Building futures for international students

Malvern International Plc

Annual Report and Accounts 2025
For the nine months ended
30 September 2025

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Visit our website for further information
https://www.malverninternational.com

Highlights

Malvern International is a learning and language skills development partner.

Our purpose is to provide students from around the world with opportunities to reach their full potential via access to transformational learning, teaching and support.

Highlights

- Underlying and Statutory revenue, excluding university commission income for the nine months ended 30 September 2025 ('the Period') was £14.12m (12 months ended 31 December 2024 ('FY2024'): £14.74m).
- Underlying operating profit was £0.38m (FY2024: £0.22m), with growth from *Higher Education and Juniors.*
- Underlying profit was £0.09m (FY2024: loss £0.13m), resulting in an Underlying profit per share of 0.39 pence (FY2024: loss 0.53 pence) with key contributors to the profit delivered by Higher Education and Juniors.
- The Statutory loss was £1.29m (FY2024: loss £0.15m), with impairment of the full value of goodwill primarily relating to the Communicate School, Manchester of £1.42m, following the closure of Adult English Language Training ('ELT') in March 2026.
- Group debt reduced from £1.86m at FY2024 to £1.45m at the Period end, due to ongoing repayment of the Term Loan.
- Net cash generated from operating activities during the Period totalled £1.65m (FY2024: £0.17m); cash flow is expected to continue to improve.
- Cash balance at the Period end was £1.89m (FY2024: £1.39m).

Operating highlights

- Three new long-term university partnership contracts awarded, with a further contract awarded post Period end, now entering execution and scale phase.
- Strong summer season from Junior division across nine centres.
- Continued investment in people, sales and marketing, and compliance and admissions to scale the new contracts.
- Reshaped ELT business to focus on scaling Junior divisions and closing Adult ELT post Period end.

£14.12m
Underlying and Statutory revenue
FY2024: £14.74m

£0.38m
Underlying operating profit
FY2024: £0.22m

£0.09m
Underlying profit
FY2024: loss £0.13m

£1.29m
Statutory loss
FY2024: loss £0.15m

£1.45m
Group debt
FY2024: £1.86m

During the Period we successfully secured three new University Pathway contracts, and invested further in the division. In the meantime, we continued to service the existing partnerships, achieving high levels of student attainment and satisfaction. In ELT, we had a busy summer season with Juniors, while Adult ELT remained subdued. As a result we made the decision to reshape ELT to focus on the Junior market.

Our actions over the past two years have resulted in a more resilient and diversified business, supported by long-term contracts, a capital-light operating model, and a proven track record of delivery. Following the recent fundraise of £1.95m net of expenses, we have the resources to develop and scale up the four University Pathways contracts won over the last 12 months.

Richard Mace
Chief Executive Officer

Strategic report

In this section

Chairman's statement

Supported by long-term contracts, a capital-light operating model, and a proven track record of delivery, the Group's focus is now firmly on execution: scaling student recruitment at pace, delivering strong academic outcomes, and translating this growth into sustainable shareholder value.

Mark Elliott, Chairman

Our focus for 2025 was to secure new University Pathway contracts, enabling us, as a smaller, more agile operator, to scale effectively. Additionally, we continued to target growth in our Juniors offering by providing additional centres and diversifying our product range.

Leveraging our success in rapidly establishing one of the largest International Study Centres in the UK at the University of East London, we were pleased to secure three long-term university partnerships, as well as a one-year extension of our partnership with UEL.

We established a ten-year partnership with the University of Cumbria and a five-year partnership with the University of Wolverhampton, with the first cohort of students starting in September 2026.. In July, we signed a five-year contract to create an international student centre at Liverpool Hope University, with the first cohort starting in January 2026.

With these contracts secured, our focus shifted to forward investment in student recruitment, admissions, and compliance, as well as recruiting teaching, student support, and pastoral care staff to maximise progression and attainment rates. Alongside this, we continued to pursue a pipeline of additional University Partnerships.

With the new University Partnerships signed, the Board decided to change the Group's financial reporting date from 31 December to 30 September. The new reporting date reflects a shift in the Group's focus towards the UK university academic year, and will enable a clearer assessment of the operating and financial performance of our partnerships. Consequently, this report covers the nine months ended 30 September 2025 ('the Period').

During the Period, the Board continued to review its strategy for the loss-making Adult ELT, as it remained well below pre-COVID performance levels. In February 2026, the Board decided to reshape the ELT operations to focus exclusively on Junior ELT and young learner camps, closing Adult ELT schools in Manchester and London in a deal with a competitor. The strategic closure has led to a full value impairment of goodwill relating to the Communicate School of £1.42m in the accounts, resulting in a Statutory loss of £1.29m in the Period.

Further, while the immediate short-term cost of closure for the year ended 30 September 2026 is expected to be approximately £0.30m, the Board expects to benefit from annual savings of between £0.30m and £0.60m from 30 September 2027 ('FY2027'), depending on the utilisation of the London King's Cross premises.

We now have a significantly larger portfolio of university partnerships, featuring multi-year agreements and improved payment terms, putting us in a much stronger position compared to the beginning of 2025. The recent announcement of a 15-year contract with London Metropolitan University further enhances our outlook. Additionally, we have a robust pipeline within the Juniors division and currently plan to conduct camps at 12 centres this summer. With Adult (ELT) no longer impacting the Group performance and the extra working capital available from a £1.95m (after expenses) fundraising in February 2026, we are better positioned to scale the business quickly and take advantage of the operational gearing that successful scaling-up will create.

For the 2025/26 academic year, the university student recruitment numbers are expected to be 989 students, compared to 1,023 the previous year. This is due to softening intake at UEL and a partial recruitment cycle for the new partnerships secured during the period. With these numbers established for FY2026, we anticipate the Group will incur an operating loss for the current financial year. However, with ongoing investment in Pathways, a full recruitment cycle for the universities of Wolverhampton, Cumbria, and Liverpool Hope, and the recent contract with London Metropolitan University, we expect the new partnerships to contribute significantly to profitability in FY2027 as we begin to scale student numbers.

The actions taken over the past two years have resulted in a more resilient and focused business, supported by long-term contracts, a capital-light and scalable operating model, and a proven track record of delivery. The Group's focus is now firmly on execution: scaling student recruitment at pace, delivering strong academic outcomes, and translating this growth into sustainable shareholder value.

Mark Elliott
Chairman
2 March 2026

Mark Elliott

At a glance

Global education.
Personal success.

Malvern International is a global education provider.

We believe in the transformative power of education, empowering students with the language, academic, and professional skills to achieve their ambitions.

Through innovative learning and a supportive global community, we create opportunities for success in education, careers, and personal development.

What we do

We equip students for success through language experiences, university pathway programmes and career-focused learning, and help our partners grow through innovative education services.

We help universities grow international student enrolments through global student recruitment and the delivery of pathway programmes.

We also operate summer Junior programmes in university facilities, generating capital-light growth from excess capacity.

Our purpose

Empowerment through learning

We empower students to achieve their dreams by building their language and academic skills, fostering confidence and a mindset of excellence that carries them forward in their studies and careers.

Creating a global community

We bring people together from all around the world, creating an inclusive, supportive environment for cultural exchange and lifelong connections.

Being change makers

We harness innovation in ideas, technology, and teaching to equip students with the knowledge, creativity, and inspiration to drive positive change – academically, professionally, and beyond.

Our divisions

English Language Teaching

95%
of students would recommend LiA to a friend

8-18
years

Learn. Have fun. Dream big.

Established in 2015, Language in Action ('LiA') is one of the UK's leading providers of short-term language programmes for aspirational, global teenagers and young adults.

EL Gazette ranks it among the top ten young learners summer school in the UK. Schools, study abroad agencies, and parents choose LiA because we provide a safe, high-quality, and impactful study abroad experience for their students.

LiA operates with its own British Council accreditation, dedicated safeguarding and welfare structure, and an independent management team focused solely on Junior programmes.

We welcome young people from dozens of countries to our programmes year-round, creating unforgettable language and travel experiences across the UK.

From unforgettable summer camp experiences, to our boarding school spring programme, Global Futures, to our prestigious summer academic programme at UCL, Innovate Summer Academy, LiA offers year-round inspiration and excitement for young international learners.

Summer camps

To us, summer is more than just a holiday. It is a chance to explore new places, build friendships from around the world, and grow in confidence while learning English in some of the UK's most exciting cities.

We hand-pick the best locations across the UK to create the best experiences. We offer two-week courses at 12 centres in and outside of London, from genuine UK university campus experiences to boarding schools or an urban hub in the heart of the city.

Live and study at top universities

Courses for all levels

Exciting excursions

Excellent student support

Innovate Summer Academy

Innovate Summer Academy offers an inspiring, academically enriching environment designed to empower motivated students to pursue their academic ambitions. Hosted at the iconic University College London ('UCL') campus, our small interactive classes are led by expert tutors and guest lecturers from top UK universities. Students can choose from five specialised faculties, engaging in hands-on projects, expert-led workshops, and real world challenges, complemented by university and company visits.

Computer science and artificial intelligence

Engineering and science

Law and global justice

Medicine, health and biomedical science

Business, finance and enterprise

Global Futures spring programme

Set on the campus of Oundle School, the Global Futures programme offers an inspiring blend of academic challenge and personal growth for students aged 12 to 18. Students have a choice of three programmes to explore future-focused topics through interactive lessons, projects and excursions.

Language academy – Crafted to enhance language proficiency, communication skills, and study techniques, providing young learners with a solid foundation for academic success.

Young entrepreneurs – Designed for students with a passion for entrepreneurship, providing a unique opportunity to gain insights into the world of business.

Young university scholars – Providing a solid foundation for higher education, covering a blend of academic training, exam techniques and strategies.

Exit from Adult ELT

In February 2026, the Board decided to reshape the Group's ELT operations to focus exclusively on the profitable and growing areas of the Group, Pathways and Junior ELT/young learner camps and groups. As a result, the Group has closed the loss-making Adult ELT.

More details can be found in the Chairman's Statement on page 3.

Higher Education: University Partnerships

University services, tailor-made

We believe in the transformative impact of international education.

Partnering with universities to manage the risks and operational complexity of international student recruitment, we develop and sustain a diversified pipeline of international students across multiple source markets and academic disciplines. Our Pathway students receive additional teaching, which improves their chances of successfully attaining their chosen degree. This support also helps universities to manage their completion metrics, reducing risks to their sponsor licence.

We are committed to helping international students achieve their full potential through study with our partner universities. With 25 years of experience in the international education sector, Malvern offers a comprehensive suite of services designed to support institutional goals.

Malvern delivers a full suite of services designed to drive growth. Our expertise enables institutions to scale their international reach, diversify their student base, and secure sustainable enrolments across a wide range of markets and programmes. We provide actionable market intelligence to inform strategic decision-making, accelerate student recruitment, strengthen university brands, and build lasting, high-value partnerships.

25 years' experience
in international education, with a proven track record of success

Global recruitment team
Scaling up recruitment and providing support on the ground

Dedicated admissions and conversion team
Maximising high-quality enrolments

1,000+ agent partners
Enhancing partner networks, worldwide

International Study Centres ('ISC')

From foundation programmes to pre-master's, our ISCs are designed to support and inspire international students as they embark on their academic journeys.

We combine rigorous academic instruction, focused English language development, and holistic pastoral care to prepare students for the demands of higher education.

Our expert teaching teams deliver tailored content and personalised learning plans, while our dedicated student services staff nurture students' wellbeing, confidence, and cultural adjustment.

By addressing both the academic and personal dimensions of transition, our ISCs create a supportive environment that enables international students to excel academically, integrate fully, and progress smoothly into university degree programmes.

Admissions and compliance

Malvern offers expert, end-to-end solutions that empower our university partners to scale up their international recruitment and maximise high-quality student enrolments.

We specialise in delivering seamless, end-to-end international student recruitment, admissions, and conversion solutions tailored to a university's needs. Combining 25 years' experience with a global recruitment footprint and market-leading technology, we help universities build and maintain a robust, diverse pipeline of international students across a wide range of programmes and source markets.

Our approach is comprehensive and results-focused – from recruitment and marketing strategy powered by our widespread agent network, to rapid admissions processing, compliance-driven checks, and high-touch conversion communications.

By partnering with us, universities gain the flexibility to scale recruitment without added internal burden. They are supported by a dedicated team committed to growing enrolments, protecting sponsor compliance, and delivering an exceptional experience for international students.

Our centres

University of East London ISC

The University of East London ('UEL') is a careers-led university. It boasts exceptional teaching standards and has been awarded the University of the Year for Teaching Quality 2025 (Times Good University Guide).

3rd in London for teaching satisfaction (Guardian University Guide)

33rd overall in the UK (Guardian University Guide)

40,000 students representing over 160 nationalities

University of Wolverhampton ISC

Based at the City Campus, students receive academic support and full access to university facilities. The campus is in an affordable, well-connected city with great student support.

88% graduate employability rate (HESA 2024)

5* QS rating for teaching

6th in the UK for Business and Management (Guardian University Guide)

University of Cumbria International College

Set at the Lancaster Campus, a peaceful parkland just 15 minutes from the city centre, enjoying small classes, expert teaching, and full access to university life.

1st in the North West for graduate outcomes (HESA 2024)

2nd in the North West for quality education (Times impact ratings)

4 subjects in the UK Top 30 (Guardian 2025)

Liverpool Hope University ISC

Liverpool Hope University benefits from research-informed teaching, excellent pastoral care, and beautiful campuses that offer a supportive, safe, and inspiring environment for learning and personal growth.

1st in North West for teaching and academic support (National Student Survey 2025)

4th in the UK for student satisfaction (Times Higher Education)

10th in the UK for computer science (Guardian 2025)

NCUK University Pathways Study Centre

The NCUK International Foundation Year is based at Malvern House London. It prepares students for studying at some of the world's most prestigious universities.

60+ entry to world-class universities in the UK, USA, Canada, Australia, and New Zealand

90% of NCUK students get into their first choice of university

100% guaranteed progression to Nursing at University of Huddersfield

London Metropolitan University ISC

Awarded in January 2026, this 15-year exclusive partnership will deliver undergraduate foundation and pre-master's programmes, supporting international students to progress onto a variety of undergraduate and postgraduate courses from September 2026.

1st for student value added (Guardian 2026)

2nd for University of the Year for Social Inclusion (The Times and Sunday Times Good University Guide 2026)

Top 20 in the UK for student support (Daily Mail University Guide 2024)

Operating review

Since January 2025, we have been extremely busy and have accomplished many of our goals, creating a more resilient and diversified business.

Richard Mace, Chief Executive Officer

Higher Education and University Pathways

In another successful Period for our Pathways business, student numbers increased 28.8% in the 2024/25 academic year. Students continue to achieve high levels of attainment and satisfaction.

We secured a one-year extension of our partnership with UEL for the 2025/26 academic year. In 2025 we established three new long-term contracts with universities, ranging from five to ten years in duration with the University of Wolverhampton in January, the University of Cumbria in February, and Liverpool Hope University in July. As expected, with a longer lead-in to the start of the academic year, student recruitment numbers were highest for Wolverhampton. We were also pleased to see a more than two-fold increase in student intake at our NCUK centre.

The Group invested significantly in Pathways growth during the Period. This investment in new partnerships included additional sales staff, recruitment activities and IT systems in preparation for delivering to a larger portfolio of university partners.

Our product offering is being well-received by our agent network. With the new contracts in place, we are investing significantly in University Pathway partnerships to create the structures needed to reach target student numbers and progression rates.

In addition to the new partnerships secured during the Period, we were pleased in January 2026 to secure a 15-year exclusive partnership (with the option to terminate every five years) with London Metropolitan University to rapidly expand its international student body from September 2026, providing a range of recruitment, education, and support services.

University student recruitment numbers are expected to be 989 students, for the 2025/26 academic year, compared to 1,023 the previous year. This is due to softening intake at UEL and a partial recruitment cycle for the new partnerships secured during the period. However, with ongoing investment in Pathways, a full recruitment cycle for the universities of Wolverhampton, Cumbria, and Liverpool Hope, and the recent contract with London Metropolitan University, we will begin to scale student numbers.

English Language Teaching ('ELT')

The Juniors division saw another strong summer season with circa £6.52m revenue from 3,471 students based across nine centres (FY2024: 3,405 students, £6.03m revenue and eight centres). The Period also saw the launch of the Global Futures Easter camp and the Innovate Summer Academy.

We are very pleased with this performance, particularly the increase in student numbers from Turkey and Latin America, resulting from our increased sales and marketing in those regions.

Adult ELT tuition fee revenue, excluding agents' commission, decreased approximately 10% to circa £1.33m (FY2024: £1.69m) as a result of price competition leading to a reduction in course fees and student weeks in its year-round schools. Following a thorough review, the Board decided to reshape ELT to focus on the profitable Juniors segment, closing the Adult ELT in February 2026. More information in relation to this closure can be found in the Chairman's statement.

Our people

During the period, we employed 195 permanent staff members, including 19 in Adult ELT. These numbers increase substantially with temporary staff during the peak summer season.

Following the announcement of our partnership with the Universities of Wolverhampton and Cumbria, we hired an additional 33 staff members during the Period to support these contracts and deliver our services. We continue to invest in our teams, ensuring we have the resources needed to scale our business.

New initiatives introduced during this Period included a focus on Mental Health Awareness, a salary sacrifice pension scheme, and offering LinkedIn Learning to all employees to support their personal and professional growth. We also implemented training programmes to enhance soft skills and career development, along with a rewards and recognition process that features quarterly winners.

In collaboration with the marketing department, we rolled out our internal corporate rebranding, which included a new Mission, Vision, and Values. These were communicated to all staff, and we continue to ensure that they are understood and incorporated into our daily activities.

The senior leadership team has been strengthened over the past two years with individuals who bring significant experience in scaling international higher education partnerships; the management is focused on disciplined execution as the Group moves into its next phase of growth.

Sales and marketing

2025 was a pivotal year for the sales and marketing departments. Following a strategic brand audit, Malvern refreshed its brands across corporate, and the Juniors and Pathway divisions to resonate better with target audiences. This was a wide-scope brand refresh, including an updated new look, and updating our corporate values, mission and vision. To align with the new branding, new websites have been launched across our portfolio offering clear, informative, and easy-to-use access to our programmes and services.

A joined-up marketing strategy, working alongside our sales team, is strengthening our international student recruitment agent network, increasing sales leads across a wider range of sending markets.

To mark the launch of the three new pathway partnerships in 2025, Malvern held launch events across our key target markets in South Asia, East Asia, MENA and West Africa. Our sales teams have run regional roadshows and attended key industry events to expand our agent and partnership networks, including ICEF Berlin, ICEF Japan and Korea, Alphe UK, Alphe Frankfurt, NAFSA US, and EAIE Europe.

These efforts are positioning the Group to build student numbers for the 2026/7 academic year and beyond.

Financial and student administration

Our admissions and compliance department plays a vital role in managing student conversions and enrolments, ensuring regulatory compliance, and supporting our recruitment strategy. In 2025, we introduced a new student management software to uphold high standards as application volumes grow. As a result, we maintained high UK visa acceptance rates, reflecting strong quality control in university recruitment and applications.

Achieving high student attainment levels is a key contractual requirement in our university partnership contracts. We therefore closely monitor academic progress and ensure students meet the requirements to progress to their prospective degrees. This is essential for the long-term success of our partnerships and the attractiveness of universities to international students.

To achieve this, our centre administrative staff provide both academic and pastoral support, maintaining regular contact with students and implementing early intervention when needed.

Outlook

The financial year ending 30 September 2026 ('FY2026') is expected to be a period of preparation and investment, as the Group positions itself for accelerated growth in subsequent years.

The Group has secured four new long-term university partnerships in the last 12 months, which are expected to make a meaningful contribution to profitability from FY2027 onwards. Marketing activity for the London Metropolitan University centre has commenced, with early engagement from the agent network proving encouraging. In addition, FY2026 will represent the first full recruitment cycle across several existing university partners, providing an opportunity to continue building student volumes.

The Company intends to deploy a significant portion of the £1.95m raised (after expenses) to scale its new Pathway partnerships. This investment is expected to drive a material increase in operational gearing from FY2028. In the near term, FY2026 Pathway revenues and margins will be impacted by transitional changes to the Group's Pathway portfolio as it repositions towards higher-quality, longer-term partnerships.

The reshaping of the Group's ELT strategy via the exit from Adult ELT, enabling greater focus on faster-growing, cash-generative, and profitable segments will deliver annual cost savings of approximately £0.30m from FY2027, increasing to up to £0.60m if the London King's Cross facility is fully utilised following the exit. Immediate short-term exit costs, largely staff redundancies, are expected to be circa £0.30m.

Taken together, these factors mean FY2026 is expected to be loss-making at the operating level. From FY2027 onwards, the Group's financial performance is expected to improve materially as student numbers scale across the new Pathway partnerships. With a strengthened leadership and a proven track record in executing Pathway contracts, the Directors are confident that the business will return to profitability in FY2027. This is supported by strong demand, a scalable operating model, and increasing operational leverage, is well positioned to deliver substantial profit growth in the years that follow.

Richard Mace
Chief Executive Officer
2 March 2026

Strategy

As a global learning and skills development partner, the Group's vision is to invest in and develop its operating businesses in the education sector, to establish centres of excellence, and to deliver long-term growth and sustainable profit.

	Objectives
Grow revenue through existing business streams We grow our revenue by increasing the number of international students we recruit and teach, and increasing the time they spend with us.	Secure new University Pathway partnerships with higher education institutions Enhance our value proposition to potential partners Improve the student experience and conversion from application to enrolment Optimise our assets to ensure maximum capacity is reached at our centres and programmes Develop our agent base while maintaining quality Increase direct sales by enhancing our digital presence and lead acquisition strategies Roll out a scalable, multi-site university admissions and compliance function to service existing and future partnerships as a stand-alone service Operate Junior programmes in university facilities, generating capital-light growth from excess capacity
Drive financial performance This is a key priority. The Group is *focused on strengthening its financial* position together with revenue growth.	Repay debt to release cash and boost profits Improve cash balances Apply strong expenditure controls Improve reporting and analytics

Objectives

Evolve our services to meet the changing needs of our students and partners

We see growth opportunities in developing new education products and experiences, through organic expansion in our existing settings and exploring new centres to add to our current footprint.

Expand subject and product mix based on market insights, trends and partner specialisations
Offer more than just education, including cultural experiences, orientation, pastoral care, accommodation and ongoing support
Diversify entry-level qualifications
Work closely with agents and university partners to understand demand and needs
Provide university partners with market insights
Respond in an agile way to students, agents and partner requirements
Create an industry-leading student onboarding journey with offers, payment solutions and communications

Ensure a high-performance culture for our people

We develop and engage with our people to offer long-term and rewarding careers and meet the expectations of our students and partners.

Offer competitive pay, terms and conditions, rewards and benefits
Have a positive, supportive work culture linked to our values
Recruit talent who are aligned with our values to ensure long-term commitments
Apply communication strategies to enhance employee engagement
Develop initiatives to gain "Employer of Choice" accreditation to retain and attract top talent
Offer talent and leadership programmes, and provide skills training to allow staff to progress
Establish organisation-wide best practices for team performance management, oversight, and support linked to behaviours and key success indicators

Enhance our reputation as a trusted education brand

By building trust with stakeholders and enhancing our reputation as a quality education provider, we are able to attract and retain students and secure partnerships.

Maintain strong academic outcomes and attainment levels
Gain and maintain relevant accreditations, quality assurance, and pass compliance audits for each business unit
Invest in high-quality environments in our schools where students can maximise their potential
Select high-quality settings for Juniors courses
Provide a seamless and responsive student experience from first enquiry through to completion of a course
Enhance non-academic provision for students such as student support, accommodation and pastoral care
Set consistent service-level agreements with partners and agents

Our markets

The UK remains the second most popular study destination for international students after the US. The international education market in the UK can be broadly categorised into two segments: higher education and English Language Teaching ('ELT'). Both sectors have promising long-term growth prospects.

The UK Government's International Education Strategy aims to enrol 600,000 International Higher Education ('IHE') students each year and increase education exports to £35bn per year by 2030. While the UK has met its international student number ambitions, achieving the 2030 revenue target will require an average annual increase of 3% in education exports. Key to this is the expansion of IHE at the UK's prestigious institutions and universities, along with supporting all education sub-sectors including the ELT market.

International Higher Education ('IHE')

In the 2023/24 academic year, international students accounted for 23% of the UK's overall student population, totalling 732,285 individuals. Notably, nearly 90% of these international students hailed from non-EU countries. Despite an overall increase in international student numbers, recruitment momentum has softened, resulting in a 7% decline in non-EU enrolments compared with the previous year. Nevertheless, this period marks the second highest year on record, with 428,200 international students contributing approximately £41.9bn to the UK economy, highlighting the significant economic benefits they provide.

In this increasingly complex macro-environment, Malvern identifies a substantial opportunity to act as a risk management partner for universities. Cash-strapped institutions are more likely to outsource their international recruitment efforts to reduce risk and operational expenses. The UK university pathway market is currently dominated by a few established operators, creating significant barriers for new entrants, including the need for OfS registration. With the emergence of numerous competing partnerships, established providers often struggle with agility, hindering their ability to scale effectively. In contrast, newer providers possess the potential to grow rapidly and significantly enhance their market value.

Malvern's sales and marketing strategy focuses on recruiting non-European students. The Company targets the largest and fastest-growing student sending markets, including China, India, and Nigeria. These three countries account for 75% of non-European students. We also attract a high number of Nepalese students, reflecting our office presence in the country.

English Language Teaching ('ELT')

The UK International Education Strategy recognises the pivotal role UK ELT plays in international trade-led activities. The Department for International Trade and the British Council support this through their networks to promote and support ELT overseas, in collaboration with English UK, of which Malvern is a member.

The ELT market comprises two segments: adult courses and short-stay immersive camps for under-18s. Market research typically groups these two audiences together, despite their differing recruitment strategies and business models. Both segments experience peak seasons during the summer months.

In recent years, the UK ELT industry has moved further towards Juniors, with camps delivered across various locations in the UK, lasting on average just under two weeks during academic holidays. For 2024, Juniors accounted for 62% of all UK ELT students and 33% of student weeks.

In response, Malvern has reshaped the ELT business to focus exclusively on profitable and growing Juniors and young learners segment, closing the loss-making Adult ELT operations from February 2026.

To remain competitive and to demonstrate the value of studying English abroad to younger students, Malvern continues to invest in developing specialised academic education programmes tailored to core sending markets.

Figures are shown on a like-for-like basis from 119 reporting centres.

Sources:

- HESA, Higher Education Student Statistics: UK, 2023/24 – Where students come from and go to study.
- HM Government International Education Strategy: 2021 update.
- House of Commons Library, International students in UK higher Education, 27 June 2025.
- BONARD, Quarterly Intelligence Cohort, Executive Summary 2023 and 2024 prepared on behalf of English UK for Q1, Q2, Q3, & Q4.
- English UK, 2024.

Business model

We equip international students with the skills and knowledge they need to succeed through University Pathway programmes, university services, Junior English language, and young learner programmes. In partnership with institutions, we help students – and our partners – achieve their goals.

Supported by our values:

Where we invest

People

We continually invest in professional development, ensuring that our expertise remains cutting-edge and relevant to the needs of students and partners alike.

Partnerships

We invest in securing new partnerships, and when successful, we forward-invest in the setup and staffing to grow international student numbers and meet targets set by our partners.

Product development

Creativity allows us to develop innovative learning solutions and meaningful experiences for our students. We encourage new ideas and fresh approaches to teaching, partnerships, and service delivery.

Sales and marketing

We have been investing in our sales and marketing teams for both divisions, refreshing our corporate branding and marketing strategy. Each year, we attend multiple student recruitment events and roadshows across all key regions.

Agent network

Our global agent network remains the backbone of our recruitment strategy, with strong coverage across key ELT and Higher Education markets and clear growth opportunities ahead.

The value we create

Students

We ensure that our students receive the best possible educational experience, and our university partners benefit from well-prepared learners. We consistently achieve high scores in student satisfaction surveys, maintain a low attrition rate, and our students demonstrate strong levels of progression and attainment.

Partnerships

As a risk management partner for universities, we enable cash-strapped institutions to outsource their international recruitment efforts to reduce risk and operational expenses. We increase student enrolments from various source markets and improve nationality diversification. Through our own sales and agent network, we offer access to a wide range of recruitment channels, increasing brand reach and recruitment opportunities. We also operate programmes in university facilities to make full use of excess capacity.

Shareholders

Our aim is to deliver long-term shareholder value through capital gain and, in time, through the payment of dividends. We are doing this by growing revenues through increasing student numbers in our two businesses, while improving margins by scaling the business.

People

We offer long-term career opportunities for our staff in a rewarding and innovative environment.

Community

We are committed to making a positive impact on society and the environment, creating a culture of responsibility, inclusivity, and sustainability. Following our exit from Adult ELT, we are exploring ways to support low-income and vulnerable students in attending our courses.

Key performance indicators

Financial KPIs

Financial KPIs are presented as Underlying and Statutory. Underlying revenues exclude the full value goodwill impairment of Communicate School, Manchester and staff restructuring costs relating to the exit from Adult ELT, as well as the impact of revaluation of warrants and share-based payments. For a breakdown of these Non-Underlying items, please see note 11 for more details.

The financial KPIs used by the Board to monitor progress are revenue growth, operating and Statutory profit, and profit before tax. These are used because they best indicate performance against the Group's strategic objective of delivering profitable growth which in turn will drive shareholder value. Non-financial KPIs used include student numbers and student weeks. Performance against these metrics has been discussed in the Chairman's Statement on page 3.

Revenue (£m)

£14.12m

	12 months ended 31 December 2024 £m	9 months ended 30 September 2025 £m
Statutory revenue excluding university commission income	14.74	14.12
Underlying revenue excluding university commission	14.74	14.12

Performance: Statutory revenue, excluding university commission income, for the Period was £14.12m, with the strongest performing areas of the Group continuing to be Higher Education and Juniors.

Operating profit/(loss) (£m)

£(1.00)m

	12 months ended 31 December 2024 £m	9 months ended 30 September 2025 £m
Statutory operating profit/(loss)	0.21	(1.00)
Underlying operating profit/(loss)	0.22	0.38

Performance: Revenue performance from Higher Education and Juniors resulted in an Underlying operating profit of £0.38m (FY2024: £0.22m). The Statutory loss for the Period was £1.00m, primarily due to the impairment of goodwill associated with Communicate English School Limited, which ceased trading after the year end. The lease for the premises has since been transferred to a competitor. Annual impairment reviews are conducted each year using discounted future cash flows to ensure that the carrying value remains recoverable.

Profit/(loss) (£m)

£(1.29)m

	12 months ended 31 December 2024 £m	9 months ended 30 September 2025 £m
Statutory profit/(loss)	(0.15)	(1.29)
Underlying profit/(loss)	(0.13)	0.09

Performance: The Underlying profit for the Period was £0.09m (FY2024: loss £0.13m). The £1.42m impairment of the entire Communicate School Manchester resulted in a Statutory loss for the Period of £1.29m.

Profit/(loss) per share (pence)

£(5.29)m

	12 months ended 31 December 2024 £m	9 months ended 30 September 2025 £m
Statutory profit/(loss) per share	(0.59)	(5.29)
Underlying profit/(loss) per share	(0.53)	0.39

Performance: The basic and diluted Statutory loss per share attributable to equity holders of the Company is based on the Statutory loss attributable to shareholders of £1.29m (FY2024: Statutory loss of £0.15m). The weighted average number of ordinary shares in issue during the Period is 24,442,400 shares (FY2024: 24,442,400 shares). The Statutory loss per share before the income tax charge attributed to shareholders is 5.29 pence (FY2024: Statutory loss per share of 0.59 pence).

Non-financial KPIs

Higher Education

Student numbers (academic year from September to July)

989

	2021/22	2022/23	2023/24	2024/25	2025/26
University Pathways	144	500	794	1,023	989

Performance: For the 2025/26 academic year, the university student recruitment numbers are expected to be 989 students, compared to 1,023 the previous year. This is due to softening intake at UEL and a partial recruitment cycle for the new partnerships secured during the Period. However, with ongoing investment in Pathways, a full recruitment cycle for the universities of Wolverhampton, Cumbria, and Liverpool Hope, and the recent contract with London Metropolitan University, we expect student numbers to scale from FY2027 and beyond.

English Language Teaching

Student numbers

4,612

	2021	2022	2023	2024	2025
Juniors	—	975	2,478	3,405	3,471
Adult	311	1,893	1,998	1,566	1,141
Total	**311**	**2,868**	**4,476**	**4,971**	**4,612**

Student weeks

13,317

	2021	2022	2023	2024	2025
Juniors	—	1,960	5,062	6,851	6,683
Adult	5,388	15,457	15,668	10,916	6,634
Total	**5,388**	**17,417**	**20,730**	**17,767**	**13,317**

Performance: Total number of weeks delivered to students who undergo a minimum of ten hours per week including in-class and online courses. This metric is relevant to ELT students only.

Whilst Juniors saw modest growth in student numbers, student weeks reduced as the average stay fell to just under two weeks. Adult ELT saw a significant decline in numbers and student weeks, which fell to an average of under six weeks, as opposed to nearly seven weeks in 2024. This trend reflects the increased cost of living and studying in the UK for short courses. The Group has since closed Adult ELT to focus on high growth areas of the business.

Financial review

Daniel Fisher,
Chief Financial Officer

Financial performance

Underlying and Statutory revenue, excluding university commission income, for the nine months ended 30 September 2025 ('the Period') was £14.12m (12 months ended 31 December 2024 ('FY2024'): £14.74m). The Group's strongest-performing areas continued to be Higher Education and Juniors, delivering an Underlying operating profit of £0.38m (FY2024: £0.22m).

The Underlying profit for the Period was £0.09m (FY2024 profit: £0.13m), resulting in an Underlying profit per share of 0.39 pence (FY2024: loss 0.53 pence). Student numbers in Higher Education and University Pathways increased 28.8% in the 2024/25 academic year, driving up profits from this part of the Group. Underperforming Adult ELT and forward investment associated with securing new Pathway contracts were the key contributors to partially offsetting the positive growth from increases in student numbers.

The Statutory loss for the Period was £1.29m (FY2024: loss £0.15m). The driver for this was the impairment for the full value of goodwill relating to the Communicate School, Manchester of £1.42m, following the closure of Adult ELT in March 2026. Other non-Underlying items included share-based payments and ongoing staff restructuring totalling £0.04m, offset by a favourable warrants revaluation of £0.06m.

Operating costs

Group salaries and benefits during the Period were £3.74m, compared to £3.89m in FY2024. The higher annualised cost base reflects the forward investment in staffing to support a larger portfolio of Pathway partnerships. This investment included new sales, admissions, conversion, centre, and teaching staff to deliver growth in student numbers and pass rate targets, as well as to secure additional HE partners.

Group Underlying other operating expenses during the Period were £2.39m compared to £2.77m in FY2024. On an annualised basis, costs have increased, primarily due to investment in Pathways IT systems and recruitment activities to support the new university partnerships. IT spend increased by £0.16m during the Period, which included the implementation of two new Pathway systems. These systems will significantly improve our ability to convert students at higher rates and ensure all students are thoroughly assessed, so we can select the best-qualified students for our courses.

Financial Position

We continue to make incremental improvements to our Financial Position. Group debt continues to be reduced by operating cash flow, down from £1.86m at the start of the Period to £1.45m at 30 September 2025. We expect to continue to reduce this balance monthly throughout FY2026. Net cash generated from operating activities during the Period totalled £1.65m (FY2024: £0.17m); cash flow is expected to continue to improve.

In addition, we continue to clear the remaining historical supplier balance of £0.14m from the COVID years (London rent arrears).

The cash balance at the end of the Period was £1.89m (FY2024: £1.39m), of which £1.44m is payable by the Group for summer accommodation costs due to late invoicing. In November 2025, we received a £2.23m payment from a large customer, in line with the typical payment cycle for that customer. We continue to manage expenditure tightly. Cash flow is expected to continue improving in 2026 and into 2027, as fees for the new University Partnerships are collected directly from students.

With the net proceeds of £1.95m from the recent successful fundraise, the Group has sufficient working capital to scale the four contracts won over the last 12 months.

Daniel Fisher
Chief Financial Officer
2 March 2026

Risk management

To effectively manage risk, the Group maintains a risk register.

The risk register serves as a centralised repository documenting all identified risks and the strategies and controls for mitigation. The register allows for ongoing monitoring and review of risks, ensuring proactive measures are in place to mitigate their impact.

Risk review and principal risks	Board	All members of the Board are provided with a copy of the risk register. The register is reviewed in detail at least annually and updated as and when necessary, taking into consideration the nature of risks and the sufficiency of controls.
Risk management and internal controls	The Audit and Risk Management Committee ('ARMC')	The ARMC reports to the Board and is responsible for reviewing each business area to monitor the effectiveness of risk management and internal financial controls. Specific financial risks, including those related to foreign currency, interest rates, liquidity, and credit, are evaluated in detail as part of the annual audit.
Risk register	CFO	The CFO maintains a risk register for the Group that identifies key risks categorised into corporate strategy, financial, clients, staff, environmental, and investment community. Within each category, the risks are: • Rated based on likelihood and impact • Assigned to a specific individual or department responsible for management • Subject to controls and mitigation measures
Risk identification	Executive Management Team	The Group's risk register is maintained in consultation with the Executive Management Team and the Directors. Staff are regularly reminded to report, anonymously or otherwise, any risks or threats they perceive in the business's operations.

Principal risks

	Description	Mitigation	Risk level/ change
Financial exposures	The Group faces a number of financial exposures which could potentially impact future operations such as credit risk primarily in respect of its trade receivables, reliance on a small number of customers, margin pressures, currency movements in key markets, and liquidity.	The Group has robust financial systems for cash collection, including cash flow forecasts and credit checks. Sales reports and financial performance are reviewed at monthly management meetings. The Group has access to borrowing facilities and fundraising activities. These might be attractive in certain circumstances for providing additional working capital and funding growth opportunities. The Group continues to diversify its student and customer base, with four new university partnerships agreed since January 2025. The new partnerships allow for a large portion of course fees to be collected in advance of course delivery each academic year, improving cash flows and profitability in the first year of delivery.	
Strategic risks	The Group's Pathway contracts are underpinned by student recruitment volumes and academic performance metrics, including progression and attainment targets aligned with University partner requirements and British Council Accreditation ('BCA') standards. Failure to meet recruitment targets could reduce revenues, delay achieving operational leverage, and affect the financial viability of individual partnerships. In addition, underperformance against progression and attainment thresholds could lead to contractual penalties, reduced future intakes, reputational damage, or, in extreme cases, termination or non-renewal of partnership agreements.	Diversified recruitment strategy, including a broad international agent network, multiple source markets to reduce reliance on any single geography. Active management of agent performance, with clear targets, regular review, and corrective action where required. Robust admissions and screening processes to ensure students meet minimum academic and English language requirements. Early diagnostic assessments and continuous monitoring of academic progress to identify and support at-risk students. Targeted academic and pastoral interventions, including additional tutorials, English language support, and wellbeing services. Regular senior management oversight of recruitment, retention, and progression KPIs, with performance reviewed against BCA and partner benchmarks. Close collaboration with University partners through joint academic governance and quality assurance structures to ensure alignment and timely intervention.	
Regulatory and compliance changes	From time to time, Malvern is subject to regulatory changes and enforcement, which can have a significant impact to the Group through diminished student enrolments. The Board is mindful that its partners and governing bodies can potentially withdraw accreditation if the Company does not meet the required standards. Certain staff and third parties have access to market or price sensitive information for which early or untimely release could have a material impact on contract negotiations and/or reputation of the Company.	Management regularly assesses exposures in each territory and for each product offering, and takes advice from immigration solicitors specialising in education to make adjustments, including to variations between sending countries. The Company ensures it has the correct accreditations in place in order to operate. A register of accreditations and renewal dates is maintained. An ongoing programme of internal assessment is carried out to ensure the Group maintains standards in an "always-ready" approach for planned and unplanned assessments by governing bodies. Each centre has an individual responsible for quality assurance.	

	Description	Mitigation	Risk level/ change
Competition and commercial changes	The Group faces the risk of strong short-term competition in the form of intermittent price discounting, loss of major customers to competition, and loss of key staff due to a competitive labour market. The Board aims to create a balanced portfolio of businesses, by investing in segments that offer growth opportunities, are cash generative, and have high margins.	The management monitors closely forward bookings to identify any changes to anticipated sales and monitors competitor pricing, in order to adjust its own pricing and remain competitive. With the loss-making Adult ELT struggling to return to pre-COVID performance levels, compounded by a high fixed-cost base due to year-round provision, the Board has decided to reshape the ELT business to focus on Juniors and young learners provision. This action will strengthen the Group's portfolio by allowing management to focus on profitable, growing areas of the business.	
Reputational risks	Maintaining Malvern's reputation as a quality education provider is vital to the success of the Company. A loss in confidence from accreditors, partners, and customers could have an immediate and profound impact on the business and its ability to recruit and retain staff.	The Board ensures it has the required accreditation and licences to operate (see above for regulatory and compliance changes). The Group has clear policies on responsible and ethical behaviour and has a zero-tolerance policy on corruption and bribery. These policies are displayed in every school and online. The Group provides induction training and regular training to all staff. The Group has clear incident management and crisis management strategies and procedures. The Group has clear student safeguarding procedures and provide pastoral care. Staff with direct student contact undergo necessary safeguarding training and DBS checks.	
Occupational health, safety and wellbeing	Student or staff members are injured in one of our working environments or when under our care.	Risk assessments are undertaken for all working environments. The Group has an accident and incident reporting and investigation process in place. Changes to procedures are communicated and training is carried out regularly.	
Operational risks	The Group collects, maintains, transmits and stores data about its students and employees, including personally identifiable information. However, the Group's security measures may not detect or prevent all attempts to breach such security measures and protocols. A breach of such security measures and protocols could result in third parties gaining unauthorised access to customer and/or employee data stored by the Group, which could expose the Group to litigation, regulatory action and other potential issues.	The Group has a data protection policy and limits the access of users to sensitive information. Group IT is managed by a dedicated IT support company which also manages cyber security. The management will be reviewing its cyber security action plan in 2024	

Stakeholder engagement

The Board is responsible for decisions that affect the long-term success of the Group.

The disclosures in this section are aligned with the factors set out in The Companies Act 2006, Section 172 and describe how the Directors have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of shareholders as a whole. When performing their duties under Section 172, the Directors consider:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company. The Board has identified key stakeholder groups to be its customers, students, investors and shareholders, employees and the communities in which we work.

Students

Our purpose, mission, and values place our students at the heart of all our operations, and their success is key to our future strategic development. We proactively seek student feedback on every aspect of our operations, including regular surveys and informal discussions with individual students and student groups.

We integrate this ongoing informal feedback with more formal mechanisms, such as student representative groups, course committees, and similar forums, within our University Partnerships. We report to our students on how their views have informed developments within our centres through regular two-way dialogue, and we ensure that the closeness of relationships between staff and students continues to be identified in accreditation and inspection reports as a strength in Malvern.

Key activities and decisions during the Period

- Maintained a strong focus on student attainment and progression, providing additional academic and pastoral support where needed.
- Introduced academic camps, including Global Futures and Innovate Summer Academy.
- Three new partnerships secured, enhancing the range of higher education and university experiences.
- Refreshed student-facing marketing materials to enhance the appeal of our offering.

Staff

As an educational services business, Malvern's strength derives from its employees' commitment, capability, and cultural diversity. The Company adopts a diversity policy at all levels, including candidate selection, role assignment, and individual career development. The Company encourages all employees to participate in the operation and development of the business by offering open access to senior management, including the Executive Directors, and by communicating regularly via roadshows and the intranet.

An HR-led staff engagement survey provides staff feedback. This survey involves action planning and communicating "you said, we did" actions quarterly. The Company's reward and recognition scheme also supports staff feedback and performance recognition.

Group policies are regularly reviewed and updated, communicated to all staff, and easily accessed via the Company intranet.

The Group incentivises employees through share-based incentives, bonuses, and performance-linked commissions. Where appropriate, these objectives are linked to profitability.

We continue to focus on enhancing our colleagues' personal development, with performance appraisals leading to a training needs analysis for each staff member.

The Executive Management Team ('EMT') (see page 28) is charged with driving the delivery of our strategy as set out on page 12.

The Nomination and Remuneration Committee oversees and recommends executive remuneration and any long-term share-based incentives. The Board encourages management to improve employee engagement and provide necessary training so employees can apply their skills in relevant areas of the business.

Key activities and decisions during the Period

- Introduced new initiatives for staff, including a salary sacrifice pension scheme, LinkedIn Learning to all employees to support personal and professional growth, and training programmes to enhance soft skills and career development, along with a rewards and recognition process that features quarterly winners.
- In collaboration with the marketing department, rolled out refreshed internal corporate rebranding, including new mission, vision and values branding. These were communicated to all staff, and we continue to ensure that they are understood and incorporated in daily activities.

Partners

The Board acknowledges that a strong business relationship with partners, customers, and agents is a vital part of our growth strategy. These relationships are informed by our interactions with our students as detailed above. Within our student recruitment function, we are in continuous contact with our agent and sponsor partners. We meet regularly with key partners and attend industry events to facilitate joint discussions.

We are members of a range of educational organisations, such as English UK, where we meet with peers to discuss common concerns and key developments for our business. We are looking to expand our reach among partner organisations to help realise our strategic goals.

Within our University Partnerships division, we continue to solidify joint governance and management arrangements with our partners. We continue to participate in regular joint operations meetings covering China, admissions, space, student performance and recruitment. These meetings will ensure that recruitment, admissions and compliance are working efficiently to maximise student numbers, progression, and to ensure a quality student experience. Our meetings ensure alignment between our role as a service provider and UEL's goals, and enable us to discuss opportunities and challenges collectively.

Whilst day-to-day business operations are delegated to the EMT, the Board sets direction for new business ventures and initiatives.

Key activities and decisions during the Period

- Secured three new university partnerships triggering significant communication, feedback and interaction with our partners, including deploying new staff members to facilitate the delivery of our contracts.
- Refreshed the Pathway brand to align with its evolving scope as an education provider, reflecting its innovative approach to education and partnerships and engendering trust and affinity amongst students, agents and partners.
- Held launch events in multiple cities across our key target markets in South Asia, East Asia, MENA and West Africa.
- Worked along sales team to ensure all marketing materials are made with agents in mind.

Suppliers

The Board upholds ethical business behaviour across the Group and encourages management to seek comparable business practices from all suppliers doing business with the Company. For more information please see the CSR section on page 36.

Community

The Board recognises its responsibility towards the community and environment, and it is Group policy to be a good corporate citizen wherever it operates.

The Group adopts a proactive approach towards community education-driven initiatives, particularly where they involve the education of those less fortunate. The Group is currently involved with Refu-Aid, offering free language courses to refugees.

Our Charity Champions spearhead charitable fundraising activities at the centres where we operate.

More detail can be found in the Corporate Social Responsibility Statement in this report on page 32.

Key activities and decisions

- Promoted mental health awareness, raising over £500 for Mind, and hosted Macmillan coffee mornings.
- Hosted Wellbeing Wednesdays throughout the year for all staff.

Shareholders and debtholders

The Board places equal importance on all investors and recognises the significance of transparent and effective communications. As an AIM listed company we are required to provide fair and balanced information in a way that is understandable to all stakeholders and particularly our shareholders, with clear information on the Group's activity, strategy and financial position. Details of how the Company communicates with its shareholders can be found in the Chairman's Corporate Governance Statement on page 30.

Key activities and decisions

- Changed the financial reporting date to 30 September to align Malvern's financial reporting calendar with the UK university academic year, enabling a clearer assessment of the operating and financial performance of University Partnerships.
- Reduced debt from £1.86m at the start of the Period to £1.45m at 30 September 2025; we expect repayment on the loan to be repaid in full by early 2028.
- Reshaped ELT post year end to focus on Juniors and young learners, closing Adult ELT to focus on growth areas of the business and create a balanced, cash-generative and profitable portfolio post year end.
- Raised £1.95m (after expenses) via a Placing and Retail Offer to scale up sales, central and support functions to facilitate the growth of the Pathways business and provide working capital.

Corporate governance

In this section

Board of Directors and Executive Management Team

The Board of Directors

The Board is responsible for formulating, reviewing and approving the Group's strategy, budget and corporate actions.

Mark Elliott

Non-Executive Chairman

Date of appointment: 1 July 2019

Mark is a Chartered Accountant who has had a long executive career in the education, technology, and corporate finance sectors, including finance and management roles operating in Europe, the USA, and South Africa. He has extensive AIM experience having brought two technology companies to the market together with associated fundraises. He brings with him a strong knowledge in governance, public markets, and investor relations.

External appointments: Chairman of AIM listed companies Journeo Plc and of Pathos Communications Plc and a trustee of the Metropolitan Drinking Fountain and Cattle Trough Association.

Committees: Audit and Risk (Chairman) and Nomination and Remuneration.

Richard Mace

Chief Executive Officer

Date of appointment: 30 June 2020

Richard Mace founded an international English education business in 2013, scaling it during a period of sustained growth before selling it to Malvern in 2018. At the Board's request, he rejoined the Group in June 2020 as CEO to reshape the strategy and rebuild the business. Since his appointment, Richard has assembled an experienced senior management team with a proven track record of securing higher education partnerships and of rapidly scaling student numbers. He is a significant shareholder and is responsible for setting and executing the Group's strategy.

Daniel Fisher

Chief Financial Officer

Date of appointment: 6 December 2021

Daniel Fisher was appointed to the Board of Directors having worked as Malvern's head of finance since January 2021. Before joining Malvern, Daniel held a number of financial leadership roles including European Financial Controller of Newell Brands plc, Group Financial Controller of QANTM Intellectual Property Ltd., and Head of Finance/Financial Controller of FPA Patent Attorneys Pty. In addition to leading an SME in Australia through a successful IPO as Head of Finance, Daniel's listed company experience at group level also includes management of audits for a multinational SME and merger and acquisition transactions.

Daniel attends Audit and Risk Committee meetings by invitation.

Alan Carroll

Non-Executive Director

Date of appointment: 1 October 2019

Alan has over 30 years' experience in the information systems industry, including working in a senior capacity in the development of the Ministry of Defence's Information System Strategy and then as a senior sales manager and adviser to a number of major software and systems integration companies. He is the founder and Managing Director of Ultris Limited, a niche software and services organisation operating in the confidential government sector. In addition, he was appointed as an independent Non- Executive Director at Ideagen Plc when it listed in July 2012 at a market capitalisation of £13m and was a Board member chairing the audit and remuneration committees until the company was acquired by HG Capital for £1.3bn in July 2022. He was also a non-executive director at Goal Group Limited, a private UK-listed company. Alan was voted Non-Executive Director of the year in the May 2019 Money Week Mello awards.

External appointments: Ultris Limited.

Committees: Nomination and Remuneration (Chairman) and Audit and Risk.

Board of Directors and Executive Management Team continued

Executive Management Team ('EMT')

In addition to the CEO and CFO, the EMT consists of senior members of Malvern's management team, who all have significant experience in working in the international education sector and are charged with delivering the Group strategy as set out on page 12.

The EMT is dedicated to help drive the strategic growth of the organisation with an unwavering focus on delivering quality education and student experience. With a clear vision and mission to continue to change the lives of international students through the power of education, the EMT works to ensure that quality curricula, teaching and partnerships are central to every aspect of the business.

The EMT is in daily communication and meets formally fortnightly to discuss progress against set objectives, raise any concerns and potential risks to the business, business development, and performance against internal budgets. Any material concerns are raised and communicated to the Board and, where necessary, are discussed at scheduled Board meetings.

To facilitate the execution of the Group strategy, staff accountable for Malvern's business divisions and functional areas hold Monthly Business Review ('MBR') meetings, involving staff from each area, to report and review progress being made and key developments.

James Findley

Chief Operating Officer

Appointed in November 2024, James Findley leads strategic operations, driving growth, efficiency, and the development of new education centres. With a strong background in admissions, resource management and process optimisation, he ensures seamless operations that enhance student experiences and drive long-term success.

Previously, James held senior roles at Cambridge Education Group and Coventry University, spearheading operational improvements, scaling new learning centres and implementing strategies to enhance student recruitment and retention. He holds an Executive MBA from the University of Birmingham and a Law with Criminology degree from the University of Derby. A Chartered Manager Fellow (CMgr FCMI), he is also certified in PRINCE2 project management and NEBOSH health and safety.

Stephen Harvey

Chief Development Officer

Stephen Harvey is responsible for growing Malvern's global network of University and Higher Education partnerships.

With 40 years of successful teaching, research, policy, governance and senior management experience in the global education sectors, Stephen has held the positions of Non-Executive Director at Sannam S4, Founder and Global Managing Director of Cambridge Education Group's ONCAMPUS Higher Education Pathways Division, Head of Higher Education Advisory Services at KPMG UK, Project Manager UK Government Department for Education Strategy and Innovation Unit, and UK Managing Director of Study Group. He is currently a Trustee of Cumberland Lodge.

Ashleigh Veres

Senior Vice President University Recruitment and Partnerships

Ashleigh joined Malvern at 2019 with more than 15 years' experience in student recruitment, including at INTO Study. Ashleigh leads global partnership strategy and works closely with universities to grow international enrolment and strengthen student pathways. She has built and scaled recruitment operations across multiple markets and is passionate about helping institutions navigate change in an increasingly complex global education landscape. Known for her collaborative approach and practical insight, Ashleigh focuses on creating sustainable, student-centred international strategies that deliver long-term value for both universities and the students they serve.

Maya Frost

Marketing Director

Maya joined us in 2024 as Marketing Director, bringing a wealth of expertise to redefine our marketing strategy. With a sharp focus on our priorities in Pathways and ELT, she is driving brand enhancement and market expansion to fuel our growth ambitions.

With over 17 years' experience in marketing – specialising in digital strategy – Maya has held key roles at leading organisations, including Cambridge Education Group and the British Council. A recognised leader in international marketing and the Higher Education sector, she has spearheaded award-winning campaigns such as the Study UK campaign, which generated hundreds of millions of pounds in revenue. Her strategic vision and proven track record position her as a key force in elevating our brand and impact on a global scale.

Emiliano Sallustri

Managing Director of ELT

Emiliano is Malvern's strategic lead for the growth and development of our ELT division adult and junior centres ('Language in Action'). With a strong background in the travel language industry, Emiliano works closely with key sponsors and partners to ensure that we offer exciting and innovative learning opportunities for individuals and groups.

Emiliano was the co-founder of Language in Action brand of junior schools that came into the Malvern Group in 2019.

Kelly McGrath

MCIP, Head of HR

Kelly has over 15 years' HR experience and is Member of the Chartered Institute of Personnel Development. She is responsible for the development and delivery of the People Strategy. Kelly works with the Executive Management Team to define and deliver business growth plans. A true HR generalist and People Partner, Kelly gained experience within the Manufacturing and Aerospace industries before making the move to education, and supports all areas of the business, but is particularly passionate about people development and engagement.

Chairman's corporate governance statement

Dear Shareholder,

As Non-Executive Chairman, I am responsible for instilling high standards of corporate governance within the Group. It is my responsibility to ensure the effectiveness of the Board in all aspects, including good governance in dealing with all of our stakeholders. This includes ensuring that Board meetings are held in an open manner, that the Directors receive accurate, timely, and clear information, and allowing sufficient time for agenda items to be discussed. I am also responsible for ensuring the Group has effective communications with shareholders and relaying any shareholder concerns to fellow Directors.

The Board is committed to applying high standards of corporate governance and evolving them as the business grows. The Group has adopted the Quoted Companies Alliance Code ('QCA') 2023 to provide a framework against which to do this, it being the most appropriate recognised governance code for the size and structure of the Group.

Workings of the Board

The Directors consider seriously the effectiveness of the Board, its Committees, and individual performance. The Board is responsible for formulating, reviewing, and approving the Group's strategy, budgets, and corporate actions.

At the date of the report, the Board has four members, comprising two Non-Executive Directors and two Executive Directors. Biographies and roles of the Directors are set out on page 27.

The Directors believe that the Board as a whole has a range of commercial and professional skills which enable it to discharge its duties and responsibilities effectively. The independent Non-Executive Directors ensure that independent judgement is brought to Board discussions and decisions. All Directors are encouraged to use their independent judgement and to challenge all matters whether strategic or operational.

The Board meets formally at least twelve times a year with additional ad-hoc Board meetings as the business demands. The Board is responsible for setting and monitoring Group strategy, reviewing trading performance, and formulating policy on key issues. The time commitment formally required by the Group is an over-riding principle that each Director will devote as much time as is required to carry out the roles and responsibilities that the Director has agreed to take on.

There is a strong flow of communication between the Directors. Board meeting agendas are set in consultation with both the CEO and Chairman, with consideration being given to both standing agenda items and the strategic and operational needs of the business. Comprehensive Board papers are circulated well in advance of meetings, giving Directors ample time to review the documentation and enabling an effective meeting. Minutes are drawn up to reflect a true record of the discussions and decisions made. Resulting actions are tracked for appropriate delivery and follow up. The Board maintains close dialogue by email, telephone, and conference calls between scheduled meetings. The frequency of communications at Board level in 2024 was maintained at a similar level of the previous year. The Board was in regular consultation with regards to the Group's cash resources in order to monitor and manage cash outflows, implementing strict cash control measures and remaining in close contact with our debt provider.

The Non-Executive Directors ensure that their knowledge of best practices and regulatory developments including governance requirements is continually up to date by attending relevant seminars and conferences.

Attendance at meetings for the nine months ended 30 September 2025 ('the Period')

Director	Board meetings (9 meetings held)	Audit and Risk Committee (2 meetings held)	Nomination and Remuneration Committee (3 meetings held)
Mark Elliott	9	2	3
Alan Carroll	9	2	3
Richard Mace	9	—	—
Daniel Fisher	9	—	—

Key activities and strategic decisions made by the Board during the Period

- The Adult ELT business was exited after the Period end with the focus now being on growing the Pathways and Language in Action businesses. To facilitate this, a fundraise of £1.95m net of expenses was successfully completed in March 2026.
- On the recommendation of the Audit and Risk Management Committee, the Board approved the appointment of HaysMac LLP as the Group's auditor in October 2025 to conduct the external audit of the Group's financial statements for the nine months ended 30 September 2025.

Strategy and risk management

A description of the Group's strategic priorities and business model can be found on pages 12 and 16 and the key challenges in their execution are detailed in the Chairman's Statement on page 3 and Operating Review on page 10. The Board is responsible for establishing and maintaining the Group's systems of internal financial controls and importance is placed on maintaining robust operational controls.

The Audit and Risk Management Committee (see page 41) has responsibility for the oversight of the Group's risk management, internal controls and procedures, and for determining the adequacy and efficiency of internal control and risk management systems. The Board continuously monitors and upgrades its internal control procedures and risk management mechanisms and conducts an annual review to assess their effectiveness. This process enables the Board to determine if the risk exposure has changed during the year and these disclosures are included in the Annual Report. In setting and implementing the Group's strategies, the Board, having identified the risks, seeks to limit the extent of the Group's exposure to them having regard to both its risk tolerance and risk appetite. Further details on the Group's risk management and internal controls can be found on pages 21 to 23.

Matters reserved for the Board

The Board has a formal schedule of matters reserved for its specific approval which includes:

- Strategy and management: review and approval of long-term Group strategic, operational, and financial matters such as proposed acquisitions and divestments.
- Financial reporting: approval of the annual accounts and Interim Report, the annual budget, significant transactions, major capital expenditure.
- Internal controls: ensuring maintenance of a sound system of internal control and risk management.
- Finance: raising new capital or major financing facilities, operating and capital expenditure budgets.
- Communications: approval of resolutions put forward to shareholders, approval of circulars, and approval of press releases concerning matters decided by the Board.
- Board membership and other appointments.
- Delegation of authority: division of responsibilities between the Chairman, CEO and CFO, including the CEO's and CFO's authority limits and the establishment of Board committees and approval of terms of reference of Board committees.

The Board delegates specific responsibilities to two Committees:

- The Audit and Risk Management Committee.
- The Nomination and Remuneration Committee.

Both committees have formal written terms of reference. These terms of reference are available on the Group's website.

The Audit and Risk Management Committee

The Audit and Risk Management Committee comprises the two Non-Executive Directors, Mark Elliott (Chairman) and Alan Carroll. The Committee meets at least three times a year. Details of the responsibilities of the Committee are set out on page 41. Where necessary, specialist external consultants are used to assist the Committee. The Audit and Risk Management Committee report is set out on page 41.

The Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises the two Non-Executive Directors, Mark Elliott and Alan Carroll (Chairman). Details of the Committee's responsibilities are set out on page 38. Where necessary, external recruitment consultants assist the Committee. The Committee report is set out on pages 38 to 40.

Election and re-election of Directors

All Directors submit themselves for re-election each year at the Annual General Meeting, as set out in the Directors' Report on page 34 and in the separate Notice of Annual General Meeting sent to all shareholders.

Board evaluation

A Board evaluation process led by the Chairman takes place at least annually. It consists of informal discussions relating to contributions made, roles to be fulfilled and effectiveness in a number of areas including general supervision and oversight, business risks and trends, succession and related matters, communications, ethics and compliance, corporate governance and individual contribution.

We have considered the use of external facilitators in Board evaluations, however based on our current scale of operations and the frequent contact that exists between all Board members maintaining our current approach is considered the more appropriate and effective form of evaluation.

Chairman's corporate governance statement continued

Succession planning

As the business expands, the Executive Directors will be challenged to identify internal candidates who could occupy Board positions and to set out development plans for these individuals. The Group has a succession plan for senior leaders as part of a wider Talent Plan. Any roles that cannot be filled internally will be recruited from outside the organisation. Benchmarking and labour market reviews are conducted to support recruitment, if and when necessary.

Corporate culture and social responsibility

The Board recognises that its decisions regarding strategy and risk will impact the Group's corporate culture as a whole and, therefore, its performance. The Board is aware that the tone and culture it sets greatly impact all aspects of the Group and the way that employees behave.

The corporate governance arrangements that the Board has adopted are designed to ensure that shareholders can express their views and expectations for the Group in a manner that encourages open dialogue with the Board.

The Group's activities are centred on addressing customer needs. Therefore, sound ethical values and behaviours, as well as open and respectful dialogue with employees, customers, and other stakeholders, are crucial to the Group's success in achieving its corporate objectives. The Board places great importance on these aspects of corporate governance and seeks to ensure that they flow through all the Group's activities.

The Board assesses the Group's culture as one that respects all individuals, encourages open dialogue across all levels of staff, and is committed to providing the best possible service to the Group's customers.

The Group is committed to ensuring that the highest-quality teaching and educational standards are embedded in the services it provides. The Group provides the highest service standards to maintain long-term partnerships with its customers and sales agents. This is reflected in the growth of the customer base and in the ability to maintain existing partnerships and form new ones that support the business's overall growth.

The Group has a range of policies to ensure these standards are maintained and that the Group's corporate culture is well understood by all individuals and adopted into everyday behaviours. These policies form part of the Group's Employee Handbook and are updated and reviewed regularly.

Details on corporate social responsibility are on page 36.

Internal controls

The Directors are responsible for the Group's system of internal control and for reviewing its effectiveness. Internal control systems and procedures are reviewed annually and are designed to meet the needs of the Group and the risks to which it is exposed. The procedures are designed to manage, rather than eliminate, the risks faced by the Group, and can only provide reasonable, not absolute, assurance against material misstatement or loss. The key procedures which the Directors have established with a view to providing effective internal controls are as follows:

Management structure and delegated authority

Authority is delegated to the Executive Management Team ('EMT') through Group authorisation limits on a structured basis, ensuring that proper management oversight exists at the appropriate level. The composition of the EMT with biographies can be found on page 28. EMT meetings are held fortnightly and are attended by other senior management members as required. Regular updates are provided by the heads of divisions and operations. Any key issues from these meetings are reported to the Group Board.

Control environment

The Group's control environment is the responsibility of the Directors and managers at all levels. A review of the key risks facing the business and the effectiveness of the Group's internal controls is performed annually.

Monitoring systems used by the Board

The Board reviews the Group's performance against budgets on a monthly basis. The Group's cash flow is monitored monthly by the Board.

Shareholder communications

The Board attaches great importance to providing shareholders with clear and transparent information on the Group's activities, strategy, and financial position, and regards regular communications with shareholders as one of its key responsibilities. The Group is committed to engaging with shareholders, and the Chairman and CEO lead this effort.

A clearly laid-out investor relationship strategy is in place. The primary communication tool with shareholders is the Regulatory News Service ('RNS') on regulatory matters and matters of material substance.

The Group's website provides details of the Group's Annual Report and Notices of Annual General Meetings ('AGM') are available to all shareholders along with the Interim Report and investor presentations.

To gauge shareholder sentiment, the Group typically meets with the key shareholders every six months, normally at the time of the final and interim results and when necessary.

The Board is aware of the need to protect the interests of minority shareholders and balancing these interests with those of more substantial shareholders. The Company holds an open Q&A session at every AGM and encourages all existing and potential shareholders to contact Board members at other times of the year. This communication allows the Board to understand shareholders' views, and to ensure that the strategies and objectives of the Group are aligned with shareholders. In its decision-making, the Board has regard to the ascertained expectations and needs of its shareholders in accordance with its Statutory and fiduciary duties.

The Company welcomes shareholder contact at any time, and contact details can be found on the website at www.malverninternational.com

Mark Elliott
Chairman

2 March 2026

Directors' report

The Directors present their report and the audited accounts for the nine months ended 30 September 2025.

The principal activities of Malvern International Plc are to provide quality education services, preparing students and learners to meet the demands of a professional life. Courses are delivered in the UK and focus on preparing students for higher education and English language teaching.

A detailed explanation of the Company's principal activities can be found on pages 4 to 9.

Business model

The Company's business model is to:

- Form long-term partnerships with higher education institutions to deliver Pathway pre-university foundation classes on behalf of its partners. We aim to offer our services more efficiently than our partners can themselves.
- Provide short immersive English language and cultural camps for young learners.

We compete in the market by offering excellent quality and competitively priced education. The Company's growth is driven by organic growth through the acquisition of new customers and, when appropriate, acquiring established businesses operating in the same or related markets.

Additional details of the Company's business model can be found on page 16. The Company benefits from operating in a market which has long-term growth prospects. More information on our markets can be found on page 14.

Strategic priorities

As a global learning and skills development partner, the Group's vision is to invest in and develop its operating businesses in the education sector, to establish centres of excellence, and to deliver long-term growth and sustainable profit.

Each year the Board and management set strategic priorities, and monitors performance against them throughout the year. The strategy and strategic priorities are set out on page 12.

Review of the business and future developments

A review of the business and its outlook, including commentary on the key performance indicators can be found in the Strategic Report on pages 2 to 25. The principal risks and uncertainties facing the Company are included on page 22. The Company's social, environmental and ethical policies are set out in the Chairman's Corporate Governance Statement on page 32. A summary of the outlook for the Group is given within the Chairman's Statement on page 3 and in the operating review on page 11.

Group results

The Group Underlying profit after taxation for the Period was £0.09m (FY2024: Underlying loss £0.13m). The Group Statutory loss after taxation for the Period was £1.29m (FY2024: Statutory loss £0.15m).

Dividends

The Directors do not recommend a dividend (FY2024: nil).

Capital structure

The Company has ordinary shares of 1 pence and deferred shares of 5 pence, 1 pence and 0.1 pence in issue. The shares are listed on AIM, a sub-market of the London Stock Exchange. Holders of ordinary shares are entitled to vote at Company meetings, to receive dividends and to the return of their capital in the event of liquidation.

Holders of deferred shares have limited rights. Limitations on the rights of deferred shares include no entitlement to vote at general meetings and deferred shares are not freely transferable.

Going concern

The financial statements have been prepared on a going concern basis. The Directors consider the going concern basis to be appropriate, having paid due regard to the Group and Company's projected results during the twelve months from the date the financial statements are approved and the anticipated cash flows, availability of loan facilities and mitigating actions that can be taken during that period.

The Group produced an Underlying profit for the 9 months to 30 September 2025 of £0.09m (FY2024: Underlying loss £0.13m).

Growth Lending (formerly BOOST&Co) is the Group's Term Loan provider. The current debt in Malvern International Plc's accounts is £1.45m. Growth Lending Limited, acting on behalf of IL2 (2018) Sarl, has again provided a letter of comfort to provide ongoing financial support to the Company for any short-term working capital requirements should it become necessary. It is the present policy of Growth Lending to ensure that the Company has adequate financial resources to meet its obligations and to continue as a going concern for at least 12 months from the date of signing the financial statements.

The Company has not required any cash from Growth Lending or shareholders in the past three years, highlighting the Company's ability to cover its liabilities and historical debts with operating cash flow. Current forecasts indicate that the Company will not require further funding in the next 12 months.

Revenue growth continued in 2025, ending the 9-month period to September 2025 at circa 96% of the preceding 12-month period in 2024. Three new Pathway partnerships were signed in 2025, and one post Period end in January 2026, with the first intake of students for two of these partnerships due in September 2025, the third partnership in January 2026 and finally, the most recent partnership signed will start in September 2026. In all four partnerships, Malvern will collect cash directly from the students. The visibility of University Pathways revenue in FY2026 gives the Board confidence in Malvern's short and long-term prospects.

Despite recruitment restrictions in the Pakistan market for our Pathway division due to concerns about visa refusals and student withdrawals, student numbers are up by circa 10% compared with the prior academic year (September 25 vs. September 2024), reflecting the significant investment in this division. Our Junior summer camps continue to experience growth despite a downturn in Chinese students across the industry, delivering £6.46m (FY2024: £6.03m) in revenue to the Group. Pre-bookings for FY2026 summer camps are very encouraging, and revenue growth is expected to follow.

Increased investment in the Pathways division and the start-up cost of the new Pathway partnerships are expected to result in a loss in FY2026. Future profit and cash flow projections indicate that the Company is expected to return to profitability in FY2027. Significant improvements in cash flows are expected to follow. The long term 5 to 15-year Pathway contracts give the Directors comfort to continue adopting the going concern basis in preparing the financial statements.

To help the Company accelerate the growth of the Pathways division, reshape the ELT division and to provide additional working capital to cover cash flow seasonality, the Company is undertaking a fundraise. This fundraise has generated £1.95m in new cash and will be finalised in March 2026.

UK and global macroeconomic factors continue to create some uncertainty in the Group's forecasts. Despite this, significant revenue growth was achieved in 2025 and is expected to continue through FY2026. The security of the four new long-term Pathway contracts and the continued commitment from the Group's lenders, in the form of a letter of support, provide the Group with confidence in respect of future funding.

Subsequent events

Details of subsequent events can be found in note 28 of the financial statements.

Directors

Biographical information for each of the Directors is set out on page 27, together with details of the date of appointment, membership of Board committees and any external appointments.

The Company's Articles of Association require that each Director retire from office and seek re-election after the general meeting at which they were last appointed and every year thereafter.

Directors' interests in shares

The Directors' beneficial interests in the ordinary share capital of the Company are set out within the remuneration report on page 40.

Significant shareholders

As at 30 September 2025 the Company was aware of the following major shareholders representing 3% or more of voting rights attached to the issued ordinary share capital of the Company.

	Number of ordinary shares 1p	Percentage held
Edward Roskill	4,205,197	17.20%
Chris Woodgate	2,695,227	11.03%
Lombard Odier Asset Management (Europe) Limited	2,601,018	10.64%
Richard Mace	1,844,802	7.55%
Spreadex LTD	831,174	3.40%
Alan Carroll	751,826	3.08%

Directors' report continued

Directors' and officers' liability insurance and indemnity

The Company has purchased insurance to cover its Directors and officers against their costs in defending themselves in any legal proceedings taken against them in that capacity and in respect of damages resulting from the unsuccessful defence of any proceedings.

Corporate social responsibility

The Directors are aware of the Company's responsibilities to the communities within which they operate and are keen to adopt a proactive approach towards community education-driven initiatives, particularly where they involve the education of those less fortunate members of the respective communities. Following the closure of Adult ELT, Malvern is exploring ways to continue providing access to education to these groups.

The Group's responsibilities to stakeholders including staff, suppliers, shareholders and customers and wider society are also recognised. The Board has regard to the feedback of all stakeholders in its decision-making and the formulation of strategy.

The environmental impact of the Group's activities is carefully considered, and the maintenance of high environmental standards is a priority.

CSR Champions are appointed at each site to drive activities, supported by HR and the Executive Management Team. Trackers are in place to monitor progress against objectives.

Political donations

There were no political donations made by the Group during the Period (FY2024: nil).

Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent company financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK adopted international accounting standards and applicable law.

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

In preparing each of the Group and parent company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Group and parent company financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and parent company will continue in business.

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

The Directors are responsible for safeguarding the assets of the Group and the parent company and, accordingly, for taking reasonable steps to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report and a Directors' Report that complies with that law and those regulations.

The Directors are responsible for ensuring that the Annual Report and financial statements are made available on the Company's website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions.

Auditor

HaysMac LLP is the Company's appointed external auditor and responsible for auditing the Company's financial statements for the nine months ended 30 September 2025. See page 43 for more information.

Statement of disclosure to the Independent Auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that so far as that Director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware. Each Director has confirmed that they have taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Annual General Meeting

The resolutions to be proposed at the Annual General Meeting will appear in the Notice of the Annual General Meeting together with the explanatory notes. This will be circulated with the Annual Report when sent to all shareholders.

ON BEHALF OF THE BOARD

Mark Elliott
Chairman

2 March 2026

Mark Elliott

Nomination and Remuneration Committee report

The Nomination and Remuneration Committee ('the Committee') is a standing committee of the Board of the Company and comprises two Non-Executive Directors, Alan Carroll (Chairman) and Mark Elliott.

The Committee's primary objectives are to ensure that remuneration arrangements are aligned with the strategy and culture of the Company and its subsidiaries. To this end, it ensures the Company's remuneration policy encourages and rewards performance against strategic priorities, as well as the right behaviours, values, and culture.

The Committee also ensures a robust process for appointing new Board Directors and senior management. It works closely with the Company's Board of Directors and external advisers to identify the skills, experience, personal qualities and capabilities required for the next stage in the Company's development, linking the Company's strategy to future changes on the Board.

Within the terms of reference for the Nomination and Remuneration Committee, as approved by the Board, the responsibilities of the Committee are as follows:

- To consider the nomination and appointment, remuneration and bonus plans of the Group CEO and Group CFO.
- To review any letter of resignation from the Group CEO or Directors of the Company, and any questions of resignation or dismissal.
- To review whether there is reason (supported by grounds) to believe that the Senior Managers of the Group are not suitable for continued employment.
- To review the statement with regard to the Remuneration and Nomination polices of the Group for inclusion in the Annual Report and report the same to the Board.
- To consider any other functions as may be agreed between the Committee and the Board.
- To review the Board and Board committees' effectiveness. The Committee members keep themselves fully informed of all relevant developments and best practice by reference to the QCA's Remuneration Committee guide.

Attendance at meetings

Details of attendance at meetings by the committee members during the Period can be found on page 30.

Matters considered during the nine months ended 30 September 2025.

During the Period, the Committee considered the following matters:

- The issuance of share options to key staff as part of the Group incentive plan.
- Review of Executive Director remuneration.

Remuneration policy

Malvern aims to recruit, motivate, and retain high-calibre executives capable of achieving the objectives of the Group and to encourage and reward appropriate superior performance in a manner that enhances shareholder value.

The Company operates a remuneration policy which ensures that there is a clear link to the delivery of the Company's purpose, business model, strategy and culture, as well as close alignment with shareholder interests and current best practice.

The policy aims to ensure that senior executives are rewarded fairly for, and commensurate to, their respective individual contributions to the Group's performance. The Directors continue to focus on the Group's short, medium, and longer-term commercial viability. Remuneration has been set at levels consistent with achieving this aim. Overall remuneration is below market average for those charged with ensuring the success of the Group's transition from a position of a continuum of losses to one of consistent and growing profitability, and will be subject to regular review as the Group achieves its targets. Despite positive progress in Pathways and Juniors for FY2024 the overall Group loss sustained as a result of under performance in English language teaching has resulted in no bonus being paid to Executive Directors this year.

As a consequence of the continuing losses within Adult ELT, and the poor prospects in this market, following extensive review the Company is in the process of exiting this area to concentrate all activity in the Pathways and Juniors domains. Going forward, remuneration policy will be strongly aligned with measured success in this transition, continuing to use revenue and profit growth as the principal factors in guidance.

Salary increases for FY2026 for Board members will be in line with those of the great majority of Malvern staff at 2.5% with the exception of the CFO, Daniel Fisher, at 10%. Details of remuneration for Executive and Non-Executive Directors are set out below.

Consistent with the QCA Code 2023, the Directors' remuneration report is voted on annually at the AGM. Additionally, the Directors' remuneration policy will be put to vote every three years commencing with the 2026 AGM. It should be noted that in both instances the vote is of advisory status and not binding.

Non-Executive Directors' remuneration

The Board determines the remuneration of all Independent Non-Executive Directors, with the fees being set at a level to attract individuals with the necessary experience and ability to contribute to the Group. Details of all emoluments paid to Non-Executive Directors of the Company are set out on page 40. Remuneration details are set out below.

The Non-Executive Directors do not receive bonuses and are entitled to be reimbursed for reasonable expenses incurred by them in carrying out their duties as Directors of the Company.

The Board, with the assistance of the Nomination and Remuneration Committee, reviews the remuneration level of Non-Executive Directors on an annual basis to ensure it remains competitive in attracting suitable talent. All Board appointments are made subject to the Company's Articles of Association.

Directors' service contracts

Contractual arrangements for Directors are as follows:

	Contract date	Notice period
Richard Mace	30 June 2020	6 months
Daniel Fisher	6 December 2021	6 months

Contractual arrangements for Non-Executive Directors are as follows:

	Date of letter of appointment	Notice period
Mark Elliott	1 July 2019	3 months
Alan Carroll	2 October 2019	3 months

All Directors are subject to re-election at the AGM every year.

Other than the notice periods afforded to the Directors, there are no special provisions for compensation in the event of loss of office. The Remuneration Committee considers the circumstances of individual cases of early termination and determines compensation payments accordingly.

Directors' remuneration

Details of individual Directors' emoluments and remuneration who served in 2025 are as follows:

	Salary and fees £	Share-based payments £	Total 9 months ended 30 September 2025 £	Total 12 months ended 31 December 2025 £	Total 12 months ended 31 December 2024 £
Executive					
Richard Mace	105,000	329	105,329	140,329	140,445
Daniel Fisher	84,975	464	85,439	113,764	110,575
Non-executive					
Alan Carroll	34,763	—	34,763	46,350	45,000
Mark Elliott	54,075	—	54,075	72,100	70,000
Total	278,813	793	279,606	372,543	366,020

Nomination and Remuneration Committee report continued

Share option scheme

In order to retain, incentivise and align the interests of employees with certain performance targets and strategic goals, the Company introduced an EMI share option scheme in 2020. All options are settled in equity, automatically lapse five years after the date of grant and generally lapse if an option holder ceases to be a Company employee.

The Company awarded 150,000 ordinary shares of 1 pence each in the capital of the Company, pursuant to the Company's EMI share option scheme (the 'EMI Options') to certain employees during the year. The EMI Options granted, when added to the previously granted EMI Options of 2,246,934, represent 8.80% of the existing issued share capital of the Company.

As at 30 September 2025, options under these schemes, including those held by Directors, were outstanding over:

	Number of options	Weighted average strike price
Outstanding as of 1 January 2025	2,246,934	19.70p
Granted during the Period	150,000	20p
Exercised during the Period	—	—
Forfeited during the Period	(244,434)	—
Outstanding as of 30 September 2025	2,152,500	19.94p
Exercisable	—	—

Executive Directors' remuneration for FY2026

	Salary/Bonus £
Richard Mace	143,500
Daniel Fisher	125,000

Bonus to be awarded on achievement of budgeted revenue and profit targets.

Non-Executive Directors' annual fees for FY2026

	Fees £
Mark Elliott	73,903
Alan Carroll	47,509

Directors' interest in shares

The beneficial interests of the Directors who served during the Period and their families in the ordinary share capital of the Company are shown below:

Direct interests

	At 1 January 2025	At 30 September 2025
Richard Mace	1,775,802	1,775,802
Alan Carroll	487,300	487,300
Mark Elliott	582,277	582,277
Daniel Fisher	68,750	68,750

Indirect interests

	At 1 January 2025	At 30 September 2025
Marzena Mace	69,000	69,000
Louise Carroll	264,526	264,526

Alan Carroll
Non-Executive Director

2 March 2026

Audit and Risk Management Committee report

The Audit and Risk Committee ('the Committee') is a sub-committee of the Board and comprises two Non-Executive Directors, with Mark Elliott as Chairman.

The Committee meets at least three times a year. The external auditor and Executive Directors attend when appropriate at the invitation of the Committee. The External Auditor meets separately with the Committee on request, without the presence of the Executive Directors, to ensure open communication. The primary objectives of the Committee are to assist the Board in discharging its Statutory duties and responsibilities relating to the accounting and financial reporting practices of the Group and to assist the Board in their responsibilities to identify, assess, and monitor key business risks to mitigate adverse impacts on achieving strategic objectives with a view to safeguard shareholders' investments and the Group's assets. In addition, the Committee assists the Board in:

- Complying with specified accounting standards and required disclosure as administered by AIM, relevant accounting standards bodies, and any other laws and regulations as amended from time to time.
- Presenting a balanced and understandable assessment of the Group's position and prospects.
- Establishing a formal and transparent arrangement for maintaining an appropriate relationship with the Company's auditor, and overseeing and appraising the quality of audit conducted by the Company's External Auditor and reviewing the independence of the External Auditor.
- Determining the adequacy of the Group's administrative, operating, accounting, and financial controls and internal controls.

Attendance at meetings

Attendance at the meetings can be found in the table on page 30.

External Auditor

After four years of service by Cooper Parry Group Limited (Cooper Parry), the Committee undertook a review of its services, including non-audit work, provided by the external auditor. The Committee subsequently decided to initiate a tender process to ensure that its audit partner provides an appropriate balance between audit quality, objectivity and independence, and cost-effective services. As a result, and on the recommendation of the Committee, the Board approved the appointment of HaysMac LLP as its auditor in October 2025 to conduct the external audit of the Company's financial statements for the nine months ended 30 September 2025.

The Committee would like to thank Cooper Parry for its professional service to the Group throughout its tenure in office.

Significant issues relating to the financial statements and Board reporting

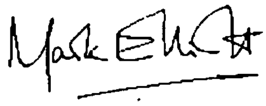
The Audit Committee reviewed the following issues for the year under review:

- Review of the information provided to the monthly Board meetings.
- Reviewed the Annual and Interim Report and financial statements of the Group, and the clarity of disclosures made.
- Reviewed the Group's risk register, adding the failure to meet student volume targets and progression rates to the principal risks in light of new contracts awarded during the Period.
- Considered a change to the Company's financial reporting date from 31 December to 30 September, to align with Malvern's financial reporting calendar with the UK university academic year, enabling a clearer assessment of the operating and financial performance of University Partnerships. This change was made subsequently post Period end.
- Oversaw the transition to the newly appointed external auditor, including a review of the external auditor's audit plan in relation to the nine months ended 30 September 2025.
- Reviewed the External Auditor's findings during the audit in relation to the nine months ended 30 September 2025.

Going concern

The Committee reviewed forecasts and analysis prepared by executive management in support of the going concern statement and agreed with management's approach and findings.

Mark Elliott
Chairman



2 March 2026

Financial statements

In this section

Independent Auditor's report to the members of Malvern International Plc

Opinion

We have audited the financial statements of Malvern International Plc (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 September 2025 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards ('IFRS').

In our opinion, the financial statements:

- give a true and fair view of the state of the parent company's affairs as at 30 September 2025 and of the group's loss for the period then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

An overview of the scope of our audit

The group comprises a parent holding company and two principal trading subsidiaries within the UK. The scope of our work was the full scope audit of the financial statements of the group and its subsidiaries. The scope of the audit and our audit strategy was developed by using our audit planning process to obtain and update our understanding of the group, its activities, its internal control environment, current, and where relevant to our audit, likely future developments in order to identify and assess the risks of material misstatement of the group financial statements.

Our audit testing was informed by this understanding of the group and accordingly was designed to focus on areas where we assessed there to be significant risks of material misstatement.

Audit work to respond to the assessed risks was performed directly by the audit engagement team who performed full scope audit procedures on the parent company and the group as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the significant judgements made by management in concluding that there is no material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern referred to in the Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditor's report continued

Key Audit Matter	How the scope of our audit responded to the key audit matter
Fraud in revenue recognition The group has a number of related revenue streams detailed in note xvi of the accounting policies section. There is a difference between the timing of payments for courses and the provision of services giving rise to recognition of deferred income and potential for manipulation and/or error in the recognition of revenue.	We obtained an understanding of the various related revenue streams and walked through the relevant systems and processes including assessing and validating the point at which revenue is recognised when performance obligations were fulfilled, in accordance with the requirements of IFRS 15. We challenged management's judgements in the application of revenue recognition accordingly. We tested a sample of course bookings throughout the year from the booking system through to recording in the accounts and reperformed calculations of the expected deferred income balance. For university pathway revenue we obtained a list of students from each cohort estimating the revenue relating to that cohort based on course price and duration of the course. For other revenue streams, where applicable we performed substantive testing for a sample of transactions to test for occurrence in the year and also for cut-off testing to ensure revenue had been recognised in the correct period. This included testing of the deferred and accrued income balances specifically. Our procedures did not identify any material misstatements in the revenue recognised in the year.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken based on the financial statements. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take into account the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

We consider revenue to be the financial metric of most interest to shareholders and other users of the financial statements. Accordingly, we used revenue for the year as the basis of setting planning materiality. Our planning materiality was initially determined based on forecast revenue and was subsequently updated based on the actual year-end revenue.

Materiality for the financial statements as a whole for the group was set at £229,000, determined by reference to 1.5% of revenue, which we considered was within a suitable range for calculating materiality using revenue as the benchmark. Revenue was considered the appropriate basis given the nature of this entity being a growth focussed, turnover-based business. Materiality for the parent company audit was set at £42,000 based on 2.5% of total assets, before the impairment of investment in subsidiary. This was considered the appropriate basis given the parent company's purpose is to act as a holding company with investments in trading subsidiaries.

Performance materiality is the application of materiality at the individual account or balance level set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality for the group was set at £149,000 being 65% of overall materiality. In determining performance materiality, we considered various factors including our knowledge of the group and its environment, taking account of it being the first year we are acting as auditors. Performance materiality for the parent company was similarly calculated as 65% of overall materiality, being £27,500.

We agreed with those charged with governance that we would report all individual audit differences identified during the course of our audit in excess of £11,400. We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

In addition to the key audit matters highlighted above in our report, going concern was also considered to be a key audit matter within our audit. Our audit procedures to evaluate the directors' assessment of the Group's and Company's ability to continue to adopt the going concern basis of accounting included, but were not limited to:

- We obtained and reviewed management forecasts and critically examined the estimates and judgements used in their preparation.
- This included a consideration of the historic accuracy of the budgeting process as well as sensitivity analysis on key assumptions built into the forecasts.
- We sought corroborating evidence for any significant assertions made by management and challenged management with any contradictory evidence that existed.
- We have reviewed evidence of funds being received in to the bank from the fundraise that has taken place post year end that has been included within management's forecasts.
- A letter of comfort was provided by Boost&Co, who are the company that have provided the group with the non-current loan liability. This letter confirms that the company will continue to provide the group with the necessary support to meet their obligations going forward.

Our evaluation of the director's assessment of the entity's ability to continue to adopt the going concern basis of accounting included consideration of the inherent risks to the Group and Company's business model and reviewed the directors' assessment of how those risks affect the Group and Company's financial resources or ability to continue operations over the period of at least 12 months from when the financial statements are authorised for issue. We considered the likely cash inflows and cash outflows over that period and assessed the risk that the Group and Company would be unable to meet its liabilities as they fall due. We scrutinised the reasonableness of assumptions applied to the cash flow forecasts and sensitised such forecasts against various scenarios. We have considered post balance sheet date performance and other wider factors in concluding our assessment.

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 and the company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

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

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Independent Auditor's report continued

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 36, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the company and trade regulations 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 preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and value added tax.

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 revenue and cut off and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- For a sample of revenue transactions, we performed tests of detail and vouched the relevant attributes to supporting documentation to satisfy ourselves of the occurrence and measurement of revenue
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing accounting journal entries, in particular those journal entries which exhibited the characteristics we had identified as possible indicators of irregularities;
- Vouched a sample of transactions in the last month of the year to supporting documentation to confirm revenue was recorded in the correct period; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

HaysMac LLP

Gareth Ogden
(Senior Statutory Auditor)
For and on behalf of HaysMac LLP, Statutory Auditors
2 March 2026

10 Queen Street Place
London
EC4R 1AG

Consolidated statement of comprehensive income

	Note	9 months ended 30 September 2025 Underlying £	9 months ended 30 September 2025 Non-Underlying £	9 months ended 30 September 2025 Statutory £	12 months ended 31 December 2024 Underlying £	12 months ended 31 December 2024 Non-Underlying £	12 months ended 31 December 2024 Statutory £
Revenue							
Sale of services	4	**14,119,540**	—	**14,119,540**	14,741,924	316	14,742,240
University commission income	4	**1,132,480**	—	**1,132,480**	1,890,258	—	1,890,258
Total revenue		**15,252,020**	—	**15,252,020**	16,632,182	316	16,632,498
Cost of sales							
Cost of services sold		**(7,516,385)**	**(7,671)**	**(7,524,056)**	(7,719,088)	16,034	(7,703,054)
University commission expense		**(1,157,119)**	**13,273**	**(1,143,846)**	(1,848,132)	20,180	(1,827,952)
Total cost of sales		**(8,673,504)**	**5,602**	**(8,667,902)**	(9,567,220)	36,214	(9,531,006)
Gross profit		**6,578,516**	**5,602**	**6,584,118**	7,064,962	36,530	7,101,492
Other income	5	**173,178**	—	**173,178**	136,017	—	136,017
Administrative expenses							
Salaries and employee benefits	6	**(3,736,128)**	**(37,007)**	**(3,773,135)**	(3,894,221)	(47,369)	(3,941,590)
Depreciation and amortisation of asset	12	**(247,798)**	—	**(247,798)**	(317,431)	884	(316,547)
Impairment of goodwill	11 (e)	—	**(1,419,350)**	**(1,419,350)**	—	—	—
Other operating expenses	8	**(2,386,724)**	**63,341**	**(2,323,383)**	(2,764,877)	(719)	(2,765,596)
Total administrative expenses		**(6,370,650)**	**(1,393,016)**	**(7,763,666)**	(6,976,529)	(47,204)	(7,023,733)
Operating profit/(loss)		**381,044**	**(1,387,414)**	**(1,006,370)**	224,450	(10,674)	213,776
Finance costs	7	**(284,829)**	—	**(284,829)**	(355,134)	(3,696)	(358,830)
Profit/(loss) before tax		**96,215**	**(1,387,414)**	**(1,291,199)**	(130,684)	(14,370)	(145,054)
Income tax charge		**(5,240)**	—	**(5,240)**	—	(6,077)	(6,077)
Profit/(loss) for the Period being total comprehensive income/(expenses) attributable to owners of the parent		**90,975**	**(1,387,414)**	**(1,296,439)**	(130,684)	(20,447)	(151,131)
Total comprehensive income/(expense) for the Period		**90,975**	**(1,387,414)**	**(1,296,439)**	(130,684)	(20,447)	(151,131)
Attributable to:							
Equity holders of the parent		**90,975**	**(1,387,414)**	**(1,296,439)**	(130,684)	(20,447)	(151,131)
Profit/(loss) per share attributed to equity holders of the Company (in pence)							
Basic	10	**0.39**	**(5.68)**	**(5.29)**	(0.53)	(0.06)	(0.59)
Diluted	10	**0.39**	**(5.68)**	**(5.29)**	(0.53)	(0.06)	(0.59)

The notes on pages 54 to 81 form an integral part of these financial statements.

Consolidated and Company statement of financial position

	Note	**Group 9 months ended 30 September 2025 £**	Group 12 months ended 31 December 2024 £	**Company 9 months ended 30 September 2025 £**	Company 12 months ended 31 December 2024 £
TOTAL ASSETS					
Non-current assets					
Property, plant, and equipment	12	**123,215**	71,525	—	—
Intangible asset	13	**76,139**	16,080	—	—
Goodwill	15	—	1,419,350	—	—
Investment in subsidiaries	14	—	—	**107,155**	1,419,350
Right-of-use assets	12	**1,266,698**	1,406,850	—	—
Total non-current assets		**1,466,052**	2,913,805	**107,155**	1,419,350
Current assets					
Inventories		**36,016**	19,625	—	—
Trade receivables	16	**373,847**	791,743	—	—
Other receivables and prepayments	17	**2,766,460**	1,565,947	**161,313**	131,736
Amounts due from subsidiaries		—	—	**8,749**	—
Cash and cash equivalents	18	**1,893,357**	1,391,605	**6,153**	4,733
Total current assets		**5,069,680**	3,768,920	**176,215**	136,469
Total assets		**6,535,732**	6,682,725	**283,370**	1,555,819
EQUITY AND LIABILITIES					
Non-current liabilities					
Term Loan	22	**794,699**	1,023,238	**772,259**	992,282
Warrants	22	**290,622**	353,963	**290,622**	353,963
Lease liabilities	22	**1,242,290**	1,532,549	—	—
Deferred tax liability	9	**5,240**	—	—	—
Total non-current liabilities		**2,332,851**	2,909,750	**1,062,881**	1,346,245
Current liabilities					
Trade payables	19	**730,234**	1,462,756	**99,199**	88,310
Contract liabilities	20	**3,424,907**	3,080,256	—	—
Other payables and accruals	21	**4,066,899**	1,899,193	**327,919**	292,755
Amounts due to subsidiary		—	—	**7,320,816**	5,772,490
Lease liabilities	22	**613,782**	563,460	—	—
Term Loan	22	**556,445**	670,763	**542,813**	653,516
Total current liabilities		**9,392,267**	7,676,428	**8,290,747**	6,807,071
Total liabilities		**11,725,118**	10,586,178	**9,353,628**	8,153,316
Equity attributable to equity holders of the Company					
Share capital	23	**11,323,899**	11,323,899	**11,323,899**	11,323,899
Share premium	24	**6,797,950**	6,797,950	**6,797,950**	6,797,950
Other reserves		**30,624**	17,141	**30,624**	17,141
Retained earnings	24	**(23,338,882)**	(22,042,443)	**(27,222,731)**	(24,736,487)
Translation reserve		**(2,977)**	—	—	—
Total equity		**(5,189,386)**	(3,903,453)	**(9,070,258)**	(6,597,497)
Total equity and liabilities		**6,535,732**	6,682,725	**283,370**	1,555,819

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's loss for the Period amounted to £2,486,244 (FY2024: £2,042,440).

The notes on pages 54 to 81 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 2 March 2026 and were signed on its behalf by:

Richard Mace
Director

Consolidated statement of changes in equity

	Share capital £	Share premium £	Retained earnings £	Translation reserve* £	Other reserves £	Total £
Balance at 1 January 2024	**11,323,899**	**6,797,950**	**(21,895,871)**	**—**	**12,190**	**(3,761,832)**
Total comprehensive expense for the year	—	—	(151,131)	—	—	(151,131)
Deferred tax	—	—	4,559	—	—	4,559
Share option expense (EMI Options)	—	—	—	—	4,951	4,951
Balance at 31 December 2024	**11,323,899**	**6,797,950**	**(22,042,443)**	**—**	**17,141**	**(3,903,453)**
Total comprehensive expense for the Period	—	—	(1,296,439)	—	—	(1,296,439)
Foreign exchange translation differences	—	—	—	(2,977)	—	(2,977)
Share option expense (EMI Options)	—	—	—	—	13,483	13,483
Balance at 30 September 2025	**11,323,899**	**6,797,950**	**(23,338,882)**	**(2,977)**	**30,624**	**(5,189,386)**

* Translation Reserve represents the foreign exchange differences arising from the translation of transactions and balances between the newly established Nepal entity, where accounting records are maintained in Nepalese Rupees ('NPR'), and the UK parent company, which reports in Pounds Sterling ('GBP').

The notes on pages 54 to 81 form an integral part of these financial statements.

Company statement of changes in equity

	Share capital £	Share premium £	Retained earnings £	Other reserves £	Total £
Balance at 1 January 2024	**11,323,899**	**6,797,950**	**(22,694,047)**	**12,190**	**(4,560,008)**
Share option expense (EMI options)	—	—	—	4,951	4,951
Total comprehensive expense for the year	—	—	(2,042,440)	—	(2,042,440)
Balance at 31 December 2024	**11,323,899**	**6,797,950**	**(24,736,487)**	**17,141**	**(6,597,497)**
Share option expense (EMI options)	—	—	—	13,483	13,483
Total comprehensive expense for the Period	—	—	(2,486,244)	—	(2,486,244)
Balance at 30 September 2025	**11,323,899**	**6,797,950**	**(27,222,731)**	**30,624**	**(9,070,258)**

The notes on pages 54 to 81 form an integral part of these financial statements.

Consolidated statement of cash flows

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Cash flows from operating activities		
Loss after income tax	(1,296,439)	(151,131)
Adjustments for:		
Depreciation of tangible assets	245,142	328,067
Amortisation of intangible assets	2,656	—
Assets written off	5,047	—
Deferred tax adjustments	5,240	—
Impairment of goodwill	1,419,350	—
Fair value movements – warrants	(63,341)	(61,318)
Share-based payments	13,483	4,951
Net impairment (charge)/credit on trade receivables	(273,572)	158,702
Increase in stocks	(16,391)	(11,459)
Taxation adjustment	—	4,559
Finance cost	263,372	354,854
	304,547	**627,225**
Changes in working capital		
(Increase)/decrease in receivables	(507,630)	(1,152,026)
Increase in payables	1,861,000	694,716
Net cash flows generated by operating activities	**1,657,917**	**169,915**
Cash flows from investing activities		
Purchases of property, plant, and equipment	(161,727)	(27,597)
Investment in intangible assets	(62,715)	(16,080)
Net cash used in investing activities	**(224,442)**	**(43,677)**
Cash flows from financing activities		
Repayment of lease liabilities	(427,297)	(297,739)
Additional loan	—	22,336
Repayment of Term Loan	(384,943)	(515,003)
Interest payments	(116,506)	(140,726)
Net cash used in financing activities	**(928,746)**	**(931,132)**
Net change in cash and cash equivalents	**504,729**	**(804,894)**
Cash and cash equivalents at the beginning of the Period	1,391,605	2,196,499
Exchange losses on cash and cash equivalents	(2,977)	—
Cash and cash equivalents at the end of the Period	**1,893,357**	**1,391,605**

The notes on pages 54 to 81 form an integral part of these financial statements.

Company statement of cash flows

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Cash outflows from operating activities		
Loss after income tax	(2,486,244)	(2,042,440)
Gain from dividend distribution from subsidiary	(691,037)	—
Share-based payments	13,483	4,951
Impairment of investment	1,419,350	—
Fair value movements – warrants	(63,341)	(61,318)
Finance cost	156,375	195,836
	(1,651,414)	**(1,902,971)**
Change in working capital		
Increase in receivables	(28,164)	(10,421)
Increase in creditors	46,052	99,555
Increase in amounts owed by Group undertakings	(8,749)	70,403
Increase in amounts due to subsidiaries	2,239,364	2,362,037
Net cash generated by operating activities	**597,089**	**618,603**
Cash flows from investing activities		
Investment in subsidiary	(107,155)	—
Net cash used in Investing activities	**(107,155)**	—
Cash flows from financing activities		
Repayment of Term Loan	(372,811)	(499,212)
Interest payments	(115,703)	(139,267)
New loan	—	22,336
Net cash used in financing activities	**(488,514)**	**(616,143)**
Net increase in cash and cash equivalents	**1,420**	**2,460**
Cash and cash equivalents at the beginning of the Period	**4,733**	**2,273**
Cash and cash equivalents at the end of the Period	**6,153**	**4,733**

The notes on pages 54 to 81 form an integral part of these financial statements.

Notes to the financial statements

1. General information

Malvern International plc (the 'Company') is a public limited company incorporated in England and Wales on 8 July 2004. The Company was admitted to the AIM on 10 December 2004. Its registered office is 3rd Floor 1 Ashley Road, Altrincham, Cheshire, United Kingdom, WA14 2DT. The registration number of the Company is 05174452.

The principal activity of the Group is to provide an educational offering that is broad and geared principally towards preparing students to meet the demands of business and management. The specific principal activities of the subsidiary companies are set out in note 14 to the financial statements. There have been no significant changes in the nature of these activities during the Period.

2. Significant accounting policies

i. Basis of preparation

These financial statements of the Group and Company are prepared on a going concern basis, in accordance with International Financial Reporting Standards ('IFRS') and IFRIC interpretations issued by the International Accounting Standards Board ('IASB') and adopted by the United Kingdom, in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

ii. Basis of consolidation

The Group financial statements consolidate the accounts of Malvern International Plc and all of its subsidiary undertakings made up to 30 September 2025. The Consolidated Statement of Comprehensive Income includes the results of all subsidiary undertakings for the period from the date on which control passes. Control is achieved where the Company (or one of its subsidiary undertakings) obtains the power to govern the financial and operating policies of an investee entity so as to derive benefits from its activities.

iii. New standards adopted for the nine months ended 30 September 2025

There were no new standards or interpretations effective for the first time for periods beginning on or after 1 January 2025, which had a significant effect on the Group's financial statements.

At the date of authorisation of these financial statements, several new, but not yet effective, standards, amendments to existing standards, and interpretations have been published by the IASB. None of these standards, amendments or interpretations have been adopted early by the Group.

Management anticipate that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current Period have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

The following amendments became effective during the Period but did not have a material impact on the Group:

- **Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback** (effective 1 January 2024)
- **Amendments to IAS 1 – Classification of Liabilities as Current or Non-current**
- **Amendments to IAS 1 – Non-current Liabilities with Covenants**
- **Amendments to IAS 7 and IFRS 7 – Supplier Finance Arrangements**

These amendments did not result in any material changes to the Group's accounting policies or financial statements.

Standards issued but not yet effective

The following new standard has been issued but is not yet effective and has not been early adopted by the Group:

- **IFRS 18 Presentation and Disclosure in Financial Statements (effective 1 January 2027)**

IFRS 18 replaces IAS 1 and introduces new requirements for the presentation of the statement of profit or loss, including defined subtotals and enhanced disclosures regarding management performance measures. The Group is currently assessing the impact of IFRS 18 on its financial statements. While it is not expected to impact recognition or measurement of transactions, it is expected to result in changes to the presentation and disclosure of certain items within the Consolidated Statement of Comprehensive Income.

iv. Alternative performance measures ('APMs')

The consolidated financial statements include APMs as well as Statutory measures. The APMs used by the Group are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for, or superior to, IFRS measures. All APMs relate to the current Period's results and comparative periods where provided.

This presentation is also consistent with the way that financial performance is measured by management and reported to the Board, the basis of financial measures for senior management's compensation schemes and provides supplementary information that assists the user in understanding the Group's financial performance, position and trends. See note 11 for a reconciliation of Statutory information to Underlying information.

v. Going concern

The financial statements have been prepared on a going concern basis. The Directors consider the going concern basis to be appropriate, having paid due regard to the Group and Company's projected results during the twelve months from the date the financial statements are approved and the anticipated cash flows, availability of loan facilities and mitigating actions that can be taken during that period.

The Group produced an Underlying profit for the 9 months to 30 September 2025 of £0.09m (FY2024: Underlying loss £0.13m).

Growth Lending (formerly BOOST&Co) is the Group's Term Loan provider. The current debt in Malvern International Plc's accounts is £1.45m. Growth Lending Limited, acting on behalf of IL2 (2018) Sarl, has again provided a letter of comfort to provide ongoing financial support to the Company for any short-term working capital requirements should it become necessary. It is the present policy of Growth Lending to ensure that the Company has adequate financial resources to meet its obligations and to continue as a going concern for at least 12 months from the date of signing the financial statements.

Before February 2026, the Company has not required any cash from Growth Lending or shareholders in the past three years, highlighting the Company's ability to cover its liabilities and historical debts with operating cash flow. Current forecasts indicate that the Company will not require further funding in the next 12 months.

Revenue growth continued in 2025, ending the 9-month period to September 2025 at circa 96% of the preceding 12 month period in 2024. Three new Pathway partnerships were signed in 2025, and one post Period end in January 2026, with the first intake of students for two of these partnerships due in September 2025, the third partnership in January 2026 and finally, the most recent partnership signed will start in September 2026. In all four partnerships, Malvern will collect cash directly from the students. The visibility of University Pathways revenue in FY2026 gives the Board confidence in Malvern's short and long-term prospects.

Despite recruitment restrictions in the Pakistan market for our Pathways division due to concerns about visa refusals and student withdrawals, student numbers have remained resilient compared with the prior academic year (September 25 vs. September 2024), reflecting the significant investment in this division. Our Junior summer camps continue to experience growth despite a downturn in Chinese students across the industry, delivering £6.46m (FY2024: £6.03m) in revenue to the Group. Pre-bookings for FY2026 summer camps are very encouraging, and revenue growth is expected to follow.

Increased investment in the Pathways division and the start-up cost of the new Pathway partnerships are expected to result in a loss in FY2026. Future profit and cash flow projections indicate that the Company is expected to return to profitability in FY2027. Significant improvements in cash flows are expected to follow. The long-term 5 to 15-year Pathway contracts give the Directors comfort to continue adopting the going concern basis in preparing the financial statements.

To help the Company accelerate the growth of the Pathways division, reshape the ELT division and to provide additional working capital to cover cash flow seasonality, the Company is undertaking a fundraise. This fundraise has generated £1.95m in new cash and will be finalised in March 2026.

UK and global macroeconomic factors continue to create some uncertainty in the Group's forecasts. Despite this, significant revenue growth was achieved in 2025 and is expected to continue through FY2026. The security of the four new long-term Pathway contracts and the continued commitment from the Group's lenders, in the form of a letter of support, provide the Group with confidence in respect of future funding.

vi. Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that they may be a change in any of these elements of control.

Notes to the financial statements continued

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency in the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the Consolidated Statement of Comprehensive Income in the year of acquisition.

The results of subsidiaries acquired or disposed of during the period are included in the Consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All significant intra-group transactions, balances, income and expenses are eliminated on consolidation.

vii. Subsidiary company

Investment in subsidiaries is stated in the financial statements of the Company at cost less any provision for impairment losses. The financial statements of subsidiaries acquired are consolidated in the financial statements of the Group from the date that control commences until the date control ceases, using the acquisition method of accounting.

viii. Functional and presentational currency

The consolidated financial statements have been presented with Pounds Sterling as the presentational currency, as the Company is incorporated in England and Wales.

Items included in the financial statements of each subsidiary of the Group are measured using the currency of the primary economic environment in which the subsidiary operates ('the functional currency'). The primary functional currency of the Group is UK Pound Sterling.

ix. Foreign currency translation

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Foreign currency monetary assets and liabilities are translated using the exchange rate prevailing at the date of the Statement of Financial Position. Non-monetary assets and liabilities are measured using the exchange rates prevailing at the transaction dates, or in the case of the items carried at fair value, the exchange rates ruling when the values were determined. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and translation of foreign currency denominated assets and liabilities are recognised in the Statement of Comprehensive Income.

Assets and liabilities of the entities having functional currency other than the presentational currency are translated into Sterling equivalents at exchange rates ruling at the Statement of Financial Position date. Revenues and expenses are translated at average exchange rates for the Period, which approximates the exchange rates at the dates of transactions. All resultant differences are taken directly to equity. On the disposal of a foreign entity, accumulated exchange differences were recognised in the Statement of Comprehensive Income as part of the gain or loss on disposal.

x. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Depreciation policy, useful lives and residual values are reviewed at least annually, for all asset classes to ensure that the current method is the most appropriate.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance are charged to the Statement of Comprehensive Income. Expenditure for additions, improvements and renewals is recognised when it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be realised from the use of the items of property, plant and equipment beyond their originally assessed standard of performance.

Depreciation is calculated based on the straight-line method to write off the cost of property, plant and equipment less their estimated residual value over their estimated useful economic lives as follows:

- Classroom and office equipment is depreciated over four years according to the estimated life of the asset.
- Leasehold improvements are depreciated over the period of the lease up to a maximum of 25 years.
- Property with lease terms of 50 years of less are depreciated over the remaining period of the lease.

xi. Intangible assets

Separately acquired software is recognised as an intangible asset at cost. These assets are amortised on a straight-line basis over their estimated useful economic life. Amortisation is recognised in administrative expenses.

xii. Impairment of tangible and intangible assets excluding goodwill

An assessment is made at Statement of Financial Position date as to whether there is any indication of impairment of any asset, or whether there is any indication that an impairment loss previously recognised for an asset in prior years may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's value in use or its fair value less costs to sell. Value in use is the present value of estimated discounted future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Comprehensive Income in the period in which it arises.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of an impairment loss is credited to the Statement of Comprehensive Income in the Period in which it arises unless the relevant asset is carried at a revalued amount in which case the impairment loss is treated as a revaluation increase.

xiii. Goodwill

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating sub-groups expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent years.

xiv. Financial assets, loans and receivables

Financial assets

Financial assets are recognised in the Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets are initially recognised at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Financial assets are amortised when the contractual rights to the cash flows from the financial assets have expired or have been transferred. On de-recognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received is recognised in the Statement of Comprehensive Income.

Financial assets at amortised cost

Financial assets held within a business model whose objective is to collect contractual cash flows which are solely payments of principals and interest are classified and subsequently measured at amortised cost using the effective interest method, less any impairment loss. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The Group's financial assets at amortised cost comprise "trade and other receivables", related parties, and cash and cash equivalents included in the Consolidated Statement of Financial Position.

xv. Impairment of financial assets

The Group assesses the expected credit losses for all debt instruments (other than those recognised at fair value through profit or loss) on a forward-looking basis.

An impairment loss in respect of financial assets is recognised in the Statement of Comprehensive Income and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. In a subsequent period, if the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Comprehensive Income.

The Group has adopted the simplified expected credit loss model for its trade receivables and contract assets, as required by IFRS 9 to assess impairment, for further information see note 15.

Notes to the financial statements continued

xvi. Revenue recognition

Revenue is recognised on the following basis:

Courses are provided over time based on period stated on the contract with students. As such revenue for various services is recognised in the following way:

- Course/accommodation fees – revenue is spread over the duration of the course as stated in the contract, as this fairly represents the value of services provided. Deposits received in respect of future courses/accommodation fees are treated as deferred income at the point of receipt. Contract liabilities relate to course and accommodation fees received in advance and are recognised in the Statement of Comprehensive Income based on classes conducted and accommodation provided.
- University commission income – university commission income is spread over the duration of the course as stated in the contract, as this fairly represents the value of services provided. Consideration from the UEL partnership is structured as a percentage of net tuition fee (course fees less third party commissions). Third-party recruitment commissions are not a separate revenue stream but form part of the contractual calculation of net tuition and are settled through invoicing arrangements with the UEL for administrative purposes only.
- Registration/application/examination fees/course materials – revenue is spread over the duration of the course as stated in the contract, as this fairly represents the value of services provided.
- Student activities are recognised at the point in time that the activity takes place.

The transaction price is the course fee net of any discounts and third-party commission. Any variable consideration is constrained in estimating contract revenue as is highly probable that there will not be a future reversal in the amount of revenue recognised when the final amounts of any variations have been determined.

In certain circumstances refunds may be granted as per the Group's refunds terms and conditions. Consideration will be given to the length of the course studied. Deferred income is adjusted for any undelivered study. In some cases, a course may be deferred.

Students are required to pay fees in advance unless a payment plan has been agreed.

xvii. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank deposits with an initial maturity of less than three months. 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.

xviii. Trade and other payables

Trade and other payables, which are normally settled on 30 to 90 days term, are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

xix. Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax movements.

The tax currently payable is based on taxable profit for the Period. Taxable profit differs from profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted in countries where the Company and its subsidiaries operate by the Statement of Financial Position.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. 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 recognised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associated companies, except 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.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset recognised based on tax rates and tax laws that have been enacted or substantially enacted by the statement of financial position date. Deferred tax is charged or credited to the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and 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.

xx. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed regularly and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditure expected to be required to settle the obligation.

xxi. Employees' benefits

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the Statement of Comprehensive Income as incurred.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave because of services rendered by employees up to the year end.

xxii. Equity instruments

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against share premium.

Where ordinary shares will be issued as part of deferred purchase consideration then:

- where the number of shares to be issued has been fixed, then such deferred consideration will be classified as equity; and
- where the number of shares to be issued is dependent on certain performance criteria being met, then such deferred consideration will be classified as liability at inception.

xxiii. Borrowing costs

Borrowing costs incurred to finance the development of property, plant and equipment are recognised during the period that is required to complete and prepare the asset for its intended use. The recognised costs are depreciated over the useful life of the property, plant and equipment.

Other borrowing costs, including interest cost and foreign exchange differences, on short-term borrowings are recognised on a time-apportioned basis in the Statement of Comprehensive Income using the effective interest method.

xxiv. Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are regularly reviewed by the Board to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segmental results are reported to the Board and include items directly attributable to the segment as well as those that can be allocated on a reasonable basis.

xxv. Warrants

In certain circumstances the Group will issue warrants over shares. The warrants currently in issue are carried at fair value through profit and loss ('FVPL') and are recognised under level 3 of the fair value hierarchy. The judgements and estimates made in respect of calculating the fair value for these warrants are disclosed further in this section.

Notes to the financial statements continued

xxvi. Share-based payments and share options

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate or the probability of equity instruments eventually vesting, with a corresponding increase in equity. Fair value is measured using a Black Scholes and Monte Carlo pricing model as appropriate, according to the nature of the relevant scheme. The resulting charge to the Statement of Comprehensive Income requires assumptions to be made regarding future events and market conditions. Due to the complexity of the Monte Carlo model, the Group utilises a third-party option valuation service to run the simulation where this model is used.

The number of options expected to vest is adjusted only for expectations of leavers prior to vesting. The impact of the revision of the original estimates, if any, is recognised in the Statement of Comprehensive Income such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods, or the counterparty renders the service.

See note 27 for additional information on these schemes.

xxvii. Other income

Other income relates to all income not generated in the ordinary trading activities of the Group.

Rental and related income is recognised on an accruals basis in the period it relates to.

Research and development credits are recognised in the period the benefit is received as that is considered to be the point at which the amount can be reliably estimated.

Grants are accounted under the accruals model. Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

xxviii. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, which management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

xxix. Stock and inventory

Stock and work in progress are valued at the lower of cost and net recognised value, after making due allowance for obsolete and slow moving items. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Work in progress is valued at the lower of cost and net recognised value. Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

Stock is valued at the lower of cost and net recognised value, after making due allowance for obsolete and slow moving items.

xxx. Leases

The Group's leases primarily relate to properties and office equipment. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. Property leases will often include extension and termination options, open market rent reviews, and uplifts.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the individual lessee company's incremental borrowing rate considering the duration of the lease.

The lease liability is subsequently measured at amortised cost using the effective interest method, with the finance cost charged to Statement of Comprehensive Income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. It is remeasured when there is a change in future lease payments arising from a change in index or rate, or if the Group changes its assessment of whether it will exercise an extension or termination option. The lease liability is recalculated using a revised discount rate if the lease term changes as a result of a modification or reassessment of an extension or termination option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred. The right-of-use asset is typically depreciated on a straight-line basis over the lease terms.

Key sources of estimation uncertainty

Useful lives of assets

The Group determines the estimated useful lives and related depreciation and recognised in charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly because of technical innovations or some other event. The depreciation and recognised in charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Goodwill and other indefinite life intangible assets

The Group tests annually, or more frequently, if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows. The specific estimates used in calculating impairment are detailed in note 15.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate several key estimates and assumptions. The specific estimates used in calculating impairment are detailed in note 27.

Evaluation of contract liabilities (deferred income)

The Group reviews the fees raised at the end of relevant periods to evaluate those amounts that cover the future provision of education not yet delivered to estimate and evaluate the amount of contract liabilities/deferred income to be recognised in a future period.

Impairment of receivables

The Group and Company reviews the impairment of its financial assets, including the trade receivables balance. The Group estimates and evaluates impairment methodology using the simplified approach of the expected credit loss model based on default rate percentage of similar product type assets (provision matrix) and grouping the trade receivables based on shared characteristics, including line of business.

Income taxes

Significant judgement is required in determining the capital allowance, deductibility of certain expenses and taxability of certain income during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognised liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made. Judgement is made in the evaluation in respect of the fair value of any deferred tax asset recognised in respect of taxable losses carried forward.

Warrants

The Group determines the fair value of warrants using appropriate modelling. Judgement is required in determining a model to use to fair value warrants. Based on the nature of warrants, the Group has determined that Black Scholes model is an appropriate model to use. The specific estimates used in calculating fair value are detailed in note 21.

Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The resulting charge to the Statement of Comprehensive Income requires assumptions to be made regarding future events and market conditions. Judgement is required in determining the most appropriate valuation model and the most appropriate inputs into the model including the level of volatility of the Group's share price, market conditions and the expected life of the option.

Notes to the financial statements continued

Judgement

Classification of items as non-Underlying

The Underlying measures represent trading results before non-Underlying items which are defined in note 11. The Directors believe that the presentation of the Group's results in this way is relevant to assist the user in understanding the financial performance, position and trends of the Group, as non-Underlying items are identified by virtue of their size, nature and/or incidence. This presentation is consistent with the way that financial performance is measured by management and reported to the Board, the basis of financial measures for senior management's compensation schemes, and provides supplementary information that assists the user in understanding the Underlying trading results. In determining whether an event or transaction is non-Underlying, the Directors consider both quantitative and qualitative factors such as the nature of the item and the frequency or predictability of occurrence. The decision to classify items as either Underlying or non-Underlying is judgemental and requires careful consideration to ensure that the accounts provide a useful indicator of the performance of the Group.

3. Lessee accounting

The Group reviews its lease periods annually and extends periods where a lease extension is reasonably certain or reduces periods where a lease termination is reasonably certain.

i. Amounts recognised in the statement of comprehensive income

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Interest expense and similar charges		
Interest expense	**284,829**	358,830
Operating and administrative expenses		
Depreciation of right-of-use assets	**221,317**	292,344
Total expensed to statement of comprehensive income	**506,146**	651,174

ii. Right-of-use assets

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Balance as at the beginning of the Period	**1,406,850**	1,710,534
Addition during the Period	**81,167**	—
Depreciation of right-of-use assets	**(221,317)**	(292,344)
Accrual release adjustment for Brighton lease	—	(11,340)
Balance as at the end of the Period	**1,266,700**	1,406,850

iii. Lease liabilities

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Current liability	**613,782**	563,460
Non-current liability	**1,242,290**	1,532,549
Total liability	**1,856,072**	2,096,009

iv. Lease payments

The total rent amount payable (excl. VAT) in the Period was £427,297 (FY2024: £579,470). The total amount paid in the Period was £511,815 (FY2024: £603,635).

4. Revenue

i. Sale of services

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Course fees	**12,943,319**	13,137,635
Application fees, registration and examination fees	**91,035**	122,320
Training fees, course materials and others	**172,974**	122,307
Accommodation fees	**912,212**	1,359,978
	14,119,540	14,742,240

ii. University commission income

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
University commission income	**1,132,480**	1,890,258

University commission is received from a university partner. A significant portion is then passed directly to the Group's agents.

iii. Segments

The Directors consider that the Group has a single business segment, being the sale of education services. The operations of the Group are managed centrally with Group-wide functions covering sales and marketing, finance and administration. Geographically, operations are all UK-based. Revenue from customers who individually accounted for more than 10% of total Group revenue amounted to £6,069,119 (FY2024: £7,058,850).

5. Other income

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Rental income	**133,060**	137,069
R&D credits*	**—**	(19,182)
Interest Income	**23,110**	16,674
Other Income	**17,008**	1,456
	173,178	136,017

*A R&D credit was refunded to HMRC during the year.

Notes to the financial statements continued

6. Staff remuneration and benefits

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Staff* salaries and related costs**	**3,432,123**	3,488,199
Directors' remuneration (Executive Directors)	**189,975**	250,001
Directors' fees (Non-Executive Directors)	**88,838**	115,000
Staff training and welfare	**31,335**	43,557
Pension	**30,864**	44,833
	3,773,135	3,941,590
Share-based remuneration – staff***	**12,690**	3,931
Share-based remuneration – Directors***	**793**	1,020
	13,483	4,951
Highest paid Director		
Remuneration and benefits	**140,329**	140,445

Average number of employees	**Number**	Number
Lecturers	**65**	61
Marketing staff	**15**	12
Operational and administration staff	**55**	54
	135	127

* Staff here includes both employees and contract staff. While contract staff are not employees, they make up a significant portion of the total workforce therefore the staff costs make more sense with contractors included.

** Salaries and related costs are not inclusive of lecturers.

*** Share-based remuneration expenses related to EMI share options (ref note 27).

The average number of employees is calculated based on the number of full or part-time employees on the payroll each month.

7. Finance costs

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Interest in leases (IFRS 16)	**106,194**	157,559
Interest in Term Loan	**157,178**	197,292
Other finance costs	**21,457**	3,979
	284,829	358,830

8. Operating expenses

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Auditor's remuneration:		
- Fees payable to the Company's auditor for Statutory audit	**99,522**	67,345
- Fees payable to the Company's auditor for Statutory audit of subsidiary company	—	55,100
Consultant fees:		
- Non-audit fees for taxation compliance fees	—	8,500
Administrative and marketing expenses	**1,963,004**	2,360,413
Expected credit losses – trade receivables	**324,198**	335,556
Fair value movement – warrants	**(63,341)**	(61,318)
	2,323,383	2,765,596

9. Income tax

Tax expense attributable to the results is made up of:

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Current year tax	—	—
Deferred taxation charge	**(5,240)**	(6,077)
	(5,240)	(6,077)

Notes to the financial statements continued

The reconciliation of the current year tax expense and the product of accounting profit multiplied by the statutory tax rate is as follows:

	9 months ended 30 September 2025 £	%	12 months ended 31 December 2024 £	%
Accounting loss before tax from continuing operations	**(1,291,198)**		(145,054)	
Loss for the year before tax	**(1,291,198)**		(145,054)	
Income tax at the Statutory rate	**(322,799)**	**25%**	(36,263)	25%
Adjustments of income tax in respect of prior years				
Expenses not deductible	**351,765**		1,521	
Deferred tax asset not recognised	**(28,966)**		34,742	
Income tax charge	(5,240)		(6,077)	
Income tax charge in the consolidated statement of comprehensive income	(5,240)		(6,077)	

The Group's income tax liability is subject to agreement by the tax authorities of the respective countries in which the companies in the Group operate. Temporary differences arising from investment in subsidiary and associated companies are considered insignificant to the Group.

Analysis of provision for deferred taxation:	**9 months ended 30 September 2025 £**	12 months ended 31 December 2024 £
Balance at the beginning of the year	—	—
Deferred taxation for the year	**5,240**	—
Balance at the end of the year	**5,240**	—
Deferred tax asset	—	—
Deferred tax liability	**(5,240)**	(6,077)
Balance at the end of the year	**(5,240)**	(6,077)

The Group has tax losses in excess of £7.90m (FY2024: £8.13m) which are available to offset against future profits.

10. Loss per share

The basic and diluted Statutory loss per share attributable to equity holders of the Company is based on the Statutory loss attributable to shareholders of £1,296,439 (FY2024: Statutory loss of £151,131). The weighted average number of ordinary shares in issue during the year is 24,442,400 shares (FY2024: 24,442,400 shares). The Statutory loss per share (in pence) before the income tax charge attributed to shareholders is 5.29 (FY2024: Statutory loss per share of 0.59). Potential ordinary shares arising from share options and warrants have not been included in the calculation of diluted loss per share as they are anti-dilutive for the Period. Accordingly, diluted loss per share equals basic loss per share.

11. Reconciliation of Statutory information to Underlying information

Underlying information is provided because the Directors consider that it provides assistance in understanding the Group's Underlying performance. Further details in relation to alternative performance measures ('APMs') are contained within note 1.

The following table includes details of non-Underlying items and reconciles Statutory information to Underlying information:

9 months ended 2025	Sale of services £	University commission income £	Revenue	Cost of sales	Gross profit £	Operating profit £	Finance costs £	(Loss)/ profit before tax £
Underlying results	**14,119,540**	**1,132,480**	**15,252,020**	**(8,673,504)**	**6,578,516**	**381,044**	**(284,829)**	**96,215**
Malvern House Brighton[(a)]	—	—	—	5,602	5,602	5,602	—	5,602
Share-based payments[(b)]	—	—	—	—	—	(13,483)	—	(13,483)
Warrants[(c)]	—	—	—	—	—	63,341	—	63,341
Staff restructure payments[(d)]	—	—	—	—	—	(23,524)	—	(23,524)
Impairment of goodwill[(e)]	—	—	—	—	—	(1,419,350)	—	(1,419,350)
Statutory results	**14,119,540**	**1,132,480**	**15,252,020**	**(8,667,902)**	**6,584,118**	**(1,006,370)**	**(284,829)**	**(1,291,199)**

12 months ended 2024	Sale of services £	University commission income £	Revenue	Cost of sales	Gross profit £	Operating profit £	Finance costs £	(Loss)/ profit before tax £
Underlying results	14,741,924	1,890,258	16,632,182	(9,567,220)	7,064,962	224,450	(355,134)	(130,684)
Malvern House Brighton[(a)]	316	—	316	36,214	36,530	(24,931)	(3,696)	(28,627)
Share-based payments[(b)]	—	—	—	—	—	(4,951)	—	(4,951)
Warrants[(c)]	—	—	—	—	—	61,318	—	61,318
Staff restructure payments[(d)]	—	—	—	—	—	(42,110)	—	(42,110)
Statutory results	14,742,240	1,890,258	16,632,498	(9,531,006)	7,101,492	213,776	(358,830)	(145,054)

(a) Malvern House Brighton

Expenses related to the closure of the former Brighton school.

(b) Share-based payments

The Company has an Enterprise Management Incentive share option scheme for certain Directors and employees. Under the scheme, participants have been awarded options to acquire up to a prescribed level of shares.

(c) Warrants

As part of the Term Loan agreement entered into in August 2019, the Group issued warrants over 2,072,623 shares to Growth Lending (formerly BOOST&Co). The warrants are revalued at fair value annually, any movement is expensed in the Consolidated Statement of Comprehensive Income. During the Period, the warrants were transferred from Growth Lending to shareholder 8 KPG Limited. The Group was not involved in this private transaction.

(d) Staff restructure payments

The management of the Group are completing a staff review to ensure that we are using our resources as efficiently as possible.

(e) Impairment of goodwill

The management of the Group are reviewing the carrying value of goodwill to ensure that it reflects the recoverable amount in accordance with applicable accounting standards. This assessment is being undertaken to confirm that the goodwill recognised continues to represent the expected future economic benefits to the Group. During the Period, the assessment of the future benefits indicated that the full value of goodwill was not recoverable and should therefore be impaired.

Notes to the financial statements continued

12. Property, plant, and equipment

			Equipment and property	
	Leasehold property & improvement	Classroom and office equipment	Right-of-use assets property	Total
		£	£	£
Cost				
Opening balance, 1 Jan 2024	**—**	**478,585**	**3,544,655**	**4,023,240**
Additions	—	27,598	—	27,598
Write off during 2024	—	(363,478)	(395,898)	(759,376)
Disposals	—	—	—	—
Closing balance, 31 Dec 2024	**—**	**142,705**	**3,148,757**	**3,291,462**
Additions	20,409	60,153	81,165	161,727
Write off during Period*	—	(49,202)	—	(49,202)
Disposals	—	—	—	—
Closing balance, 30 Sep 2025	**20,409**	**153,656**	**3,229,922**	**3,403,987**
Accumulated depreciation				
Opening balance, 1 Jan 2024	**—**	**410,275**	**1,834,121**	**2,244,396**
Charge for the Period	—	24,383	303,684	328,067
Write off during 2024	—	(363,478)	(395,898)	(759,376)
Closing balance, 31 Dec 2024	**—**	**71,180**	**1,741,907**	**1,813,087**
Charge for the Period	509	23,316	221,317	245,142
Write off during Period*	—	(44,155)	—	(44,155)
Closing balance, 30 Sep 2025	**509**	**50,341**	**1,963,224**	**2,014,074**
Net book value				
At 30 September 2025	**19,900**	**103,315**	**1,266,698**	**1,389,913**
At 31 December 2024	**—**	**71,525**	**1,406,850**	**1,478,375**

* Assets which are fully depreciated are written off. However, assets are still in use.

13. Intangible assets

Acquisition costs	Development assets: 9 months ended 30 September 2025 £	Development assets: 12 months ended 31 December 2024 £
Opening balance, 1 Jan 2025	**16,080**	—
Addition during the Period	**62,715**	16,080
Closing balance, 30 Sep 2025	**78,795**	16,080
Accumulated amortisation		
Opening balance, 1 Jan 2025	**—**	—
Amortisation during the Period	**2,656**	—
Closing balance, 30 Sep 2025	**2,656**	—
Net book value on 30 Sep 2025	**76,139**	16,080

Certain costs related to website development have been capitalised during the Period. Amortisation of the intangible asset was recorded after the asset was ready for use.

14. Investment in subsidiary companies

Company	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Investment in subsidiaries		
Unquoted equity shares, at cost		
As at the beginning of the Period	**7,681,847**	7,681,847
Additional investment during the Period	**107,155**	—
As at the end of the Period	**7,789,002**	7,681,847
Provision against the cost of investment in subsidiaries		
As at the beginning of the Period	**(6,262,497)**	(6,262,497)
Impairment during the Period	**(1,419,350)**	—
As at the end of the Period	**(7,681,847)**	(6,262,497)
Net book value at the end of the Period	**107,155**	1,419,350

The Company owns 100% ordinary share capital of the following companies:

Communicate English School Limited (UK).

Malvern House Group Limited (UK).

Malvern House International Limited (UK) is 100% owned by Malvern House Group Limited.

Malvern HE Partnerships Limited (UK).

Malvern International Nepal Pvt. Ltd (Nepal).

The registered address for the UK companies is, 3rd Floor 1 Ashley Road, Altrincham, Cheshire, United Kingdom, WA14 2DT.

For the purpose of Malvern House Group Limited, the Group has decided to take advantage of parental corporate guarantees under S479A of the Companies Act, allowing entities to take audit exemptions and present unaudited Statutory financial statements.

Notes to the financial statements continued

15. Goodwill

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Cost		
Balance as at the beginning of the Period	**1,419,350**	1,419,350
Balance as at the end of the Period	**1,419,350**	1,419,350
Provision for impairment of goodwill		
As at the beginning of the year	—	—
Impairment during the period	**(1,419,350)**	—
As at the end of the year	**(1,419,350)**	—
Net book value at the end of the year	—	—

Goodwill arose on the acquisition of Communicate English School Limited in 2018. Annual impairment reviews are undertaken each year using discounted future cash flows to ensure the carrying value is recoverable.

The carrying value of £1,419,350 of this cash-generating unit is in excess of the recoverable value and the value in use is negative, therefore it has been fully impaired during the Period. The following assumptions were used to calculate the amount recoverable:

- Discounted Cash Flow model produced modelling cash flow for Communicate over five years.
- Terminal value applied to cashflow from year 6 onwards.
- Discount rate of 10% (FY2024: 13.75%) applied reflecting the WACC of the Group.
- Dynamic growth rate applied, ranging from 4% (FY2024: 6%) in 2026, to 6% (FY2024: 3%) annual growth at the end of the five-year time horizon, consistent with industry data.

16. Trade receivables

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Trade receivables	**373,847**	791,743

On 30 September 2025, the exposure to credit risk for trade receivables was as follows:

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Trade receivables are denominated in the following currencies:		
UK – Pound Sterling	**373,847**	791,743

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Not yet due and not impaired	**198,319**	42,974
Past due but not impaired		
- Past due 0 to 3 months	**285,100**	525,567
- Past due 3 to 6 months	**27,738**	125,388
- Past due over 6 months	**(137,310)**	97,814
	373,847	791,743
Impaired trade receivables	**273,572**	206,048
Less: Allowances for impairment loss	**(273,572)**	(206,048)
	373,847	791,743

A reconciliation of changes in the record of impairments of receivables is provided below.

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Balance at the beginning of the Period	**206,048**	200,231
Movement in the Period	**(479,620)**	5,817
Balance as at the end of the Period	**(273,572)**	206,048

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due.

17. Other receivables and prepayments

	Group		Company	
	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Rent deposits	**30,020**	36,500	**—**	—
Prepayments and accrued income	**2,671,630**	1,463,060	**115,501**	85,925
Other debtors	**64,810**	66,387	**45,812**	45,811
	2,766,460	1,565,947	**161,313**	131,736

Notes to the financial statements continued

18. Cash and cash equivalents

	Group		Company	
	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £	**9 months ended 30 September 2025 £**	12 months ended 31 December 2024 £
Cash and cash equivalents	**1,893,357**	1,391,605	**6,153**	4,733

19. Trade payables

	Group		Company	
	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £	**9 months ended 30 September 2025 £**	12 months ended 31 December 2024 £
Trade payables	**730,234**	1,462,756	**99,199**	88,310

20. Contract liabilities

Contract liabilities are deferred revenue representing amounts billed on account of revenues where performance obligations have not been met for recognition of revenue. Contract liabilities relate to course fees received in advance and recognised in the Statement of Comprehensive Income based on classes and examinations conducted in the subsequent financial year.

The amount of £3,080,256 recognised in contract liabilities at the beginning of the period has been recognised as revenue for the Period ended 30 September 2025.

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Contract liabilities	**3,424,907**	3,080,256

	9 months ended 30 September 2025 £
Opening balance	**3,080,256**
Deferred income recognised during the Period	**(3,080,256)**
Course fees received in respect of subsequent financial year	**3,424,907**
Closing balance	**3,424,907**

21. Other payables and accruals

	Group		Company	
	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £	**9 months ended 30 September 2025 £**	12 months ended 31 December 2024 £
Other payables	**1,525,164**	256,574	**182,928**	162,800
Payroll tax and other Statutory liabilities	**479,165**	453,508	**—**	71,700
Accrued expenses	**2,062,570**	1,189,111	**144,991**	58,255
	4,066,899	1,899,193	**327,919**	292,755

22. Financial liabilities

	Group		Company	
	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £	**9 months ended 30 September 2025 £**	12 months ended 31 December 2024 £
Non-current liabilities				
Term Loan	**794,699**	1,023,238	**772,259**	992,282
Warrants	**290,622**	353,963	**290,622**	353,963
Lease liabilities	**1,242,290**	1,532,549	**—**	—
Deferred tax liabilities	**5,240**	—	**—**	—
	2,332,851	2,909,750	**1,062,881**	1,346,245
Current liabilities				
Term Loan	**556,445**	670,763	**542,813**	653,515
Lease liabilities	**613,782**	563,460	**—**	—
Trade and other payables	**730,234**	1,462,756	**99,199**	88,310
Amount due to subsidiaries	**—**	—	**7,320,816**	—
	1,900,461	2,696,979	**7,962,828**	741,825
Total	**4,233,312**	5,606,729	**9,025,709**	2,088,070

Term Loan

In August 2019, Malvern received a Term Loan from Growth Lending (formerly BOOST&Co) for £2,600,000. This loan originally carried an interest rate as the higher of (a) 10% per annum, or (b) 8% per annum plus LIBOR. The loan was restructured in March 2022, the new terms include a 12-month payment and interest holiday with monthly payments commencing from March 2023 over a five-year period, with the interest being set at 7% for the first two years and 10% for the subsequent three years. There are no early repayment penalties on this facility.

During 2020, the Group took advantage of the Government-backed Bounce Back Loan Scheme ('BBLS'), benefiting from a total of £100,000 to be repaid over a six-year period with a 2.5% fixed rate of interest. The first 12 months of this lending facility are free of any obligation to pay capital or interest. The balance outstanding at 30 September 2025 is £36,070 (FY2024: £48,203).

Notes to the financial statements continued

Warrants

As part of the term loan agreement entered into in August 2019 and subsequently amended in March 2022, the Group issued warrants entitling the holder to subscribe for ordinary shares in the Company.

Following the 2022 amendment and the share consolidation completed in November 2022, the warrants have the following principal terms:

- Exercise prices of 10p and 10.6p per ordinary share;
- An exercise period commencing on the relevant issue date and expiring on 4 March 2032.

The number of shares issuable under the warrants and the exercise price were determined in accordance with contractual formulas based on a percentage of the loan amount and the average market price of the Company's shares over a specified period.

Due to:

- The cashless settlement feature, under which the number of shares to be issued is determined by reference to a 28-day average market price at the date of exercise; and
- The contingent issuance of additional warrants linked to the outstanding debt facility, the warrants do not meet the fixed-for-fixed criterion under IAS 32 and are therefore classified as financial liabilities.

At the reporting date, the warrants were exercisable into 2,072,623 ordinary shares based on the contractual formula. During the period, the warrants were transferred from Growth Lending to shareholder 8 KPG Limited. The Group was not involved in this private transaction.

The warrants are measured at fair value through profit or loss.

During the period, the warrants were transferred from Growth Lending (formerly BOOST&Co) to shareholder 8 KPG Limited. The Group was not involved in this private transaction.

In addition, subject to the £2.6m debt facility remaining outstanding at specified future dates, further warrants totalling up to 695,022 ordinary shares may become issuable between 2026 and 2028.

At 30 September 2025, the fair value of the warrants was £290,622 (FY2024: £353,963).

The following estimates were used to calculate this fair value:

- Annualised volatility of 60.8% (FY2024: 65%), which is consistent with a lifetime and post COVID adjustment. This is a reduction from last year but the pandemic-related volatility can now be viewed as an outlier and not consistent with the expected long-term evolution of the share price.
- Maturity of 47 months applied, reflecting the duration over which 8 KPG Limited could exercise these warrants.
- Risk free rate of 3.759% (FY2024: 4.014%), being the Yield on UK five-year Government bonds.
- Strike price of £0.10 for the share warrants issued in 2019 and 2020 and strike price if £0.106 for warrants issued thereafter.

23. Share capital

	Allotted, called up and fully paid				
	No of ordinary shares	Nominal value of ordinary shares	No of deferred shares	Nominal value of deferred shares	Nominal value of all shares
At 31 December 2024 – 0.1p ordinary shares and 0.1p, 1p & 5p deferred shares	24,442,400	244,424	3,025,620,350	11,079,475	11,323,899
Additions during the Period	—	—	—	—	—
At 30 September 2025 – 0.1p ordinary shares and 0.1p, 1p & 5p deferred shares	**24,442,400**	**244,424**	**3,025,620,350**	**11,079,475**	**11,323,899***

* Excludes the accumulated share-based payment balance. Share-based payments are booked into equity under Other Reserves for £30,624 (FY2024: £17,141).

The Company has an Enterprise Management Incentive share option scheme for certain Directors and employees.

24. Reserves

The Company has the following types of reserves:

i. Share premium reserve

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Balance as at the beginning of the Period	**6,797,950**	6,797,950
Issue of new shares	—	—
Balance as at the end of the Period	**6,797,950**	6,797,950

The share premium reserve arises where shares have been issued at a price more than the nominal value of 1p less any costs of the issue.

ii. Retained earnings

	Group		Company	
	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
At the beginning of the Period	**(22,042,443)**	(21,895,871)	**(24,736,487)**	(22,694,047)
Tax adjustments from prior year	—	4,559	—	—
Loss for the Period	**(1,296,439)**	(151,131)	**(2,486,244)**	(2,042,440)
At the end of the Period	**(23,338,882)**	(22,042,443)	**(27,222,731)**	(24,736,487)

Retained earnings represent the accumulated surplus or deficit of distributable reserves.

25. Related party transactions

Details of key management personnel and Directors' fees and emoluments were as follows:

	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £
Key management personnel		
Directors' remuneration:		
- Salaries and bonuses	**189,975**	250,000
- Directors' fees	**88,838**	115,000
- Share-based payments	**793**	1,020
	279,606	366,020

Notes to the financial statements continued

26. Financial instruments

Financial risk management objectives and policies

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in markets conditions and the Group's activities.

The Group holds the following financial instruments:

30 September 2025	Notes	Pound Sterling
Financial assets at amortised cost		
Cash and cash equivalent	18	1,893,357
Trade receivables	16	373,847
Other debtors	17	2,766,460
Total financial assets		5,033,664
Financial liabilities at amortised cost		
Trade and other payables	19	730,234
Borrowings	22	1,351,144
Lease liabilities	22	1,856,072
Financial liabilities at FVPL		
Warrants	22	290,622
Total financial liabilities		4,228,072
Net position		805,592
31 December 2024		
Financial assets at amortised cost		
Cash and cash equivalent	18	1,391,605
Trade receivables	16	791,743
Other debtors	17	1,565,947
Total financial assets		3,749,295
Financial liabilities at amortised cost		
Trade and other payables	19	1,462,756
Borrowings	22	1,694,001
Lease liabilities	22	2,096,009
Financial liabilities at FVPL		
Warrants	22	353,963
Total financial liabilities		5,606,729
Net position		(1,857,434)

i. Credit risk

Exposure to the credit risks are monitored on an ongoing basis. The Group does not require collateral in respect of financial assets.

The carrying amount of trade and other receivables and related party balances and cash represent the Group's maximum exposure to credit risk. Cash and cash balances are placed with reputable financial institutions. Therefore, credit risk arises mainly from the inability of customers to make payments when due. 29% (FY2024: 16%) of the Group's account receivables are made up of individual students, 71% (FY2024: 83%) relates to large funding organisations such as universities. All trading activities are concentrated in Europe. The analysis of ageing debtors is provided in note 16.

ii. Liquidity risk

The Group seeks to adopt a prudent liquidity risk management by maintaining sufficient cash and having adequate amounts of credit facilities. Due to the nature of the Group's operations, the Group aims at maintaining flexibility in funding by keeping committed credit facilities available.

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and Company can be required to pay.

30 September 2025	On demand or within one year £	Within 2 to 10 years £
Trade payables	**730,234**	—
Other payables and accruals	**4,066,899**	—
Term Loan	**556,445**	**794,699**
Lease liabilities	**613,782**	**1,242,290**
Warrants	—	**290,622**
Total	**5,967,360**	**2,327,611**
31 December 2024		
Trade payables	1,462,756	—
Other payables and accruals	1,899,193	—
Term Loan	670,763	1,023,238
Lease liabilities	563,460	1,532,549
Warrants	—	353,963
Total	4,596,172	2,909,750

iii. Foreign currency risk

During the Period, a subsidiary office was established in Nepal. The translation reserve balance relates to foreign currency translation gains and losses arising from the Nepal entity. The differences arising from such translation are recorded under the foreign currency translation reserve. The Group does not use derivative financial instruments to hedge against the volatility associated with foreign currency transactions as the Directors believe that the risks arising from fluctuations in foreign currency exchange rates are not significant.

Notes to the financial statements continued

iv. Interest rate risk

The Group's exposure to market risk for changes in interest rates relate primarily to the Group's bank overdraft facility and Term Loan. A change in interest rate at the reporting date would not materially affect income or reserves. For 2024, there was none to report.

The tables below set out the Group's exposure to interest rate risks. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	Fixed rate interest bearing £	Non-interest bearing £	Total £
At 30 September 2025			
Assets			
Trade and other receivables	—	3,140,308	3,140,308
Cash and bank balances	—	1,893,357	1,893,357
Total assets	—	5,033,665	5,033,665
At 30 September 2025			
Liabilities			
Trade and other payables	—	4,797,133	4,797,133
Borrowings	1,351,144	—	1,351,144
Lease liabilities	1,856,072	—	1,856,072
Warrants	—	290,622	290,622
Total liabilities	3,207,216	5,087,755	8,294,971
At 31 December 2024			
Assets			
Trade and other receivables	—	2,357,690	2,357,690
Cash and bank balances	—	1,391,605	1,391,605
Total assets	—	3,749,295	3,749,295
At 31 December 2024			
Trade and other payables	—	3,361,949	3,361,949
Borrowings	1,694,001	—	1,694,001
Lease liabilities	2,096,009	—	2,096,009
Warrants	—	353,963	353,963
Total liabilities	3,790,010	3,715,912	7,505,922

v. Fair values of financial assets and financial liabilities

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables, and short-term borrowings approximate their respective fair values due to the relatively short-term maturity of these financial instruments. The fair values of other financial assets and liabilities are as disclosed in the respective notes.

vi. Reconciliation of liabilities arising from financing activities

			Cash			Non-cash			
	1 January 2025	Additions	Net financing cash flows	Interest paid	Fair value movement	Reclassified	Prep-payment component	Unwinding of interest	30 September 2025
Term Loan	1,694,001	—	(384,943)	(116,506)	—	—	1,413	157,179	1,351,144
Warrants	353,962	—	—	—	(63,340)	—	—	—	290,622
IFRS 16 – lease liability	2,096,009	81,167	(427,297)	—	—	—	—	106,193	1,856,072

			Cash			Non-cash			
	1 January 2024	Additional loan	Net financing cash flows	Interest paid	Fair value movement	Reclassified	Prep-payment component	Unwinding of interest	31 December 2024
Term Loan	2,125,268	22,336	(515,002)	(140,726)	—	(65,940)	4,831	263,234	1,694,001
Warrants	415,280	—	—	—	(61,318)	—	—	—	353,962
IFRS 16 – lease liability	2,504,695	—	(554,360)	—	—	(8,188)	—	153,862	2,096,009

vii. Capital risk management policies and objectives

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, cash and bank balances and equity attributable to holders of ordinary shares of the Company comprising issued capital, other reserves and retained earnings as disclosed in the financial statements. The Board of Directors reviews the capital structure regularly and at the minimum on a yearly basis.

The Group monitors its debt-to-equity ratio which is calculated as follows.

	Group		Company	
	9 months ended 30 September 2025 £	12 months ended 31 December 2024 £	**9 months ended 30 September 2025 £**	12 months ended 31 December 2024 £
Loans	**1,351,144**	1,694,001	**1,315,072**	1,645,798
Lease liabilities	**1,856,072**	2,096,009	**—**	—
Total debt	**3,207,216**	3,790,010	**1,315,072**	1,645,798
Less: cash and cash equivalents	**(1,893,357)**	(1,391,605)	**(6,153)**	(4,733)
Net debt	**1,313,859**	2,398,405	**1,308,919**	1,641,065
Total equity	**(5,189,386)**	(3,903,453)	**(9,070,258)**	(6,597,497)
Debt to equity	**0.25**	0.61	**0.14**	0.25

Financial assets are disclosed in notes 15 to 17. The Group's principal financial assets are bank balances, trade and other receivables.

Loan covenants

The Group's does not have any specific financial covenants to comply with its major debt provider.

Notes to the financial statements continued

27. Share-based payments and share options

The Company has an Enterprise Management Incentive share option scheme for certain Directors and employees. Under the scheme, participants have been awarded options to acquire up to a prescribed level of shares following a three-year vesting period if the Company's share price has met the pre-determined target conditions. There are two market-based conditions, each accounting for 50% of the share options awarded to the employee. In addition, the mid-market share price of the Company on the AIM Market of the London Stock Exchange must stay at or above the exercise price, for 40 consecutive business days.

The Group used the Black Scholes valuation framework for all share options awarded pre-2024. These options have also been valued using the Monte Carlo valuation method to validate the reasonableness of the results. The results from the Monte Carlo valuation were not considered materially different from the Black Scholes valuation.

The inputs into the Black Scholes model as at 30 September 2025 are as follows:

Grant date	EMI Options	Exercise price (pence)	Strike price on grant date (pence)	Vesting period (years)	Expected volatility	Risk free rate	Fair value	Deemed probability of achieving market condition
02/12/2020	275,000	50	15	3	12.30%	0.35%	0.34	5.02%
02/12/2020	275,000	90	15	3	12.30%	0.35%	0.74	0.37%
18/01/2021	60,000	50	15	3	11.98%	0.35%	0.35	5.30%
18/01/2021	60,000	90	15	3	11.98%	0.35%	0.75	0.37%
01/09/2021	207,500	60	22	3	10.45%	0.26%	0.38	1.10%
01/09/2021	207,500	110	22	3	10.45%	0.26%	0.87	0.00%

As with options containing performance-based market targets, the probability of achieving the set condition is factored into the determination of the value. These will not be remeasured at subsequent reporting dates.

The vesting probabilities presented are products of lognormal distribution modelling over a three-year period to determine the likelihood of the vesting condition being reached, based off the scaled mean and standard deviation from a prior 365-day period.

The Group has used the Monte Carlo valuation framework for all share options awarded in 2025.

The inputs into the Monte Carlo model as at 30 September 2025 are as follows:

Grant date	EMI Options	Hurdles (pence)	Strike price on grant date (pence)	Expiry (years)	Volatility	Option price (pence)	Share price (pence)
30/11/2022	192,500	60	10	3	50%	2.93	12
30/11/2022	192,500	110	10	3	50%	1.34	12
15/11/2023	143,750	115	23.5	3	70%	10.4	24.5
15/11/2023	143,750	150	23.5	3	70%	10.4	24.5
11/10/2024	122,500	115	18	3	66%	6.6	18
11/10/2024	122,500	150	18	3	66%	5.6	18
30/06/2025	75,000	115	20	5	61%	4.6	16.5
30/06/2025	75,000	150	20	5	61%	3.6	16.5

For options with hurdles, early exercise is assumed to take place as soon as the 40-day hurdle requirement is triggered after the three-year vesting period. The Monte Carlo simulation uses 50,000 iterations to enhance the accuracy of the predicted outcome.

Nine months ended 30 September 2025

	Number of options	Weighted average strike price
Outstanding at 1 January 2025	2,246,934	19.70p
Granted during the Period	150,000	20p
Exercised during the Period	—	—
Forfeited during the Period	(244,434)	—
Outstanding at 30 September 2025	**2,152,500**	**19.94p**
Exercisable	—	—

Of the options outstanding at 30 September 2025,670,000 (FY2024: 670,000) options have an exercise price of 15 pence, 415,000 (FY2024: 415,000) options have an exercise price of 22 pence, 385,000 (FY2024: 385,000) options have an exercise price of 10 pence, 287,500 (FY2024: 287,500) options have an exercise price of 23.5 pence, 245,000 (FY2024: 489,434) options have an exercise price of 18 pence and 150,000 options have an exercise price of 20 pence (FY2024: nil)

The aggregate charge for share options recognised in the Group financial statements in the Period was £13,483 (FY2024: £4,951).

28. Subsequent events

Subsequent to the reporting date of 30 September 2025, the following non-adjusting events have occurred:

Pathway partnership agreement

In January 2026, the Company entered into a 15-year Pathway partnership agreement with London Metropolitan University. The first student intake under this agreement is expected in September 2026. As this agreement was entered into after the reporting date, no adjustment has been made to the financial statements.

Closure of Adult ELT schools

In February 2026, the Company announced the closure of its Adult English Language Teaching schools in Manchester and London. Students have been transferred to a competitor via an asset purchase agreement in February 2026. The Company will also sublease the Manchester building to the competitor from the end of February 2026. The London building will be retained by the Company as there are plans to use the space for higher education provision. As the decision was made after the reporting date, this represents a non-adjusting event.

Fundraising

In February 2026, the Company initiated a fundraising expected to raise approximately £1.9m in net proceeds. The fundraising was completed in March 2026. As this transaction occurred after the reporting date, no adjustment has been made to the financial statements.

Company information

Shareholder information

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Registered number

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Date of Annual General Meeting

31 March 2026

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Shareholder enquiries

Our website contains a wide range of information of interest to investors, including: latest news, press releases, and Annual Reports. For further information please contact info.plc@malvernplc.com