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1. Introduction

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Key Highlights

QA is a global digital skills and Higher Education business.

11,000

Higher Education students taught (2024: 10,000)

429,000

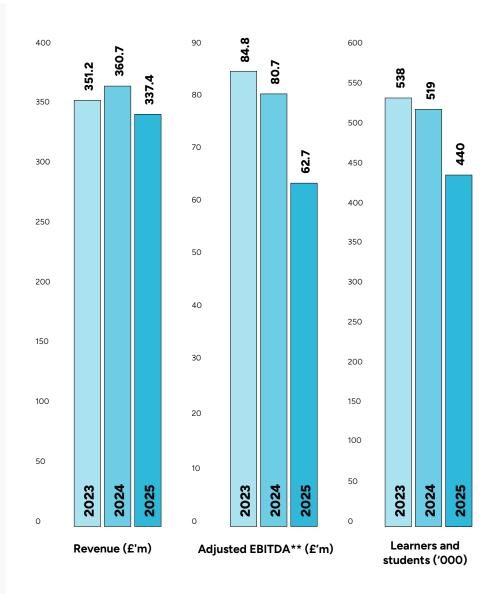
Workforce Learning learners (2024: 509,000)

The Board of Directors have approved the Strategic Report set out between pages 4 to 31. Signed on its behalf by:

Peter Franklin

Director

10 October 2025



^{**}Table 1 (note 31) and Table 3 (note 31) include the definition of Adjusted EBITDA and the reconciliation to the Group's loss before tax.

What We Do

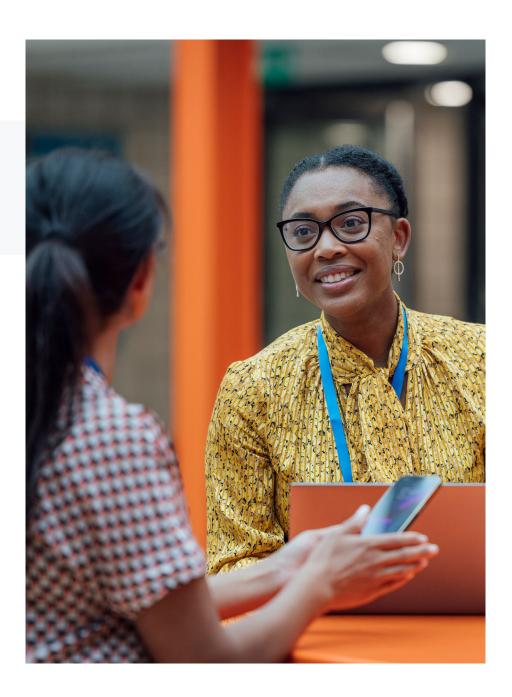
QA is the UK's leading digital education and skills provider, helping businesses, governments, and individuals close critical skills gaps in technology and beyond. We bring together professional training, apprenticeships, higher education, and talent services to deliver measurable outcomes for learners and employers.

We have two operating businesses; Workforce Learning (made up of Learning and Apprenticeships) and Higher Education. In FY25 Workforce Learning trained more than 400,000 people and supported over 7,000 corporate clients, including a significant share of the FTSE 350. We deliver specialist programmes in Cloud, Cyber Security, Agile, Data, DevOps and Al. Our strong partnerships with global technology leaders, including Microsoft, Amazon Web Services and Google Cloud, mean we deliver a significant portion of the UK's cloud training.

We are also one of the UK's largest providers of levy-funded digital apprenticeships. Since 2008, we have accelerated over 53,000 careers, our pass rate for the 2024/25 academic year was 98% (2023/24: 95%).

Through QA Higher Education, we work with seven UK university partners – including Northumbria, Ulster, Oxford Brookes, and Swansea – to offer industry-relevant programmes that prepare students for high-demand careers supporting 11,000 students.

At QA, we are not only building skills for today – we are creating the talent pipelines that power the UK's future economy.



Chairman's Letter: Building for What's Next

FY25 has been a challenging year for the Group with revenue down 6% (2024: up 3%) and adjusted EBITDA down 22% (2024: down 5%) as a result of headwinds impacting the Workforce Learning business. We have taken action to reshape the business to better align with our customers' needs.

Building for what's next

FY25 was a pivotal year for QA. Political and economic uncertainty, rapid technological advances, and shifting client priorities reshaped the environment in which we operate. What remained constant was the growing demand for trusted, high-quality skills and education – a demand QA is uniquely positioned to meet.

We responded with focus and intent. Across the Group, we sharpened our strategy, integrated our business model, strengthened our foundations and invested in the capabilities that matter most. The result is an organisation that is more agile, resilient, and ready to help individuals and organisations thrive in a fast-changing world.

Meeting change with focus

Disruption and change are not new to QA. From the rise of personal computing to the advent of the cloud, we have consistently grown through successive waves of technological revolution. Today, we are entering the next wave – driven by artificial intelligence – and once again, we are building with purpose.



Harnessing opportunity responsibly

The shift to AI expands QA's reach and responsibility. Over the past year, our Workforce Learning business launched new AI-led content and pathways across our programmes, and integrated EIa, our AI learning assistant, into our platform to support learners in real time. Alongside these external advances, we established QAi, our group-wide strategy for integrating AI responsibly and effectively. QAi is built on two priorities: unlocking value for learners and clients, and strengthening our operations, through better decision-making, faster insights.

Early results, lasting responsibility

Client spend on our Al offering has increased by 350% compared to the previous year, our Al client base has nearly tripled, and average spend per client doubled. These are early evidence of momentum. Equally important, our adoption of Al is grounded in responsibility. We test with real users in context, refine based on feedback, and are working to align to ISO 42001 standards to ensure transparency and trust. For QA, innovation and responsibility are inseparable.

Strength across the Group

Our strength lies in the breadth of our offer, which combines Workforce Learning – including apprenticeships, instructor-led

training, and digital learning – with Higher Education delivered through our university partnerships. Together, these create an integrated, end-to-end pathway that supports learners from school leavers and undergraduates to career changers and senior professionals. In FY25, Workforce Learning saw strong growth in apprenticeships, launched new Al programmes, and expanded blended learning solutions. However, the business did not achieve the growth targets we had set for ourselves. In response, we took decisive action, including a leadership transition: in January 2025, Josh Hubbert joined QA as CEO of the Workforce Learning business to sharpen focus, accelerate innovation, and lead the business into its next phase.

In parallel, our Higher Education business attracted record demand underpinned by the strength of our UK university partnerships, ensuring we continue to deliver education that is both academically rigorous and industry relevant. Crucially, we are helping learners build not only academic credentials but also the professional skills demanded by employers. In an uncertain economic climate, this focus on employability makes our role more important than ever. We are proud that thousands of graduates from QA Higher Education are making meaningful contributions to their communities, industries, and the wider economy.

Driving social impact

QA remains committed to its broader role in society. In partnership with GIST Impact, we began measuring our Social Return on Investment. The results were compelling: £580 million in social value was created, equivalent to £6.89 generated for every £1 invested in apprenticeships – driven by gains in access, opportunity and career progression.

Commitment to responsible growth

Our responsibility extends to sustainability and governance. In FY25, we maintained a CDP B-rating for climate action, and were awarded an EcoVadis Silver Medal, placing us in the top 15% of companies assessed.

Looking ahead with confidence

Our focus is on execution. We will scale what works, simplify complexity, and deliver on the investments we have already made. We will also continue to invest in areas of greatest demand – from apprenticeships to next-generation digital skills – while keeping QA lean and focused. This is a pivotal moment for QA. With the right tools, the right talent, and the right focus, we are ready to lead the skills economy of tomorrow.

Chris Myris

Sir Charlie Mayfield Chairman

£54.2m

Free cash flow

(3.8)%

Decline in adjusted

EBITDA margin

£54.2m (2024: £37.3m).

Free cash flow increased by 45.3% to

The Group's Adjusted EBITDA margin has

decreased from 22.4% to 18.6% due to

reduced contribution from the Group's

Workforce Learning business.

Key Performance Indicators

We have a number of KPIs as follows:

Revenue growth rate

Growth in revenue demonstrates the increased demand for our programmes and courses.

Adjusted EBITDA* growth rate

Growth in Adjusted EBITDA demonstrates profitable return from our products, programmes and courses.

Percentage growth in learners

Growth in learner volumes demonstrates the demand for our learning products from our Workforce Learning customers. Learners are defined as the number of individuals taught in the year.

(6.5%)

Revenue growth rate

The Group has seen revenue fall by 6.5% (2024: up 2.7%) with strong growth in Higher Education.

(22.3)%

Adjusted EBITDA growth rate

The Group has seen Adjusted EBITDA decline by 22.3% to £62.7m due to lower revenue and margins in the year.

(15.7)%

Percentage growth in learners

The Group's Workforce Learning learners have declined by 80,000 (2024: declined by 19,000) to 429,000 (2024: 509,000) as the Group has seen a decrease in self-paced learner activities.

Free cash flow*

Cash flow growth represents our ability to generate cash returns after investing in the assets (e.g. product, content and leases) that support our products, programmes and courses.

Growth in Adjusted EBITDA margin reflects the ability to drive delivery and operational

Adjusted EBITDA* margin

efficiency.

10%

Percentage growth in students

Higher Education students have increased by 10% to 11.000 (2024: decline of (0.7)%) due to increased international student demand.

Percentage growth in students

The number of students taught through our higher education business.

Average learner Net Promoter score (NPS)

Excellent learner experiences mean that our Workforce Learning customers are more likely to recommend and rebook with us in the future.

55

Average learner Net Promoter Score (NPS)

Meaning over 90% of Workforce Learning learners would recommend us (2024: 56).

^{*}These KPIs are reconciled to IFRS values in note 31.

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QA Workforce Learning

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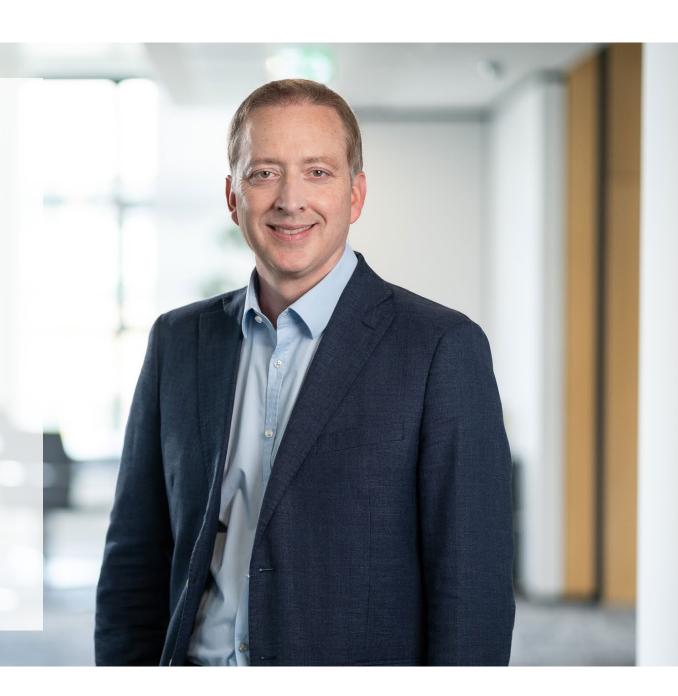
QA - Workforce Learning

Meeting the moment: building skills that last

At QA Workforce Learning, we don't just respond to change – we help our clients stay ahead of it. As AI hit the mainstream, and organisations everywhere began asking how to adapt, we were doubling down on what we do best: building capability that lasts.

Facing a year of contrasts

FY25 was a year of mixed performance. Apprenticeships revenue grew (up 6%), supported by high demand and the launch of new programmes. Appetite for advanced learning created momentum in parts of our portfolio. At the same time, we faced headwinds in other areas. Our business with government entities, was disrupted by the UK general election, freezing budgets and delaying decisions. Like many in our sector, our self-paced digital learning business also came under pressure as companies reassessed their post-Covid licensing models. As a result of these and other factors, our Learning revenue declined by 12%.



Taking decisive action

We acted quickly. In the second half of FY25, we carried out a reorganisation to reduce our cost base in line with our lower revenues, simplify how we operate, and focus investment where growth potential is strongest. These changes were difficult but decisive. They have stabilised the business, reset our cost base, and positioned us for growth.

Reimagining how people learn

While strengthening our foundations, we continued to innovate. Continuous learning has outgrown the classroom. Learners today want flexible, hybrid models that fit around real jobs and real lives, with demand for 'flexible learning' up 20% year-on-year. Our response is the next generation of blended learning. New programmes launching in FY26 will combine the structure of instructor-led learning with the agility of digital content, designed for measurable impact. This model is already proving powerful in our Apprenticeships offer, and we are now scaling it across commercial programmes. Unlike others in the market, QA can integrate platforms, formats, and delivery models into fully tailored learning solutions. This is our edge, and it is where we lead.

Sharpening our strategy built for impact

Our strategy now rests on four clear pillars that define how we deliver value.

Deeper expertise

With over 450 in-house experts and more than 40 partners, we combine specialist knowledge with broad coverage across cloud, data, cyber, Al and beyond. In FY26 we will launch a cohesive curriculum reflecting how these skills are reshaping not just technical roles but also disciplines like marketing, leadership and security.

More ways to learn

From apprenticeships to instructor-led, blended and on-demand learning, we offer choice at scale. FY26 will see the launch of **Simulabs**, our new immersive platform for hands-on practice, while our digital learning assistant **Ela** continues to expand real-time support and knowledge, enabling faster problemsolving and deeper engagement.

Tailored to you

We co-design journeys with clients, whether the need is rapid upskilling or long-term transformation.

Building on Ela, we are introducing personalised learning plans and an Al Course Advisor to ensure every learner has a path that fits. We are also rethinking assessment through intelligent simulations that mirror real-world scenarios.

A partner you can trust

In the past three years, we have supported over 1 million learners. Much of our content is QA-authored, ensuring accuracy and reliability, while our platform is built on ethical, transparent principles. Combined with strong industry partnerships, this gives our clients confidence in our ability to deliver results at scale and with integrity.

Together, these pillars give us the structure to innovate continuously, while remaining reliable, trusted and focused on impact.

QA - Workforce Learning

Looking ahead with clarity

Our priority now is execution. We are expanding our blended portfolio, scaling our platform across EMEA and North America, and investing in fast-growing areas such as data science, automation, and machine learning. These actions will allow us to return to growth from a stronger base while continuing to lead in the skills that matter most.

In short, we are building the skills infrastructure for the AI era – practical, scalable, and human-centred. FY25 tested us, but it also clarified where our opportunities lie. We have taken the hard decisions, reset our foundations, and are ready to move forward with confidence.

Thank you to our clients, our learners, and our teams for your continued trust and partnership.

Josh Hubbert

CEO, Workforce Learning

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QA - Higher Education

Expanding access, strengthening partnerships

QA Higher Education exists to break down barriers and open doors to life-changing education. In FY25, over 14,000 students enrolled across more than 120 career-focused courses, and a community drawn from over 100 countries, we are reshaping how learners access higher education and how universities expand their reach. Our network of seven university partners grew further this year, with new collaborations with Swansea University (ranked in the top 300 globally, QS 2026) and Oxford Brookes University, strengthening our capacity to provide high-quality, employability-focused learning.

Navigating change with confidence

FY25 brought regulatory change and political scrutiny across UK higher education, particularly around immigration reform and franchise provision. While these developments created challenges, they also reinforced the importance of transparency, accountability, and student outcomes.



We have welcomed this shift. We see a clearer route for partnership-based providers to achieve Office for Students (OfS) registration, and we are embedding best practice in governance, data integrity and student services to prepare for this milestone.

Strengthening quality and student outcomes

Academic excellence remains the cornerstone of QA Higher Education's mission. Across our partnerships we are raising teaching standards, embedding digital learning tools, and expanding personalised student support. Our data shows consistent gains in progression and completion, underpinned by tailored action plans with each university. For students, this means more than a degree – it means leaving QA Higher Education with the confidence, skills and resilience to thrive in the modern workforce.

Expanding partnerships and portfolio

QA Higher Education's breadth and diversity are core strengths. In FY25, average student numbers increased from 10,000 to 11,000, reflecting the growing demand for our programmes. Our network of seven university partners – now including Swansea and Oxford Brookes – ensures we can extend opportunity to even more learners across the UK and beyond. The expansion of our course portfolio was guided by one clear question: what skills will students and employers need most in the years ahead? That is why we launched new programmes in Cyber Security, Human Resource Management and Public Health,

alongside further courses in Psychology and CertHEs. These courses are designed not only to deliver academic excellence, but to provide students with direct routes into high-demand careers.

With Northumbria University, we also launched our first fully online master's degrees in fields such as Cyber and Logistics and Supply Chain. For many students balancing study with work and family, this flexibility makes higher education even more accessible. With 64% of our students being international and 36% from the UK – mostly representing diverse, mature, non-traditional and widening participation backgrounds – we are proud to reflect the diversity and ambition of the communities we serve.

Modernising systems and ensuring resilience

Delivering at scale requires robust infrastructure. In FY25, QA Higher Education implemented a Salesforce-powered recruitment and admissions platform and a new student records system, both delivered on time and within budget. These systems enhance transparency, regulatory compliance and data-driven decision-making, while laying the groundwork for future online expansion and AI-enhanced learning. Financial resilience also remains central: average revenue per student was mostly maintained at £12,000 (2024: £12,500), reflecting affordability pressures in the sector while sustaining stable enrolments and strong partner relationships.

Looking ahead

QA Higher Education's vision is to be the UK's most impactful and trusted public-private provider – a catalyst for change that widens access, strengthens employability and delivers long-term value for students, universities and society.

With 14,000 total students studying with us in FY25, every number represents a story: a school leaver gaining their first step into higher education, an international student building a new life in the UK, or a working professional reshaping their career. That is the true measure of our impact – education that changes lives.

As we invest further in our people, our systems and our partnerships, we will continue to modernise the curriculum, improve outcomes, and support the evolving needs of tomorrow's learners. Above all, we are committed to proving how public-private collaboration can be a force for good in UK higher education.

Thank you to our students, university partners, academic and professional staff, and wider stakeholders for your commitment, energy, and belief in what we are building together.

Simon Nelson

CEO, Higher Education



People & Impact

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The Board

The Group has two operating Boards to run and manage the Group's Workforce Learning and Higher Education businesses. The Boards are made up of the following:



Sir Charlie MayfieldGroup Chairman

Appointed: November 2017

Charlie joined QA as Chairman in November 2017. He was previously Chairman of the John Lewis Partnership (JLP), stepping down in 2020. Charlie was the Government-appointed Chair of the UK Commission for Employment and Skills. In June 2013, he was knighted for services to business. He is Deputy Chairman of the British Museum, Chairman of edtech business Sparx Education, Senior Non-Executive Board Director at HM Treasury, and is leading an independent review for the Government titled Keep Britain Working.



Jim MarshWorkforce Learning Chairman

Appointed: July 2025

Jim became Executive Chair of QA Workforce Learning in July 2025, having previously spent over 30 years working in Corporate Turnaround and Private Equity. During this period, he held roles as Managing Partner of KPMG UK, Chief Executive Officer of Cable & Wireless Worldwide PLC, Turnaround Partner at McKinsey & Co., and Chief Transformation Officer across a variety of businesses and sectors.



Josh Hubbert
CEO Workforce Learning

Appointed: January 2025

Josh became CEO of QA Workforce Learning in January 2025. He was previously COO of the market research company GfK, and later a member of the executive team at NielsenIQ following the merger of the two companies in 2023. Prior to GfK, Josh served as VP of Strategy at the WMF Group, where he led the value creation programme and oversaw the postmerger integration with Groupe SEB. Earlier in his career, Josh spent over a decade in management consulting with Kearney.



Simon NelsonCEO Higher Education

Appointed: September 2021

Simon joined QA in September 2021 as CEO HE. He was the founding CEO of FutureLearn, the online social learning platform launched by the Open University in 2012. He was responsible for scaling the platform from start-up to one used by world-renowned academic institutions, reaching a global audience of more than 15 million students and raising £50m in investment at a £100m valuation in 2019.

Prior to this, Simon played a key role in building the BBC's digital presence for more than a decade, leading all digital activities for BBC Radio and then BBC Television, including the development and launch of on-demand services such as BBC iPlayer. Between the BBC and QAHE, Simon headed up digital strategy at Nord Anglia Education, the world's largest international schools group.



Peter Franklin
Chief Financial Officer

Appointed: June 2025

Peter joined QA Group on 1 June 2025. He was previously CFO of FreshWave Group. Prior to 2024, he served as VP Finance for the Aviation business of Inmarsat (backed by Apex and Warburg), where he supported an ambitious growth agenda and the company's successful acquisition by Viasat.

After qualifying with PwC, Peter built his career in leadership roles at Cable & Wireless and Capita. He is a qualified accountant and Fellow of the ICAEW.



Udaibir Banga
Non-Executive Director

Appointed: June 2024

Udaibir is a Director at CVC, which he joined in 2017. Prior to CVC, he worked in the Direct Private Equity team at CPP Investments and in the UK M&A group at Citi.

He holds an Honours degree in Economics from Harvard University and an MBA from Harvard Business School.



Richard BlackburnNon-Executive Director

Appointed: June 2017

Richard is a Partner at CVC, which he joined in 2007. Prior to CVC, he worked in Morgan Stanley's M&A department. He graduated with a BA in Economics from the University of Oxford.



Philip YoungGeneral Counsel

Appointed: January 2025 / Resigned: August 2025

Phil is General Counsel at QA, leading the legal, compliance and regulatory functions across the Workforce Learning and Higher Education businesses. He also oversees QA's Al transformation, spanning governance and operational delivery. A triplequalified lawyer (England & Wales, New York, Republic of Ireland), Phil began his career in M&A and capital markets at Cravath, Swaine & Moore (New York) and Covington & Burling (London), before senior in-house roles at Liberty Global and Cera Care. Phil graduated with First Class Honours from Queen's University Belfast, and has a LLM from Harvard Law School, where he was a Frank Knox Fellow.



Nathan Runnicles
Chief Financial Officer

Appointed: May 2018 / Resigned: December 2024

Before joining QA, Nathan was CFO at Tes Global and Research Now.

At Research Now Group Inc., he oversaw the business's development from a public company through two private equity transactions in 2009 and 2015. Prior to that, he was EMEA Finance Director at Fitch (part of WPP Group plc). He has extensive experience in group finance, legal, corporate finance, investor relations, and corporate development.

Nathan began his career in finance after qualifying as a Chartered Accountant with PricewaterhouseCoopers in 1998. He also holds a BSc in Economics and Accounting from the University of Bristol.



Richard TownsendCEO Workforce Learning

Appointed: July 2021 / Resigned: January 2025

Richard began his career in media and advertising with The Media Centre, part of the DMB&B advertising group.

He specialised in the emerging field of digital marketing, securing some of the UK's first deals with leading digital brands such as Yahoo, AOL, Google, and Facebook.

Richard went on to establish the digital division of Starcom Mediavest, growing it into one of the UK's largest buyers of digital services. In 2009, he founded Circus Street, which he later transformed into an online learning business to meet the growing demand for digital skills among clients.

People & Impact

Our People

Behind every success story at QA is a team of dedicated individuals whose passion, talent, and resilience drive us forward. Our people are not just part of the business — they are its driving force. In a year defined by change and challenge, their dedication has shone through more clearly than ever.

We're creating a culture where people feel proud of their contribution, inspired to do their best work, and supported to thrive, professionally and personally. Whether it's recognising personal milestones or celebrating team achievements, we aim to build a workplace where success is shared, and contributions are valued. Our efforts have targeted four of the United Nations Sustainable Development Group's goals:



A Culture of Continuous Growth and Lifelong Learning

We grow people – that's the principle at the heart of our

business – and the same one we apply to our own teams. In the last year, we've focused not just on hiring great talent, but on growing it from within. As the business has evolved and organisational changes have been necessary, we have supported impacted colleagues through out-placement services where suitable internal opportunities were not available.

We're proud of our strong record of internal mobility and career progression, with many colleagues taking on new challenges and opportunities across the organisation.

In the past year, we welcomed 610 new hires, supported 229 internal moves, and celebrated 110 promotions. While internal moves were lower than FY24 (335), we saw a positive increase in promotions, up from 89 last year, highlighting our focus on career development.

Our policy is to provide equal employment opportunities, giving full and fair consideration to applications for employment from disabled persons and ensuring their employment continues and thrives within the Group. We are committed to giving full and fair consideration to the applications of all candidates, including those with disabilities.

We ensure that all recruitment processes are as accessible as possible and are free from discriminatory barriers. We will continue to make reasonable adjustments to the working environment to accommodate the needs of disabled employees.

We aim to provide training, career development, and promotion opportunities for disabled employees on the same basis as for all other employees. Our commitment to learning goes far beyond onboarding. Every colleague has access to three fully funded training days per year, which can be used for any area of personal interest, regardless of their role. This unique benefit reflects our belief that personal growth drives professional performance.

As we look ahead, we're taking a more strategic approach to learning and development, grounded in feedback and focused on the future. We were thrilled to have been awarded Gold accredited membership of the 5% Club for 2024/2025. Our gold status demonstrates our commitment to empowering our employees through "earn and learn" initiatives such as apprenticeships, graduate schemes and sponsored student placements.

Pay and Reward



Fair, Transparent, and Values-**Led Compensation**

We pay the Real Living Wage unlike the statutory minimum,

the Real Living Wage is independently calculated to reflect the actual cost of living, ensuring our people are supported not just to survive, but to thrive.

We pay our people fairly and transparently for the work they do. While differences in experience, qualifications, and individual performance naturally result in variations in salary, gender should never be one of those factors.

We continue to focus on building a reward structure that's both equitable and evidencebased. This includes investing in robust benchmarking tools and applying consistent frameworks across our Career Framework levels to ensure everyone is paid fairly for their contribution.

Our latest analysis, based on April 2024 data, covers our 2,537 UK-based employees who received full pay during the mandatory gender pay gap reporting snapshot. We remain focused on mitigating structural factors that drive the gender pay gap and ensuring equal opportunity across all job families and levels.



Bonus Pay Gap

Illustrates the difference in the average bonus payments received by male and female employees, expressed as a percentage.

Where there is a negative percentage, this indicates that women receive a larger bonus than men.

There remains a mean gap due to the high proportion of males within the Group's executive leadership group.

Pay gap

2024

QA Group - Median

16.5%

2023 12.5%

QA Group - Mean

2024 15.8%

2023 14.1%

Bonus pay gap

QA Group - Median

2024 -14.4%

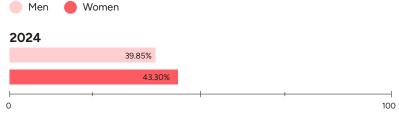
2023 5.3%

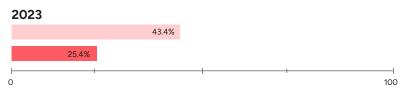
QA Group - Mean

2024 28.7%

2023 -26.6%

Variable pay component eligibility by gender





Number of employees by gender

	2024			2025		
	Men	Women	Total	Men	Women	Total
Employees	1482	1187	2669	1209	939	2148
Managers	219	259	478	171	212	383
Executive leadership	5	2	7	8	2	10
Directors	3	0	3	4	0	4

Diversity and Inclusion

Our Diversity Makes Us Stronger

Diversity and inclusion are essential to building transformative, tech-enabled learning and a workplace where every voice is valued and empowered. We embed inclusion across the employee journey, because representation, accessibility, and shared responsibility, help us better serve our global clients and reflect the world we live in.

A Rich Tapestry of People and Perspectives

Since 2022, we have made significant progress in how we collect and use diversity data. In FY25, 85% of our employees shared their diversity characteristics in our HR platform, up from 71% in the previous year. This data helps us build a clearer picture of who we are, where the gaps are, and how we can better support inclusion across all parts of our business.

Our business has people from 17 ethnic backgrounds, 71 countries of origin, and 52 nationalities. This diversity is not only something we celebrate – it's a strategic strength that drives innovation, broadens our thinking, and improves the learning experiences we create for others.

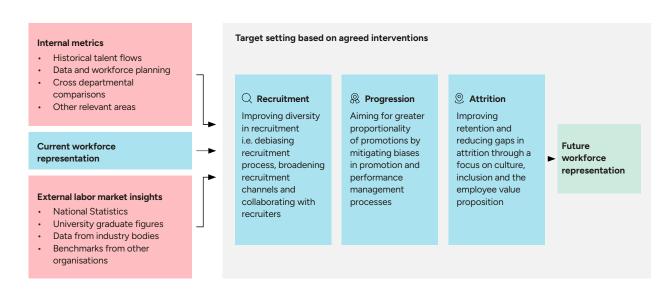
Turning Insight into Action

We're embedding diversity, equity and inclusion (DEI) into our people strategy, backed by targeted action plans and measurable goals. Here's how we're driving progress:

- Encouraging voluntary data sharing with purpose
- Being transparent about why and how we use DEI data

- Involving colleagues in shaping our plans
- Focusing on outcomes not just intentions

By improving our data, engaging our people, and holding ourselves accountable, we're ensuring our culture reflects the rich diversity of the world we serve. Looking ahead, we'll continue to strengthen our foundations and remain open about our journey, including where we still have work to do.



Recognition & Engagement

Where People Feel Proud, Connected, and Valued

We want our people to feel proud to belong, excited to contribute, and confident that their efforts matter. We are intentional about creating a culture that connects, celebrates, and empowers our people. We now have a range of channels to keep everyone engaged and informed, wherever they work:

- All Hands Calls: We have brought in monthly business-wide updates from our exec team, spotlighting wins and strategy. Every other month includes live Q&A for direct employee input.
- Intranet: More than policies it's our go-to space for news, celebrations, and sharing best practice across QA.
- Employee Newsletter: Written by our people, for our people. Key features: business updates, personal milestones, charity work, and long-service shoutouts. 'Kudos Corner' and 'People's Post' are favourites for peer recognition.

- Employee Networks & Communities: We support employee-led groups that foster connection, inclusion, and collaboration shaping how we work together.
- Employee Engagement Survey: To better understand how our people feel about QA, what's working, where we can do better, and what really matters most.

Recognition That Reflects Our Values

We know that when people feel seen and appreciated, they're more likely to thrive. That's why we make it a priority to celebrate success, big or small, and spotlight the individuals and teams driving our mission forward.

From standout performers and project milestones to community contributions and customer success stories, we made space to share and celebrate the best of QA.

Every year, we run a group-wide recognition programme designed to spotlight individuals and teams who go above and beyond. The programme is open to all and culminates in our QA Spirit Awards, a celebration of our standout achievers.

Club 110: Sales Excellence Rewarded in Style

Our structured bonus and commission schemes are built to be fair, transparent, they recognise high performance in a way that motivates teams, drives accountability, and reinforces a shared commitment to our goals.

For our top-performing salespeople, Club 110 remains a highlight of the year. This coveted programme recognises those who exceed ambitious commercial targets and is designed to motivate, reward and retain top talent. This year, 85 colleagues qualified, earning their spot on a team trip to lbiza, a celebration not only of exceptional performance but also of shared success and strong team culture.

Lifestyle Benefits & Wellbeing

Supporting Life, Work and Everything In Between

We want our people to feel supported in all aspects of their lives – personally, professionally, and everything in between. That's why we offer a broad and evolving range of benefits designed to support wellbeing, reward commitment, and enable our people to grow and flourish at every stage. These benefits are introduced from day one via our onboarding sessions.

In FY25, we ran **27 onboarding sessions** welcoming **610 new starters** across the QA Group. We also delivered **8 dedicated benefits sessions**, reaching **304 employees** with practical advice on accessing their benefits, open to all, no matter how long they've been at QA.

Helping Our People Feel Good and Stay Resilient

We know that wellbeing isn't a "nice to have"; it's essential. Our approach includes a mix of preventative resources, peer support, professional services, and learning experiences to help our people feel safe, supported, and strong.

Over the past year, we ran a 12-month wellbeing series, We Talk Wellbeing, offering monthly drop-in sessions focused on personal growth, resilience, and mental fitness. Each session tackled a different theme, from Self-Belief and Positivity to Connection and Gratitude, with practical takeaways for daily life.

Our trained **Mental Health First Aiders** and **Approved Listeners** are trusted colleagues available to offer confidential support and signpost people to support resources when needed. Backed by our People Team, they are vital in creating a compassionate culture.

Health and Wellbeing

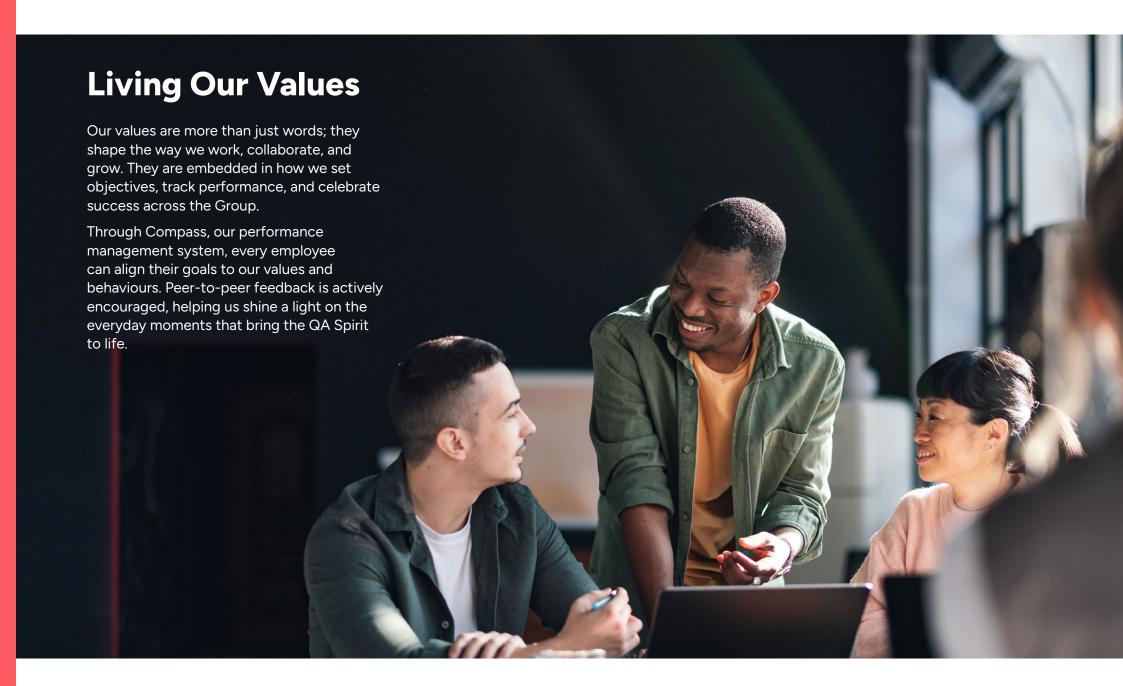
We provide access to a range of resources to help our people stay physically and mentally well including:

- Employee Assistance Programme (Wisdom)
- Aviva Smart Health
- 24/7 GP Access (GP24)
- Medicash Healthcare Cash Plan
- Private Medical Insurance
- Flu Jabs
- WellHub
- Life Assurance
- Group Income Protection

Personal Growth & Development

Because careers shouldn't stand still, we offer:

- Access to the QA Learning Platform
- Three Training & Development Days per year
- · Internal Apprenticeships



Community Investment and Social Impact



Empowering futures through apprenticeships

Since 2008, we have pioneered tech apprenticeships, becoming

one of the UK's largest providers of levyfunded digital programmes. With a 98% pass rate and 90% of learners moving into full-time roles, we've accelerated over 55,000 careers.

In 2024, our apprenticeships generated over £580 million in social value. Our Social Return on Investment (SROI)¹ report researched by GIST Impact, analysed 22 digital apprenticeship programmes delivered by over 250 subject matter experts, measuring the economic, social, and environmental impact of their investment. The findings showed that for every £1 invested, QA's apprenticeship programmes delivered £6.89 in social value.

Our data goes beyond the headline figure, offering granular insights by region, gender, and ethnicity, helping businesses understand the real-world impact of their programmes across diverse communities.

We are developing a learning value calculator so we can demonstrate the economic value of training to our clients.



Bridging the Digital Divide: Opportunity for All

We think that digital skills should be accessible to

everyone, regardless of background, circumstance, or starting point. That belief, drives our commitment to reducing inequalities and closing the UK's critical digital skills gap.

Through initiatives like Teach the Nation and Tech4Futures, we deliver free, hands-on workshops that break down barriers to tech careers and open pathways into our apprenticeship programmes. In our Higher Education business, 35% of students are female, 79% are mature learners aged 25 or older, and 62% are international students.

We welcome and support participants of all ages, backgrounds, and experiences because we know diverse perspectives drive innovation.

In February 2025, during National Apprenticeship Week, we launched the QA Neurodiversity Network, a major step in supporting and empowering neurodiverse learners and employees. Supported by 35 Neurodiversity Champions and 10 trained specialists, the network fosters safe, inclusive spaces for growth and connection. Our monthly 'Safe Space' sessions offer a supportive environment for open dialogue, shared experiences, and collective empowerment

We aim to create opportunity, foster inclusion, and champion social mobility through every programme we deliver.

QA - Driving Diversity in Digital: Our Impact in Numbers

	Female Participants	Ethnic Minority Participants	Deprived Areas IMD Quintiles 1 to 3	
Apprentices	32%	23%	46%	
A QA TTN Teach The Nation	51%	57%	46%	
Tech4Futures	60%	76%	30%	
EduQAte	39%	37%	26%	

Honouring Service, Empowering Futures:

QA's unwavering commitment to the Armed Forces Covenant has been recognised with the Gold Award in the Defence Employer Recognition Scheme and a place in the 2025 Top 50 Great British Employers of Veterans for the second year running.

Our forces-friendly approach includes targeted veteran recruitment in partnership with the Career Transition Partnership, and dedicated support for Reservists, 10 days' paid leave annually and mobilisation assistance. We also champion the Cadet movement by supporting volunteers who help shape the next generation of leaders.

Teach the Nation: Unlocking Potential Through Digital Skills:

We designed Teach the Nation (TTN) to make digital learning inclusive, practical, and transformative.

TTN provides participants with 4-hours of virtual training led by expert tutors, covering core skills in Python, data, web development, cloud, and DevOps.

Focused on attitude over experience, TTN supports those often overlooked by traditional education - especially individuals facing academic, socio-economic, or geographic barriers.

*QA TTN Impact

Learning hours delivered	285,868
Attendees	1,653
Beginner level or no experience	87%
Interested in apprenticeships	79%

Tech4Futures: Igniting Ambition, Unlocking Opportunity:

Tech4Futures is more than a workshop series, it's a launchpad for ambition, designed to open doors into the world of tech.

Participants dive into practical workshops across software development, data analytics, digital marketing, IT support, and business administration. From building websites and analysing real-world datasets to learning coding fundamentals, each session is designed to demystify tech and build confidence, regardless of starting point.

By partnering with charities and social mobility organisations, we are reaching diverse audiences and equipping them with practical skills and confidence to take their next step.

Tech4Futures Impact

Learning hours delivered	5,790
Interested in tech career / apprenticeship	85%
Ethnic Minority attendees	70%
Female attendees	60%

Giving Back, Growing Together

We believe that making a difference in our community is so important. That is why, we give every colleague two charity days per year to volunteer for causes close to their heart.

From charity quiz nights, Christmas jumper days, fantasy football leagues to skydiving and marathon running – our people have done it all to raise vital funds for their charities! We support them by matching donations up to £250, helping their impact go even further. In the last year, we have matched 125 donations to the value of £30,000 (2024: £12,000) raised across 17 charities.

20+

125

Charity activities

Matched donations

30+

£30,000

Charity partners

Contributions



Environmental Sustainability (incl. SECR Reporting)

Our Path to Net-Zero: Science-Backed, Action-Driven:

We take our commitment to reducing our environmental impact seriously. That is why we have set ambitious, science-based goals to achieve net-zero carbon emissions by:

- 2035 for Scope 1 and 2
- 2040 for Scope 3

We are proud that in May 2025, the Science Based Targets initiative (SBTi) validated and approved our net-zero targets. This confirms our goals align with the latest climate science and the global 1.5°C pathway.

We have published our sixth annual carbon report in accordance with SECR guidelines. The business has made year-on-year progress to reduce our carbon emissions reinforcing our commitment to climate accountability. Our progress over the past 3 years is shown here:

	UK Consumption (MWh)			UK	Consumptio	on (tCO2e)
Utility and Scope	FY25	FY24	FY23	FY25	FY24	FY23
Scope 1 Gaseous and other fuels	320	434	660	58	79	120
Scope 2 Grid-Supplied Electricity	2,133	2,440	2,827	442	505	547
Scope 3 Transportation	641	690	662	143	155	153
Total	3,094	3,564	4,149	643	739	820

5. Financials

Key highlights:

- Scope 1 direct emissions reduced by 27% to 58 tCO₂e due to a significant decrease in gas consumption following our move to offices only powered by electricity.
- Scope 2 emissions dropped by 12% to 442 tCO₂e. Thanks to our use of 100% renewable electricity across leasehold properties, our market-based Scope 2 emissions are zero.
- Scope 3 transportation emissions reduced by 8% to 143 tCO₂e due to a decrease in total staff mileage.

We are committed to year-on-year improvements in our operational energy efficiency, and we have a created a register of measures which we will work to implement over the next five years.



EcoVadis Silver: A Global Benchmark of Our ESG Excellence

Our ongoing commitment to Environmental, Social, Governance (ESG) is evidenced by our EcoVadis 'Silver Medal'. Our EcoVadis Silver Rating provides an independent, evidence-based evaluation of our performance across four key areas: Environment, Labour & Human Rights, Ethics, and Sustainable Procurement.

Our 2025 EcoVadis silver rating places us in the top 15% of over 150,000 companies assessed globally.

Across our industry sector, we achieved the following ratings:

- Top 1% Environment
- Top 5% Labour & Human Rights
- Top 6% Ethics
- **Top 7%** Sustainable Procurement

The EcoVadis silver sustainability rating provides reassurance to our clients, partners, and investors that we are delivering strong ESG throughout our business.



Tech for Good: Extending Lifecycles, Expanding Opportunities

We work hard to minimise our environmental footprint while maximising our positive impact on people and communities. Instead of discarding surplus equipment, we repurpose and donate furniture and tech.

This not only reduces waste but extends the use of the asset, supporting education, inclusion, and opportunity.

We've donated to a wide range of schools, charities, and social enterprises across the UK and beyond, including Primrose Hill Primary School (Manchester), Big Adventure Club (Swindon), Home Start (Leeds), Little Hiccups (Grantham) and YEP! Youth Engagement Project (Cornwall). For the third year running, we also shipped a 20ft container of essential equipment to Ghana, helping build a dedicated ICT hub for the Trio Foundation to transform digital education for future generations.





Financials

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CFO Statement

The Group's business performance in FY25 was mixed with some areas performing well whilst others struggled against a background of economic uncertainty.

Areas of strength included our Higher Education business which saw strong growth in international student numbers enabling continued investment in the business and property footprint.

Within Workforce Learning, our Apprenticeship business performed well with revenue up 6%; however, the remainder of the Workforce Learning business failed to meet its growth targets amidst a challenging market backdrop and under-performance against the strategy. The Board took decisive action, and in January 2025 appointed Josh Hubbert as CEO of Workforce Learning. The new leadership have taken immediate actions to restructure the business such that it is positioned for a return to sustainable growth.

Group Revenue declined by 6.5% to £337.4m (FY24: £360.7m). Operating cash flows were 6.7% higher than prior year at £51.2m (FY24: £48.0m), supported by improved working capital management.

During FY25, the Group maintained its long-term financing arrangements, with its long-term facilities of £265.0m and revolving credit facility of £40.0m in place. The facilities continue to support liquidity and investment in strategic initiatives.

Trading performance

Table 1 in note 31 sets out the Group's key trading metrics for the year ended 31 May 2025 ("2025" or "FY25") and compares it to the year ended 31 May 2024 ("2024" or "FY24"). The reconciliation of Adjusted Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA), a non-IFRS measure, to the loss for the year, is set out in Table 3 in note 31.

Enterprise services within Learning remained under pressure, particularly in digital subscriptions, which experienced client churn in consumer and retail sectors. Apprenticeships continued to perform well, supported by deeper enterprise relationships. Higher Education revenues (adjusted to include the Group's share of results of associates) increased to £149.0m (FY24: £139.1m), as international student numbers recovered.

Gross profit declined 9.4% to £188.8m (FY24: £208.3m), with gross margins impacted by product mix and lower contribution from higher-margin digital offerings. Operating expenses (administration expenses before adjusting items, depreciation and amortisation) decreased to £147.3m (FY24: £158.7m), reflecting cost optimisation and continued integration of learning operations.

Adjusted EBITDA for the full year was £62.7m (FY24: £80.7m), with an Adjusted EBITDA margin of 18.6% (FY24: 22.4%).



"The Group has taken action to change course and stabilise the business for a return to sustainable profitable growth."

Key performance indicators

Table 2 in note 31 sets out the key performance indicators measuring the financial and operational performance of the Group. In addition to revenue and Adjusted EBITDA we report on cash generation and the number of learners and students developing their skills or studying with us in the year. We define free cash flow as Adjusted EBITDA less the working capital movement, lease rental payments, tax payments and capital expenditure.

Free cash flow was £54.2m (FY24: £37.3m), supported by improved working capital, lower capital expenditure and a corporation tax refund offsetting the impact of lower EBITDA

The learners and students served by the business were 440,000 (FY24: 519,000) impacted by lower activity in Enterprise Learning and digital subscriptions.

Adjusting items

Table 3 in note 31 sets out the reconciliation of Adjusted EBITDA and the loss before taxation. Our Adjusted EBITDA is defined as the profit/(loss) for the year before the tax on profit/(losses), net interest payable and similar charges, amortisation, depreciation, tax on joint venture profits and adjusting items.

Adjusted EBITDA is not a measure of financial performance under IFRS but is presented because we believe it is a relevant measure for assessing our performance, as it adjusts for certain items which are not indicative of our underlying operating performance. Adjusted EBITDA margin is the ratio of Adjusted EBITDA to revenue.

Adjusting items in the year totalled £16.4m (2024: £14.8m) and primarily relate to continued investment

in digital transformation, including Salesforce implementation, restructuring costs from the rightsizing of Learning operations, and strategic review expenses.

Reported results

On a reported basis for the year ended 31 May 2025, the Group generated revenue of £337.4m (FY24: £360.7m) and recorded an operating loss of £1.6m (FY24: operating profit of £24.3m). The loss before tax for the year was £65.8m (FY24: £30.0m), after deducting net finance costs of £64.5m (FY24: £54.1m), primarily arising from the Group's senior credit facilities and shareholder loans.

The Group's tax credit of £19.3m (2024: £10.6m) includes £7.6m of paid-for group relief receivable from holding companies in the wider corporate Group.

The Group is in a net liability position largely due to interest accruing on intra-group loans of £323.7m (FY24: £287.3m). Under the terms of the intra-group loan agreement, the loan and accrued interest is not repayable until the earlier of the loan redemption date of June 2047 or a change in control of the Group. The loan balance increased during the year due to interest accruing on these balances.

Total assets at 31 May 2025 were £560.5m (2024: £573.6m), comprising intangible assets of £138.3m (FY24: £164.8m), property, plant and equipment of £56.5m (FY24: £58.9m), other non-current assets of £259.7m (2024: £257.0m) and current assets, including cash, of £106.0m (2024: £92.9m). The assets of the Group have decreased slightly due amortisation and impairment of intangibles.

Total liabilities as at the balance sheet date of 31 May 2025 were £864.0m (2024: £831.1m), comprising bank

loans due over one year of £257.5m (FY24: £255.7m), other non-current borrowings of £367.7m (FY24: £331.2m), provisions of £6.6m (FY24: £7.0m), deferred tax of £25.1m (FY24: £30.5m) and other current liabilities of £209.8m (2024: £210.7m). The Group's other current liabilities increased slightly, reflecting a reduction in trade and other payables offset by an increase in the Group's short-term borrowings under its revolving credit facility.

Capital resources

Our primary sources of liquidity consist of cash, which amounted to £30.6m (FY24: £23.5m) at year end, and available drawings of £10.0m under the revolving credit facility. The Group's year-end cash position reflects disciplined cash management and lower capital expenditure, alongside continued investment in strategic initiatives.

Financing facilities

The Group's financing arrangements remain unchanged following the refinancing completed in October 2023. The senior credit facility of £265.0m matures in October 2029 and bears interest at GBP SONIA plus a margin of 6.0%. A collar of 3.66% and a cap of 6.0% applies to £150m of the facility from June 2024 to May 2026. In addition, the Group has entered into an interest rate swap running to August 2026 contract to fix the interest on £100.0m of the Group's debt at 4.09%.

The £40.0m revolving credit facility, maturing in April 2029, is available for general corporate purposes. The facility bears interest at GBP SONIA plus a margin of 3.75%, with a commitment fee payable on undrawn amounts. Of this facility £30.0m was drawn at the balance sheet date (2024: £20.0m).

Net cash flow and working capital

Net cash inflow from operating activities was £51.2m (2024: £48.0m) in the year ended 31 May 2025. Seasonality in the Group's activities leads to fluctuating working capital requirements during the year. The business typically sees an increased working capital need as activity builds after the summer months into the key trading period prior to December, and again after the Christmas holiday season through spring.

Movements in net working capital are primarily driven by debtors and deferred income; in particular in our learning and higher education activities where there is a significant level of advance billing for training and course fees, and also in accrued income due to billing the Department for Education in arrears for apprenticeships training funded by the levy. All other components of working capital are relatively stable.

Working capital inflow in the year ended 31 May 2025 was £4.1m (2024: £17.1m). After adjusting for exceptional working capital movements each year (see Table 6 in note 31), the adjusted working capital movement has improved on the prior year due to an increase in the deposits received within the Higher Education business (see Table 5 in note 31). The Group continues to manage working capital efficiently, supported by improved receivables and deferred income profiles.

Material contractual commitments

Table 4 in note 31, sets out the contractual commitments at 31 May 2025 that are expected to have an impact on liquidity and cash flow in future periods. The table excludes any future interest payments on our senior debt facility and further utilisation of amounts under the revolving credit facility if drawn.

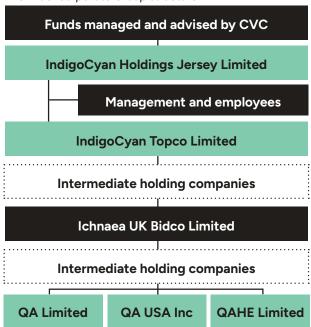
The information presented in this table reflects management's estimates of the contractual payment streams of our current obligations, which may differ from the actual payments made under these obligations.

Group structure

On 23 June 2017, the Group was acquired by funds managed and advised by CVC Capital Partners (CVC), a private equity firm, alongside QA's management team and employees.

The accounting reference period of the Group is 31 May. The diagram below sets out a summary of the Group structure. The subsidiaries and associated undertakings affecting the profit or net assets of the Group in the year are all listed in note 2 of the Parent Company financial statements.

The wider corporate Group structure



Management of financial risks

The Group's activities expose it to a number of risks and uncertainties which include credit and liquidity risks.

Credit risk

The Group's principal financial assets are bank balances and trade debtors. The Group's credit risk is primarily attributable to its trade debtors. Management continually reviews outstanding receivables and debtor recovery plans together with credit limits across for our customers. The amounts presented in the balance sheet are net of provision for doubtful debts.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity and to ensure that sufficient funds are available for ongoing operations and future developments, the Group operates a centralised treasury function, features of which include intercompany cash transfers and management of lease contracts.

The Group has sufficient funds through existing cash balances, free cash flow and if needed the support of its ultimate parent, the revolving credit facility, to service the annual cost of its financing and meet its other business needs. The Group does not use derivative financial instruments for speculative purposes. Notes 15 and 17 set out information in respect of the Group's leverage position.

Approach to risk

The Board holds ultimate responsibility for overseeing the effective management of risk across the Group. In doing so it ensures that the nature and extent of the risks are clearly evaluated and aligned with the group's strategic objectives. Central to this oversight is the Board's determination of the level of risk it is willing to tolerate in pursuit of long term value creation and sustainable growth.

The Board maintains direct control over the approach to risk management and the procedures for the identification, assessment, management, mitigation and reporting of risks. The Risk Committee takes responsibility for overseeing the effectiveness of risk management and internal control systems.

Identifying and monitoring of risks

The Board uses the Group risk register as its principal tool for monitoring and reporting risk. The register details the Group's risks, the impact of each risk, the likelihood of that risk occurring, the strength of the mitigating controls in place. Input is obtained from all areas of the business, including support functions, as appropriate.

Principal risks and uncertainties

In addition to the financial risks, the Directors consider that the principal risks and uncertainties facing the Group and a summary of the key measures taken to mitigate those risks are as follows:

- 1. Business transformation and change
- 2. Competitive risk
- 3. Compliance risk
- 4. Changes in government funding/regulation
- 5. Data governance, cyber security, infrastructure and systems

To ensure these activities are effectively managed the Group invests in specialist resources, in the form of external consultancies to supplement internal teams who are also supported with experienced external contractors.

- 1 Increased Risk
- → No Change In Risk

Business transformation and change 1

The Group has continued to implement improvements to its products and infrastructure with the aim of creating competitive advantage, modernising learner and student experiences and creating efficiencies.

The Group's Workforce Learning business has seen challenging trading conditions which resulted in management change and headcount reductions during the year. Alongside this the business is investing in internal projects to simplify the Group's operating model and make better use of Al and digital applications. QAHE has implemented and rolled out a new Student Record System to all partners, enabling a single view of all information relating to a student and their study journey from enrolment to graduation. The Group has also invested in both internal and external artificial Intelligence products to target improved learner experiences and internal efficiency gains.

Changes and developments expose the Group to short term risk such as the potential for business disruption, however these changes are integral to streamlining operations, supporting growth initiatives and mitigating key risks areas such as business continuity and information security.

Competitive risk →

Macroeconomic events have impacted overall customer demand and spending in the learning and development sector resulting in increased competition.

The development of Artificial Intelligence technologies in the sector presents both opportunity and risk for the Group. Whilst the Group aims to harness the benefits of artificial intelligence to create competitive advantages in processes and learning products, there is uncertainty as to how significant advances in artificial Intelligence could expose the Group to alternative means of learning and the creation of learning content and, in turn new competitors.

We continue to develop our platform, building high quality engaging content and releasing materials that capture advances in technology, such as new learning content relating to Artificial Intelligence. The Group also continues to expand its partnerships with key technology and content vendors to ensure its breadth of product offerings can meet customer needs.

The Group regularly assess pricing to stay competitive in all our markets while seeking to introduce new products and features that attract new customers and retain current.

Compliance risk 1

The Group operates in a number of highly regulated environments which require significant investment and oversight from internal and external compliance, legal and technology teams that perform process reviews and implement action plans to manage compliance and security risk across the Group.

Risk and oversight functions are particularly critical to the Group's apprenticeships and higher education operations where the provision of services is regulated by regulatory and industry bodies. For example, in Higher Education our undergraduate programmes are externally accredited by the Quality Assurance Agency for Higher Education or indirectly by the Office for Students via our partners' authorisations. In apprenticeships the standards set by OFSTED and the Department for Education must be met.

Unfavourable inspection outcomes from external agencies that result in lower ratings could adversely affect our reputation, on-boarding metrics, and regulatory standing. The accurate and timely reporting of learner and student data, educational outcomes, and other relevant metrics are important for regulatory and industry bodies. Inaccuracies or inconsistencies in data reporting may lead to compliance issues and regulatory challenges.

Higher Education is also indirectly subject to significant rules and regulations imposed by the Home Office relating to international student visas. Such rules again require significant oversight and governance and failure to comply could have significant implications for our business and its university partners.

The higher education business engages in student recruitment and seeks to adopt a robust agent management function with appropriate spot checks on agent activity and practice - complying with two independent agent compliance charters to ensure oversight and governance, in an area which has come under increased government and regulatory scrutiny.

The Apprenticeship business was recently rated as 'Good' across all categories by OFSTED, highlighting strong leadership, a well-structured curriculum aligned with industry needs, and a positive, supportive learning environment. Apprentices benefit from expert tutors, tailored wellbeing resources, and career development opportunities, leaving them well-prepared for progression and valued by employers.

The Group has recently re-accredited its ISO27001 certification and has, as part of that re-accreditation, consolidated certain Group entities ensuring coverage across all applicable operations. Management of ISO27001 supports best practice across the Group and ensures compliance with contractual obligations.

The Group also holds certification for its management of information security, and other IT-related certifications including National Cyber Security Centre's Cyber Essentials Plus accreditation and undertakes an annual CHECK audit which is the Government's security standard to help protect sensitive data in the supply chain.

Changes in government funding/regulation ↑

The Group works extensively with government departments and public sector bodies and receives funding from the Department for Education and Skills Development Scotland for apprenticeships, and indirectly for its undergraduate programmes from Student Finance England. As such there are many contractual and regulatory obligations that the Group is required to meet at all times. Changes to government funding could have a material impact on the Group's services if new policies were to impact demand.

The Group's executive, legal and compliance teams continually monitor for legislative or regulatory changes that could impact the Group's services and work to ensure that all changes are proactively implemented on a timely basis. Changes in the political landscape within the UK may result in structural changes to funded learning such as the Group's Apprenticeship and Higher Education offerings. The impact of these changes is currently being monitored to ensure any changes can be addressed promptly in order to mitigate any resulting trading risk.

In addition there are proposed change to regulation for our Higher Education business with this potentially being brought into the scope of Office for Students regulation. A project team has been set up to ensure that we comply with the new requirements and evidence our robust approach to governance, educational metrics and financial requirements.

Data governance, cyber security, infrastructure and systems →

There is significant legal, commercial, reputational, regulatory and financial risk from major IT system integrity or data security issues. There is a risk of data loss, disruption to our operations, or clients or learners experiencing degraded services or being unable to trade as a result of system outages or capacity limitations. These technology related threats may arise from weaknesses in our internal processes and infrastructure or from the ever changing external cyber threat landscape.

The Group's technology team is continually working across a wide range of system and data security projects to enhance cyber defence and response capabilities, strengthen monitoring services, upscale endpoint security standards and disaster recovery services,

reduce the threat from email and internet services and invest in data management tools. We undertake assessments of our security position with our NCSC (National Cyber Security Centre) accredited CIR partner.

We are certified for ISO27001:2022 which is the international standard for managing information security and for Cyber Essentials Plus, which is the NCSC standard which aims to help organisations defend against the most common cyber threats. We also undertake an annual NCSC IT Health Check (CHECK) audit which provides assurances that an organisation's external and internal systems are protected from unauthorised access or change, therefore helping to ensure the confidentiality, integrity and availability of our systems and data. We undertake a range of activities covering areas such as access reviews, vulnerability/ penetration tests and security assessments and have invested in market leading technology and monitoring services to support these activities.

The Group's principal trading entity in the United States (QA USA, Inc.) is now officially part of the Data Privacy Framework (DPF). Being part of the DPF demonstrates the Group's commitment to the lawful handling of data and its transfer to the United States. This also ensures adherence to global data privacy laws under recognised international frameworks.

The emergence of Artificial Intelligence has resulted in new governance activities to ensure compliance with legal and regulatory requirements. Such governance is managed by the Group's information technology and legal functions to ensure robust compliance. "The development of Artificial Intelligence technologies in the sector presents both opportunity and risk for the Group."

Directors' report

The Directors present their report and the audited consolidated financial statements of the Group and the Company for the year ended 31 May 2025.

Directors

The Company is incorporated under the law of England and Wales. The Directors of the Company who were in office during the year and up to the date of signing the financial statements are as follows:

- Charlie Mayfield
- Richard Blackburn
- Peter Franklin (appointed 1 August 2025)
- Udaibir Singh Banga (appointed 3 March 2025)
- Nathan Runnicles (resigned 31 December 2024)
- Philip Young (appointed 1 January 2025 and resigned 1 August 2025)

Dividends

The Directors do not recommend the payment of a dividend for the year ended 31 May 2025 (2024: nil).

Political donations

The Group did not make any political donations during the year (2024: nil).

Charitable donations and sustainability

Charitable donations are included in the Strategic Report on page 29 and sustainability reporting is included on page 30.

Supplier payment policy

The Group's policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment.

Trade creditors of the Group at 31 May 2025 were equivalent to 20 days purchases (2024: 46 days).

Principal risks and uncertainties

The principal risks and uncertainties facing the business are set out in the CFO Statement.

Directors and Officers indemnity

The Group maintains liability insurance for its Directors and Officers and had this in place throughout the year and up to the date of the signing the financial statements.

Subsequent events

There have been no events since the balance sheet date requiring disclosure.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out within this report. The Company is part of the Ichnaea UK Bidco Limited Group "the Group" which is in turn part of the IndigoCyan Topco Limited Group. The Directors have considered the adoption of the going concern basis of preparation of these financial statements with consideration to the wider group position and its business model.

While the Group's adjusted EBITDA reduced by £18.0m to £62.7m during the year the Group's cashflow from operating activities of £51.2m (2024: £48.0m) and balance sheet strength supported the service of the Group's external bank debt. The forecasting process undertaken by the Directors recognises the inherent uncertainty of the current economic environment where inflationary, geopolitical and recessionary risks are heightened. The Directors believe, given Ichnaea UK Bidco Limited Group performance through the recent economic pressures (including restructuring of the Group's Workforce Learning business), that trading results will be robust and that there are growth opportunities for the business to pursue. However, the Directors have assessed Ichnaea UK Bidco Limited Group's various revenue and cashflow scenarios that factor in the impact of an economic recession and geopolitical risks on the demand for the Ichnaea UK Bidco Limited Group's services. The analysis confirmed the Ichnaea UK Bidco Limited Group has sufficient liquidity and is forecast to comply with its financial covenants.

The Ichnaea UK Bidco Limited Group has a term loan of £265m and revolving credit facility of £40m. The facilities are in place until October 2029 and April 2029, respectively. The Company has received a letter of support from IndigoCyan Holdings Jersey Limited the ultimate Parent Company for the wider Group confirming committed funding for at least 12 months from the date of signing and approving these financial statements. The Directors have reviewed the ability of IndigoCyan Holdings Jersey Limited to provide the support. On this basis, the Directors have a reasonable expectation that the Company and the wider Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at

"We continue to develop our platform, building high quality engaging content and releasing materials that capture advances in technology..."

least 12 months from the date of signing and approving these financial statements. In making this assessment, the Directors have considered the cash flow forecasts of the wider Group, the availability of financial resources, cash flows, liquidity forecasts, facilities and compliance with covenants, alongside the principal risks and uncertainties, including those arising from the current economic environment. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and financial statements.

Statement by the Directors in performance of statutory duties in accordance with s172

As the Group's subsidiaries are primarily based in the UK, we have also considered UK governance requirements in respect of s172 of Companies Act 2006 as well as applicable law.

Throughout this Annual Report, we provide examples of how we: take into account the likely consequences of long-term decisions; build relationships with stakeholders; understand the importance of engaging with our employees; understand the impact of our operations on the communities and the environment we depend upon; and attribute importance to behaving as a responsible business. The Board appreciates the importance of effective stakeholder engagement and that stakeholders' views should be considered in its decision-making.

The Board of Directors of Ichnaea UK Bidco Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole and having regard (amongst other matters) to factors (a) to (f) S172 Companies Act 2006, in the decisions taken during the

year ended 31 May 2025.

Our governance is designed to ensure that we take into account the views of all our stakeholders, so that our decision-making is collaborative and well-informed – both before and after we make our decisions public.

We engage with our stakeholders as follows:

- Customers our ambition is to deliver best-inclass service our customers. We build strong lasting relationships with our customers and spend considerable time with them to understand their needs and views and listen to how we can improve our offer and service for them. We use this knowledge to inform our decision-making, for example to tailor our proposition to suit customer demands.
- People our people are key to our success, and we want them to be successful individually and as a team. There are many ways we engage with and listen to our people including colleague surveys, forums, listening groups, face-to-face briefings, internal communities, newsletters and through our anonymous colleague concern line. Key areas of focus include health and well-being, development opportunities, pay and benefits.
- Shareholders the Board aims to understand the views of its shareholders and always to act in their best interests. The Board engages with CVC as majority shareholder throughout the year providing updates on trading performance. As part of these meetings shareholders are able to ask questions of the Directors.

We believe these actions are in line with our culture and the high standards of business conduct and good governance we set ourselves.

Auditor

Deloitte LLP has expressed its willingness to continue in office as auditor of the Group and Company and their reappointment has been approved by the Board.

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework"

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing the Parent 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;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

 Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the Company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, Directors are also required to:

- · Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provide relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Walker guidelines

The Directors consider the Annual Report and financial statements to comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity.

This Directors report on pages 33 to 41 was approved by the Board of Directors on 10 October 2025 and signed on its behalf by:

Peter Franklin Director

10 October 2025

Independent Auditor's Report to the members of Ichnaea UK Bidco Limited

Opinion

In our opinion:

- the financial statements of Ichnaea UK Bidco Limited (the 'Parent Company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 May 2025 and of the Group's loss for the year then ended:
- the Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB);
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Consolidated Income Statement and Other Comprehensive Income;
- the Consolidated Statement of Financial Position;
- the Consolidated Statement of Changes in Equity;

- · the Consolidated Statement of Cash Flows;
- the related notes 1 to 32 to the Consolidated Financial Statements:
- the Parent Company Statement of Financial Position;
- the Parent Company Statement of Changes in Equity; and
- the notes 1 to 10 to the Parent Company Financial Statements

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB. 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).

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 Financial Reporting Council's (the 'FRC's') Ethical Standard, 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.

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.

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 and 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.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Group's industry and its control environment, and reviewed the Group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations.

We also enquired of management and the Directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the Group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements.
 These included UK Companies Act, pensions legislation and tax legislations.
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the UK Data Protection Act 2018, the UK Bribery Act, the UK Borders Act 2007, and relevant employment and health and safety law.

We discussed among the audit engagement team including relevant internal specialists such as tax, valuations and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following area, and our procedures performed to address it are described below:

 Higher education – Valuation of provisions against revenue and bad debt. There is a risk that the bad debt provision, in relation to student withdrawals and payments, is valued inappropriately. We have assessed the design and implementation of relevant revenue process controls. We have substantively tested historical withdrawal and bad debt rates, reviewed post year-end payments and challenged management's assumptions for expected credit losses. We have also considered corroborative and contradictory challenges including macroeconomic influences on student demographics.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations;
- reading minutes of meetings of those charged with governance; and
- · reviewing correspondence with HMRC.

Report on other legal and regulatory requirements

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 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.

In the light of the knowledge and understanding of the Group and of the Parent Company and their environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Other matter

As the Company was exempt from preparing consolidated financial statements under section 401 of the Companies Act 2006 in the prior year we have not audited the corresponding amounts for that year.

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.

Louise Cagger

Louise Cooper FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP Statutory auditor

Leeds, United Kingdom 10 October 2025

Consolidated Income Statement and Other Comprehensive Income for the year ended 31 May 2025

	Note	2025 £'m	2024* £'m
Revenue	2	337.4	360.7
Cost of sales		(148.6)	(152.4)
Gross Profit		188.8	208.3
Administration expenses		(194.8)	(191.7)
Share of results of associates		4.4	7.7
Operating (Loss)/Profit	3	(1.6)	24.3
Finance income	6	9.4	8.9
Finance costs	6	(73.9)	(63.0)
Other gains and losses	6	0.3	(0.2)
		(64.2)	(54.3)
Loss Before Taxation		(65.8)	(30.0)
Taxation charge	7	19.3	10.6
Loss For The Year		(46.5)	(19.4)
Other Comprehensive Income			
Loss for the year		(46.5)	(19.4)
Exchange differences on translation of foreign operations		(1.7)	0.6
Total Comprehensive Loss For The Year		(48.2)	(18.8)

All results derive from continuing operations.

^{*}Restated Note 32

Consolidated Statement of Financial Position as at 31 May 2025

	Note	2025 £'m	2024* £'m
Non-current assets			
Goodwill	9	31.0	31.0
Other intangible assets	12	107.3	133.8
Property, plant and equipment	13	56.5	58.9
Investment in associates	10	-	-
Amounts due from Group undertakings	10	248.2	237.9
Interest in associates	11	3.3	16.7
Deferred tax assets	21	8.2	2.4
		454.5	480.7
Current assets			
Inventories	14	-	0.1
Trade and other receivables	16	75.4	69.3
Cash and cash equivalents	15	30.6	23.5
		106.0	92.9
Total Assets		560.5	573.6
Current liabilities			
Loan and borrowings	18	(38.0)	(27.7)
Trade and other payables	17	(169.1)	(178.7)
Provision for liabilities	19	(2.5)	(4.0)
Derivative financial instruments	20	(0.2)	(0.3)
		(209.8)	(210.7)

	Note	2025 £'m	2024* £'m
Non-current liabilities			
Loan and borrowings	18	(625.0)	(586.9)
Provision for liabilities	19	(4.1)	(3.0)
Deferred tax liabilities	21	(25.1)	(30.5)
		(654.2)	(620.4)
Total Liabilities		(864.0)	(831.1)
Net Liabilities		(303.5)	(257.5)
Equity			
Share capital	22	6.8	6.8
Translation reserve	23	(2.3)	(0.6)
Share based payments reserve	22	6.2	4.0
Retained earnings	23	(314.2)	(267.7)
Equity attributable to owners of the Company		(303.5)	(257.5)
Total Equity		(303.5)	(257.5)

The consolidated financial statements of Ichnaea UK Bidco Limited (Registered company number 10214376) were approved by the Board of Directors on 10 October 2025 and signed on its behalf by:

Peter Franklin, Director

^{*}Restated Note 32

Consolidated Statement of Changes in Equity for the year ended 31 May 2025

	Share capital £'m	Translation reserve £'m	Share based payments reserve £'m	Retained earnings £'m	Attributable to owners of the Company £'m
As at 31 May 2023	6.8	(1.2)	1.7	(248.3)	(241.0)
Loss For Year	-	-	-	(19.4)	(19.4)
Other comprehensive income	-	0.6	-	-	0.6
Total Comprehensive Loss For The Year	-	0.6	-	(19.4)	(18.8)
Share based payment (Note 4)	-	-	2.3	-	2.3
As at 31 May 2024	6.8	(0.6)	4.0	(267.7)	(257.5)
Loss For Year	-	-	-	(46.5)	(46.5)
Other comprehensive income	-	(1.7)	-	-	(1.7)
Total Comprehensive Loss For The Year	-	(1.7)	-	(46.5)	(48.2)
Share based payment (Note 4)	-	-	2.2	-	2.2
As at 31 May 2025	6.8	(2.3)	6.2	(314.2)	(303.5)

Consolidated Statement of Cash Flows for the year ended 31 May 2025

	Note	2025 £'m	2024* £'m
Net cash inflow from operating activities	30	51.2	48.0
Cash flows from financing activities			
Advances on third party debt		10.0	274.4
Repayment of intra-group loans		-	(302.2)
Repayment of lease liabilities ¹		(7.1)	(7.9)
Cash received from the settlements of the derivative financial instruments held for hedging purposes		0.3	4.0
Interest paid		(29.0)	(23.0)
Net cash inflow / (outflow) from financing activities		(25.8)	(54.7)
Cash flows used in investing activities			
Purchase of property, plant and equipment		(14.0)	(21.6)
Acquisition of subsidiaries		-	(11.9)
Loan advances to holding company		(1.7)	-
Interest received		0.7	0.9
Net cash outflow from investing activities		(15.0)	(32.6)
Increase / (decrease) in cash and cash equivalents		10.4	(39.3)
Cash and cash equivalents, beginning of year		23.5	62.4
Foreign currency movements		(3.3)	0.4
Cash and cash equivalents, end of year	15	30.6	23.5

 $^{^{1}}$ Includes £2.6m of interest paid on lease liabilities (2024: £2.2m)

^{*}Restated Note 32

Notes to the Consolidated Financial Statements for the year ended 31 May 2025

1. Accounting Policies

General information

Ichnaea UK Bidco Limited (the 'Company') is a private company limited by shares and domiciled in England and Wales. The Company's office is registered in the UK at International House, 1 St Katharine's Way, London, E1W 1UN. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group'). The nature of the Group's operations and its principal activities are set out in the revenue recognition policy below.

The consolidated financial statements have been prepared under International Financial Reporting Standards (IFRS) adopted by the European Union and therefore the Group financial statements comply with Article 4 of the EU IAS Regulation. These financial statements have been prepared under the historical cost convention except for the valuation of financial instruments that are measured at fair value.

The Group and Company financial statements are presented in Sterling (£) and all values are rounded to the nearest hundred thousand pounds (£0.1m) except where otherwise indicated.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up for the year ended 31 May.

Business combinations are accounted for under the acquisition method. Assets and liabilities of overseas operation are translated at the closing rate and the results of these businesses are translated at average exchange rates for inclusion in the Consolidated Income Statement. The acquisition date and the date from which the subsidiary is consolidated is the date the Group obtains control.

Control is achieved when the Parent Company:

- · has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The financial results of subsidiaries used in preparation of the consolidated financial statements are based on consistent accounting policies. All intragroup balances and transactions, including unrealised profits arising from them are eliminated in full.

Profit or loss and each component of other comprehensive income ('OCI') are attributed to equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Basis of accounting

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting period beginning on or after 1 June 2025. The Group has elected not to early adopt these standards which are described below:

 Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7.

The above are not expected to have a material impact on the financial statements. There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

During the year the Group has adopted the following amendments and interpretations which have not had a material effect on the financial statements.

- Amendments to IFRS 10 and IAS 28; Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 1; Classification of Liabilities as Current or Non-current
- Amendments to IAS 1; Non-current Liabilities with Covenants
- Amendments to IAS 7 and IFRS 7; Supplier Finance Arrangements; and
- Amendments to IFRS 16; Lease Liability in a Sale and Leaseback.

Revenue recognition

The Group's main training activities consist of supplying learning services, providing courses in IT technical skills, project and service management, business applications and management and personal development to Corporate and Government customers with revenue streams arising from the training of apprenticeships, recruiting, training and deploying consultants, and the teaching of degrees in partnership with our University partners.

Revenue represents amounts receivable for services provided in the normal course of business together with non-refundable fees, exclusive of value added tax. The Group's principal activity is the provision of training courses and recognises revenue from rendering services upon delivery of training. The undelivered amount is included within deferred income and the majority is expected to be recognised within the next 12 months. Revenue relating to the expected unused portion of training contracts is recognised over the term of the contract period. The estimation of the unused portion is updated annually. Third party revenues arising from services outsourced on behalf of customers are recognised gross where the Group is the principal in the arrangement with the associated risks and rewards flowing to the Group.

Skills licenses and subscriptions

Skills licenses sold to our training customers are typically 12-month non-cancellable licenses providing courses at pre-agreed rates that are pre-paid, and then drawn down by the customer as needed. Revenue is recognised upon the delivery of training, as the performance obligation is satisfied. Platform licenses are sold as 12-month non-cancellable license which allow the customer unrestricted use of the platform over the license term.

Revenue is recognised straight line over the license period.

The undelivered amount is included within deferred income and the majority is expected to be recognised within the next twelve months. The estimate of the unused portion at the end of a skills license is updated annually.

Levy income

The Group provides courses paid for through the Apprenticeship levy, with funding drawn from the relevant funding bodies in England and Scotland. The performance obligation is the provision of educational and training services to apprentices over a period of time and therefore revenue is recognised over time and differs from the cash funding profile from the funding body. For apprenticeships that require an End Point Assessment (being the final assessment to ensure an apprentice can do the job they are training for) this is treated as a separate performance obligation and the transaction price is allocated using the cost-plus method. End Point Assessment revenue is recognised at a point in time, when the End Point Assessment has been successfully completed.

Higher Education

The Group provides educational programmes on a full or part time basis, including programmes leading to MSc and BSc designations to individuals. Programme revenue is recognised over the period of teaching, on a monthly basis in a straight-line manner over time. For the provision of services, there is no significant judgement required to determine when the customer benefits from that service, as the benefits are received over the period of teaching at the same point in time as the revenue is recognised.

Finance income and finance costs

Finance income comprises the interest income on external bank deposits which are recognised in the consolidated income statement in the year using the effective interest method. Finance costs comprise the interest expense on external borrowings and intra-group loans which are recognised in the consolidated income statement (under the effective interest rate method) in the period in which they are incurred.

Share based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 22.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

Government grants

Where the Group receives government grants this is netted against the associated costs which the grant is funding.

Capitalisation of development costs

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Capitalised software and development costs are amortised on a straight-line basis over their expected economic lives, normally between 3 and 5 years.

Computer software under development is held at cost less any recognised impairment loss. Any impairment in value is recognised within the consolidated income statement. Expenditure related to software as a service is expensed to the consolidated income statement as incurred.

Taxation

Taxation comprises current and deferred tax. It is recognised in the profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or in other comprehensive income.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is valued at the prevailing rates at which it is expected to unwind.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials for the courseware that have been incurred in bringing the inventories to their present location and condition.

Investments in associates

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, is recognised immediately in profit or loss in the period in which the investment is acquired.

Investments in associates relate to joint ventures with university partners, and throughout this report we refer to these using interchangeable terms as joint ventures or associates.

Goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration over the fair value of the identifiable net assets acquired. Goodwill arising on acquisition of subsidiaries and businesses is capitalised as an asset.

Goodwill is allocated to cash generating units and is subject to an annual impairment review, with any impairment losses being recognised immediately in the consolidated income statement. Goodwill is not amortised.

Other intangible assets

Initial recognition of other intangible assets Customer relationships, tradenames and content and materials acquired in a business combination that qualify for separate recognition are recognised as intangible assets at their fair values. Finite-lived intangible assets are subsequently accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. The estimated useful lives for the period are as follows:

- Customer relationships 4 to 17 years;
- Tradename 20 years; and
- Content and platforms 3 to 5 years.

Amortisation has been presented within administration expenses.

Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in "Impairment testing of goodwill, other intangible assets and property, plant and equipment" when there is an indicator of impairment.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset and is recognised in profit or loss within other income or other expenses.

Property, plant and equipment

Property plant and equipment are measured at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates based on the following economic lives in order to write off the cost less estimated residual value of each asset over its estimated useful life.

- Short-term leasehold improvements straight line over the life of the lease:
- Fixtures, fittings and equipment straight line over 2 to 5 years; and
- Right of Use Asset straight line over the life of the lease.

Impairment testing of goodwill, other intangible assets and property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment, and some are tested at the cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of a related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated are tested for impairment at least annually in accordance with accounting standards (IAS 36). All other individual assets or cash-generating units are

tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value inuse.

To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows.

The data used for impairment testing procedures are directly linked to the Group's latest approved budget or forecast, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements.

Discount factors are determined for the cash-generating units and reflect current market assessments of the time value of money and asset-specific risk factors. Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed (up to the carrying value of the asset with no impairment being recognised) if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

Property, plant and equipment (continued)

If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event. For a provision to be recognised, it must be probable that the Group will be required to settle the obligation, and it must be possible for a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Dilapidations

Where the Group has a legal obligation to restore leased properties at the end of the lease term, a dilapidations provision is recognised and represents management's estimate of the present value of future cash flows, including an amount for wear and tear costs which are likely to be incurred throughout the lease term.

The costs are recognised as an asset at inception of the lease and are included within leasehold improvements.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand. Bank overdrafts are presented in current liabilities to the extent that there is no right of offset with cash balances. Balances held with money market funds are presented as cash where their maturity is less than three months.

Trade and other receivables

Financial instruments are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They include trade and other receivables, bank balances and cash and loans to subsidiary undertakings, are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Pension costs and other postretirement benefits

The Group operates a defined contribution pension scheme. Contributions payable to the Group's pension scheme are charged to the consolidated income statement in the period to which they relate.

Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life or the end of the lease term. The estimated useful lives of right of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Leases (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments; and
- Variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in profit or loss

if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets in "property, plant and equipment" and lease liabilities in "loans and borrowings" in the statement of financial position.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery (such as photocopiers) that have a lease term of 12 months or less and leases of low-value assets (assets that fall below the Group's capital equipment recognition policy), including IT equipment.

The Group recognises the lease payments associated with these assets as an expense on a straight-line basis over the lease term.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss (FVTPL) are recognised immediately in profit or loss. Classification of financial assets Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised in profit or loss and is included in the "finance income" line item. The Group does not have any financial assets measured at fair value through other comprehensive income or FVTPL.

Impairment of financial assets

The Group recognises an ECL (Expected Credit Loss) for trade receivables. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Financial assets and liabilities (continued)

Credit losses are recognised as being the ECL within 12 months of the reporting date unless there has been a significant increase in credit risk, in which case lifetime credit losses are recognised.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying a significant increase in credit risk before the amount becomes past due.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is 1) contingent consideration of an acquirer in a business combination to which IFRS 3 applies, or 2) it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on changes in fair value recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liabilities and is included in finance costs.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss.

The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability. Fair value is determined in the manner described in note 25.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a

financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments, as appropriate, to manage its exposure to interest rate risks, including interest rate swaps.

Details of derivative financial instruments are disclosed in note 20. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the income statement immediately.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the CFO Statement. The Company is part of the Ichnaea UK Bidco Limited Group "the Group" which is in turn part of the IndigoCyan Topco Limited Group. The Directors have considered the adoption of the going concern basis of preparation of these financial statements with consideration to the wider group position and its business model.

While the Group's EBITDA reduced by £18.0m to £62.7m during the year the Group's cashflow from operating activities of £51.2m (2024: £48.0m) and balance sheet strength supported the service of the Group's external bank debt.

The forecasting process undertaken by the Directors recognises the inherent uncertainty of the current economic environment where inflationary, geopolitical and recessionary risks are heightened.

The Directors believe, given Ichnaea UK Bidco Limited Group performance through the recent economic pressures (including restructuring of the Group's Workforce Learning business), that trading results will be robust and that there are growth opportunities for the business to pursue. However, the Directors have assessed Ichnaea UK Bidco Limited Group's various revenue and cashflow scenarios that factor in the impact of an economic recession and geopolitical risks on the demand for the Ichnaea UK Bidco Limited Group's services. The analysis confirmed the Ichnaea UK Bidco Limited Group has sufficient liquidity and is forecast to comply with its financial covenants.

The Ichnaea UK Bidco Limited Group has a term loan

of £265m and revolving credit facility of £40m. The facilities are in place until October 2029 and April 2029, respectively. The Company has received a letter of support from IndigoCyan Holdings Jersey Limited the ultimate Parent Company for the wider Group confirming committed funding for at least 12 months from the date of signing and approving these financial statements. The Directors have reviewed the ability of IndigoCyan Holdings Jersey Limited to provide the support.

On this basis, the Directors have a reasonable expectation that the Company and the wider Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of signing and approving these financial statements. In making this assessment, the Directors have considered the cash flow forecasts of the wider Group, the availability of financial resources, cash flows, liquidity forecasts, facilities and compliance with covenants, alongside the principal risks and uncertainties, including those arising from the current economic environment.

Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and financial statements.

Exceptional costs

Exceptional costs are adjusting items that are unusual because of their size, nature or incidence and which the Directors consider should be disclosed separately to enable a full understanding of the Group's results.

Exceptional costs are recognised in the consolidated income statement in the period they are incurred.

Items classified as exceptional are as follows:

Acquisition and disposal related costs

Acquisition costs relate to the deferred acquisition costs of Circus Street London Limited. No further costs, with the exception of share based payment costs, are expected to be incurred going forward in respect of this past transaction. Disposal costs relate to the Group's review of whether it should divest of the Higher Education business.

Restructuring costs

Restructuring costs of £8.6m (2024: £5.4m) have been incurred in the year as a result of the changes to restructure the Group's Learning business, including redundancy and consultancy costs.

Property expenses

Property expenses of £1.2m (2024: £1.3m) were incurred in the year largely as a result of unutilised costs associated with two new properties for the Higher Education business.

Strategic Review and digital transformation

Strategic review and digital transformation costs of £2.8m (2024: £6.1m) have been incurred in the year as the Group looks to leverage new technologies. The most significant of these being the implementation of a customer relationship management software for the Higher Education business.

Share based payment cost

The Group has previously issued share options to employees as set out in note 22. The Group valued these share options and recognised a cost of £2.2m (2024: £2.3m) in the year.

Other specific items

Other specific items are recorded in exceptional costs where they do not form part of the underlying trading activities of the Group. Further details are provided in note 4.

Research and development

These development costs, net of related research and development investment tax credits, are not amortised until the products or technologies are commercialised or when the asset is available for use, at which time, they are amortised over the estimated life of the commercial production of such products or technologies.

The amortisation method and the life of the commercial production are assessed annually, and the assets are tested for impairment whenever an indication exists that an asset might be impaired.

During the year the Group has incurred £0.5m (2024: £1.2m) of research and development expenditure.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources

The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period

or in the period of revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Higher Education provisions

A key estimation in calculating the revenue and bad debt provisions within the higher education business is using historical data to predict future defaults or student dropout rates. If the actual experience differs from the assumptions in the provision, this could result in a material difference to the revenue recognised in the Higher Education business.

If the provision increased by 10% then this would increase the Group's provision by £0.5m (2024: £0.8m).

Critical accounting judgements

In the opinion of the Directors there are no critical accounting judgements impacting the Group or Company.

Parental Guarantee

The Group has provided the following subsidiaries with a parental guarantee in accordance with section 479C of the Companies Act. As such, advantage has been taken of the audit exemption available for the below named subsidiaries only, conferred by section 479A of the Companies Act, relating to the audit of individual financial statements.

The subsidiaries taking advantage of this exemption are:

- Seckloe 208 Limited
- QA Limited
- Focus Project Management (Europe) Limited
- QAHE Holdings Limited
- QA Gateway Limited
- QA Talent Limited
- Circus Street London Limited

The Directors acknowledge their responsibilities for the above-named companies, for:

- Ensuring the Company keeps adequate accounting records which comply with section 386 of the Companies Act 2006; and
- Preparing financial statements which give a true and fair view of the state of affairs of the Company at 31 May 2025 and of its profit or loss for the year then ended in accordance with the requirements of section 394 of the Companies Act 2006, and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the Company.

2. Revenue

All revenue was primarily derived from sales in the United Kingdom and the US with a small proportion related to other territories. The Group's revenue is derived from the provision of services to customers.

	2025 £'m	2024 £'m
UK	317.0	336.0
USA	13.9	21.0
Other	6.5	3.7
Revenue	337.4	360.7
External revenue by timing of revenue		
Services transferred at a point in time	1.6	2.0
Services transferred over time	335.8	358.7
Revenue	337.4	360.7

3. Operating profit

Operating profit is stated after charging:	Note	2025 £'m	2024 £'m
Depreciation - owned assets	13	4.1	4.0
Depreciation - right of use assets	13	6.2	4.5
Amortisation of intangibles	12	30.7	31.6
Training materials	14	5.5	5.9
Salary costs	5	151.6	158.0
Exceptional items	4	27.2	14.8
Research costs		0.5	1.2
The analysis of auditor's remuneration is as follows:			
Subsidiary audit fees		0.4	0.3
Total audit fees		0.4	0.3
Taxation advisory services		0.2	0.1
Total non-audit fees		0.2	0.1

Fees for the audit of the Company for the year ended 31 May 2025 were less than £0.1m and this was also the case in the prior year ended 31 May 2024. Fees to the auditors for non-audit assurance services were less than £0.1m for the current and prior financial year. Fees to auditors for tax advisory services were £0.2m for the year ended 31 May 2025 (2024: £0.1m).

4. Exceptional costs

	2025 £'m	2024 £'m
Acquisitions and disposals	-	0.3
Restructuring	8.6	5.4
Strategic review and digital transformation	2.8	6.1
Property expenses	1.2	1.3
Refinancing costs	0.9	-
Share based payment cost	2.2	2.3
Other specific items	0.7	(0.6)
Exceptional costs excluding impairment	16.4	14.8
Impairment / accelerated depreciation of Right of Use Assets and Leasehold Improvements (note 13)	2.5	-
Impairment of intangibles / accelerated amortisation (note 12)	8.3	-
Total exceptional costs	27.2	14.8

Acquisition costs in prior year relates to the deferred acquisition costs of Circus Street London Limited. No further costs, with the exception of share based payment costs, are expected to be incurred going forward in respect of this past transaction.

Restructuring costs of £8.6m (2024: £5.4m) have been incurred in the year as a result of the restructuring of the Group's Learning business as set out on page 33.

Strategic review and digital transformation costs of £2.8m (2024: £6.1m) have been incurred in the year as the Group looks to leverage new technologies. The most significant of these being the implementation of a customer relationship management software for the Higher Education business.

Property expenses of £1.2m (2024: £1.3m) were incurred in the year largely as a result of unutilised costs associated with a new property for the Higher Education business.

The Group incurred costs of £0.9m (2024: nil) associated with an aborted refinancing.

Impairment / accelerated depreciation includes £2.4m (2024: £nil) relating to Right of Use Assets and less than £0.1m (2021: £nil) relating to leasehold improvements as a result of the Group's intention to close one property in January 2025.

There was an impairment / accelerated amortisation charge relating to intangibles of £8.3m (2024: £nil) relating to customer relationships and developed software in its digital subscription businesses due to underperformance.

Other specific items include legal and professional costs in relation to significant non-recurring projects. In the prior year, the Group saw a credit following the capitalisation of transaction costs associated with the issuance of debt.

5. Staff costs

	2025 £'m	2024 £'m
Wages and salaries	132.1	137.6
Social security costs	15.4	16.1
Pension costs	4.1	4.3
	151.6	158.0

Staff costs include redundancy and other exceptional costs of £5.9m (2024: ± 4.5 m).

'Pension costs' include the defined contribution scheme charge.

The average monthly number of employees during the period, including Directors that are paid by the Group, was as follows:

	2025 No.	2024 No.
Learning, teaching and consulting services	881	967
Sales and administration	1,424	1,610
	2,305	2,577

Directors' Remuneration	2025 £'m	2024 £'m
Directors' emoluments	0.8	0.4
Directors' pension contributions to money purchase pension schemes	-	-
	0.8	0.4
Number of Directors accruing benefits under: Defined contribution scheme	1	1
Information regarding the highest paid Director is as follows:		
Emoluments	0.6	0.4

Total remuneration to key management personnel, including remuneration to Directors, is disclosed within note 29, Related Party Transactions. Director pension costs are less than £0.1m (2024: less than £0.1m). Directors received remuneration in respect of their services to the Group during the year £0.8m (2024: £0.4m). Directors emoluments includes £0.4m for compensation for loss of office (2024: nil).

Company

The Company does not pay staff costs, as it has no employees. The Company has not made any payments to Directors during the year. The Directors do not believe that it is practicable to allocate their time between the Group companies. The payments were borne by another Group company.

6. Finance Income, costs and other gains and losses

Finance Income:	2025 £'m	2024* £'m
Bank interest receivable	0.7	0.9
Interest income on intercompany loans	8.7	8.0
Total finance income	9.4	8.9
Finance costs Bank loan interest	2025 £'m 34.8	2024 £'m 24.3
Interest on shareholder loan notes	36.5	36.4
Interest on lease liability	2.6	2.3
Total finance costs	73.9	63.0
Other gains and losses		
Net gain arising on derecognition of financial liabilities measured at amortised cost Fair value movement on derivatives**	0.3	0.1 (0.3)
Total other gains and losses	0.3	(0.2)

^{*}Restated Note 32

Derivatives are used as appropriate by the Group. A derivative liability of £0.2m is recognised in the Statement of Financial Position as at 31 May 2025 (2024: ± 0.3 m). See note 20.

^{**} includes the movement on interest rate swap contracts on the Group's debt.

7. Taxation

	2025 £'m	2024* £'m
Loss before tax	(65.8)	(30.0)
Loss multiplied by the standard rate of corporation tax in the UK of 25% (2024: 25%):	(16.5)	(7.5)
Effects of:		
Expenses not deductible for tax purposes (including interest)	1.4	0.3
Associate profits taxed in associate entity	(1.1)	(1.9)
Adjustment in respect of prior periods	(2.9)	(0.2)
Utilisation of brought forward losses	-	(1.3)
Deferred tax not recognised	(0.2)	-
Tax on loss	(19.3)	(10.6)

*Restated Note 32

The tax charge in the current year is higher (2024: higher) than the standard tax as a result of the level of the Group's disallowable expenses, related principally to interest which is non-deductible under the Corporate Interest Restriction rules.

The Company and Group are part of a Multinational Enterprise Group which is in scope for OECD Base Erosion and Profit Shifting Pillar Two rules. The Group includes Constituent Entities that are tax resident in the United Kingdom, United States, Switzerland and China. The United Kingdom and Switzerland have enacted Pillar Two legislation which was in effect in the current financial period. United States and China has not yet enacted Pillar Two legislation.

No top up taxes arose under Pillar Two rules in the current financial period because the effective tax rate is above 15% in every jurisdiction in which the Group operates. The Group expects the effective tax rate in each jurisdiction in which the Group operates to remain above 15% in future years so Pillar Two rules are not expected to have a significant impact on future tax charges.

Analysis of the tax charge

The tax charge on loss before tax for the year was as follows:

	2025 £'m	2024* £'m
Current tax:		
UK corporation tax	(7.6)	(6.6)
Adjustment in respect of prior periods	(0.5)	(0.7)
Total	(8.1)	(7.3)
Deferred tax:		
Origination and reversal of timing differences	(8.8)	(3.9)
Adjustment in respect of prior periods	(2.4)	0.6
Total	(11.2)	(3.3)
Total Tax (credit)/charge	(19.3)	(10.6)

^{*}Restated Note 32

During the year ended 31 May 2025 UK Corporation tax has been calculated at a rate of 25% (2024: 25%) on estimated assessable profits for the year.

8. Dividend paid and proposed

No dividends have been paid or proposed by the Group or the Company (2024: nil).

9. Goodwill

		£′m
Cost		
At 31 May 2023		32.6
Exchange differences		-
At 31 May 2024		32.6
Exchange differences		-
At 31 May 2025		32.6
Impairment		
At 31 May 2023, 31 May 2024 and 31 May 2025		(1.6)
Net book value		
At 31 May 2024		31.0
At 31 May 2025		31.0
Recoverable amount of each CGU	2025 £'m	2024 £'m
Learning	222.0	315.9
Apprenticeships	96.4	109.2
Higher Education	367.5	404.8

The recoverable amount of each segment was determined based on value-in-use calculations, covering a five-year forecast, followed by an extrapolation of expected cash flows for the remaining useful life. The present value of the expected cash flows of each cash generating unit is determined by applying a suitable discount rate reflecting current market assessments of the time value of money and risks specific to the Group. An impairment charge of £nil (2024: £nil) arose from this review.

Allocation of goodwill to cash generating units

For the purpose of annual impairment testing, goodwill is allocated to the cash generating units expected to benefit from the business combinations in which the goodwill arises. The carrying value of the cash generating units (including goodwill) is compared to its recoverable value:

	£'m	£'m	£'m
2024	Goodwill	Other Assets / (Liabilities)	Total Carrying Value
Learning	30.5	58.1	88.6
Apprenticeships	-	14.8	14.8
Higher Education	0.5	(41.0)	(40.5)
Total goodwill	31.0	31.9	62.9
2025	Goodwill	Other Assets / (Liabilities)	Total Carrying Value
		(Liabilities)	value
Learning	30.5	35.7	66.2
Learning Apprenticeships	30.5	•	
3		35.7	66.2

Growth rates

Terminal value has been calculated using a long term growth rate of 3% per annum, in line with the target long term inflation rates expected for the sector.

9. Goodwill (Continued)

Discount rates

The pre tax discount rates applied are set out in the table below. Management estimates discount rates that reflect the current market assessment of the time value of money and the risks specific to each CGU at the date of assessment. The pre-tax discount rates are derived from the Group's post-tax weighted average cost of capital which has been calculated using the capital asset pricing model, the inputs of which include risk free rates, equity risk premiums, size premiums and risk adjustments.

	2025	2024
Learning	15.9%	15.2%
Apprenticeships	15.9%	15.2%
Higher Education	14.0%	12.7%

Sensitivity

The estimate of recoverable amount is particularly sensitive to the discount rate, growth rate and operating cashflow. The below table shows the impact of reasonably possible changes in these assumptions and their impact on the recoverable value stated in the table above.

	Growth Rate		Discount Rate		Cashflow	
	+1%	-1%	+2%	-2%	+10%	-10%
Learning	20.2	(16.3)	(44.1)	69.9	22.2	(22.2)
Apprenticeships	0.7	(0.7)	(5.9)	30.5	9.6	(9.6)
Higher Education	45.5	(34.8)	(124.8)	(52.4)	36.7	(36.7)

The Board has actively reviewed the forecasts associated with the CGUs noting the assumptions used, the sensitivity analysis performed and the ability of the businesses to adapt to challenging economic environments in which they operate, and is satisfied that no impairments are necessary at 31 May 2025.

10. Investments

Group investments in associates	2025 £'m
Cost	
At 31 May 2023, 31 May 2024 and 31 May 2025	1.8
Impairment	
At 31 May 2023, 31 May 2024 and 31 May 2025	(1.8)
Net Book Value	
At 31 May 2023, 31 May 2024 and 31 May 2025	-

The Group's investment is in CPI Limited (Hong Kong) which is held through M2 Education (Hong Kong) Limited. The Group impaired the value of the investment to nil reflecting the uncertainty over receipt of further dividends.

Amounts due from Group undertakings	2025 £'m	2024 £'m
Amounts due from Group undertakings	248.2	237.9

Amounts due from Group undertakings are unsecured, repayable in 2047 and attract 4.50% p.a interest

Principal activity

Provision of Higher

Education Services

England

49.0%

49.0%

Proportion of ownership interest and

49.0%

49.0%

11. Associates

Name of associate

Limited

Limited

Northumbria London Campus

Roehampton Pathway Campus

Branch Campus (London and

Solent Pathway Campus Limited

Birmingham) Limited NI

D		voting rights held by the Group		
Place of incorporation	Principal place of business	31/05/2025	31/05/2024	
England	Sutherland Building, Nortumbria University, Ellison Place, Newcastle Upon Tyne, England NE1 8ST	49.9%	49.9%	
England	Grove House, Roehampton Lane, London United Kingdom, SW15 5PJ	49.9%	49.9%	

The above associates are accounted for using the equity method in these consolidated financial statements as set out in the Group's accounting policies in note 1.

The Group's investments in associates are valued at £3.3m (2024: £16.7m) with Northumbria London Campus Limited contributing £3.1m (2024: £16.4m) to this. Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts in associate financial statements prepared in accordance with IFRS Accounting Standards. The Group's associates have different accounting year ends to the Group as they are majority owned by our University Partners whose accounting year ends are 31 July.

Ireland, BT1 6DN

Northern Ireland Murray House, 4 Murray St., Belfast, Northern

Hampshire, England, SO14 OYN

Finance Services, East Park Terrace, Southampton,

Northumbria London Campus Limited	2025 £'m	2024 £'m
Current assets	25.8	64.6
Current liabilities	(22.7)	(48.2)
Net Assets	3.1	16.4
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	0.2	0.1

During the year the Group received dividends from associates of £17.7m (2024: £0.7m). Including £17.7m (2024: £0.7m) from Northumbria London Campus Limited.

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associates recognised in the consolidated financial statements.

Northumbria London Campus Limited	2025 £'m	2024 £'m
Net assets of associate	3.1	16.4
Proportion of the Group's ownership interest in the associate	1.6	8.2
Other adjustments	1.5	8.2
Carrying amount of the Group's interest in the associate	3.1	16.4

12. Other intangible assets

	Customer relationships £'m	Tradename £'m	Content and materials £'m	Software and development costs £'m	Total £'m
Cost at 31 May 2023	269.8	19.6	17.1	51.3	357.8
Additions from development	-	-	-	14.1	14.1
Disposals	-	-	-	(0.3)	(0.3)
Exchange differences	(0.1)	-	(0.1)	-	(0.2)
Cost at 31 May 2024	269.7	19.6	17.0	65.1	371.4
Additions from development	-	-	-	9.0	9.0
Disposals	-	-	-	(9.4)	(9.4)
Exchange differences	-	-	-	0.1	0.1
Cost at 31 May 2025	269.7	19.6	17.0	64.8	371.1
Amortisation at 31 May 2023	152.9	6.7	12.6	33.8	206.0
Charge for year	14.9	1.0	2.2	13.5	31.6
Disposals	-	-	-	-	-
Impairment	-	-	-	-	-
Exchange differences	-	-	-	-	-
Amortisation at 31 May 2024	167.8	7.7	14.8	47.3	237.6
Charge for year*	18.3	1.0	1.1	10.3	30.7
Disposals	-	-	-	(9.2)	(9.2)
Impairment	-	1.4	1.1	2.2	4.7
Exchange differences	-	-	-	-	-
Amortisation at 31 May 2025	186.1	10.1	17.0	50.6	263.8
Net Book Value at 31 May 2023	116.9	12.9	4.4	17.5	151.7
Net Book Value at 31 May 2024	101.9	11.9	2.2	17.8	133.8
Net Book Value at 31 May 2025	83.6	9.5	-	14.2	107.3

There was an impairment charge and accelerated amortisation relating to intangibles of £8.3m (2024: £nil) relating to intangibles acquired and developed by the businesses digital subscriptions divisions that were assessed as having reduced ability to generate future economic benefits. Included within Software and Development costs are assets under the course of construction of £2.6m (2024: £1.4m).

^{*} includes £3.6m of accelerated amortisation in respect of customer relationships

13. Property, plant and equipment

	Right of use assets £'m	Short term leasehold improvements £'m	Fixtures, fittings and equipment £'m	Total £'m
Cost				
At 31 May 2023	63.4	20.5	20.6	104.5
Additions	4.1	5.5	2.6	12.2
Disposals	(3.8)	(3.1)	(1.7)	(8.6)
At 31 May 2024	63.7	22.9	21.5	108.1
Additions	5.4	3.0	2.0	10.4
Disposals	(3.1)	(7.6)	(2.0)	(12.7)
At 31 May 2025	66.0	18.3	21.5	105.8
Depreciation				
At 31 May 2023	21.3	10.5	17.0	48.8
Disposals	(3.8)	(2.5)	(1.8)	(8.1)
Charge for period	4.5	1.8	2.2	8.5
At 31 May 2024	22.0	9.8	17.4	49.2
Disposals	(3.1)	(7.6)	(2.0)	(12.7)
Charge for period	6.2	2.0	2.1	10.3
Impairment of assets	2.4	0.1	-	2.5
At 31 May 2025	27.5	4.3	17.5	49.3
At 31 May 2023	42.1	10.0	3.6	55.7
At 31 May 2024	41.7	13.1	4.1	58.9
At 31 May 2025	38.5	14.0	4.0	56.5

During the year the Group has recognised a cost of £8.9m (2024: £7.4m) in respect of leases including depreciation of £6.2m (2024: £4.5m) and interest of £2.7m (2024: £2.9m).

14. Inventories

	2025 £'m	2024 £'m
Training material and goods for resale	-	0.1

In 2025, training materials of £5.5m (2024: £5.9m) were recognised as an expense during the period and included in 'cost of sales'. The value of inventories is stated after provision for obsolescence of £nil (2024: £nil).

15. Cash and cash equivalents

	2025 £'m	2024 £'m
Cash at bank and in hand	30.6	23.5
Cash and cash equivalents in the statement of cash flows	30.6	23.5

16. Trade and other receivables

Amounts falling due within one year	2025 £'m	2024* £'m
Trade receivables	42.5	34.0
Accrued income	11.9	10.5
Corporation tax	8.0	12.6
Prepayments	10.9	12.2
Amounts due from Group undertakings	2.1	-
	75.4	69.3

^{*}Restated Note 32

No interest is charged on outstanding trade receivables. Trade receivables are stated after a provision of £5.5m (2024: £8.8m). Accrued income includes £nil (2024: £nil) of related party receivables (see note 29). Amounts due from Group undertakings due within one year are repayable on demand and attract no interest.

16. Trade and other receivables (continued)

Trade Receivables

Before accepting any new customer, a dedicated team responsible for the determination of credit limits uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Of the trade receivables balance at the end of the year, £1.0m (2024: £1.4m) is due from the Group's largest customer. There are no other customers who represent more than 5 per cent of the total balance of trade receivables.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Group reviews the recoverable amount of trade receivables on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("ECL"). The expected credit losses on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of 100% against all receivables over 180 days past due because historical experience has indicated that these receivables are generally not recoverable. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group defines default of a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. The Group will then write off the trade receivable balance. None of the trade receivables that have been written off is subject to enforcement activities.

	Gross carrying amount 2025 £'m	Lifetime ECL 2025 £'m	Net carrying amount 2025 £'m
Not past due	37.3	(2.1)	35.2
< 30 days past due	2.7	(0.2)	2.5
30 - 60 days past due	0.8	(0.1)	0.7
60 - 180 days past due	7.2	(3.1)	4.1
Total	48.0	(5.5)	42.5

	Gross carrying amount 2024 £'m	Lifetime ECL 2024 £'m	Net carrying amount 2024 £'m
Not past due	28.3	(2.8)	25.5
< 30 days past due	5.4	(0.4)	5.0
30 - 60 days past due	1.8	(0.2)	1.6
60 - 180 days past due	7.3	(5.4)	1.9
Total	42.8	(8.8)	34.0

17. Trade and other payables: amounts falling due within one year

	2025 £'m	2024* £'m
Amounts falling due within one year		
Trade payables	6.9	16.6
Social security and other taxes	7.9	7.5
Amounts owed to Group undertakings	-	4.9
Other creditors	25.5	36.7
Accrued expenses	34.9	27.7
Deferred income	93.9	85.3
Total	169.1	178.7

^{*}Restated Note 32

Amounts owed to Group undertakings due within one year are repayable on demand and attract no interest. Other creditors includes £6.3m related to overpayments from students and £16.9m (2024: £28.3m) of payables to related parties which are repayable on demand and include £0.1m accruing interest at 0.45% per annum. See note 29.

18. Loan and borrowings

	Current 2024 £'m	Non-current 2024 £'m	Total 2024* £'m
Bank loans	20.0	255.7	275.7
Intra-group loans	-	287.3	287.3
Lease liabilities	7.7	43.9	51.6
	27.7	586.9	614.6
	Current	Non-current	Total
	2025 £'m	2025 £'m	2025 £'m
Bank loans			2025
Bank loans Intra-group loans	£′m	£′m	2025 £'m
	£′m	£'m 257.5	2025 £'m 287.5

^{*}Restated Note 32

In October 2023, the Group entered into a senior credit and a revolving credit facility included in bank loans above. The revolving credit facility attracts interest at SONIA +3.75% and the facility is available until 2029. The senior credit facility, is repayable in 2029 and attracts interest at SONIA +6.0%. Shareholder loans are repayable in 2047 and attract interest at a rate of 10.0% (2024: 10.0%). The shareholder loans are considered to be related party transactions. Further disclosure is included in note 29 of the Group financial statements. The bank loans are secured via a fixed and floating charge over all of the assets of the Group.

The Directors consider that the carrying value of loans approximates their fair value.

19. Provisions

	2025 £'m	2024 £'m
Dilapidations		
At start of year	4.9	5.9
Utilised in the year	(0.2)	(0.9)
Recognised in the year	1.5	-
Released	(0.5)	(0.3)
Unwind of discount on provision	0.2	0.2
Total	5.9	4.9
Onerous contracts		
At start of year	0.1	0.5
Utilised in the year	(0.1)	(0.4)
Total	-	0.1
Restructuring and other		
At start of year	2.0	0.8
Utilised in the year	(2.0)	(8.0)
Recognised in the year	0.7	2.0
Total	0.7	2.0
Current liabilities	2.5	4.0
Non-current liabilities	4.1	3.0
Total Provisions	6.6	7.0

The provision for dilapidations represents management's best estimate of the future dilapidations associated with leased properties. The provisions are based on the best estimate of the Directors, with reference to past experience, of the expected future cash flow. The cash flows are expected to occur in between 1 and 15 years. The provision has been discounted to reflect the time value of money.

The provision for onerous contracts includes both vacant leasehold property provisions and the provision for onerous customer contracts. The cash flows are expected to occur in between 1 and 3 years.

Restructuring provisions are for redundancy costs and are expected to be utilised within 1 year.

Should a provision ultimately prove to be unnecessary then it is credited back into the Consolidated Income Statement. Where the provision was originally established as an adjusting item, any release is shown as an adjusting credit.

20. Derivative financial instruments

The Group's derivative financial instruments are measured at fair value and are summarised below:

	2025 £'m	2024 £'m
Interest rate swap	(0.2)	(0.3)
Total	(0.2)	(0.3)

To reduce the interest rate risk of changes in SONIA the Group entered into a cap and collar arrangement commencing 31 May 2024. The notional principal is £150.0m and it terminates on 31 May 2026. The instrument caps SONIA at 6% and has a collar rate of 3.655%. The Group also entered into an interest rate swap commencing on 10 October 2024 and terminating on 3 September 2026, with a notional principal of £100.0m and a fixed rate of 4.094%.

A gain of £0.3m was recognised within Finance Income for the year (2024: loss of £0.3m). See note 6 to the financial statements.

As at the balance sheet date of 31 May 2025, an interest rate cap/collar and swap liability of £0.2m (2024: £0.3m) exists.

21. Deferred tax

	2025 £'m	2024* £'m
Temporary differences	25.1	30.5
Deferred tax liability	25.1	30.5
Amounts brought forward	30.5	34.0
Adjustment in respect of prior periods	0.2	1.1
Charge/(credit) for the year	(5.6)	(4.6)
Balance at end of year-deferred tax liability	25.1	30.5
Amounts brought forward	2.4	2.5
Adjustment in respect of prior periods	2.2	(1.7)
(Charge)/credit for the year	3.6	1.6
Deferred tax assets	8.2	2.4

Deferred tax assets relate predominantly to fixed asset timing differences. The majority of the deferred taxation balance is expected to reverse after more than 12 months.

The Group has an unrecognised Deferred Tax asset of £3.1m (2024: £3.8m) in respect of unrecognised tax losses as it is not expected they can be utilised in the foreseeable future. The Group does not have any unrecognised Deferred Tax liabilities

The Group's deferred tax asset is made up of £1.7m of capital allowances (2024: £2.0m), tax losses of £6.2m (2024: £0.3m) and other of £0.3m (2024: £0.1m). The Group's deferred tax liability is related to intangible assets £23.3m (£29.0m) and fixed assets/other of £1.8m (2024: £1.5m).

22. Called up share capital

Ordinary shares of £1 each	Shares No.	Share Capital £'m
At 31 May 2024 and 31 May 2025	6,787,604	6.8

The Company has authorised and issued 6,787,604 (2024: 6,787,604) Ordinary shares of £1 each at par which were issued for cash. Each share carries pari passu voting and distribution rights. During the year, the Company issued nil (2024: nil) Ordinary A shares for consideration of £nil (2024: £nil).

Share Based Payments

During the year ended 31 May 2025, the Group issued nil (2024: nil) shares to management. Vesting of the shares occurs at two points; 80% of the shares are vested at the balance sheet date with the remaining 20% vesting on change of control of the Group.

This has resulted in a charge to the income statement in the year ended 31 May 2025 of £nil (2024: £0.2m) during the year.

The market value of the shares at the grant date is calculated using the Black-Scholes formula. The key assumptions used in the calculation are set out below:

Grant Date	2023 Awards	2022 Awards	2021 Awards
Expected volatility	43.1%	32.2%	31.8%
Expected term	2.0 years	4.0 years	3.0 years
Risk free rate	0.9-3.9%	0.7%	0.2%
Dividend yield	0.0%	0.0%	0.0%

	Shares 2025 no.	Weighted average exercise price 2025	Shares 2024 no.	Weighted average exercise price 2024 £
Outstanding at beginning of year	12,519	-	16,286	-
Granted during the year	-	-	-	-
Forfeited during the year	(1,561)	-	(3,767)	-
Vested during the year	-	=-	-	-
Expired during the year	-	-	-	-
Not vested at the end of the year	10,958	-	12,519	-
Vested at the end of the year	48,867	-	50,076	-

23. Reserves

Retained earnings reserve

The retained earnings reserve represents cumulative profit or losses, net of dividends.

Share premium reserve

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Translation reserve

The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations that are not integral to the operations of the Group, as well as from the translation of liabilities that hedge the Group's net investment in a foreign subsidiary.

Share based payment reserve

The share-based payment reserve represents the fair value of equity-settled instruments granted to employees based on the Group's estimate of equity instruments that will eventually vest.

24. Retirement benefit schemes

Defined contribution schemes

The Group operates defined contribution retirement benefit schemes for all qualifying employees. The assets of the schemes are held separately from those of the Group in funds under the control of the trustees. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The total costs charged of £4.4m (2024: £4.3m) represent contributions payable to these schemes by the Group at rates specified in the rules of the plans. Contributions payable to the schemes at the year end were £0.9m (2024: £0.9m).

25. Financial instruments

The Group's activities expose it to a number of financial risks including liquidity, price risk and credit risk. The Group does not use derivative financial instruments for speculative purposes. The Group's principal financial instruments are amounts receivable from customers, cash, bank overdrafts and bank loan.

As at 31 May 2025 the Group's indebtedness amounted to £663.2m including lease liabilities (2024: £614.9m) of which £323.7m (2024: £287.3m) is shareholder loans.

Liquidity risk

Liquidity risk is the risk that the Group will have insufficient liquid resources available to fulfil its operational plans and/or to meet its financial obligations as they fall due.

In order to maintain liquidity and to ensure that sufficient funds are available for ongoing operating and future developments, the Group operates a centralised treasury function, features of which includes intercompany cash transfers and management of operating lease contracts.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The Group's principal financial assets are bank balances and trade receivables.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of provisions for doubtful debts. Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected

credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Group has no significant concentration of credit risk other than with UK government bodies. The remaining exposure is spread over a large number of counterparties and customers.

Price risk

The Group is exposed to limited price risk and historically market prices have shown a high level of stability.

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

Interest rate risk

The Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Group uses interest rate swaps to minimise its exposure to interest rate risks, details of the interest rate swap can be found in note 20.

25. Financial instruments (continued)

Fair values of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: unobservable inputs for the asset or liability.

Interest rate swaps – Level 2

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, future prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.

The following table sets out the carrying value of the Group's financial assets and liabilities by category:

	2025 £'m	2024 £'m
Amortised cost		
Financial assets		
Cash and bank balances	30.6	23.5
Trade and other receivables	42.5	34.0
	73.1	57.5
Financial liabilities		
Trade and other payables	67.3	81.0
Other financial liabilities measured at amortised cost (see note 18)	611.3	563.7
	678.6	644.7
FVTPL		
Interest rate cap/collar (liability)	0.2	0.3
	0.2	0.3

26. Capital commitments

The Group has capital commitments relating to property, plant and equipment of less than £0.1m (2024: £0.1m).

27. Ultimate parent company

The Directors regard Ichnaea Jersey Topco Limited, a company registered in Jersey as the immediate Parent Company, and IndigoCyan Holdings Jersey Limited, a company registered in Jersey, as the ultimate parent company. IndigoCyan Holdings Jersey Limited is controlled by funds managed by CVC Credit Partners LLC.

Consolidated financial statements are produced for Ichnaea UK Bidco Limited. This is largest and smallest Group preparing consolidated financial statements including the Company.

28. Events subsequent to the balance sheet date

There have been no events subsequent to the balance sheet date requiring disclosure.

29. Related party transactions

Other Related Parties

The Group's immediate parent Ichnaea Jersey Topco Limited has provided the Group with loans totalling £323.7m (2024: £287.3m). These loans accrued interest of £36.5m (2024: £32.8m) during the year. In addition, in 2024 there was £3.6m of interest payable to IndigoCyan Bidco Limited. The Group's parent IndigoCyan Bidco Limited has provided the Group with loans receivable of £43.3m (2024: £43.3m).

Associates

The Group's Higher Education business has partnerships with its University partners to deliver degree programs through Branch campuses. These are held through associate arrangements. During the course of the year the Group received net interest income of £0.2m (2024: £1.3m payable) to these associates, and made sales of £19.6m (2024: £22.5m) and received a £17.7m dividend (2024: £0.7m). At the balance sheet date the Group owed the associate £16.9m (2024: £28.3m) included in other creditors.

Key Management Compensation

Key management personnel are deemed to be the Directors and executive management Board. Remuneration for key management personnel is £5.0m (2024: £3.4m). Amounts payable to defined contribution schemes in respect of key management personnel are £0.1m (2024: £0.1m).

	2025 £'m	2024 £'m
Salaries and short-term benefits	4.1	3.0
Termination benefits	0.9	0.4
Total	5.0	3.4

30. Net cash flow from operating activities

	2025 £'m	2024* £'m
Loss for the year	(46.5)	(19.4)
Adjustments for:		
Net finance costs	64.5	54.1
Other gains and losses	(0.3)	0.2
Gain on modification/disposal of lease liabilities	(0.7)	0.7
Depreciation	10.3	8.5
Amortisation of intangibles	30.7	31.6
Loss on disposal of intangibles	0.2	-
Impairment charges - Goodwill and Intangibles	4.7	-
Impairment charges - Right of Use Assets and Fixed Assets	2.5	-
Share of profit from associates	(4.4)	(7.7)
Share based payments	2.2	2.3
Income tax	(19.3)	(10.6)
Decrease in provisions	(0.5)	(2.2)
	89.9	76.9
Changes in:		
(Increase) / decrease in receivables	(1.8)	8.6
Increase / (decrease) in payables	5.9	(17.9)
	4.1	(9.3)
Taxation recieved / (paid)	3.7	(0.2)
Net cash inflow from operating activities	51.2	48.0

^{*}Restated Note 32

Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes.

	At 1 June 2023 £'m	Financing cash flows £'m	Fair value adjustments £'m	Other changes** £'m	At 31 May 2024 £'m
Bank loans	0.3	274.4	-	1.0	275.7
Intra-group Ioans	500.3	(302.2)	-	89.2	287.3
Lease liabilities	52.2	(7.9)	-	7.3	51.6
Interest rate swaps	-	-	0.3	-	0.3
Total	552.8	(35.7)	0.3	97.5	614.9

	At 1 June 2024 £'m	Financing cash flows £'m	Fair value adjustments £'m	Other changes** £'m	At 31 May 2025 £'m
Bank loans	275.7	10.0	-	1.8	287.5
Intra-group Ioans	287.3	(1.7)	-	38.1	323.7
Lease liabilities	51.6	(7.1)	-	7.3	51.8
Interest rate swaps	0.3	-	-	(0.1)	0.2
Total	614.9	1.2	-	47.1	663.2

^{**} Other changes include interest accruals and recognition of the lease liability.

31. Non-IFRS measures

Table 1: Financials

£'m	2025	2024
Revenue	337.4	360.7
Gross profit	188.8	208.3
Operating expenses	147.3	158.7
Adjusted EBITDA	62.7	80.7

Table 2 : Key performance indicators

	2025	2024
Revenue growth (£'m)	(23.3)	9.5
Adjusted EBITDA (£'m)	62.7	80.7
Free cash flow (£'m)	54.2	37.2
Learners (No.'000)	440	519

Table 3 : Adjusting items

£'m	2025	2024*
Adjusted EBITDA	62.7	80.7
Depreciation and amortisation**	(36.4)	(40.1)
Tax on share of joint venture partner results and other related adjustments	(1.1)	(1.6)
Impairment and accelerated amortisation	(10.8)	-
Adjusting items excluding impairments	(16.4)	(14.8)
Finance income, finance costs and other gains and losses	9.4	8.9
Finance cost	(73.5)	(62.6)
Other gains and losses	0.3	(0.2)
Other one off adjustments	-	0.1
Loss for the year before taxation	(65.8)	(29.6)

^{*}Restated Note 32

Table 4: Material Contractual Commitments

£'m	Less than 1 year	More than 1 year	2025 Total	2024 Total
Senior debt facility	-	257.5	257.5	255.7
Revolving credit facility***	30.0	-	30.0	20.0
Lease commitments	8.0	43.8	51.8	51.6
Total	38.0	301.3	339.3	327.3

Table 5 : Free Cash Flow

£'m	2025	2024
Adjusted EBITDA	62.7	80.7
Working capital movement****	8.9	(13.6)
Taxation paid	3.7	(0.2)
Capital expenditure	(14.0)	(21.7)
Lease payments	(7.1)	(7.9)
Free Cash Flow	54.2	37.3

Table 6 : Working capital outflow

£'m	2025	2024
Underlying working capital	8.9	(13.6)
Exceptional working capital	(4.8)	(3.5)
Working Capital Movement	4.1	(17.1)

^{**} Excludes £0.9m of depreciation on exceptional property costs, £0.4m of Right of Use interest and £3.6m of accelerated amortisation on customer relationships.

^{*** £10}m undrawn at the balance sheet date.

^{****} Adjusted for exceptional accruals.

32. Prior period adjustment

On review of the finance costs, it was identified that interest on intercompany loans was overstated as interest continued to be accrued following settlement of loans. Therefore management concluded it is appropriate to restate the amounts. The impact on the financial statements is summarised below. As a result of the prior year adjustment, the cashflow statements has been restated.

In addition, in the prior year, finance costs were presented as a net amount that included £8m of finance income. To provide greater transparency, these have now been presented separately, with finance income and finance costs shown individually.

Changes to the Statement of Financial Position - Group

	As previously reported £'m	Adjustments £'m	Restated at 31 May 2024 £'m
Amounts due from Group undertakings	228.7	9.2	237.9
Trade and other receivables	71.7	(2.4)	69.3
Total assets	566.8	6.8	573.6
Loan and borrowings	(587.5)	0.6	(586.9)
Total liabilities	(831.7)	0.6	(831.1)
Net liabilities	(264.9)	7.4	(257.5)
Capital and reserves			
Retained earnings	(275.1)	7.4	(267.7)
Total equity	(264.9)	7.4	(257.5)

Changes to the Statement of Financial Position - Company

	As previously reported £'m	Adjustments £'m	Restated at 31 May 2024 £'m
Trade and other receivables	53.4	6.8	60.2
Total assets	670.5	6.8	677.3
Loans and borrowings	(543.5)	0.6	(542.9)
Total liabilities	(737.2)	0.6	(736.6)
Net liabilities	(66.7)	7.4	(59.3)
Capital and reserves			
Retained earnings	(73.5)	7.4	(66.1)
Total equity	(66.7)	7.4	(59.3)

Changes to the Consolidated Income Statement - Group

	As previously reported £'m	Adjustments £'m	Restated at 31 May 2024 £'m
Finance income	0.9	8.0	8.9
Finance costs	(64.8)	1.8	(63.0)
Taxation charge	13.0	(2.4)	10.6
Loss after taxation	(26.8)	7.4	(19.4)

Company Statement of Financial Position As at 31 May 2025

	Note	2025 £'m	2024* £'m
Non-current assets			
Investment in subsidiary	2	377.7	617.1
Deferred tax assets	10	3.6	-
		381.3	617.1
Current Assets			
Trade and other receivables	3	43.3	60.2
		43.3	60.2
Total Assets		424.6	677.3
Liabilities			
Current Liabilities			
Trade and other payables	4	(152.2)	(173.4)
Loan and borrowings	6	(30.0)	(20.0)
Derivative financial instruments	5	(0.2)	(0.3)
		(182.4)	(193.7)
Non-current Liabilities			
Loan and borrowings	6	(581.0)	(542.9)
		(581.0)	(542.9)
Total Liabilities		(763.4)	(736.6)
Net Liabilities		(338.8)	(59.3)
Equity			
Share capital	8	6.8	6.8
Retained earnings		(345.6)	(66.1)
Total Equity		(338.8)	(59.3)

The Parent Company's loss for the financial year was £279.5m (2024: £38.2m). The financial statements of Ichnaea UK Bidco Limited (Registered company number 10214376) were approved and authorised for issue by the Board of Directors on 10 October 2025.

Signed on behalf of the Board of Directors by:

Peter Franklin Director

^{*}Restated Note 32

Company Statement of Changes in Equity For the year ended 31 May 2025

	Notes	Share capital £'m	Retained earnings £'m	Total equity £'m
As at 31 May 2023		6.8	(27.9)	(21.1)
Loss for the year		-	(38.2)	(38.2)
Total comprehensive expense for the year		-	(38.2)	(38.2)
As at 31 May 2024		6.8	(66.1)	(59.3)
Loss for the year		-	(279.5)	(279.5)
Total comprehensive expense for the year		-	(279.5)	(279.5)
As at 31 May 2025		6.8	(345.6)	(338.8)

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation of parent financial statements

The Company's financial statements are presented in Sterling (£) and all values are rounded to the nearest hundred thousand pounds (£0.1m) except where otherwise indicated. The financial statements of the Company present the results of the Company for the year to 31 May 2025, and the prior year comparative to 31 May 2024. These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") as the Company is a qualifying entity.

The principal activity of the Company is that of a holding Company. As permitted by s408 of the Companies Act 2006, no separate profit and loss account or Statement of Comprehensive Income is presented in respect of the Parent Company. The profit attributable to the Company is disclosed in the footnote to the Company's balance sheet.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but takes advantage of the following disclosure exemptions available under FRS 101 (where required equivalent disclosures are given in the consolidated financial statements):

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries:
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements. The Company's accounting policies are the same as those set out in the consolidated financial statements except for the following.

Investments in subsidiaries

Subsidiaries are entities over which the Company has power to govern the financial and operating policies so as to obtain benefits from its activities. They are deconsolidated from the date on which control ceases. Investments in subsidiaries are stated at cost less any provision for impairment. The investments in subsidiaries are considered for impairment on an annual basis.

Critical accounting judgements and key sources of estimation uncertainty

In application of the Company's accounting policies described above the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

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

The following critical accounting estimates have had the most significant effect on amounts recognised in the financial statements:

Impairment of non-financial assets

The Group's impairment test for the carrying value of investments and intercompany loans is based on either on fair value less costs to sell or a value in use calculation.

The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset.

1. Accounting Policies (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the strategic plan for the next three years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the estimate of expected future cash-inflows and the growth rate used for extrapolation purposes. Further information on the Group's approach is set out in the Group's accounting policies on page 52.

Sensitivities to the assumptions are presented in note 2.

There are no further judgements related to the Company.

Staff costs

The Company does not pay staff costs, as it has no employees. The Company has not made any payments to Directors during the year (2024: nil). The Directors do not believe that it is practicable to allocate their time between the Group companies. The payments were borne by another Group company.

2. Investments

	Investments in subsidiaries 2025 £'m	Investments in subsidiaries 2024 £'m
Cost		
At the start of the year	943.6	943.6
At the end of the year	943.6	943.6
Accumulated impairment charges		
At the start of the year	(326.5)	(326.5)
Impairment charges	(239.4)	-
At the end of the year	(565.9)	(326.5)
Net Book Value	377.7	617.1

Sensitivity

The estimate of recoverable amount is particularly sensitive to the discount rate, growth rate and operating cashflow. The below table shows the impact of reasonably possible changes in these assumptions and their impact on the recoverable value.

	Growt	h Rate	Discou	nt Rate	Cash	nflow
	+1%	-1%	+2%	-2%	+10%	-10%
Group	119.3	(90.2)	(198.7)	350.8	88.8	(88.8)

The Company owns the following subsidiary undertakings, which are included in the Group's consolidation:

Name	Principal activity
Entities with registered office: International I London, E1W 1UN which are incorporated in E ownership and ordinary holding	
Seckloe 208 Limited	Holding company
QA Limited*	Provision of training services
Focus Project Management (Europe) Limited*	Non-trading
QAHE Holdings Limited*	Holding company
QAHE (Ulst) Limited*	Provision of higher education
QAHE (NU) Limited*	Provision of higher education
QAHE (UR) Limited*	Provision of higher education
QAHE (SU) Limited*	Provision of higher education
QAHE Limited*	Provision of higher education
QAHE Services Limited*	Provision of higher education
QAHE (MDX) Limited*	Provision of higher education
QAHE Solent Limited*	Non-trading
QAHE (LM) Limited*	Provision of higher education
QAHE Pathways Limited*	Provision of higher education
QAHE (SW) Limited*	Provision of higher education
QA Gateway Limited*	Non-trading
QA Consulting Services Limited*	Non-trading
QA Talent Limited*	Provision of consultancy services
Circus Street London Limited*	Non-trading

2. Investments (continued)

Name	Principal activity
Entities with registered office: 4th Floor, Hong Kong which are incorporated in Hor ordinary holding	
M2 Education (Hong Kong) Limited*#	Provision of higher education

Entities with registered office: 530 Fifth Avenue, Suite 703, 10036 New York, United States which are incorporated in the United States of America, with 100% ownership and ordinary holding

QA Americas Inc* Holding company

QA USA Inc* Provision of on-line training

services

QA Consulting USA Inc*

Non-trading

Entities with registered office: Via Penate 16, 6850 Mendrisio, Switzerland which are incorporated in Switzerland, with 100% ownership and ordinary holding

Cloud Academy Sagl* Software and content developer

The Group has commenced with a process of disposing of its investment in Hong Kong

3. Trade and other receivables

	2025 £'m	2024* £'m
Amounts falling due after one year:		
Loans to Group undertakings	43.3	60.2
Total	43.3	60.2

Amounts owed from Group undertakings are non-interest bearing, repayable on demand and are unsecured.

4. Trade and other payables: amounts falling due within one year

	2025 £'m	2024 £'m
Amounts falling due within one year:		
Accrued expenses	7.2	5.0
Amounts owed to Group undertakings	145.0	168.4
Total	152.2	173.4

Amounts owed to Group undertakings due within one year are repayable on demand, unsecured and attract interest at 4.5% (2024: 4.5%). Accrued expenses include bank interest accruals of £7.2m (2024: £4.5m).

^{*} Indirect subsidiaries

^{*}Restated Note 32

5. Derivative financial instruments

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk. The Company does not trade in derivative financial instruments for speculative purposes. The Company does not apply hedge accounting and the movements in the fair value of the derivatives are recognised in the Income Statement at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

The Company's derivative financial instruments are measured at fair value and are summarised below:

	2025 £'m	2024 £'m
Interest rate cap/collar	(0.2)	(0.3)
Total	(0.2)	(0.3)

To reduce the interest rate risk of changes in SONIA the Group entered into a cap and collar arrangement commencing 31 May 2024. The notional principal is £150.0m and it terminates on 31 May 2026. The instrument caps SONIA at 6% and has a collar rate of 3.66%. The Group also entered into an interest rate swap commencing on 10 October 2024 and terminating on 3 September 2026, with a notional principal of £100.0m and a fixed rate of 4.09%.

A gain of £0.3m was recognised within Finance Income for the year (2024: loss of £0.3m). See note 6 to the Group financial statements.

As at the balance sheet date of 31 May 2025, an interest rate cap/collar and swap liability of £0.2m (2024: £0.3m) exists.

Fair values of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

Interest rate swaps – Level 2

The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, future prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Company and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.

6. Loans and borrowings

	Current 2025 £'m	Non-Current 2025 £'m	Total 2025 £'m
Bank loans	30.0	257.3	287.3
Intra-group loans	-	323.7	323.7
	30.0	581.0	611.0

	Current 2024 £'m	Non-Current 2024 £'m	Total 2024* £'m
Bank loans	20.0	255.6	275.6
Intra-group loans	-	287.3	287.3
	20.0	542.9	562.9

^{*}Restated Note 32

In October 2023, the Group entered into a senior credit and a revolving credit facility included in bank loans above. The revolving credit facility attracts interest at SONIA +3.75% and the facility is available until 2029. The senior credit facility, is repayable in 2029 and attracts interest at SONIA +6.0%. Shareholder loans are repayable in 2047 and attract interest at a rate of 10.0% (2024: 10.0%). The shareholder loans are considered to be related party transactions. Further disclosure is included in note 29 of the Group financial statements. The bank loans are secured via a fixed and floating charge over all of the assets of the Group.

The Directors consider that the carrying value of loans approximates their fair value.

7. Events subsequent to the balance sheet date

There have been no events subsequent to the balance sheet date requiring disclosure.

8. Called up share capital

Ordinary shares of £1 each	2025 shares no.	2025 Share Capital £'m	2024 shares no.	2024 Share Capital £'m
At start of year	6,787,604	6.8	6,787,604	6.8
At end of year	6,787,604	6.8	6,787,604	6.8

The Company has authorised and issued 6,787,604 (2024: 6,787,604) Ordinary shares of £1 each at par which were issued for cash. Each share carries pari passu voting rights. No shares were issued during the period in the prior year (2024: nil).

The Company's immediate and ultimate controlling party is disclosed in note 27 to the Group financial statements.

9. Related party transactions

The Group's immediate parent Ichnaea Jersey Topco Limited has provided the Group with loans totalling £323.7m (2024: £287.3m). These loans accrued interest of £36.5m (2024: £32.8m) during the year. In addition, in 2024 there was £3.6m of interest payable to IndigoCyan Bidco Limited. The Group's parent IndigoCyan Bidco Limited has provided the Group with loans receivable of £43.3m (2024: £43.3m).

10. Deferred Tax

	2025 £'m	2024 £'m
Amounts brought forward	-	-
Adjustment in respect of prior periods	-	-
Credit for the year	3.6	-
Deferred tax assets	3.6	-

Deferred tax assets relate predominantly to tax losses. The majority of the deferred taxation balance is expected to reverse after more than 12 months.

Cautionary statement

This document contains various forward-looking statements that reflect management's current views with respect to future events and anticipated financial and operational performance. Forward-looking statements as a general matter are all statements other than statements as to historical facts or present facts or circumstances.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future.

Forward-looking statements are not guarantees of future performance and the Group's actual financial condition, results of operations and cash-flows, and the development of the industry in which the Group operates, may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements contained in this document. In addition, even if the Group's financial condition, results of operations, and cash-flows and the development of the industry in which it operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods.

Although the Group believes that the expectations reflected in these forward-looking statements are reasonable, no assurance can be provided that they will materialise or prove to be correct. Because these forward-looking statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements.

The information contained in this Report has been prepared on the basis of the knowledge and information available to Directors at the date of its preparation and the Group does not undertake any obligation to update or revise this Report during the financial year ahead.