between statutory results to adjusted results. The Group believes that alternative performance measures such as adjusted EBITDA are commonly reported by companies in the markets in which it

competes and are widely used by investors in comparing performance on a consistent basis without regard to factors such as depreciation and amortisation, which can vary significantly depending upon accounting methods (particularly when acquisitions have occurred), or based on factors which do not reflect the underlying performance of the business. The adjusted profit after tax earnings measure is also used for the purpose of calculating adjusted earnings per share.

	12 Months ended
	Group
	31-Mar-25
Adjusted profit/(loss) for the period	**£**
Loss before tax attributable to ordinary shareholders	(950,704)
Adjusted for:	
Equity settled share based payments	39,005
Exceptional costs	278,810
Acquired intangible and IP amortisation	437,922
Adjusted profit/(Loss) before tax for the period	(194,967)
Adjusted Tax for the period	58,493
Adjusted Loss for the period	(136,474)
Reported Loss for the period	(823,104)
Weighted average number of shares	**No. of shares**
Issued shares at start of period	13,722,864
Effect of shares issued in period	3,916,128
Weighted average number of ordinary shares in period	17,638,992
Weighted Basic EPS(p)	(4.67)
Weighted Adjusted basic EPS(p)	(0.77)

Diluted earnings per share is the basic earnings per share adjusted for the effect of the conversion into fully paid shares of the weighted average number of share options outstanding during the year. The Group was loss making for the years ended 31 March 2025. Therefore, the dilutive effect of share options has not been disclosed since this would decrease the loss per share for the year reported.

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