ANNUAL REPORT
& ACCOUNTS
2026

SOFTWARE CIRCLE plc

Contents

In summary

We love software. It's in our DNA. In particular, Vertical Market Software ("VMS"). Mission-critical systems, deeply embedded in customers' daily workflows, built by passionate people solving intricate and specific needs. What we love about VMS is its resilience and the long-term nature of customer relationships. When run well, these businesses generate recurring revenues, predictable cash flows and benefit from loyal teams with deep domain expertise. We're building a group that gives shareholders diversified exposure to this sector, with discipline, alignment and operational know-how.

Software Circle plc has a clear mission. To be a leading serial acquirer and operator of VMS businesses. A permanent home for software leaders, teams and customers. We help founders in the UK and Ireland find the right exit strategy, without fuss or drama, while allowing their businesses to continue operating in an independent, decentralised way. We provide capital, operational tools and access to a peer network, while giving each business the space to operate. Those closest to the customer make the decisions. Our job is to remove obstacles, unlock growth and ensure each platform scales in a sustainable, cash-generative way.

At the heart of our business lies a disciplined, long-term strategy. To acquire VMS businesses at appropriate valuations, support their organic growth over time and reinvest the free cash flow they generate into further value-accretive opportunities.

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SOFTWARE CIRCLE plc

Highlights

Strategic and Operational Highlights

- £25.0m debt facility plus £10.0m accordion option secured post year end to extend deployable capital
- Acquisitions of Artificial Intelligent Finance Ltd and Broker Information Services Ltd

Financial Highlights

- Total revenue growth of 22%
- Combined organic revenue growth in acquired companies of 7%
- £4.2m of revenue growth added through acquisitions made in the current and prior year
- Organic growth in oEBITDA of 19% (23% in acquired companies only)

	2026	2025
Revenue	**£22.3m**	£18.3m
Recurring Revenue*	**£16.8m**	£12.7m
Operating EBITDA (oEBITDA)*	**£7.6m**	£4.8m
Adjusted EBITDA (aEBITDA)*	**£5.8m**	£3.2m
Operating profit	**£0.7m**	£0.7m
Total comprehensive income/(loss)	**£(0.7)m**	£(0.4)m
Operating Cash Flow Per Share (OCFPS)*	**1.1p**	0.5p
Operating Return On Capital Deployed*	**25%**	24%
Return On Capital Deployed*	**19%**	16%
Cash generated from operating activities	**£5.9m**	£2.9m
Cash and cash equivalents	**£3.9m**	£8.6m
Earnings Per Share (EPS)	**(0.2)p**	(0.1)p
Net debt / (cash)	**£11.4m**	£2.2m

* Alternative performance measures defined on page 28

STRATEGIC REPORT

Chair's statement

Dear shareholder,

In my first Chair's statement last year, I set out our long-term ambition and the principles that guide how we allocate capital and measure success. Those principles remain unchanged. This year, I will focus on why I believe the opportunity ahead has become even more compelling, the progress we have made during the year, and how your Board has supported the Company in building a long-term compounding business.

Our long-term ambition

Our ambition is to become a leading acquirer and operator of vertical market software businesses, a permanent home for founders, leaders, teams and customers.

There are thousands of vertical market software businesses serving specialised customer groups. Many are excellent businesses, often built by founders and small teams with deep industry expertise. Through our conversations with founders, we increasingly hear that many like the idea of becoming part of a larger organisation. They want a permanent home that allows them to retain their identity and autonomy whilst benefiting from the support, resources and shared experience of a bigger group.

This has become even more evident with the rapid development of AI. The pace of technological change is accelerating. Founders and small teams need to learn new technologies, retrain employees, rethink products and adapt faster than ever before. For many, this creates both pressure and opportunity.

This is where Software Circle can make a difference. Bringing businesses together allows us to share knowledge, build specialist expertise, particularly around AI, and create a community where leaders learn from one another. Our aim is not to centralise decision-making, but to help exceptional teams navigate an increasingly complex world whilst remaining close to their customers.

What will success look like in 10–20 years?

Three years into our journey, we are now at a stage where the flywheel is starting to turn. As the Group grows, acquisitions will be able to be funded entirely through cash flow and debt. We are no longer reliant on equity issuance to finance inorganic growth. Over time, this compounding effect should enable us to deploy ever larger amounts of capital into disciplined M&A.

Looking 10 to 20 years ahead, success will not be defined by the number of acquisitions we complete or the size of the Group. Success will mean that Software Circle has become a recognised and trusted home for vertical market software businesses. A place that founders actively seek out because they know their teams, customers and products will continue to thrive. When founders start calling us, we will know that we have created a durable competitive advantage over other acquirers in our industry.

To achieve this, we must excel at three things: disciplined M&A, operational improvement, and instilling a culture built on our shared values. Great acquisitions bring talented people, products and knowledge into the Group. Strong operating capabilities make us a better home for future acquisitions. A strong culture ensures that we grow in the right way. Together, these elements reinforce one another and create the flywheel that we believe can compound value for customers, employees and shareholders over many years.

Progress during the year

From the Board's perspective, we keep our assessment simple and focused on the few measures that matter most. We ask three questions.

First, are our existing businesses becoming stronger?
The answer is yes. Across the businesses we've acquired, organic growth in revenue was 7% and organic growth in Operating EBITDA was 23%, reflecting significant margin improvement. Together with the contribution from acquisitions and our original Nettl business, this resulted in Group Operating EBITDA increasing by 61% to £7.6m. These results give us confidence that we are not only acquiring quality businesses, but also helping them become stronger over time.

Second, are we redeploying capital effectively?
During the year, we deployed £12.1m, including associated costs, deferred consideration payments for past acquisitions and two new acquisitions: Artificial Intelligence Finance and Broker Information Services, establishing our first software cluster in financial services. These are exactly the type of businesses we seek to acquire: mission-critical systems that sit at the heart of their customers' daily workflows, making them difficult to displace.

We have now deployed £36.7m of capital and this year generated £7.6m of Operating EBITDA. Our return measures are calculated against the average capital deployed over the year rather than the cumulative total. On that basis, Operating Return On Capital Deployed was 25% (2025: 24%) and a Return On Capital Deployed, after central costs, of 19% (2025: 16%).

Finally, is all of this creating more value for shareholders?
Ultimately, this is what matters most. Operating Cash Flow Per Share, our preferred measure of long-term value creation, has more than doubled during the year from 0.5p to 1.1p.

I encourage you to read the CEO's and CFO's Reports for more detail.

The Board's role

The Board's role is to steward the Company on behalf of shareholders by challenging, supporting and guiding management in building a business over many years.

A significant part of our work centres on capital allocation. The Investment Committee reviewed acquisition opportunities and refined our acquisition criteria to reflect our latest thinking on competitive moats and the impact of AI on vertical market software businesses.

We also reviewed the Group's long-term funding strategy. Our objective is to maximise intrinsic value per share while prudently managing leverage. After the year end, this resulted in a new debt facility with increased funding on more attractive terms.

Furthermore, we continued to oversee governance, remuneration and the principal risks facing the Group. We reviewed whether our remuneration structure remains aligned with long-term value creation and spent considerable time discussing how AI is changing the competitive landscape. In particular, we challenged management on how Software Circle can best support our businesses in adapting to this rapidly evolving environment.

AI now sits at the centre of how we assess both our existing businesses and every new acquisition. Gavin's statement sets out our thinking on AI in full, including how we believe it can strengthen rather than threaten the businesses we own.

Final thoughts

I would like to thank everyone across the Group. We are still at an early stage of our journey, yet the progress we made last year has been tremendous. It is the result of the hard work, commitment and entrepreneurial spirit of our teams. They are the people who create value for our customers every day.

Finally, I would like to thank our shareholders. We are fortunate to have a group of like-minded owners who share our long-term ambition and are aligned with us in what we are trying to build.

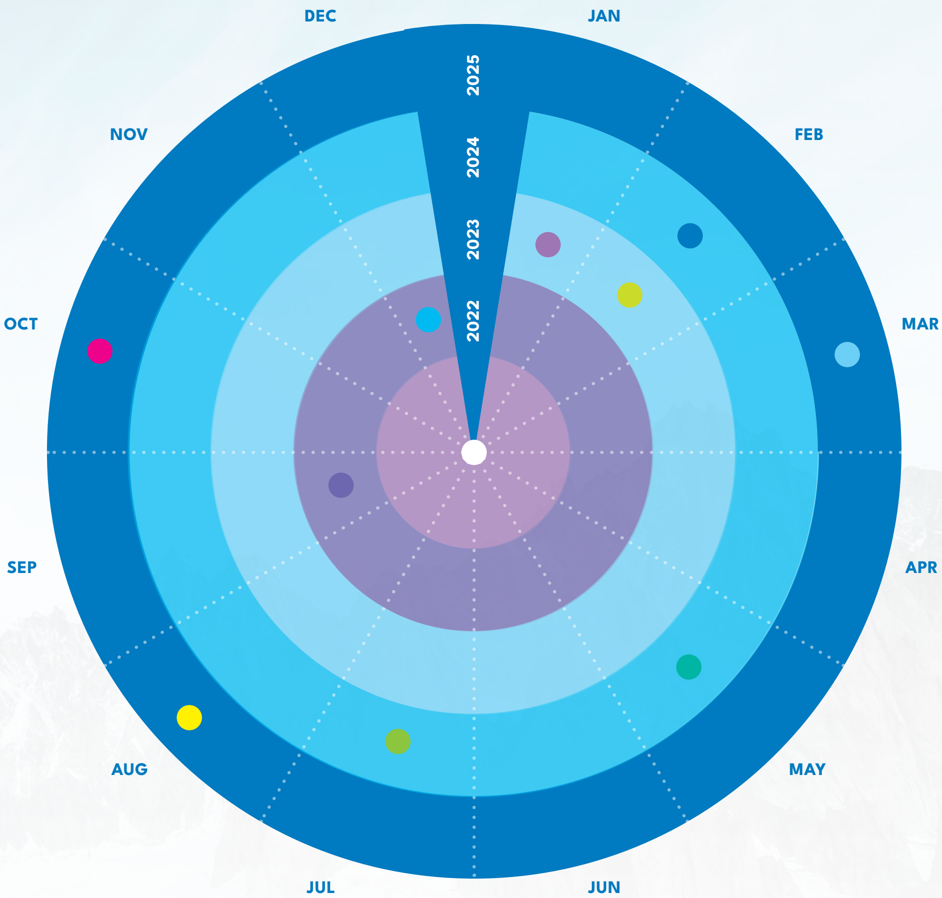
I encourage you to join us at our AGM in Manchester this September. We deliberately extend the formal meeting to allow time for shareholders, the executive team and the rest of the Board to come together. It is an opportunity to hear more about our progress and strategy, exchange ideas and learn from one another. I hope to see many of you there.

Matthias Riechert
Chair
22 July 2026

“When founders start calling us, we will know that we have created a durable competitive advantage over other acquirers in our industry.

THE PORTFOLIO

Our Circle



- Nettl Systems
- Vertical+
- Watermark
- CareDocs
- Topfloor
- ARC
- bethebrand
- Link Maker
- Total Drive
- Online Application
- The BIS Platform

- Operating Unit
- Operating Sector
- Geography
- Acquisition Year
- Group Revenue in FY26
- Recurring Revenue %

Operating Unit	Operating Sector	Geography	Acquisition Year	Group Revenue in FY26	Recurring Revenue %
Nettl Systems	**Graphics & Ecommerce** - Print, Web and Graphic Resellers	UK	-	£5.2m	30%
Vertical Plus	**Graphics & Ecommerce** - Online Retailers with 50k products or more	UK	2022	£2.5m	69%
Watermark	**Professional & Financial Services** - IFAs, Insurance companies	UK	2022	£1.6m	95%
CareDocs	**Health & Social Care** - Care Homes	UK	2023	£2.4m	98%
Topfloor	**Property (Prop-tech)** - Property and Block Management	IE	2023	£1.9m	99%
Arc Technology	**Education (Ed-tech)** - Universities	UK	2024	£1.4m	97%
bethebrand	**Professional & Financial Services** - Banking, Finance and Insurance	UK	2024	£2.1m	92%
Link Maker	**Health & Social Care** - Child Adoption Services	UK	2024	£1.5m	100%
Total Drive	**Education (Ed-tech)** - Driving Schools and Instructors	UK	2025	£1.2m	79%
Online Application	**Professional & Financial Services** - Financial Brokers	IE	2025	£1.6m	73%
Broker Information Services	**Professional & Financial Services** - Financial Brokers	IE	2025	£0.9m	99%

GRAPHICS & ECOMMERCE

Our Circle

Nettl Systems

Nettl Systems Ltd is an internally developed business unit that has evolved from the Group's original printing.com platform.

Business description: Nettl's software solutions enable owners of design studios, print shops and signage companies to manage their workflows, from designing and ordering print materials to e-commerce storefronts. By streamlining job management, online ordering and production outsourcing, Nettl's platforms solve the everyday operational challenges faced by local print studios and creative agencies.

Vertical Plus

Vertical Plus Ltd was acquired by Software Circle in September 2022.

Business description: Vertical Plus provides e-commerce and inventory management software for SME retailers with large product ranges. Its platform combines online storefronts, stock control, fulfilment workflows and optimisation support, helping customers scale online sales while managing the operational complexity that comes with a high number of SKUs.

Chris Lowe
Nettl Systems Leader

UK	-	£5.2m	30%

UK	2022	£2.5m	69%

Justin Smith
Vertical Plus Leader

PROFESSIONAL & FINANCIAL SERVICES

Our Circle

Watermark

Watermark Technologies Ltd was acquired in December 2022.

Business description: Watermark provides secure document management software for regulated organisations, with a particular focus on independent financial advisers. Its platform enables customers to scan, store, search and retrieve documents digitally, supported by encryption, audit trails and compliance-focused controls. Watermark helps customers reduce paper-based administration, improve document access and maintain more robust records.

bethebrand

Be The Brand Experience Ltd was acquired by Software Circle in May 2024.

Business description: bethebrand provides marketing compliance and digital asset management software for regulated organisations, particularly in financial services. Its platform enables marketing teams to create, review, approve and manage content through configurable workflows. By maintaining brand consistency, compliance oversight and a full audit trail, bethebrand helps customers reduce risk while improving the speed and control of marketing communications.

James Hughes
Watermark Leader

watermark

UK 2022 £1.6m 95%

bethebrand

UK 2024 £2.1m 92%

Ross Jenner
bethebrand Leader

PROFESSIONAL & FINANCIAL SERVICES

Our Circle

Online Application

New

Online Application ("OA") (the trading name of Artificial Intelligence Finance Ltd) was acquired in August 2025.

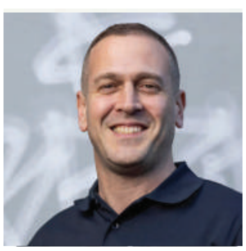
Business description: Online Application is a digital platform for mortgage and insurance brokers, lenders and insurers in Ireland. Its product suite includes OA Mortgage for mortgage application management, OA Life and CRM for life insurance and client relationships, and dedicated platforms for lenders and insurers. Online Application helps customers manage regulated financial workflows more efficiently, from application processing through to client relationship management.

Broker Information Services

New

Broker Information Services Ltd ("BIS") was acquired in October 2025.

Business description: Broker Information Services provides CRM, quotation and product research software for financial brokers in Ireland. Its platform supports product research, projected values, mortgage quotes, client management, document storage and branded reporting, using automated data feeds from product providers. Broker Information Services helps brokers improve efficiency, maintain better client records and access the information they need to advise customers effectively.



Karl Deeter
OA Leader

Online Application

IE	2025	£1.6m	73%

The BIS Platform

IE	2025	£0.9m	99%

Greg Bowden
BIS Leader

HEALTH & SOCIAL CARE

Our Circle

CareDocs

CareDocs (the trading name of Care Management Systems Ltd) was acquired in January 2023.

Business description: CareDocs provides care home management software for residential care and nursing home operators. Its platform helps care providers manage care plans, record interactions and medication, and generate reports to support regulatory compliance and day-to-day care delivery. By digitising key care processes, CareDocs helps operators improve oversight, reduce administrative burden and support consistent standards of care.

Link Maker

Link Maker Systems Ltd was acquired in July 2024.

Business description: Link Maker operates an online adoption and fostering platform that connects children's social care services across the UK. Its secure national platform is used by local authorities, regional adoption agencies and other social care organisations to match children with approved adopters and foster carers beyond their local area. Link Maker helps customers improve collaboration, widen placement options and support better outcomes for children.

Alan Pocock
CareDocs Leader

caredocs

UK	2023	£2.4m	98%

link maker

UK	2024	£1.5m	100%

Craig Rigby-Wilson
Link Maker Leader

EDUCATION

Our Circle

Arc Technology

ARC Technology Ltd was acquired in February 2024.

Business description: ARC Technology provides administrative software for universities and colleges, specialising in practice-based learning programmes. Its platform helps higher education institutions coordinate student placements, including teaching and clinical placements and other courses that require practical experience outside the classroom. ARC helps customers manage complex placement workflows in a more digital, centralised and auditable way.

Total Drive

Total Drive Software Ltd was acquired in March 2025.

Business description: Total Drive provides an end-to-end business management app for driving instructors and driving schools. Its platform helps instructors manage diaries, lessons, pupil progress, payments, reminders and test dates, giving both instructors and pupils a clearer view of the learning journey. Total Drive reduces administration for instructors and supports a more organised experience for learner drivers.

Ned Bishay
Arc Technology Leader

UK	2024	£1.4m	97%

UK	2025	£1.2m	79%

Ross Kernick
Total Drive Leader

Blockman upgrade

Topfloor's upgraded Blockman mobile app will be launching soon.

PROPERTY

Our Circle

Topfloor

Topfloor Systems Ltd was acquired by Software Circle in February 2023.

Business description: Topfloor provides cloud-based property management software for block management and lettings management. Its platform helps property managers and owners manage financial accounts, tenant communications, maintenance workflows and the wider administration of multi-unit buildings and rental properties. Topfloor supports customers in running more efficient, transparent and scalable property management operations.

Niall Wrafter
Topfloor Leader

Ireland	2023	£1.9m	99%

11 Businesses

179 People

£25m* Revenue

*Run rate revenue

More revenue, better cash generation

During the year we welcomed two new acquisitions. Today we're a group of eleven operating units.

STRATEGIC REPORT

Chief Executive's statement

Dear shareholder,

We closed FY26 with more revenue, better cash generation, and two more companies in the portfolio. The numbers tell the story of our twin compounding engines gathering momentum: the continued successful execution of our acquisition strategy, and the development of organic growth systems across the Group. Profitability has significantly stepped up and cash is following through.

Three years on from FY23, when the strategy now in place began to take hold, Group revenue has grown from £11.7m to £22.3m, a compound annual growth rate of 24%. Over the same period, recurring revenue has increased from £4.1m to £16.8m, representing compound annual growth of 60%. It now accounts for 76% of Group revenue, compared with 35% three years ago. Over the same period, our Adjusted EBITDA margin has risen from 3% to 26%.

The quality of the revenue base has improved even faster than the scale of the Group. This gives us confidence that the strategy is doing what we built it to do, with each year's progress strengthening the platform for the next.

We're a lean business by nature and by design, both centrally and within our operating units. Recurring revenue per head, including the central team, has more than doubled since FY23, from £45k to over £100k on a run rate basis. Over that period, headcount has increased 2.0x while Recurring Revenue has grown 4.1x. The operating model is doing the work.

Of course, no CEO statement would be complete without addressing the topic that has found its way into every boardroom, investor discussion and dinner table conversation: AI.

AI has become one of those rare topics, perhaps rivalled only by football in a World Cup year, where everyone has a view, no one has all the answers, and the commentary seems to change by the week.

For us, the task has been to look past the noise and focus on execution. How AI can solve real problems, improve the way our customers work and unlock meaningful value. We'll set out later what we are doing with AI, and why we believe Software Circle is on the right side of it.

What we do

Software Circle is a permanent home for B2B vertical market software businesses in the UK and Ireland. We buy them. We don't sell them and we keep them. The cash they produce, we redeploy into the next one.

The model is straightforward. Acquire founder-led, profitable, high-recurring-revenue software companies serving specialist verticals. The businesses we look for share a pattern. They sit inside regulated or specialist workflows where the platform is part of how the work gets done. Their data is proprietary, their customer relationships long, their switching costs high. That defensibility matters today. It matters more as AI matures, which we will come to later. We pay disciplined entry multiples. We support and develop organic growth over time, reinvesting the growing cash flows back into the portfolio and further acquisitions. That is the flywheel we are building.

The discipline matters most. The best serial acquirers, we believe, share these habits. We buy at multiples that protect downside. We never confuse activity with progress. We measure Return On Capital Deployed ("ROCD") and Operating Cash Flow Per Share ("OCFPS") above all else. Those numbers compound. The rest is noise. We say no often. When there's nothing worth doing, we wait.

Every acquisition gets evaluated against our guardrails. Every pound we deploy is benchmarked against the next pound we could deploy somewhere else.

The operating model is decentralised by design. Each business keeps its name, its team, its strategy and its identity. The leaders closest to the customer make the day-to-day calls. Our job at the centre is to maintain accountability and to provide capital, capability and support.

Decentralisation is what makes the model work. It's the reason customers stay. It's the reason great founders sell to us. It's the reason organic growth is possible inside the portfolio. Take it away and the engine stops. It is particularly vital in building AI maturity in a way that truly benefits our customers.

A year of execution

Revenue grew 22% to £22.3m (2025: £18.3m). Recurring Revenue grew 33% to £16.8m, now 76% of total revenue, up from 70%.

Group organic revenue declined by 1% (2025: decline of 9%), due to the continued reduction in non-recurring revenue at Nettl Systems. Despite that, organic Operating EBITDA grew by 19% (2025: 22%), reflecting a combination of cost discipline and the continued application of our operating methodologies across the Group.

Adjusted EBITDA grew 83% to £5.8m (2025: £3.2m), at a margin of 26% (2025: 17%) and beating the 25% target we set out previously. Operating EBITDA was up 61% at £7.6m (2025: £4.8m), at a margin of 34% (2025: 26%). Operating Cash Flow Per Share ("OCFPS") more than doubled to 1.1p (2025: 0.5p).

It is in the performance of our acquired portfolio where the compounding power of the underlying engine is most visible. This delivered organic revenue growth of 7% (2025: 5%) and organic Operating EBITDA growth of 23% (2025: 12%). With an Operating EBITDA margin of 43%, this produces a Quality Score of 50, comfortably above the "Rule of 40" threshold commonly used as a marker of software business health. The chart below illustrates the progress over the past three years.

> **"It is in the performance of our acquired portfolio where the compounding power of the underlying engine is most visible.**

The underlying engine

Our acquired portfolio

	2026	2025	2024
Revenue	**£17.0m**	£11.9m	£7.8m
Operating EBITDA (oEBITDA)	**£7.2m**	£4.3m	£2.8m
Organic Revenue Growth	**7%**	5%	5%
Organic oEBITDA Growth	**23%**	12%	22%
oEBITDA Margin	**43%**	36%	36%
Capital Deployed on Acquisitions in Year	**£12.1m**	£9.2m	£4.4m

Each operating segment played its part in the year.

Graphics and Ecommerce. Revenue was £7.7m (2025: £8.7m), representing 34% of Group revenue. Nettl continued to experience a reduction in non-recurring revenue. Although Vertical Plus grew again, this was not enough to offset the decline, resulting in an 11.5% revenue reduction across the segment. Through cost discipline at Nettl and via growth at Vertical Plus, Operating EBITDA still increased by 4%.

Professional and Financial Services. Revenue increased to £6.2m from £3.1m. The Irish fintech cluster of Online Application ("AIF") and Broker Information Services ("BIS") joined the Group during the year, adding £2.5m of revenue and £1.0m of Operating EBITDA through acquisition. Watermark and bethebrand, which delivered its first full year within the Group, both grew strongly. Their collective organic revenue growth of 10% helped the segment deliver strong organic Operating EBITDA growth of 34%.

Health and Social Care. Revenue was £3.9m (2025: £3.6m), an increase of £0.3m. Link Maker, acquired during the prior year, delivered its first full year within the Group and contributed £0.4m of acquisition growth, performing in line with expectations. Organic revenue declined slightly by £0.1m, as CareDocs softened on revenue while maintaining margin through cost efficiency. With NHS assured status now achieved and AI product development advancing, the foundations are in place to support organic growth from here. Operating EBITDA grew £0.3m to £1.6m (2025: £1.3m), of which £0.1m (5%) was organic and £0.2m inorganic from Link Maker's first full year.

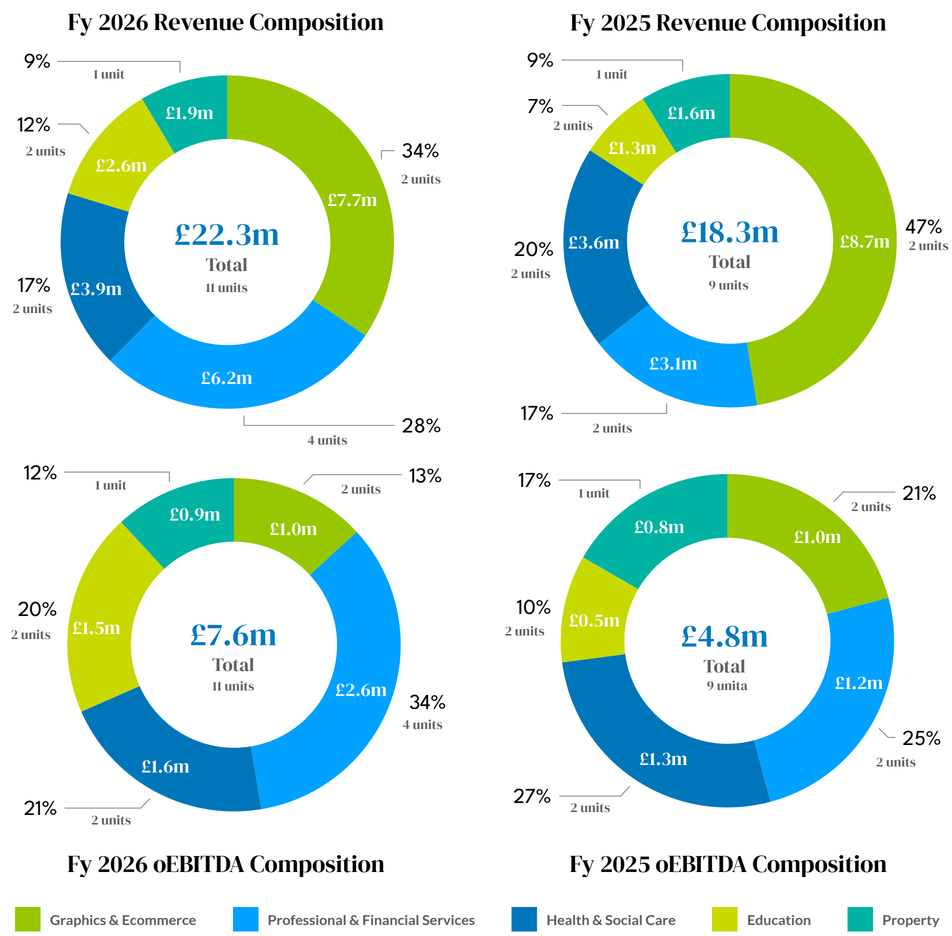
Property. Revenue at Topfloor was £1.9m (2025: £1.6m). Investment in the product is starting to bear fruit. New open-banking modules and continued new-logo growth contributed to organic revenue growth of 15% and organic Operating EBITDA growth of 21%, making it one of the standout performers during the year.

Education. Revenue was £2.6m (2025: £1.3m). Of this, £1.0m was inorganic, as Total Drive delivered its first full year within the Group. Arc Technology continued its expansion, while Total Drive delivered a significant increase in new logos during its first full year within the Group. Together, the businesses delivered organic revenue growth of 15%, both are gaining momentum. Operating EBITDA grew to £1.5m (2025: £0.5m), of which £0.4m (36%) was organic and £0.6m inorganic from Total Drive's first full year.

Through our inorganic and organic growth, the Group's profit base is diversified across more businesses and at a higher margin than a year ago.

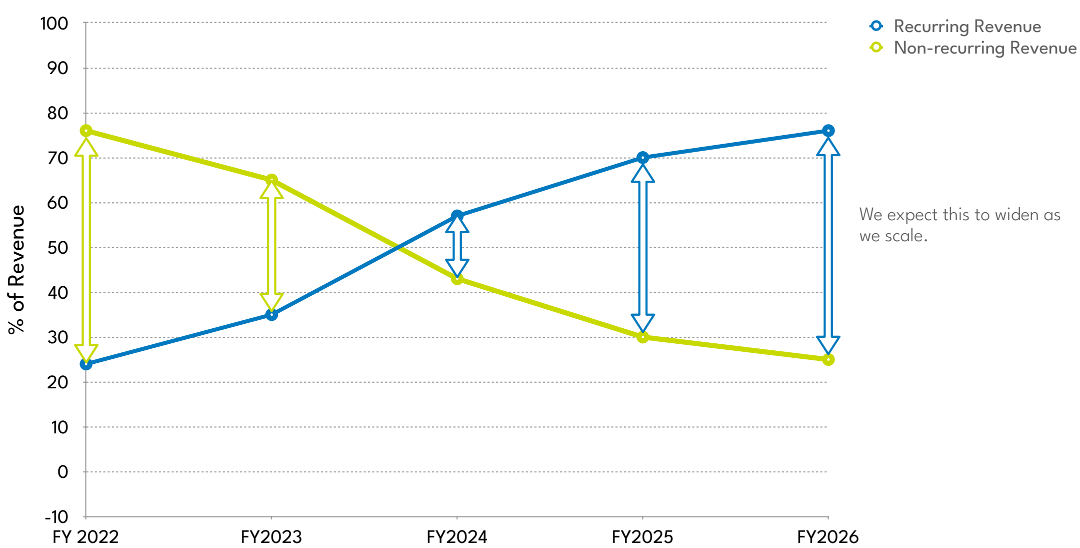
Composition of Group revenue and oEBITDA

Change in revenue and oEBITDA mix across the portfolio



Recurring revenue

Change in recurring revenue mix across the portfolio

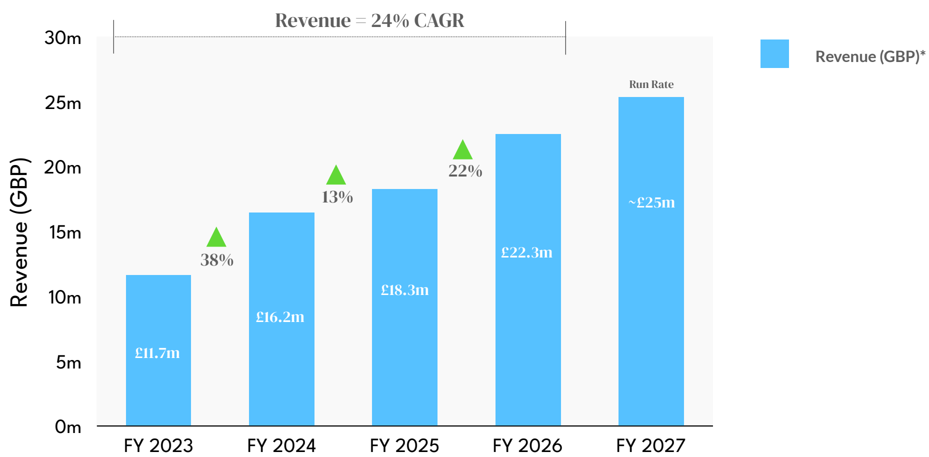


The underlying engine

The compounding power of our acquired portfolio

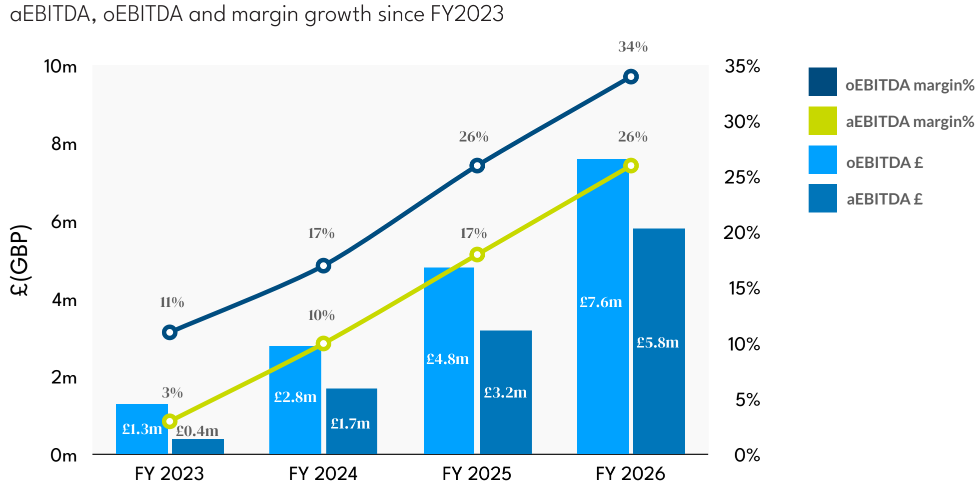
Evolution of Group revenue

Revenue growth since FY2023



Evolution of Group margin, aEBITDA and oEBITDA

aEBITDA, oEBITDA and margin growth since FY2023



Focused on AI at the Software Circle Summit 2026

We saw the opportunities AI unlocks already being put into practice across our businesses. Top Trumps Superheroes also remains an essential part of serious strategic planning.

We've deployed £36.7m to date, rising to £42m once deferred and contingent consideration payable on current performance levels is included. Of that, £12.1m was deployed in FY26, as AIF and BIS joined the Group.

The acquired portfolio's compounding accelerates each year as organic growth and margin improvement layer on top of the acquisitions already completed. This is reflected in Operating Return On Capital Deployed, which increased to 25% (2025: 24%).

AI: our approach

AI is the single most important strategic question facing every software business today, including ours. As Matthias notes in his statement, the Board has spent real time on this over the year, what follows is the detail on how we think about it.

The debate has swung between two extremes. On one side, the "SaaS-pocalypse" view, that AI is coming for every incumbent. On the other, the view that vertical market software enters a golden age because workflows are too embedded to disrupt. The truth is often much more nuanced and likely sits somewhere between the two, and we think we're better positioned than most.

The pace of change is real. Model capability, reliability and adoption have advanced rapidly over the past few years, particularly in software development and knowledge work. Early 2026 brought another significant step forward.

This is the fastest technology shift any of us have experienced. Ignoring it would, of course, be reckless. There are real risks. Larger attack surfaces, prompt injection, governance gaps, hallucinations, brittle edge cases. These are not reasons to stand still. They are reasons to move carefully and deliberately.

The vertical software businesses we own, and continue to acquire, sit squarely in the path of opportunity. We need to be smart about how we take advantage of it.

Our approach across the Group rests on two principles.

Courage. We engage. We put guardrails in place. We run controlled pilots. We accept that early versions will be imperfect, then harden them quickly. We build the muscle to use AI well.

Curiosity. We ask questions. We run tests. We turn uncertainty into practical patterns we can repeat across the portfolio.

We are not waiting for AI to be perfect before we act. We are building the muscle to use it well, always with a bias for action.

Why VMS is better positioned

Much of the market anxiety around AI has been driven by the fear that agents and copilots will commoditise traditional software. There is some truth in that concern, but it applies unevenly. The kind of software most at risk from AI is shallow. UI-heavy, generic workflows, per-seat pricing, low switching costs. If a user can ask an AI agent to execute the same outcome through a chat interface, the traditional product interface potentially becomes optional. Switching costs fall. Features get copied faster. Seat-based pricing comes under pressure.

We own a different kind of software. Platforms that are so deeply embedded in the daily operations of regulated or specialist industries that if they stopped working, the business would stop too, or fall out of compliance, or become unsafe. There is a fundamental difference between a simple tool and something that is vital to the business and its workflows.

In our view, there are three layers that make these businesses harder to displace as AI matures.

Proprietary data. Domain-specific history, taxonomies and workflow patterns that compound with use. The data belongs to the workflow, not to a general-purpose model.

The data inside our platforms is the texture of how real work gets done. How a CareDocs user logs a fall and what comes next. How a mortgage broker through Online Application structures a suitability report. Years of decisions captured as structured records, with the taxonomies and categorisations our platforms built up around them.

The data sits behind login walls in regulated or specialised workflows.

Regulatory embed. Our platforms often deliver audit trails, mandated reporting, safety obligations and deal with ever evolving rules and changes in regulation. Trust relationships backed by regulatory consequence. A CRM that breaks costs you a bad week. A platform holding the Care Quality Commission record, the Financial Conduct Authority approval log, the property rental regulation compliance record, or the mandated university placement reporting carries existential consequences if it fails.

Trust takes years to earn from regulators and from the customers operating under them.

Transaction embed. Platforms that are economically and operationally entangled with the moment value is exchanged. Remove the platform and you interrupt both the flow of money and the execution of work. This is more than workflow dependency. The software is part of the commercial infrastructure. It helps the customer quote, transact, record, reconcile, comply and deliver. Once a platform occupies that position, it is not casually replaced.

These layers, alongside well executed AI, make platforms more valuable, not less. The three layers work together. Data tells the agent what to do. Regulation defines what it can do. Transaction embed gives every action consequence.

In practice, what does this look like? The evidence from across our portfolio is encouraging. Churn hasn't moved. Growth hasn't softened, despite plenty of noise saying it should have. Customers are coming to us asking how AI can work for them inside the platforms they already use every day.

The questions are forward-looking. How can these systems become more useful? For VMS businesses like ours, that's the signal that matters. The software is already embedded in the workflow, trusted by users, and connected to the data and processes that make a difference. The opportunity is to bring AI into that reality.

With these layers as the foundation, AI can unlock meaningful value for customers in workflows where the real-world consequences matter. Through listening to our customers, we are seeing these opportunities across the portfolio. Here are a few examples.

CareDocs is used by hundreds of care homes across the UK, holding data-rich care records that support inspection by the Care Quality Commission. AI can improve the quality-of-care recording, identify potential non-compliance earlier and reduce the administrative burden on care teams by making analysis and summaries simpler, more useful and more transparent. This gives busy care homes more time to care.

Link Maker sits at the heart of the children's adoption placement system across the UK, used by local authorities and social workers. As in all of our regulated products, AI use needs to be carefully thought through with stakeholders at the heart of it. AI could improve the quality of profiles by automatically flagging non-compliant sections of a child profile before publication, supporting Letter Swap correspondence between adopters and birth families by performing automated risk assessments on uploads, using rules set by the organisation, and converting all audio messages into text, greatly speeding social worker review.

Broker Information Services and Online Application together form an Irish fintech cluster for financial brokers, with nightly product feeds and end-to-end mortgage and insurance applications. AI can auto-draft suitability reports, flag renewals ahead of time, and route applications intelligently. All of which improves the efficiency for brokers.

bethebrand manages marketing approval workflows for firms regulated by the Financial Conduct Authority. AI can start pre-screening submissions against compliance rules, flag regulatory changes for review and codify the institutional memory compliance teams rely on.

Total Drive is used by over 8,000 driving instructors every week. AI can enhance both instructor productivity and learner outcomes through test-readiness, personalised lesson planning based on aggregate platform data, GPS route analysis, intelligent diary management, demand forecasting, voice-enabled workflows through Apple CarPlay and business intelligence tools that help instructors operate more efficiently.

Nettl is a software and services platform for the graphics industry. AI can draft quotes, run pre-flight checks on artwork, create orders, follow up with clients and route through the supply chain, even deliver services, turning an end-to-end operating system into an intelligent worker.

Across the portfolio, the foundations are increasingly in place. Each unit is building out use cases like these, prioritised by impact. Decentralisation matters here. The teams closest to the customer can see which use cases will have the most benefit and impact for the user, and they build those first. The role of the centre is to set the direction of travel, run the AI community across the Group, and help each business build the capability it needs. The common thread is the move from systems of record to systems of action.

Systems of record to systems of action

Systems of record are the cornerstone of vertical market software. They are built for accuracy, consistency, auditability and compliance.

What's being added on top is an action layer. Software that executes tasks, automates workflows, drafts responses, routes work and calls tools under human approval. That's the shift from systems of record to systems of action.

Software also stops being just a tool the team uses. It becomes an additional worker on the team. SaaS becomes SaaW: Software as a Worker. The platform picks up tasks, drafts the response, runs the check, routes the file and hands the result back for approval. More of the work happens inside the software itself.

Owning the agent

The single biggest call we're making inside our AI strategy is who owns the agent.

If the agent that does the work for our customers lives outside our platforms, in a general-purpose chatbot, a horizontal copilot, or someone else's interface, we become the back-end that the agent calls for data. The customer relationship shifts to whoever owns the agent.

If the agent lives inside our platforms, we remain the control tower. The agent has full context: the data, the history, the rules, the people, the regulator. Permissions, approvals and audit trails are native. Compliance is enforced by the platform itself. Accuracy is higher because the agent isn't guessing. Every action it takes feeds back into making it better at the next one.

Owning the agent is possible precisely because of the kind of software we own. The proprietary data gives the agent context a general model can't have. The regulatory infrastructure lets us enforce permissions and audit at platform level. The transaction embed gives every agent action consequence. The same three moats that protect our businesses from displacement are what makes agent ownership possible.

We've seen this pattern before. In mobile, the platforms that owned the device captured the value above it. In cloud, the platforms that owned the runtime captured the margin from the workloads sitting on top. In AI-driven workflows, the platform that owns the agent is best placed to retain the customer relationship.

Monetisation follows the work the agent does, through assistant tiers and into autonomous autopilot.

The mantra inside the Group: **own the data, own the agent, own the workflow.**

What we're doing across the Group

We've established an internal AI community with a champion in each business. Knowledge, success stories and challenges are shared in our internal forums and group sessions.

We've built an AI Maturity Scorecard with two components. Operational maturity covers use-case penetration, workflow integration, measurement, ROI, governance and capability. Product maturity covers customer value and adoption, integration depth, data readiness, safety, reliability and the extent to which AI strengthens the moat. Every business is scored and tracked.

Our medium-term goal is an AI Operating Layer that means workflows are automated end-to-end, products are built smarter and faster, support is delivered ahead of need and retention is strengthened structurally.

AI risk and opportunity are now embedded into M&A due diligence for every target we evaluate. We want to understand how each target is positioned and how it performs against the three layers we look for. This helps us focus on businesses with longevity and opportunity in an AI-driven world.

The winners are the businesses with the deepest domain expertise and the discipline to deploy AI where it materially improves outcomes. That's the kind of software we own, and the kind we continue to acquire.

Across the Group, we take a simple view. If we dismiss AI and underestimate the change, we may not get the chance to recover. If we prepare for AI and overestimate the change, we still build a stronger business.

We are using the knowledge across the Group and investing in the capability of our people because the downside of inaction far exceeds the cost of preparation. Nobody has certainty about how this technology will ultimately evolve. What we do know is that our portfolio of essential, vertically embedded software gives us a strong foundation. We believe AI, deployed carefully and for the benefit of customers, can make that foundation compound further.

Current trading and outlook

The new financial year began in April. Trading is in line with internal expectations and the acquisition pipeline remains healthy.

We also refinanced the Group's borrowing facilities after the year end. In May, we secured a new £25.0m committed revolving credit facility with Santander, together with a £10.0m uncommitted accordion. This replaced the £16.7m Shawbrook facility put in place in November 2024. Our thanks to Shawbrook for backing us early. And our welcome to Santander as we move into the next phase.

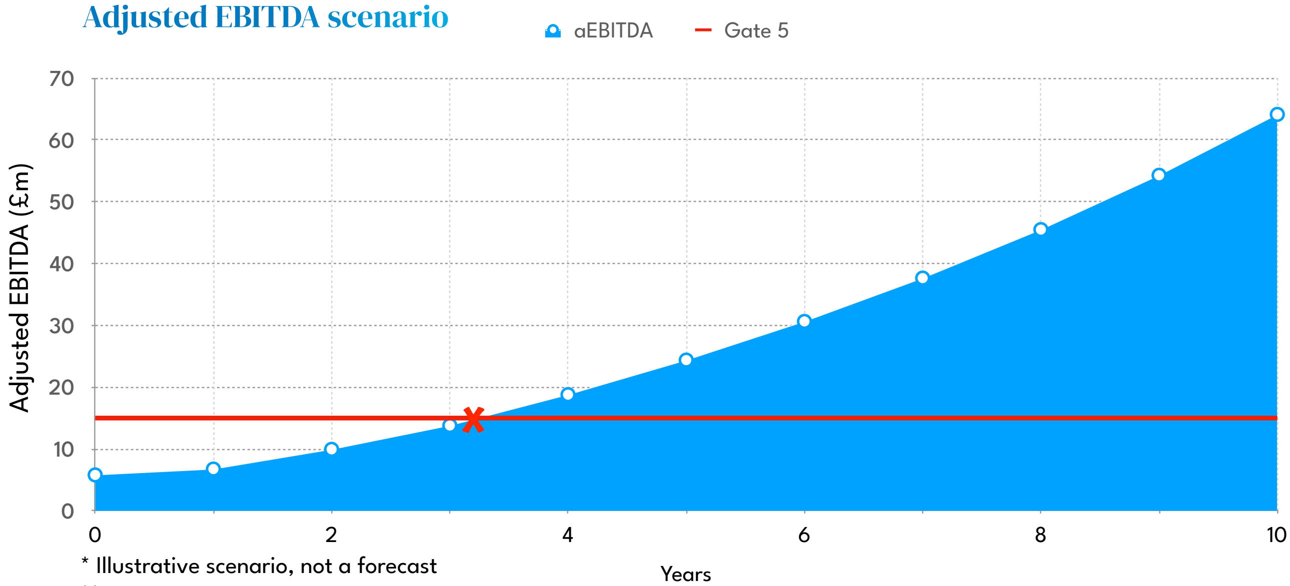
We surpassed our Gate 4 milestone of £5m Adjusted EBITDA on a run-rate basis during the year. Gate 5 sits at £15m.

Before further M&A, the Group is currently generating annualised revenue of approximately £25.0m at an Adjusted EBITDA margin of 27%. The Santander facility gives us the capacity to continue deploying capital on acquisitions that meet our criteria, while maintaining a disciplined approach to leverage.

We get to the next gate the same way we got here. One disciplined acquisition at a time. Organic growth in each unit. Cash redeployed.

The illustrative scenario overleaf shows how those elements can combine over time. It starts from our current run-rate Adjusted EBITDA of approximately £6.8m in year 1 and assumes that we continue to acquire businesses with similar characteristics, at similar entry multiples, while delivering measured organic Adjusted EBITDA growth and maintaining leverage below our stated ceiling of 3x.

Adjusted EBITDA scenario



* Illustrative scenario, not a forecast

** Assumptions:

Acquisition at current multiples and similar business profile; Maximum gross leverage = x3 aEBITDA; Organic oEBITDA Growth = 12%; Cost of Debt = 6.7%; Corporation Tax rate = 25%; Maximum deployment of £20m per year.

On those assumptions, the Group would reach Gate 5 within approximately three to four years. The shape of the curve is the point. Each acquisition adds a new stream of earnings and cash flow. Organic growth and margin improvement then layer on top of the businesses already acquired. As the portfolio grows, it generates more cash internally. That cash funds a greater proportion of the next round of acquisitions.

Over time, the balance shifts. External capital remains a useful tool, but the Group becomes progressively less reliant on it.

The milestone we are building towards is the self-funded flywheel: the point at which internally generated cash flow can fund the acquisition programme in full. From there, the engine turns increasingly under its own power.

Nobody can be certain how far or how quickly this runs. The scenario is an illustration, not a forecast, and the assumptions behind it may not be realised. But the direction is one we have already demonstrated over the past three years. The discipline that produced these results is the discipline that takes us to the next gate.

Thank you

To our shareholders, thank you for your continued support. I look forward to seeing many of you at the AGM in September. Beyond the formal business, it is a real opportunity to meet in person and share more of the story behind our progress.

A particular welcome to the teams who joined us during the year. To every team member across the Group, thank you for the focus and execution that produced these numbers. Your work continues to strengthen the foundations of a resilient, cash-generative software group.

Gavin Cockerill
Chief Executive Officer
22 July 2026

Multi-year review of financial performance

SUMMARY INCOME STATEMENT £000	2026	2025	2024	2023
Recurring revenue	16,845	12,701	9,210	4,104
Non-recurring revenue	5,416	5,573	6,955	7,573
Total Revenue	**22,261**	**18,274**	**16,165**	**11,677**

Operating EBITDA	**7,627**	**4,752**	**2,784**	**1,315**
Central costs	(1,827)	(1,586)	(1,096)	(947)
Adjusted EBITDA	**5,800**	**3,166**	**1,688**	**368**
Acquisition costs	(838)	(479)	(347)	(353)
Development costs capitalised	1,825	1,292	1,133	390
Share option charges	(125)	(106)	(37)	-
Depreciation and amortisation	(6,121)	(4,608)	(3,551)	(1,556)
Impairments and exceptionals	182	1,439	(2,111)	(805)
Operating profit / (loss)	**723**	**704**	**(3,225)**	**(1,956)**
Net finance costs	(1,768)	(1,375)	(256)	(695)
Tax	236	342	1,111	1,243
Net loss from continuing operations	**(809)**	**(329)**	**(2,370)**	**(1,408)**
Net loss from discontinued operations	-	-	-	(203)
Net loss	**(809)**	**(329)**	**(2,370)**	**(1,611)**

SUMMARY STATEMENT OF FINANCIAL POSITION £000	2026	2025	2024	2023
Property, plant and equipment	601	764	1,242	1,384
Intangible assets	36,086	26,862	15,302	16,266
Other assets	2,137	1,907	2,451	3,976
Cash and cash equivalents	3,937	8,566	15,391	1,994
Total assets	**42,761**	**38,099**	**34,386**	**23,620**
Equity	20,842	21,394	21,681	928
Interest-bearing liabilities	15,351	10,800	8,495	18,716
Non-interest-bearing liabilities	6,568	5,905	4,210	3,976
Equity and liabilities	**42,761**	**38,099**	**34,386**	**23,620**
Net debt / (cash)	**11,414**	**2,234**	**(6,896)**	**16,722**

SUMMARY STATEMENT OF CASH FLOWS £000	2026	2025	2024	2023
Loss for the year from continuing operations	(809)	(329)	(2,370)	(1,408)
Adjustments for non-cash items	7,583	3,885	4,386	1,936
Operating cash flow before changes in working capital	**6,774**	**3,556**	**2,016**	**528**
Cash flow from changes in working capital	(288)	(616)	283	(396)
Cash flow from taxes	(548)	2	(6)	67
Cash flow from operating activities	**5,938**	**2,942**	**2,293**	**199**
Cash flows from other investing activities	(1,801)	(994)	(844)	(344)
Cash flow from operating and other investing activities	**4,137**	**1,948**	**1,449**	**(145)**
Capital deployed acquiring subsidiaries	(11,234)	(8,685)	(4,100)	(8,367)
Cash flows from disposals	-	1,712	-	-
Cash flows from financing activities	2,451	(1,790)	16,050	9,035
Cash flow for the year from continuing operations	**(4,646)**	**(6,815)**	**13,399**	**523**
FX on cash	17	(10)	(2)	-
Cash flow on discontinued operations	-	-	-	9
Cash movement for the year	**(4,629)**	**(6,825)**	**13,397**	**532**

REVENUE ANALYSIS £000	**2026**	**2025**	**2024**	**2023**
Prior year	18,274	16,165	11,677	8,916
Full year contribution from prior acquisitions	1,658	1,005	5,220	-
Organic growth	(192)	(1,598)	(860)	611
Partial year contribution from new acquisitions	2,521	2,702	128	2,150
Current year	**22,261**	**18,274**	**16,165**	**11,677**

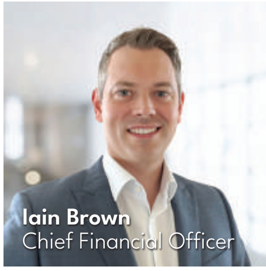
oEBITDA ANALYSIS £000	**2026**	**2025**	**2024**	**2023**
Prior year	4,752	2,784	1,315	217
Full year contribution from prior acquisitions	781	243	1,393	-
Organic growth	1,060	656	20	379
Partial year contribution from new acquisitions	1,034	1,069	56	719
Current year	**7,627**	**4,752**	**2,784**	**1,315**

CAPITAL DEPLOYED £000	**2026**	**2025**	**2024**	**2023**
Opening	24,657	15,493	11,046	2,326
Capital deployed on acquisitions	11,234	8,685	4,100	8,367
Acquisition related costs	838	479	347	353
Closing	**36,729**	**24,657**	**15,493**	**11,046**

KEY FINANCIAL PERFORMANCE INDICATORS (CONTINUING OPERATIONS)	**2026**	**2025**	**2024**	**2023**
Change in revenue, %	21.8	13.0	38.4	31.0
Change in recurring revenue, %	32.6	37.9	124.4	92.2
Organic revenue growth rate, %	(1.0)	(9.3)	(5.1)	6.9
Organic revenue growth rate (acquisitions), %	6.9	4.5	5.0	n/a
Run-rate ARR, £000	19,188	14,376	10,116	9,132
Operating EBITDA margin, %	34.3	26.0	17.2	11.3
Operating Return On Capital Deployed, %	24.8	23.7	21.0	19.7
aEBITDA margin, %	26.1	17.3	10.4	3.2
Return On Capital Deployed, %	18.9	15.8	12.7	5.5
Net debt / equity ratio, times	0.5	0.1	(0.3)	18.0
Leverage	2.0	0.7	(4.1)	45.4
Interest cover ratio, times	3.3	2.3	6.6	0.5
Earnings per share, pence	(0.2)	(0.1)	(0.9)	(1.2)
Operating Cash Flow Per Share, pence	1.1	0.5	0.6	(0.1)
Closing share price, pence	15.7	29.6	15.3	9.3

Definitions

Defined term	Definition	Usage
EBITDA	Earnings before interest, tax, depreciation, amortisation	Measures our operating efficiency
Adjusted EBITDA (aEBITDA)	Operating EBITDA less central administration costs	Adjustments to EBITDA to better measure how efficiently the Group manages our portfolio to generate free cash flow
Operating EBITDA (oEBITDA)	EBITDA before impairments, share option charges, exceptional costs, acquisition related costs, central administration costs and the capitalisation of qualifying development costs	Used to measure the performance of decentralised business units without the application of central Software Circle management and overheads
Capital deployed	Opening value plus closing value of cash paid, including acquisition related expenditure, in respect of investments in subsidiary companies, divided by 2	Provides the average amount of capital deployed on the acquisition of subsidiaries during the year
Return on Capital Deployed (ROCD)	aEBITDA as a percentage of Capital Deployed	A KPI to measure how efficiently we are deploying the group's total capital invested in acquisitions to generate recurring cash returns after central costs, available for debt service and reinvestment
Operating Return on Capital Deployed (oROCD)	oEBITDA as a percentage of Capital Deployed	A KPI to reflect how efficiently we are deploying the Group's total capital invested in acquisitions to generate recurring operational cash returns
Earnings per share	Net profit / loss for the year divided by the weighted average number of shares	IFRS performance indicator
Operating Cash Flow Per Share (OCFPS)	Cash flow from operating and other investing activities divided by the weighted average number of shares	A measure to demonstrate the Group's cash generating ability on a per share basis
Cash flows from other investing activities	Cash flows from investing activities less acquisition of subsidiaries net of cash and payment of deferred consideration	Used in the calculation of Operating Cash Flow Per Share
Interest cover ratio	aEBITDA divided by net finance costs	Demonstrates the ability to cover interest costs through operating activities
Net debt	Interest bearing liabilities less cash and cash equivalents	Used to assess the ability to meet long-term obligations
Net debt / equity ratio	Net debt divided by equity	Used to assess the financial leverage
Leverage	Net debt divided by aEBITDA	Used to assess the financial leverage
Recurring revenue	Subscription and contract-based revenue expected to continue into the future	Estimating future revenue
Run-rate (Revenue, Recurring Revenue, aEBITDA)	An annualised indication of performance as at the period end, based on contracted recurring revenue and the most recent twelve months of trading. Run-rate measures are not forecasts.	Estimating future performance
Recurring revenue per head	Recurring revenue divided by the total number of employees and contractors	Used to assess operational efficiency
Quality Score	oEBITDA percentage plus recurring revenue growth percentage	Measures overall business performance
Organic growth	In respect of businesses owned for the full year, the change in the current year divided by the total of the previous year plus the effect of additional contributions from acquisitions completing a full year for the first time	Used to assess the revenue, oEBITDA and aEBITDA performance of our portfolio



STRATEGIC REVIEW

Chief Financial Officer's report

Another year of strategic progress and improved profitability

FY26 marked another step forward. We grew revenue, increased profitability and brought two further high-quality software businesses into the Group.

Total revenue rose 22% to £22.3m (2025: £18.3m). Recurring revenue reached £16.8m (2025: £12.7m), up 33%, and now represents 76% of the total (2025: 70%). The predictable, contracted and renewing nature of that income remains central to how we assess the durability of every business we own.

Profit improvement was even more pronounced. oEBITDA increased 61% to £7.6m (2025: £4.8m) and aEBITDA rose 83% to £5.8m (2025: £3.2m), taking the aEBITDA margin to 26% from 17%. Despite this, operating profit was flat at £0.7m (2025: £0.7m) as a result of increased amortisation on acquisition-related intangible assets.

We deployed a total of £12.1m during the year across new acquisitions, including associated costs, and deferred consideration payments for past acquisitions. Artificial Intelligence Finance Ltd (known as Online Application) was added in August 2025 and Broker Information Services Ltd in October 2025, each satisfying our investment criteria. Both are profitable and cash generative, together adding £2.5m of revenue and £1.0m of oEBITDA in the financial year.

Alternative Performance Measures (APMs)

The Group utilises Alternative Performance Measures (APMs) to offer shareholders a clearer understanding of our underlying trading performance and to provide a consistent measure of the execution of our strategy. These measures are not intended to replace IFRS metrics but to supplement them. Our key APMs include oEBITDA, aEBITDA, Recurring Revenue, Return on Capital Deployed, and Operating Cash Flow Per Share. A full list of definitions is provided on page 28.

Revenue performance

Three factors account for the 22% increase in revenue to £22.3m:

- **Acquisitions:** businesses bought in the current and prior year added £4.2m.
- **Organic growth:** the ten businesses in our acquired portfolio grew organically by £0.9m (2025: £0.4m), an increase of 7%.
- **Nettl:** revenue fell by £1.1m (2025: £2.0m), extending the trend of recent years.

Revenue by segment	Total Revenue		Organic Growth		Acquisition Growth	
	2026	2025	**2026**	2025	**2026**	2025
Graphics and Ecommerce	**£7.7m**	£8.7m	**£(1.0)m**	£(1.8)m	**£0.0m**	£0.0m
Professional & Financial Services	**£6.2m**	£3.1m	**£0.3m**	£0.1m	**£2.8m**	£1.6m
Health and Social Care	**£3.9m**	£3.6m	**£(0.1)m**	£(0.1)m	**£0.4m**	£1.0m
Education	**£2.6m**	£1.3m	**£0.3m**	£0.1m	**£1.0m**	£1.1m
Property	**£1.9m**	£1.6m	**£0.3m**	£0.1m	**£0.0m**	£0.0m
Total	**£22.3m**	£18.3m	**£(0.2)m**	£(1.6)m	**£4.2m**	£3.7m

Recurring licence and subscription income rose to £16.8m (2025: £12.7m), a direct consequence of acquiring businesses with revenue of a predominantly recurring nature. The acquired portfolio delivered 7% (2025: 5%) organic revenue growth, driven by broader adoption of expanded services and measured pricing that reflects the continued investment we make in our products. Group-wide, organic revenue edged down 1% (2025: down 9%), attributable to the lower contribution from Nettl, our longest-held operating business. Nettl continues to face a challenging trading environment, with cost pressures increasing and macroeconomic uncertainty further impacting demand for its products and services.

Run-rate Annual Recurring Revenue (ARR), calculated by annualising the recurring revenue contracted at the year end, closed the year up 33% at £19.2m (2025: £14.4m), giving us good visibility into the period ahead.

Profitability and earnings

The Group continues to turn revenue growth into stronger earnings:

- Operating EBITDA increased by 61% to £7.6m (2025: £4.8m).
- aEBITDA increased by 83% to £5.8m (2025: £3.2m).
- The Group generated a statutory Operating Profit of £0.7m (2025: £0.7m).
- Statutory Loss for the year increased to £0.8m (2025: loss of £0.3m).

Both engines drove the gain. Acquisitions added £1.8m of Operating EBITDA, organic Operating EBITDA growth was 19%, lifting the Operating EBITDA margin to 34% (2025: 26%). Each operating segment has contributed to this growth. In the Graphics and Ecommerce segment this was possible, despite the reduction in Nettl revenue contribution, due to ongoing cost efficiencies, including the benefit of closing Nettl's loss-making Liverpool location at the start of the year.

oEBITDA by segment	oEBITDA		Organic Growth		Acquisition Growth	
	2026	2025	**2026**	2025	**2026**	2025
Graphics and Ecommerce	**£1.0m**	£1.0m	**£0.0m**	£0.4m	**£0.0m**	£0.0m
Professional & Financial Services	**£2.6m**	£1.2m	**£0.4m**	£0.1m	**£1.0m**	£0.5m
Health and Social Care	**£1.6m**	£1.3m	**£0.1m**	£0.0m	**£0.2m**	£0.5m
Education	**£1.5m**	£0.5m	**£0.4m**	£0.2m	**£0.6m**	£0.3m
Property	**£0.9m**	£0.8m	**£0.1m**	£0.0m	**£0.0m**	£0.0m
Total	**£7.6m**	£4.8m	**£1.0m**	£0.7m	**£1.8m**	£1.3m

Central costs rose to £1.8m (2025: £1.6m), the planned cost of resourcing a larger group and sustaining a disciplined acquisition and integration capability. As a proportion of Operating EBITDA, central costs reduced to 24% (2025: 33%).

As a result of the increased aEBITDA performance, Statutory Operating Profit remained £0.7m (2025: £0.7m). This was despite a rise in depreciation and amortisation to £6.1m (2025: £4.6m), driven by non-cash amortisation on acquisitions of £4.8m (2025: £3.7m), and the prior year benefiting from a £1.7m credit related to the sale of the printing.com domain.

The statutory result for the year was a loss of £0.8m (2025: loss of £0.3m), equivalent to a loss per share of 0.2p (2025: 0.1p). We expect the Group to move into sustained net profitability. Amortisation is fixed against the historical cost of past deals and does not rise in step with revenue or profit, so the earnings each new acquisition contributes should increasingly outweigh that charge.

Cash flow, debt, and leverage

Cash flow, debt and leverage

Key Metrics (£'000 unless stated)	2026	2025
Cash flow from operating and other investing activities	**4,137**	1,948
Operating Cash Flow Per Share (OCFPS)	**1.1p**	0.5p
Capital deployed on acquisitions including related costs	**12,072**	9,164
Closing Cash and cash equivalents	**3,937**	8,566
Interest-bearing liabilities	**15,351**	10,800
Net debt	**11,414**	2,234
Leverage (Net debt / aEBITDA)	**2.0**	0.7

Cash generation across the operating businesses remained robust at £4.1m (2025: £1.9m). OCFPS more than doubled to 1.1p (2025: 0.5p), reflecting the step-up in aEBITDA and the high cash conversion of our businesses.

We deployed £12.1m in acquisitions and related costs. Funded from a combination of cash and a drawdown of £4.5m from the debt facility, this moved the Group to net debt of £11.4m at the year end (2025: £2.2m).

The net leverage at the end of the year has increased to 2.0x (2025: 0.7x). However, in line with financial reporting standards, this number includes £3.2m of contingent consideration, calculated on the expected business growth over the earn-out periods rather than the business performance reported within this report. At the current level of business performance, the total of contingent consideration, whether treated as consideration or remuneration for post-combination services, would be approximately £3.9m. Further, the reported aEBITDA of £5.8m includes only a partial year of profit contribution from companies acquired during the year. As at 31 March 2026 the run-rate aEBITDA of the Group stands at approximately £6.8m. Adjusting for these two factors gives a Leverage of 1.8x. The Board regards this as an appropriate level and a sound base from which to keep executing the strategy.

Through FY26 the acquisition programme was supported by the facilities arranged with Shawbrook Bank in the prior year, with significant headroom maintained against the covenant limits. Gross Leverage, being total debt, excluding consideration payable contingent on future earnings growth, to adjusted EBITDA, was not to exceed 3.80:1.00. Debt service cover, being the ratio of cash flows available for debt service to the total of debt service, not to be less than 1.10:1.0.

After the year end, on 20 May 2026, we refinanced the Shawbrook facility, signing a committed £25.0m revolving credit facility with Santander UK plc alongside a £10.0m uncommitted accordion. We drew £10.7m to repay the Shawbrook borrowings in full, leaving the balance available for further acquisitions. The facility runs for four years to 20 May 2030, extendable by a

Online Application

Online Application

An AI powered platform for Financial Brokers in Ireland. They joined the group in August 25.

further year, and is priced on a ratchet of 2.00% to 3.00% over SONIA according to leverage. The Gross Leverage covenant is increased to 4.00:1.00 initially, reducing to 3.50:1.00 on 1 April 2028. Debt service cover has been replaced with Interest Cover, being EBITDA divided by Net finance charges being no less than 4.00:1.00. The new structure lowers our cost of capital and gives us materially greater flexibility as we scale.

Treasury policies and capital allocation

Our capital allocation priorities are unchanged and set out earlier in this report.

Surplus funds are held on short-term deposit to ensure liquidity for working capital and to be readily available for future acquisition opportunities.

The Board keeps the Group's long-term financing structure under continual review. Where possible, acquisitions will be financed from the Group's free cash flow. Beyond that, we will use leverage selectively to expand our deployable capital, allowing us to pursue more opportunities without undue dilution. We do so conservatively, keeping Group-wide leverage below 3x aEBITDA.

Outlook

We began the new year with real momentum. Before any further M&A, the Group is already running at annualised revenue of around £25.0m on an aEBITDA margin of 27%. With our "Gate 4" milestone of £5m of annualised aEBITDA now behind us, attention turns to "Gate 5" and £15m of annualised aEBITDA. The pipeline is healthy and continues to surface opportunities that meet our criteria.

Iain Brown
Chief Financial Officer
22 July 2026

"We began the new year with real momentum. Before any further M&A, the Group is already running at annualised revenue of around £25.0m on an aEBITDA margin of 27%

Principal risks and uncertainties

The following are the principal risks relating to the Group's operations:

Risk	Potential impact	Mitigation
Technological change	Advances in software and advances in artificial intelligence may impact on operational effectiveness and earnings potential.	AI and technological change are a Board-led strategic priority. We deploy AI through controlled pilots within our own platforms, scaling proven patterns across the Group. Aiming to own the agent, data and workflow. Capability is built through an internal AI community with a champion in each business, with every business scored against an AI maturity framework. Our acquisition criteria and development roadmaps have been refined to reflect AI's impact on vertical market software and to prioritise customer benefit.
Economic and political factors beyond the Group's direct control	A downturn in the macroeconomy may reduce consumer demand generally. Costs may be increased by changes to government policy, including tax changes or other legislation. Borrowing costs could increase should general interest rates rise to combat inflation.	The sustainability of our Group strategy is underpinned by the recurring revenue model. This approach allows for a more reliable revenue stream, promoting long-term stability. Our portfolio of businesses operate across varied and diverse sectors leaving us less susceptible to sector specific downturns. The Group's decentralised model gives business unit heads P&L responsibility and accountability for managing costs. The Group reviews the funding structure constantly, ensuring leverage and interest cover are within acceptable limits. Authority to issue shares is obtained at each AGM should an equity injection be required to modify our capital structure.
Competitive environment	Some of the markets in which the Group operates are extremely competitive posing a threat to profitability.	We work closely with suppliers to monitor input costs and competitor pricing, ensuring we remain competitive.
Acquisition of a sub-optimal business	A poor performing acquisition would consume management time, focus and Group cash flows.	We operate a structured and rigorous due-diligence process when assessing potential acquisitions to ensure the target meets our acquisition criteria and establish the quality of its earnings. We also model alternative scenarios and build contingency plans for each.
Technological failure	The Group and its clients depend on the SaaS platform to operate their businesses.	All reasonable operational contingency is embedded for resilience in the event of a catastrophe.
Cyber Security breach	Unauthorised access to systems, networks, or data due to vulnerabilities in security controls, phishing attacks or malware which could lead to data loss, financial loss, reputational damage, and regulatory penalties.	Technical due diligence of acquisition targets is undertaken to validate the security of acquired technology assets. Business unit heads perform an ongoing review of: authentication procedures; levels of employee cybersecurity awareness; antivirus and anti-malware tools and security patch updates; backup and recovery processes; disaster recovery and incident response plans.
Fraud and social engineering attacks against employees	Fraud and/or social engineering attacks against employees are increasingly prevalent. These could result in the electronic transfer of funds to an unintended third party.	We regularly communicate information relating to likely/known scams internally along with reinforcement of business payment protocols. Only key staff have access to make bank payments, with appropriate limits across all banking facilities.
Key management	The loss of key personnel could impact the Group's ability to implement strategy and the intended pace of growth.	The Remuneration Committee seeks to ensure rewards are commensurate with performance and aid retention.

S.172 Companies Act 2006 statement

Section 172 of the Companies Act 2006 requires each Director to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, the Directors must have regard to the matters set out in section 172(1)(a) to (f): the likely long-term consequences of decisions; the interests of the Group's employees; the need to foster the Group's business relationships with customers, suppliers and others; the impact of the Group's operations on the community and the environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly between members of the Company.

The Directors assess and take into account what is most likely to promote the success of the Company for its members in the long term as part of their decision-making process, and make this assessment fairly and in good faith. The strategic planning process involves gathering market and business information, scenario planning, and the application of the experience and knowledge of current affairs held by members of the Board.

The Group operates a decentralised model. Day-to-day engagement with most stakeholders takes place within each business unit, where the senior management teams sit closest to customers, employees, suppliers and regulators. The Board receives regular feedback from these teams through the CEO's reporting cadence, steering groups and Group-wide events such as the annual conference, and uses this insight to inform the decisions reserved to it. The table below sets out the Group's principal stakeholders, why they matter, how the Board and the Group engage with them, and where fuller detail can be found in this Annual Report.

Engaging with our stakeholders

Stakeholder	Why they matter and how we engage	Read more
Shareholders	Our shareholders are the beneficiaries of the long-term success of the Company which the Board exists to promote. The Group aims to grow intrinsic value per share, measured primarily through Operating Cash Flow Per Share (OCFPS). The Board engages through the half-year and full-year reports, the AGM, and ad hoc meetings between the Chair, CEO and major shareholders. During the year, shareholders raised AI adoption and disruption risk, the competitive landscape and long-term economics, and this feedback informed the Board's discussions on strategy and capital allocation. As an AIM-quoted company, the Group also communicates through regulatory announcements as required by the AIM Rules and Market Abuse Regulations, supported by its Nominated Adviser and broker, Allenby Capital and lawyers, Gateley plc.	Chair's Statement; Corporate Governance, Principles 3 and 10
Customers	Customers are the reason our businesses exist and the source of our recurring revenue. Each business unit takes a customer-centric approach, staying in constant communication to anticipate change, investing in customer service infrastructure, and measuring satisfaction through Net Promoter Score (NPS) and regular surveys. Business units engage directly through exhibitions, roadshows, conferences, site visits and online sessions, and customer feedback has shaped decisions on pricing, product investment and roadmap. Protecting the continuity of the services customers rely on is a primary consideration in the Board's operational decisions.	Chief Executive's Statement; Corporate Governance, Principle 4
Employees	Our people deliver the products and service our customers depend on, and retaining talented teams is critical to the durability of the Group. The Group engages with team members through online forums and communication platforms, monthly meetings between the CEO, Portfolio Operations Manager and business unit leaders, and the Company's annual two-day conference. The Board promotes a culture of healthy work-life balance, accountability and reward, with bonus schemes linked to EBITDA and recurring revenue growth. To align team members with shareholders, the Group operates a Save As You Earn scheme inviting UK employees to acquire shares, with further share-based plans under review.	Corporate Governance, Principles 2 and 4

Stakeholder	Why they matter and how we engage	Read more
Suppliers and partners	Reliable suppliers and partners, including hosting and technology providers, underpin the delivery of our platforms. Business units manage these relationships directly and select partners on the basis of service quality, security and, where relevant, environmental credentials. Fair dealing and prompt payment support the long-term relationships on which the Group depends.	Corporate Governance, Principle 4
Regulators	Many of our business units provide software to customers operating in regulated sectors, and our platforms often help those customers meet their regulatory obligations through audit trails, mandated reporting and safety controls. Compliance with standards and regulations and engagement with regulators where relevant is therefore critical. The sectors our businesses serve are overseen by bodies including the Care Quality Commission and the equivalent inspectorates in the devolved nations (CareDocs), Ofsted and local authorities (Link Maker), the Financial Conduct Authority (bethebrand), the Central Bank of Ireland (Online Application and Broker Information Services), and the Driver and Vehicle Standards Agency (Total Drive). Across the Group, the handling of personal data is governed by UK, Irish and EU data protection law, overseen by the Information Commissioner's Office (UK) and the Data Protection Commission (ROI). Many business units hold Cyber Essentials certification or ISO 27001 accreditation. Business unit management teams monitor regulatory developments in their markets, and where necessary obtain external legal advice. The Board treats regulatory and technological change as a principal risk.	Principal Risks and Uncertainties; Corporate Governance, Principle 5
Communities and the environment	The Board recognises the Group's responsibility to the communities it serves and to the environment. The environmental and social matters most material to the Group are employee wellbeing and retention, cyber security and technological change. We seek to minimise our environmental impact through practices appropriate to each business unit and, mindful of the footprint of our digital infrastructure, we prioritise hosting providers with strong environmental credentials such as renewable energy and high energy efficiency. We continue to assess the sustainability of our hosting arrangements and intend to refine our approach over time.	Corporate Governance, Principles 4 and 5

How stakeholder interests informed key Board decisions during the year

The table below outlines some of the considerations in relation to wider stakeholders and the environment which the Board took into account in making key decisions during the year.

Key Board Decisions	Considerations
Acquisition of software businesses	All acquisition targets are assessed against a set of criteria to determine their suitability to join the Group. Those acquired during the year met the requirements of having stable customer bases with revenue of a recurring nature, are profitable and are cash generative, pursuant to our stated strategy. The Board had regard to the interests of shareholders (the long-term compounding of OCFPS and disciplined deployment of capital), employees of the businesses being acquired (continuity of employment, retention of cultural identity and operational autonomy under the Group's decentralised model), customers (continued service, ongoing product investment and the stability of the businesses they rely on), founders and sellers (Software Circle's standing as a permanent and supportive home for the businesses they have built), and the Group's broader reputation for high standards of conduct in M&A. Where these factors are aligned and the published criteria are satisfied, the Board approves the acquisition.
Debt refinancing	As the Group has scaled, the Board reviewed whether the existing facilities continued to provide the most appropriate platform from which to pursue the next phase of its strategy. In reaching its decision, the Board considered: • **Timing**: current market conditions, trading performance and the expected pace of future acquisition activity, balancing negotiating leverage with the Group's readiness to deploy capital effectively. • **Cost versus refinancing economics**: the projected long-term interest savings against one-off break costs and arrangement and legal fees, concluding that the reduction in cost of capital materially outweighed the short-term costs of putting the new facility in place. • **Flexibility**: facility structure, accordion options, covenant package and operational flexibility, with particular weight given to the ability to act decisively when high-quality acquisition opportunities arise. • **Size**: the appropriate quantum of committed headroom to support the long-term acquisition strategy, balanced against prudent leverage and the avoidance of standing costs for capacity unlikely to be used in the short term. The Board considered the interests of shareholders (a lower cost of capital supporting long-term compounding of OCFPS), employees and operating units (continued capacity to invest and acquire), and the Group's reputation for disciplined capital allocation. The Board concluded that the new facility provides the appropriate balance of cost, flexibility and scale to support the continued execution of the Group's long-term buy and build strategy and is in the best interests of the Company and its wider stakeholders as a whole.
Launch of a Save As You Earn (SAYE) scheme	During the year, the Board approved the launch of a Save As You Earn (SAYE) scheme, inviting UK employees to save a fixed monthly amount over a three-year period and then acquire shares in the Company at a pre-agreed price. The Board's belief is that the best way to achieve alignment with team members, and to encourage them to think and act like owners, is to help them become owners. The Board had regard to the interests of employees (a tax-efficient, low-risk opportunity to share in the long-term value they help create, with no obligation to buy if the share price falls at the end of the savings period), shareholders (broad-based alignment of team member and owner interests, supporting retention and the long-term compounding of OCFPS, weighed against the modest dilution and administrative cost of the scheme), and the Group's culture and reputation as an employer. The Board concluded that the scheme supports the long-term success of the Company for the benefit of members as a whole, and it continues to keep additional share-based incentive plans under review.

The Directors continue to promote the success of the Company in accordance with section 172 of the Companies Act 2006.

Approval of the strategic report on behalf of the Board

Iain Brown

Chief Financial Officer

22 July 2026

Executive Directors

Gavin Cockerill
Chief Executive Officer

After graduating from Birmingham City University in 2000 and following a short stint in advertising, Gavin helped launch and grow printing.com studios in the UK. Since joining the Group he has been involved in progressing the Nettl and printing.com software licencing business models and its numerous master licences globally. In 2012 he launched and developed the Group's online platforms.

Gavin was appointed Chief Operating Officer in October 2015. He has been a member of the Board since January 2018, was appointed Acting CEO in May 2022 and CEO in May 2023.

Iain Brown
Chief Financial Officer

After graduating from Leeds University with a Bachelor of Arts degree in Accountancy and Finance in 2008, Iain joined audit practice with Baker Tilly UK LLP, qualified as a chartered accountant in 2012 and is a Fellow of the Institute of Chartered Accountants in England and Wales. Prior to joining the Group he held a number of senior financial positions with Myriad Group AG, a publicly listed Swiss software business trading across the world from multiple locations, before ultimately being appointed as Group Financial Controller in 2016.

Iain joined the Group in October 2019 and was appointed to the Board in January 2020.

Richard Lightfoot
Director and Company Secretary

Richard graduated from Manchester Metropolitan University in 1998 with a First Class honours degree in Business Studies. He subsequently worked for a Corporate Finance advisory firm assisting on mergers & acquisitions and venture capital fund raisings. Since joining the Group in 2003 he has performed a number of roles supporting the Board in implementing strategic initiatives.

Richard was appointed Company Secretary in October 2015 and was appointed to the Board in January 2018.

Non Executive Directors

Matthias Riechert

Chair

Matthias is a founder and Director of P&R Investment Management Limited ("P&R"), an investment advisory firm. Previously, Matthias worked in sales and trading at Citigroup Global Markets for nine years. He has an MBA from London Business School and Columbia Business School where he specialised in value investing.

Matthias was appointed to the Board as a Non-Executive Director in October 2022 and as Chair of the Board in September 2024.

Brad Ormsby

Non-Executive Director

Brad Ormsby has been CFO of Judges Scientific plc, an AIM listed buy and build manufacturing group, for the last eleven years. Brad has extensive M&A experience including multiple acquisitions at Judges Scientific plc and several international transactions at Eurovestech, a technology venture capital fund. He also led the IPO onto AIM of Kalibrate Technologies, an international software business and is a Non-Executive Director of Octopus AIM VCT 2 plc, a FTSE quoted investment fund.

Brad was appointed to the Board in September 2024.

Simon Barrell

Senior Independent Non-Executive Director

Simon qualified as a chartered accountant in 1983 and is a Fellow of the Institute of Chartered accountants in England and Wales. He's held various posts as Finance Director and has experience across multiple industries working in both the public and private sectors. He has also held numerous non-executive positions for a number of public companies and continues to act as an adviser to listed and non-listed companies. He is currently a non-executive director of SRT Marine Systems plc.

Simon joined the Group in June 2018 as Interim Finance Director, was appointed to the Board as a Non-Executive Director in January 2020 and was appointed Senior Independent Non-Executive Director in September 2024.

Marc Maurer

Non Executive Director

Marc Maurer is COO of Chapters Group AG, one of the Company's largest shareholders. Marc previously worked at Constellation Software and Hg Capital & TA Associates backed Revalize. Marc oversees all operational leadership of VMS companies within Chapters.

Marc was appointed to the Board in September 2024.

Directors' report

The Directors present their report and the financial statements of Software Circle plc and its subsidiary companies for the financial year ended 31 March 2026. The Directors have proposed that no final dividend will be paid (2025: nil).

PRINCIPAL ACTIVITIES

The principal activity of the Group is the delivery of Software as a Service (SaaS) that solves clients' problems. We buy and operate VMS businesses, licensing a suite of mission critical software to predominantly SME customers across a variety of sectors.

DIRECTORS

The following Directors have held office since 1 April 2025:

M Riechert	Non-executive Chair
S G Barrell	Senior Independent Non-executive Director
B L Ormsby	Non-executive Director
M K Maurer	Non-executive Director
G G Cockerill	Chief Executive Officer
I S Brown	Chief Financial Officer
R A Lightfoot	Executive Director and Company Secretary

All the Directors are subject to re-election at intervals of no more than three years per the Company's articles of association. In line with the Quoted Companies Alliance's ("QCA") Corporate Governance Code for small and mid-size quoted companies, the Company has chosen to give shareholders the opportunity to vote for Directors' continuing appointment on an annual basis.

Details of Directors' interests in the share capital of the Company as shown in the register, together with details of share options granted and awards made to the Directors, are included in the Report on Directors' Remuneration on pages 56-57.

The Company maintains cover for its Directors under a directors' liability insurance policy, as permitted by the Companies Act 2006.

REVIEW OF THE BUSINESS

The Strategic Report on pages 3 to 37 provides a review of the business, the Group's trading for the year and key performance indicators.

EMPLOYEES

The employment policies of the Group embody the principles of equal opportunity and the Group does not discriminate against anyone on any grounds. The Group ensures that every consideration is given to applications of employment from disabled persons. If an employee became disabled, every effort would be made to offer suitable alternative employment within the Group and assistance with retraining.

The Group keeps employees informed via on-line message boards, by circulation of KPIs and provision of access to relevant operational results, within regulatory constraints. Regular staff meetings are held and relevant internal announcements made by email. The Company takes account of any comments and feedback provided by employees in the formulation of its policies and procedures.

RESEARCH AND DEVELOPMENT

Developing the software platforms across our Group is an ongoing process. Each year, we introduce new features and services with the aim of increasing annual recurring revenues and reducing churn. In our newly acquired subsidiaries, management teams have developed clear roadmaps for the necessary enhancements in the years ahead, which we continually review.

HEALTH AND SAFETY

Emphasis is placed upon providing a safe and healthy working environment for employees, customers and suppliers. The Group ensures that regular risk assessments are carried out and that equipment is properly maintained. Working practices are continually refined to embody safe systems of work and the Group ensures that employees receive ongoing instruction, training and supervision for working and health and safety issues.

SOCIAL, ENVIRONMENTAL AND ETHICAL ISSUES

The Board considers social, environmental and ethical matters in all aspects of the business of the Group. They and senior management review and assess the significant risks to the Group's short and long-term value as impacted upon by social, environmental and ethical issues. The Group complies with environmental laws and regulations and works with suppliers and customers to improve the effectiveness of environmental management. The Group has made no contribution to political parties during the year (2025: nil).

FINANCIAL RISK MANAGEMENT

The Group utilises financial instruments comprising borrowings, cash and cash equivalents and various other items such as trade receivables and payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations. The main risks arising from the Group's financial instruments relate to interest rates, liquidity and credit. The Directors review and agree policies for managing each of these risks, which are described and evaluated in more detail in note 21.

SUBSTANTIAL SHAREHOLDERS

In addition to the Directors' interests noted in the Directors' Remuneration Report, the Directors are aware of the following which were interested in 3% or more of the Company's equity as at 31 March 2026:

Registered holding	Number of shares	% of issued share capital
Value Focus Beteiligungs GmbH	105,910,910	27.15%
P&R Real Value	49,443,143	12.68%
Sun Mountain Partners LLC	40,322,254	10.34%
Chapters Group AG	38,259,908	9.81%
Abacus Value Capital Fund AgmvK / Electa Value Capital Fund AGmvK	34,826,405	8.93%
Wui Yen Liow	19,726,594	5.06%
YOGRO GmbH	16,429,627	4.21%

POST BALANCE SHEET EVENTS

On 20 May 2026, the Group entered into a new revolving credit facility (the "Facility") with Santander UK plc, replacing the Group's existing facilities with Shawbrook Bank Limited.

The Facility comprises a committed £25.0 million revolving credit facility and a £10.0 million uncommitted accordion option, exercisable subject to Santander's credit approval. The Facility has a four-year term with a one-year extension option. Interest is payable at a margin over SONIA on a ratchet of between 2.00% and 3.00% depending on the Group's leverage. The Facility is repayable on 20 May 2030 (or 20 May 2031 if extended) and is subject to customary financial covenants and security arrangements, tested quarterly from 30 September 2026.

FUTURE DEVELOPMENTS

The Group will continue to apply a disciplined, returns-focused approach to capital allocation — prioritising the acquisition of Vertical Market Software businesses with strong recurring revenues, attractive margins and enduring customer relationships. Alongside acquisitions, we remain committed to operational excellence within our existing businesses — driving organic growth, improving cash conversion, and supporting our teams to scale sustainably.

GOING CONCERN

As part of the consideration of the appropriateness of adopting the going concern basis of accounting, the Directors have prepared a base case forecast and then applied reasonable sensitivities.

As at the balance sheet date, the Company maintained a substantial cash balance, providing a strong liquidity position to support its business operations and strategic growth plans. The cash reserves are considered sufficient to meet the current operational requirements and short-term obligations of the Company.

The Company's primary strategic objective includes expansion through acquisitions, which involves inherent risks, particularly concerning deferred consideration payments. While the Company has a significant cash balance, the Directors recognise the following risks:

- Acquisition volume and payment obligations: The risk of acquiring multiple companies in a short time frame could potentially strain the Company's liquidity if not managed prudently.
- Deferred consideration payments: The Company must ensure that it can meet deferred consideration payments as they fall due, without compromising its operational liquidity.

To mitigate these risks, the Directors have implemented the following measures:

- Due diligence and acquisition strategy: Rigorous due diligence processes are in place to evaluate potential acquisition targets, ensuring that each acquisition aligns with the Company's strategic objectives and financial capacity.
- Cash flow forecasting and management: Detailed cash flow forecasting is conducted regularly to project the timing and amounts of deferred consideration payments, ensuring that adequate cash reserves are maintained.
- Contingency planning: Contingency plans are established to address any potential shortfalls in liquidity, including securing additional financing if necessary.

Since the year end, the Group has further strengthened its liquidity position. On 20 May 2026, it entered into a new committed £25.0m revolving credit facility with Santander UK plc, together with a £10.0m uncommitted accordion option, replacing its previous facilities with Shawbrook Bank Limited (see Post Balance Sheet Events above). The facility has a four-year term and provides additional committed headroom to fund operations and the acquisition strategy across the going concern assessment period.

After considering the Group's cash position, the new committed facility and headroom available to it, the comprehensive risk management strategies in place, and the ability to adjust the pace of acquisitions if required, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held in September 2026 and shareholders will receive a notice in due course. In addition to the ordinary business, the Company will also propose a number of resolutions, which will be dealt with as special business. Details will be contained in the Notice of the Annual General Meeting.

In the opinion of the Directors, the passing of these resolutions is in the best interests of the shareholders.

DISCLOSURE OF INFORMATION TO THE AUDITOR

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Group's Auditor is aware of that information.

AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office and a resolution to reappoint it as Auditor will be proposed at the next Annual General Meeting.

On behalf of the Board

Iain Brown
Chief Financial Officer
22 July 2026

Statement of directors' responsibilities in respect of the annual report, strategic report, the directors' report and the financial statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and company financial statements for each financial year. The Directors have elected under company law and are required by the AIM rules of the London Stock Exchange to prepare group financial statements in accordance with UK-adopted International Accounting Standards and have elected under company law to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The Group financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position and performance of the group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group.

In preparing each of the Group and Company 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;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted International Accounting Standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company 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 Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DIRECTORS' RESPONSIBILITY STATEMENT

Each of the Directors, whose names and functions are listed on pages 38 to 39, confirm that, to the best of each person's knowledge:

- The financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Corporate governance statement

FOR THE YEAR ENDED 31 MARCH 2026

The Board has determined that the Quoted Companies Alliance's ("QCA") Corporate Governance Code for small and mid-size quoted companies (the "Code") (revised on 13 November 2023) is the most appropriate for the Group to adhere to.

The Code is constructed around ten broad principles and a set of disclosures. The QCA has stated what it considers to be appropriate arrangements for growing companies.

We have considered how we apply each principle to the extent that the Board judges these to be appropriate in the circumstances and, through the disclosures set out below with reference to additional information on our website and in this Annual Report, have set out how our governance arrangements align with our business purpose and have developed on an ongoing basis to support the Board, our business leaders and the effective operation of our growing portfolio of decentralised VMS businesses. The Chair leads the board and is responsible for the Group's approach to corporate governance.

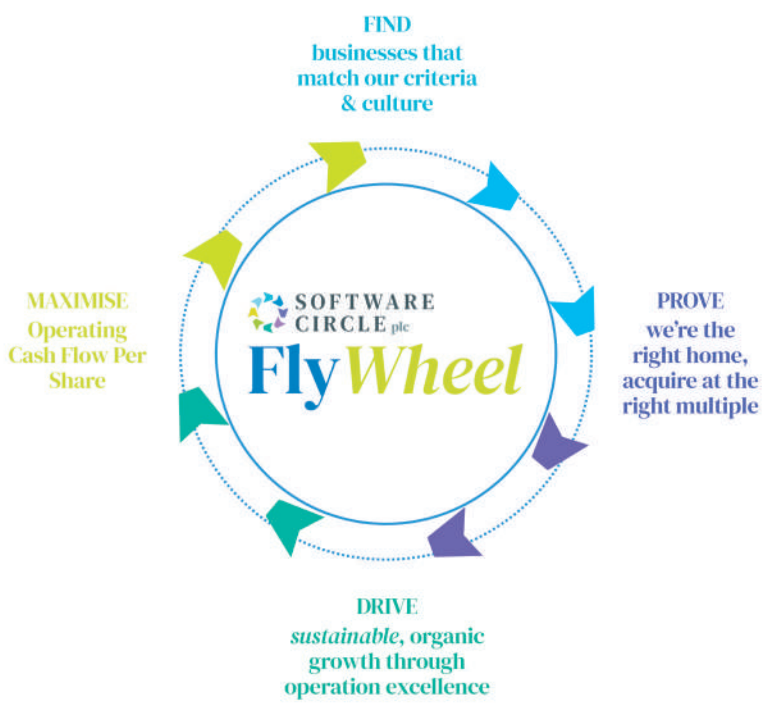
The following paragraphs set out the Group's compliance with the ten principles of the Code.

1. ESTABLISH A PURPOSE, STRATEGY AND BUSINESS MODEL WHICH PROMOTE LONG TERM VALUE FOR SHAREHOLDERS

Our acquisition strategy is at the centre of our focus to drive long term shareholder value, our purpose is:

"To be a leading serial acquirer and operator of VMS businesses, maintaining their entrepreneurial spirit and culture and providing a permanent home for their teams and management talent."

At the heart of our business lies a disciplined and long-term strategy: to acquire VMS businesses at appropriate valuations, support their organic growth over time and reinvest the free cash flow they generate into further value-accretive opportunities.



We're continually evaluating multiple VMS business targets. We find potential acquisitions through a structured outreach program. Engaging with niche, business-to-business, and mission-critical platforms that hold proprietary data, where users often have regulatory consequences or are economically and operationally entangled with the moment value is exchanged.

We look for businesses where the majority of revenues are recurring in nature and churn is low. The sustainability of our strategy is underpinned by the recurring revenue model. This approach allows for a more reliable revenue stream, promoting long-term stability.

Our operating model is to run our business units in a decentralised way and actively avoid centralisation and consolidation. We do this to encourage and maintain an entrepreneurial spirit and culture and accelerate growth in each business which is run by its own management team, supported by the Board.

In assessing delivery against strategy, the Board measures progress against specific long-term objectives, our next marker being the "Gate 5" goal of achieving £15 million of annualised Adjusted EBITDA, and KPIs including Operating Cashflow Per Share, Return on Capital Deployed and Quality Score targets. These are reviewed at each Board meeting. The delivery of our long-term strategy is further underpinned by a clear set of values, described more fully in the disclosures to Principle 2 below, which are designed to protect the Company from unnecessary risk and secure its long-term future. Further information about our objectives, KPIs and our strategy and business operations are set out more fully in the Strategic Report section on pages 3 to 37 of this Annual Report.

The Group's principal risks and uncertainties and the systems and internal controls developed to mitigate them are set out in the disclosures to Principle 5 of the Code further below.

2. PROMOTE A CORPORATE CULTURE THAT IS BASED ON ETHICAL VALUES AND BEHAVIOURS

The Board firmly believes that culture is driven from the top and through sound corporate governance across each of our business units. It takes ultimate responsibility for the culture that is developed and evolves under its leadership and guidance. The Company has documented its leadership values which sit at the centre of its operating values and ethics and are disseminated to all team members through regularly updated Playbooks. The Board demonstrates commitment to these values through its own conduct, decision making and communication with business unit management teams through a regular cadence of meetings and events such as the Group's annual two-day conference. These values are designed to create alignment and an environment where motivated teams can do their best work for the benefit of the most important stakeholder: the end customer.

At the heart of our culture is a focus on capital discipline, operational efficiency and long-term return on investment. Culture is assessed primarily through observed behaviours and outcomes, including capital allocation decisions, cost discipline, performance against targets and alignment of management incentives with shareholder returns. Regular interaction with senior management, combined with review of operational and financial performance KPIs, provides the Board with insight into whether the desired culture is being upheld. Where behaviours or decisions appear inconsistent with these principles, the Board addresses this through direct engagement with management, reinforcement of performance expectations, and where appropriate, adjustments to incentives or responsibilities.

The Group's individual business units have staff manuals which set out, amongst other things, policies and procedures for Equality & Diversity, Modern Slavery, Anti Bribery, Anti-Tax Evasion and Whistleblowing setting out channels for confidentially reporting and escalating any concerns to the Board.

Additional information setting out how Company's culture is fostered, supported and disseminated through its onboarding programme is set out in the disclosures to Principle 5 further below.

3. SEEK TO UNDERSTAND AND MEET SHAREHOLDER NEEDS AND EXPECTATIONS

The Board strongly believes in transparency and an open-door policy towards shareholder communications. It aims to provide fair and objective reporting and seeks to ensure its strategy, business model and performance are clearly communicated and understood through its half year and full year reports. Past and present versions are published on the Company's website - www.softwarecircle.com/reports-downloads.

Given the stage of the Company's development, its AGM provides the key opportunity for dialogue with shareholders. All members of the Board attend the AGM. A Notice of AGM is circulated to all shareholders on the register at least 21 days in advance of the AGM.

The Chair and Company Secretary go to additional lengths to identify and communicate with major shareholders whose holding is via nominee accounts, encouraging attendance at the AGM, voting and shareholder feedback and engagement. Both the Chair and CEO also meet on an adhoc basis with significant and major shareholders and provide feedback to the Board. During the year under review, topics discussed included AI adoption and disruption risk, the competitive landscape, long-term economics and stock price developments.

The number of proxy votes received for each vote are announced at the AGM and the results of the AGM are announced and published on our website.

Appropriate contact details are provided on all announcements and the Company Secretary's contact details are set out on the website for shareholder enquiries.

The Company does not presently have significant representation from traditional institutional investors. However, at an appropriate juncture it will seek to develop this area with the support of its broker, Allenby Capital.

Qualitative reporting of the Company's environmental and social matters is included in the disclosures to Principles 4 and 5 below. Whilst no quantitative measures are presently conducted or presented, this remains under review and proportionate, and decision-useful disclosures will be included in future reporting where considered relevant to investor needs and expectations.

4. TAKE INTO ACCOUNT WIDER STAKEHOLDER INTERESTS, INCLUDING SOCIAL AND ENVIRONMENTAL RESPONSIBILITIES, AND THEIR IMPLICATIONS FOR LONG-TERM SUCCESS

The Company actively engages with its wider stakeholder base to enhance decision-making, align interests and balance the needs of all stakeholders. In doing so, it remains focused on its primary responsibility: to promote the long-term success of the Company for the benefit of its members as a whole. This is achieved through the execution of its strategy and business model, as outlined in the disclosures under Principle 1 of the Code above.

The Board believes the environmental and social matters most material to the Company having regard to its purpose, strategy and business model include employee wellbeing and retention, cyber security and technological change. Further information in relation to wider stakeholders and the environment and risks which the Board took account of in making key decisions are set out in the Principal Risk and Uncertainties and S.172 Companies Act 2006 Statement sub sections of the Strategic Report section on pages 34 to 37 of this Annual Report.

Employees

The Company regularly engages with its employees via a number of practices and procedures. Team members are able to give valued feedback on the working environment and other stakeholder insights through, for example:

- on-line message boards and forums as well as third party applications and business communication platforms. Use of such platforms came into sharp focus during the pandemic and now continue to support homeworking;
- monthly face to face and virtual meetings between the Company's CEO, Portfolio Operations Manager and business unit team leaders; and
- the Company's annual two-day conference.

The Company aims to foster a culture that promotes a healthy work-life balance, drives team motivation and rewards success. This is achieved by focusing on key objectives and actively involving team members in developing meaningful lead and lag measures that influence and predict the achievement of those key objectives. These measures enhance accountability and create a feedback loop that recognises achievements, with success rewarded through bonus schemes linked to EBITDA and recurring revenue growth.

The Company believes the best way to achieve alignment with its staff and encourage them to think and act like owners is to help them become owners. During the year, invitations were made under a "Save As You Earn" Scheme which allows UK employees to save monthly over a three-year period and then purchase shares in the Company at a pre-agreed price. Additional share-based incentive plans remain under review.

Customers and Suppliers

The Company has a customer centric approach to delivering value by being in constant communication with customers to ensure it is ahead of any changes. The Group business units invest in customer service software and infrastructure to support feedback from these stakeholder groups and monitor and measure internal targets for response times and quality. Regular customer surveys are undertaken to measure Net Promoter Scores and customer satisfaction.

The Group's business units operate in different sectors and are run in a decentralised way by their own senior management teams which are responsible for engaging with customers and suppliers through events such as exhibitions, roadshows, conferences, on site visits and remote sessions. Direct feedback and responses to initiatives such as on-line polls and votes have shaped key strategic and operational decisions around important aspects of our businesses, ranging from pricing to environmental policies and considerations.

Environment

The Company is conscious of the environmental impact of the industries that its business units operate in. We seek to mitigate and minimise the Company's impact on the environment through practices and procedures appropriate to each business unit.

As part of our commitment to responsible corporate governance, we are mindful of the environmental impact of our digital infrastructure, including the hosting environments that support our software platforms. Where possible, we prioritise data centre providers that demonstrate strong environmental credentials, such as the use of renewable energy sources, high energy efficiency ratings, and carbon reduction initiatives. We continue to assess the sustainability of our hosting arrangements as part of our broader ESG strategy and intend to refine our approach over time to align with best practices and reduce our overall environmental footprint.

5. EMBED EFFECTIVE RISK MANAGEMENT, INTERNAL CONTROLS AND ASSURANCE ACTIVITIES, CONSIDERING BOTH OPPORTUNITIES AND THREATS, THROUGHOUT THE ORGANISATION

Principal risks and uncertainties faced by the Group are set out on page 34 of this Annual Report.

The Board's risk appetite is centred on the preservation and long-term growth of shareholder capital with a focus on Operating Cash Flow Per Share. Risk is assessed primarily in relation to the durability and predictability of future cash flows. In evaluating strategic and operating decisions, the Board considers a broad range of risk factors, including competitive dynamics, technological disruption (including AI), regulatory developments and operational execution risks.

Balance sheet leverage is a key expression of risk appetite. The Board maintains a conservative approach to debt, calibrating leverage levels to the resilience of underlying cash flows and maintaining sufficient headroom to withstand adverse scenarios.

Overall, the Board is willing to assume measured risk where there is a clear, risk-adjusted return, but avoids exposures that could impair long-term capital compounding. This is reflected in the Group's internal policy towards acceptable levels of debt leverage.

The Board is responsible for establishing and maintaining the Company's system of internal control, which is designed to meet the particular needs of the Company and mitigate the risks to which it is exposed. The system is designed to manage these risks, to provide reasonable, but not absolute, assurance against material misstatement or loss, and to maintain proper accounting records to ensure the integrity of the financial information used within the business and for external publication.

The Board reviews the effectiveness of the system of internal control and considers whether the Company's internal controls processes would be significantly enhanced by an internal audit function and has taken the view that at the Company's current stage of development, this is not required. The Board will continue to review this matter each year.

The Board considers that the internal controls in place are appropriate for its size and resources, its activities and the risk profile. The key elements of the control system in operation are:

- The Board meets regularly to consider matters reserved to it and has put in place an organisational structure with clear lines of defined responsibility and with appropriate delegation of authority to manage risk. Board papers include a comprehensive CEO's report covering a wide range of KPIs consistently applied across all business units, Red Amber Green (RAG) reporting against valuations models and pre acquisition expectations and Return On Sales (ROS) benchmarking that dictates the operational focus for each business unit, that in turn forms the basis of the operational focus set out in a 'Playbook' for each business unit's senior management team to then execute.
- The Executive Directors meet prior to each full Board to discuss risks and opportunities facing the Group's various business units.
- The CEO meets regularly, sometimes daily and at least bi-weekly, with the senior management team of each business unit, providing an opportunity to consider operational risks faced and provide stakeholder feedback from across the Group's operations.
- Steering groups are established to enable business unit leaders to share learnings and best practice in relation to key risks and opportunities such as AI and other emerging technologies;
- The Group maintains a consistent framework of cyber and platform security controls across its decentralised portfolio, including regular independent penetration testing, internal and external security audits, defined access controls and data encryption and tested incident response and business continuity procedures, with many operating companies holding Cyber Essentials certification and, in some cases, ISO 27001 accreditation of their information security management systems.
- Group wide surveys are undertaken to identify areas of focus and resources available and support impact assessment;
- An organisational structure exists with defined roles and accountability. A culture is fostered which encourages entrepreneurial decision making while minimising risks. A key component of this is a comprehensive onboarding programme undertaken with the senior management team of each business acquired which includes:
    - the development of a 100 day plan to address, amongst other things, due diligence findings;
    - preparation of a financial budget and the plumbing in of the business unit's accounting platform to the Group's central reporting platform;
    - building reporting processes, procedures and infrastructure for benchmarking KPIs and Monthly Recurring Revenue (MRR) metrics that the Group applies consistently across all business units to measure operational performance; and
    - development of a Strategy map and operational 'Playbook' based on a RASCI model (setting out who is Responsible, Accountable, Supporting, Consulted and Informed for particular 'Milestones/Tasks') which sets Objectives and Key Results (OKRs) agreed with the Management teams to measure the success of a financial year, align future objectives, identify operational efficiencies, evaluate pricing and determine where organic investment should go.
- The Company has information systems for monitoring its financial performance against approved budgets and forecasts.

- A collaborative risk register is maintained setting out the processes and actions the Company has in place to mitigate each risk. All members of the Board are encouraged to propose additions to the risk register review of which is a standing agenda item at two Board meetings each year.
- The Audit Committee receives reports from the external auditors on a regular basis and from Executive Directors of the Company. Further information regarding the Audit Committee composition and duties and its review of auditor objectivity, independence and performance is set out in the disclosures to Principle 7 of the Code further below.
- The Group retains an insurance broker and maintains appropriate insurance cover in respect of actions taken against Directors. The Group's individual business units maintain insurance in respect of material loss or claims against them and the risks they face. The types of cover and insured values are reviewed annually.

As a predominantly office-based business with a relatively low environmental footprint, our direct exposure to climate-related physical risks is limited. As such we don't presently have a nominated individual with specific oversight in this area and the Board as a whole takes responsibility for climate related risks and opportunities. We recognise the importance of understanding and managing climate-related risks as part of our broader risk management framework, both to ensure operational resilience and to meet stakeholder and regulatory expectations. Such risks are assessed as part of the Company's risk register review process twice a year.

Given our size, we are not presently required to assess climate-related risks in line with the Task Force on Climate-related Financial Disclosures (TCFD) framework, however this will remain under review. Whilst climate risks are currently assessed as low impact relative to our operations, we remain committed to ongoing monitoring and ensuring that our approach remains appropriate as the regulatory and risk landscape evolves.

6. ESTABLISH AND MAINTAIN THE BOARD AS A WELL-FUNCTIONING, BALANCED TEAM LED BY THE CHAIR

The make-up of the Board is reviewed on an ongoing basis in light of the Company's development, requirements and resources. Periodic refreshment occurred during FY24 with the previous Chair Jan Mohr and Non-Executive Director Conrad Bona stepping down at the 2024 AGM after nine years on the Board. In parallel, Matthias Riechert became Chair, Simon Barrell became Senior Independent Non-executive Director and Brad Ormsby and Marc Maurer joined the Board as Non-Executive Directors bringing experience in serial acquirers as CFO and COO respectively.

Whilst the Board presently has diversity in nationalities, socio-economic backgrounds and educational and business attainment and experience we are mindful of the absence of ethnic diversity and gender balance. The Board is committed to continual assessment of its composition as the Company evolves, and levels of diversity remain a key consideration in succession planning.

The Board currently comprises four Non-Executive Directors (including the Chair) and three Executive Directors. Director's biographies are set out on pages 38 to 39 of this Annual Report.

Historically, all Directors were subject to election by shareholders at the first Annual General Meeting after their appointment and article 32 of the Company's articles of association requires anyone who has been in office for three years without re appointment to seek re-election. In line with the Code the Company has chosen to give shareholders the opportunity to vote for directors' continuing appointment on an annual basis.

The Company's Chair, Matthias Riechert, is a founder and Director of P&R Investment Management Limited, which is investment advisor to Axxion SA, the Investment Manager of the P&R Real Value alternative investment fund, which is a significant shareholder in the Company with 12.68% / 49,443,143 shares. Marc Maurer, Non-Executive Director, is COO of Chapters Group AG which is a significant shareholder in the Company with 9.81% / 38,259,908 shares. Given their respective positions with P&R Investment Management and Chapters Group the Board does not consider Mr Riechert and Mr Maurer to be independent for the purposes of the Code.

To ensure transparency, disclosure and independent oversight into matters relating to P&R Real Value or Chapters' investments in the Company, a sub-committee of the Board, excluding Mr Riechert and Mr Maurer is formed to make decisions regarding any matters either shareholder would have an interest in. All other Non-Executive Directors are considered independent on the basis that they receive a fixed fee for their services, do not participate in any performance-related remuneration schemes, do not have any interest in a company share option scheme and have no material financial relationships with the Company.

Whilst the composition of the Board does not meet the Code's requirement for half of the Board to be made up of independent Non-Executive Directors, it does meet the Code's requirement for at least two independent Non-Executive directors. The Board considers its composition appropriate at this time given the sub-committee oversight structure in place and the expertise of the non-independent Board members and their alignment with the Company's wider shareholder base.

All Board members are required to review their affiliations, relationships and business interests on an ongoing basis and report to the Board any matter which may compromise their objectivity or impartiality in decision-making or affect their independence.

To enable the Board to discharge its duties, all Directors have full and timely access to all relevant information. A rolling programme of Board meetings is maintained throughout the year together with adhoc meetings as the Company's requirements demand.

All Executive Directors are full time and required by the terms of their service agreements to devote all of their working hours to the Company's operations and not to any other trade, business, profession or occupation. Non-Executive Directors appointments require them to devote such time as is necessary for the proper performance of their duties, including for preparation for and attendance at all Board meetings, Board strategy away-days the Company's AGM and meetings of the Audit and Remuneration committees they are members of.Non-Executive Directors are required to obtain the agreement of the Board before accepting additional commitments that might affect the time available to devote to being a Non-Executive Director of the Company or give rise to a conflict of interest or a conflict of any of their duties to the Company.

Each Director's attendance records in the year under review is as follows:

	Board meetings	Audit Committee meetings	Remuneration Committee meetings	Investment Committee meetings
Matthias Riechert (Chair) A, **R**	6/6	2/2	2/2	3/3
Simon Barrell (Senior Independent Non-Executive Director) **A**, R	6/6	2/2	2/2	-
Brad Ormsby (Non-Executive Director) A, R	6/6	2/2	2/2	-
Marc Maurer (Non-Executive Director)	6/6	-	-	3/3
Gavin Cockerill (CEO)	6/6	-	-	-
Iain Brown (CFO)	6/6	2/2*	-	-
Richard Lightfoot (Director & Company Secretary)	6/6	2/2*	-	-

*Attended by invitation

Committee Membership: A denotes Audit, R denotes Remuneration, bold denotes Chair of the relevant committee

The Company Secretary reports directly to the Chair on governance matters. The Board believes that Richard Lightfoot's appointment as Director and Company Secretary is appropriate at this stage of the Company's development and given its requirements and resources. This arrangement is assessed on an ongoing basis and separation of duties will be implemented as appropriate.

7. MAINTAIN APPROPRIATE GOVERNANCE STRUCTURES AND ENSURE THAT INDIVIDUALLY AND COLLECTIVELY THE DIRECTORS HAVE THE NECESSARY UP-TO-DATE EXPERIENCE, SKILLS AND CAPABILITIES

The Board

The Board is responsible to shareholders for the proper management of the Group, including overall Group strategy, approval of capital allocation, consideration of significant financing matters and approval of Annual and Interim results and budgets.

The Executive Directors have responsibility for the day-to-day operational management of the Group's activities. The Non-Executive Directors are responsible for bringing independent objective judgement to Board decisions.

All Directors are supplied with the Company's Continuing Obligations memorandum which is reviewed and updated as required. The memorandum sets out and explains the Director's responsibilities and obligations under the AIM Rules, the Market Abuse Regulation and other wider applicable legislation.

A formal schedule of all matters reserved for Board decision is maintained and reviewed when required (last updated December 2024) covering:

- Setting and review of strategy and performance;
- Structure and capital;
- Maintenance of financial reporting and controls;
- Maintenance of internal control and risk management systems;
- Material contracts;
- Investor relations and regulatory communications;
- Constitution of Board membership and other appointments;
- Setting of Directors and Senior Management remuneration;
- Delegation of authority amongst the Board and its Committees;
- Implementation of Corporate Governance; and
- Approval of policies.

The Board maintains a rolling scheduled programme of Board meetings each year aligned with relevant events in the Company's financial and trading calendar. Additional meetings are held as and when required.

A formal agenda is prepared for each meeting noting any unresolved matters from prior meetings. Board papers, including a CEO's report and KPIs, and CFO's report are circulated in advance and minutes are circulated following each meeting recording actions arising.

Non-Board members are also invited to attend on occasion to participate in relevant Board discussions.

Governance is aligned at business unit level through establishing a schedule of matters reserved for subsidiary board decision together with provision of on-line dashboards that provide a Red, Amber, Green (RAG) rated warning system and ensure alignment of operations through a continual focus on standardised KPIs. Business unit board meetings are held quarterly and management meetings held monthly, providing an opportunity to reinforce the governance framework. In the year under review, additional controls and policies were introduced and steps taken to reinforce awareness of, and strengthen, payment protocols across the Group including additional employee training, stricter multi-level verification procedures and enhanced fraud detection measures following an attempted push payment fraud that was ultimately averted.

Chair and Chief Executive Officer

The differing roles of Chair and Chief Executive are acknowledged and there is a clear division of responsibility at the head of the Company.

The key functions of the Chair are: to oversee the adoption, delivery and communication of the Company's Corporate Governance model; the effective conduct of Board Meetings and meetings of shareholders; to ensure that all Directors are properly briefed in order to take a full and constructive part in Board discussions; and to ensure the Group has appropriate strategic focus and direction.

The Chief Executive has responsibility for leading the implementation of agreed strategy and managing the day-to-day operations of the Group.

Committees

The Board has established an Audit Committee, a Remuneration Committee and an Investment Committee. In view of the size of the Company there are no formal Nomination or Corporate Governance committees, however these arrangements will remain under review.

The Audit Committee comprises Simon Barrell (Chair, independent), Brad Ormsby (independent) and Matthias Riechert (non-independent). The Remuneration Committee comprises Matthias Riechert (Chair, non-independent), Simon Barrell (independent) and Brad Ormsby (independent). Independent members of each committee represent a majority consistent with the Code. The Board notes the Remuneration Committee is chaired by the non-independent Chair. This pre-dates the Company's policy that moving forwards only independent Non-Executive Directors join the Audit or Remuneration Committees and will be amended at an appropriate juncture. The Investment Committee presently comprises the Chair and Marc Maurer.

The Audit Committee's principal tasks are to review the scope of external audit, to receive regular reports from the auditors, and to review the half-yearly and annual accounts before they are presented to the Board, focusing in particular on legal requirements and accounting standards as well as areas of management judgement and estimation.

The Audit Committee is responsible for monitoring the controls which are in force to ensure the integrity of the information reported to the shareholders. The Audit Committee acts as a forum for discussion of internal control issues and contributes to the Board's review of the effectiveness of the Group's internal control and risk management systems and processes. The Audit Committee meets at least twice a year including immediately before the submission of the Annual Financial Statements to the Board.

The Audit Committee also undertakes a formal assessment of the auditors' independence each year which includes:

- a review of the non-audit services provided to the Company and related fees;
- discussion with the auditors of a written report detailing all relationships with the Company and any other parties that could affect independence or the perception of independence;
- a review of the auditors' own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner;
- obtaining written confirmation from the auditors that, in their professional judgement, they are independent.

An analysis of the fees payable to the external audit firm in respect of both audit and non-audit services during the year is set out on page 76 of this Annual Report.

The Audit Committee advises the Board on the appointment of external auditors and on their remuneration for both audit and non-audit work.

Ultimate responsibility for reviewing and approving the Annual and Interim financial statements remains with the Board and a statement of Directors' responsibilities in respect of the accounts is set out on page 43 of this Annual Report.

The Remuneration Committee meets at least once a year and is responsible for making recommendations to the Board on the Company's framework of Executive remuneration and its cost. The Remuneration Committee determines the contract terms, remuneration and other benefits for each of the Executive Directors, including performance related bonus schemes, pension rights and compensation payments. It also considers and oversees the implementation of any share incentive schemes.

The Board itself determines the remuneration of the Non-Executive Directors.

A Directors' Remuneration report is set out on pages 56 to 57 of this Annual Report.

The Investment Committee provides quality control to the Executive Directors in relation to acquisition opportunities. It is responsible for reviewing deal summaries and valuation models prepared by the Executive Directors and ensuring that investments fall within pre-determined 'Guardrails' which include:

- Target is UK/IE based;
- Target has a clearly defined niche market;
- Majority of revenues are recurring in nature, a minimum of £500k per annum;
- Valuation multiple → up to 7x (aEBITDA);
- Logo churn < 10%;
- Customer concentration as % of recurring revenue is low;
- Number of customers > 30; and
- Historically profitable - Stable or growing aEBITDA over the last three years.

The Investment Committee meets on an adhoc basis as the Company's dealflow requires. Any changes to the Guardrails or proposed deals that fall outside of the Guardrails require the approval of the Board.

The Board considers that all of its Directors are of sufficient competence and calibre and between them provide an appropriate and effective balance of skills and experience, including in the areas of retailing, wholesaling, marketing, software development, ecommerce, AI, cyber security, finance and mergers and acquisitions. Directors' biographies are set out on the website and the names, qualifications and backgrounds of each of the Directors are disclosed within the Directors section on pages 38 to 39 of this Annual Report.

The Directors ensure that their skills are kept up to date by the attendance of courses, briefings from professional advisors and reading relevant industry and professional publications.

The Board is supported, where necessary, by its external professional advisers. The Board continually reviews the performance of third-party advisers to ensure they are the most effective business partners for the Group. Our Auditors were last changed in July 2017. The Group's audit was put out for tender in August 2023, the result of which was to retain the existing auditors. Directors have access to advice and services of the Company Secretary and there is a procedure for all Directors, in furtherance of their duties, to take independent professional advice, if necessary, at the expense of the Group.

The Company Secretary provides all new Directors with a comprehensive onboarding pack and on an ongoing basis Directors are provided with updates on key developments relating to the Company and legal and governance matters including advice from the Company's nominated adviser, lawyers and other advisors.

8. EVALUATE BOARD PERFORMANCE BASED ON CLEAR AND RELEVANT OBJECTIVES, SEEKING CONTINUOUS IMPROVEMENT

The Chair assesses the individual contributions of each of the members of the team to ensure that:

- they are performing their roles and carrying out their responsibilities to the highest standards;
- their contribution is relevant and effective; and
- where relevant, they have maintained their independence.

The Board conducts periodic internal reviews of its effectiveness as a whole. The process is pragmatic and proportionate to the size and complexity of the organisation and typically involves open discussion among directors regarding Board composition, information flow, and decision-making effectiveness.

Following a review and internal assessment of Board composition and future strategic requirements during FY24, a number of changes to Board composition were planned and the Company subsequently appointed two new directors, Brad Ormsby and Marc Maurer, to strengthen the Board's expertise and support the next phase of development. The Board regularly assesses its composition, effectiveness, and skill coverage through ongoing discussion and evaluation of strategic oversight, decision-making processes and alignment with the Company's long-term objectives with consideration given to:

- Quality of strategic oversight and capital allocation discipline;
- Depth and constructiveness of Board debate and challenge;
- Industry understanding, particularly in vertical market software, AI and the execution of a serial acquisition strategy;
- Attendance, preparation and engagement levels;
- Effectiveness of committee oversight (where applicable); and
- Alignment with shareholder interests and long-term value creation.

Individual contributions are considered in the context of expertise, independence of thought, and participation in Board deliberations.

External advisers were last engaged to provide outside views to the Board evaluation process in FY23. Given the Company's size and stage of development and the recent re-composition of the Board, a further externally facilitated Board review process is presently not scheduled. The Board keeps this under periodic consideration and may engage an external facilitator as the organisation grows in scale and complexity.

Presently and given the size of the Company, there is no formal Nomination Committee. Appointments to the Board and succession planning are considered by the Board as a whole and are made on merit against objective criteria relating to the skills, knowledge and expertise required, and with due regard for the benefits of diversity on the Board and requirements of the Company.

9. ESTABLISH A REMUNERATION POLICY WHICH IS SUPPORTIVE OF LONG-TERM VALUE CREATION AND THE COMPANY'S PURPOSE, STRATEGY AND CULTURE

Primary components of the Company's Remuneration policy are two management bonus schemes which directly link to and support the Company's purpose of being a leading serial acquirer and operator of VMS businesses.

Personnel in the Group's mergers and acquisitions team participate in an M&A Bonus based on deemed value creation achieved in respect of acquisitions made, determined by reference to growth in an internal estimate of post-acquisition value of those companies and the price paid for them.

Personnel in the Group's operations team participate in an Operations Bonus that is based on the aggregate organic growth of sustainable earnings (EBITDA) of companies acquired.

Remuneration for senior members of the Executive Management team is aligned to long term value creation through two share option schemes under which options granted in 2023 can be exercised from September 2028 and September 2030.

At business unit level, remuneration is aligned through bonus schemes based on EBITDA and ARR growth in turn linking performance to the internal quality score metric that measures year-on-year recurring revenue and EBITDA growth with 40 being an industry standard indicator, showing a healthy balance between growth and profitability.

Our Save As You Earn Scheme was introduced to further support one of our purposes, being to maintain an entrepreneurial spirit and culture and providing a permanent home for the teams and management talent that join the Group.

Whilst the Code's application of Principle 9 is for separate votes on the Company's remuneration report and remuneration policy, the Board does not feel that a separate vote on the remuneration policy is proportionate for a company of our size and instead holds a single advisory vote on its remuneration report (inclusive of the remuneration policy), details of which are set out on pages 56 to 57 of this Annual Report.

10. COMMUNICATE HOW THE COMPANY IS GOVERNED AND IS PERFORMING BY MAINTAINING A DIALOGUE WITH SHAREHOLDERS AND OTHER KEY STAKEHOLDERS

The Board places a high priority on clear, fair and objective reporting with its various stakeholder groups.

Challenges experienced in the year and the manner in which the Company addressed them are set out in Chair's and Chief Executive's statements on pages 3 to 5 and 15 to 25 of this Annual Report. The Board structure and governance processes are set out in the disclosures to Principle 6 of the Code set out above.

The Company is presently of a size that it attracts limited analyst attention and does not support having a dedicated investor relations department. To that end, company announcements are the main source of information.

The Chair communicates directly on an adhoc basis with major shareholders, and the CEO and CFO make regular presentations to both existing and prospective shareholders.

Internally, the Company's governance and performance is disseminated to business units through on-line dashboards with business unit management meetings held monthly and Board meetings held quarterly.

The Group's website is regularly updated and, in addition to the Corporate Governance Statement, sets out past and present Annual Reports and Accounts (including audit remuneration committee reports), Interim Reports and Accounts, Shareholder Circulars and Notices and all Company Regulatory News Service announcements.

THE RESULT OF VOTING IN THE 2025 AGM IS PRESENTED AS FOLLOWS:

Resolutions	For*	Against	Withheld
1. To receive the Company's Annual Accounts	192,503,817	0	0
2. To approve the Company's Remuneration Policy and the Directors' Remuneration Report	191,735,184	768,633	0
3. To re-elect Matthias Siegfried Riechert as a Director	143,122,591	7,176,084	42,205,142
4. To re-elect Simon Gregory Barrell as a Director	192,503,817	0	0
5. To elect Bradley Leonard Ormsby as a Director	185,327,733	7,176,084	0
6. To elect Marc Kay Maurer as a Director	192,503,817	0	0
7. To re-elect Gavin Graham Cockerill as a Director	192,503,817	0	0
8. To re-elect Iain Stewart Brown as a Director	192,503,817	0	0
9. To re-elect Richard Alan Lightfoot as a Director	192,503,817	0	0
10. To re-appoint RSM UK Audit LLP as auditors of the Company	192,503,817	0	0
11. To authorise the Company to replace the existing authority to allot shares and to grant rights to subscribe for or convert any security into such shares	192,302,261	196,056	5,500
12. To disapply statutory pre-emption rights	185,059,891	7,438,426	5,500
13. To authorise the Company to make market purchases of its own shares	192,503,817	0	0

*including any votes giving discretion to the Chair.

Circa 98% of the votes withheld in relation to Resolution 3 (re-election of the Chair Matthias Riechert) were received from Axxion SA, the Investment Manager of the P&R Real Value alternative investment fund. P&R Investment Management Limited (of which Matthias Riechert is founder owner and Managing Director) is investment advisor to Axxion SA in respect of the fund. Axxion SA advised the Company that, in those circumstances, it was appropriate for it to abstain from voting on the resolution.

Circa 90% of the votes received against Resolutions 3, 5 and 12 were received from two nominee accounts. The Company Secretary has since identified the shareholder behind one of those accounts, engaged in constructive discussions to understand the reasons for the votes and provided the shareholder with information and context to address them.

Audit committee report

The Audit Committee is responsible for ensuring that the financial performance of the Group is properly reported and reviewed. Its role includes monitoring the integrity of the financial statements (including annual and interim accounts and results announcements), reviewing internal control and risk management systems, reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors and advising on the appointment of external auditors.

MEMBERS OF THE AUDIT COMMITTEE

The Audit Committee comprises Simon Barrell as Chair, Brad Ormsby and Matthias Riechert. The Audit Committee formally met twice during the year.

The Board is satisfied that I, as Chair of the Committee, have recent and relevant financial experience. I am a Chartered Accountant, have held numerous non-executive positions for a number of public companies and continue to act as an adviser to both listed and non-listed companies.

DUTIES

The Audit Committee's principal tasks are to review the scope of external audit, to receive regular reports from the auditors and to review the half-yearly and annual accounts before they are presented to the Board, focusing in particular on legal requirements and accounting standards as well as areas of management judgement and estimation.

The Audit Committee is responsible for monitoring the controls which are in force to ensure the integrity of the information reported to the shareholders. It acts as a forum for discussion of internal control issues and contributes to the Board's review of the effectiveness of the Group's internal control and risk management systems and processes.

The Audit Committee also undertakes a formal assessment of the auditor's independence each year which includes:

- a review of the non-audit services provided to the Company and related fees;
- discussion with the auditors of a written report detailing all relationships with the Company and any other parties that could affect independence or the perception of independence;
- a review of the auditor's own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and
- obtaining written confirmation from the auditors that, in their professional judgement, they are independent.

The Audit Committee advises the Board on the appointment of external auditors and on their remuneration for both audit and non-audit work.

During the year, the main items of business considered by the Audit Committee included:

- working with the Group auditors, on the findings of the 2025 audit;
- review of the FY26 audit plan;
- consideration of key audit matters and how they are addressed;
- review of the full year and interim results on behalf of the Board;
- consideration of significant accounting policies, ensured compliance with accounting standards;
- consideration of the external audit report and management representation letter;
- going concern review;
- review of the need for an internal audit function; and
- holding separate discussions with the auditor without management being present on the adequacy of controls and any judgemental areas.

AUDITOR OBJECTIVITY, INDEPENDENCE, AND PERFORMANCE

Regularly reviewing and assessing the effectiveness of the audit process is essential to maintaining the integrity and quality of financial reporting.

The Audit Committee monitors the relationship with the external auditor, RSM, to ensure that auditor independence and objectivity are maintained. As part of its review, the Audit Committee monitors the provision of non-audit services by the external auditor. The breakdown of fees between audit and non-audit services is provided in Note 3 of the Group's financial statements. There were no non-audit services provided by RSM during the year. The external auditors are required to rotate audit partners responsible for the Group audit every five years.

Having reviewed the auditor's independence and performance, the Audit Committee recommends that RSM be re-appointed as the Group's auditor at the next AGM.

INTERNAL AUDIT

At present, the Group does not have an internal audit function as the Audit Committee believes that it is able to derive assurance as to the adequacy and effectiveness of internal controls and risk management procedures without one. However, the Audit Committee continues to assess this.

RISK MANAGEMENT AND INTERNAL CONTROLS

As described in the Corporate Governance Statement on pages 44 to 53, the Group has established a framework of risk management and internal control systems and procedures. The Audit Committee is responsible for reviewing the risk management and internal control framework and ensuring that it operates effectively. The Audit Committee supports the Board in its overall responsibility for risk management activities and implementing policies to ensure that all risks are evaluated, measured and kept under review by way of appropriate KPIs.

Simon Barrell
Audit Committee Chair
22 July 2026

Directors' remuneration report

As a company quoted on AIM, the Company is exempt from the S420 obligation of the Companies Act 2006 to prepare a Directors' Remuneration Report and the S439A obligation to put a written remuneration policy to a shareholder vote once every three years.

REMUNERATION COMMITTEE

The Company has an established Remuneration Committee which is constituted in accordance with the recommendations of the UK Corporate Governance Code. The members of the Committee are Matthias Riechert, Simon Barrell and Brad Ormsby who are Non-Executive Directors. Matthias Riechert chairs the Committee.

In determining the Directors' remuneration for the year, the Committee consulted the Chief Executive about its proposals. It reviewed roles and responsibilities to ensure that pay levels remain appropriate for the scope and complexity of each role. Market data from comparable companies was considered to benchmark remuneration. The Remuneration Committee also assessed whether the variable components of pay operated as intended, both in design and in outcome. It is satisfied that the current structure continues to support long-term, sustainable value creation for shareholders.

REMUNERATION POLICY

The policy of the Remuneration Committee is to reward Executive Directors in line with the current remuneration of directors in comparable businesses taking into consideration the advice of independent bodies, in order to recruit, motivate and retain high quality executives within a competitive market place.

The main elements of the remuneration packages for Executive Directors and senior management are basic annual salary (including Directors' fees) and benefits.

BASIC ANNUAL SALARY

Basic pensionable salary is reviewed annually in March with increases, if awarded, taking effect from 1 April. In addition to basic salary, the Executive Directors also receive certain benefits in kind, principally private medical insurance.

ANNUAL CASH BONUS

The Group operates a cash bonus scheme for key personnel across the Group's operations team ("Operations Bonus") and Mergers and Acquisitions team ("M&A Bonus").

The bonus pool available to the Operations team is 20% of the aggregate organic growth of sustainable earnings (EBITDA) above a 5% hurdle. The organic growth will be determined by the Board by observing the change of actual aggregate EBITDA over one period, or, where the company has been recently acquired, by taking the difference between actual EBITDA and an internal target of sustainable EBITDA. The target and the hurdle may be adjusted on a time-apportioned basis where a company is acquired part way through a Bonus Period. Operations Bonuses are payable following the end of the bonus period once financial results have been determined by the Board.

The bonus pool available to the M&A team is 2.75% of the deemed "value creation" achieved in respect of companies acquired, determined by reference to any difference between our internal estimate of post-acquisition value of those companies and the price paid for them, with each recipient receiving a proportion of that amount to be determined at the discretion of the Remuneration Committee. M&A Cash Bonuses are payable in two instalments, with 50% of each individual's M&A Cash Bonus being payable following the end of the Bonus Period and the remaining 50% payable following the end of the next Bonus Period, in each case once financial results have been determined by the Board.

PENSION ARRANGEMENTS

The Company contributes the legally required pension contributions.

SHARE OPTIONS

The Company has in place three share option schemes for its directors, a tax advantaged Save-as-you-earn scheme (SAYE), a tax advantaged discretionary share option plan (CSOP) and a non-tax advantaged, discretionary share option plan (Share Option Plan). Under the CSOP, options were issued at £0.09 (being market value at the time of issue) and vest after five years. Under the Share Option Plan, options were issued at £0.166 (being based on the market value at inception plus 10% annual compound growth over the option period) options vest at 25% per annum from September 2026, but do not become exercisable until September 2030. Under the SAYE, options were issued at £0.285 (being market value at the time of issue) and vest after three years.

DIRECTORS' CONTRACTS

It is the Company's policy that Executive Directors should have contracts with an indefinite term. The CEO's contract is subject to twelve months written notice. All other Executive Directors' contracts are subject to six months written notice. There are no specific provisions for compensation in the event of loss of office. The Remuneration Committee would consider the circumstances of any early termination and determine compensation payments accordingly.

NON-EXECUTIVE DIRECTORS

The fees of each Non-Executive Director are determined by the Board as a whole, excluding the Non-Executive being reviewed, having regard to the commitment of time required and the level of fees in similar companies. Non-Executive Directors' contracts are subject to three months written notice.

ELEMENTS OF REMUNERATION

Year ended 31 March 2026:

	Basic salary £	Fees £	Benefits £	Bonuses £	Pension £	Total £
M Riechert	-	45,000	-	-	-	45,000
S G Barrell	-	40,000	-	-	-	40,000
B L Ormsby	-	35,000	-	-	-	35,000
M K Maurer*	-	-	-	-	-	-
G G Cockerill	200,000	-	1,065	75,856	11,359	288,280
I S Brown	150,000	-	720	60,227	7,432	218,379
R A Lightfoot	132,000	-	1,835	31,361	5,693	170,889
	482,000	120,000	3,620	167,444	24,484	797,548

Year ended 31 March 2025:

	Basic salary £	Fees £	Benefits £	Bonuses £	Pension £	Total £
J-H Mohr	-	11,667	-	-	-	11,667
C C Bona	-	11,667	-	-	-	11,667
M Riechert	-	25,000	-	-	-	25,000
S G Barrell	-	25,000	-	-	-	25,000
B L Ormsby	-	13,365	-	-	-	13,365
M K Maurer*	-	-	-	-	-	-
G G Cockerill	150,000	-	1,029	72,684	7,787	231,500
I S Brown	120,000	-	700	59,587	6,216	186,503
R A Lightfoot	120,000	-	1,760	17,781	4,975	144,516
	390,000	86,699	3,489	150,052	18,978	649,218

* M K Maurer, as a representative of major shareholder Chapters Group AG, has elected not to take a non-executive fee.

DIRECTORS' INTERESTS

At 31 March 2026, the Directors had the following beneficial interests in the Company's shares:

	Ordinary shares of 1p each		Share Options	
	31 March 2026	31 March 2025	**31 March 2026**	31 March 2025
M Riechert	**3,192,573**	3,192,573	**-**	-
S G Barrell	**128,034**	128,034	**-**	-
B L Ormsby	**-**	-	**-**	-
M K Maurer	**-**	-	**-**	-
G G Cockerill	**204,054**	138,777	**4,768,884**	4,704,499
I S Brown	**238,220**	124,954	**4,768,884**	4,704,499
R A Lightfoot	**619,510**	619,510	**4,768,884**	4,704,499

Changes in Directors' interests are detailed within note 25.

Options over ordinary shares in the Company

			Number of share options		
Date of issue	Exercise price (p)	Vesting date	G G Cockerill	I S Brown	R A Lightfoot
21/09/2023	9.0	21/09/2028	666,666	666,666	666,666
21/12/2023	16.6	29/09/2030	4,037,833	4,037,833	4,037,833
01/10/2025	28.5	01/10/2028	64,385	64,385	64,385
Total			4,768,884	4,768,884	4,768,884

There were no changes in the interest of Directors between 31 March 2026 and the date of this report.

The market price of shares as at 31 March 2026 was 15.70 pence (2025: 29.60 pence). The range during the period under review was 13.22 pence to 32.40 pence.

Matthias Riechert
Remuneration Committee Chair
22 July 2026

Independent auditor's report to the members of Software Circle plc

OPINION

We have audited the financial statements of Software Circle PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the consolidated statement of comprehensive income, consolidated and company statement of financial position, consolidated and company statement of changes in Shareholders' equity, consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2026 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

SUMMARY OF OUR AUDIT APPROACH

Key audit matters	**Group** • Revenue recognition • Business combinations **Parent Company** • Impairment of intercompany receivables
Materiality	**Group** • Overall materiality: £472,000 (2025: £402,000) • Performance materiality: £354,000 (2025: £301,000) **Parent Company** • Overall materiality: £1,050,000 (2025: £789,000) • Performance materiality: £787,500 (2025: £591,000)
Scope	Our audit procedures covered 87% of revenue, 93% of total assets and 92% of loss before tax.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the group and parent company financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the group and parent company financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

REVENUE RECOGNITION

Key audit matter description	(Refer to page 70 regarding the accounting policy in respect of revenue recognition and note 2 in respect of revenue and operating segments). Appropriate and accurate income recognition is required to be applied by the Directors to ensure that revenue is fairly stated in the financial statements. There is a risk that revenue is recognised inappropriately due to fraud or error and that the revenue recognised is not in line with the underlying trading arrangements. As a result of the acquisitive nature of the Group, there are numerous revenue streams within the business. There is a risk that revenue is not accurately captured within the financial statements, recognised within the correct period or that the established revenue recognition policies are not appropriately applied given the various types of revenue earned.
How the matter was addressed in the audit	The Group's revenue recognition accounting policies were scrutinised against the requirements of IFRS 15. Substantive tests of detail were performed on a sample of revenue items recognised in the period to determine the occurrence and appropriate cut-off of the items selected. These were undertaken across the different revenue streams. Our procedures included testing a sample of revenue transactions to supporting invoices and subsequent cash receipts, performing data analytics to identify revenue transactions outside the normal course of business, and undertaking analytical review procedures including cash-to-revenue reconciliations. These procedures were designed to assess the occurrence and accuracy of revenue recognised during the year and to identify any unusual or potentially inappropriate revenue recognition. The recognition of revenue around the period end was tested on a sample basis to determine that it had been reported in the correct period.

BUSINESS COMBINATIONS

Key audit matter description	(Refer to page 69 regarding the accounting policy in respect of business combinations and note 22 in respect of acquisitions disclosure). The Group is highly acquisitive and there have been two acquisitions within the period being audited. The fair value assigned to the net assets at the acquisition date, particularly the fair value assigned to separately identifiable intangibles, requires a significant degree of management estimation and judgement. Furthermore, a number of the acquisitions had elements of deferred consideration and contingent consideration as part of the transaction. The recognition and valuation of these items requires significant estimations and assumptions from management.
How the matter was addressed in the audit	The opening balance sheets for the acquired entities have been agreed to completion accounts, with the reliability of the completion accounts tested. Consideration paid and payable, including deferred and contingent consideration, has been corroborated to supporting agreements. Assumptions in relation to contingent consideration recognised have been assessed to confirm they have been reflected in the workings at an appropriate value. We assessed management's judgement regarding the classification of contingent and deferred payments to selling shareholders, including whether such amounts represented consideration for the acquired business or remuneration for post-acquisition employment, with reference to the requirements and indicators contained within IFRS 3. The fair value assigned to net assets as at the acquisition date and the assumptions used within the valuation of these assets have been scrutinised to confirm they are reasonable. Valuation techniques and assumptions used by management have been reviewed to confirm in line with IFRS 3. The disclosures in relation to the acquisitions have been reviewed to ensure they have been appropriately reflected within the financial statements.

IMPAIRMENT OF INTERCOMPANY RECEIVABLES

Key audit matter description	(Refer to page 70 regarding the accounting policy in respect of trade and loan receivables and note 13 in respect of trade and other receivables disclosure). The parent company holds a number of intercompany receivables totalling £4,925,000 (2025: £4,727,000) (both stated after a provision of £6,042,000) in respect of sums advanced or due from subsidiary companies. In assessing the recoverability of the intercompany receivables management has considered a range of credit loss outcomes in their models in which forecasted data is used to generate the outcomes. Due to the significance of the balances on the parent company balance sheet and the judgement involved in the impairment assessment, we consider accounting for these balances a key audit matter.
How the matter was addressed in the audit	The methodology utilised by management to determine the recoverability of intercompany balances was reviewed, with reference to the requirements of IFRS 9 Financial Instruments. We obtained management's calculation of the Expected Credit Loss ("ECL") and the underlying calculations prepared to support the carrying value of the balance and performed work as follows: • Assessed the reasonableness of the scenarios considered by management and the probabilities assigned to each. • Ensured that the cash flow forecasts used were consistent with the latest Board approved forecasts. • Recalculated the computation of the ECL including reviewing the mechanical accuracy of the model and agreeing the inputs to management's supporting documentation. • Challenged management on a number of the assumptions in the cash flow forecasts and re-ran the model to assess the impact on management's conclusions. We reviewed the appropriateness of disclosures made, including in respect of the key source of estimation uncertainty.

OUR APPLICATION OF MATERIALITY

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent company
Overall materiality	£472,000 (2025: £402,000)	£1,050,000 (2025: £789,000)
Basis for determining overall materiality	2% of revenue	2% of total assets
Rationale for benchmark applied	We have chosen revenue as the benchmark for the group as we consider this to be the most relevant benchmark of activity and trading performance of the group as it continues to grow through acquisition.	As this is a non-trading holding company, total assets is considered the key benchmark as it is reflective of the parent company's investments in its subsidiaries.
Performance materiality	£354,000 (2025: £301,000)	£787,000 (2025: £589,000)
Basis for determining performance materiality	75% of overall materiality	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £23,600 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £11,800 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

The group consists of 14 components, 10 of which are based in the UK, 3 in the Republic of Ireland and 1 in the USA.

The coverage achieved by our audit procedures was:

	Number of components	Revenue	Total assets	Profit before tax
Full scope audit	2	24%	80%	68%
Specific audit procedures	12	63%	13%	24%
Total	**14**	**87%**	**93%**	**92%**

Of the above, no audits were undertaken by component auditors.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included reviewing management's going concern assessment and forecast model, performing checks to confirm its internal consistency and mathematical accuracy, consideration of reasonable sensitivities and challenging the key assumptions and estimates within. The appropriateness of disclosures concerning the going concern basis was also considered.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 43, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

THE EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operates in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud

The most significant laws and regulations were determined as follows:

Legislation / Regulation	Additional audit procedures performed by the audit engagement team included:
IFRS/UK-adopted IAS, FRS101 and Companies Act 2006	• Review of the financial statement disclosures and testing to supporting documentation; • Completion of disclosure checklists to identify areas of non-compliance
Tax compliance regulations	• Inspection of advice received from external tax advisors • Inspection of correspondence with local tax authorities

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Revenue recognition	The Group's revenue recognition accounting policies were scrutinised against the requirements of IFRS 15. Substantive tests of detail over a sample of sales recognised in the year including agreement of the sales value to underlying sales documentation and the occurrence to evidence of delivery. Data analytics procedures were also used to review revenue transactions which fell outside the expected revenue cycle. Reviewing the cut-off treatment of a sample of sales recorded around the year end. We have tested a sample of license income transactions to ensure this has been correctly recognised in line with policy.
Management override of controls	Testing the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: **http://www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

ANDREW ALLCHIN FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Landmark, St Peter's Square,
1 Oxford Street,
Manchester M1 4PB
Date: 22 July 2026

Consolidated statement of comprehensive income

FOR THE YEAR ENDED 31 MARCH 2026	Note	**2026 £000**	2025 £000
Revenue	2	**22,261**	18,274
Direct costs		**(4,630)**	(5,028)
Gross profit		**17,631**	13,246
Staff costs	4	**(8,532)**	(7,433)
Other operating charges		**(2,374)**	(2,404)
Depreciation and amortisation	9 & 10	**(6,121)**	(4,608)
Profit on disposal of domain		**-**	1,712
Value adjustment of consideration payable	16	**119**	191
Operating profit	2 & 3	**723**	704
Financial income		**66**	386
Financial expenses	5	**(1,834)**	(887)
Value adjustment on bond settlement	16	**-**	(874)
Net financing expense		**(1,768)**	(1,375)
Loss before tax		**(1,045)**	(671)
Tax credit	6	**236**	342
Loss for the year		**(809)**	(329)
Other Comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign subsidiaries		**132**	(64)
Loss and total comprehensive income for the year		**(677)**	(393)
Earnings per share attributable to the ordinary equity shareholders of Software Circle plc basic and diluted[1], pence per share	7	**(0.21)p**	(0.08)p

(1) Earnings per share suffers no dilution as the Group has reported a net loss after tax
The notes on pages 68-94 form part of these financial statements.

Consolidated and company statement of financial position

AT 31 MARCH 2026	Note	Group 2026 £000	Group 2025 £000	Company 2026 £000	Company 2025 £000
Non-current assets					
Property, plant and equipment	9	**601**	764	**-**	-
Intangible assets	10	**36,086**	26,862	**-**	-
Investments in subsidiaries	11	**-**	-	**42,264**	29,814
Other receivables	13	**-**	-	**4,925**	4,727
Total non-current assets		**36,687**	27,626	**47,189**	34,541
Current assets					
Inventories	12	**19**	26	-	-
Trade and other receivables	13	**2,118**	1,881	**275**	759
Cash and cash equivalents	14	**3,937**	8,566	**625**	5,075
Total current assets		**6,074**	10,473	**900**	5,834
Total assets		**42,761**	38,099	**48,089**	40,375
Current liabilities					
Trade and other payables	15	**4,278**	3,830	**9,241**	4,573
Other interest-bearing loans and borrowings	16	**4,200**	2,692	**4,084**	2,533
Total current liabilities		**8,478**	6,522	**13,325**	7,106
Non-current liabilities					
Other interest-bearing loans and borrowings	16	**11,151**	8,108	**10,835**	7,609
Deferred tax liabilities	8	**2,290**	2,075	**-**	-
Total non-current liabilities		**13,441**	10,183	**10,835**	7,609
Total liabilities		**21,919**	16,705	**24,160**	14,715
Net assets		**20,842**	21,394	**23,929**	25,660
Equity attributable to equity holders of the parent					
Share capital	19	**3,901**	3,901	**3,901**	3,901
Merger reserve		**838**	838	**627**	627
Share premium	20	**28,255**	28,255	**28,255**	28,255
Share based payment reserve		**268**	143	**37**	37
Translation reserve		**117**	(15)	**-**	-
Retained earnings		**(12,537)**	(11,728)	**(8,891)**	(7,160)
Total equity		**20,842**	21,394	**23,929**	25,660

The parent company result for the year was a loss of £1,731,000 (2025: profit of £959,000).
The notes on pages 68-94 form part of these financial statements.

The financial statements of Software Circle plc, registered number 03983312, were approved by the Board of directors on 22 July 2026 and were signed on its behalf by:

I S BROWN
Director

Consolidated and Company statement changes in shareholders' equity

GROUP – YEAR ENDED 31 MARCH 2026

	Share capital £000	Merger reserve £000	Share premium £000	Share based payment reserve £000	Translation reserve £000	Retained earnings £000	Total £000
Balance at 31 March 2024	3,901	838	28,255	37	58	(11,408)	21,681
Total comprehensive income for the year	-	-	-	-	(64)	(329)	(393)
Transfer of translation reserve on closure of foreign subsidiaries	-	-	-	-	(9)	9	-
Share option charge	-	-	-	106	-	-	106
Total movement in equity	-	-	-	106	(73)	(320)	(287)
Balance at 31 March 2025	3,901	838	28,255	143	(15)	(11,728)	21,394
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**132**	**(809)**	**(677)**
Share option charge	**-**	**-**	**-**	**125**	**-**	**-**	**125**
Total movement in equity	**-**	**-**	**-**	**125**	**132**	**(809)**	**(552)**
Balance at 31 March 2026	**3,901**	**838**	**28,255**	**268**	**117**	**(12,537)**	**20,842**

COMPANY – YEAR ENDED 31 MARCH 2026

	Share capital £000	Merger reserve £000	Share based Share premium £000	payment reserve £000	Translation reserve £000	Retained earnings £000	Total £000
Balance at 31 March 2024	3,901	627	28,255	37	-	(8,119)	24,701
Total comprehensive income for the year	-	-	-	-	-	959	959
Total movement in equity	-	-	-	-	-	959	959
Balance at 31 March 2025	3,901	627	28,255	37	-	(7,160)	25,660
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**(1,731)**	**(1,731)**
Total movement in equity	**-**	**-**	**-**	**-**	**-**	**(1,731)**	**(1,731)**
Balance at 31 March 2026	**3,901**	**627**	**28,255**	**37**	**-**	**(8,891)**	**23,929**

The notes on pages 68-94 form part of these financial statements.

Consolidated statement of cash flows

FOR YEAR ENDED 31 MARCH 2026	Note	Group 2026 £000	Group 2025 £000
Cash flows from operating activities			
Loss for the year		**(809)**	(329)
Adjustments for:			
Depreciation, amortisation and impairment		**6,121**	4,789
Loss / (profit) on disposal of plant and equipment		**3**	(223)
Profit on disposal of intangible assets		**-**	(1,712)
Share based payments		**125**	106
Financial income		**(66)**	(386)
Financial expense		**1,834**	887
Value adjustment on bond settlement		**-**	874
Bad debt (credit) / expense		**(79)**	83
Tax credit		**(236)**	(342)
Value adjustment on consideration payable		**(119)**	(191)
Operating cash flow before changes in working capital and provisions		**6,774**	3,556
Change in trade and other receivables		**297**	978
Change in inventories		**7**	7
Change in trade and other payables		**(592)**	(1,601)
Cash generated from operations		**6,486**	2,940
Corporation tax paid		**(548)**	(156)
R&D tax income received		**-**	158
Net cash inflow from operating activities		**5,938**	2,942
Cash flows from investing activities			
Purchase of property, plant and equipment		**(42)**	(61)
Disposal of property, plant and equipment		-	46
Disposal of intangible assets		**-**	1,712
Capitalised development expenditure	10	**(1,825)**	(1,292)
Purchase of other intangible assets		**-**	(16)
Interest received		**66**	329
Acquisition of subsidiaries net of cash	22	**(8,925)**	(7,367)
Payment of deferred consideration		**(2,309)**	(1,318)
Net cash used in investing activities		**(13,035)**	(7,967)
Cash flows from financing activities			
Proceeds from loans	16	**4,250**	6,700
Repayment of loans	23	**(696)**	(7,361)
Finance costs paid		**(899)**	(913)
Capital payment of lease liabilities	23	**(156)**	(132)
Interest payment of lease liabilities	23	**(48)**	(84)
Net cash generated from / (used in) financing activities		**2,451**	(1,790)
Net decrease in cash and cash equivalents		**(4,646)**	(6,815)
Foreign exchange movements		**17**	(10)
Cash and cash equivalents at the start of the year		**8,566**	15,391
Cash and cash equivalents at the end of the year	14	**3,937**	8,566

The notes on pages 68-94 form part of these financial statements.

Notes to the financial statements

1. ACCOUNTING POLICIES

GENERAL INFORMATION

Software Circle plc (the "Company") is a public limited company incorporated and domiciled in the UK. The Company's registered office is C/O Gateley Legal, Ship Canal House, 98 King Street, Manchester, England, M2 4WU.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group") and are presented in sterling. The parent company financial statements present information about the Company as a separate entity and not about its Group.

ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

New standards, amendments and interpretations effective or adopted by the Group

During the year ended 31 March 2026, the Group adopted the amendments to:

- IAS 21 "The Effects of Changes in Foreign Exchange Rates" in relation to lack of exchangeability.

Adoption of this amendment had no material impact on these Summary Financial Statements. There were no other standards, amendments to standards or interpretations relevant to the Group's operations which were adopted during the year.

New standards, amendments and interpretations issued, but not yet adopted by the Group

IFRS 18 "Presentation and Disclosure in Financial Statements" was issued in April 2024 and will be effective from 1 January 2027 (1 April 2027 for the Group). This standard will replace IAS 1 "Presentation of Financial Statements." The new standard does not amend the principles of recognition and measurement and so will not impact the financial results of the Group. However, it will impact the presentation of the consolidated financial statements, in particular the consolidated statement of comprehensive income.

While the Group is continuing to assess the full impact of adoption of the standard, it is expected that the presentation of the consolidated statement of comprehensive income will be amended to include the new subtotals prescribed in the standard. It is expected that certain notes to the consolidated financial statements will also be amended to comply with aggregation and disaggregation principles. The Group also expects an impact on its narrative reporting. A number of the alternative performance measures used in the Strategic Report, including Operating EBITDA, Adjusted EBITDA and Operating Cash Flow Per Share, are likely to meet the definition of management-defined performance measures under the standard. Where they do, they will be brought within the audited financial statements through a single, dedicated note that explains each measure, sets out why it provides useful information to users, and reconciles it to the most directly comparable subtotal or total specified by the standard. The Group also expects to align the terminology, subtotals and key performance indicators used in its narrative commentary with the new defined categories, so that the description of performance in the front half of the Annual Report remains consistent with the primary statements. The Group does not currently expect these changes to alter the measures management uses to run the business, but they will affect how those measures are presented, labelled and reconciled.

Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" in relation to the classification and measurement of financial instruments have been issued. An additional amendment has also been made to both standards in relation to contracts referencing nature-dependent electricity. These amendments will be effective from 1 January 2026 (1 April 2026 for the Group). While the impact of adoption is continuing to be assessed, it is not expected the amendments will have a material impact on the Group's consolidated financial statements.

BASIS OF PREPARATION

The Group financial statements comprise the financial statements of the Company and all of its subsidiaries made up to the financial year end. Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The consolidated financial statements are prepared under the historic cost convention except for certain financial instruments which are carried at fair value. The principal accounting policies adopted in the preparation of the financial information are set out below. The policies have been consistently applied to all the periods presented.

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards. The parent company financial statements have been prepared in accordance with FRS 101, as applied in accordance with the provisions of the Companies Act 2006.

On publishing the parent company financial statements here together with the Group financial statements, the Company is taking advantage of the exemption in s408 of the Companies Act 2006 not to present its individual statement of comprehensive income and related notes that form a part of these approved financial statements. As permitted by FRS 101, for both periods presented, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of a cashflow statement, share-based payments, fair value measurements, comparative reconciliations for tangible and intangible assets, standards not yet effective, related party transactions with other wholly owned members of the Group, and key management personnel compensation.

Intercompany balances and transactions have been eliminated. Profits from intercompany sales, to the extent that they are not yet realised outside the Group, have also been eliminated.

The Group has provided parent guarantees to the following subsidiaries and thereby taken advantage of the audit exemption by virtue of s479A of the Companies Act 2006:

Nettl Systems Limited	02728004
Software Circle Management Limited	14943647
Vertical Plus Limited	04187838
Care Management Systems Limited	06495506
Watermark Technologies Limited	04644290
Arc Technology Limited	02523564
Be The Brand Experience Limited	04177329
Link Maker Systems Limited	08472919
Total Drive Software Limited	12853994

GOING CONCERN

The Directors' assessment of going concern, including the base case forecast and sensitivities applied, the principal risks considered and the conclusion reached, is set out in the Going Concern section of the Directors' Report on page 42. Having regard to that assessment, the Directors have prepared these financial statements on the going concern basis.

SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the Board of Directors.

BUSINESS COMBINATIONS

In accordance with IFRS 3 "Business Combinations", when accounting for acquisitions the Group measures goodwill at the acquisition date as the:

- fair value of the consideration transferred; plus
- recognised amount of any non-controlling interests in the acquiree; plus
- fair value of the existing equity interest in the acquiree; less
- net recognised amount (fair value) of the identifiable assets acquired and liabilities assumed.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

To the extent that deferred consideration is payable as part of the acquisition cost, the deferred consideration is discounted at an appropriate interest rate and, accordingly, carried at net present value in the consolidated statement of financial position. The discount component is then unwound as an interest charge in the consolidated statement of comprehensive income over the life of the obligation.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

Where amounts payable to the former owners of an acquired business are linked to their continued employment with the Group, the Directors assess, in accordance with IFRS 3, whether those amounts represent consideration for the business combination or remuneration for post-combination services. Arrangements under which payments are automatically forfeited if employment ceases are treated as remuneration for post-combination services. Such amounts are recognised as an employee expense in the consolidated statement of comprehensive income over the period in which the related services are provided, rather than being included in the consideration transferred and goodwill. In the Directors' view, the commercial substance of these amounts is more akin to consideration for the acquired business, as they form part of the negotiated economic price and the retention condition principally serves to protect the value being acquired. To reflect this, the Group treats such amounts as acquisition related costs, including them within Capital Deployed and excluding them from Adjusted EBITDA in its alternative performance measures (see page 28).

Transaction costs are expensed to the statement of comprehensive income as incurred.

1. ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS

Investments in subsidiaries are stated at cost less provision for any permanent diminution in value. Where in the opinion of the Directors an impairment of the investment has arisen, the value of the investment will be written down to the recoverable amount in accordance with IAS 36 'Impairment of Assets'. Where surplus cash at the date of acquisition is subsequently withdrawn post-acquisition this is treated as a return of investment, reducing the carrying value of the investment in the subsidiary.

REVENUE

IFRS 15, in respect of the recognition of Revenue from Contracts with customers, requires the Group to separately recognise revenue with respect to the various components of the contractual arrangements. Where contracts have separately identifiable components with distinct patterns of delivery and customer acceptance, revenue is accounted for separately once the performance obligation is satisfied.

The Group contracts with its customers on the following bases:

- Supply of product. The Group considers the performance obligation to have been met when the product is delivered and, where required, installed.
- Licence fees, including franchise fees, for SaaS products are for a set period of time as specified with the customer. There is considered to be a single performance obligation for delivering a managed software service which is satisfied over the length of the contract. Revenue is therefore recognised over the life of the contract.
- Commissions on third-party sales. The Group considers the performance obligation to have been met when the third-party sale has taken place.
- Provision of professional services. The Group considers the performance obligation to have been met when the service has been provided.
- Rental of equipment. There is considered to be a single performance obligation for the provision of the IT equipment and the related software installed. The Group leases certain assets to customers with preloaded software. It is not practical to split the revenue from the lease of the physical asset and that of the preloaded software. Revenue is recognised over the life of the contract.

INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and is valued at purchased cost. Net realisable value is based on estimated selling price less additional costs to completion and necessary costs to make the sale.

FINANCIAL ASSETS AND LIABILITIES

FINANCIAL ASSETS

The Group and Company classify all its financial assets into the amortised cost category. The accounting policies for each category is as follows:

- Trade and loan receivables: Trade receivables are initially recognised and carried at original invoice amount less an allowance for any uncollectible or impaired amounts. An impairment provision is calculated by considering the trade receivables and expected credit losses. The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward- looking information on factors affecting the Group's customers.
- An estimate for doubtful debts is also made when collection of the full amount is no longer probable. Debts are written off when they are identified as being uncollectible.
- Loan receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.
- They arise principally through the intercompany loans; Impairment of loan receivables is calculated utilising the lifetime expected credit losses of these loans and the changes in the credit risk of the counterparty.
- Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits which are subject to an insignificant risk of changes in value.

The recoverable amount of the Group's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

FINANCIAL LIABILITIES

The Group and Company treat financial liabilities in accordance with the following accounting policies:

- Trade payables and other short-term monetary liabilities are recognised at fair value and subsequently at amortised cost.
- Loans are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method. "Interest expense" in this context includes initial transaction costs and premiums payable on redemption, as well as any interest payable while the liability is outstanding.
- Deferred consideration is initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Where future payments are contingent on future events or performance conditions are initially recognised at fair value. They are subsequently measured at fair value through profit and loss with changes in fair value being recognised in the Group statement of comprehensive income.

SHARE CAPITAL

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from proceeds within share premium.

BORROWING COSTS

Borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred.

CURRENT TAXATION

The current tax is based upon the taxable profit for the period together with adjustments, where necessary, in respect of prior periods. The Group's asset or liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the financial period end date.

Current tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

DEFERRED TAXATION

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the Statement of Financial Position differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised. The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

RESEARCH AND DEVELOPMENT INCOME

The Group undertakes qualifying research and development (R&D) activity and claims a taxable credit under the Research and Development Expenditure Credit (RDEC) scheme, calculated on qualifying R&D expenditure incurred in the year. RDEC income is recognised in the accounting year to which the related R&D expenditure relates, at the point the claim for that year is made, notwithstanding that the claim itself may be prepared and submitted to HM Revenue & Customs after the year end. Income is recognised where there is reasonable assurance that the qualifying conditions of the scheme have been met and that the credit will be received. RDEC income is presented within other operating charges, before deduction of the notional tax charge arising on the credit, which is recognised within the tax charge for the year. Amounts not yet received at the balance sheet date are included within the corporation tax debtor/liability.

EXCEPTIONAL COSTS / (INCOME)

Exceptional costs represent those costs / (income) that are considered by the Directors to be either material in nature or non-recurring and that require separate identification to give a true and fair view of the Group's profit / (loss) for the year.

FINANCING COSTS

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in profit or loss on the date the entities within the Group's right to receive payment is established.

1. ACCOUNTING POLICIES (CONTINUED)

SHARE BASED PAYMENTS

The Group operates equity-settled share-based compensation plans, under which the Company receives services from employees as consideration for equity instruments of the Group. The fair value of the employee services received in exchange for the grant of the equity instruments is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the instruments granted, calculated using the Black Scholes model. At the end of each reporting period, the Group revises its estimates of the number of instruments that are expected to vest based on the non-market vesting conditions and service conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost less accumulated depreciation and impairments. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Fixtures and fittings	- 20% to 33% straight line
Plant and equipment	- 7% to 30% straight line
Motor Vehicles	- 20% straight line
Leasehold improvements	- over the life of the lease, straight line
Right of use assets	- over the life of the lease, straight line

Where assets have been depreciated down to their estimated residual value they are no longer depreciated, a number of assets were subject to this in the year.

INTANGIBLE ASSETS

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is charged to profit or loss on a straight-line basis over the useful economic life of the asset as follows:

Domains & brand	- 20 years
Software	- 3 years
Capitalised development costs	- 3 years
Acquired Technology	- 3 to 6 years
Customer Lists	- 3 to 10 years

RESEARCH AND DEVELOPMENT COSTS

Research costs are expensed as incurred. Development costs are charged to the profit or loss account in the year of expenditure, except when individual projects satisfy the following criteria:

- the project is clearly defined and related expenditure is separately identifiable;
- the project is technically feasible and commercially viable;
- current and future costs will be exceeded by future sales; and adequate resources exist for the project to be completed.

In such circumstances the costs are carried forward and amortised over three years.

SOFTWARE

External expenditure on computer systems and software is stated at cost less accumulated amortisation and impairment losses.

CUSTOMER LISTS

Customer lists arise on the acquisition of subsidiary companies. Customer lists are individually tested bi-annually for indications of impairment.

TECHNOLOGY

Technology assets arise on the acquisition of subsidiary companies by assessing the value-in-use of the software acquired. The technology assets are tested bi-annually for indication of impairment.

GOODWILL

Goodwill may arise on acquisitions. Where this occurs, the valuation will be supported by a fair value assessment of the expected future cash flows from the related cash generating unit.

IMPAIRMENT OF NON FINANCIAL ASSETS

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

LEASES

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within Property, Plant and Equipment and disclosed separately in note 17.

The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

For leases of assets granted by the Group, those leases are assessed in line with IFRS 16 to determine whether the lease should be classified as a finance lease or an operating lease. Following that assessment, the Group classifies any such leases as operating leases. The associated assets are capitalised as fixed assets and depreciated over their expected useful economic life. Revenue generated from those assets is recognised in line with IFRS 15.

FOREIGN CURRENCIES

Foreign currency transactions are recorded at the exchange rate prevailing at the date of the transaction. At each Balance Sheet date, monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing at the Balance Sheet date. Translation differences on monetary items are taken to profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the exchange rate at the date of transaction.

The financial statements of overseas subsidiaries are translated into sterling at the exchange rate ruling at the Balance Sheet date; income and expenses are translated at an average exchange rate. The resulting surpluses and deficits are recognised in other comprehensive income.

On disposal of a foreign subsidiary any cumulative exchange differences held in shareholders' equity are transferred to the consolidated statement of comprehensive income.

1. ACCOUNTING POLICIES (CONTINUED)

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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 and in any future periods affected.

Significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described below:

CAPITALISATION OF DEVELOPMENT COSTS

The Board considers that the Group's key differentiators stem from its proprietary software. It is essential to continue investing in these assets. Separate projects are defined for new initiatives as they are identified. Development costs are capitalised where a project has been defined, tested and expected to realise future economic benefits. Programming is carried out to a detailed specification and schedule. The Board exercises judgement in determining the costs to be capitalised and determine the useful economic life to be applied typically 3 years or whilst the asset in question remains in use. The amounts capitalised are disclosed in note 10.

FAIR VALUE ASSESSMENT OF A BUSINESS COMBINATION

Following an acquisition the Group makes an assessment of all assets and liabilities, inclusive of making judgements on the identification of specific intangible assets which are recognised separately from goodwill. Where future consideration is contingent on a performance obligation, judgement is required in assessing the likelihood of the obligation being achieved when determining its fair value at the time of acquisition. Acquired intangible assets include items such as the customer base and technology, to which a value is first attributed at the time of acquisition. The valuation is based upon future discounted cash flows and expectations for the business and requires a number of judgements to be made regarding future performance of an acquisition. For VMS businesses acquired in line with the Group's stated strategy, the expected useful lives of the customer base has been determined by reviewing the existing customer churn at the time of acquisition whilst the Technology's expected useful life is estimated based on the expected requirement for ongoing development. See note 22.

IMPAIRMENT OF INTANGIBLE ASSETS AND INVESTMENT IN SUBSIDIARIES

In assessing impairment, Management estimates the recoverable amount of cash generating units based on expected future cash flows and uses the weighted average cost of capital to discount them. At the end of each reporting period the Management reviews a five year forward looking financial projection including a terminal value for the Group. The Management has further evaluated the terminal growth expectations and the applied discount rate applicable to derive a Net Present Valuation (NPV) of the Group. If the NPV of the Group shows a lower valuation than the net assets or the Company cost of investment in subsidiaries plus intercompany balances due, an impairment will be made. Based on this evaluation, including management estimates and assumptions, no impairment was made during the reporting period. Estimation uncertainty relates to assumptions about future operating results in particular sales volumes and the determination of a suitable discount rate. The amounts impaired are disclosed in note 10.

ESTIMATION OF THE EXPECTED CREDIT LOSSES ON TRADE AND INTERCOMPANY RECEIVABLES

In assessing the expected credit losses, in respect of the trade and intercompany receivables under IFRS 9, the Group considers the past performance of the receivable book along with future factors that may affect the credit worthiness of the receivables. Estimations have therefore been made within these assumptions which could affect the carrying value of the trade and intercompany receivables. The amounts impaired are disclosed in note 13.

REMUNERATION FOR POST-COMBINATION SERVICES

Where amounts payable to the former owners of an acquired business are contingent on their continued employment, they are treated under IFRS 3 as remuneration for post-combination services rather than as consideration and recognised as an employee expense over the service period. Judgement is required both in reaching this classification and in determining the amount of remuneration earned in the period and to be recognised. The amounts subject to this judgement in respect of the current year acquisitions are disclosed in note 22.

2. REVENUE AND SEGMENTAL INFORMATION

Segmental reporting is prepared for the Group's operating segments based on the information which is presented to the Board, which reviews revenue and adjusted EBITDA by segment. The Group's costs, finance income, tax charges, non-current liabilities, net assets and capital expenditure are only reviewed by the Board at a consolidated level and therefore have not been allocated between segments in the analysis below.

The Group assigns CGUs to operating segments based on the nature of the platform and the clients it serves. Details of which CGUs are assigned to each segment are disclosed in note 10.

ANALYSIS BY LOCATION OF REVENUE	UK & Ireland £000	Europe £000	Other £000	Total £000
Year ended 31 March 2026	**21,702**	**66**	**493**	**22,261**
Year ended 31 March 2025	17,690	122	462	18,274

Revenue generated outside the UK & Ireland is in Belgium, The Netherlands, New Zealand, South Africa and the USA.

No single customer provided the Group with over 1% of its revenue.

DISAGGREGATION OF REVENUE AND OPERATING PROFIT / (LOSS)

Year ended 31 March 2026	Graphics & Ecommerce £000	Professional & financial services £000	Health & social care £000	Property £000	Education £000	**Operating Total £000**	Central overhead £000	**Total £000**
Licence and subscription revenue	3,281	5,517	3,854	1,865	2,328	**16,845**	-	**16,845**
Product and service revenue	4,395	665	56	4	296	**5,416**	-	**5,416**
Revenue	7,676	6,182	3,910	1,869	2,624	**22,261**	-	**22,261**
adjusted EBITDA	1,011	2,588	1,576	948	1,504	**7,627**	(1,827)	**5,800**
Development costs	333	689	635	157	11	**1,825**	-	**1,825**
Acquisition costs	-	-	-	-	-	**-**	(838)	**(838)**
Share based payment charges	(6)	(3)	(3)	-	(1)	**(13)**	(112)	**(125)**
Exceptional items	40	(5)	28	-	-	**63**	-	**63**
Value adjustments on contingent consideration	-	-	-	-	-	-	119	**119**
Depreciation and amortisation	(773)	(199)	(271)	(50)	(29)	**(1,322)**	(4,799)	**(6,121)**
Operating profit / (loss)	605	3,070	1,965	1,055	1,485	**8,180**	(7,457)	**723**

Exceptional items

In the prior year, £283,000 of restructuring costs were provided for the closure of an unprofitable trading location within the Nettl business. Following a negotiated exit the provision was not fully utilised, resulting in a £40,000 credit in the Graphics and Ecommerce segment. £5,000 of restructuring costs were incurred in our Professional & financial services division due to legal entity structure simplification work following the acquisition of Artificial Intelligence Finance Limited. Our Health & Social Care recognised exceptional income of £28,000 in relation to a write-off of a legacy balance.

2. REVENUE AND SEGMENTAL INFORMATION (CONTINUED)

Year ended 31 March 2025	Graphics & Ecommerce £000	Professional & financial services £000	Health & social care £000	Property £000	Education £000	**Operating Total £000**	Central overhead £000	**Total £000**
Licence and subscription revenue	3,474	2,842	3,488	1,618	1,279	**12,701**	-	**12,701**
Product and service revenue	5,203	289	62	4	15	**5,573**	-	**5,573**
Revenue	8,677	3,131	3,550	1,622	1,294	**18,274**	-	**18,274**
adjusted EBITDA	974	1,162	1,337	784	495	**4,752**	(1,586)	**3,166**
Development costs	307	287	616	63	19	**1,292**	-	**1,292**
Acquisition costs	-	-	-	-	-	**-**	(479)	**(479)**
Share based payment charges	-	-	-	-	-	**-**	(106)	**(106)**
Exceptional items	(283)	-	(55)	-	-	**(338)**	1,586	**1,248**
Value adjustments on contingent consideration	-	-	-	-	-	**-**	191	**191**
Depreciation and amortisation	(578)	(256)	(174)	(29)	(27)	**(1,064)**	(3,544)	**(4,608)**
Operating profit / (loss)	420	1,193	1,724	818	487	**4,642**	(3,938)	**704**

Exceptional items

On 2 April 2024, the Company announced the sale of the printing.com domain to JAL Equity Corp for £1,772,000. Related disposal costs totalled £60,000. In November 2024 the Company entered into a new financing facility and incurred associated legal and professional fees of £126,000. £55,000 of restructuring costs were incurred in our Health & social care division to enable the required reinvestment into development of the operating unit's platform, future proofing and preparing that business for growth. £283,000 of restructuring costs were provided for in our Graphics & Ecommerce division for the closure of an unprofitable trading location within the Nettl business.

Location of non-current assets

Of the Group's non-current assets (excluding deferred tax) of £36,687,000 (2025: £27,626,000), £26,798,000 (2025: £23,959,000) are located in the UK. Non-current assets located outside the UK are in Ireland and total £9,889,000 (2025: £3,667,000).

3. OPERATING PROFIT / (LOSS)

Included in operating profit / (loss) are the following:

	2026 £000	2025 £000
Amortisation of intangible assets	**5,903**	4,278
Depreciation	**218**	330
Loss/(profit) on sale of plant and equipment	**3**	(97)
Acquisition related costs	**838**	479
Research and development costs	**22**	185

Auditor's remuneration:

	2026 £000	2025 £000
Audit of these financial statements	**158**	151
	158	151

4. STAFF NUMBERS AND COSTS

The average number of persons employed by the Group (including Directors and contractors) during the year analysed by category, were as follows:

	Group 2026	Group 2025	Company 2026	Company 2025
Administration	**32**	30	**4**	5
Sales and marketing	**11**	11	**-**	-
R&D	**32**	31	**-**	-
Operations and support	**75**	74	**-**	-
Total employees	**150**	146	4	5
Contractors	**29**	11	**-**	-
Total	**179**	157	**4**	5

From 1 April 2024 the Executive Directors of Software Circle plc were employed through Software Circle Management Limited.

Defined contribution plan

The Group operates defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the Group. The amounts charged to the consolidated statement of comprehensive income represent the contributions payable to the scheme in respect of the accounting period. In the year ended 31 March 2026 £431,000 of contributions were charged to the consolidated statement of comprehensive income (2025: £203,000). As at 31 March 2026 £22,000 (2025: £27,000) of contributions were outstanding on the balance sheet.

The aggregate payroll costs of all employees, including Directors and contractors, were as follows:

	Group 2026 £000	Group 2025 £000	Company 2026 £000	Company 2025 £000
Wages and salaries	**5,644**	5,696	**120**	87
Social security costs	**777**	667	**16**	6
Other pension costs	**431**	203	**-**	-
Contractors	**1,302**	729	**-**	-
Contingent consideration payments	**253**	32	**-**	-
Share based payment charges	**125**	106	**-**	-
	8,532	7,433	**136**	93

KEY MANAGEMENT COMPENSATION:

	2026 £000	2025 £000
Executive Directors		
Emoluments	**653**	543
Company contributions to money purchase pension plans	**25**	19
	678	562
Non-Executive Directors		
Emoluments	**120**	87
Company contributions to money purchase pension plans	**-**	-
	120	87
Total directors' remuneration	**798**	649
Employers' national insurance contributions	**105**	76
Total	**903**	725

The Group considers the key management to be the Directors of the Group. Information covering Directors' remuneration is set out in full in the 'Elements of remuneration' section of the Directors Remuneration Report on pages 56-57 where details of fees and benefits can be found.

The aggregate of emoluments for the highest paid Director was £277,000 (2025: £224,000), and Company pension contributions of £11,000 (2025: £8,000) were made to a money purchase scheme on their behalf. Directors for whom retirement benefits are accruing under money purchase schemes 3 (2025: 3).

5. FINANCE EXPENSE

	2026 £000	2025 £000
Lease interest	**48**	85
Bearer bond interest	**-**	272
Loan interest	**906**	291
Facility fees	**138**	56
Foreign exchange losses / (gains)	**189**	(54)
Unwinding of discount on deferred consideration	**553**	237
Total finance expense	**1,834**	887

6. TAXATION

Recognised in the income statement	2026 £000	2025 £000
Current tax expense		
UK corporation tax charge	**118**	86
Overseas corporation tax charge	**251**	2
Adjustments for prior years	**108**	(14)
	477	74
Deferred tax expense		
Origination and reversal of temporary differences	**(593)**	(483)
Adjustments in respect of prior periods	**(120)**	67
	(713)	(416)
Total tax in income statement	**(236)**	(342)

RECONCILIATION OF EFFECTIVE TAX RATE

Factors affecting the tax charge for the current period:

The current tax credit for the period is lower (2025: higher) than the standard rate of corporation tax in the UK of 25% (2025: 25%).

The differences are explained below:

	2026 £000	2025 £000
Loss before tax	**(1,045)**	(671)
Tax using the UK corporation tax rate of 25% (2025: 25%)	**(261)**	(168)
Effects of:		
Other tax adjustments, reliefs and transfers	**(98)**	(132)
Adjustments in respect of prior periods – current tax	**108**	(14)
Adjustments in respect of prior periods – deferred tax	**(120)**	67
Deferred tax not recognised	**66**	-
Chargeable losses	**-**	(124)
Impact of tax in a foreign jurisdiction	**69**	29
Total tax credit	**(236)**	(342)

The Group tax debtor amounts to £163,000 (2025: £96,000) and tax creditor amounts to £210,000 (2025: £331,000). The deferred tax liabilities as at 31 March 2026 have been calculated using the tax rate of 25% which was substantively enacted at the balance sheet date.

7. EARNINGS PER SHARE

The calculations of earnings per share are based on the following profits and numbers of shares:

	2026 £000	2025 £000
Loss after taxation for the financial year	**(809)**	(329)

Weighted average number of shares	2026	2025
For basic earnings per ordinary share	**390,083,306**	390,083,306
For diluted earnings per ordinary share	**390,083,306**	390,083,306
Basic earnings per share	**(0.21)p**	(0.08)p
Diluted earnings per share	**(0.21)p**	(0.08)p

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. The holders of deferred shares shall not be entitled to any participation in the profits or the assets of the Company and the deferred shares do not carry any voting rights.

As of 31 March 2026, the dilutive effect of share options would be 7,068,174 (2025: 5,348,211). The calculation is based on the treasury method prescribed in IAS 33. This calculates the theoretical number of shares that could be purchased at the average market price in the period from the proceeds of exercised options. The difference between the number of shares under option and the theoretical number of shares that could be purchased from the proceeds of their exercise is deemed liable to be issued at nil value and represents the dilution.

As the Group has reported a net loss after tax, including the options would be anti-dilutive, therefore all outstanding options have no dilutive effect.

8. DEFERRED TAX ASSETS AND LIABILITIES – GROUP

Recognised deferred tax assets and liabilities	Assets 2026 £000	Assets 2025 £000	Liabilities 2026 £000	Liabilities 2025 £000	Total 2026 £000	Total 2025 £000
Property, plant and equipment	**8**	9	**(30)**	(34)	**(22)**	(25)
Intangible assets	**-**	-	**(3,097)**	(3,642)	**(3,097)**	(3,642)
Pension contributions	**4**	5	**-**	-	**4**	5
Trading losses	**825**	1,587	**-**	-	**825**	1,587
Tax assets / (liabilities)	**837**	1,601	**(3,127)**	(3,676)	**(2,290)**	(2,075)

Movement in deferred tax:	Property, plant and equipment £000	Intangible assets £000	Pension contributions £000	Trading losses £000	Total £000
Balance at 31 March 2024	(63)	(2,644)	-	1,641	(1,066)
Recognised on acquisition of subsidiary	-	(1,425)	-	-	(1,425)
Recognised in income	38	427	5	(54)	416
Balance at 31 March 2025	(25)	(3,642)	5	1,587	(2,075)
Recognised on acquisition of subsidiary	-	(928)	-	-	(928)
Recognised in income	3	1,473	(1)	(762)	713
Balance at 31 March 2026	**(22)**	**(3,097)**	**4**	**825**	**(2,290)**

The Group has recognised a deferred tax asset in respect of carried forward trading losses up to the value of the deferred tax liability, to the extent that there are available tax losses within the same UK tax group. The Group has unrecognised deferred tax assets in respect of carried forward losses of £nil (2025: £nil).

Company

The Company had no recognised deferred tax assets as at 31 March 2026 (2025: £nil).

9. PROPERTY, PLANT AND EQUIPMENT – GROUP

	Leasehold improvements £000	Plant and equipment £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
Cost					
Balance at 31 March 2024	1,484	678	130	563	2,855
Additions	188	35	15	26	264
Arising on acquisition	-	12	-	1	13
Disposals	(577)	(204)	(25)	(183)	(989)
Balance at 31 March 2025	1,095	521	120	407	2,143
Additions	-	31	-	11	42
Arising on acquisition (note 22)	-	12	-	4	16
Disposals	(329)	(9)	-	-	(338)
Balance at 31 March 2026	**766**	**555**	**120**	**422**	**1,863**
Depreciation and Impairment					
Balance at 31 March 2024	654	388	32	539	1,613
Depreciation charge for the year	135	137	40	18	330
Impairment (note 17)	181	-	-	-	181
Disposals	(333)	(204)	(25)	(183)	(745)
Balance at 31 March 2025	637	321	47	374	1,379
Depreciation charge for the year	105	65	28	20	218
Disposals	(329)	(6)	-	-	(335)
Balance at 31 March 2026	**413**	**380**	**75**	**394**	**1,262**
Net book value					
At 31 March 2024	830	290	98	24	1,242
At 31 March 2025	458	200	73	33	764
At 31 March 2026	**353**	**175**	**45**	**28**	**601**

An impairment charge was recognised against a right of use asset in the year ended 31 March 2025, further information is disclosed in note 17.

Right-of-use assets are included within the same asset categories as they would have been if they were owned. As of 31 March 2026, the Group has right-of-use assets with a carrying value of £392,000 (2025: £521,000). A table showing the net book value of right-of-use assets within property, plant and equipment at 31 March 2026 and 31 March 2025, split by category, is disclosed in note 17.

The parent company has no recognised property, plant and equipment (2025: nil).

10. INTANGIBLE ASSETS

Group	Domains & brand £000	Software £000	Development costs £000	Customer lists £000	Technology £000	Goodwill £000	Other £000	Total £000
Cost								
Balance at 31 March 2024	363	4,544	6,526	5,474	11,312	954	139	29,312
Additions	-	16	1,292	-	-	-	-	1,308
Arising on acquisition	-	-	-	2,487	3,211	8,832	-	14,530
Disposals	(337)	(251)	-	(279)	-	-	-	(867)
Balance at 31 March 2025	26	4,309	7,818	7,682	14,523	9,786	139	44,283
Additions	-	-	1,825	-	-	-	-	1,825
Arising on acquisition (note 22)	-	-	-	5,125	2,296	5,881	-	13,302
Balance at 31 March 2026	**26**	**4,309**	**9,643**	**12,807**	**16,819**	**15,667**	**139**	**59,410**
Amortisation								
Balance at 31 March 2024	349	4,536	4,958	1,207	2,836	12	112	14,010
Amortisation for the year	1	5	573	667	3,029	-	3	4,278
Disposals	(337)	(251)	-	(279)	-	-	-	(867)
Balance at 31 March 2025	13	4,290	5,531	1,595	5,865	12	115	17,421
Amortisation for the year	1	5	1,102	1,027	3,764	-	4	5,903
Balance at 31 March 2026	**14**	**4,295**	**6,633**	**2,622**	**9,629**	**12**	**119**	**23,324**
Net book value								
At 31 March 2024	14	8	1,568	4,267	8,476	942	27	15,302
At 31 March 2025	13	19	2,287	6,087	8,658	9,774	24	26,862
At 31 March 2026	**12**	**14**	**3,010**	**10,185**	**7,190**	**15,655**	**20**	**36,086**

IMPAIRMENT TESTING

The Group's recognised goodwill amounts to £15,655,000 (2025: £9,774,000). Goodwill and other intangible assets are assigned to Cash Generating Units ("CGUs"). Our primary consideration in defining CGUs is the distinctiveness of business operations and segmentation. Each CGU represents a major line of business or geographical area that generates cash inflows largely independent of other units. The Group has the following identified CGUs with recognised goodwill:

CGU	Operating Segment	Carrying value of Goodwill 2026 £000	2025 £000
Nettl Systems	Graphics & Ecommerce	**128**	128
Vertical Plus	Graphics & Ecommerce	**480**	480
CareDocs	Health and Social Care	**17**	17
Arc Technology	Education	**317**	317
bethebrand	Professional & Financial Services	**2,079**	2,079
Linkmaker	Health and Social Care	**2,898**	2,898
Total Drive	Education	**3,855**	3,855
Artificial Intelligence Finance	Professional & Financial Services	**1,339**	-
Broker Information Services	Professional & Financial Services	**4,542**	-
Total		**15,655**	9,774

10. INTANGIBLE ASSETS (CONTINUED)

The recoverable amount of goodwill and intangible assets is determined from value in use calculations. The Group prepares cash flow forecasts derived from budgets and five-year business plans. The sales growth relates to all key revenue streams of the business and have been determined based on the experience to date of operating these sales channels and ranges from 2.5% to 30%. Costs have been assumed to increase in line with an inflationary rate of 3%.

For the purposes of impairment testing inflationary growth of 0.5% is assumed beyond this period. A pre-tax discount factor of 12.61% (2025: 13.55%) was applied.

The Directors have considered the sensitivity of the key assumptions. Increasing the pre-tax discount factor to 15.0% would not result in an impairment charge against intangible assets. Should revenue growth be reduced to nil across all business units, and product revenue decline in the first year by 2.5%, no impairment would be recognised. As a result, the intangible assets are not considered to be impaired.

Amortisation and impairment charge

The amortisation charge of £5,903,000 (2025: £4,278,000) is recognised in profit or loss within depreciation and amortisation expenses. No impairment (2025: £nil) was recognised during the year.

The parent company has no recognised intangible assets (2025: nil).

11. INVESTMENTS IN SUBSIDIARIES - COMPANY

	2026	2025
Carrying value	**£000**	£000
Balance at 1 April	**29,814**	16,249
Additions	**12,450**	13,565
Balance at 31 March	**42,264**	29,814

The Company owns the whole of the issued ordinary share capital of the following undertakings:

Subsidiary undertakings – wholly owned	**Country of incorporation**	**Nature of business/status**
Nettl Systems Limited*	UK	Software and other business support – trading
Software Circle Management Limited*	UK	Central support - trading
Printing.com (UK Franchise) Limited*	UK	Partner contracts – dormant
Nettl UK Limited*	UK	Partner contracts – dormant
Grafenia Systems Limited*	UK	Licence agreements – dormant
Grafenia Technology Limited*	UK	Licence agreements – dormant
TemplateCloud Limited*	UK	Template Provision – dormant
W3P Limited*	UK	Software – dormant
Vertical Plus Limited*	UK	Software and solutions - trading
Care Management Systems Limited*	UK	Software and solutions - trading
Watermark Technologies Limited*	UK	Software and solutions - trading
Arc Technology Limited*	UK	Software and solutions - trading
Be The Brand Experience Limited*	UK	Software and solutions - trading
Topfloor Systems Limited*	Republic of Ireland	Software and solutions - trading
Nettl of America LLC^	US	Franchising - trading
Link Maker Systems Limited*	UK	Software and solutions - trading
Total Drive Software Limited*	UK	Software and solutions - trading
Artificial Intelligence Ireland Limited*	Republic of Ireland	Software and solutions - trading
Broker Information Services Limited*	Republic of Ireland	Software and solutions - trading

*** - Owned directly by Software Circle PLC**

^ - Owned indirectly through ownership of the Company's 100% subsidiary Nettl Systems Limited

The registered address for all UK businesses is C/O Gateley Legal, Ship Canal House, 98 King Street, Manchester, England, M2 4WU. The registered address for Topfloor Systems Limited is Termini, Suite One RBK, 3 Arkle Road, Sandyford, Dublin, D18 C9CF, Ireland. The registered address for Nettl of America LLC is 6685 Beta Drive, Cleveland, Ohio, 44143-2320, USA. The registered address for Broker Information Services Limited and Artificial Intelligence Limited is Unit 6e, Nutgrove Office Park, Rathfarnham, Dublin, D14 A0X2, Ireland.

12. INVENTORIES

	Group 2026 £000	Group 2025 £000	Company 2026 £000	Company 2025 £000
Raw Materials	**19**	26	**-**	-
Total inventories	**19**	26	**-**	-

13. TRADE AND OTHER RECEIVABLES

Other receivables due from subsidiary companies do not have fixed repayment terms.

At 31 March 2026 trade receivables are shown net of an expected credit loss of £251,000 (2025: £439,000).

Trade and other receivables denominated in currencies other than sterling comprise £138,000 (2025: £99,000) of trade receivables.

	Group 2026 £000	Group 2025 £000	Company 2026 £000	Company 2025 £000
Trade receivables	**1,548**	1,748	**-**	489
Less expected credit losses	**(251)**	(439)	**-**	-
Trade receivables net	**1,297**	1,309	**-**	489
Other receivables due from subsidiary companies within one year	**-**	-	**-**	-
Total financial assets other than cash and cash equivalents classified at amortised cost	**1,297**	1,309	**-**	489
Corporation tax	**163**	96	**-**	-
Prepayments	**599**	260	**16**	17
Other receivables	**59**	216	**259**	253
Total Other receivables	**821**	572	**275**	270
Total trade and other receivables	**2,118**	1,881	**275**	759
Non-current other receivable				
Other receivables due from subsidiary companies after one year	**-**	-	**10,967**	10,769
Less provision	**-**	-	**(6,042)**	(6,042)
Total other receivables	**-**	-	**4,925**	4,727

The carrying value of trade and other receivables classified at amortised cost approximates fair value.

	Under 6 months old £000	Over 6 months old £000	Total £000
Gross carrying amount	1,188	360	1,548
Loss provision	(29)	(222)	(251)
Net carrying amount	**1,159**	**138**	**1,297**

Trade and other receivables represent financial assets and are considered for impairment on an expected credit loss model. The Group continues to trade with the same customers and in the same marketplace and therefore the future expected credit losses have been considered in line with the past performance of the customers in the recovery of their receivables.

13. TRADE AND OTHER RECEIVABLES (CONTINUED)

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. The expected loss rates are based on the Group's historical credit losses experienced over the three-year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on factors affecting the Group's customers including the area of operations of those debtors and the market for the Group's products. The assessment of the expected credit risk for the year has not increased, when looking at the factors affecting the risk noted above. There are no trade receivables outside of credit terms without an impairment provision.

Movements in the impairment allowance for trade receivables are as follows:

	As at 31 March 2026 **£000**	As at 31 March 2025 £000
Balance at 1 April	**439**	660
Receivable written off during the year as uncollectible	**(109)**	(304)
(Decrease) / increase in impairment allowance	**(79)**	83
Balance at 31 March	**251**	439

There is no material difference between the net book value and the fair values of trade and other receivables due to their short-term nature.

Other classes of financial assets included within trade and other receivables do not contain impaired assets.

Company

The Company did not have trade receivables at the year end. The intercompany receivables have been considered for impairment on an expected credit loss model and this has resulted in no additional impairment (2025: £nil).

14. CASH AND CASH EQUIVALENTS

	Group **2026** **£000**	Group 2025 £000	**Company** **2026** **£000**	Company 2025 £000
Cash and cash equivalents	**3,937**	8,566	**625**	5,075

Cash and cash equivalents include cash in hand, deposits held at call with banks, cash in transit and other short term highly liquid investments. All cash is held in Sterling other than Euro of £1,143,000 (2025: £486,000) and USD of £89,000 (2025: £69,000).

15. TRADE AND OTHER PAYABLES

Current Liabilities	**Group** **2026** **£000**	Group 2025 £000	**Company** **2026** **£000**	Company 2025 £000
Trade payables	**462**	504	**39**	57
Accruals	**338**	438	**192**	173
Other liabilities	**1,494**	1,408	**-**	-
Corporation tax	**210**	-	**-**	-
Amounts owed to subsidiary companies	**-**	-	**9,010**	4,343
Total financial liabilities, excluding borrowings classified as financial liabilities measured at amortised cost	**2,504**	2,350	**9,241**	4,573
Deferred income	**1,774**	1,480	**-**	-
Total trade and other payables	**4,278**	3,830	**9,241**	4,573

Trade payables denominated in currencies other than Sterling comprise £52,000 (2025: £67,000) denominated in Euro.

There is no material difference between the net book value and the fair values of current trade and other payables due to their short-term nature.

16. OTHER INTEREST-BEARING LOANS AND BORROWINGS

For more information on the Group and Company's exposure to interest rate, foreign currency risk and lease liabilities, see note 21.

Current Liabilities	Group 2026 £000	Group 2025 £000	Company 2026 £000	Company 2025 £000
Lease liabilities	116	159	-	-
Loans	536	634	536	634
Deferred consideration	1,650	1,634	1,650	1,634
Contingent consideration	1,898	265	1,898	265
	4,200	2,692	4,084	2,533

Non-Current Liabilities	Group 2026 £000	Group 2025 £000	Company 2026 £000	Company 2025 £000
Lease liabilities	316	499	-	-
Loans	9,487	5,678	9,487	5,678
Contingent consideration	1,348	1,931	1,348	1,931
	11,151	8,108	10,835	7,609

Contingent consideration is where the amount of future consideration payments payable depend on the future performance of the acquired companies. A fair value credit of £119,000 (2025: £191,000) has been recognised in the statement of comprehensive income due to a reduced likelihood of post-acquisition targets being met.

In November 2024 the Company entered into new loan facilities of up to £16,700,000 with Shawbrook Bank Limited over a 5-year period to 22 November 2029.

The facility was split into three parts:

A. £3,350,000 amortising loan repayable monthly over the borrowing term;

B. £3,350,000 repayable in a bullet at the end of the borrowing term;

C. £10,000,000 committed facility, available to be utilised until 22 May 2027.

In the prior year, facilities A and B were drawn and utilised to settle Bearer Bonds with a nominal value of £6,700,000 for £6,700,000 plus accrued interest of £143,000. The carrying value at the date of repurchase was £5,969,000, resulting in a value adjustment on bond settlement of £874,000.

In October 2025, £4,500,000 was drawn from Facility C, partially funding the acquisition of Broker Information Services Limited.

The terms of the facilities included Gross Leverage and Debt Service covenants as follows:

- Gross Leverage, being total debt to EBITDA, not to exceed 3.80:1.00 initially, tapering to 2.50:1:00 by December 2027.
- Debt service cover, not to be less than 1.10:1.00 during the term of the Facilities.

The Bank had a fixed and floating charge over the Group's assets and the Group was in compliance with the above covenants throughout the period.

On 20 May 2026, the Group entered into a new revolving credit facility (the "Facility") with Santander UK plc, replacing the Group's existing facilities with Shawbrook Bank Limited. Please see note 26 for further details.

17. LEASES

LESSEE ACCOUNTING

All leases where the Group is a lessee are accounted for by recognising a right of use asset and a lease liability except for:

- Leases of low value assets
- Leases with a term of 12 months or less.

AMOUNTS RECOGNISED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

RIGHT OF USE ASSETS	Land and buildings £000	Motor Vehicles £000	Total £000
Balance at 31 March 2024	830	72	902
Additions	188	15	203
Disposals	(573)	-	(573)
Depreciation	(137)	(24)	(161)
Impairment	(181)	-	(181)
Depreciation eliminated on disposal	331	-	331
Balance at 31 March 2025	458	63	521
Disposals	(329)	-	(329)
Depreciation	(104)	(25)	(129)
Depreciation eliminated on disposal	329	-	329
Balance at 31 March 2026	**354**	**38**	**392**

LEASE LIABILITIES	Land and buildings £000	Motor Vehicles £000	Total £000
Balance at 31 March 2024	937	70	1,007
Additions	188	15	203
Disposals	(295)	-	(295)
Fair value adjustment	(126)	-	(126)
Interest expense	79	5	84
Lease payments	(186)	(29)	(215)
Balance at 31 March 2025	597	61	658
Disposals	(70)	-	(70)
Interest expense	44	4	48
Lease payments	(177)	(27)	(204)
Balance at 31 March 2026	**394**	**38**	**432**

Following the decision to close an unprofitable trading location, the prior year financial statements recognised an impairment charge of £181,000 against the carrying value of the right of use asset, reducing its value to nil. The lease liability was reassessed to the next break date, resulting in a fair value adjustment of £126,000.

AMOUNTS RECOGNISED IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		2026			2025	
	Land and buildings £000	**Motor Vehicles £000**	**Total £000**	Land and buildings £000	Motor Vehicles £000	Total £000
Depreciation charge on right of use assets	**104**	**25**	**129**	137	20	157
Interest on lease liabilities	**44**	**4**	**48**	80	5	85
Expenses related to low value and short-term leases	**116**	**-**	**116**	88	-	88
	264	**29**	**293**	305	25	330

LEASE LIABILITIES - MATURITY ANALYSIS OF CONTRACTUAL UNDISCOUNTED CASH FLOWS

	Carrying amount £000	Contractual cash flows £000	6 months or less £000	6-12 months £000	1-2 years £000	2-5 years £000	More than 5 years £000
31 March 2026	**432**	**535**	**74**	**72**	**132**	**213**	**44**
31 March 2025	658	791	104	104	189	316	78

LESSOR ACCOUNTING

The Group leases certain assets to customers with preloaded software. It is not practical to split the revenue from the lease of the physical asset and that of the preloaded software. The revenue associated with leased assets during the year was £2,253,000 (2025: £2,557,000).

Future contracted lease income	Year 1 £000	Year 2 £000	Year 3 £000	Year 4 £000	Year 5 £000
31 March 2026	**339**	**159**	**83**	**26**	**1**
31 March 2025	680	372	200	139	71

18. EMPLOYEE BENEFITS

EQUITY SHARE OPTIONS

The Company operates share option plans for its employees, under which options to subscribe for the Company's shares have been granted. The plan is intended to incentivise employees, align their interests with those of shareholders, and encourage the retention of key employees.

Movement in employee equity options during the year:

	At 1 April 2025 Number	Granted Number	Lapsed Number	Exercised Number	**At 31 March 2026 Number**	Of which exercisable Number
2023 CSOP Scheme	2,666,664	-	-	-	**2,666,664**	-
2023 unapproved option scheme	16,151,332	-	-	-	**16,151,332**	-
2025 SAYE Scheme	-	1,611,547	(64,385)	-	**1,547,162**	-
	18,817,996	1,611,547	(64,385)	-	**20,365,158**	-
Weighted average exercise price (p)	15.5	28.5	28.5	-	**16.5**	-

Options outstanding at the year end:

	Grant date	Expiry date	Exercise price (p)	**2026** Number of share options	2025 Number of share options
2023 CSOP Scheme	21/09/2023	21/09/2033	9.0	**2,666,664**	2,666,664
2023 unapproved option scheme	21/12/2023	21/12/2033	16.6	**16,151,332**	16,151,332
2025 SAYE Scheme	01/10/2025	01/04/2029	28.5	**1,547,162**	-
				20,365,158	18,817,996

The fair value of share options granted were calculated using the Black Scholes model. No options were granted in the year. The inputs used for fair valuing awards granted during the prior year were as follows:

		Grant date	
	21/09/2023	**21/12/2023**	**01/10/2025**
Share price at grant date (p)	9.0	13.3	28.5
Exercise price (p)	9.0	16.6	28.5
Expected volatility	36.76%	36.39%	34.69%
Option life	5	6.78	3
Risk-free interest rate	4.34%	3.53%	4.68%

The expected volatility is based on the historical volatility of the Company's shares over a period equivalent to the option life.

The total expense recognised in profit or loss for the period arising from share-based payment transactions amounted to £125,000 (2025: £106,000).

19. SHARE CAPITAL

SHARE CAPITAL – GROUP AND COMPANY

In thousands of shares	**Ordinary shares 2026**	Ordinary shares 2025
In issue at 1 April	**390,083**	390,083
Issued by the Company	**-**	-
Shares on the market at 31 March – fully paid	**390,083**	390,083

Allotted, called up and fully paid	**£000**	£000
390,083,306 (2025: 390,083,306) ordinary shares of £0.01 each	**3,901**	3,901
63 deferred shares of £0.10 each	**-**	-
	3,901	3,901

Dividends

During the year and prior year no dividends were proposed or paid. After the balance sheet date, the Board proposed no final dividend would be made (2025: £nil).

20. SHARE PREMIUM AND OTHER RESERVES

The share premium represents the amounts subscribed for share capital in excess of the nominal value of shares. No ordinary shares were issued during the year (2025: none) and accordingly there was no movement in share premium.

Group and company

	2026 £000	2025 £000
At 1 April	**28,255**	28,255
Premium on shares issued by the Company in the year	**-**	-
Share issue costs	**-**	-
At 31 March	**28,255**	28,255

The Merger reserve arose when the Company previously undertook share for share exchanges when making acquisitions.

The share based payment reserve represents the recognised cost of share option schemes that have not been converted into share capital.

The translation reserve represents cumulative foreign exchange differences arising from the translation of the financial statements of foreign subsidiaries and is not distributable by way of dividends.

21. FINANCIAL INSTRUMENTS

Categories of financial instrument

Financial assets

	2026 Amortised cost £000	**2026** Fair value through profit and loss £000	**2026** Total £000	2025 Amortised cost £000	2025 Fair value through profit and loss £000	2025 Total £000
Trade and other receivables excluding non-financial assets	**1,297**	**-**	**1,297**	1,309	-	1,309
Cash and cash equivalents	**3,937**	**-**	**3,937**	8,566	-	8,566
	5,234	**-**	**5,234**	9,875	-	9,875

Financial liabilities

	2026 Amortised cost £000	**2026** Fair value through profit and loss £000	**2026** Total £000	2025 Amortised cost £000	2025 Fair value through profit and loss £000	2025 Total £000
Trade and other payables	**2,504**	**-**	**2,504**	2,350	-	2,350
Lease liabilities	**432**	**-**	**432**	658	-	658
Loans	**10,023**	**-**	**10,023**	6,312	-	6,312
Deferred and contingent consideration	**1,650**	**3,246**	**4,896**	1,634	2,196	3,830
	14,609	**3,246**	**17,855**	10,954	2,196	13,150

It is not the Group's policy to enter into financial derivatives for speculative or trading purposes. The financial instruments employed by the Group other than short term debtors and creditors are used to fund its operations and comprise cash, short term deposits and lease liabilities.

The Group's policy during the financial year ended 31 March 2026 and 31 March 2025 was to place the majority of its cash on short-term deposit with its bankers.

Lease liabilities / bank loans

The fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. The market rate of interest for lease liabilities is determined by reference to similar lease agreements.

Credit risk

The Group's credit risk is primarily attributable to trade and other receivables both current and non-current. Trade receivables are included in the balance sheet net of doubtful receivables, estimated by the Group's management. The maximum credit risk in respect of the Group's and Company's financial assets at the year end is represented by the balance outstanding on trade receivables and other receivables due from Partners.

Interest rate risk

The Group and the Company do not have a material exposure to interest rates as most borrowings are at fixed interest rates.

Capital risk management

The Group's capital management objective is to ensure the Group's ability to continue as a going concern so that it can in future provide returns for shareholders and benefits for other stakeholders.

To meet this objective, the Group reviews the budgets and forecasts on a regular basis to ensure there is sufficient capital to meet the needs of the Group. The capital structure of the Group consists of shareholders' equity as set out in the Consolidated Statement of Changes in Equity. All working capital requirements are financed from existing cash resources and borrowings.

21. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk

The following are the contractual maturities of financial liabilities including estimated interest payments and excluding the impact of netting agreements:

31 March 2026	**Carrying amount £000**	**Contractual cash flows £000**	**6 months or less £000**	**6-12 months £000**	**1-2 years £000**	**2-5 years £000**	**More than 5 years £000**
Trade and other payables	**2,504**	**2,504**	**2,504**	**-**	**-**	**-**	**-**
Lease liabilities	**432**	**535**	**74**	**72**	**132**	**213**	**44**
Loans	**10,023**	**10,663**	**468**	**335**	**670**	**9,190**	**-**
Deferred consideration payable	**1,650**	**1,753**	**578**	**1,175**	**-**	**-**	**-**
Contingent consideration payable	**3,246**	**3,656**	**1,821**	**-**	**1,835**	**-**	**-**
	17,855	**19,111**	**5,445**	**1,582**	**2,637**	**9,403**	**44**

31 March 2025	Carrying amount £000	Contractual cash flows £000	6 months or less £000	6-12 months £000	1-2 years £000	2-5 years £000	More than 5 years £000
Trade and other payables	2,350	2,350	2,350	-	-	-	-
Lease liabilities	658	791	104	104	189	316	78
Loans	6,312	6,754	611	335	671	5,137	-
Deferred consideration payable	1,634	1,764	764	1,000	-	-	-
Contingent consideration payable	2,196	2,566	234	54	2,278	-	-
	13,150	14,225	4,063	1,493	3,138	5,453	78

*Based on the expected cash flows used to calculate the effective interest rate for amortised cost.

All trade receivables are contractually due within 6 months.

Foreign currency risk

The Group transacts with some business in foreign currency, principally Euro, and therefore incurs some transaction risk. The risk does not warrant hedging activity by the Group to defend against the impact of exchange rate movements.

The Group's exposure to foreign currency risk denominated in GBP was as follows:

	31 March 2026 Euro £000	**31 March 2026 GBP £000**	31 March 2025 Euro £000	31 March 2025 GBP £000
Trade and other receivables	**588**	**1,828**	99	1,686
Cash and cash equivalents	**677**	**3,259**	509	8,057
Trade and other payables	**(728)**	**(3,363)**	(337)	(3,477)
	537	**1,724**	271	6,266

The Group's exposure to USD denominated in GBP is not material.

SENSITIVITY ANALYSIS

Where the Group operates in Europe both revenues and costs are in the local currency therefore the level of exchange risk is low. In the Eurozone the Group has a presence in Ireland and The Netherlands. In managing currency risks the Company and Group aims to reduce the impact of short-term fluctuations on the Company and Group's earnings. At 31 March 2026, it is estimated that a general increase of 25% in the value of the Euro would decrease the Group's profit before tax by approximately £40,000 (2025: £33,000) with an equal adjustment to equity. A general increase of 25% in the value of the US Dollar would have a negligible effect on the Group's profit before tax.

22. ACQUISITIONS

Acquisition of Artificial Intelligence Finance Limited (AIF)

The entire issued share capital of Artificial Intelligence Finance Limited, a provider of software to mortgage and insurance brokers and lenders in Ireland, was acquired on 4 August 2025 for consideration of £5,298,000. The initial consideration paid at completion was £3,922,000, with deferred consideration of £514,000 to be paid on the first anniversary of completion. On acquisition, up to a further €4,000,000 was payable contingent upon the achievement of certain targets relating to the future financial performance of AIF, to be achieved over the calendar year 2027. Following the subsequent acquisition of Broker Information Services Limited, this increased to a maximum of €7,500,000, payable contingent upon the achievement of now combined targets for AIF and BIS. Of this €7,500,000, €4,465,000 is additionally contingent upon the continuing employment of certain shareholders. In line with IFRS 3, such amounts are to be recognised as an employee expense over the period in which the related services are provided, rather than being included in the consideration transferred. The consideration was increased by a further £262,000 in respect of surplus cash within the business at the acquisition, £nil of which was paid on completion with the remainder deferred until the agreement of completion accounts. The present value of expected consideration payments at acquisition totalled £5,298,000.

AIF met Software Circle's acquisition criteria by being a software business and having a prominent position in its vertical market. Delivering solutions that generate revenues of a recurring nature.

In the period during the current financial year that AIF was owned by the Group, it contributed revenue of £1,582,000, an aEBITDA of £491,000 and, due to the amortisation of intangibles arising on consolidation, a profit before tax of £1,000. Had it been owned by the Group for the full year, it would have contributed revenue of £2,344,000, an aEBITDA of £611,000 and a loss before tax of £155,000.

Net assets of AIF on acquisition:

	Book value	Adjustments	**Fair value**
	£000	£000	**£000**
Customer base	-	2,673	**2,673**
Technology	-	1,364	**1,364**
Development costs	449	(449)	**-**
Property plant and equipment	12	-	**12**
Cash and cash equivalents	329	-	**329**
Trade and other receivables	385	-	**385**
Trade and other payables	(299)	-	**(299)**
Deferred tax	-	(505)	**(505)**
Net assets acquired	876	3,083	**3,959**
Consideration			**5,298**
Goodwill			**1,339**

Consideration satisfied by:	**£000**
Cash on completion	**3,922**
Deferred consideration	**776**
Contingent consideration	**600**
	5,298

An income approach was used to value contractual customer lists and relationships, using a discount factor of 13.4%. The useful life has been estimated at 10 years. The technology was valued by using a relief from royalty approach, based on a royalty rate of 21% and using a discount factor of 13.4%. The useful life has been estimated at 3 years. The goodwill arising from the acquisition of AIF is attributable to a number of factors, including the specialised knowledge and expertise of the assembled workforce and the market position.

Trade and other receivables include gross contractual amounts due of £385,000 of which £nil was expected to be uncollectible at the date of acquisition.

The deferred tax liabilities recognised represent the tax effect which will result from the amortisation of the intangible assets, estimated using the tax rate substantively enacted at the balance sheet date.

22. ACQUISITIONS (CONTINUED)

Acquisition of Broker Information Services Limited (BIS)

The entire issued share capital of BIS, a provider of client management and quotation software for the financial broker market in Ireland, was acquired on 10 October 2025 for consideration of £7,152,000. The initial consideration paid at completion was £5,589,000 with deferred consideration of £1,039,000 to be paid on the first anniversary of completion. As mentioned above, the maximum payable under the AIF earnout has been increased by €3,500,000, contingent upon the achievement of now combined earnings targets relating to the future financial performance of AIF and BIS, to be achieved over the calendar year 2027. Of this €3,500,000, €2,084,000 is additionally contingent upon the continuing employment of certain shareholders. In line with IFRS 3, such amounts are to be recognised as an employee expense over the period in which the related services are provided, rather than being included in the consideration transferred. The consideration was increased by a further £16,000 in respect of surplus cash within the business at the acquisition, payable in full on the agreement of completion accounts. The present value of expected consideration payments at acquisition totalled £7,152,000.

BIS met Software Circle's acquisition criteria by being a software business and having a prominent position in its vertical market. Delivering solutions that generate revenues of a recurring nature.

In the period during the current financial year that BIS was owned by the Group, it contributed revenue of £948,000, an aEBITDA of £545,000 and, due to the amortisation of intangibles arising on consolidation, a profit before tax of £264,000. Had it been owned by the Group for the full year, it would have contributed revenue of £1,718,000, an aEBITDA of £703,000 and a profit before tax of £112,000.

Net assets of BIS on acquisition:

	Book value £000	Adjustments £000	**Fair value £000**
Customer base	-	2,452	**2,452**
Technology	-	932	**932**
Development costs	68	(68)	**-**
Property, plant and equipment	4	-	**4**
Cash and cash equivalents	257	-	**257**
Trade and other receivables	81	-	**81**
Trade and other payables	(693)	-	**(693)**
Deferred tax	-	(423)	**(423)**
Net assets acquired	(283)	2,893	**2,610**
Consideration			**7,152**
Goodwill			**4,542**

Consideration satisfied by:	**£000**
Cash on completion	**5,589**
Deferred consideration	**1,055**
Contingent consideration	**508**
	7,152

An income approach was used to value contractual customer lists and relationships, using a discount factor of 13.0%. The useful life has been estimated at 10 years. The technology was valued by using a relief from royalty approach, based on a royalty rate of 24.0% and using a discount factor of 13.0%. The useful life has been estimated at 3 years. The goodwill arising from the acquisition of BIS is attributable to a number of factors, including the specialised knowledge and expertise of the assembled workforce and the market position.

Trade and other receivables include gross contractual amounts due of £81,000 of which £nil was expected to be uncollectible at the date of acquisition.

The deferred tax liabilities recognised represent the tax effect which will result from the amortisation of the intangible assets, estimated using the tax rate substantively enacted at the balance sheet date.

23. CHANGES IN LIABILITY ARISING FROM FINANCING ACTIVITIES

	Lease liabilities £000	Loans £000
Balance at 1 April 2024	1,007	6,449
Cash flows		
Repayment of borrowings	-	(7,361)
Interest paid	-	(913)
Proceeds of new loans	-	6,700
Lease payments	(215)	-
Non cash changes		
Interest	84	563
Additional lease	203	-
Value adjustments	(421)	874
Balance at 31 March 2025	658	6,312
Cash flows		
Repayment of borrowings	-	(696)
Interest paid	-	(749)
Proceeds of new loans	-	4,250
Lease payments	(204)	-
Non cash changes		
Interest	48	906
Value adjustments	(70)	-
Balance at 31 March 2026	**432**	**10,023**

24. CAPITAL COMMITMENTS

The Group and Company have no commitments to incur capital expenditure at the year end (2025: £nil).

25. RELATED PARTY TRANSACTIONS

In the year ended 31 March 2026, no dividends were paid (2025: £nil).

At the year end, the Directors of the Company controlled 1.12 per cent (2025: 1.08) of the voting shares of the Group.

The compensation of the Directors, who are the key management personnel, is disclosed in note 4 and within the Directors Remuneration Report on pages 56-57.

Related party transactions in the prior year

On 4 November 2024, Matthias Riechert purchased 110,633 ordinary shares, increasing his holding to 2,723,573, then on 4 March 2025, purchased 469,000 ordinary shares, increasing his holding to 3,192,573.

On 27 November 2024, the Company repurchased Bearer Bonds with nominal value of £1,700,000 from Chapters Group AG for £1,700,000 plus accrued interest of £36,329. The terms for repurchase offered were equal to those offered to all other bond holders.

On 31 January 2025, Richard Lightfoot transferred 326,202 ordinary shares from his personal holding to his self-invested personal pension. This transaction resulted in a disposal of 292 shares.

Related party transactions in the current year

On 25 November 2025, Iain Brown purchased 41,425 ordinary shares, increasing his holding to 166,379, then on 26 February 2026, purchased a further 71,841 ordinary shares, increasing his holding to 238,220.

On 18 February 2026, Gavin Cockerill purchased 29,341 ordinary shares, increasing his holding to 168,118, then on 27 February 2026, purchased a further 35,936 ordinary shares, increasing his holding to 204,054.

On 27 March 2026, Richard Lightfoot transferred 36,769 ordinary shares from his personal holding to his self-invested personal pension.

26. POST BALANCE SHEET EVENTS

On 20 May 2026, the Group entered into a new revolving credit facility (the "Facility") with Santander UK plc, replacing the Group's existing facilities with Shawbrook Bank Limited.

The Facility comprises a committed £25.0 million revolving credit facility and a £10.0 million uncommitted accordion option, exercisable subject to Santander's credit approval. The Facility has a four-year term, with interest payable at a margin over SONIA on a ratchet of between 2.00% and 3.00% depending on the Group's leverage. The Facility is repayable as a single bullet at the end of the term and is subject to customary financial covenants and security arrangements.

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