

Company Registration No. 14971854

Aquila Topco Limited

**Annual Report and Financial
Statements**

For the year ended 30 April 2025

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Statutory Information

Company Number

14971854

Registered Office

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Marylebone

London

England

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Independent auditors

PricewaterhouseCoopers LLP

Statutory Auditors

1 Hardman Square

Manchester

M3 3EB

Strategic Report

The directors present their Strategic Report, together with the audited financial statements of Aquila Topco Limited (the "Company") and its subsidiary undertakings (together the "Group") for the year ended 30 April 2025

For the purposes of these financial statements "DWF" or the "Group" represents the collective name for the global providers of integrated legal and business services comprising Aquila Topco Limited and its subsidiary undertakings. For more information visit www.dwfgroup.com

Our business

DWF is a leading global provider of integrated legal and business services. Across eight key sectors we deliver Legal Services, Legal Operations and Business Services – which we can combine to deliver bespoke solutions for clients.

In March 2019, DWF became the UK's largest listed law firm when it floated on the London Stock Exchange with a valuation of approximately £366 million. As a public company, DWF pursued international expansion and diversified its service offerings.

On 21 July 2023, the board of Aquila Bidco Limited, a wholly owned subsidiary of the Company, and DWF Group plc announced that they had reached an agreement on the terms of a recommended cash offer by Aquila Bidco Limited to acquire the entire issued and to be issued ordinary share capital of DWF Group plc. On 3 October 2023, Aquila Bidco Limited acquired 100% of the issued share capital of DWF Group plc. DWF Group plc re-registered as a private company on 4 October 2023 under the name of DWF Group Limited.

Aquila Topco Limited was incorporated in the United Kingdom on 30 June 2023 and the period end was subsequently shortened to align with other Group companies. Aquila Topco Limited is registered in England and Wales and managed by Inflexion Private Equity Partners LLP ("Inflexion"), with the investment made from Inflexion Buyout Fund VI Limited.

Inflexion

In October 2023, Inflexion completed a take-private acquisition of DWF through its Buyout Fund VI, transitioning the Group back into private ownership.

Inflexion is the majority owner of DWF and is actively supporting organic and acquisitive growth, helping DWF to expand its service capabilities and geographic footprint. Its digital team is collaborating with DWF to leverage AI and legal technology, aiming to enhance operational efficiency and client service delivery. Drawing on its experience in professional services, Inflexion is supporting DWF's evolution into a global professional services business whose DNA is rooted in law.

Inflexion is a private equity firm that provides capital investments in exchange for share ownership in high growth businesses across a variety of sectors. Inflexion is a leading European mid-market private equity firm, investing in high growth, entrepreneurial businesses with ambitious management teams to accelerate growth. T L Green & S A McPhail of Inflexion hold director positions in the Company and reflect the objectives of the ultimate shareholders. DWF's Executive Board and senior leaders remain in regular contact with Inflexion and provide thorough and transparent reporting to the stakeholders.

Our purpose

Our purpose is to deliver positive outcomes with our colleagues, clients and communities.

We achieve this by listening to our clients and delivering our services in a way that meets and evolves with the changing requirements of all stakeholders of the business, whilst considering people, the planet, and the community.

Our ESG & Sustainability strategy focuses on how we conduct our business responsibly, reflecting our commitments to our clients and communities, minimising our impact on the environment, our ongoing emphasis on Diversity, Equity and Inclusion and our support for the DWF Foundation, which will celebrate its 10th anniversary in December 2025 and has awarded over £1.4 million to more than 700 charities to date.

Strategic Report (continued)

Our business model

Our business model is built around our ability to seamlessly combine Legal Services, Legal Operations and Business Services to deliver bespoke, end-to-end solutions for clients. This Integrated Legal Management approach is our key differentiator, enabling us to deliver greater efficiency, price certainty and transparency without compromising on quality or service.

Our services are delivered through two core divisions: Commercial Services and Insurance Services.

- Commercial Services brings together our commercial Legal Advisory, Business Services and Legal Operations teams to provide integrated support across nine global practice areas. With over 1,300 colleagues, this division supports clients with complex legal and business challenges across a wide range of sectors and jurisdictions.
- Insurance Services unites around 2,000 specialists under a single leadership team, combining deep sector expertise with legal and business services capabilities. We support global and London Market insurers, reinsurers, MGAs and brokers with a full spectrum of claims and non-claims services.

On 1 May 2024, we integrated our Legal Operations teams into the Commercial Services division. This reflects our continued commitment to embedding legal and business services across our operations, enhancing our ability to deliver scalable, technology-enabled solutions.

Our business model is underpinned by the effective use of our key resources. Our colleagues are at the heart of our business. We invest in attracting, developing and retaining diverse talent across our global network. Our inclusive culture, guided by our values and leadership behaviours, ensures we deliver consistently high standards of service and innovation. Technology is a critical enabler of our model. We continue to invest in digital transformation, including the rollout of our global case management platform, ShareDo, our people platform, Bob, and the adoption of Microsoft Copilot. These tools enhance productivity, streamline workflows and support the delivery of smarter, more efficient client solutions.

We invest in our people, technology and operations to support sustainable growth and enhance the delivery of our integrated services. Our approach to investment is focused on strengthening our capabilities, expanding our presence in key markets and ensuring we continue to meet the evolving needs of our clients. All investment decisions are aligned with our long-term strategy and our commitment to operating as a responsible business.

Sustainability is embedded in our decision-making. Our ESG & Sustainability strategy is core to our business model and focuses on delivering positive outcomes for our colleagues, clients and communities. We are committed to acting with integrity, building trust and increasing transparency across all aspects of our operations.

By aligning our people, technology, capital and purpose, we are able to deliver long-term, sustainable value. Our business model supports our ambition to be the leading global provider of integrated legal and business services, while remaining agile, responsible and purpose led.

Our strategy

The Group has a clear vision to become the leading global provider of integrated legal and business services, building a global professional services business whose DNA is rooted in law. Having listened to our clients, we know there is a growing desire for legal and business services to be delivered in a simpler and more efficient manner. This core feedback has underpinned our strategy and has been the foundation of our integrated legal management approach.

We support our vision by continuing to build our presence globally through acquisitions, associations and lateral hires. We embrace a hybrid working model, to allow our clients and colleagues flexibility in where and how they choose to collaborate and work together.

Through our long-term growth strategy, we pursue sustainable organic and profitable growth, inorganic growth through M&A and the establishment of new services, and margin expansion through a focus on operational excellence, cost management and digital transformation. Together, these priorities enable us to fulfil our purpose of delivering positive outcomes with our colleagues, clients and communities.

The Group is ultimately governed by our Board of Directors who are supported in the determination and implementation of the strategic objectives by our Executive Board. The Executive Board constitutes a diverse team of senior leaders in DWF.

Strategic Report (continued)

Our strategy (continued)

Over the next three years, the Group aims to enhance profitability through the continued expansion and enhancement of our capabilities, ensuring we deliver the services our clients need, wherever they need them. This will be supported by a structured transformation programme and a focus on building a scalable operating model that supports profitable growth.

The strategy sets out a clear direction. In Insurance Services, the ambition is to strengthen the Group's position as a leading global provider across key markets, whilst Commercial Services is focused on deepening client relationships and scaling operations in selected jurisdictions. Central Services will support these ambitions by improving efficiency and enabling scalable growth. These strategic objectives are underpinned by scenario-based planning and are expected to be delivered over the medium term.

Our values

Our values are at the heart of our inclusive culture, providing a clear foundation for our colleagues, and are integral to the achievement of our strategy. They influence actions and behaviours, complement our strategic direction and support the integration of people that join our business. We have five values:

- 1 **Always aim higher** We exceed the expectations of our colleagues and our clients in everything we do
- 2 **Be better together** We listen, recognise, and support each other to protect a diverse and inclusive culture and sustain our business, clients, and communities
- 3 **Disrupt to progress** We embrace change and new ways of working to enhance our performance and our reputation
- 4 **Keep all promises** By keeping the promises, we make to our colleagues and our clients, we build trust, loyalty, and credibility
- 5 **Attend to details** We achieve the best results to complex problems by focusing on simple and effective solutions

Key performance indicators

	Year to 30 April 2025	Period to 30 April 2024
Revenue Income generated through ordinary business operations	£572.6m	£320.9m
Net revenue Net revenue is revenue less recoverable expenses	£465.8m	£261.5m
Annualised net revenue* Annualised net revenue reflects the total net revenue less recoverable expenses for the previous 12-month period inclusive of pro-forma adjustments for acquisitions	£467.9m	£434.4m
Gross profit margin Gross profit divided by net revenue	49%	50%
Adjusted EBITDA* Earnings before interest, tax, depreciation, amortisation, impairment, unrealised foreign exchange loss and non-underlying items	£70.8m	£43.3m
Adjusted EBITDA reflects the company's underlying financial performance as a result of business operations excluding none operational expenses such as tax and interest		
Loss before tax This is the loss made before taking into account taxation	£81.3m	£51.9m
Lock-up days* Lock-up days comprise work-in-progress ('WIP') days, representing the amount of time between performing work and invoicing clients, and debtor days, representing the length of time between invoicing and cash collection	217 days	210 days
Net debt* Net debt comprises cash and cash equivalents less interest-bearing loans and borrowings (including the supplier payments facility)	£270.5m	£227.1m

*Refer to the Alternative Performance Measures ('APMs') section on page 80

Strategic Report (continued)

Non-financial key performance indicators

	Year to 30 April 2025	Period to 30 April 2024
Net promoter score		
The proportion of clients surveyed who rank as 'promoters' (scoring DWF a 9 or 10), minus the proportion of clients who rank as a 'detractors' (scoring DWF a 1-6)	+65%	+69%
% Executive Board roles held by women		
The proportion of roles on the executive board held by women	53%	38%
% senior leadership positions held by women		
The proportion of roles in career bands 1 to 3a held by women	37%	35%
% ethnic minority representation in senior leadership positions		
BAME representation declared in career bands 1 to 3a	7%	8%

Review of the business

During the year, the Group recorded revenue of £572.6m and net revenue (revenue after deducting recoverable expenses) of £465.8m. This trading performance generated a loss before tax of £81.3m and Adjusted EBITDA of £70.8m. The acquisition of DWF Group Limited completed on 3 October 2023, and as such, the comparative results reflect a trading period of seven months to 30 April 2024.

The Group has delivered a robust set of trading results in its first full financial year post-acquisition, with annualised revenue growth of £33.5m. Annualised net revenue increased by 8%, driven primarily by Insurance Services, which achieved a standout performance of 17% growth. This was supported by the continued integration of Whitelaw Twining in Canada and the acquisition of Proclaim in Australia. Commercial Services, including Legal Operations, recorded a flat year-on-year revenue performance, reflecting the impact of a subdued transactional market.

The Group incurred a loss before tax of £81.3m, primarily driven by £67.1m of interest charges on bank borrowings, loan notes and preference shares. These costs reflect the current capital structure of the Group. Additionally, the loss includes £21.4m of amortisation relating to acquired intangibles from acquisitions. Further impacting the results are £39.4m of non-underlying items, which are considered exceptional in nature.

Non-underlying items totalled £39.4m in the year, primarily relating to acquisition-related expenses, restructuring costs and one-off investments in IT infrastructure. Further detail is provided in note 2 to the Consolidated Financial Statements.

In July 2024, Steve Varley was appointed as Independent Non-Executive Chair of the Group. Steve brings over 30 years of experience in the professional services industry, including 14 years at Accenture and 18 years at EY. During his tenure as UK & Ireland Chair and Managing Partner of EY, the firm saw annual revenues grow from £1.4bn to £2.6bn. At DWF, Steve chairs the Group Board and provides non-executive oversight of the Group's strategy. His extensive experience in building and scaling global professional services businesses will be invaluable as the Group continues to pursue its growth agenda.

The Proclaim acquisition, completed in September 2024, significantly expanded the Group's Claims Management and Adjusting ("CMA") capabilities in Australia, the fourth-largest Lloyd's market globally. This added to the Group's global CMA platform, which now comprises 320 colleagues across nine jurisdictions.

Through November 2024 and December 2024, the Group made a series of announcements regarding team hires, which have strengthened the firm's capabilities in strategically important locations. These announcements included:

- A team hire of 62 new colleagues, including 9 partners, from the London market team of the Australian law firm, Hall & Wilcox. This move significantly strengthened our insurance litigation practice in Australia.
- Joining forces with the insurance and civil litigation team of the Canadian law firm, Bélanger Sauvé. This move resulted in 28 people, including 9 partners, joining DWF. It established Montreal as a fourth location in Canada, in addition to Toronto, Vancouver and Calgary.
- The addition of 12 people, including 3 partners to our Commercial Services division in Warsaw.

Performance was resilient despite macroeconomic headwinds, including inflationary pressures, interest rate volatility and political uncertainty linked to the UK General Election and the US Presidential Election. Demand for integrated legal and business services remained strong, particularly in regulated and insurance-led sectors.

Strategic Report (continued)

Review of the business (continued)

The Group is funded through a combination of equity, external debt and cash. Net debt, excluding IFRS 16 lease liabilities, was £270.5m as at 30 April 2025 with principal borrowings comprising long-term facilities maturing in 2029 and 2030. The Group maintains sufficient committed facilities and covenant headroom to continue operating as a going concern, with additional undrawn ring-fenced facilities available to support M&A activity. Further detail is provided in note 16.

Lock-up days, the Group's principal measure of working capital performance, were 217 days at year end (2024: 210 days). The increase reflects the growth in on-completion matters and the expansion of the trading business.

In addition to financial metrics, the Group monitors a range of non-financial key performance indicators aligned to its strategic objectives. These include client satisfaction and leadership diversity. The Group achieved a Net Promoter Score of +65, significantly outperforming the global law firm average of +40. This result, based on the annual Client Census produced in conjunction with Deep-Insight, a leading European B2B customer experience specialist, reflects high levels of client satisfaction and loyalty, with 85% of clients rating the Group 6 or 7 out of 7 for overall satisfaction. Net Promoter Score remains a core measure of client experience and is central to the Group's client engagement strategy. Further detail on leadership diversity is provided in the Gender Diversity section of the Strategic Report.

These non-financial KPIs are integral to the Group's long-term value creation strategy and are regularly reviewed by the Executive Board to ensure alignment with stakeholder expectations and ESG commitments.

Future developments

Looking ahead, the Group is well positioned to accelerate its strategic agenda through both organic growth and targeted acquisitions. With a simplified capital structure in place since delisting, the Group will continue to strengthen its presence in key geographies, markets and sectors.

The Group remains mindful of the broader macroeconomic and regulatory environment. External market conditions, including economic uncertainty and fluctuations in client confidence, may continue to influence demand and transactional activity. However, the Group's diversified service offering, international footprint and focus on regulated sectors provide resilience. At the same time, increasing client expectations for integrated, technology-enabled legal and business services, alongside evolving regulatory and ESG requirements, continue to drive opportunities for growth across our core markets.

The integration of Proclaim and recent senior hires in Canada and Australia are expected to support further growth in the Group's global Claims Management and Adjusting platform. In Commercial Services, a capacity and size correction has been implemented to better align resources with client demand. This is expected to support margin improvement and contribute positively to EBITDA in the coming financial year.

The Group's digital transformation programme remains a key enabler of operational efficiency and client service. Following the successful rollout of the people platform Bob, and with the implementation of the case management system ShareDo underway, the Group has also become one of the first UK-headquartered legal services businesses to deploy Microsoft Copilot globally. Copilot is already delivering productivity gains by automating routine tasks and enabling colleagues to focus on higher-value work.

To support the next phase of operational excellence, the Group strengthened its leadership team in May 2025 with the appointment of Philip Hendrikx as Chief Operating Officer and Roland Streatfeild as Chief of Staff. Philip brings extensive experience in transformation and operational delivery, having held senior roles at PricewaterhouseCoopers, Mitie and CBRE. Roland will support the Executive team in driving strategic initiatives and enhancing cross-functional collaboration.

On 1 August 2025, Sir Nigel Knowles retired as Group Chief Executive Officer and transitioned to a Senior Adviser role, focused on client engagement and growth. Leadership of the Group transitioned to Matthew Doughty, who was appointed following a structured succession process. Matthew joined the Group in 2016 and has held a number of senior leadership roles, including Chief Operating Officer and Chief Strategy Officer. As Group Chief Executive Officer, he draws on experience across both the Commercial Services and Insurance Services divisions and has overseen growth initiatives such as international expansion and major client appointments.

These developments, combined with a strong pipeline of client opportunities and a disciplined approach to cost and investment, position the Group to deliver sustainable growth and improved profitability in the year ahead.

Strategic Report (continued)

ESG & Sustainability strategy

As a purpose-led business our ambition is to deliver positive outcomes with our colleagues, clients and communities. Our ESG & Sustainability strategy was developed to achieve this by addressing the material issues identified by our key stakeholders, whilst simultaneously driving progress against the UN Sustainable Development Goals.

The Group's ESG & Sustainability strategy is built around six strategic pillars: Climate Action, Diversity and Inclusion, Empowering Colleagues and Communities, and Supporting and Connecting with Clients. These are all underpinned by Acting with Integrity, Building Trust, and Increasing Transparency.

The strategy focusses on demonstrating the highest standards of corporate governance to manage the impact of the business on society and the environment. It addresses the Group's impact on matters related to environmental issues, employees, social, community, human rights issues and gender diversity.

Further detail on all ESG-related initiatives, including climate action, diversity, and governance, can be found in the ESG & Sustainability Impact Report available on our website at www.dwfgroup.com/en/esg-and-corporate-sustainability.

Environmental matters

The Group's climate action strategy focuses on addressing the interconnected challenges of climate change and biodiversity loss. This includes managing the direct environmental impact of the Group's operations, as demonstrated by its approved near-term science-based carbon reduction targets for 2030, a net zero target date of 2045, an operational carbon reduction plan, and longstanding ISO 14001 certification.

At the same time, the Group supports clients in achieving their own environmental goals and leads industry-wide collaboration to accelerate progress. This includes being an inaugural signatory of the Legal Charter 1.5, among other initiatives. Full details of this work can be found in the Group's ESG & Sustainability Impact Report and Carbon Reduction Plan (available on our website).

The Group also reports under the recommendations of the Task Force for Climate-Related Financial Disclosures within its ESG & Sustainability Impact Report, addressing its approach to managing climate-related risk and opportunity. Further, the Group discloses environmental data voluntarily via CDP.

The Group's response to the Streamlined Energy and Carbon Reporting requirements are set out on page 10.

Employees, Social, Community and Human Rights Issues

Each pillar of the Group's ESG & Sustainability strategy has the potential to drive positive social impact – directly through specific initiatives to improve colleague experience and benefit local communities, and indirectly through its environmental stewardship and its work supporting clients to deliver their own ESG priorities. The strategy also outlines how we will ensure our approach to responsible business is built into the advice we provide to clients and the manner in which it is delivered.

The Group has a comprehensive governance framework supported by policies and procedures that ensure all colleagues uphold the highest standards of conduct and ethics. Central to this is a continued commitment to respecting human rights and upholding the UN Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights in our business and supply chain. Furthermore, we have no tolerance of bribery and corruption within our business, operations and supply chain.

The Group's dedication to delivering a positive impact with the communities it works within, and wider society, is centred on its long-standing commitment to volunteering and pro-bono activity, and its support of the DWF Foundation.

The Group's commitment to creating an environment in which all colleagues can thrive, develop, and enjoy their time at work is supported by a range of initiatives that focus on positive physical and mental wellbeing, delivering comprehensive learning and development opportunities for all talent, driving strong engagement, and a commitment to increasing diversity and advancing social mobility within our talent pipelines.

Full details of all of these initiatives, and the metrics and targets demonstrating progress in each area can be found in the Group's ESG & Sustainability Impact Report on our website www.dwfgroup.com/en/esg-and-corporate-sustainability. This includes a comprehensive analysis of workforce diversity, including but not limited to disclosures on gender diversity.

Strategic Report (continued)

Gender Diversity

DWF has made gender balance and equality a priority business issue and launched business-wide targets. To meet these targets the Executive Board have reflected on some of the key barriers to progression for women and have embraced several initiatives to support women through their careers.

As at 30 April 2025, the Group's gender split was as below

	Male	Female	Other	Undisclosed	Women as a %
Board of Directors	7	-	-	-	0%
Executive Board	7	8	-	-	53%
Senior Managers	490	297	2	13	37%
All other employees/members	1,350	2,590	6	164	63%
Total Employees/members	1,840	2,887	8	177	59%

DWF Group defines our Senior Managers as individuals who execute strategy and have line management responsibility.

Whilst we are proud of our achievements thus far in the area of gender diversity the Executive Board acknowledges that the work to support women in the workplace is far from complete. We have set a target to increase the proportion of women in senior management and board roles to at least 40% by the end of 2025. Our ESG & Sustainability strategy, associated DEI strategy including gender diversity, is due for review and we will undertake this process including a double-materiality assessment during the next financial year.

Further information on the work being performed around the gender pay gap can be found within our Diversity Pay Report available via our website <https://dwfgroup.com/en/about-us/diversity-and-inclusion/gender-and-diversity-pay-gap>

Climate action

Our targets

The Group has a Science Based Targets initiative ("SBTi") approved near-term target to reduce its scope 1 and 2 emissions by 50% by 2030 from a 2019 baseline. DWF also has a net zero target to deliver 90% emissions reduction across all scopes by 2045. During the year, we restated our 2019 baseline emissions to reflect both improvements to completeness and accuracy of source data, in addition to M&A activity since the original values were published.

	2025	2019 (restated)	Reduction
Scope 1 (tCO₂e)	92.9	224.4	59%
Scope 2 (tCO₂e)	405.0	1,429.5	72%

The Group to date has reduced its scope 1 and scope 2 emissions from 2019 levels by 59% and 72% respectively. This has been achieved primarily through rationalisation of the office portfolio, more efficient resource use within office spaces and converting to renewable energy suppliers. Further information on the work being performed to reduce scope 1, scope 2 and scope 3 emissions can be found within our ESG & Sustainability Impact Report and our Carbon Reduction Plan under the UK Government's PPN-06/21 (available on our website).

Our priorities

- Operational implementation of our Pathway to Net Zero, with particular focus on the areas of our operating model that contribute the most to our carbon footprint, being our offices and associated resource use, business travel and commuting, and the purchase of third party goods and services including disbursements.
- Continue to improve carbon emission calculation methodologies to enhance completeness and accuracy of data and analytics.
- Internal initiatives and campaigns to encourage behaviour change and, education and training through our ESG Hub.

Strategic Report (continued)

Climate action (continued)

Actions taken

- Finalising and announcing our Pathway to Net Zero and associated Carbon Reduction Plan and focus on 90% reduction in emissions by 2045
- Collaborating on an innovative carbon removal project, the DWF Forest, which will sequester carbon as it matures, addressing the 10% of our residual emissions. This is a representation of our commitment to meaningful and measurable climate action and environmental stewardship, going beyond carbon removal to actively restore nature and biodiversity
- Ongoing training and education including carbon literacy module through the ESG & Sustainability Hub and mandatory ESG & Sustainability training for all colleagues
- Extended the scope of carbon data collection and reporting, to facilitate more comprehensive monitoring and measurement of Scope 3 emissions

Streamlined Energy and Carbon Report

The Group's Streamlined Energy and Carbon Reporting disclosures reflect a 12 month period from 1 May 2024 to 30 April 2025. The comparative reflects the extended period of 1 May 2023 to 30 April 2024 to ensure that the figures presented are meaningful and comparable.

	UK Total 2025	International Total 2025	Group Total 2025	Group Total 2024
Energy consumption				
<i>The following data reflects total energy consumed</i>				
Gas and fuel (kWh)	576,174	139,156	715,330	1,068,738
Electricity (kWh)	2,403,218	2,300,490	4,703,708	4,893,111
Total energy used (kWh)	2,979,392	2,439,646	5,419,038	5,961,849
% split across UK and international sites	55%	45%		
Energy consumption				
<i>The following data reflects non-renewable energy consumed only</i>				
Electricity (kWh)	-	836,992	836,992	784,423
% split across UK and international sites	0%	100%		
Scope 1 & 2 carbon emissions – market based				
Scope 1 emissions (tCO ₂ e)	66.8	26.1	92.9	155.2
Scope 2 emissions (tCO ₂ e)	-	405.0	405.0	363.9
Total scope 1 & 2 emissions (tCO ₂ e)	66.8	431.1	497.9	519.1
Intensity ratio tCO ₂ e per employee	0.02	0.28	0.11	0.12
Scope 3 carbon emissions				
Business travel – car (tCO ₂ e)	65.4	83.4	148.8	154.8

DWF utilise a third party system to record monthly energy data, which is converted into CO₂e measurement using jurisdiction-specific conversion factors. The assessment of CO₂e emissions follows the market-based approach for assessing Scope 2 emissions from electricity usage.

In line with the SECR Reporting Guidelines, the Group reports its emissions related to owned and hired vehicles used for business travel under Scope 3. Full disclosure of its Scope 3 emissions inventory, and its strategy to manage these emissions is included in the ESG & Sustainability Impact Report.

Following its ongoing work to assess climate risk, the Board concluded that the Group is well placed to deliver its broader strategic objectives in the face of climate change if it continues to monitor and manage the associated global impacts effectively. It does this by continuing to integrate its assessment of climate-related risks into its overall risk management process, and innovating and adapting its integrated legal services to meet the changing needs of clients as they adapt to the transition to a low-carbon economy.

It also recognised that to effectively manage these climate-related impacts, it must continue to educate and engage all colleagues to consider climate change in the context of their individual roles and responsibilities, so that the Group is well placed to respond to the volatility that climate change will cause within its operating environment.

The Group publishes further information on its response to climate change within its ESG & Sustainability Impact Report, including its full response to the recommendations of the Task Force on Climate-related Financial Disclosures. This report is published annually (available on our website).

Strategic Report (continued)

Risk management

DWF acknowledges that effective risk management is crucial to the success of our business and our ongoing growth. The Group's risk appetite, set by the Board and reviewed annually, sets out how we balance risk and opportunity in pursuit of our objectives. The Group's approach to risk is outlined in the Risk Management Framework, which is reviewed annually by the Executive Risk Committee and the Board of Directors.

Our Executive Risk Committee sits quarterly and hears from each of the Divisional CEOs and Functional heads on their key risks on a rotational basis. They are also issued with a Chief Risk Officer report on a quarterly basis, which is used to identify the key risks to the business as well as inform the Group's appetite for these.

The Group maintains risk registers for each division, which are then collated to populate and highlight the key group risks within the Group Strategic Risk Register. All of these registers are reviewed quarterly with the Executive Board.

Risk Appetite

Averse	Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is paramount. Activities undertaken will only be those considered to carry virtually no residual risk.
Minimalist	Preference to undertake activities considered to be very safe in the achievement of key deliverables or initiatives. Activities will only be taken where they have a low degree of residual risk. The associated potential for reward/pursuit of opportunity is not a key driver in selecting activities.
Cautious	Willing to accept/tolerate a degree of risk in selecting which activities to undertake to achieve key deliverables or initiatives, where we have identified scope to achieve significant reward and/or realise an opportunity. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
Open	Undertakes activities by seeking to achieve a balance between a high likelihood of successful delivery and a high degree of reward and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.
Hungry	Eager to be innovative and choose activities that focus on maximising opportunities (additional benefits and goals) and offering potentially very high reward, even if these activities carry a very high residual risk.

DWF overall maintains a 'cautious' risk appetite, this is tempered with an 'averse' risk appetite for criminality and non-compliance in the areas of conduct and ethics.

As a Group, we will only behave in ways that

- do not conflict with the Group's values and are aligned with its risk appetite and business strategy,
- do not expose the Group's capital position or the resilience of its services,
- do not conflict with the Group's ESG Strategy and are aligned with the needs to reduce any negative impact we may have on our planet and communities,
- are aligned with the needs of the Group's clients and ensure that they are treated fairly, and
- are always in accordance with local laws and regulations.

Risk Rating

To support understanding of the severity of each principal risk, we have applied a numerical risk rating scale as outlined below.

Keys to risks	
5	High risk
4	Medium to high risk
3	Medium risk
2	Low risk
1	Negligible risk

Strategic Report (continued)

Risk management (continued)

Principal risks and uncertainties

Business, commercial and strategy risk

Business, commercial and strategy risk refers to the potential that the Group's financial performance or position will be adversely affected by internal or external factors. These risks can stem from a variety of sources, including financial uncertainties, legal liabilities, strategic management errors, accidents, and natural disasters.

In DWF, the primary risks relate to aspects such as compliance with regulatory requirements, client attrition and reputation management.

Risk rating 2 – Low risk

Risk appetite	We continue to retain an overall 'open' risk appetite when managing our business model and strategy. Our relationships with our clients, regulators, sector and all stakeholders are based on our reputation, and we retain a 'cautious' risk appetite in that regard.	Risk mitigating action	Continuing to deliver to a broad client base across diverse sectors, through a wide-ranging portfolio of integrated legal and business products and services, has enabled us to limit negative impacts from external factors and optimise business opportunities. Expanding our multi-jurisdictional reach has ensured that we are well equipped to handle the material macroeconomic challenges as well as more local changes in laws, client needs and the range of demands on our colleagues. The integration of acquired subsidiaries has been enhanced to ensure colleagues globally are aligned and service to clients is seamless. Furthermore, the inception of dedicated teams to onboard and support key clients, ensure expectations are understood. We have undertaken a strategic cost review to ensure our operating structure, processes and real estate strategy is aligned to our profitability and sustainability goals.
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People risk

People risk refers to the potential for employee-related issues to negatively impact the Group. It encompasses a range of human resources-related risks including talent management, succession planning, employee engagement, compliance with labour laws, and the protection of sensitive employee data.

Risk rating 2 – Low risk

Risk appetite	The expertise, commitment and professionalism of our colleagues have enabled the DWF of today. To protect that, we have a 'cautious' appetite for risks that threaten our ability to recruit and retain our colleagues. We have an 'averse' risk appetite for discrimination, bullying and unfair treatment of our colleagues, and actively promote our Diversity & Inclusion agenda.	Risk mitigating action	With ever-increasing job market demands, we focus on attracting and retaining the highest calibre of individuals who are best placed to deliver service excellence for our clients. We have broadened the scope of, and been more innovative in, our approach to reward and recognition. To achieve our purpose of delivering positive outcomes with our colleagues, we have a Code of Conduct and an ethos of supporting, developing and incentivising our colleagues through our values, culture and excellence.
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Strategic Report (continued)

Risk management (continued)

Principal risks and uncertainties (continued)

Conduct and ethics risk

Conduct and ethics risk refers to the potential for unethical behaviour or misconduct by an employee, management, or third parties associated with the Group. This type of risk can lead to legal penalties, financial loss, and damage to DWF's reputation.

Risk rating 2 – Low risk

Risk appetite	We continue to have an 'averse' risk appetite for any risks that threaten our ability to comply with all relevant laws and regulations.	Risk mitigating action	The Group maintains an active dialogue, and strong relationships, across all its key regulators. This ensures awareness of changing legal and regulatory landscapes, allowing a proactive approach in ensuring compliance.
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ESG risk

ESG risk, refers to the potential exposure to loss or impact that the Group may face due to its environmental, social, and governance practices or due to the impact of climate change or societal breakdown on the Group. This includes risks associated with climate change, resource scarcity, pollution, labour practices, employee engagement, executive remuneration, and board diversity, among others.

Risk rating 2 – Low risk

Risk appetite	Within ESG, the following categories have been identified where potential risks may be sited, Setting and achieving Net Zero target, Diversity & Inclusion Targets, Governance on Pro Bono work, as well as understanding the work that we undertake and its compatibility with our commitments. A 'Cautious' appetite was applied in February 2024, following review by the Executive Risk Committee with agreement by the Board.	Risk mitigating action	At DWF we engage an ESG Leadership Group who meet monthly. Our Chief Sustainability Officer, Chief People Officer and Chief Risk Officer as well as the CEO of Insurance services are all part of the ESG Leadership Group and the CEO is briefed monthly on progress and risks. In addition, the Executive Board is regularly updated on ESG related risks, with a focus on those that may escalate and impact the Group's ability to meet its ESG commitments. Our ESG Strategy and pillars, each with targets and priorities, enable us to stay focused, and objectives for colleagues have been identified and are tracked. ESG targets are measured and have been included within all managers' performance objectives to ensure these matters remain at the forefront of our business strategy. Our Risk Registers highlight potential risks to the firm of climate change, biodiversity loss, societal breakdown and change in governance and is regularly reviewed with actions in place to mitigate risk.
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Strategic Report (continued)

Risk management (continued)

Principal risks and uncertainties (continued)

Operational risk			
Operational risk refers to the potential for loss resulting from inadequate or failed internal processes, people, systems, or from external events			
Risk rating	4 – Medium to high risk		
Risk appetite	Our Operational risk appetite is cautious To address risks that threaten our ability to comply with all relevant laws and regulations relating to the inappropriate disclosure or processing of sensitive information or data we have applied an 'averse' appetite We have maintained and, in a number of areas, strengthened appropriate operational processes, systems and controls to support delivery of, and enhancement to, those systems. This provides us the opportunity to take well managed risks where opportunities to create discernible benefits through innovation could assist in the achievement of our objectives	Risk mitigating action	A key focus over the past financial year has been the sourcing, development and implementation of our transformational projects. These will all support our objective of a sustainable Global Operating Model for the future and the first significant global system, which is our HR system, has been implemented very successfully We have continued to invest in infrastructure and security controls to further protect us and our clients from increasing global, and particularly legal sector, cyber-attacks
Financial and reporting risk			
Financial and reporting risk refers to the risk that the group will not be able to meet its financial obligations due to poor working capital or cash flow management			
Risk rating	3 – Medium risk		
Risk appetite	We have maintained our 'minimalist' appetite for finance and reporting risk, including liquidity risk and for any risks that may threaten our financial stability	Risk mitigating action	Forecast covenant compliance is reviewed on a monthly basis by the Group Treasury function. This exercise reflects reported results as well as regular updates to forecast results. Scenario analysis, alongside these monthly reviews, is performed on a regular basis to ensure reasonable worst case scenarios do not cause an unexpected financial stability issue and any material events can be pre-emptively managed Liquidity risks brought about by unexpected and material professional indemnity claims are mitigated, in part, by the insurance policies we hold across the Group

Strategic Report (continued)

Risk management (continued)

Principal risks and uncertainties (continued)

Financial crime risk

Financial crime risk refers to the potential for financial losses, sanctions, and reputational damage that the Group may face as a result of failing to comply with laws and regulations designed to prevent financial crime. This includes risks associated with money laundering, terrorist financing, fraud, corruption, and other illegal activities that involve financial transactions.

Risk rating 3 – Medium risk

Risk appetite	We do not waver on our 'averse' risk appetite for internal fraud or the inadvertent facilitation of financial crime (including anti-bribery and corruption) Fraud and general financial crime have become more prevalent across the legal sector over the past few years We continue to maintain, and regularly review, appropriately robust controls and sanctions to maximise our prevention, detection and deterrence of potential financial crime activity	Risk mitigating action	The Group has a suite of policies and mandatory training implemented which is regularly reviewed to ensure we are able to identify and mitigate the risk of any suspicious activity. We have various risk assessments undertaken on new clients and new matters. Our Anti-Bribery and Corruption policy is an example of one of our financial crime policies. We also have a Speak Up policy and Speak Up hotline should anyone have the need to report on suspicions, and we take these very seriously, with rigorous and in-depth investigations carried out on any reports. Subsequent actions are taken on investigative findings and lessons learned.
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Our Executive Board continues to horizon scan and monitor emerging risks and uncertainties that could impact our business, such as economic risk, inflation and government instability, and is always poised to take mitigating actions to protect both our business and our clients.

Financial risk management

The Group is exposed to a range of financial risks arising from its trading and financing activities including credit risk, liquidity risk, market risk (comprising interest rate and foreign exchange risk) and capital risk. These risks are actively monitored and managed through a combination of treasury policies, scenario planning, hedging strategies and regular Board oversight. The Group's overall financial risk profile has remained stable during the year. This financial year is the first full year of interest costs relating to the Group's post-acquisition funding structure. Whilst this has led to a full year of exposure to variable interest rates, the Group has mitigated this through the use of interest rate swaps and caps, and continues to operate well within its financial covenants.

Credit and liquidity risk appetite remains low. This is managed through generating strong client relationships, robust credit control processes and retaining access to committed funding facilities. As part of the Group's going concern assessment, scenario modelling and stress testing were undertaken to evaluate the impact of potential downside events including revenue reductions and increased working capital requirements. These confirmed that the Group would maintain sufficient liquidity and covenant headroom which is continuously monitored through a rolling 12-month cash flow and covenant forecast. Capital risk is also considered stable, with a balanced capital structure and long-term funding arrangements in place.

Further detail on the Group's financial risk management practices is provided in Note 19 to the Consolidated Financial Statements.

Strategic Report (continued)

Board Composition

DWF is governed by the Board of Directors (the "Board") who are supported on a day-to-day basis by the Executive leadership team (the "Executive Board")

The composition of the Board is considered to be appropriate and proportional to the nature and risks of the business. The members of the Board bring a wide range of skill and experiences to the business, ensuring the knowledge exists to challenge the strategy and facilitate operations, in order to drive the ongoing success of the Group

The Directors of the Company in office who served throughout the year are listed below

Sir Nigel Knowles
Group Chief Executive Officer

Experience

Prior to his appointment as Group Chief Executive Officer, Sir Nigel served as Chair of the Board from November 2018 until May 2020. He has over 38 years of experience at DLA Piper, a global law firm, where he held senior leadership roles including Global Co-Chair, Senior Partner, Global Co-CEO, and Managing Partner.

Sir Nigel was awarded a knighthood in 2009 for his services to the legal industry. He was admitted as a solicitor by the Solicitors Regulation Authority in 1980 and is also a registered foreign lawyer with the Law Society of Scotland.

On 1 August 2025, Sir Nigel Knowles retired as Group Chief Executive Officer and transitioned to a Senior Adviser role, focused on client engagement and growth.

Sir Nigel resigned as a Director on 13 June 2025.

Chris Stefani
Group Chief Financial Officer

Experience

Prior to joining DWF, Chris was Finance Director of Ernst & Young's EMEA Advisory business. During his time at Ernst & Young, he held several senior roles, including Chief Finance Officer for Ernst & Young Republic of Ireland.

Chris has over 20 years of experience in the professional services sector, with extensive expertise in advising executive boards on financial management, control, and performance improvement. He has a strong track record of optimising businesses to drive profitability, deliver cost savings, and support revenue growth.

Chris was admitted to the Association of Chartered Certified Accountants in 2001.

Matthew Glenville
Group Chief Operating Officer

Experience

Matthew joined DWF in September 2022 as Group Chief Operating Officer. He was a member of the Executive Leadership Team, responsible for driving operational excellence and leading transformational change initiatives across the Group.

Prior to joining DWF, Matthew held several senior roles at ICE Clear Europe, including Chief Operating Officer, Chief Technology Officer, and Chief of Staff.

Matthew resigned as a Director on 14 October 2024.

Strategic Report (continued)

Board Composition (continued)

Matthew Doughty

Group Chief Strategy & Growth Officer and CEO Insurance Services

Experience

Matthew was appointed as an Executive Director in October 2020, having previously served on the Board as a Partner Director. He was Group Chief Operating Officer from May 2020 to September 2022, before assuming his current role.

Matthew has been a partner at DWF since June 2016 and has held corporate partner roles at Squire Patton Boggs, Dorsey & Whitney, and Addleshaw Goddard. He was admitted as a solicitor by the Solicitors Regulation Authority in 1996 and is a registered foreign lawyer with the Law Society of Scotland.

Matthew was appointed Group Chief Executive Officer with effect from 1 August 2025.

Paul Rimmer

Chief Executive Officer - Commercial Services

Experience

Paul qualified as a solicitor in 1995 and has practised as both an insurance and corporate lawyer. He joined DWF in 2013 from DLA Piper where he was a Corporate partner specialising in private equity.

Paul has held a variety of roles in DWF including Office Managing Partner for the Liverpool office, Regional Managing Partner for the UK & Ireland, Board member at the time of the IPO and CEO of Legal Advisory (comprising both Insurance and Commercial).

Thomas Green

Director – Inflexion representative

Experience

Tom is a Partner at Inflexion, responsible for sourcing, executing, and managing both majority and minority investments in the Business Services sector. Since joining Inflexion in 2016, he has played key roles in several investments, including K2, Peach, Alcumus, and Chambers and Partners. He led the take-private of DWF Group plc and co-led Inflexion's minority investment in Easyfairs.

Prior to Inflexion, Tom worked in corporate finance at Deloitte and later led the corporate development team at CPA Global, where he executed multiple tech-enabled services acquisitions across the US and Europe. He began his career in consulting.

Tom holds an Economics degree from Cardiff University.

Sam McPhail

Director – Inflexion representative

Experience

Sam is an Investment Director at Inflexion, responsible for evaluating and executing transactions, as well as supporting the growth of portfolio companies. His primary focus is on the Business Services sector.

Since joining Inflexion, Sam has played key roles in several investments, including Marlowe plc's Governance, Risk & Compliance division, DWF Group plc, K2 Partnering Solutions, Curinos, Rosemont, Marston and Phenna Group.

Prior to joining Inflexion, Sam qualified as a Chartered Accountant at Deloitte, where he held a variety of roles supporting businesses with growth strategy and performance improvement.

Strategic Report (continued)

Board Composition (continued)

Stephen Varley

Group Chair

Experience

Steve has a career of more than 30 years in the professional services industry, including 14 years at Accenture (previously Andersen Consulting), and 18 years at EY. He joined EY in 2005 to build the firm's consulting practice in Northern Europe, the Middle East, India and Africa. After successfully growing that business, Steve was elected as UK & Ireland Chair and Managing Partner in 2011.

During his tenure as Chair and Managing Partner, EY saw annual revenues in the UK & Ireland increase from £1.35bn to £2.6bn, with its workforce expanding from 14,000 to 20,000 across 19 offices. In 2020, he became EY's Global Vice-Chair for Sustainability, growing its global sustainability practice from 3,500 to 8,500 professionals and helping companies around the world to create value from becoming more sustainable.

Steve was a member of the Business Advisory Group to two Prime Ministers, accompanying PM David Cameron as an advisor on visits to China, Malaysia, Brazil, Indonesia and Japan.

Directors appointed by Inflexion are identified within the "Our business" section of the Strategic Report.

The Executive Board

The Executive Board is a team of senior leaders within the Group that determine the strategy and drive the operations of the business.

Strategic Report (continued)

Statement by the directors in performance of the statutory duties in accordance with s172(1) Companies Act 2006

The Directors have had regard to the matters set out in section 172(1) when performing their duties. They consider they have acted in good faith, in the way that would be most likely to promote the success of the Company for the benefit of its members as a whole, while also considering the broad range of stakeholders who interact with and are affected by our business.

Details of how the Directors have had regard to section 172(1) in carrying out their duties in making key decisions and engaging with stakeholders is set out below.

Our colleagues (employees and partners)

Why we engage

Our colleagues are the heart and soul of our business and the key to its success. It is important to properly incorporate our colleagues' views in Board decision making.

We understand that it is vital that we recruit, retain and develop the best people. By doing this we will be able to implement our strategy and fulfil our purpose.

How we engage

- Virtual Global Town Halls hosted by the Group Chief Executive Officer and supported by other Executive Board members, as appropriate
- Email digests and updates sent weekly to all colleagues
- Global Engagement Surveys
- Rubix, our Company intranet, provides a range of useful information for our colleagues and updates on the performance of the Company and other business matters
- Colleague recognition strategy and supporting platforms

Outcome of engagement

- Global project launched to review and update all company policies
 - Defined the global colleague value proposition
 - Baselined the provision of benefits for each country to ensure it aligns to the colleague value proposition
 - Refocused our global DE&I networks and assigned Executive sponsors to each of our networks to support colleagues
 - Provided clarity of performance expectations through the introduction of a balanced scorecard
 - Action plans in place to address colleague feedback from their annual engagement survey by each division and team
 - Developing our premises strategy following responses to the global colleague survey, with improvements made to office locations and facilities
-

Clients

Why we engage

The Group would not exist without its clients. Clients are fundamental to everything we do, and so it is important we understand how we need to evolve to provide them with the right support.

How we engage

- Key Account Programme with a dedicated Executive Board sponsor
- Client Census to discover satisfaction metrics and key themes of feedback
- Client Relationship Partners

Outcome of engagement

- Where global law firms typically score between 25 and 40, the Group received an above industry average client Net Promoter Score of +65
 - Out of 482 clients surveyed, 80% of our clients rated us a 6 or 7 on a scale of 1 – 7 for client satisfaction
 - A strong record of retaining existing clients and winning new business. In the financial year, we secured more than 17 panel appointments or reappointments, as well as a range of primary advisor and project roles. Panel appointments include Severn Trend, Serco and National Grid.
-

Strategic Report (continued)

Statement by the directors in performance of the statutory duties in accordance with s172(1) Companies Act 2006 (continued)

Suppliers

Why we engage

DWF's supplier engagement is designed to ensure that suppliers deliver cost-effective services while aligning with our ESG and sustainability values. This includes adherence to the DWF Supplier Code of Conduct, which outlines expectations around responsible business practices, human rights, environmental stewardship, and ethical conduct. The goal is to foster mutually beneficial relationships that support our operational needs and strategic priorities.

How we engage

Our engagement model is structured around transparency, fairness, and continuous improvement.

- Fair and consistent evaluation – suppliers are assessed through a standardised process that includes ESG criteria, Risk, Commercial and ethical sourcing considerations
- Competitive RFP processes – used where appropriate to ensure value for money and market competitiveness
- Supplier assurance and onboarding – includes completion of an assurance questionnaire, bank verification, confirmation of adherence to the Supplier Code of Conduct and further questions around the protection of our data (if required)
- Regular review meetings – key suppliers are engaged in ongoing dialogue to monitor performance and address issues proactively
- Ongoing feedback loops – feedback is used to refine processes and improve supplier relationships

Outcome of engagement

- Strong supplier relationships – built on trust, transparency, and shared values
 - A robust procurement framework – includes a fair selection process, standardised RFPs, supplier categorisation, assurance frameworks, and ethical sourcing questionnaires
 - Alignment with ESG strategy – procurement decisions are guided by DWF's broader ESG and sustainability goals, including science-based targets and commitments to reduce carbon emissions
 - Operational agility – the framework supports rapid onboarding and engagement when needed
-

Debt providers

Why we engage

Access to working capital is the lifeblood of any business, especially in the current environment as companies need to ensure they have sufficient liquidity to navigate the challenges presented by the macroeconomic environment. It is essential we have strong relationships with our banking providers and that they are clear about our strategy.

How we engage

- Regular reporting and presentations on our results and annual budget
- Management have regular discussions with our banks about our strategic priorities
- Reporting to bank and lending facilities in line with the requirements of the financing agreements

Outcome of engagement

- Strong and supportive relationships
-

Strategic Report (continued)

Statement by the directors in performance of the statutory duties in accordance with s172(1) Companies Act 2006 (continued)

Shareholders

Why we engage

Aquila Topco Limited, via its subsidiary companies and as instructed by its ultimate parent, Inflexion, acquired 100% of the shareholding of DWF Group plc on 3 October 2023. The former DWF Group Plc shareholding partners retained an interest in the company via preference shares and loan notes.

How we engage

- Financial reporting and trading updates delivered monthly
- Regular Board and strategy meetings
- Management attend relevant conferences and meet with Inflexion and financing representatives

Outcome of engagement

- Strong relationship with close collaboration on strategy and objectives
-

Our communities

Why we engage

We believe that we can build thriving communities in which we live and work, create a skilled and inclusive workforce today and for the future, and innovate to repair and sustain our planet.

How we engage

- Volunteering in local communities
- Charitable giving by the DWF Foundation
- 5 STAR Futures, our community education programme, workshops and awards evening
- Pro bono work
- Working in collaboration with responsible business groups including BITC, BITCN, Legal Charter 15, NZLA, LSA as well as being members of the UN Global Compact

Outcome of engagement

- DWF Foundation donated £205,613 through 111 grants investing in education, employability, health and wellbeing, foodbanks, homelessness and environment
 - We have delivered 12,185 hours volunteered by our colleagues, of which 2,825 hours invested in education and employability activities
 - 3,682 hours of pro bono support
-

Strategic Report (continued)

Statement by the directors in performance of the statutory duties in accordance with s172(1) Companies Act 2006 (continued)

Our regulators

Why we engage

We engage with our regulators in each jurisdiction in which we operate, including the Solicitors Regulation Authority ('SRA') in England and Wales, which is our largest market, to maintain and build the constructive and trusted relationships vital to any regulated entity

How we engage

- Regular meetings with our regulators
- Quarterly meetings with our SRA Regulatory Manager
- Annual reporting to the SRA on strategy, risk management and regulatory compliance
- Attendance at SRA-led Compliance Forums and Training Sessions

Outcome of engagement

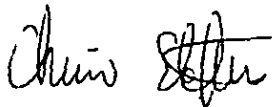
- Constructive relationships and an open dialogue on any ongoing issues, including those raised by SRA audits
 - Regular regulatory updates provided to the Board
 - Regular engagement with the SRA which has included a thematic review around AML processes, DE&I updates and specific engagement around the solicitors Accounts Rules
-

Disclosure and Transparency in Private Equity

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

The Strategic Report was approved by the Board of Directors and signed on their behalf by

Director Signature



Director Name Christopher Stefani

Date 25 September 2025

Directors' Report

The Board of Directors present their report on the audited Consolidated Financial Statements of Aquila Topco Limited (the "Company") and its controlled entities (the "Group") for the year ended 30 April 2025. This financial report has been prepared in accordance with UK-adopted international accounting standards.

Group structure

DWF is the collective name for a global provider of integrated legal and business services comprising Aquila Topco Limited and its subsidiary undertakings. More information about the Group is available on the Group's website, www.dwfgroup.com.

The Company's subsidiary undertakings are detailed in note 2 to the Company's financial statements. The Company has no overseas branches.

Group results and dividends

The results for the year are set out in the consolidated income statement on page 30.

The Company did not pay a dividend during the year (2024: £nil).

The Company issued 18,146,975 B ordinary shares and 4,235 C ordinary shares to select employees as part of the Group's management incentive plan during the year (2024: £nil).

Directors

The directors who served during the year:

C J Stefani

Sir N G Knowles (Resigned on 13 June 2025)

M I Doughty

M A Glenville (Resigned on 14 October 2024)

P R Rimmer

T L Green

S A McPhail

S A Varley (Appointed on 1 July 2024)

Responsibilities

The directors' performance of statutory duties in accordance with s172(1) Companies Act 2006 is discussed in the Strategic Report.

Directors' indemnities and insurance

As permitted by the Articles of Association and to the extent permitted by the law, the Company has indemnified each Director in respect of any liability arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company or any of its subsidiary undertakings. The indemnities in force during the year and that continue to remain in force are qualifying third party indemnity provisions as defined by section 234 of the Companies Act 2006.

The Company also maintains directors' and officers' liability insurance as provided for in the Articles of Association. The Directors may also obtain, at the Company's expense, external legal or professional advice necessary to enable them to carry out their duties.

Charitable donations

No charitable donations were made by the Group in the year.

Future developments

Details of future developments are provided in the Strategic Report.

Financial risk management

Details of financial risk management are provided in the Strategic Report.

Going concern

The Directors have a reasonable expectation that the Group has sufficient resources to continue its operations for at least 12 months from the date of signing the financial statements. In particular, the Directors have a reasonable expectation that it will operate under its existing financing facilities, will comply with all covenants with adequate headroom and settle all other liabilities as they fall due. The Directors therefore consider it appropriate for the Group to adopt the going concern basis in preparing these financial statements. Further details regarding our going concern assessment are included within note 1.3.

Directors' Report (continued)

Disclosure of information to the Independent Auditors

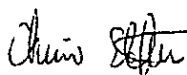
Having made the requisite enquiries, so far as each of the Directors is aware, there is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the Company's auditors are unaware, and the Directors have taken all the steps they ought to have taken as Directors to make themselves aware of any relevant audit information, and to ensure the Company's auditors are aware of that information

Independent Auditors

PricewaterhouseCoopers LLP were appointed as the Company's independent auditors during the year and will be deemed to be reappointed under section 487 of the Companies Act 2006

Approved by the Board of Directors and signed on its behalf by

Director Signature



Director Name Christopher Stefani

Date 25 September 2025

Directors' Responsibility Statement

The directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law)

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

- select suitable accounting policies and then apply them consistently,*
- state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements,*
- make judgements and accounting estimates that are reasonable and prudent, and*
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business*

The directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Independent auditors' report to the members of Aquila Topco Limited

Report on the audit of the financial statements

Opinion

In our opinion

- Aquila Topco Limited's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 30 April 2025 and of the group's loss and the group's cash flows for the year then ended,
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006,
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law), and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise the Consolidated Statement of Financial Position and Company Statement of Financial Position as at 30 April 2025, the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows and Company Statement of Changes in Equity for the year then ended, and the notes to the financial statements, comprising material accounting policy information and other explanatory information

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 the

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

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 year ended 30 April 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibility Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being

satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

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.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Solicitors Regulation Authority ("SRA") Regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate reported results focusing on journals impacting revenue and profit before tax and management bias in significant accounting estimates. Audit procedures performed by the engagement team included:

- challenging assumptions and judgements made by management in their significant accounting estimates, in particular around the valuation of unbilled revenue, fair value of acquisitions and treatment of consideration,
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, and
- discussions with the Audit Committee, management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulation or fraud.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Josh Hearn (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
25 September 2025

Consolidated Income Statement

Year ended 30 April 2025

	Note	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
Revenue	3	572,560	320,857
Recoverable expenses	3	(106,717)	(59,396)
Net revenue	3	465,843	261,461
Direct costs		(237,030)	(129,709)
Gross profit		228,813	131,752
Administrative expenses		(239,492)	(142,354)
Trade receivables impairment	12	(1,826)	(3,431)
Other impairment		(285)	(106)
Operating loss	4	(12,790)	(14,139)
Finance income	5	4,194	1,914
Finance expense	5	(69,270)	(37,449)
Interest expense on leases	5	(3,464)	(2,261)
Loss before tax		(81,330)	(51,935)
Taxation	7	(97)	3,222
Loss for the year/period		(81,427)	(48,713)

The results are from continuing operations

Notes 1 to 25 are an integral part of these Consolidated Financial Statements

Adjusted EBITDA (earnings before interest, tax, depreciation, amortisation, impairment, unrealised foreign exchange loss and non-underlying items)

	Note	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
Operating loss	4	(12,790)	(14,139)
Add back			
Amortisation of intangible assets	9	22,317	17,640
Depreciation of property, plant and equipment	10	1,752	1,643
Depreciation and impairment of right-of-use assets	11	13,335	8,117
Share-based payment expense	22	332	-
Unrealised foreign exchange loss		6,382	2,395
Non-underlying items	2	39,422	27,677
Adjusted EBITDA		70,750	43,333

All adjusting items listed above are included within administrative expenses within the consolidated income statement

Consolidated Statement of Comprehensive Income

Year ended 30 April 2025

	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
Loss for the year/period	(81,427)	(48,713)
<i>Items that are or may be subsequently reclassified to the income statement</i>		
Foreign currency translation differences – foreign operations	5,502	2,108
Total other comprehensive income for the year/period	5,502	2,108
Total comprehensive expense for the year/period	(75,925)	(46,605)

There is no taxation on items within other comprehensive income

Notes 1 to 25 are an integral part of these Consolidated Financial Statements

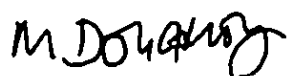
Consolidated Statement of Financial Position

As at 30 April 2025

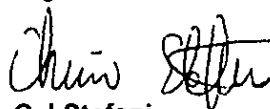
	Note	2025 £'000	2024 £'000
Non-current assets			
Intangible assets	9	360,729	360,961
Property, plant and equipment	10	11,056	7,198
Right-of-use assets	11	54,310	59,966
Deferred tax asset	20	1,145	1,348
Total non-current assets		427,240	429,473
Current assets			
Trade and other receivables	12	296,511	272,098
Corporation tax receivables		-	1,652
Cash and cash equivalents	13	22,335	21,820
Total current assets		318,846	295,570
Total assets		746,086	725,043
Current liabilities			
Trade and other payables	14	142,627	95,576
Corporation tax liabilities		181	-
Deferred consideration		2,121	-
Lease liabilities	15	13,318	14,171
Interest-bearing loans and borrowings	16	21,963	16,281
Provisions	17	7,720	7,796
Amounts due to members of partnerships in the Group	24	34,718	34,475
Total current liabilities		222,648	168,299
Non-current liabilities			
Deferred tax liabilities	20	46,357	49,784
Deferred consideration		3,828	-
Lease liabilities	15	41,701	45,322
Interest-bearing loans and borrowings	16	270,914	232,655
Provisions	17	4,305	4,352
Derivative financial liabilities	18	2,517	1,214
Loan notes	19	221,698	221,663
Cumulative redeemable preference shares	19	53,309	47,359
Total non-current liabilities		644,629	602,349
Total liabilities		867,277	770,648
Net liabilities		(121,191)	(45,605)
Equity			
Share capital	21	1,182	1,000
Share premium	21	1,097	-
Other reserves	21	(940)	-
Foreign exchange translation reserve	21	7,610	2,108
Accumulated losses		(130,140)	(48,713)
Total equity		(121,191)	(45,605)

Notes 1 to 25 are an integral part of these Consolidated Financial Statements

The Aquila Topco Limited (Company number 14971854) Consolidated Financial Statements on pages 30 to 34 were approved by the Board on 25 September 2025 and signed on its behalf by



M Doughty
Group Chief Executive Officer



C J Stefani
Group Chief Financial Officer

Consolidated Statement of Changes in Equity

Year ended 30 April 2025

	Share capital	Share premium	Other reserves	Foreign exchange translation reserve	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 May 2024	1,000	-	-	2,108	(48,713)	(45,605)
Loss for the year	-	-	-	-	(81,427)	(81,427)
Total other comprehensive income for the year	-	-	-	5,502	-	5,502
Total comprehensive expense for the year	-	-	-	5,502	(81,427)	(75,925)
Shares issued	182	1,097	-	-	-	1,279
Share-based payments movement	-	-	332	-	-	332
Treasury shares movement	-	-	(1,279)	-	-	(1,279)
Other reserves movement	-	-	7	-	-	7
At 30 April 2025	1,182	1,097	(940)	7,610	(130,140)	(121,191)

	Share capital	Share premium	Other reserves	Foreign exchange translation reserve	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
Balance on incorporation	-	-	-	-	-	-
Loss for the period	-	-	-	-	(48,713)	(48,713)
Total other comprehensive income for the period	-	-	-	2,108	-	2,108
Total comprehensive expense for the period	-	-	-	2,108	(48,713)	(46,605)
Shares issued	1,000	-	-	-	-	1,000
At 30 April 2024	1,000	-	-	2,108	(48,713)	(45,605)

Notes 1 to 25 are an integral part of these Consolidated Financial Statements

Consolidated Statement of Cash Flows

Year ended 30 April 2025

		Year to 30 April 2025	Period to 30 April 2024 (*Restated)
	Note	£'000	£'000
Cash flows from operating activities			
Cash generated from operations before adjusting items	23	43,057	20,912
Cash used to settle non-underlying items	2	(36,522)	(23,645)
Cash generated from operations		6,535	(2,733)
Tax paid		(3,633)	(6,786)
Net cash generated from operating activities		2,902	(9,519)
Cash flows from investing activities			
Acquisition of subsidiary, net of cash acquired	8	(11,504)	(390,751)
Payment of contingent consideration recognised on acquisition		(936)	-
Purchase of property, plant and equipment	10	(5,916)	(1,211)
Purchase of other intangible assets	9	(1,088)	(385)
Interest received	5	4,194	1,914
Net cash flows used in investing activities		(15,250)	(390,433)
Cash flows from financing activities			
Proceeds from issue of share capital	21	-	1,000
Proceeds from issue of preference shares	19	-	32,580
Proceeds from borrowings		88,794	303,375
Proceeds from loan notes	19	35	162,981
Repayment of borrowings		(44,222)	(45,611)
Payment of loan arrangement fees		(900)	(9,340)
Repayment of lease liabilities	15	(14,127)	(8,611)
Interest paid		(21,307)	(16,649)
Capital contributions by members	24	3,147	2,181
Repayments to former members	24	(3,172)	(1,264)
Net cash flows generated from financing activities		8,248	420,642
Net (decrease)/increase in cash and cash equivalents		(4,100)	20,690
Cash and cash equivalents at the beginning of the year/period	13	21,820	-
Effects of foreign exchange rate changes on cash and cash equivalents		4,615	1,130
Cash and cash equivalents at the end of the year/period	13	22,335	21,820

Notes 1 to 25 are an integral part of these Consolidated Financial Statements

* See note 1.2 (Basis of accounting)

Consolidated Notes to the Financial Statements

Year ended 30 April 2025

1 Basis of preparation and material accounting policies

1.1 General information

Aquila Topco Limited (the "Company") is a private company limited by share capital, incorporated and domiciled in the United Kingdom under the Companies Act 2006, and registered in England and Wales. The registered office is 47 Queen Anne Street, Marylebone, London, England, W1G 9JG.

The principal activities of the Company and its subsidiary undertakings (together referred to as the "Group") and the nature of the Group's operations are set out in the Strategic Report.

The presentational currency of the Group financial statements is Pounds Sterling, which is the functional currency of the Parent Company. Foreign operations are included in accordance with the policies set out below.

These Consolidated Financial Statements comprise the results of the Group for the year to 30 April 2025. Note that Aquila Topco Limited was incorporated in the United Kingdom on 30 June 2023 and began trading on the acquisition DWF Group Limited on 3 October 2023. As a result, the prior period end was subsequently shortened to align with other Group companies, so the prior period comparative results reflect a trading period of 7 months to 30 April 2024.

The following subsidiary undertakings of the Company were entitled to exemption from audit under s479A of the Companies Act 2006 relating to subsidiary undertakings:

Subsidiary name	Registration number	Subsidiary name	Registration number
Aquila Midco 1 Limited	14971961	DWF Forensic Limited	10749670
Aquila Midco 2 Limited	14972051	DWF Ventures Limited	10749685
Aquila Bidco Limited	14972770	DWF Company Secretarial Services Limited	04176234
DWF Group Limited	11561594	MOAT Pensions Limited	SC134776
DWF Holdings Limited	11552868	Greyfern Law Limited	06666404
DWF Connected Services Group Limited	10826005	DWF (Northern Ireland) LLP	NC001393
DWF Connected Services Holdings Limited	10745072	Mindcrest UK Limited	10685700
DWF Connected Services Investments Limited	13396833	DWF (TG) Limited	10568838
DWF Costs Limited	10754856	DWF 360 Limited	03556829
DWF Advocacy Limited	10780559	NewCo 4736 Limited	12130043
DWF Resource Limited	11271111	Acuhold Limited	08411526
DWF Claims Limited	10586109	Acumension Limited	03594984
DWF Adjusting Limited	10586114	DWF (Hong Kong) LLP	OC442266

1.2 Basis of accounting

The Group financial statements consolidate those of the Company and its subsidiary and partnership undertakings.

The Consolidated Financial Statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards ("IFRS") and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in the Group financial statements.

The financial statements have been prepared on the historic cost convention or historic cost modified by revaluation of financial assets and financial liabilities held at fair value through profit and loss (as applicable).

The issue of IFRS 18 Presentation and Disclosure in Financial Statements (effective for accounting periods beginning on or after 1 January 2027 subject to adoption in the UK) is expected to impact the Group. Management is currently assessing the potential impact of IFRS 18 on the Group's financial reporting.

The following amendments to IFRS that have been issued by the IASB will become effective in a subsequent accounting period but are not expected to have a material impact on the Group:

- Lack of Exchangeability (Amendments to IAS 21)
- Classification and Measurement of Financial Instruments (Amendment to IFRS 9 and IFRS 7)
- Subsidiaries without Public Accountability (IFRS 19, effective for accounting periods beginning on or after 1 January 2027 subject to adoption in the UK)

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.2 Basis of accounting (continued)

Subsidiary and partnership undertakings

Subsidiary and partnership undertakings are entities which are consolidated because they are controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. The financial information of subsidiary undertakings is included in the Consolidated Financial Statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation

All intra-Group assets, liabilities, equity, income, expenses and cash flows relating to transactions between the entities within the Group are eliminated on consolidation.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The Group measures goodwill at the acquisition date as

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

When the excess is negative, a gain on bargain purchase is recognised in the income statement.

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

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

When consideration with performance conditions is issued to selling shareholders remaining within the business, an assessment is performed as to whether the payment is consideration or remuneration, in accordance with IFRS 3. If it is determined that the payment is remuneration, the transaction will be accounted for as a separate transaction to the acquisition.

Prior period restatement

During the year, a review of the Statement of Cash Flows and note 23 (Cash generated from operations) for the period ended 30 April 2024 identified that the increase in trade and other payables and the value of interest paid were overstated by £16.8m. This was due to the inclusion of accrued interest that had not been settled in cash, resulting in an overstatement of cash interest paid. In accordance with IAS 8, the comparative figures have been restated.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.3 Going concern

The Directors have assessed the going concern basis adopted by the Group and the Company in the preparation of the Consolidated Financial Statements, taking into account the current financial position including its available financing facilities, the business model and future outlook, as well as the principal risks as listed in the Strategic Report. The Directors conclude that the Group and the Company have adequate resources to continue as a going concern across the period of assessment.

Method of Assessment of going concern

The going concern assessment has been considered for the period to 31 September 2026 and is carried out as follows:

- The Group's Board-approved budget base case is used to calculate the net debt position, liquidity, covenant compliance and available headroom over the going concern period.
- The assessment of going concern is carried out with reference to available financing facilities, the ability to pay debts as they fall due and the covenants associated with the financing facilities.
- Plausible downside scenarios are modelled to quantify the impact of a variety of risks materialising over the going concern period.
- Mitigating actions which could be taken are identified, quantified and included in the assessment.
- The reasonable worst case scenario, along with mitigating actions, is then used to test that the Group would continue to have headroom in its available financing facilities, settle liabilities as they fall due and comply with the associated financial covenants over the going concern period.

Financing facilities

The Group closed the year with committed banking facilities of £330m (of which £278.8m were drawn). The largest of these is a senior term loan of encompassing £200m term loan, combined with two working capital facilities comprising £30m initial, with an additional optional £40m to drawdown on and a £60m additional facility available to be utilised for future acquisitions. The covenant thresholds for the facilities across the assessment period is set as 4.5x leverage.

Assessment and Outcome

The directors have considered stress tests based on the possibility of the group not meeting its budgeted revenue targets and experiencing an increase in lock-up days (refer to the glossary to the financial statements on pages 79 to 81). The result of these tests indicated that even after considering one or both of these potential declines in business performance the group can still retain sufficient liquidity to meet its liabilities and remain compliant to its financial covenants.

If faced with the reasonable worst-case scenario, the Board also considers possible mitigating actions available to the Group to maintain liquidity and covenant compliance. These can be swiftly implemented should the worst-case scenario arise and include (but are not limited to):

- freezing recruitment and a slowdown in investment in recruitment and reward,
- reducing discretionary operating spend such as marketing and travel,
- reducing non-committed capital expenditure,
- slowdown of investment in the digital transformation programme, and
- cost cutting measures in non-fee earning areas.

Conclusion

Based on the assessment, the Directors have a reasonable expectation that the Group and Company have sufficient resources to continue their operations for the period of assessment. In particular the Directors have a reasonable expectation that the Group and Company will operate under its existing financing facilities, will comply with all covenants with adequate headroom and settle all other liabilities as they fall due. The Directors therefore consider it appropriate for the Group and Company to adopt the going concern basis in preparing these financial statements.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.4 Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the consolidated income statement within administrative expenses. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, at foreign exchange rates ruling at the statement of financial position date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions.

Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve.

1.5 Alternative performance measures ('APMs')

In the reporting of financial information, the Group uses certain measures that are not required under IFRS.

These additional measures provide the Group's stakeholders with additional information on the performance of the business. The measures are consistent with those used internally and are considered insightful in understanding the financial performance of the Group. The Group's APMs provide an important measure of how the Group is performing by providing insight in to how the business is managed and measured on a day-to-day basis and achieves consistency and comparability between reporting periods. The APMs are primarily utilised in the following ways:

- *Non-statutory measures*, These are often sector specific KPIs such as lock-up days and net revenue. These allow greater comparability of the Group's performance within the legal sector. EBITDA and net debt are also widely utilised within the Group and are both regularly used among the and other private equity owned businesses.

- *Adjusting items*, These are adjustments to statutory profit metrics such as profit before tax ('PBT') and operating profit. These are items (both recurring and non-recurring) that are material in nature and include, but are not limited to, costs relating to acquisitions, gain on bargain purchase associated with acquisitions, disposals and significant events or programmes, some of which span multiple years. These items are excluded from PBT as management believe their inclusion distorts the underlying trading performance.

- *Non-underlying items*, Non-underlying items, a subset of adjusting items, are non-trading, non-cash or one-off items where management consider the quantum or nature of such items would distort the view of the underlying performance of the Group. By removing these items, the reader is better able to compare like-for-like performance that would otherwise be hard to determine.

A complete list of APM's is included and fully defined in the glossary to the financial statements and details of non-underlying items is given in note 2.

1.6 Financial instruments

Non-derivative financial instruments comprise investments, trade and other receivables, cash and cash equivalents, trade and other payables and interest bearing borrowings. Amounts due to members of partnerships in the Group are also non-derivative financial instruments and are covered in note 1.10.

Trade and other receivables

Under the Group's business model, trade and other receivables are held for collection of contractual cash flows and represent solely payments of principal and interest. Trade receivables and other receivables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method less any allowance for expected credit losses. The Group applies the simplified approach in measuring expected credit losses.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.6 Financial instruments (continued)

Trade and other receivables (continued)

Trade and other receivables expected to be realised in the course of the Group's operating cycle and those assets receivable within one year from the reporting date are classified as current assets. All other trade and other receivables are classified as non-current assets.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank overdrafts. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows only.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. Due to their short-term nature they are not discounted.

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value less incremental transaction costs and subsequently measured at amortised cost using the effective interest method.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets.

The Group recognises lifetime expected credit losses ('ECL') for trade receivables and contract assets. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

For other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group writes off a financial asset 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. Financial assets written-off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the income statement.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only reputable counterparties with strong credit ratings are used. For this reason, no loss allowance has been identified for cash and cash equivalents.

Accounting policies for Contract Assets are discussed in note 1.15.

Derivative financial instruments

The Group's capital structure exposes it to the financial risk of changes in interest rates. The Group uses interest rate swaps and interest rate caps and floors. Derivative financial instruments are recorded at fair value through profit or loss. The fair value of derivative financial instruments is determined by reference to market values for similar financial instruments. The gain or loss on remeasurement to fair value is recognised immediately in the consolidated income statement within finance expense or finance income.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.7 Leases

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

As a lessee

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made on or before the commencement date, plus an estimate of the costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Lease liabilities are initially measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The Group re-measures the lease liability (and makes a corresponding adjustment to the related right-of-use asset, or to the income statement if the right-of-use asset carrying value has been reduced to nil) whenever

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is re-measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used)
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is re-measured by discounting the revised lease payments using a revised discount rate

In calculating the initial present value of lease payments, the Group uses the incremental borrowing rate specific to each lease at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the lease liability is measured at amortised cost using the effective interest method. The amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Extension and termination options are included in several leases across the Group. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any period covered by an option to terminate the lease if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain to exercise an option to renew or terminate a lease. Management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise, or not to exercise, the option to renew or terminate the contract.

Payments associated with short-term leases, leases of intangible assets and leases of low-value assets (with a value of less than £5,000) are recognised on a straight-line basis as an expense in the income statement. Short-term leases have a term of 12 months or less.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.7 Leases (continued)

As a lessor

Where the Group acts as an intermediate lessor, it accounts for its interests in the head lease and the sublease separately

It determines at the inception of a sublease whether each sublease is a finance or operating lease. To classify each lease, the Group makes an overall assessment of whether the sublease transfers substantially all of the risks and rewards of ownership of the right-of-use asset arising from the head lease. Where this is the case, it is classified as a finance lease. As part of this assessment, the Group considers indicators such as whether the sublease term constitutes a major part of the economic life of the right-of-use asset.

Amounts due from lessees under finance leases are recognised as lease receivables at the amount of the Group's net investment in the leases. The Group applies the de-recognition and impairment requirements in IFRS 9 to the net investment in the lease.

Where sublease payments are received under operating leases, these are recognised as income on a straight-line basis over the sublease term as part of other income.

1.8 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

- | | |
|--|---|
| • Leasehold improvements | The shorter of remaining lease term or 10 years |
| • Computer equipment | 4 years |
| • Office equipment and fixtures and fittings | 7 to 10 years |

Depreciation methods, useful lives and residual values are reviewed at each statement of financial position date.

1.9 Intangible assets

Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment.

Brand, customer relationships and order backlog – acquired from business combinations

The Group recognises these acquired intangibles at their fair value at the date of acquisition. After initial recognition, acquired intangible assets are amortised on a straight-line basis over their estimated useful life.

Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use,
- management intends to complete and use or sell it,
- there is an ability to use or sell the software,
- it can be demonstrated how the software will generate probable future economic benefits,
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of software include employee costs.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.9 Intangible assets (continued)

Amortisation

Intangible assets with finite lives are amortised to the income statement, through administrative expenses, on a straight-line basis over their estimated useful lives. The estimated useful lives are as follows:

- | | |
|---------------------------------|----------------|
| • Customer relationships | 10 to 15 years |
| • Order backlog | 1 to 18 months |
| • Brand | 10 years |
| • Software costs | 4 years |
| • Capitalised development costs | 3 to 4 years |

1.10 Transactions with and amounts due to members of partnerships in the Group

Divisible profits and payments to members of partnerships in the Group

Members of partnerships within the Group ("members"), under the terms of the relevant members' agreement, draw monthly on account. Drawings are based on a fixed share of partnership profits. Any unallocated profit after distribution to members is included in retained earnings / accumulated losses.

All members have a fixed share that forms part of a wider remuneration package. This amount is reviewed on an annual basis and is recognised within the income statement within direct costs. The amounts that are due to the members are recognised as amounts due to members of partnerships in the Group.

Members' remuneration charged as an expense

Members' remuneration charged as an expense is recognised within direct costs. This has been calculated based on the Total Fixed Annual Compensation Amount, which is the members' annual fixed profit share plus, for some members, a nominal salary.

1.11 Impairment

Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, which has an indefinite useful life, the recoverable amount is estimated each year at the same time.

Cash-generating units ("CGU") have been determined on the basis of service offering, dependencies and locations of members of the Group. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to CGUs that are expected to benefit from the synergies of the combination. For the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes but not at a level higher than the Group's operating segment.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.12 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.13 Share-based payments

The Group operates an equity-settled, share-based compensation plan, under which the business receives services from employees as consideration for equity instruments (shares) of the Group. The fair value of the services received in exchange for the grant of shares awards is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the shares allocated, excluding the impact of any non-market service vesting conditions (for example, remaining engaged by the entity over a period of time). Non-market vesting conditions are included in assumptions about the number of shares that are expected to vest. The total amount expensed is recognised over the estimated vesting period (upon an exit event), which is the period over which all of the specified existing conditions are to be satisfied. At each statement of financial position date, the Group revises its estimates of the number of shares expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to the share-based payments reserve within equity. The cumulative share-based payment charge held in reserves is recycled into retained earnings when the shares have vested.

The MIP is administered by the Employee Benefit Trust ('EBT') and the Restricted Share Trust ('RST'), which are consolidated by the Company in accordance with the principles detailed in note 1.2.

1.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital ('treasury shares'), for example by the EBT or RST, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued.

1.15 Revenue recognition

Revenue

The Group generates revenue primarily by delivering professional services to clients, with the types of services offered being similar within each of its divisions. These services, when delivered to individual clients, are almost always bespoke in nature. However, the performance obligations tend to be consistent from client to client and the two that the Group most commonly satisfies are

- legal advice and services, and
- non-legal advice and services that are complementary to legal services.

As a provider of professional services, the Group generally does not have obligations for returns, refunds or other similar obligations, nor does it have warranties or other related obligations.

The amount of consideration the Group receives varies from both service to service and from client to client, reflecting the bespoke nature of the services provided. The consideration typically reflects the skills and experience of the individuals who provide the services as well as the availability of similar skills and experience in the wider professional services market. These factors tend to vary from business to business.

Consideration includes recoverable expenses. Recoverable expenses (often referred to as disbursements) are necessarily incurred to deliver on the Group's contractual promises to its clients that make the Group principal in the transaction.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.15 Revenue recognition (continued)

The consideration the Group receives is primarily based on one of three types of fee arrangements

- time and materials,
- fixed fee, and
- contingent fee

The Group adjusts its estimate of revenue throughout the contractual period of providing services as circumstances change and are reflected in the income statement in the period in which the circumstances that give rise to the revision become known. The Group's contractual arrangements comprise a single performance obligation. Fee arrangements are constrained to the amounts expected to be recovered in accordance with the requirements of IFRS 15. In most fee arrangements the Group has an enforceable right to payment for services rendered and, given the bespoke nature of the services provided, recognises revenue over time as such services are rendered.

The Group measures progress in satisfying the performance obligations as follows

- For time and materials arrangements, revenue is recognised as the work is performed as captured daily by fee earners recording time against specific matters at contracted rates. The contracted rates are constrained to a true recovery rate. The revenue constraint is determined with reference to historical recovery rates, specific agreements with clients and amounts considered irrecoverable by fee earners.
- For contingent fee arrangements, revenue is recognised in the same method as the time and materials arrangements above. However there is a further constraint based on projected success rate.
- For fixed fee arrangements, the appropriate proportion of revenue to be recognised is measured by assessing time incurred to date, at an hourly rate that reflects the seniority and expertise of each individual, as a proportion of the total expected time at these rates for the arrangement.

The Group typically invoices its customers monthly or quarterly in arrears, or for certain projects at the end of the engagement, but payment terms do vary depending on the types of services being offered or for individual contractual agreements. As the performance obligation is satisfied, revenue is recognised and amounts recoverable from clients in respect of unbilled revenue (contract assets) are simultaneously created. In all contracts the client receives the benefits of legal services provided by the Group over the period in which the work is performed. Deferred income represents amounts invoiced for performance obligations which are not yet satisfied.

The Group has determined that no significant financing component exists in respect of its professional services, as the period between when the Group transfers a promised service to a client and when the client pays for that service will be one year or less.

The majority of services performed by the Group are in respect of contracts with an expected duration of one year or less either because the goods or services are expected to be provided within a 12-month period or because the client and/or the Group has the right to terminate the contract without substantive penalty upon the delivery of written notice.

1.16 Financing income and expenses

Financing expenses comprises interest payable, unwinding of the discount on provisions, and net foreign exchange gains or losses that are recognised in the income statement.

Financing income comprises interest receivable on funds invested, interest income on lease receivables and dividend income. Interest income and interest payable is recognised in the income statement as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

Gains or losses on derivative financial instruments are included within finance income and finance expenses respectively.

Foreign currency gains and losses are reported on a net basis.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.17 Taxation

Current tax

The tax expense represents the current tax relating to the Company and other Group entities. The current tax expense is based on taxable profits of these entities for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current tax liability is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends to either settle on a net basis or realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is provided using the balance sheet liability method on any temporary differences between the carrying amounts for financial reporting purposes and those for taxation purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill.

Deferred tax liabilities are not recognised for temporary differences arising on investments in subsidiaries where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in the income statement, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

A share of the Group's profits is earned by the limited liability partnerships ("LLPs") within the Group. The taxation on profits earned by the LLPs is, generally, recognised as a liability borne by the members. The members include a corporate entity and individual persons. The corporate member is subject to taxation on its share of the LLPs' profits as set out above. Taxation on the individual persons' share of the LLPs' profits remains their personal liability so neither taxation nor related deferred taxation is accounted for in the financial information of the Group, although payment of such liabilities is administered by the Group on behalf of those members.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.18 Accounting estimates and judgements

The preparation of the financial statements under IFRS requires management to make judgements, estimates and assumptions which affect the financial information. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are reviewed on an ongoing basis. The critical judgements and key estimates applicable to these financial statements are set out below.

Critical judgement in applying the Group's accounting policies

Control over the ABS and non-ABS groups

Regulations in certain jurisdictions in which the Group is represented allow Alternative Business Structures ("ABS") where legal firms can be owned by non-lawyers. This is not the case in other jurisdictions ("non-ABS"). As a result, DWF LLP, the head of the non-ABS group, is not directly owned by any entity within the ABS group (which includes the ultimate parent, Aquila Topco Limited).

Consolidation of DWF LLP and the other non-ABS entities depends on the assessment of whether a member of the ABS group is exposed, or has rights, to variable returns from its involvement with such entity and has the ability to affect those returns through its power over such entity. Therefore, judgement is required in this assessment to determine if the non-ABS entities should be consolidated in the Group financial statements. Control is exercised over the non-ABS entities through a Governance Deed.

A Governance Deed exists between DWF Law LLP (as representative of the ABS group) and DWF LLP. This Governance Deed mandates that the executive Board of both DWF Law LLP and DWF LLP be the same, bestowing DWF Law LLP the ability to affect returns of DWF LLP and meaning that DWF Law LLP's members have rights to variable returns from DWF LLP, and thus can exercise control over the non-ABS entities.

Key sources of estimation uncertainty

The key assumption concerning the future, and other key source of estimation uncertainty at the reporting period that may have a significant risk of causing material adjustment of the carrying amounts of assets and liabilities within the next financial year, is discussed below.

Revenue recognition and valuation of unbilled revenue

The amount of variable consideration to be constrained in a time and material contract and the stage of completion of fixed fee contracts are key sources of estimation uncertainty. When services are invoiced, the uncertainty is removed so this applies to the unbilled revenue only, recorded as amounts recoverable from clients in respect of unbilled revenue in the statement of financial position (the contract asset). Respective amounts are provided in note 12.

For the estimates of revenue constraint and stage of completion, the Group estimates the value of the services provided to date as a proportion of the expected revenue under the contract. The expected revenue under the contract is either the anticipated level of price concession or the fixed fee. These estimates are based on specific client agreements, historical performance and forward-looking factors including improving efficiencies.

In valuing the Group's unbilled revenue a per-hour recovery rate is used. A 5% increase in the per-hour recovery rate would lead to a £6.3m increase in the carrying value of amounts recoverable from clients in respect of unbilled revenue and a £6.3m increase in revenue, profit before tax and equity. A 5% decrease in the per-hour recovery rate would lead to an equal and opposite impact on the carrying value of amounts recoverable from clients in respect of unbilled revenue and revenue.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

2 Alternative performance measures

APM's are not intended to supplant IFRS measures but are included in response to investor feedback or to provide readers of the financial statements with additional understanding of the underlying trading performance of the Group

APMs are fully defined and information as to why they are useful is provided in the glossary to the financial statements on pages 80 to 82

Non-underlying items, included within administrative expenses, are set out in the table below

		Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
Acquisition related costs	a	11,463	20,335
Restructuring costs	b	14,843	934
Plc run-off costs	c	-	1,651
Transformation costs	d	10,745	4,583
Professional fees	e	2,371	174
Total non-underlying items		39,422	27,677

Cash used to settle non-underlying items is £36.5m (2024 £23.6m)

- a) Acquisition costs include legal, professional and other transaction related expenses associated with completed and potential acquisitions. They also include payments in lieu of unvested share awards that lapsed upon acquisition, which will cease in October 2026, as well as related to the establishment of the Group management incentive plan
- a) A restructuring programme was executed in certain locations and divisions in the year to improve efficiency and profitability in line with market demand, the costs of which are one-off and not reflective of underlying performance of the business
- b) In the prior period, costs associated with the delisting of DWF Group Limited (formerly DWF Group Plc) are not considered reflective of the underlying performance of the business
- c) The Group is investing in transforming its global IT operations, and costs in connection with this programme are not reflective of the underlying performance of the business, this includes costs of implementation, dual running costs and the costs of decommissioning systems
- d) Certain one-off projects have led to the engagement of consultants and advisors, where these are one-off in nature they are considered as non-underlying items.

3 Revenue

The table below shows the Group's revenue from contracts with customers by division

	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
	Revenue	Revenue	Net Revenue	Net Revenue
Commercial services	271,297	157,301	229,533	135,856
Insurance services	301,263	163,556	236,310	125,605
	572,560	320,857	465,843	261,461

During the year, the Group revised its divisional structure following the integration of Legal Operations into the Commercial Services division on 1 May 2024. As a result, the Group now reports under two divisions, Commercial Services and Insurance Services

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

3 Revenue (continued)

The table below shows the Group's revenue from customers disaggregated by geography

	Year to 30 April 2025	Period to 30 April 2024	Year to 30 April 2025	Period to 30 April 2024
	£'000	£'000	£'000	£'000
	Revenue	Revenue	Net Revenue	Net Revenue
UK	390,933	225,654	304,981	173,019
Spain	40,951	25,162	40,534	25,162
North America	51,819	27,047	49,863	27,047
Rest of World	88,857	42,994	70,465	36,233
	572,560	320,857	465,843	261,461

Details of the Group's trade receivables and amounts recoverable from clients in respect of unbilled revenue and disbursements are disclosed in note 12 to the financial statements

4 Operating loss and auditors' remuneration

Operating loss has been arrived at after charging

	Note	Year to 30 April 2025	Period to 30 April 2024
		£'000	£'000
Amortisation of intangible assets – software and capitalised development costs	9	1,057	718
Amortisation of intangible assets – acquired	9	21,260	16,922
Depreciation of property, plant and equipment	10	1,752	1,643
Depreciation of right-of-use assets	11	13,050	8,011
Impairment of right-of-use assets	11	285	106
Non-underlying items	2	39,422	27,677
Share-based payments expense	22	332	-
Employment costs	6	299,887	166,699
Net foreign exchange loss		5,925	2,560

The analysis of auditors' remuneration is as follows

	Year to 30 April 2025	Period to 30 April 2024
	£'000	£'000
Auditors' remuneration		
Audit of the Group financial statements	510	518
Total audit fees	510	518
<i>Amounts payable to the Company's auditors and their associates in respect of</i>		
Audit of financial information of subsidiaries, subsidiary undertakings and partnerships of the Aquila Topco Limited	165	160
Other services pursuant to legislation or regulation	227	225
Corporate finance services	-	1,500
Other non-audit services	984	176
Total fees	1,886	2,579

Other non-audit services relate to consultancy services provided by the Group's auditors

Corporate finance services relate to due diligence work carried out by the Group's auditors in connection with Aquila Bidco Limited's acquisition of DWF Group Limited (formerly DWF Group Plc)

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

5 Net finance expense and net interest expense on leases

	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
Interest receivable	4,194	1,914
Finance income	4,194	1,914
Interest payable on bank borrowings	31,351	16,794
Interest payable on loan notes	29,782	15,629
Interest payable on preference shares	5,951	3,119
Fair value movement on derivative instruments	1,041	1,263
Bank and other charges	856	589
Other interest payable	289	55
Finance expense	69,270	37,449
Net finance expense	65,076	35,535
Interest expense on lease liabilities	3,464	2,261
Net interest expense on leases	3,464	2,261

6 Employment costs

The average monthly number of persons employed by the Group (including Executive Directors) during the year, analysed by category, and the aggregate payroll costs of these persons were as follows

	Year to 30 April 2025 No	Period to 30 April 2024 No
Legal advisors	3,068	2,949
Support staff	1,478	1,338
	4,546	4,287

	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
Wages and salaries	274,012	152,571
Social security costs	16,236	8,830
Other pension costs	9,639	5,298
	299,887	166,699

The Group operates defined contribution pension plans. The total annual pension cost for the defined contribution plan was £9.6m (2024: £5.3m) and the outstanding balance at 30 April 2025 was £1.5m (2024: £1.5m).

7 Taxation

	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
UK corporation tax on profit	1,407	255
Foreign tax on profit	3,644	422
Current tax expense	5,051	677
Deferred tax credit	(4,954)	(3,899)
Deferred tax credit	(4,954)	(3,899)
Total tax charge/(credit) for the year/period	97	(3,222)

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

7 Taxation (continued)

The effective tax rate is higher than the average rate of corporate tax in the UK of 25%. The difference is explained below

	Year to 30 April 2025 £'000	Period to 30 April 2024 £'000
Loss before taxation	(81,330)	(51,935)
Tax on Group profit at standard UK corporation tax rate of 25%	(20,333)	(12,984)
Foreign tax rate differences	(52)	(9)
Non-deductible expenses	17,473	13,081
Brought forward tax losses utilised	(4,659)	(5,452)
Tax losses in year/period not recognised as assets	7,668	2,142
Total tax charge/(credit) for the year/period	97	(3,222)

The main corporation tax rate in the UK during the year was 25%, and continues to be 25%

8 Acquisitions of subsidiaries during the year

On 30 August 2024, DWF Australia CMA Holdings Pty Ltd acquired 100% of the share capital of Proclaim Management Solutions Pty Ltd ("Proclaim"), incorporated in Australia, whose principal activity is legal and professional services, specifically specialist claims management. Proclaim is the largest specialist claims management company in Australia, the acquisition will enhance the Group's existing Claims Management and Adjusting operations within the insurance division.

Business combinations are accounted for using the acquisition accounting method as at the acquisition date, which is the date at which control is transferred to the Group.

The fair values of the identifiable assets and liabilities and the associated goodwill arising from the acquisition are as follows

	Fair value £'000
Intangible assets	7,832
Property, plant and equipment	157
Right-of-use assets	497
Cash	1,380
Trade and other receivables	1,334
Deferred tax	(2,145)
Lease liabilities	(497)
Trade and other payables	(1,226)
Net identifiable assets acquired	7,332
Purchase consideration	20,638
<i>Purchase consideration satisfied by</i>	
Initial cash consideration	12,884
Deferred cash consideration	2,777
Contingent consideration	4,108
Assets transferred as consideration	869
Provisional goodwill	13,306

Of the total £20.6m consideration for Proclaim, £2.8m is deferred and payable in two tranches 12 and 24 months post-acquisition. This deferred amount is not contingent on future performance. Contingent consideration of £3.4m is payable in six-monthly instalments over five years post completion, subject to a threshold being exceeded for client interest received. Additionally, a further £0.7m of contingent consideration is payable 24 months post completion, conditional on performance targets being met over that period. Lastly, £0.9m of consideration relates to the transfer of assets, specifically a director's loan account balance owed by Proclaim to its former shareholders, which remains outstanding and was treated as non-cash consideration.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

8 Acquisitions of subsidiaries during the year (continued)

The goodwill for Proclaim is attributable to the benefits of operating an already well-established business in the relevant sector and the synergies that are expected to be achieved from incorporating the business into the Group's operations. The goodwill will be allocated to the Insurance CGU. Transaction costs comprised mainly advisor fees, including financial, tax and legal due diligence. These are all included within administrative expenses (non-underlying items) within note 2.

The following intangible assets were recognised at acquisition. These have been measured at their fair value through the multi-period excess earnings method for customer relationships and the royalty relief method for brand.

	£'000
Intangible assets – customer relationships	7,415
Intangible assets – brands	237
Total fair value of intangibles on acquisition	7,652
Deferred tax recognised as a result of the intangibles	2,296
Total fair value on acquisition	5,356

Customer relationships

This represents the value attributed to clients who provide repeat business to the Group. Customer relationships are amortised on a straight-line basis over fifteen years.

Brand

This represents the value of the Proclaim brand which is amortised on a straight-line basis over its expected useful life of two years.

Revenue and loss before tax since the acquisition date

The table below outlines the revenue and loss before tax since the acquisition date, which is included in the consolidated income statement for the year, and the annualised revenue and loss before tax had the acquisition dates for the business combinations been at 1 May 2024.

	Revenue contributed post-acquisition £'000	Profit before tax contributed post-acquisition £'000	Annualised revenue in year of acquisition £'000	Annualised profit before tax in year of acquisition £'000
Proclaim Management Solutions Pty Ltd	4,284	625	6,349	711

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

9 Intangible assets

	Acquired				External software costs £'000	Capitalised development costs £'000	Total £'000
	Goodwill £'000	Customer relationships £'000	Order backlog £'000	Brand £'000			
Cost							
At 1 May 2024	159,898	168,000	9,860	38,200	1,335	1,166	378,459
Additions – on acquisition of Proclaim Management Solutions Pty Ltd	13,306	7,415	-	237	180	-	21,138
Additions – internally developed	-	-	-	-	-	777	777
Additions – externally purchased	-	-	-	-	311	-	311
Effect of movements in foreign exchange	(99)	(145)	-	-	(124)	(11)	(379)
At 30 April 2025	173,105	175,270	9,860	38,437	1,702	1,932	400,306
Accumulated amortisation							
At 1 May 2024	-	8,073	6,621	2,228	441	135	17,498
Amortisation for the year	-	14,146	3,239	3,875	637	420	22,317
Effect of movements in foreign exchange	-	(126)	-	-	(112)	-	(238)
At 30 April 2025	-	22,093	9,860	6,103	966	555	39,577
Net book value							
At 30 April 2025	173,105	153,177	-	32,334	736	1,377	360,729
At 30 April 2024	159,898	159,927	3,239	35,972	894	1,031	360,961

	Acquired				External software costs £'000	Capitalised development costs £'000	Total £'000
	Goodwill £'000	Customer relationships £'000	Order backlog £'000	Brand £'000			
Cost							
On incorporation at 30 June 2023	-	-	-	-	-	-	-
Additions – on acquisition of DWF Group Limited	159,898	168,000	9,860	38,200	1,528	813	378,299
Additions – internally developed	-	-	-	-	-	353	353
Additions – externally purchased	-	-	-	-	32	-	32
Disposals	-	-	-	-	(181)	-	(181)
Effect of movements in foreign exchange	-	-	-	-	(44)	-	(44)
At 30 April 2024	159,898	168,000	9,860	38,200	1,335	1,166	378,459
Accumulated amortisation							
On incorporation at 30 June 2023	-	-	-	-	-	-	-
Amortisation for the period	-	8,073	6,621	2,228	583	135	17,640
Disposals	-	-	-	-	(95)	-	(95)
Effect of movements in foreign exchange	-	-	-	-	(47)	-	(47)
At 30 April 2024	-	8,073	6,621	2,228	441	135	17,498
Net book value							
At 30 April 2024	159,898	159,927	3,239	35,972	894	1,031	360,961
On incorporation at 30 June 2023	-	-	-	-	-	-	-

The Group has no contractual commitments for development costs

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

9 Intangible assets (continued)

Goodwill

Goodwill acquired in a business combination is allocated, at acquisition, to the group of CGUs that are expected to realise economic benefits from the business combination. For the purpose of goodwill impairment, management have concluded that the Group's aggregation of CGU's are at the Divisional level. This is the lowest level within the Group at which goodwill is monitored and regularly reviewed by management. The allocation to each of the Group's CGU groups, including £13.3m generated on the acquisition of Proclaim Management Solutions Pty Ltd during the year, is as follows:

	2025	2024
	£'000	£'000
Commercial services	116,240	107,683
Insurance services	56,865	43,658
Legal operations	-	8,557
	173,105	159,898

On 3 October 2023, Aquila Bidco Limited acquired 100% of the issued share capital of DWF Group Limited (formerly DWF Group Plc). This acquisition resulted in the recognition of goodwill amounting £159.9m.

On 30 August 2024, DWF Australia CMA Holdings Pty Ltd acquired 100% of the share capital of Proclaim Management Solutions Pty Ltd. This transaction generated goodwill of £13.3m.

During the year, the Group revised its divisional structure following the integration of Legal Operations into the Commercial Services division on 1 May 2024. As a result, the Group now reports under two divisions, Commercial Services and Insurance Services. Therefore, as at 30 April 2025 the Legal Operations CGU formed part of the Commercial Services CGU.

In accordance with IAS 36 Impairment of Assets, management performed an impairment assessment during the year. No indicators of impairment were identified, and consequently, no impairment loss has been recognised.

The carrying amount of goodwill has been assessed using the value in use method, which represents the higher of value in use and fair value less costs of disposal. The assessment was based on the Group's approved year ending 30 April 2026 budget and forecasted financial performance through to year ending 30 April 2030. The forecast incorporates key assumptions regarding revenue growth, derived from industry growth expectations of 4% per annum for the next five years followed by inflationary increases of 2% per annum thereafter, and cost allocations based on budgeted revenue and contribution margins at the CGU level. A pre-tax discount rate of 11.5% was applied, determined using the Group's weighted average cost of capital (WACC).

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

10 Property, plant and equipment

	Leasehold improvements £'000	Office equipment and fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost				
At 1 May 2024	1,604	4,694	2,374	8,672
Additions – on acquisition of Proclaim Management Solutions Pty Ltd	-	89	68	157
Additions	2,941	1,316	1,659	5,916
Disposals	(90)	(256)	(10)	(356)
Effect of movements in foreign exchange	(61)	(102)	(53)	(216)
At 30 April 2025	4,394	5,741	4,038	14,173
Accumulated depreciation				
At 1 May 2024	137	453	884	1,474
Charge for the year	84	758	910	1,752
Disposals	(57)	(60)	(4)	(121)
Effect of movements in foreign exchange	6	25	(19)	12
At 30 April 2025	170	1,176	1,771	3,117
Net book value				
At 30 April 2025	4,224	4,565	2,267	11,056
At 30 April 2024	1,467	4,241	1,490	7,198

	Leasehold improvements £'000	Office equipment and fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost				
On incorporation at 30 June 2023	-	-	-	-
Additions – on acquisition of DWF Group Limited	2,716	4,387	1,656	8,759
Additions	22	423	766	1,211
Disposals	(1,011)	(71)	-	(1,082)
Effect of movements in foreign exchange	(123)	(45)	(48)	(216)
At 30 April 2024	1,604	4,694	2,374	8,672
Accumulated depreciation				
On incorporation at 30 June 2023	-	-	-	-
Charge for the period	227	491	925	1,643
Effect of movements in foreign exchange	(90)	(38)	(41)	(169)
At 30 April 2024	137	453	884	1,474
Net book value				
At 30 April 2024	1,467	4,241	1,490	7,198
On incorporation at 30 June 2023	-	-	-	-

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

11 Right-of-use assets

Leases as a lessee

	Property £'000	Equipment £'000	Total £'000
At 1 May 2024	59,325	641	59,966
Additions	5,045	-	5,045
Additions - on acquisition of Proclaim Management Solutions Pty Ltd	497	-	497
Depreciation	(12,619)	(431)	(13,050)
Impairment	(285)	-	(285)
Remeasurement adjustment	2,338	-	2,338
Effect of movements in foreign exchange	(201)	-	(201)
At 30 April 2025	54,100	210	54,310

	Property £'000	Equipment £'000	Total £'000
On incorporation at 30 June 2023	-	-	-
Additions – on acquisition of DWF Group Limited	66,374	893	67,267
Additions	333	-	333
Depreciation	(7,759)	(252)	(8,011)
Impairment	(106)	-	(106)
Remeasurement adjustment	711	-	711
Effect of movements in foreign exchange	(228)	-	(228)
At 30 April 2024	59,325	641	59,966

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

12 Trade and other receivables

	2025	2024
	£'000	£'000
Trade receivables	128,140	117,208
Amounts recoverable from clients in respect of unbilled revenue	131,641	117,229
Unbilled disbursements	16,979	13,083
Contract assets	148,620	130,312
Trade receivables and contract assets	276,760	247,520
Other receivables	1,495	2,534
Lease receivables	60	134
Reimbursement asset	4,648	4,571
Prepayments	13,548	17,339
Trade and other receivables	296,511	272,098

The reimbursement asset is principally attributable to the professional indemnity provision (see note 17)

Ageing of trade receivables, amounts recoverable from clients in respect of unbilled revenue and unbilled disbursements

	2025	2024
	£'000	£'000
Trade receivables not past due	25,167	24,478
<i>Trade receivables past due</i>		
0 – 90 days	74,304	67,148
91 – 180 days	12,088	17,493
181 – 270 days	5,933	4,627
271 – 365 days	4,421	2,331
More than 365 days	13,603	10,278
Gross trade receivables	135,516	126,355
Amounts recoverable from clients in respect of unbilled revenue	131,641	117,229
Unbilled disbursements	16,979	13,083
Expected credit losses	(6,005)	(7,590)
Other impairment provisions	(1,371)	(1,557)
Total trade receivables and contract assets	276,760	247,520

Lifetime expected credit losses are used to measure the loss allowance. These balances are held against trade receivables, amounts recoverable from clients in respect of unbilled revenue and unbilled disbursements. Other impairment provisions are applied against the trade receivables which are not based on the average expected credit loss rates presented below. The other categories of trade and other receivables do not contain impaired assets.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

12 Trade and other receivables (continued)

Expected credit loss rates

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled revenue and have substantially the same risk characteristics as the trade receivables for the same types of contracts.

The average expected credit loss rates for trade receivables and contract assets are presented below.

	Group rates		Spain rates	
	2025	2024	2025	2024
0 – 90 days	0.1%	0.5%	0.7%	2.7%
91 – 180 days	0.6%	1.7%	3.2%	9.6%
181 – 270 days	1.7%	3.9%	5.5%	16.6%
271 – 365 days	3.6%	5.2%	9.2%	23.0%
More than 365 days	54.9%	59.5%	57.4%	49.7%

Movement in provision for impairment

	2025	2024
	£'000	£'000
At 1 May	9,147	-
On acquisition of DWF Group Limited	-	9,980
Provision utilised and other movements	(3,597)	(4,264)
Charges to income statement	1,826	3,431
At 30 April	7,376	9,147

Trade receivables, unbilled revenue and unbilled disbursements are written off where there is no reasonable expectation of recovery. Impairment losses are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

13 Cash and cash equivalents

	2025	2024
	£'000	£'000
Cash at bank and in hand	22,335	21,820
Cash and cash equivalents	22,335	21,820

14 Trade and other payables

	2025	2024
	£'000	£'000
Trade payables	32,986	35,845
Other payables	1,204	3,910
Other taxation and social security	10,418	9,624
Deferred income	2,269	1,231
Accruals	95,750	44,966
Trade and other payables	142,627	95,576

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

15 Lease liabilities

	Property £'000	Equipment £'000	Total £'000
At 1 May 2024	58,847	646	59,493
Additions	4,208	-	4,208
Additions - on acquisition of Proclaim Management Solutions Pty Ltd	497	-	497
Interest expense related to lease liabilities	3,432	32	3,464
Net foreign currency translation gain	(1,118)	-	(1,118)
Remeasurement adjustment	2,602	-	2,602
Repayment of lease liabilities (including interest)	(13,646)	(481)	(14,127)
At 30 April 2025	54,822	197	55,019
Current liabilities			13,318
Non-current liabilities			41,701
			55,019

	Property £'000	Equipment £'000	Total £'000
On incorporation at 30 June 2023	-	-	-
Additions – on acquisition of DWF Group Limited	64,808	893	65,701
Interest expense related to lease liabilities	2,228	33	2,261
Net foreign currency translation gain	(569)	-	(569)
Remeasurement adjustment	711	-	711
Repayment of lease liabilities (including interest)	(8,331)	(280)	(8,611)
At 30 April 2024	58,847	646	59,493
Current liabilities			14,171
Non-current liabilities			45,322
			59,493

The maturity of lease liabilities can be found in note 19. The undiscounted contractual cash flows relating to lease liabilities accounted for in accordance with IFRS 16 is £66.9m (2024: £72.5m). Operating costs, included within administrative expenses, relating to short-term leases during the year were £1.1m (2024: £0.7m) and low value leases during the year were £1.0m (2024: £0.8m).

16 Interest-bearing loans and borrowings

The Group's interest-bearing loans and borrowings are initially measured at fair value, net of transaction costs incurred, and subsequently measured at amortised cost. For more information about the contractual terms and the Group's exposure to interest rate and foreign currency risk, refer to note 19.

Obligations under interest-bearing loans and borrowings

	2025 £'000	2024 £'000
Current liabilities		
Bank loans	2,144	656
Other loans	14,448	11,267
Supplier payment facility	5,371	4,358
	21,963	16,281

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

16 Interest-bearing loans and borrowings (continued)

Obligations under interest-bearing loans and borrowings

	2025 £'000	2024 £'000
Non-current liabilities		
Bank loans	276,749	240,660
Unamortised finance costs	(7,710)	(8,507)
Other loans	1,875	502
	270,914	232,655

Bank loans

The Group has a number of committed facilities with a syndicate of commercial banks. These borrowings are secured by fixed and floating charges over the assets of a number of the Group's subsidiaries.

On 21 July 2023, the Group secured a £200 0m term loan facility, £40 0m super senior revolving credit facility, £30 0m senior revolving credit facility and a £60 0m acquisition and capital expenditure facility. There has been no change in the available facilities within the financial year. Included within the bank loans as at 30 April 2025 was an amount of £7.7m (2024: £8.5m) in respect of unamortised capitalised finance costs, which are being written off over the period of the debt.

The bank loan position as at 30 April 2025 is summarised in the table below:

	Total Available	Total Drawdown	Interest rate (SONIA plus)	Repayment terms	Maturity date
Term loan facility	£200 0m	£200 0m	6.00%	7 years	October 2030
Super senior revolving credit facility	£40 0m	£33 0m	3.50%	6 years	October 2029
Senior revolving credit facility	£30 0m	£30 0m	6.00%	6.5 years	April 2030
Acquisition and capital expenditure facility	£60 0m	£13.7m	6.00%	7 years	October 2030
EUR Facility	€8.3m	£2.1m	4.50% to 5.00%*	0.6 years	October 2025

The bank loan position as at 30 April 2024 is summarised in the table below:

	Total Available	Total Drawdown	Interest rate (SONIA plus)	Repayment terms	Maturity date
Term loan facility	£200 0m	£200 0m	6.00%	7 years	October 2030
Super senior revolving credit facility	£40 0m	£33.7m	3.50%	6 years	October 2029
Senior revolving credit facility	£30 0m	£7 0m	5.75%	6.5 years	April 2030
Acquisition and capital expenditure facility	£60 0m	-	5.75%	7 years	October 2030
EUR Facility	€7.5m	£0.7m	4.50% to 5.00%*	0.5 years	October 2024

*EUR Facility interest rates are 4.5% - 5% + EURIBOR

Other loans

Other loans comprise of three separate loans totalling £16.2m (2024: £11.3m), which fund Capital expenditure projects and larger material outflows and hire purchase creditors totalling £0.1m (2024: £nil).

Supplier payment facility

The Group operates a supplier payment facility with HSBC, which has a limit of £7 0m (2024: £5 0m). This facility is utilised in paying certain suppliers and repaid in the short-term.

Analysis of other interest-bearing loans and borrowings is included in note 19.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

17 Provisions

	Dilapidation provision £'000	Professional indemnity provision £'000	Total £'000
At 1 May 2024	4,731	7,417	12,148
Additions	943	1,822	2,765
Utilised in the year	-	(1,363)	(1,363)
Released in the year	(1,087)	(438)	(1,525)
At 30 April 2025	4,587	7,438	12,025
Current liabilities	282	7,438	7,720
Non-current liabilities	4,305	-	4,305

	Dilapidation provision £'000	Professional indemnity provision £'000	Total £'000
On incorporation at 30 June 2023	-	-	-
Additions – on acquisition of DWF Group Limited	4,906	9,229	14,135
Utilised in the period	-	(3,953)	(3,953)
Released in the period	(175)	(241)	(416)
Provisions made in the period	-	2,382	2,382
At 30 April 2024	4,731	7,417	12,148
Current liabilities	379	7,417	7,796
Non-current liabilities	4,352	-	4,352

Dilapidation provision

Dilapidation provisions are established for restoration and reinstatement costs for property leases, held at the date of the statement of financial position. Such provisions are estimated at the start of the lease and updated annually. The Group's current lease portfolio terminates over the course of the next twelve years.

Professional indemnity provision

The provision for professional indemnity reflects the Group's expected outflow for legal claims brought against the Group relating to historic professional services rendered. A provision is only recognised where an outflow is probable. The probability is established by reference to whether a claim is more likely than not to be successful. A professional indemnity liability for a claim that is agreed (i.e. the timing and amount of payments are well understood) is recognised in accruals. Claims are assessed as being settled in full within the next five years.

Separately, the Group recognises expected reimbursements from professional indemnity insurance when it is virtually certain that the reimbursement will be received (note 12). No separate disclosure is made of the detail of such claims or proceedings, or the costs recovered by insurance, as such detail would be seriously prejudicial to the position of the Group.

There are circumstances of which the Group is aware but there is insufficient information available to either estimate whether a claim will develop or, where a claim appears possible, make an assessment of the outflow. Such circumstances are contingent liabilities of the Group.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

18 Derivative financial liabilities

	2025 £'000	2024 £'000
Interest rate swap	2,415	1,216
Interest cap and floor	102	(2)
Non-current derivative financial liabilities	2,517	1,214

The Group has entered into two derivative instruments to manage interest rate risk on its term loan

- An interest rate swap over £75 0m of debt, fixing interest rate with the instrument maturing 11 October 2027
- An interest rate cap and floor over £75 0m of debt, with the cap to floor range of 3 40% per annum. The instrument matures 31 December 2026

More information on the Group's interest risk management can be found in note 19

19 Financial instruments

The Directors have overall responsibility for the oversight of the Group's risk management framework

In common with all other businesses, the Group's trading and financing activities expose it to various financial risks that if left unmanaged could adversely impact on current or future earnings. These risks can be categorised as credit risk, liquidity risk, market risk (interest rate risk and foreign currency risk) and capital risk.

Credit risk

Credit risk is the risk of financial loss to the Group if a client or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables and contract assets. Credit checks are performed for new clients and ongoing monitoring takes place for existing clients. A provision is carried for expected credit losses, see note 12.

In connection with the Group's financial instruments there is not believed to be a material risk based on the nature of the instruments.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group maintains sufficient cash or working capital facilities to meet the cash requirements of the Group in order to mitigate this risk.

The Group is financed through a combination of bank borrowing facilities, members' capital (repayable on retirement of each member), undistributed profits and cash.

The Group's principal facility is a £200 0m term loan, however shorter term working capital requirements are funded through the Group's super senior RCF of £40 0m, senior RCF of £30 0m, acquisition and capital expenditure facility of £60 0m, EUR facility of €8 3m, other loans of £16 2m and supplier payment facility of £7 0m. Details of amounts drawn can be found in note 16. Management maintain a 13 week cash flow to monitor short-term liquidity positions, and a rolling 12-month cash flow and covenant forecasts to monitor the medium term outlook, in addition to annual budgets and longer-term planning. The term loan matures in October 2030, with the super senior RCF maturing in October 2029 and the senior RCF maturing in April 2030.

Note 1.3 sets out the financial covenants attached to the RCF held with the Group's banking syndicate, and more information on how the Group manages liquidity risk.

The Group has issued rental guarantees of £1 1m denominated in Pounds Sterling, Euros and Australian Dollars.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income. The Group's exposure to market risk predominantly relates to interest and currency risk.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

19 Financial instruments (continued)

Interest rate risk

The Group's bank borrowings incur both fixed and variable interest charges. The variable rates on its principal borrowing facilities are linked to SONIA or EURIBOR plus a fixed margin. The Group's exposure to the variable element of interest poses a risk in both the cash flows and the impact on the income statement.

To manage interest rate risk, the Group enters into derivative instruments. The Group currently has an interest rate swap over £75m of the term loan debt to fix the interest rate, and also an interest rate cap and an interest rate floor over another £75m portion of the term loan.

Foreign currency risk

The Group has overseas operations in Europe, the Middle East, Asia, Australia, and North America and is therefore exposed to changes in the respective currencies in these territories. The Group maintains bank balances in local currency. Cash positions are monitored and any imbalances are dealt with by purchasing currency at the spot rate.

Capital risk

The capital structure of the Group consists of net debt, as defined in the Alternative Performance Measures, liabilities arising from financing activities and equity. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to provide optimal returns for shareholders. The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions and the strategic objectives of the Group.

Analysis of cash movement from liabilities arising from financing activities as at 30 April 2025

	At 1 May 2024	Additions – on acquisition of Proclaim Management Solutions Pty Ltd	Cash movements from financing activities	FX movements	Other movements	At 30 April 2025
	£'000	£'000	£'000	£'000	£'000	£'000
Interest-bearing loans and borrowings	(248,936)	-	(43,672)	1,428	(1,697)	(292,877)
Loan notes	(221,663)	-	(35)	-	-	(221,698)
Lease liabilities	(59,493)	(497)	14,127	1,118	(10,274)	(55,019)
Cumulative redeemable preference shares	(47,359)	-	-	-	(5,950)	(53,309)
Amounts due to members of partnerships in the group	(34,475)	-	25	(1,038)	770	(34,718)
	(611,926)	(497)	(29,555)	1,508	(17,151)	(657,621)

Cash movements from financing activities include proceeds from borrowings (£88.8m), repayment of borrowings (£44.2m) and payment of loan arrangement fees (£0.9m) for interest-bearing loans and borrowings, proceeds from loan notes (£0.1m) for loan notes, repayment of lease liabilities (£14.1m) for lease liabilities, and capital contributions by members (£3.1m) and repayments to former members (£3.2m) for amounts due to members of partnerships in the group.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

19 Financial instruments (continued)

Analysis of cash movement from liabilities arising from financing activities as at 30 April 2024

	On incorporation at 30 June 2023	Additions – on acquisition of DWF Group Limited	Cash movements from financing activities	FX movements	Other movements	At 30 April 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Interest-bearing loans and borrowings	-	(133,410)	(115,014)	323	(835)	(248,936)
Loan notes	-	-	(162,981)	-	(58,682)	(221,663)
Lease liabilities	-	(65,701)	8,611	569	(2,972)	(59,493)
Cumulative redeemable preference shares	-	-	(32,580)	-	(14,779)	(47,359)
Amounts due to members of partnerships in the group	-	(32,635)	(917)	358	(1,281)	(34,475)
	-	(231,746)	(302,881)	1,250	(78,549)	(611,926)

Cash movements from financing activities include proceeds from borrowings (£303.4m), repayment of borrowings (£45.6m) and payment of loan arrangement fees (£9.3m) for interest-bearing loans and borrowings, proceeds from loan notes (£163.0m) for loan notes, repayment of lease liabilities (£8.6m) for lease liabilities, proceeds from issue of preference shares (£32.6m) for cumulative redeemable preference shares, and capital contributions by members (£2.2m) and repayments to former members (£1.3m) for amounts due to members of partnerships in the group

The Group made £21.3m (2024: £16.6m) in interest payments relating to liabilities arising from financing activities during the year

Maturity analysis – Non-derivative financial liabilities

The table below presents the outstanding contractual maturity profile by fiscal year for the Group's interest-bearing loans and borrowings and lease liabilities. Trade and other payables are excluded from this profile as they fall due within a year. The maturity analysis of derivative financial liabilities is described above and in note 18 to the financial statements. Amounts disclosed for interest bearing loans and borrowings, and loan notes and preference share represent undiscounted future cash flows

	Borrowings		Lease liabilities		Loan notes and preference shares	
	2025	2024	2025	2024	2025	2024
	£'000	£'000	£'000	£'000	£'000	£'000
Within 1 year	21,963	16,281	13,318	14,171	-	-
1 – 2 years	563	163	12,621	13,412	-	-
2 – 3 years	534	163	10,421	12,096	-	-
3 – 4 years	420	163	6,158	10,294	-	-
4 – 5 years	63,390	14	5,015	6,226	-	-
Later years	213,717	240,659	19,325	16,301	275,007	269,022
	300,587	257,443	66,858	72,500	275,007	269,022
Effect of discounting cash flows	-	-	(11,839)	(13,007)	-	-
Carrying value	300,587	257,443	55,019	59,493	275,007	269,022

Fair value measurement

Financial assets and liabilities are measured in accordance with the fair value hierarchy and assessed as Level 1, 2 or 3 based on the following criteria

- Level 1 fair value measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2 fair value measurements derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and
- Level 3 fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

19 Financial instruments (continued)

The only instruments held at fair value through profit and loss are derivative financial instruments. These are valued using level 2 of the fair value hierarchy. The remaining financial instruments are measured at amortised cost. The carrying values of all other financial assets and liabilities approximate their fair values.

The table below sets out the Group's accounting classification of each category of financial assets and liabilities and their carrying values at the end of the financial year.

	Note	2025 £'000	2024 £'000
<i>Measured at amortised cost</i>			
Cash and cash equivalents	13	22,335	21,820
Trade and other receivables	12	134,343	124,447
Total financial assets		156,678	146,267
<i>Measured at fair value through profit and loss</i>			
Derivative financial instruments	18	2,517	1,214
<i>Measured at amortised cost</i>			
Trade and other payables	14	129,940	84,721
Lease liabilities	15	55,019	59,493
Interest-bearing loans and borrowings	16	300,587	257,443
Loan notes		221,698	221,663
Cumulative redeemable preference shares		53,309	47,359
Amounts due to members of partnerships in the Group	24	34,718	34,475
Total financial liabilities		797,788	706,368

Loan notes

Loan notes of £221.7m are unsecured and redeemable in full on their maturity date in October 2031. Interest is accrued at 12% per annum, compounded quarterly, and is payable on redemption, at the discretion of the Group or upon a change in ownership of the Group. These instruments were listed on the Official List of The International Stock Exchange in December 2023.

Cumulative redeemable preference shares

The preference shares are redeemable cumulative preference shares with a coupon rate of 12% per annum, compounded quarterly. At the year end date, un compounded interest represents accrued interest for the portion of the quarterly period that has not yet completed.

In any 12 month period, half of the annual preferential dividend accrued may be paid in cash at the discretion of Aquila Topco Limited. The preference shares were issued at a nominal value of £0.0001 per share and are redeemable eight years from the date of issue, on sale of the business or at any time at the option of Aquila Topco Limited. The preference shares are classified as unsecured borrowings of the Group and are not publicly traded. These instruments are measured at cost, and the Directors consider that the carrying amount approximates their fair value.

These redeemable cumulative preference shares do not contain any equity component and are classified as financial liabilities in their entirety. No dividends were paid on redeemable cumulative preference shares in the year.

Financial instruments sensitivity analysis

The Group has exposure to interest rate and foreign exchange rate movements given the nature of its borrowings and operations. At the end of the year, the effect of hypothetical changes in interest and currency rates are as follows:

Interest rate sensitivity

At 30 April 2025, based upon the amount of variable rate debt outstanding, the Group's pre-tax profits would change by approximately £2.0m (2024: £1.7m) for each one percentage point change in interest rates applicable to the variable rate debt and, after tax effect, equity would change by approximately £1.5m (2024: £1.3m).

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

19 Financial instruments (continued)

Foreign exchange rate sensitivity

The Group transacts in a range of currencies, but is primarily exposed to changes in the Euro ('EUR') and Canadian Dollar ('CAD') exchange rates

A 20% strengthening and weakening of the above currencies against Pounds Sterling would have the following impacts on net assets and profit shown below

This calculation assumes that the change occurred at the statement of financial position date and had been applied to risk exposures existing at that date. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for comparative periods

	Effect of change in EUR rate		Effect of change in CAD rate	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Strengthening				
Impact on equity	1,538	4,678	4,744	4,727
Impact on profit or loss	14,708	(1,879)	9,540	(461)

	Effect of change in EUR rate		Effect of change in CAD rate	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Weakening				
Impact on equity	(1,025)	(3,118)	(3,162)	(3,152)
Impact on profit or loss	(9,805)	1,253	(6,360)	307

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

20 Deferred taxation

The deferred tax asset is as follows

	2025 £'000	2024 £'000
Non-current assets		
At 1 May	1,348	-
Additions – on acquisition of DWF Group Limited	-	1,680
Additions – on acquisition of Proclaim Management Solutions Pty Ltd	176	-
Deferred tax charge in the income statement for the year/ period	(379)	(332)
At 30 April	1,145	1,348

Deferred tax assets of £1.3m have been recognised in respect of tax depreciation timing differences and other temporary differences. It is anticipated that the Group and certain related subsidiary undertakings will make sufficient taxable profit to allow the benefit of the deferred tax asset to be utilised. A potential deferred tax asset of £13.1m has not been recognised relating to £49.2m tax losses in subsidiary undertakings that are not anticipated to make sufficient taxable profit to allow the benefit of the deferred tax asset to be utilised.

The deferred tax liability is as follows

	2025 £'000	2024 £'000
Non-current liabilities		
At 1 May	49,784	-
Additions – on acquisition of DWF Group Limited	-	54,015
Additions – on acquisition of Proclaim Management Solutions Pty Ltd	2,321	-
Deferred tax credit in the income statement for the year/period	(5,333)	(4,231)
Exchange rate translation	(415)	-
At 30 April	46,357	49,784

The deferred tax liability principally relates to the recognition of acquired intangible assets arising from acquisitions.

21 Capital and reserves

Share capital

Class of shares	Authorised No.	Issued and fully paid No.	Issued and unpaid No.	Nominal value £	Share capital £'000	Share premium £'000
A ordinary	100,000,000	100,000,000	-	0.01	1,000	-
At 30 April 2024					1,000	-
A ordinary	100,000,000	100,000,000	-	0.01	1,000	-
B ordinary	42,857,142	3,599,400	14,547,575	0.01	182	1,089
C ordinary	10,000	840	3,395	0.01	-	8
At 30 April 2025					1,182	1,097

The Company was incorporated on 30 June 2023 and on this date 2 ordinary shares of £1 each were issued.

On 4 October 2023

- the 2 ordinary shares of £1 each were divided into 200 ordinary shares of £0.01 each,
- the Company issued 99,999,800 ordinary shares at a nominal value and paid up to £0.01 per share, and
- all the ordinary shares of £0.01 each were re-designated as A ordinary shares of £0.01 each.

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

21 Capital and reserves (continued)

On 20 December 2024, 18,146,975 B ordinary shares and 4,235 C ordinary shares were issued to select employees as part of the Group's management incentive plan (see note 22 for more details) These shares are held in treasury

All classes of shares (A, B and C) have the right to participate, *pari passu*, in the distribution of the Company's assets in the event of a liquidation or winding up of the Company

A ordinary shares and B ordinary shares have pro rata dividend entitlements C ordinary shares are not entitled to participate in any dividend distribution

A ordinary shares carry voting rights and are entitled to one vote per share B ordinary and C ordinary shares have no voting rights

Other reserves

This reserve includes amounts relating to the Group's share-based payment arrangements with directors and key management, which have been charged to the income statement in accordance with IFRS 2, as well as *treasury shares held by the Group* It also includes other equity related adjustments arising from the Group's management incentive plan

Foreign exchange translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations

22 Share-based payments

Share-based payment arrangements

The Group has established a management incentive plan ("MIP") under which certain personnel (primarily Directors, upper-level management and members) are issued and allocated shares in the Company The participant purchases the shares via either employee-loan or self-funding The MIP is used to incentivise and reward performance and long-term service

Charge to the income statement and impact on equity

Total expenses arising from the share-based payment transactions recognised during the year as part of the MIP were £0.3m (2024: £nil) The total equity-settled share-based payment reserve as at 30 April 2025 amounts to £0.3m (2024: £nil)

Summary of outstanding shares

The following table illustrates the number of shares purchased by employees under the MIP and the movements during the reporting period

	2025 No. of shares	2024 No. of shares
At 1 May	-	-
Allocated during the year	18,151,210	-
At 30 April	18,151,210	-

Valuation

During the year-ended 30 April 2025, all allocated shares under the MIP have been fair-valued at the grant date using the Black-Scholes model pricing methodology, taking into account the terms and conditions upon which the shares were granted The shares are deemed to vest on an exit event, and all shares purchased by employees of the Group are subject to leaver conditions As the exit event, and therefore expected life of the vesting period, is indefinite, it has been estimated for accounting purposes The expectations and estimates used represent the average across all allocations during the year

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

22 Share-based payments (continued)

The inputs and assumptions were as follows

	2025	2024
Weighted average fair value at measurement date	£0.12 per share	-
Total equity value	£266,900,000	-
Expected volatility	26%	-
Expected life (years)	2.5 years	-
Expected dividend yield	0%	-
Risk free interest rate	3.8%	-
Estimate of attrition	0%	-

23 Cash generated from operations

Cash generated from operations before adjusting items

		2025	2024
		£'000	(*Restated) £'000
	Note		
Cash flows from operating activities			
Loss before tax		(81,330)	(51,935)
<i>Adjustments for:</i>			
Amortisation of acquired intangible assets	9	21,260	16,922
Impairment of right of use assets	11	285	106
Depreciation of right-of-use assets	11	13,050	8,011
Other depreciation and amortisation		2,809	2,361
Loss on disposal of intangible assets and property, plant and equipment		235	1,168
Non-underlying items	2	39,422	27,677
Share-based payments expense	22	332	-
Remeasurement of lease liabilities		264	-
Interest expense on lease liabilities	5	3,464	2,261
Finance income	5	(4,194)	(1,914)
Finance expense	5	69,270	37,449
Operating cash flows before movements in working capital		64,867	42,106
Increase in trade and other receivables		(23,077)	(21,846)
Increase in trade and other payables*		2,997	1,953
Decrease in provisions		(960)	(2,581)
(Decrease)/increase in amounts due to members of partnerships in the Group		(770)	1,280
Cash generated in operations before adjusting items		43,057	20,912

* See Note 1.2 (Basis of accounting)

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

24 Amounts due to members of partnerships in the Group

Amounts due to members of partnerships in the Group comprise members' capital and other amounts due to members classified as liabilities as follows

	Members' capital	Other amounts due to members	Total amounts due to members of partnerships in the Group
	£'000	£'000	£'000
At 1 May 2024	17,737	16,738	34,475
Members' remuneration charged as an expense	-	65,702	65,702
Unrealised foreign exchange translation differences	211	827	1,038
Capital introduced by members	3,147	-	3,147
Repayments of capital	(3,172)	-	(3,172)
Drawings	-	(66,472)	(66,472)
At 30 April 2025	17,923	16,795	34,718

	Members' capital	Other amounts due to members	Total amounts due to members of partnerships in the Group
	£'000	£'000	£'000
On incorporation at 30 June 2023	-	-	-
On acquisition of DWF Group Limited	17,014	15,621	32,635
Members' remuneration charged as an expense	-	31,274	31,274
Unrealised foreign exchange translation differences	(194)	(164)	(358)
Capital introduced by members	2,181	-	2,181
Repayments of capital	(1,264)	-	(1,264)
Drawings	-	(29,993)	(29,993)
At 30 April 2024	17,737	16,738	34,475

The average number of members of partnerships held by the Group during the year was as follows

	2025	2024
	No.	No.
Members of partnerships held by the Group	324	310

Consolidated Notes to the Financial Statements (continued)

Year ended 30 April 2025

25 Key management personnel

The key management of the organisation are the Executive Directors

	2025	2024
	£'000	£'000
Short-term employee benefits	3,710	3,970
Other long-term benefits	-	2,347
Contributions to defined contribution pension plans	-	10
Share-based payments expense	49	-
	3,759	6,327

Directors' remuneration disclosed above includes the following amounts paid to the highest paid Director

	2025	2024
	£'000	£'000
Short-term employee benefits	1,144	815
Other long-term benefits	-	928
Contributions to defined contribution pension plans	-	22
Shared based payments	14	-
	1,158	1,765

Under the terms of the management incentive plan, the highest paid director was allotted 771,300 B ordinary shares and 180 C ordinary shares

Other long-term benefits relate to the settlement of share awards held in DWF Group Plc as the share award scheme was settled and ceased as a result of the acquisition of DWF Group Plc on 3 October 2023. Amounts were settled and paid after the acquisition date, but were accrued prior to this date by DWF Group Plc

Two directors of Aquila Topco Limited received no emoluments in respect to their work for the company during this financial period

Company Statement of Financial Position

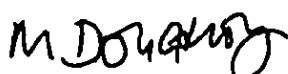
As at 30 April 2025

	Note	2025 £'000	2024 £'000
Non-current assets			
Investments	2	45,571	45,239
Total non-current assets		45,571	45,239
Current assets			
Trade and other receivables	3	1,353	88
Total current assets		1,353	88
Total assets		46,924	45,327
Current liabilities			
Trade and other payables	4	604	210
Total current liabilities		604	210
Non-current liabilities			
Cumulative redeemable preference shares	5	53,309	47,359
Total non-current liabilities		53,309	47,359
Total liabilities		53,913	47,569
Net liabilities		(6,989)	(2,242)
Equity			
Share capital	6	1,182	1,000
Share premium	6	1,097	-
Other reserves		332	-
Accumulated losses		(9,600)	(3,242)
Total equity		(6,989)	(2,242)

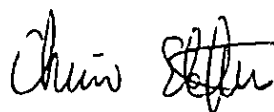
Under section s408 of the Companies Act 2006 the Company is exempt from the requirement to present its own income statement. The loss for year ended 30 April 2025 was £6.4m (period from 30 June 2023 to 30 April 2024 loss of £3.2m).

These financial statements of Aquila Topco Limited (registered number 14971854) on pages 71 to 72 were approved by the Board on 25 September 2025.

Notes 1 to 8 are an integral part of these financial statements.



M Doughty
Group Chief Executive Officer



C J Stefani
Group Chief Financial Officer

Company Statement of Changes in Equity

Year ended 30 April 2025

	Share capital £'000	Share premium £'000	Other reserves £'000	Accumulat ed losses £'000	Total equity £'000
At 1 May 2024	1,000	-	-	(3,242)	(2,242)
Loss for the year	-	-	-	(6,358)	(6,358)
Total comprehensive expense for the year	-	-	-	(6,358)	(6,358)
Shares issued	182	1,097	-	-	1,279
Share-based payments movement	-	-	332	-	332
At 30 April 2025	1,182	1,097	332	(9,600)	(6,989)

	Share capital £'000	Share premium £'000	Other reserves £'000	Accumulat ed losses £'000	Total equity £'000
Balance on incorporation	-	-	-	-	-
Loss for the period	-	-	-	(3,242)	(3,242)
Total comprehensive expense for the period	-	-	-	(3,242)	(3,242)
Shares issued	1,000	-	-	-	1,000
At 30 April 2024	1,000	-	-	(3,242)	(2,242)

Notes 1 to 8 are an integral part of these financial statements

Company Notes to the Financial Statements

Year ended 30 April 2025

1 Accounting policies

General information and basis of accounting

Aquila Topco Limited (the "Company"), is a private company limited by share capital, domiciled in the United Kingdom under the Companies Act 2006, and registered in England and Wales. The registered office is 47 Queen Anne Street, Marylebone, London, England, W1G 9JG.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ('FRS 101'). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Accounting Standards as adopted by the UK ('IFRS'), but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The functional currency of the Company is Pounds Sterling because that is the currency of the primary economic environment in which the Company operates. The Company financial statements are presented in Pounds Sterling.

In the preparation of these financial statements, Aquila Topco Limited has applied the following exemptions from the requirements of IFRS available under FRS 101:

- IFRS 3 'Business Combinations' (paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67) – given that equivalent disclosures are included in the Consolidated Financial Statements of the group in which the entity is consolidated,
- IFRS 7 'Financial Instruments: Disclosures',
- IFRS 13 'Fair Value Measurement' (paragraph 91 to 99) – disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities,
- IAS 1 'Presentation of Financial Statements' (paragraph 38) – comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1,
- The following paragraphs of IAS 1 'Presentation of Financial Statements':
 - 10(d) (statement of cash flows),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 111 (statement of cash flows information), and
 - 134-136 (capital management disclosures),
- IAS 7 'Statement of Cash Flows',
- IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (paragraph 30 and 31) – requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective,
- The following paragraphs of IAS 24, 'Related Party Disclosures':
 - paragraph 17 (key management compensation), and
 - paragraph 18A (related to key management services provided by a separate management entity),
- IAS 36 'Impairment of Assets' (paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e)).

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in the Company financial statements. The accounting policies in note 1 of the notes to the Consolidated Financial Statements of Aquila Topco Limited also apply to the Parent Company.

1.1 Investments in subsidiaries

Investments in subsidiaries are stated at cost less provision for any impairment in value.

1.2 Amounts due from / to subsidiary undertakings

Amounts due from subsidiary undertakings are non-derivative financial assets and are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method less any allowance for expected credit losses.

Amounts due to subsidiary undertakings are non-derivative financial liabilities and are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method and due to their short-term nature, they are not discounted.

Company Notes to the Financial Statements (continued)

Year ended 30 April 2025

1.3 Accounting estimates and judgements

The preparation of the financial statements under IFRS requires management to make judgements, estimates and assumptions which affect the financial information. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are reviewed on an ongoing basis. There are not considered to be any critical judgements or key estimates applicable to these financial statements.

2 Investments

	2025 £'000	2024 £'000
At beginning of reporting year/period	45,239	-
Additions	332	45,239
At 30 April	45,571	45,239

On 30 June 2023, the Company subscribed to 2 ordinary shares of Aquila Midco 1 Limited. On 4 October 2023, the Company subscribed to a further 4,523,917,075 ordinary shares of Aquila Midco 1 Limited.

At the Balance Sheet date, the Group controlled the following subsidiaries. All investments are 100% owned by Aquila Topco Limited directly or indirectly.

Aquila Topco Limited controls its indirect subsidiaries either through its subsidiary, Aquila Midco 1 Limited or by virtue of Governance Agreements and Intra-Group Agreements between the Company, DWF Law LLP, DWF LLP and other related subsidiary undertakings.

Additions in the year ended 30 April 2025 relate to the push down of share-based payment expense to entities that the employees provide services to. Further details of the Group's share-based payment schemes are included in note 22 of the Group financial statements.

The Group has investments in the following undertakings:

Subsidiaries	Registered address	Principal place of business	Nature of business
Direct (100% ownership)			
Aquila Midco 1 Limited ^a	iii	UK	Investment holding
Indirect			
Aquila Midco 2 Limited ^{c,d}	iii	UK	Investment holding
Aquila Bidco Limited ^{c,d}	iii	UK	Investment holding
DWF Group Limited ^{c,e}	ii	UK	Investment holding
DWF Holdings Limited ^c	iii	UK	Investment holding
Mindcrest UK Limited ^c	iii	UK	Professional services
DWF Connected Services Investments Limited ^c	ii	UK	Investment holding
1371968 B.C. Ltd	vi	Canada	Investment holding
1371970 B.C. Ltd	vi	Canada	Investment holding
DWF Adjusting (Canada) Limited	ix	Canada	Professional services
DWF Arabia Regional Headquarter (SPC) ^b	xiv	Saudi Arabia	Service company
DWF Arabia Business Services LLC (SPC) ^b	xiv	Saudi Arabia	Service company
DWF Group (US) LLC	xvi	USA	Investment holding
DWF LLP	iii	UK	Legal services
DWF (Hong Kong) LLP ^a	iii	UK	Non-trading
DWF (Northern Ireland) LLP ^c	iv	UK	Legal services
DWF Company Secretarial Services Limited ^c	iii	UK	Professional services
Davies Wallis Foyster Limited ^a	iii	UK	Dormant
Davies Wallis (unlimited) ^a	iii	UK	Dormant
DWF Solicitors Limited ^a	iii	UK	Dormant
DWF (Trustee) Limited ^a	iii	UK	Dormant
DWF Nominees Limited ^a	iii	UK	Dormant
DWF (Nominees) 2013 Limited ^a	iii	UK	Dormant
Harborne Road Nominees Limited ^a	iii	UK	Dormant

Company Notes to the Financial Statements (continued)

Year ended 30 April 2025

2 Investments (continued)

DWF Connected Services Limited	iii	UK	Dormant
Bailford Trustees Limited *	xxix	UK	Dormant
DWF Trustees (Scotland) Limited *	xxix	UK	Dormant
DWF Directors (Scotland) Limited *	xxix	UK	Dormant
DWF Secretarial Services (Scotland) Limited *	xxix	UK	Dormant
Moat Pensions Limited *	xxix	UK	Professional services
Whitelaw Twining LLP	viii	Canada	Legal services
Whitelaw Twining (Ontario) LLP	xxx	Canada	Legal services
DWF (France) AARPI ^b	xix	France	Legal services
DWF Germany Holding GbR	xxi	Germany	Investment holding
DWF Germany RmbH	xxi	Germany	Legal services
DWF LLP Studio Legale Associato	xxii	Italy	Legal services
DWF (Ireland) LLP	xxiii	ROI	Legal services
DWF Law LLP	iii	UK	Legal services
DWF Connected Services Holdings Limited *	iii	UK	Investment holding
Resolution Law Limited *	iii	UK	Dormant
DWF Middle East Group LLP *	iii	UK	Dormant
DWF Connected Services Group Limited *	iii	UK	Non-trading
NewCo 4736 Limited *	iii	UK	Non-trading
DWF Law Australia Pty Limited	xi	Australia	Legal services
DWF Australia Holdings Pty Limited	x	Australia	Investment holding
DWF Poland Holdings Sp z o o	xxiv	Poland	Investment holding
DWF Poland Jamka sp k ^b	xxiv	Poland	Legal services
DWF Spain S L P	xxv	Spain	Investment holding
Rousaud Costas Duran S L P	xxv	Spain	Legal services
Rousaud Costas Duran Abogados S L P	xxvi	Spain	Legal services
Rousaud Costas Duran Concursal S L P	xxv	Spain	Legal services
Rousaud Costas Duran Valencia S L P U	xxx1	Spain	Legal services
RCD Tax & Legal Advisors S L P U	xxv	Spain	Legal services
Gestart Assessors S L U	xxv	Spain	Professional services
Gestart Asesoramiento Empresarial S L U	xxvi	Spain	Professional services
DWF - RCD Andalucía S L P	xxxii	Spain	Legal services
DWF (Middle East) LLP	xv	UAE	Legal services
DWF Claims Limited *	iii	UK	Professional services
DWF Adjusting Limited *	iii	UK	Professional services
DWF Advocacy Limited *	iii	UK	Professional services
Vuerty Limited	iii	UK	Dormant
DWF Costs Limited *	iii	UK	Professional services
DWF Resource Limited *	iii	UK	Professional services
Greyfern Law Limited *	iii	UK	Professional services
DWF Forensic Limited *	iii	UK	Professional services
DWF Ventures Limited *	iii	UK	Professional services
DWF (TG) Limited *	iii	UK	Investment holding
DWF 360 Limited *	iii	UK	Software provider
Acuhold Limited *	iii	UK	Investment Holding
Acumension Limited *	iii	UK	Professional services
DWF Adjusting (Australia) Pty Limited	xii	Australia	Professional services
DWF CSA PTY Limited	x	Australia	Professional services
DWF Claims (Australia) Pty Limited	xiii	Australia	Professional services
DWF Claims (Canada) Limited	ix	Canada	Professional services
BCA Claims & Consulting Limited	vii	Canada	Professional services
DWF Claims (France) SAS	xx	France	Professional services
DWF CMA (Hong Kong) Limited	xxvii	Hong Kong	Professional services

Company Notes to the Financial Statements (continued)

Year ended 30 April 2025

2 Investments (continued)

DWF Claims (Italy) S r L ^b	xxii	Italy	Professional services
DWF Claims (Ireland) Limited	xxiii	ROI	Professional services
DWF Audit (USA) Inc	xvi	USA	Professional services
DWF Claims (USA) LLC	xvii	USA	Professional services
DWF MGA (USA) LLC	xvii	USA	Professional services
EBT	v	UK	Trustees
RST	v	UK	Trustees
Whitelaw Twining Law Corporation	vi	Canada	Legal services
TWK Management Limited	vi	Canada	Service company
Mindcrest (India) Private Limited	xxviii	India	Professional services
Mindcrest Inc	xviii	USA	Professional services
WT BCA LLP	vi	Canada	Professional services
DWF Australia CMA Holdings Pty Limited	x	Australia	Investment holding
Proclaim Management Solutions Pty Ltd ^d	xxx	Australia	Professional services
DWF Poland Services sp z o o ^d	xxiv	Poland	Professional services
WT Montreal LLP ^d	xxxi	Canada	Legal services
DWF Claims ESP S L U ^d	xxxii	Spain	Professional services
DWF Holdings (US) LLC ^d	xvi	USA	Investment holding
WT Montreal Holdings 1 Limited ^d	xxxi	Canada	Investment holding
WT Montreal Holdings 2 Limited ^d	xxxi	Canada	Investment holding

a Subsidiary undertakings have been excluded from the consolidation on the basis of immateriality

b The statutory year end in the period being reported is 31 December

c Entities have claimed audit exemption for the year to 30 April 2025 under section 479A of the Companies Act 2006

d Investments have been made during the year to 30 April 2025

e Formerly DWF Group Plc.

- (i) 47 Queen Anne Street, Marylebone, London, England, W1G 9JG
- (ii) 20 Fenchurch Street, London, United Kingdom, EC3M 3AG
- (iii) 1 Scott Place, 2 Hardman Street, Manchester, United Kingdom, M3 3AA
- (iv) 42 Queen Street, Belfast, BT1 6HL
- (v) 26 New Street, St Helier, JE2 3RA, Jersey
- (vi) 700 West Georgia Street, Suite 2200, Vancouver, BC, V7Y 1K8, Canada
- (vii) 400 - 725 Granville Street, P O Box 10325, Vancouver, BC, V7Y 1G5, Canada
- (viii) 810 - 150 9th Ave SW, Calgary, Alberta, T2P 3H9, Canada
- (ix) 36 Toronto Street, Suite 1160, Toronto, Ontario, M5C 2C5, Canada
- (x) Level 36, 123 Eagle Street, Brisbane, QLD 4000, Australia
- (xi) Level 36, 231 George Street, Brisbane, Queensland Australia
- (xii) Level 18, 363 George Street, Sydney, NSW, 2000, Australia
- (xiii) Level 4, 48 Hunter Street, Sydney, NSW 2000, Australia
- (xiv) Unit Number 7A, Ground Floor Zone C, Building No C3, Commercial Area No 6, Business Gate, Airport Road, Riyadh, 11683, Saudi Arabia
- (xv) Office 901 & 904, Tower 2, Al Fattan Currency House, DIFC - Dubai - United Arab Emirates
- (xvi) 251 Little Falls Drive, Wilmington, Delaware 19808 USA
- (xvii) 740 Waukegan Road, Suite 340, Deerfield, Illinois, USA 60015
- (xviii) 425 South Financial Place, Suite 1550, Chicago IL 60605
- (xix) 137-139 rue de l'Universite, 75007, Paris, France
- (xx) 31, avenue de Segur, 75007 Paris
- (xxi) Habsburgerng 2, Westgate, 50674 Cologne, Germany
- (xxii) Via dei Bossi 6, 20121 Milano, Italy
- (xxiii) The Lennox, 50 Richmond Street South, Saint Kevin's, Dublin 2, D02 FK02 Ireland
- (xxiv) PI Malachowskiego 2, 00-066 Warsaw, Poland
- (xxv) Calle Escolles Pies, 102, 08017 Barcelona, Spain
- (xxvi) Calle Serrano, 116, 28006 Madrid, Spain
- (xxvii) Suite 4102, Tower One Lippo Centre, 89 Queensway, Admiralty, Hong Kong
- (xxviii) C/O Vaish Associates, 106 Peninsula Centre, Behind Piramal Chambers, Dr S S Rao Road, Parel, Mumbai 400012
- (xxix) C/O Dwf Llp, Sentinel, 103 Waterloo Street, Glasgow, Scotland, G2 7BW
- (xxx) Level 9, 271 Collins Street, Melbourne VIC 3000
- (xxxi) 1000 De La Gauchetière Street West, Suite 1100, Montreal, Quebec, H3B 4W5
- (xxxii) La Palma, 10 (Antigua Real Fabrica de Cera) 28004 Madrid

Company Notes to the Financial Statements (continued)

Year ended 30 April 2025

3 Trade and other receivables

	2025	2024
	£'000	£'000
Amounts due from subsidiary undertakings	1,278	-
Prepayments	75	88
	1,353	88

4 Trade and other payables

	2025	2024
	£'000	£'000
Amounts due to subsidiary undertakings	598	210
Accruals	6	-
	604	210

Amounts due to subsidiary undertakings are interest free and repayable on demand

5 Cumulative redeemable preference shares

Financial liabilities

	2025	2024
	£'000	£'000
Non-current liabilities		
Cumulative redeemable preference shares	52,789	46,896
Uncompounded interest	520	463
	53,309	47,359

The preference shares are redeemable cumulative preference shares with a coupon rate of 12% per annum, compounded quarterly. At the year end date, uncompounded interest represents accrued interest for the portion of the quarterly period that has not yet completed.

In any 12 month period, half of the annual preferential dividend accrued may be paid in cash at the discretion of Aquila Topco Limited. The preference shares were issued at a nominal value of £0.0001 per share and are redeemable eight years from the date of issue, on sale of the business or at any time at the option of Aquila Topco Limited. The preference shares are classified as unsecured borrowings of the Group and are not publicly traded. These instruments are measured at cost, and the Directors consider that the carrying amount approximates their fair value.

These redeemable cumulative preference shares do not contain any equity component and are classified as financial liabilities in their entirety. No dividends were paid on redeemable cumulative preference shares in the year.

Company Notes to the Financial Statements (continued)

Year ended 30 April 2025

6 Share capital

Class of shares	Authorised No	Issued and fully paid No	Issued and unpaid No	Nominal value £	Share capital £'000	Share premium £'000
A ordinary	100,000,000	100,000,000	-	0 01	1,000	-
At 30 April 2024					1,000	-
A ordinary	100,000,000	100,000,000	-	0 01	1,000	-
B ordinary	42,857,142	3,599,400	14,547,575	0 01	182	1,089
C ordinary	10,000	840	3,395	0 01	-	8
At 30 April 2025					1,182	1,097

The Company was incorporated on 30 June 2023 and on this date 2 ordinary shares of £1 each were issued

On 4 October 2023

- the 2 ordinary shares of £1 each were divided into 200 ordinary shares of £0 01 each,
- the Company issued 99,999,800 ordinary shares at a nominal value and paid up to £0 01 per share, and
- all the ordinary shares of £0 01 each were re-designated as A ordinary shares of £0 01 each

On 20 December 2024, 18,146,975 B ordinary shares and 4,235 C ordinary shares were issued to select employees as part of the Group's management incentive plan. For management incentive plan, see note 7 of the Company Financial Statements

All classes of shares (A, B and C) have pro rata dividend entitlements and have the right to participate, *pari passu*, in the distribution of the Company's assets in the event of a liquidation or winding up of the Company

A ordinary shares carry voting rights and are entitled to one vote per share. B ordinary and C ordinary shares have no voting rights

7 Share-based payments

Share-based payment arrangements

The Group has established a management incentive plan ("MIP") under which certain personnel of the Group (primarily Directors, upper-level management and members) are issued and allocated shares in the Company. The participant purchases the shares via either employee-loan or self-funding. The MIP is used to incentivise and reward performance and long-term service.

Charge to the income statement and impact on equity

Total expenses arising from the share-based payment transactions recognised during the year as part of the MIP were £0 3m (2024: £nil). The total equity-settled share-based payment reserve as at 30 April 2025 amounts to £0 3m (2024: £nil).

Summary of outstanding shares

The following table illustrates the number of shares purchased by employees under the MIP and the movements during the reporting period.

	2025 No. of shares	2024 No. of shares
At 1 May	-	-
Allocated during the year	18,151,210	-
At 30 April	18,151,210	-

Company Notes to the Financial Statements (continued)

Year ended 30 April 2025

7 Share-based payments (continued)

Valuation

During the year-ended 30 April 2025, all allocated shares under the MIP have been fair-valued at the grant date using the Black-Scholes model pricing methodology, taking into account the terms and conditions upon which the shares were granted. The shares are deemed to vest on an exit event, and all shares purchased by employees of the Group are subject to leaver conditions. As the exit event, and therefore expected life of the vesting period, is indefinite, it has been estimated for accounting purposes. The expectations and estimates used represent the average across all allocations during the year.

The inputs and assumptions were as follows

	2025	2024
Weighted average fair value at measurement date	£0.12 per share	-
Total equity value	£266,900,000	-
Expected volatility	26%	-
Expected life (years)	2.5 years	-
Expected dividend yield	0%	-
Risk free interest rate	3.8%	-
Estimate of attrition	0%	-

8 Employee information and Directors' remuneration

The Company has no employees.

None of the Directors received remuneration for services to the Company during the year. For remuneration of key management personnel in respect of their remuneration for service performed to the Group, see note 25 of the Consolidated Financial Statements.

Unaudited Information

Alternative Performance Measures ('APMs')

In the reporting of financial information, the Group uses certain measures that are not required under IFRS

These additional measures (commonly referred to as APMs) provide the Group's stakeholders with additional information on the performance of the business. These measures are consistent with those used internally and are considered insightful to understanding the financial performance of the Group. The Group's APMs provide an important measure of how the Group is performing by providing a meaningful comparison of how the business is managed and measured on a day-to-day basis and achieves consistency and comparability between reporting periods.

These APMs may not be directly comparable with similar measures reported by other companies and they are not intended to be a substitute for, or superior to, IFRS measures. All Income Statement measures are provided for continuing operations unless otherwise stated.

APM

Net revenue -

Closest equivalent statutory measure

Revenue

Definition and purpose

Revenue less recoverable expenses

Recoverable expenses do not attract a profit margin and can vary significantly month-to-month such that they may distort the link between revenue and the performance of the Group. Net revenue is widely reported in the legal sector as the key measure reflecting underlying trading and allows greater comparability with other legal businesses.

Reconciliation	Year to	Period to
	30 April 2025	30 April 2024
	£'000	£'000
Revenue	572,560	320,857
Recoverable expenses	(106,717)	(59,396)
Net revenue	465,843	261,461

Unaudited Information (continued)

APM

Adjusted earnings before interest, tax, depreciation, amortisation, impairment, unrealised foreign exchange loss and non-underlying items ('adjusted EBITDA')

Closest equivalent statutory measure

Operating loss

Definition and purpose

Operating loss adjusted for adjusting items, as detailed in note 2, and adding back depreciation and amortisation

Adjusted EBITDA is useful as a measure of comparative operating performance between both previous periods, and other companies as it is reflective of adjustments for adjusting items and other factors that affect operating performance. Adjusted EBITDA removes the effect of depreciation, amortisation, impairment, unrealised foreign exchange loss and adjusting items, as well as items relating to capital structure (finance costs and income) and items outside the control of management.

Reconciliation	Year to 30 April 2025	Period to 30 April 2024
	£'000	£'000
Operating loss	(12,790)	(14,139)
Depreciation of right-of-use assets	13,050	8,011
Other depreciation and amortisation	2,809	2,361
Unrealised foreign exchange loss	6,382	2,395
Other impairment	285	106
Amortisation of intangible assets – acquired (note 4)	21,260	16,922
Share-based payment expense	332	-
Non-underlying items (note 2)	39,422	27,677
Adjusted EBITDA	70,750	43,333

APM

Net debt (excluding IFRS 16)

Closest equivalent statutory measure

Cash and cash equivalents less borrowings (including the supplier payments facility)

Definition and purpose

Net debt comprises cash and cash equivalents less interest-bearing loans and borrowings (including the supplier payments facility)

Net debt is one measure that can be used to indicate the strength of the Group's statement of financial position and can be a useful measure of the indebtedness of the Group. This metric excludes loan notes, preference shares and the Group's lease liabilities under IFRS 16 in order to provide consistency with how the Group manages and reports its indebtedness and also providing consistency with the definition of Net debt under the Group's principal banking agreement.

Reconciliation	2025	2024
	£'000	£'000
Cash and cash equivalents	22,335	21,820
Bank and other loans	(287,506)	(244,578)
Supplier payments facility	(5,371)	(4,358)
Net Debt	270,542	227,116

Unaudited Information (continued)

APM

Lock-up days

Closest equivalent statutory measure

Not applicable

Definition and purpose

Lock-up days comprise work-in-progress ('WIP') days, representing the amount of time between performing work and invoicing clients, and debtor days, representing the length of time between invoicing and cash collection. WIP days are calculated as unbilled revenue divided by annualised net revenue multiplied by 365 days. Debtor days are calculated as trade and other receivables, divided by annualised net revenue multiplied by 365 days. Annualised net revenue is the total pro-forma net revenue for the previous 12 month period with adjustments for acquisitions.

Reconciliation	2025 £'000	2024 £'000
WIP days		
Amounts recoverable from clients in respect of unbilled revenue	131,641	117,229
Unbilled disbursements	16,979	13,083
Total WIP	148,620	130,312
Annualised net revenue	467,908	434,438
WIP days	116	109
Debtor days		
Trade receivables (net of allowance for doubtful receivables)	128,140	117,208
Other receivables	1,495	2,534
Total debtors	129,635	119,742
Annualised net revenue	467,908	434,438
Debtor days	101	101
Total lock-up days		
Total WIP	148,620	130,312
Total debtors	129,635	119,742
Total lock-up	278,255	250,054
Annualised net revenue	467,908	434,438
Total lock-up days	217	210

APM

Annualised net revenue (unaudited)

Closest equivalent statutory measure

Net revenue

Definition and purpose

Annualised net revenue reflects the total net revenue for the previous 12-month period inclusive of pro-forma adjustments for acquisitions.

This metric is utilised as a denominator for lock up, WIP and debtor day calculations which allow greater comparability within the legal sector.

Reconciliation	2025 £'000	2024 £'000
Net revenue	465,843	261,461
Pre-acquisition net revenue	2,065	172,977
Annualised net revenue	467,908	434,438