

# Better data Better relationships

**Celebrus Technologies plc**  
Annual Report and Accounts 2024



Unlocking  
new  
possibilities





Welcome to the Celebrus Technologies plc 2024 Annual Report. This report covers the Group strategy, business model and products, as well as our ESG activities, governance and the financial results for the year ended 31 March 2024.

As a disruptive data technology platform, Celebrus is focused on improving the relationships between brands and consumers via better data. Celebrus redefines what digital identity verification means to power both next-level marketing and fraud prevention use cases. Deployed across 30+ countries throughout the financial services, healthcare, retail, travel and telecommunications sectors, Celebrus automatically captures, contextualises and activates consumer behavioural data in live-time across all digital channels. Through the addition of behavioural biometrics and AI, Celebrus empowers brands to detect and prevent fraud before it occurs. To ensure that brands can begin to improve those relationships quickly, Celebrus Cloud activates the Celebrus platform efficiently for brands in a single-tenant, private cloud capacity.

The Group has offices in the UK, USA and India with key talent in all markets to drive the growth of the business. Celebrus is fully compliant with all major data privacy regulations and the Group is accredited to ISO 27001: Information Security Management.

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## Delivering sustainable value

### Current trading and outlook

- The year has started with a growing pipeline and a good proportion of revenue for the financial year already contracted.
- Continued investment into sales and marketing to drive organic growth whilst also considering acquisition opportunities.
- Trading to date is in line with expectations for FY25.

£22.0m

Software Revenue

+14.7%

72.2%

Software gross profit %

+3.4% points

£6.0m

Adjusted PBT<sup>1</sup>

+60%

£20.2m

ARR

+20.9%

10.71p

Adjusted diluted EPS

+38%

3.15p

Dividend

+4.0%

### Financial highlights

- Annual recurring revenue<sup>2</sup> (ARR) up 20.9% to £20.2 million (FY23: £16.7 million), and increased as percentage of Software Revenue to 92% (FY23: 89%).
- Total Revenue up 52.3% to £32.6 million (FY23: £21.4 million), and Software Revenue (excluding third-party hardware) up 14.7% to £22.0 million (FY23: £19.1 million).
- Gross profit margin of 52.7% (FY23: 60.2%) due to a greater proportion of lower margin third-party hardware revenue. Software Revenue gross margin of 72.2% (FY23: 68.8%).
- Adjusted profit before tax<sup>3</sup> of £6.0 million (FY23: £3.8 million), and statutory profit before tax of £5.6 million (FY23: £2.4 million).
- Adjusted diluted EPS of 10.71p (FY23: 7.74p) and diluted basic EPS of 9.87p (FY23: 5.18p).
- Proposed final dividend of 2.23p (FY23: 2.15p), making a total dividend for the year of 3.15p (FY23: 3.03p), an increase of 4.0%.
- Year-end cash position of £30.7 million (FY23: £17.2 million), and normalised cash balance (excluding certain creditor payments due) of £24.7 million which is expected to normalize during H1 2025.

### Operational highlights

- Ongoing investment into innovation of the Celebrus platform with new features such as Celebrus Digital Analytics, Bot Detection Machine Learning, and a variety of new digital identity enhancements.
- Key wins in the year included new logos in Healthcare (US), Finance, and Retail combined with some strong upsells of our existing customer base across the globe.
- Continued investment into Sales and Marketing, which has included shifting the Sales team members to focus on specific verticals in their respective markets and the continued emphasis on Customer Success and onboarding.
- Several new partnerships have been established in both the technology and solution integrator categories to further our value proposition in the market.
- Further investments into people development and employee satisfaction which we continue to monitor via our annual employee surveys.
- Completion of the refocus of the Group to a software sales business, which is now ready for the next stage of growth, having completed the planned changes across the business to get us to this point.

1 A reconciliation of PBT to Adjusted PBT is shown in note 5 on page 80.

2 ARR (Annual Recurring Revenue) is the amount of revenue currently contracted at a point in time that is expected to recur within the next twelve months.

3 Adjusted profit before tax is calculated before amortisation of intangibles, restructuring costs, foreign exchange gains/losses and share based payment charges.

# We're innovating the **brand-to-consumer** **experience** with better data

## What we do

**Celebrus is the disruptive data technology platform that uncovers and completes customer identity, enabling next-level marketing and fraud prevention in real-time.**

Celebrus automatically captures, contextualises, and activates user-based behavioural data in real-time across all digital channels. Through behavioural biometrics and analytics, Celebrus helps companies prevent fraud before it happens. Celebrus Cloud provides an enterprise platform that automates and enables organisations to get better value from the Celebrus software in a more efficient manner. Supporting customers in financial services, retail, travel, healthcare and telecommunications across 30+ countries, Celebrus enables brands to improve the customer experience.

## Key markets



Healthcare



Travel



Insurance



Telecoms



Retail



Financial Services



# Unlock new possibilities with limitless, compliant first-party data

Transform experiences with more complete data sets – captured, contextualised and activated with Celebrus.

## Celebrus Core Platform

Digital identity, persistent consumer profiles, tagging free first-party data collection, real-time, data model.



### Marketing

First-party data collection, contextualisation and activation. Built on top of the Celebrus first party, real-time identity graph.



### Fraud

True fraud prevention with advanced data modeling and signals, enhanced by behavioural biometrics.



### Partner Activations

Amplifies your tech stack with contextualised, first-party visitor profiles fed to various platforms for use in those environments.



### CX Vault

The only no-party data capture, contextualisation, and activation solution built to power engagement regardless of opt-in.



### Digital Analytics

Powerful web analytics platform that gives you 100% data ownership. Available in customer environment and Celebrus Cloud.

# Retail

## Speed to value



### **A gift experience retailer signed on with Celebris just ahead of a key campaign they run every year.**

There was a desire to quickly get the Celebris Digital Identity solution up and running for the campaign, which was set to kick off a few days after signature on the agreements. This would assist the retailer in starting to build identities of their visitors enabling the Celebris first-party data to recognise those visitors on their return even months or a year later, and provide a more tailored customer experience at that time, with the objective of increasing customer spend and satisfaction.

Utilizing Celebris Cloud, and Celebris' systematised implementation methodologies, we enabled this customer to begin data capture within 48 hours after signature.

This marks the shortest time to value in Celebris' history and highlights the power of Celebris and Celebris Cloud for our customers.



# Healthcare

## A consolidated patient experience



**A large healthcare organisation in the United States selected Celebrus to build a digital patient data model compliant with local regulations, including HIPAA<sup>1</sup>, which is a regulation increasingly tightly applied in the US.**

The digital landscape for this organisation is hundreds of specific and targeted websites, but the original plan created by the customer was to deploy on only a subset of those as they believed the workload involved for all websites would be too great.

Our Customer Success team engaged with this customer to implement the first phase and based on that quick success, we continued to work with the customer on adding more websites. Within the first year, this customer chose to expand to all websites well ahead of the original schedule and has elected to use our workbooks for analytics internally.

This was one of our original “land and expand” deals upon standing up a direct sales team, and involving our new customer success team. This programme illustrates not only the rapid speed of deployment of Celebrus, but also the customer focus of our team to engage effectively with customers to meet their needs.

<sup>1</sup> HIPAA = Health Insurance Portability and Accountability Act 1996





# Insurance

## Real-time analytics for better decisioning



Originally, Celebrus was brought on to power better decisioning with our digital identity and profile building solutions via a Celebrus Cloud deployment.

That project delivered the ability for this insurer to make cross-channel decisions based upon what was happening on digital media in milliseconds powered by Celebrus data.

As the success of that project continued, the customer also started to explore other areas where the Celebrus data could be useful but needed a solution to be able to analyse and report that data.



We were able to offer Celebrus Digital Analytics (CDA), part of the Celebrus platform, to replace their legacy reporting and analytics systems. CDA was able to be implemented in a very short time and at a fraction of the cost of a third-party solution.

This success was due to the great relationship that our Professional Services, Sales and Customer Success teams build with customer and the value-focused approach we take every day in the field.

# Continued investment into growth and scalability

**This year has again been one of continued investment into supporting our growth and scalability, whilst at the same time increasing our Annual Recurring Revenue and profitability. This has been achieved despite continued uncertainty in the economy and financial markets.**



We have increased the size of the customer-facing teams, to support ongoing growth from new customers and from deepening relationships with existing customers. Our newly-formed Customer Success team has been instrumental in ensuring high customer satisfaction whilst also identifying opportunities for customers to utilise additional features of the Celebrus platform. This led to several very significant customer upsells and contract extensions during the year. These successes have built upon the impact of having a direct sales team which enables us to have a better understanding of each new customer and thereby service them more effectively.

We continue to grow our customer base well beyond banks and financial services, with customer additions including an online gift experience retailer and a US-based healthcare group. This demonstrates the broad applicability and versatility of the platform, and our improved marketing messages being tailored and evolved to describe the value proposition clearly for specific verticals.

In product development, the successful rollout of Celebrus Cloud means that this is now the primary mode of deployment offered. The success of Celebrus Cloud results in more efficient and effective onboarding of new customers. In addition, it allows customers immediate access to new functionality when it is added during our regular six-monthly update release cycle.

Our financial metrics in terms of ARR and adjusted profit before tax have improved, and our financial strength is bolstered by a healthy cash balance and no debt.

The Group continues to invest in our people, and this was manifested by the move into new state-of-the-art offices in both India and the UK during the year. This underlines the efforts into making Celebrus a great place to work for our people, not just in terms of the physical environment but also via the flexibility and benefits package we have developed, to ensure a market-competitive position for the Group. These efforts towards increasing employee satisfaction, validated in our annual employee survey, also help to ensure we can effectively scale the business by recruiting and retaining high calibre talent. I'd like to personally thank our employees for their excellent work during the year.

Finally, having taken on the role of Chairman last December, I'd like to thank my predecessor, Peter Simmonds, for his nine years of contribution to the Group. During that time the Celebrus platform has gone from being a new acquisition to becoming the core of the Group's growth. He leaves the business in a strong position, and we wish him well for the future.

## Outlook

The outlook continues to be positive with a pipeline of excellent opportunities, and a business which is scalable and efficient. The Group has a healthy cash balance to fund necessary investments into growth, both organic and by acquisition if appropriate, and I'm delighted to report that the Board is highly confident in the Group's strategy to create significant shareholder value in the coming years.

*Tom Skelton*

**Tom Skelton**  
Non-Executive Chairman  
9 July 2024





The market trends against third-party cookies and the massive rise in financial fraud play to our strengths as we continue to increase investment into sales and marketing to further build the pipeline.”

**Tom Skelton**  
Non-Executive Chairman

# Shortening our sales cycles

I'd like to begin this year's statement by thanking our team, our customers, and our partners for contributing to what was a successful year for the business. The past couple of years have been heavily focused on transforming our business into a software company, and developing the Celebrus product that was acquired in 2015 into a platform containing a broad range of apps for a variety of uses.

## Our five strategic pillars



Selling  
software



Expand  
Celebrus Cloud



Annual recurring  
revenues



Scale and  
efficiency



Culture

→ For more information  
see pages 16-17



A considerable amount of effort has gone into our systems, processes, people, and go-to-market strategies to ensure we can grow the business efficiently and effectively while driving shareholder value forward."

A considerable amount of effort has gone into our systems, processes, people, and go-to-market strategies to ensure we can grow the business efficiently and effectively while driving shareholder value forward. We put a stamp on those efforts with the name change to Celebrus Technologies plc. We believe that the business is both easier to understand and easier to buy from. We will also continue to simplify our approach, our message, and take stakeholder feedback into account as we continue to grow.

Our mission statement is quite simple: to improve the relationships between brands and consumers via better data. What does "better data" mean to us? It's data that is complete without having to build a bunch of custom code and tagging to try and capture it. It's data that solves for digital identity and can persist that identity in a true patented fashion across your channels. It's a profile capability that ensures you can keep a record of all interactions and finally solve for a single customer view that is so elusive, across all channels and devices. It's data that is available immediately, in the format you need it, so that you can focus on using the data instead of worrying about capturing it. It's data that provides the right detail to protect consumer money from rampant scams across the globe. It's data that complies with all local regulations and provides comfort that you can use the data without violating consumer trust.

We have continued to innovate our Celebrus platform with two major releases per year, and our software is now deployed in over 32 different countries around the world. In the past year, we have significantly improved our Business Intelligence features with the launch of Celebrus Digital Analytics (CDA) and continued to differentiate our Digital Identity and Customer Profile capabilities. Today, the platform powers over 400 use cases in Marketing, Customer Experience, Fraud, and Artificial Intelligence via better data. It's best to think of the platform as the core operating system and we are packaging up solutions, or applications, that sit on top of the core platform to deliver value to our customers. Those solutions are sold with Celebrus Cloud, our single-tenant, private-cloud offering as the primary deployment model.



Strategically, as we continue to evaluate our product roadmap, we believe this is an opportune time to perform some discovery in the market for a potential IP acquisition that could add some valuable technology and solutions to our existing Celebrus Platform. We have a healthy cash balance, no debt, and strong alignment at the Board level on what we are seeking to acquire. This will not slow down our own roadmap and investments in the platform, but it is a key part of our current strategy.

In the market, we are selling solutions for specific pain points to brands to continue to optimise and shorten our sales cycles year on year. In the past couple of years, we have established a direct Sales team, and we also deployed a Customer Success team to support our land and expand approach. These changes were a must have for our business as we looked to drive strong, stable growth in software revenues and ARR year in and year out with our customer-first mentality. In the second half of the fiscal year, we took another step forward in our strategy and aligned the team with vertical expertise focused on Financial Services, Insurance, Healthcare (US), Retail and Travel & Hospitality. We also continue to evolve our Pre-Sales team to strategically support the growth of our existing customer revenues and the drive for new logos in the market.

Our investments in Sales and Customer Success are returning positive results, which is promising as we continue to learn and evolve. Key wins in the year included new logos in Healthcare (US), Financial Services, and Retail. We also successfully secured many upsells across our customer base, which we attribute to our new engagement models and a strong focus on selling the value of the Celebrus platform for expanded use cases.

While we have invested in our direct sales, we have also continued to launch several partner activations with organisations including Merkle, Salesforce, Braze, Snowflake and Databricks to name a few. Partners remain a key part of our strategy, but how we engage with partners has evolved significantly over the past couple of years.

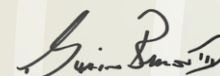
We approach the market together, we sell together, and as a result we ensure that the Celebrus platform is being positioned correctly every step of the way. Once we win a customer's partnership, we stay engaged alongside our partner to ensure that the customer is happy and growing in their use of the Celebrus platform. This also then allows the Partners to focus more on building value around the Celebrus platform since we assist them during the upsell process in selling it effectively, which ultimately helps us to scale as we grow.

From a people perspective, we simply would not be where we are today on our journey without our employees across the world. We have continued to find ways to invest in the professional development of our employees, and to support them both in their business lives and their personal lives. Moreover, in the second half of the financial year, with good visibility on revenues, we chose to add some key talent in commercial and business development roles to prepare for the next phase of our business strategy execution, and help ensure that future growth targets can be met.

With a backdrop of increasing risks globally, we continue to invest and focus on both cyber security and measurement. We have further improved our monitoring, processes and technology investments to ensure that we are doing everything we can to protect our platform, our customers, and their consumers. We are also ensuring that we can make data-driven decisions across the entire business to optimise our investments to deliver the best return to our shareholders.

Strategically, we are now entering a pivotal year for the business. Having had a successful FY24 and built the proper foundation for the business to scale with significant investment into systems and people, we are very excited about the trajectory we are on and the progress we are making. We will continue to focus on growing our software revenues, driven by ARR as a primary metric, through our continued investment into sales, marketing, and product development while ensuring we can still generate healthy profits and cash for future investment.

We have started the new financial year with a growing pipeline, strong backlog, good momentum, revenue already committed to the current financial year, and solid growth in ARR. We are confident in our ability to deliver in this new financial year and continue to execute on our vision for this business globally.

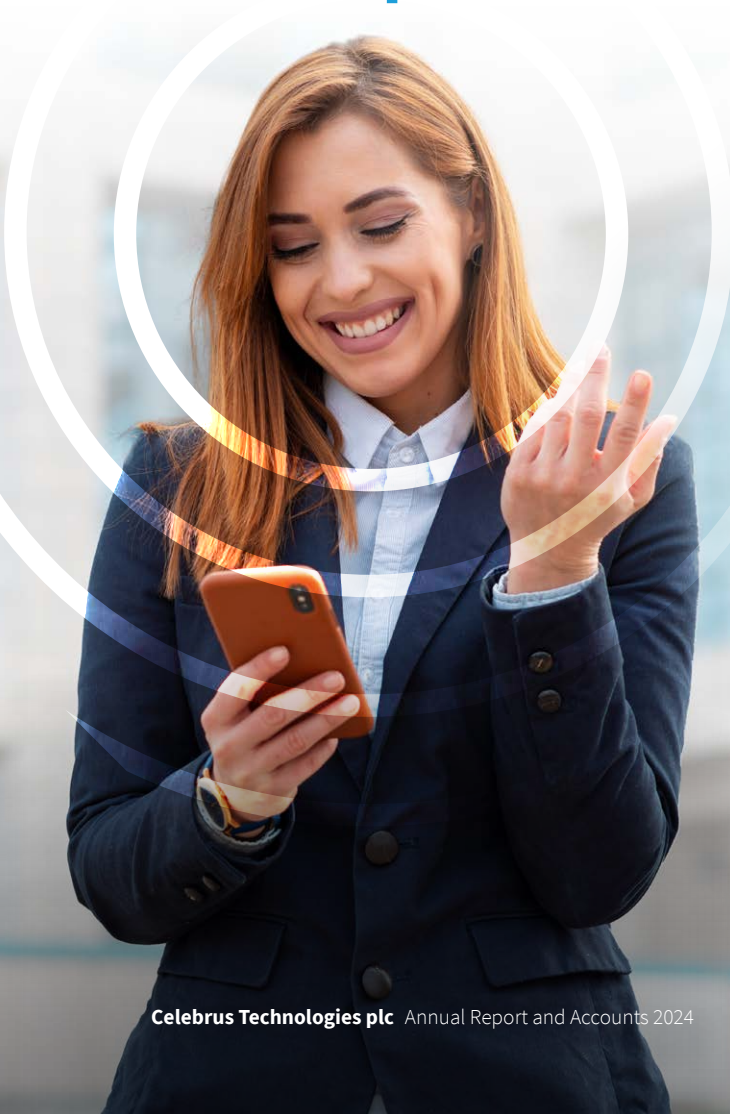


**Bill Bruno**  
Chief Executive Officer  
9 July 2024

“

We have started the new financial year with a growing pipeline, good momentum, revenue already committed to the current financial year, and solid growth in ARR. We are confident in our ability to deliver in this new financial year and continue to execute on our vision for this business globally.”

# Market size and competitive landscape



## Data and marketing

### Market drivers

Data-driven marketing is forecasted to grow at a compounded annual growth rate of 20.4% from 2021 to 2028.<sup>1</sup>

**87%** of marketers report that data is their company's most under-utilised asset.<sup>2</sup>

**54%** of marketers cite lack of data quality and completeness as the biggest challenge in data-driven marketing.<sup>3</sup>

**74%** of C-suite executives believe that good quality data gives them a competitive advantage.

**60%** of organisations drive business innovation based on customer data.

**\$20 billion** The consumer data market size by the end of 2027 from **\$5 billion** in 2022.

**66%** believe this growth is due to the deprecation of third-party cookies, and the need for first-party data, as well as consumer expectations for more personalised customer journeys.

Only **24%** of marketers have a system in place for managing and updating their customer data.

**77%** of consumers are more likely to shop with a brand that offers personalised experiences based on data.<sup>4</sup>

Consumers continue to demand targeted, personalised digital experiences that align with their desire for brands to understand their preferences and provide relevant experiences. Access to the right data to achieve these brand-to-consumer experiences is crucial.

### Market expectations

Companies using customer data technologies report a **115% higher ROI** and **93% higher profits** than those that do not.<sup>5</sup>

**53%** of organisations define ROI from customer data technology by cost savings, while deriving the most value from customer data technologies prioritising basic goals such as unified customer view, completeness of data, privacy compliance and less time spent on data management.

**58%** measure ROI from customer data technology by sales and revenue growth.

**68%** report that data security is the most important criteria when selecting a customer data technology.

**75%** stated aggregating data from all sources was the most important customer data technology capability.

**57%** noted identity matching as a crucial capability.



Fraud prevention

Market drivers

25% of companies lost over \$1 million to fraud in 2023 and nearly 60% of banks, fintechs and credit unions lost over \$500k in direct fraud losses in 2023.

The global fraud detection and prevention market is estimated to grow to \$66.6 billion by 2028.<sup>5</sup>

\$485.6 billion was lost to fraud scams and bank fraud schemes globally in 2023.<sup>7</sup>

In retail, an industry formerly concerned mostly with in-person theft and fraud, cyberfraud and cybertheft has caused massive hits to revenue. Banking and insurance sectors note the increased adoption of online applications and mobile banking for the rise of new fraudulent schemes and scams.

Global ecommerce fraud continues to increase, with losses of \$41 million in 2022, predicted to have exceeded \$48 billion in 2023.<sup>8</sup>

Malicious bot traffic (account take over or ATO, content or price scraping, and scalping for limited availability items) accounted for 27.7% of all global website traffic in 2021.<sup>9</sup>

Market trends and Celebrus Technology plc’s response

Trend	Response
According to a recent IDC study, “executives openly articulate the need for their organisations to be more data-driven, and to be data companies.”	This trend requires organisations to actively collect digital data as soon as brand interactions occurs, with a full picture of digital identity. This data also must be usable in the moment. This is the core value proposition of Celebrus as a platform.
AI and Machine Learning technologies find increased roles within business units, responsible for automations and the detection of anomalies.	Celebrus has embedded machine learning and AI into the platform for years and will continue to innovate upon the models provided to customers to drive quick wins. Making data easier to use is a core tenet of the Celebrus Platform.
“Cloud technology acts as a key trend for fraud detection and prevention. It offers robust processing power, storage space and access through the internet.” (Fortune Business Insights)	Celebrus Cloud, our first-party, single-tenant, private cloud offering for customers makes this a reality for our customers with compliance at the forefront for protecting consumer information.
ESG initiatives and government regulations push organisations to inspect their data capture and contextualisation methods.	Celebrus does not deploy third-party technologies in the capture of data, ensuring 100% compliance with all government regulations globally, as well as internal specifications for the capture and handling of data. All data is owned solely by the organisation deploying the technology and data does not change hands within the capture process as it does with competing vendors.

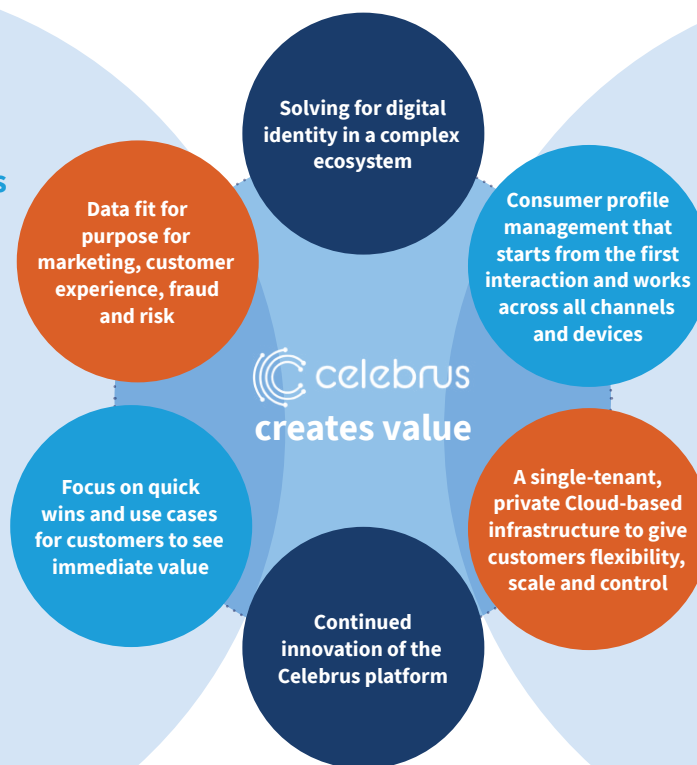
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3 ADM, <https://www.accelerateddigitalmedia.com/insights/building-a-data-foundation-how-data-can-transform-your-marketing-strategy/#:~:text=Under%2DUtilization%20and%20Challenges%3A%20Despite,data%2Ddriven%20marketing%E2%80%8B%E2%80%8B>, 2024  
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7 Nasdaq, <https://nd.nasdaq.com/rs/303-QKM-463/images/2024-Global-Financial-Crime-Report-Nasdaq-Verafin-20240115.pdf>, 2024  
8 Mastercard, <https://b2b.mastercard.com/news-and-insights/blog/ecommerce-fraud-trends-and-statistics-merchants-need-to-know-in-2024/>, 2024  
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## Our Mission:

To create **better relationships** between brands and consumers **via better data**

### Key input and drivers of success

- A formal restructure to being “customer first” and becoming a sales organisation.
- Investment in both expanding our market penetration via new logos while growing existing customer relationships year on year.
- Simplification of the Celebrus message and positioning to make us easy to understand and buy from.
- Investment in customer success to partner with Sales effectively.
- Diversification of our partner ecosystem to include solution integrators and strategic consulting firms.
- Launching new features and functionality for data activation, analysis and artificial intelligence to make the Celebrus platform easier to use.



### Celebrus key values

#### Integrity

We're honest and straightforward, and we do our best to communicate clearly and effectively. We don't use vendor terminology to confuse customers, and we trust each other to deliver on our goals. When we make promises, or set goals, internally or externally we deliver upon them and hold ourselves accountable.

#### Customer-first mentality

We put the customer first and go the extra mile for them. We live our mission to improve the relationships between brands and consumers via better data and we do that with our people, our technology and our services.

#### Innovation

We don't rest. Complacency in the software space signals failure – and it's not just about our tech. It's about innovating everything we do, always questioning our processes and looking for ways to improve in every facet of our business.

#### Simplicity

Simple and effective communication, with a focus on keeping things efficient both internally and externally. Meeting with purpose, explanations to customers that are easy to understand, messaging in the marketplace that anyone can follow, etc.



#### Marketing

Building better experiences and driving decisioning



#### Advertising

Driving better targeting to drive higher converting campaigns



#### Measure

Providing better measurement for key concepts



#### Fraud

Protecting money whilst reducing reputational risk for our customers



#### Data

Eliminating wasted cycles by providing a structured data model



## Why customers choose Celebrus

At a high level we have 3 different “Personas” that we’ll come across within an organisation and while attempting to identify an opportunity.

### Persona 1

We’ll call this our target persona. These are people that ultimately have failed or have grown exhausted with existing tech. They know what they have can’t deliver on their use cases, they know the pains, and they are ready for change.

### Persona 2

We’ll call this the promising persona. These are the people who have an open mind. They know what they have might not be the best fit and they are very open to exploring options. The challenge with this persona lies in a situation where they are not decision makers or can’t influence a decision maker. It can be a struggle when that happens. However, this persona presents an opportunity to convert them to our approach.

### Persona 3

We’ll call this the “see you next year” persona. These are people who think they already have everything covered, or at least think they will with the tech they have. They are buying the new shiny object, perhaps a CDP, and we’ll need to nurture them, give them some time to fail, stay front of mind, and check back to see how they are progressing.

## Solutions for key challenges

The industry continues to face challenges from all angles with regard to identity, cookie deprecation and compliance, among many others. Simple tasks such as using digital data across platforms prove to be a difficulty faced by brands who have reached a certain level of maturity and complexity in their use cases. Celebrus offers unique solutions backed by our software and IP to solve these gaps and challenges.

## Innovation

Celebrus includes customers and partners in the journey and provides ample opportunity to review product roadmaps and input via our Advisory Boards and Customer Portal. Celebrus continues to identify trends and work globally to ensure we’re bringing the right features to market to sell to both new and existing customers. We are also exploring new initiatives, such as communities, to bring our customers together around the globe as part of our customer-first mentality.

## Customer service

Celebrus prides our business on going beyond to ensure we’re meeting the needs of our customers around the globe. We welcome feedback and implement it to continually improve. We have invested into better process and communication with customers in the past year. This includes our creation of Customer Success, and also our rollout of surveys and QBRs.

## Trusted supplier

The Celebrus pedigree of stability, security and continuous improvement brings best-in-class solutions to market that are battle tested and have proven value to some of the largest brands in the world.

## How Celebrus maximises value for shareholders

Celebrus continues to transform the business to focus on growth, driving value for our shareholders. To maximise the value we return to shareholders, we focus on three things:

**1**

### ARR growth

Celebrus is focused on growing Annual Recurring Revenue by increasing the size of our customer base and adding to the functionality available and utilised by customers to connect with their end-customers. ARR is known to be a key driver of company and shareholder valuation. We continue to provide more visibility into this metric for shareholders.

**2**

### Adjusted profit before taxes

This measure approximates to the cash profit of the business as it excludes major non-cash items charged to the income statement. It is therefore, a good proxy to measure cash generation which can be used for investment into the business to generate growth, and for payment of dividends to shareholders.

**3**

### Dividends

This is a very visible aspect of shareholder return. A portion of the cash generated in a financial year is paid in the form of a growing dividend. Occasionally, the Board may decide, as it did in 2022, to pay a special dividend on top of the ordinary dividend.

# We improve the relationships between brands and consumers via better data

Organisations struggle with subpar digital data and are unable to better know and understand their consumers. This problem plagues every single digital use case today across both Marketing and Fraud teams. Our goal is to continue to challenge these organisations to think differently about solving for those gaps and give Celebrus a chance to show them there is a better option in the market.

→ For more information on our risks see pages 39-41

→ For more information on our KPIs see pages 18-19



## 1. Selling software

### Our goal

We are a software company, and with that as our guide it defines how we execute in the market both internally and externally. By selling software we can continue to focus on driving ARR growth with higher gross margins, increasing shareholder value, and building upon our high customer retention rates across the business. To do this, we will further add simple packages of features that solve specific pain points in the industry today and shift to a more "land and expand" approach. This helps shorten our sales cycles and ultimately will drive the new logo goals we have for the business in the coming years as we continue to innovate and address some of the most challenging issues facing the digital industry today in marketing and fraud.

### What we did in FY24

We needed to focus more on the expansion of customers as they start using Celebrus to solve for the initial pain point. To do that, we launched a Customer Success function to drive year-on-year growth from our existing customers, thereby freeing up the time of our Sales team to focus on winning new logos. Their impact has already been very apparent as they are engaging with customers even before the initial project is completed to be able to develop the customer relationship and seek quick upsell wins once the customer is seeing value.

We have also continued to evolve how we position the platform and align the Sales team around the globe. From a positioning perspective, we continue to simplify our messaging and focus on providing the Celebrus Platform to our customers with various applications tied to core use cases and pain points. In the latter half of the year, we also aligned our sales team by vertical with a focus on Financial Services, Insurance, Healthcare (US), Retail, and Travel and Hospitality.

### What we're doing in FY25

We continue to fine tune our approach as we learn more from selling directly in the field. We are also continuing to evolve our selling alongside our partners. Every investment and approach is being measured, and we are using AI to help us better understand how we can improve the sales process to continue to move deals more quickly and smoothly through the pipeline. A key value in our team is to be easy to buy from, so we continue to focus on that as well.

### Link to risk

1 2 3 4 5 6 7

### Link to KPIs

- Software Revenues
- Annual Recurring Revenues



## 2. Expand Celebrus Cloud

### Our goal

Heading into FY24, we made it clear that our approach was cloud-first, which paved the way for our Celebrus Cloud offering. It is underpinned by our Managed Services division that, over the years, has built some of the most powerful and innovative analytic environments. Celebrus Cloud provides our customers with options to help them quickly get value from our Celebrus software in a single-tenant, private cloud managed service and is the foundation of core feature releases in the Celebrus app platform, including Celebrus Digital Analytics which was launched during the year. It also makes the upgrade process easier for customers allowing them more immediate access to new features as they are released in new versions.

### What we did in FY24

We continued to incentivise our product and engineering teams to find opportunities to identify and protect Intellectual Property and continued to invest in key research projects that are driven by where we see the market going and the challenges that we see on the horizon. We launched versions 9.8 and 9.9 of our Celebrus software which continues our commitment of launching two main releases each year for our customers driven by industry gaps and customer/partner requests. A key element during the year was the launch of Celebrus Digital Analytics which provides organisations with access to a true, first-party visualisation platform for digital data with full data control in the hands of the brands. It removes the need to rely on third-party platforms that use a shared environment and funnel data through outside environments, thereby posing regulatory risks.

### What we're doing in FY25

We intend to continue to improve Celebrus Cloud through increased automation of its functionality, while also encouraging existing customers to move from on-premise solutions to Celebrus Cloud for the positive reasons outlined above. We will also undertake an exercise to audit our cloud costs to ensure optimal efficiency in the use of cloud resources, and we will continue to bring cloud-only features to the Celebrus Platform as an added benefit to those customers choosing to operate in that model.

### Link to risk

3 6 7

### Link to KPIs

- Software Revenues
- Annual Recurring Revenues



## 3. Annual Recurring Revenue (ARR)

### Our goal

Annual Recurring Revenue, driven by selling our Celebrus software and Celebrus Cloud managed service, is a core focus for the business to drive more value for our shareholders. Our goal, given the nature of our business, is to have ARR comprise an increasing percentage of our revenues each year.

### What we did in FY24

During the year we had key wins including a leading European retailer of experience gifts using Celebrus Cloud, to help drive better engagement with customers, build compliant marketing profiles about those customers, and ultimately deliver better customer experiences, and a US healthcare customer, which will leverage the Celebrus data model to create a digital patient data identity that is compliant with local regulations and allows for better experiences as patients navigate the digital platforms offered by this provider. We also added a new financial services customer, who will be solving for both Marketing and Fraud use cases in a Celebrus Cloud deployment.

These wins, along with other new logo wins and customer upsells, drove ARR growth of 20.9%, and ARR revenue now accounts for 92% of all Software Revenues, and 62% of total Revenues.

### What we're doing in FY25

We will continue to grow our sales and customer success teams as well as encouraging customers to move to Celebrus Cloud. This will drive ARR growth. We will also continue to productise offerings that combine elements of Celebrus, such as Celebrus CDI for Salesforce or CXM Signals with Merkle, that simplify the Sales process.

### Link to risk

1 2 3 4 5 6 7

### Link to KPIs

- Annual Recurring Revenues



## 4. Scale and efficiency

### Our goal

The management team continues to identify areas of opportunity to build efficiencies in the business, notably through improved systems and redeployment of employees, that will allow us to apply key talent into higher value areas on the front lines. We also continue to identify Solution Integrator (SI) partners to provide bandwidth to assist our customers globally in their journey with Celebrus.

### What we did in FY24

Following the implementation of various internal systems over the last two years we have moved into our next phase of reporting and analysis for line managers and the team in the field to ensure we are being data-driven in all aspects of our business. We are also looking at ways to further build efficiencies into how we deploy Celebrus Cloud and bring automation to life in how we simplify configuration of our platforms. We continued to revisit the structure of the business to ensure we are managing our operating expenses prudently whilst focusing more resources on customer-facing roles.

### What we're doing in FY25

With the work over the last two years of investments into systems and the restructuring of departments now being largely complete, we are focused on headcount growth to drive revenue and ARR. We will do this from a solid foundation and that also enables us now to consider opportunities for growth by acquisition as well as organic growth. We will embark upon a proactive search for suitable acquisition targets. These will be centred around data activation and will be IP that we can plug right into the Celebrus Platform to add value to our customers.

### Link to risk

2 6 7

### Link to KPIs

- Annual Recurring Revenues
- Adjusted PBT



## 5. Culture

### Our goal

We are continuing our journey of building a high-performance team rooted in accountability and a customer-first mentality with an eye to always looking for ways to improve upon how we operate on a daily basis. We firmly believe that software companies who get complacent ultimately end up losing in the end, so continuous improvement is critical for us. This will create opportunities for our staff around the globe for professional development that is mutually beneficial to our amazing team as well as our shareholders and our customers.

### What we did in FY24

We continue to build on improved communication and innovation across the business. Our bi-monthly global Town Hall meetings have continued and we ran a global employee survey for the second time which showed improved employee satisfaction. We also moved offices in both India and the UK providing state-of-the-art and more engaging workspaces for our teams. We have also used the Customer Success team to start to build better ways to engage with our customers throughout the year.

### What we're doing in FY25

We will continue to utilise our new HR systems and processes to ensure we are bringing in top talent to the business while also creating opportunities for growth internally. We will continue to evolve the culture to foster innovation, creativity and productivity. ESG will also continue to play a key role in bringing our people together. We are also exploring several ways to incorporate AI into the way we service our people and our customers.

### Link to risk

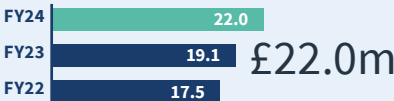
2 7



# Measuring our performance

## Financial

### Software Revenues



Software Revenues exclude third-party product revenues. This is a KPI because it reflects the work we are doing, and the monies received over a period of time for that work. It is driven by new sales, renewals and upsell/cross-sell to existing customers and includes licences, hosting, support and maintenance, as well as one-off project work.

#### Performance in 2024

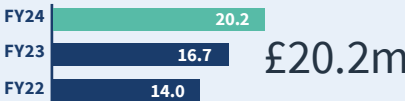
+14.7%

Link to strategy

#### Link to remuneration

- Growth in Software Revenues is directly linked to growth in ARR which is a requirement for payment of annual bonus and LTIP vesting.

### Annual Recurring Revenues



ARR is an important metric as it is an indicator of valuation of software companies. Investors value the certainty of knowing that there is revenue which will recur year after year from customers who derive benefit from Celebris' products.

#### Performance in 2024

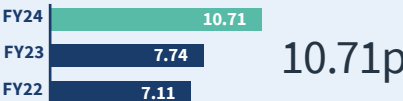
+20.9%

Link to strategy

#### Link to remuneration

- Payment of annual bonus and vesting of LTIPS is only on achieving a target growth in ARR.

### Adjusted diluted EPS



Adjusted diluted EPS is driven from the Adjusted profit before tax figure and indicates the adjusted profit per share to provide a like-for-like calculation of value creation per share per year.

#### Performance in 2024

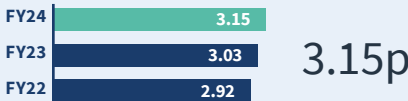
+38%

Link to strategy

#### Link to remuneration

- Annual bonus is payable only on achieving a target level of adjusted profit before tax, which is a key driver of adjusted diluted EPS.

### Dividend



The dividend is a key metric, as many shareholders value the cash payment to them. This metric is one that is considered extensively by the Board and balanced against the need to invest surplus cash into growing the business.

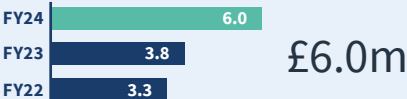
#### Performance in 2024

+4%

Link to strategy

Strategy  Selling software  Expand Celebrus Cloud  Annual Recurring Revenues  Scale and efficiency  Culture

## Adjusted profit before tax



Adjusted profit before tax is a key indicator because it approximates to the cash generation of the ongoing operations. It is calculated before amortisation of intangibles, restructuring costs, acquisition costs, foreign exchange gains/losses and share based payment charges. See note 5 on page 80 for a reconciliation of Adjusted profit before tax.

### Performance in 2024

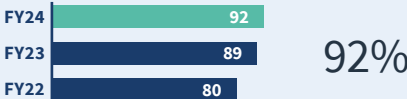
**+58%**

[Link to strategy](#)     

### Link to remuneration

- Annual bonus is payable only on achieving a target level of adjusted profit before tax.

## ARR as % of Software Revenues



ARR as a % total revenue indicates our progress to improve the quality of revenues by making a higher percentage of them recurring revenues. This includes converting existing customers from perpetual licences to term licences as well as adding new customers on a term licence ARR basis.

### Performance in 2024

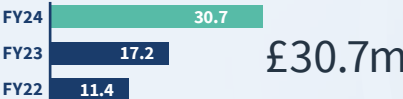
**+4.4% points**

[Link to strategy](#)   

### Link to remuneration

- Growth in ARR is a target for annual bonus and LTIP vesting, and drives ARR to be an increasing % of Software Revenues.

## Cash



Cash is a key metric as it provides assurance on our ability to invest to grow the business as well as to make dividend payments to shareholders. It also provides comfort to customers from a vendor risk perspective. The cash will be used for growth, either organic or by acquisition.

### Performance in 2024

**+78%**

[Link to strategy](#)   

# Delivering apps to showcase our incredible **Celebrus** platform

**As always, our Product Development team has had a busy year. Two major releases (v9.8 June and v9.9 December) delivered innovative new features to our customers. Amongst all the great new capabilities there are three very special highlights: Celebrus Digital Analytics (CDA), integrated Machine Learning (ML) and bot detection.**

“

Looking into the year ahead there is much work to build on all the initiatives under way. With a major product release planned, patent applications in flight and new analytics capabilities coming out soon, this year promises to be an exciting period!”

**Ant Phillips**  
Chief Technology Officer



It is testament to our awesome people that we conceived, planned, built and delivered CDA, an entirely new digital analytics application, within such a short space of time.

CDA provides an intuitive, easy-to-use, Marketer-friendly application which is perfectly suited for businesses looking for an alternative to Google Analytics and similar products. CDA is built on top of the core Celebrus platform and thus provides unique differentiation around our market-leading Celebrus Identity Graph, ease of data collection and rich granular data.

CDA is a Celebrus Cloud offering and for those customers looking to incorporate their own reporting capabilities we also offer Celebrus Workbooks. These provide all the same Celebrus functionality except that they are delivered through Power BI and Tableau, the two most used reporting and business information technologies in the world today.

As I signalled last year, one of the key strategic directions we have as a business is to deliver apps which showcase our incredible Celebrus platform. Our innovation in the analytics space is just one aspect and that's why integrated machine learning and bot detection are right up there on our list of headlines. Celebrus offers the ability to train, test and deploy highly effective machine-learning models directly from the product.

Our first model, available as a subscription service, is a bot detection model. Bots are particularly interesting because they feature in both the fraud prevention world and also marketing.

For fraud prevention, bots are a common attack tool which are used to apply stolen credentials purchased on the dark web to access customer bank or other accounts, so called Account Takeover Attacks (ATO). For Marketers, bots create a range of issues such as price scraping (ie, for illegal competitive price monitoring and tracking other valuable information related to pricing intelligence from ecommerce and travel sites) and Pay Per Click fraud (PPC); some companies use PPC fraud to hurt their competitors' advertising budgets by targeting their PPC ads with fraudulent clicks. We've seen several retailers where more than 20% of visitors are in fact non-human traffic, all of which shows up in skewed statistics and biased data.

Celebrus Cloud is our hosted offering for all Celebrus products and services, it is another vital part of our business and innovation continues at pace. Celebrus Cloud is a world class solution which is fully automated, secure and highly resilient. We can onboard new customers in minutes instead of weeks. It has been really satisfying to see new customers onboarded and delivering at such a rapid pace. There is a lot still to do and we're looking at new kinds of workload functionality which we can bring into Celebrus Cloud that will unlock untapped market segments.

The hyperscalers where we operate (AWS, Azure, Google Cloud) are very good at adding costs for every aspect of running cloud operations, and so it is incumbent on us to optimise Celebrus Cloud.

This focus requires many different tactics including product enhancements to be cloud native (for example, using cheaper intelligent storage tiers such as Amazon S3), and also smart cloud architectures which route traffic optimally and use cost-effective technologies to support our business margins.



This focus on Cloud Financial Operations will continue into the foreseeable future.

This year we're planning to migrate to a new set of modern cloud applications to support our business (such as Jira Service Management); all part of our business modernisation programme and building for scale. We're also looking at a major product release later this year. Such major releases only come around every five or so years and they offer us an opportunity to make groundbreaking leaps in technology. Our last major release (v9.0 2019) was a huge step forward in terms of performance, usability and compliance. Due to detailed planning in our product development methodology, we don't see any architectural limitations in our current product so the next major release is about simplifying and streamlining the product, and preparing the ground for the next five years of innovation.

As for the regulatory environment, the United States (our largest market) is changing rapidly. Some 15 states now each have their own comprehensive data privacy laws in place. This patchwork is an increasing challenge for businesses operating in the US and is tremendously helpful to us because of our first-party, privacy first, product strategy by which our customers have 100% ownership and control of the data.

We see numerous businesses wanting to get away from existing digital analytics vendors such as Google Analytics because their data quality continues to decline as third-party cookies are increasingly deprecated.

In Europe, it has been surprising to see GDPR continue to evolve some six years after it first came into enforcement. For example, the Spanish Data Protection Office (AEPD) has led the way with directives around consent and the use of marketing cookies. Celebris again leads the way with full support for this strict interpretation of GDPR in our v9.9 release.



We see numerous businesses wanting to get away from existing digital analytics vendors such as Google Analytics because their data quality continues to decline as third-party cookies are increasingly deprecated.”

# Implementing security that is scalable and **will grow with the business**

**If I was to sum up the year in two words it would be “security focus”; a significant focus built around the strong organisational security culture in which we seek to continuously improve and raise the bar. It’s important to note why continuous improvement is so important; the threat landscape we operate in is ever changing and as such we must continuously review and improve.**



Heading into the next 12 months our strategic focus in Security will be to focus in four key areas; human centric design, zero trust, AI and consolidation.”

**Tony Bennett**  
Chief Security Officer



To that end, our globally certified information security framework ISO 27001 has continued to evolve throughout the year; with our most recent audit taking place in our office in Chennai, India.

With the backdrop of changing threats, our risk management review process focuses strongly on each control from a Security point of view. Marginal improvements against already strong controls and processes have remained just as important as implementing new security controls, and even the strongest controls are subject to review year to year.

Over the year we have made substantial changes, and as also indicated in last year's report we have implemented security that is scalable and will grow with the business.

People have continued to form a key part of our security strategy. We have grown and changed the security organisation to one with wider capabilities that deliver substantial security enhancement for the organisation. Continuing the theme of people and building on the training technology delivered last year, a full refresh of cyber training modules has been delivered to all employees to ensure the organisation is prepared for and responsive to cyber threats.

In last year's report I outlined how the business had undergone transformation with the implementation of the Security Operations Centre. This function has continued to develop over the past 12 months to counter the rising threat levels. We continue to process billions of logs per year actively searching and correlating for cyber threats.

Our data center configuration has seen notable change to its footprint in the past year, moving to a new location that will serve the organisation for years to come, and allowing us to consolidate the previous data centres into a single location.

As part of our continuous improvement and “security focus”, the core technologies have been reviewed for security configuration, including detailed penetration testing of core areas. This of course includes our cloud offerings to support our clients in the most secure way possible. Additional security and business continuity frameworks have been introduced into the business in preparation for FY25; this includes a redesign of how we manage our frameworks in preparation for an upgrade of our Governance, Risk and Compliance management technology in FY25.

As our CTO highlights in his report, the Celebrus platform is evolving and the security of our product remains top priority. With a dedicated secure development methodology, our product security has been continually reviewed and improved in past 12 months and this will continue into FY25.

The progress made this year is a testament to the hard work and diligence of our people who have put in an enormous effort to drive improvement across the business in and outside of the security function.

Heading into the next 12 months our strategic focus in Security will be to focus in four key areas; human centric design, zero trust, AI and consolidation. These four pillars of strategy will see us take the next step in security, and coupled with an expanding framework will assist the organisation to continue to improve through FY25 and beyond.

# Connecting with our key stakeholders

**The Board considers the interests of its key stakeholders when making decisions. This ensures that the Directors are fulfilling their duties under Section 172 (s.172) of the Companies Act 2006, to ensure the long-term success of the Company.**

These duties are summarised as follows:

A Director of a Company must act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and, in doing so, have regard (amongst other matters) to:

- the likely consequences of any decisions in the long-term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with suppliers, customers and others;
- the impact of the Group's operations on the community and environment;
- the desirability of the Group to maintain a reputation for high standards of business conduct; and
- the need to act fairly as between shareholders of the Company.

These pages outline the priorities of customers, partners, employees and shareholders, and how the Board engages with these groups. Further information is available in the rest of this Strategic Report on pages 2 to 41 and Corporate Governance Report on pages 44 to 63.

Throughout the year, the Group Operations Board updated the Board with information on important areas of business focus, and in particular those relating to our key stakeholders as well as environmental, social and governance (ESG) matters. This ensured that the Board had a good understanding of the priorities of each stakeholder group to aid decision-making. More information on the Group's ESG activities can be found in the ESG Report on pages 28 to 36.

From a stakeholder perspective the key considerations for the Board during the year are shown below.



Customers



Partners



Employees



Shareholders





# Customers

## What is important to them

- Reliable technology that adds value to their business.
- Ongoing product development to meet their future needs.
- Customer satisfaction with our products and support service.
- Good relationships as a trusted supplier.
- Integrations with key technology.
- Input into the future features of the products.

## How we engage

### Customer input

We engage with customers to ensure a proper flow of information from our key customers to our engineering teams. This is also used to vet and adjust upcoming product roadmaps to ensure we are solving the key issues in the marketplace, and also provides a sounding board for our CTO and Product teams as they evaluate various research projects and roadmap items.

### Customer and Partner portal

Our Customer and Partner portal has the goal of streamlining communication, providing better support and offering a variety of self-service options and solutions for customers and partners. This also ensures we are able to communicate openly and effectively, while also providing a central location for all the latest information about our products and services.

### Customer Success

Our Customer Success Managers work closely with our existing customers to act as trusted advisers and ensure each is maximising their use of and the benefits they derive from their deployment of Celebrus. We also ensure that all customers are communicated with during the product updates that we generally release twice annually.

## Service reviews

Internal service reviews are conducted daily based upon client communication and support requests, which are managed on a 24/7 basis for most customers. Regular service reviews with customers are held to ensure we continue to add value across our customer base.

## Marketing and messaging

A primary focus of ours as part of our “go loud” campaign is to provide our customers and prospects with a better understanding of our product, core use cases and differentiators. This will also further enhance our partner engagement and onboarding as well as our direct sales initiatives.

## Case studies

Inclusion of key customer case studies as part of our PR campaign to raise awareness of the value of the Celebrus family of products. We have also introduced PR bylines to exhibit expertise in our relevant fields for our key stakeholders.



We have simplified our approach to Sales focusing on a small number of use cases rather than selling the whole broad functionality of our products from the outset. This reduces the length of our sales cycle enabling our new customers to benefit more quickly from our products.”

**Mark Krebs**  
VP, Global Sales



# Partners

## What is important to them

- Collaborative sales and marketing initiatives to promote swift adoption of our products and to ensure our customers can quickly realise its value.
- Our offering will be differentiated to enable both offensive and defensive positioning, with a goal of increasing our Annual Recurring Revenue (ARR).
- Continual product and market education of front-line account teams.
- We will build trusted relationships with our partners to effectively work together in serving our mutual customers.
- Our commercial agreements will not be overly complicated to avoid slowing down contract negotiations.
- Co-developed connections to partner systems facilitate services related to deriving value, rather than just integration and data management.

## How we engage with them

### • Innovative initiatives

- To engage effectively with our partner ecosystem, we are encouraging new System Integrator partners through new and innovative bi- and tri-party initiatives. These initiatives are tailored to the unique needs of our Partners' client bases, ensuring that our joint solutions are relevant and impactful. By collaborating closely, we can drive mutual success and foster deeper relationships.

### • Strong partner team

- Our alliance team is crucial in managing and fostering these partnerships. They are responsible for ensuring alignment with organisational goals, facilitating collaboration and driving mutual success. The team also focuses on identifying and onboarding new Partners, negotiating referral agreements and educating Partners on our evolving strategies to meet new market dynamics.

### • Staying current

- Keeping abreast of market changes is essential for maintaining strong partnerships. Our alliance team works diligently to adapt our partner strategies to these changes, ensuring that our partnerships remain relevant and beneficial. By doing so, we can continue to build and maintain commercial relationships that drive growth for both Celebris and our partners.

### • Account management tracking

- To ensure our Partners feel secure in their collaborations with Celebris, we have implemented robust account engagement tracking. This system guarantees that partners are consistently aligned with specific clients and account executives throughout the sales cycle.



Developing alliances is a crucial component of our business strategy, and we are constantly working to create innovative solutions that address significant challenges. Our dedication to broadening our network of partners remains steadfast, with a specific emphasis on engaging System Integrators (SIs) in the upcoming year.”

**Simon Burton**  
VP, Alliances



## Employees

### What is important to them

- Understanding the direction of the business, along with clear communication. Bringing our locations together, breaking down silos and feeling empowered with their role.
- Feeling valued, trusted and supported.
- Flexibility, work-life balance and wellbeing.
- Provided with the opportunity to develop and grow with clear expectations.

### How we engage

#### Employee engagement

This year we conducted our second annual employee survey, scoring even greater than last year. The survey provides our colleagues the opportunity to voice their opinion or concerns and raise questions. With very good feedback overall, we learnt our people want to better understand the strategy of the business, and so our Town Halls are now bi-monthly.

#### Communication

As we operate under hybrid working arrangements, investment in our own tech-stack has been crucial in developing our communication activities as well as our culture. We invested in a global HR Information System (HRIS) and an Applicant Tracking System (ATS). These systems have allowed us to centralise information and automate and streamline our processes, improving efficiency and productivity.

#### ESG

This has grown to be very beneficial, allowing employees to directly impact the Group's ESG activities, particularly in relation to charitable events locally and internationally.

### Attraction and retention

Over the past year we have created Graduate and Trainee positions to support our succession planning. We have seen a decrease in our average age, with 32% of our new hires being aged 18–26. We have also improved our retention rate from 88% to 90%.

### Training and development

In our Annual Employee Survey, our people commented they would like enhanced training and development. We have included this in our People strategy and this is available to all our people.

### Wellbeing initiatives

We have invested in local and global initiatives aimed at improving employee wellbeing, including introducing mental health and wellness programmes, guest speakers, webinars and fostering a supportive work environment that promotes work-life balance.



Continuing to develop employee satisfaction and our culture has been a key focus this year. Employees tell us they are happier in their job than they were a year ago.”

**Vicky Baker**  
Director of HR





# Shareholders

## What is important to them

- Shareholder value.
- Staying up to date with Group strategy and business performance.
- Timely, clear and relevant communication.
- Understanding the remuneration policy and management incentivisation.
- Comfort around the governance of the Group and ESG initiatives.

## How we engage

### Annual General Meeting (AGM)

The AGM is a key opportunity for engagement between the Board and shareholders. We also held a Q&A session after every AGM, and recordings are available on the website.

### Analysts and investor meetings

The Executive Directors hold broker, analyst and investor meetings throughout the year, particularly following the release of the Group's interim and full year results and feedback from those meetings is shared with the Board.

### Annual Report and Accounts

The Group's Annual Report and Accounts is made available to all shareholders both online and in hard copy where requested.

### Group website

The investor section of the website is regularly updated to keep it engaging and informative. Presentations, announcements, videos and other key shareholder information are available on the website. Governance documents such as Matters Reserved for the Board, and terms of reference of committees are also available.

### Capital markets day

This is an annual opportunity for investors to meet with management and for management to go into more detail about aspects of the business. These are usually held in December and the videos of previous CMDs are available on the Group website.



We value our engagement with shareholders and so we have increased the volume and quality of our communication by using investor meeting tools, social media as well as our improved investor website.”

Ash Mehta  
Chief Financial Officer

# Conducting business to the **highest ethical standards**

**Celebrus conducts its business activities to the highest ethical standards and expects clients and suppliers to embrace these same principles.**

This report outlines how we conduct our activities and should be read in conjunction with other sections of the Annual Report, notably the Corporate Governance section, as well as reports on the Celebrus website.

## **Introduction and overview**

In this third ESG Report to stakeholders, we report on the carbon audit for the calendar year 2023, which with comparative data for 2022 and 2021 provides a good insight into progress, as well as pointers to what further action we can take to reduce the Group's carbon footprint.

The second section focuses on the social impact we have been able to have on our communities but also on our employees and their safety and wellbeing.

The third section discusses our approach and initiatives to being a good corporate, and ensuring we treat all our stakeholders fairly, including policies covering matters such as tax fairness, bribery and whistleblowing.

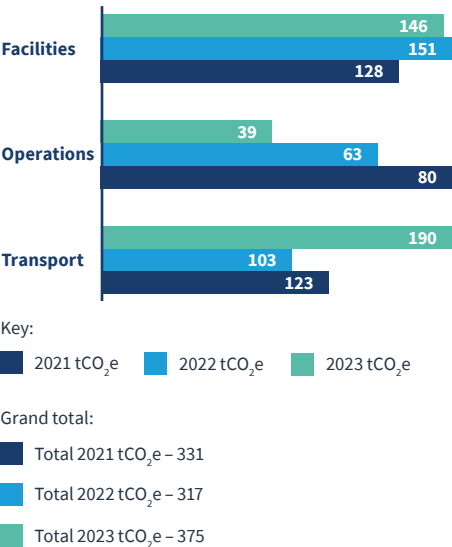
# Environment

**Celebrus cares about the environment and fully supports, and is committed to, the principles of promoting good environmental practice and sustainability in the conduct of its activities. The Group wants to ensure that any adverse effects on the environment are kept to a minimum.**

**It aims to do this by:**

- wholly supporting the requirements of accepted international standards and current EU environmental legislation and codes of practice;
- minimising consumption through the reduction, reuse or recycling of materials as much as possible;
- encouraging efficient use of energy, utilities and natural resources;
- continually striving to improve environmental performance; and
- communicating its environmental commitment to clients and suppliers and encouraging their support.

**Carbon audit 2023**



Celebrus reappointed Alectro LLP for the third year running to perform a carbon audit for the calendar year 2023. This report sets out the 2023 results compared to 2022 and 2021 and describes progress on the recommendations for reducing our carbon impact.

During the year, the Group's activities including our facilities, operations and transport generated 375 (2022: 317) tonnes of CO<sub>2</sub> equivalent to a per employee emission of 2.53 tCO<sub>2</sub>/e (2022: 2.13 tCO<sub>2</sub>/e).

Facilities were broadly flat at 146t (2022: 151t) of which around half is purchased electricity for our offices around the world. We expect this to reduce in 2024 with the India office having moved to a smaller facility more appropriate for a hybrid working routine. The other half of the Facilities emissions are a combination of emissions related to home working and transmission and distribution.

Operations emissions reduced to 39t (2022: 63t), due to a fall in purchased goods as the Company reduced computer and monitor purchases. Equipment is replaced every four years and this was a low renewal year. The emissions are expected to be higher in 2024. The impact from cloud infrastructure is largely low carbon, based on the offsetting undertaken by Microsoft Azure, one of our cloud computing suppliers, but with AWS contributing to the overall impact.

As expected with the world returning to normality after the Covid lockdown, the Transport emissions increased to 190 tCO<sub>2</sub>/e from 103 t in 2023. The employee commute emissions stayed at the same level as in 2022 but business travel increased from 34t to 133t driven by increased domestic flights in the US, and also increased international flights taken to build relationships between teams and improve communications.



# Environment continued

These figures include Scope 1, 2 and 3 emissions as defined under the Greenhouse Gas (GHG) Protocol, and the breakdown is shown below:

## Greenhouse Gas (GHG) Protocol



Key:

- 2021 tCO<sub>2</sub>e
- 2022 tCO<sub>2</sub>e
- 2023 tCO<sub>2</sub>e

Grand total:

- Total 2021 tCO<sub>2</sub>e – 331
- Total 2022 tCO<sub>2</sub>e – 317
- Total 2023 tCO<sub>2</sub>e – 375

## Carbon offset

For the second year running, in 2023 we made investments into projects to offset all of the 317 tonnes of 2022 carbon emissions. The project was a renewable solar power project in Northern India which is expected to replace 32,000 MWh/year currently produced primarily from fossil fuels.

All projects invested in by the Group are accredited by Gold Standard, a body founded by the WWF and other NGOs.

This is a significant action in our ESG activities though, whilst offset is a good thing to do, ultimately, we continue to look at ways to reduce our overall carbon emissions.

## Electric car scheme

The electric car scheme in the UK, covering electric and hybrid cars up to a maximum emissions level of 50g/km of CO<sub>2</sub> has had initial take-up. It is a salary sacrifice scheme with payments being made from gross pay and the benefit in kind being much lower than the normal income tax rate, thereby providing a tax saving to the employee on top of having a car with low or zero emissions. We expect further take-up as employees reach the renewal point in the ownership of their petrol/diesel vehicles.

## Future progress

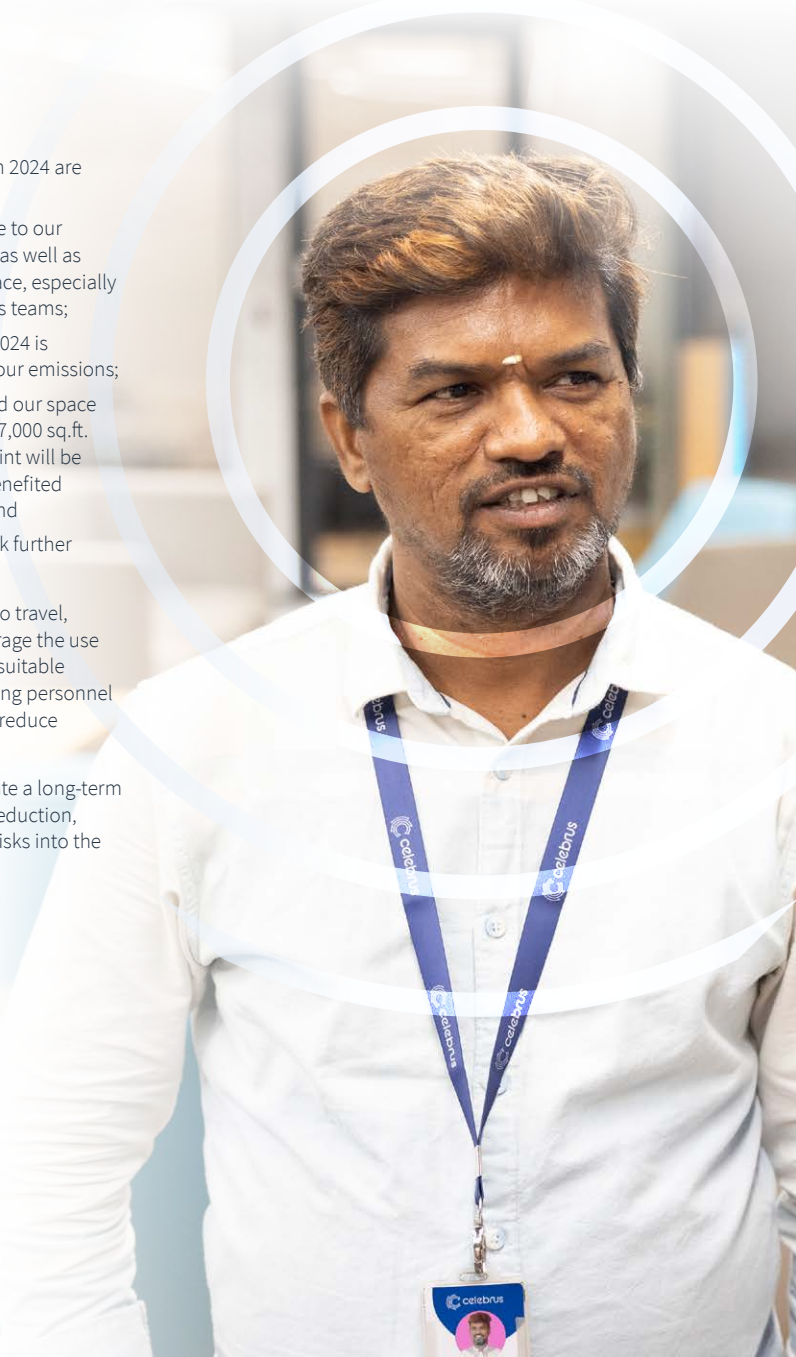
The 2023 carbon audit report provides useful confirmation of progress in the year, especially on Scope 1. Focus is now be directed to Scope 2 and 3 emissions.

The challenges and opportunities in 2024 are expected to be:

- an ongoing increase in travel, due to our attendance at trade conferences as well as meeting our customers face-to-face, especially our project and customer success teams;
- the office move in India in early 2024 is expected to significantly reduce our emissions;
- the office move in the UK reduced our space usage from 17,000 sq.ft to under 7,000 sq.ft. The impact on our carbon footprint will be minimal as the previous office benefited from a renewable energy tariff; and
- review of our supply chain to seek further reductions in emissions.

We will continuously test the need to travel, especially by air, and we will encourage the use of public transport whenever it is a suitable mode of transport and consider hiring personnel closer to key customer locations to reduce transcontinental flights.

Finally, during 2024, we will formulate a long-term strategic plan for carbon footprint reduction, including incorporation of climate risks into the Group's risk register.



# Social

## Our employees

As a technology business, the Group's success is built on the intellectual capital of our people, and the pride they feel in working for the Group. The aim of the leadership team and the HR function is to enable, empower and strengthen this drive through the creation of a positive working culture in which employees feel engaged and motivated.



This investment into HR and people continues to be effective as shown by the results of our second annual employee survey to gauge employee happiness and satisfaction.”

## Embedding our culture and values

We talked in previous years' reports about how our ambitious growth plans required a review and reset of the Company culture and values, and how we decided to expand the HR function to help develop a culture focused more on accountability and empowerment, and to create a more vibrant working environment.

This investment into HR and people continues to be effective as shown by the results of our second annual employee survey to gauge employee happiness and satisfaction. The key findings were:

- The overall employee satisfaction score increased from 4.15 to 4.35 demonstrating the returns from the investment we have made over the last three years.
- The highest scores came in employees' opinions of the Celebrus team, management, strategy and the ability to give feedback which is acted upon.
- What participants like MOST about their job/company:
  - Great collaboration across teams
  - Supportive management
  - Great people, friendly and helpful
  - Work-life balance and flexibility
  - Good atmosphere and culture
  - Ideas are valued
  - Freedom and trust
  - Approachable

## Highest score

Overall score (2023) – 4.35

Previous score (2022) – 4.15

Team – 4.36

Management – 4.38

Company Strategy – 4.34

Feedback – 4.25

Positive Negative

The areas for improvement identified in the survey are being addressed and included:

- **Too many meetings**
  - We are encouraging employees to speak directly to each other more and limit the number of people in meetings. Sending group messages in Microsoft Teams can also be an effective way of reducing meetings.
- **Change of people**
  - During the year we continued and completed the restructuring of most departments in the business. This led to various changes of roles and some employees exiting the business.
- **Role definition**
  - To support the changes, we provided greater role definition for employees. This is a core component of building a culture of accountability and empowerment throughout the organisation with clear goals and expectations for every role.
- **Documented processes**
  - As departments have been restructured and individual roles clarified, there was a need for better documentation of key processes. This process was started and is still under way.

# Social continued

**Diversity of employee base, equal opportunities, inclusion and treating people fairly**

We treat individuals openly and fairly with dignity and respect, and we value their contribution towards providing a quality service to our customers.

Our focus on diversity and inclusion extends to treating all our employees and job applicants fairly and equally, and actively encourage applications from a broad range of backgrounds.

It is our policy not to discriminate based on gender or gender identity, sexual orientation, marital or civil partner status, gender reassignment, race, religion or belief, colour, nationality, ethnic or national origin, disability or age, pregnancy, or trade union membership or the fact that they are a part-time worker or a fixed-term employee. The equal opportunities policy operated by the Group ensures all workers have a duty to act in accordance with this.

With employees in three different countries and coming from many different backgrounds, Celebris is proud to have a diverse workforce. Nevertheless, we recognise that more can always be done. During the year we had women in key roles such as VP-Marketing, Director of Professional Services, Head of Data Insights, Head of Public Relations and Head of HR. This past year we have added to this in roles such as Non-Executive Director, Head of Lead Generation and Head of Brand. Consequently, 19% of our line management team is now women.

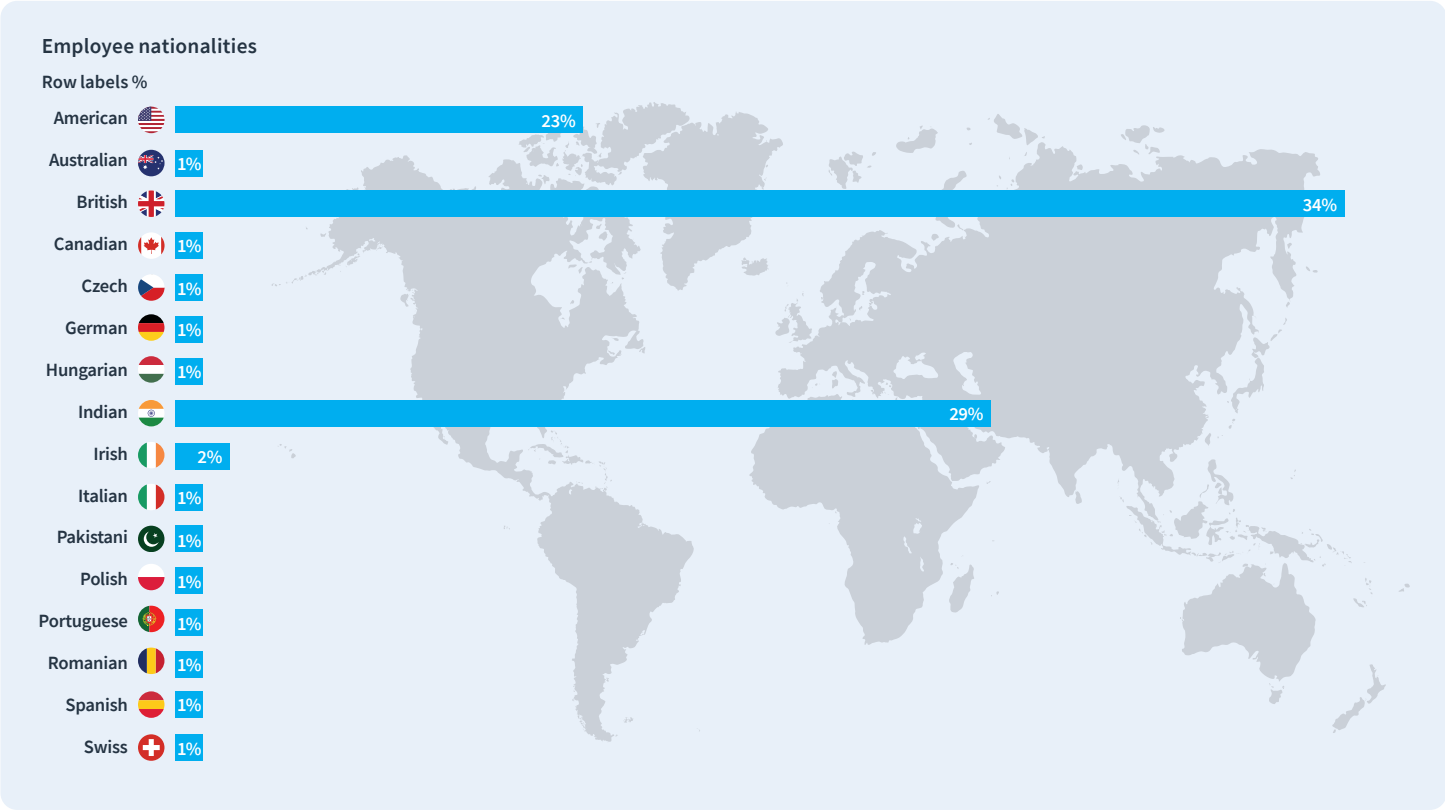
Our geographical diversity is also important. To that end, 14% of lines managers are in India, 22% in the United States, with 64% being located in the UK and RoI. The nationalities of our staff are shown in the box opposite.

**Employee reward and recognition**

The Company recognises the need to reward and recognise our employees for their contribution to the Group's success as well as supporting their overall wellbeing. We provide an attractive range of benefits tailored to each location.

In both the UK and the US, we offer a company pension contribution higher than the statutory minimum. We also offer a company-funded healthcare scheme which covers mental health, better cancer cover and 24/7 online access to a GP. During the year, for all employees in India we increased cover to include parents.

We also offer a comprehensive Employee Assistance Programme to assist employees with issues of any kind, including problems at home, issues with work, housing concerns, legal problems etc. There is also support for face-to-face counselling in complex cases, as well as online live-chat counselling.





The Group has an employee share option scheme to motivate and retain key staff and allow them to share in the success of the Group.

Non-financial benefits include the ability to work on a hybrid basis and on a flexible basis if required, allowing employees to work from home, supporting work-life balance.

## Celebrus offices and hybrid working

As a people-led, technology-driven business, innovation is driven from personal interaction across the firm and with customers, so following Covid, in late 2022 we moved to a hybrid working model. This is a combination of home and office working, in which employees are able to work from home, but also come into the office in teams so as to foster relationship building, personal development and creative interaction. We have found hybrid working to be an essential component of our employer offering with increasing numbers of employees and potential employees viewing it as a key factor in joining and staying with Celebrus.

During the year we invested into new offices in both India and the UK. These offices enhance the employee experience, including state-of-the-art technology as well as collaborative zones for a more relaxed and creative working environment.

## Health and safety

It is our policy that all of the Group's facilities, products and services comply with applicable laws and regulations governing safety and quality, so that we can maintain a safe working environment for our employees, customers, Partners and visitors.

During the year there were no major injuries reported under the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations.



# Governance

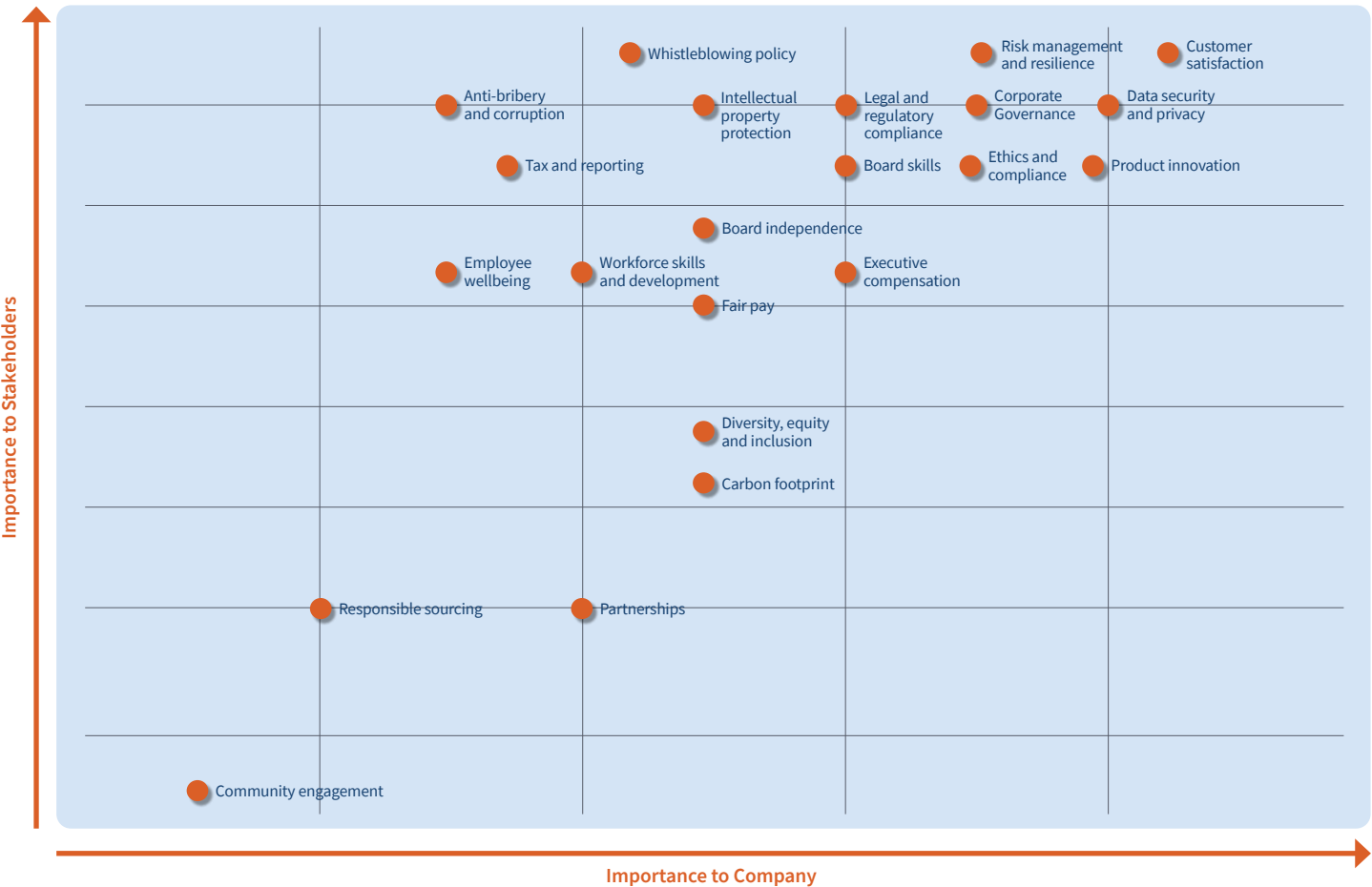
Corporate governance is described in detail on pages 44 to 63. The section below outlines other aspects of governance and best practice within the Group.

## Materiality Matrix

To make sure that we tackle the issues that really matter, we prioritise them by assessing their “materiality” – ie the extent to which they impact our business and society. We do this by using a “Materiality Matrix” which helps us focus activity in areas where we can, and should, have the greatest impact.

As part of this process, we consider the risks and opportunities facing our business in the immediate and longer term, and score them based on their level of importance. This involves: drawing on external insight from a range of stakeholders such as customers, colleagues, investors and suppliers.

Prioritising issues through this process enables us to focus our efforts on effectively managing our impact as well as our stakeholder relationships.



## Good Corporate Conduct

Celebrus has policies in place to help ensure that the Company is a good corporate citizen, in its own right and through the actions of its employees. These policies are reviewed regularly and the key policies include:

- Employee Code of Conduct
- Bribery and corruption policy
- Modern Slavery Statement
- Whistleblowing policy
- Supplier code of conduct

## Tax fairness

Celebrus is committed to being a responsible taxpayer, acting in a fair and legal manner at all times. We have in place intra-Group trading agreements ensuring that costs are passed into the tax jurisdiction to which they relate and out of jurisdictions where there were originally incurred, typically in the UK but for the benefit of our overseas operations. These agreements are made available to tax authorities as requested to support recharging between Group companies and demonstrate that recharges are fair, legitimate and reflect the commercial substance of the activities to which they relate.

In FY24, our total tax contribution was £5.6 million (FY23: £4.7 million). Taxes borne by the Group totalled £2.5 million (FY23: £1.0 million) and consist of corporation tax, employer's NICs and stamp duty. Taxes collected by the Group totalled £3.1 million (FY23: £3.7 million) and consist of PAYE deductions, employees' NICs and net VAT collected.

## Data security

Data security is core to our business, with our multinational customers entrusting us with access to their data and information systems. We handle this through a range of initiatives and further information is available in the report from our Chief Security Officer on page 22.

## Executive remuneration

The Board regards ESG to be an important part of its oversight and activities and seeks to ensure that ESG is a consideration across the whole business. Therefore, when appropriate for business priorities, the remuneration of the Executive Directors has a proportion related to ESG objectives.

## Future ESG developments

This third ESG Report demonstrates the continuing progress of ESG activities across the Celebrus business. Based on benchmarking discussions with advisers and consultants, we believe we are in a strong position relative to our peer group of smaller quoted public companies.

We will continue our efforts and this coming year we expect that the most significant advance will be the reduction in emissions arising from our office moves in India which occurred in early 2024. We will also investigate in detail further actions for carbon footprint reduction including incorporating climate risks into the risk register.

We look forward to reporting on progress periodically through the ESG section of our website.

**Ash Mehta**  
Chief Financial Officer

**Monika Biddulph**  
Non-Executive Director





## Flood relief

December 2023 was a tough month for the city of Chennai, India. Cyclone Michaung passed through Tamil Nadu leaving Chennai flooded and around 30 people dead. Tens of thousands of people were severely affected by damage to their properties and land, and left homeless for days.

The Celebrus India ESG team supported the Little Drops public charitable trust <https://littledropscharity.org/> which focuses on education, health and self-sufficiency. The team visited the trust to donate essential supplies to help cope with the aftermath of the flood.

Later in the month, the ESG team joined hands with the Rotary Club of Chennai to contribute towards a flood relief medical camp that provided free medical consultations to all comers.



## Sponsored bike ride

In September 2023, nine of the UK team cycled from Clapham Common to Brighton. This not only raised over £4,000 for the Shooting Stars Children's Hospice <https://www.shootingstar.org.uk/> but was also a great team bonding event.

In fact, we probably should have spent less time chatting and eating snacks at each stop, and we might have recorded a better finish time. It was a fabulous day together; although some of us weren't in a hurry to do it again, one of the team sent the link to next year's event to the WhatsApp group the very next morning.



## Polio vaccination drive

Polio is a highly infectious disease mainly affecting children under 5 years of age.

Whilst two types of polio have been eradicated, a type remains in certain countries, therefore ongoing vaccination drives are an important part of protecting young children. During the year, some of our Celebrus India team, working with the local Rotary Club, attended a vaccination drive and assisted in the vaccination process.



# Ongoing investment coupled with healthy profits and a strong balance sheet

## Overview

The ongoing investment into the business resulted in an increased cost base compared to the previous year. Despite these increased costs, the Group managed to deliver healthy profits, and we ended the year with a strong balance sheet and a good cash balance to fund future growth.



We are continuing investment into sales and marketing to drive organic growth, whilst also searching for acquisition opportunities.”

## Income statement

Group Revenues for the year were £32.6 million (FY23: £21.4 million). Software Revenues, comprising licence revenues, managed services, support and maintenance and implementation services, were up 14.7% to £22.0 million (FY23: £19.1 million). Third-party revenues, which are highly variable year to year, and comprised mostly of low margin revenue from the sale of hardware as part of certain customers' installations were £10.7 million (FY23: £2.2 million). The Group regards Software Revenues as being a more useful and consistent indicator of the growth of the business.

The gross margin was 52.7% (FY23: 60.2%) due to a higher proportion of low margin hardware revenues. Excluding hardware revenues and cost of sales, the underlying Software gross margin was 72.2% (FY23: 68.8%).

Operating expenses rose during the year to £12.2 million (FY23: £10.8 million) due to ongoing investment into sales and marketing as well as customer delivery.

The Group's cash balances were well managed and generated £0.6 million of interest income.

The adjusted profit before tax was £6.0 million (FY23: £3.8 million), whilst the unadjusted profit before tax was £5.6 million (FY23: £2.4 million).

The difference between the adjusted and unadjusted figures is due to a charge for share-based payments arising from share option grants during the year of £0.8 million (FY23: £0.9 million), amortisation of intangible assets of £0.2 million (FY23: £0.2 million) and partially offset by foreign exchange gains of £0.6 million (FY23: £0.3 million).

Annual Recurring Revenue (ARR) grew 20.9% to £20.2 million (FY23: £16.7 million) and accounted for 92% (FY23: 89%) of Software Revenues for the year.

The average number of employees increased slightly during the year to 154 (FY23: 151).

## Taxation

The group tax charge was higher at an effective rate of 27.5% (FY23: 11.5%). This was driven by a higher tax rate in the United Kingdom of 25% (FY23: 19%), lower eligibility and super deduction rates for research and development costs, and losses in the United States which will be carried forward to reduce the US and Group tax charge in future years.

## Financial position

The balance sheet remains strong with no debt and a cash balance at the year-end of £30.7 million (FY23: £17.2 million). The year end cash balance is unusually high due to the timing of working capital movements. The Group had amounts of approximately £6.0 million due for payment in the first quarter of FY25 relating to the purchase of hardware for customers and other non-repeating payments, meaning that the “normalised” cash balance at 31 March 2024 was in the region of £24.7 million.

The Goodwill balance of £9.4 million (FY23: £9.4 million) is comprised of goodwill from the acquisition of Celebrus in 2015, and the acquisition of Prickly Cactus during 2021. The Other intangible assets balance of £0.9 million (FY23: £0.8 million) is comprised of purchased IPR, trade names and capitalised development costs. The Group expenses the majority of its R&D costs and capitalised just £0.3 million in the year (FY23: £0.2 million) which met the criteria of development costs under IAS38. The amortisation related to non-acquisition related goodwill amounted to £0.2 million (FY23: £0.3 million).

Property, plant and equipment increased to £1.7 million (FY23: £0.6 million). Whilst the capital expenditure of the Group is generally low, during the year the Group entered into new leases on two office properties in the UK and India. An investment of £0.6 million was made into leasehold improvements relating to these two new leasehold offices. The right-of-use assets created totalled £1.0 million with a further £0.4 million comprised of fixtures and fittings relating to the new offices. The freehold property remains as an asset held for sale at £3.0 million (FY23: £3.0 million) and the Group is currently in negotiations for its sale.

Trade debtors were £5.9 million (FY23: £4.9 million) and of that amount, £5.4 million had been received by the end of June. By the nature of the Group's customer base being large typically multinational businesses, credit risk is not a major risk for the Group and bad debt write-offs during the year were nil (FY23: nil).

Trade creditors increased to £2.0 million (FY23: £0.6 million), whilst accruals increased to £5.9 million (FY23: £1.2 million), relating to the hardware inventory held at the year end which shipped to the customer in early April. The Group seeks to pay all suppliers within terms and the supplier payment days at the year-end were 26 days (FY23: 14 days). Deferred revenue arising from billings made to customers ahead of revenue being recognised increased to £17.8 million (FY23: £9.4 million) due to a number of customer renewals and extensions which were billed during the year.

## Cash flow and funds

The Group generated net cash from operating activities of £16.6 million (FY23: net cash generated of £13.7 million) with £6.1 million coming from operating cash flows, and £10.0 million coming from positive working capital movements largely due to customers paying in advance for their goods and services.

Financing activities in the year were £2.4 million (FY23: £7.8 million) comprised mainly of normal dividends paid of £1.2 million (FY23: £1.2 million), and a net purchase of own shares of £1.0 million (FY23: £1.5 million). The share purchase program is a limited program intended to negate the dilutive impact of annual share option grants. No special dividend was paid in the year (FY23: £5.0 million).

Investing activities resulted in an outflow of £0.2 million (FY23: outflow of £0.1 million). With higher interest rates and a healthy cash balance, net interest income was £590,000 (FY23: £337,000), set off principally against capitalisation of development costs of £315,000 (FY23: £247,000).

The Group continues to be debt free and maintains a robust financial position. The healthy cash balance is important not just to enable the Group to invest in future growth as appropriate, but also to counter any concerns about vendor risk from our customers, who are typically large multinational businesses.

## Annual Recurring Revenue

We define ARR as the annual amount of recurring revenue contracted with a customer, at a given point in time. As a recognised driver of shareholder value in software businesses we use this as one of our primary metrics.

Group ARR grew by £3.5 million to £20.2 million (FY23: £16.7 million) during the year. The current ARR is comprised of Licences of £12.6 million (FY23: £9.1 million) and Celebrus Cloud, Support and Maintenance of £7.6 million (FY23: £7.6 million). Of the growth of £3.5 million during the year, £3.8 million is from net contract wins with a £0.3 million loss arising from exchange rate movements due to a large proportion of Group contracts being in US Dollars.

## Earnings per share

Basic EPS for the year was 10.15p (FY23: 5.29p) and diluted basic EPS was 9.87p (FY23: 5.18p). The basic figure has been calculated using the weighted average number of shares in issue being 39,781,184 (FY23: 40,004,526) and the diluted figure using 40,899,072 (FY23: 40,830,043).

Adjusted basic EPS was 11.01p (FY23: 7.90p) and adjusted diluted EPS was 10.71p (FY23: 7.74p) following adjustments for amortisation, share-based payments, exceptional items, foreign exchange expenses and tax on these adjustments.

## Dividend

During the year, the Company paid ordinary dividends of £1.2 million (FY23: £1.2 million). No special dividend was paid during the year (FY23: 12.5p per share).

The Board is today proposing a final dividend, subject to shareholder approval at the 2024 AGM, of 2.23p per share (FY23: 2.15p), which along with the interim dividend of 0.92p per share (FY23: 0.88p) paid in January 2024 brings the full year dividend to 3.15p per share (FY23: 3.03p), an increase of 4.0%. The final dividend is expected to be paid on 16 August 2024 to shareholders on the register as at the close of business on 19 July 2024.

## Purchase of own shares

During the year, the Company again undertook a limited share buyback program to acquire Ordinary shares of 2p in the capital of the Company. The shares are held for the purpose of satisfying future obligations in relation to its employees' or other share schemes, thereby mitigating dilution for existing investors.

At 31 March 2024, 520,817 shares had been acquired at an average price of 200.3p and following the issue of 193,087 treasury shares to satisfy share option exercise this brought the number of shares held in Treasury to 936,495 (FY23: 608,765).

## Equity

At the year end, the Group had £29.5 million (FY23: £27.3 million) attributable to the shareholders of the Company. The increase in the year was principally made up of retained earnings in the year of £4.0 million (FY23: £2.1 million) set off against dividends paid during the year of £1.2 million (FY23: £6.2 million), share buybacks of £1.0 million (FY23: £1.5 million) with the balance of £0.7 million (FY23: £0.9 million) attributable to share-based payments.

## Foreign currency impact and change in reporting currency

The Group's tightened policies and management of foreign currency risk resulted in a foreign currency gain of £0.6 million (FY23: £0.3 million).

The Group has historically reported its results in Sterling. With the majority of the Group's revenues in US Dollars (for many global customers as well as US customers), and expected future growth also expected to be predominantly in US Dollars, this would give rise to increased foreign exchange risk needing to be managed through hedging contracts. Therefore, the Board has decided to convert to reporting results in US Dollars from the year commencing 1 April 2024. This will reduce the risk of foreign exchange losses and also better reflect the focus of the Group on large global customers who typically prefer to contract in US Dollars.

There will be no change in the Group's dividend policy, and dividends will continue to be declared in GBP. Following the change in the Group's presentational currency with effect from 1 April 2024, the Group's interim results for the six-month period ended 30 September 2024, and all subsequent financial information, will be prepared using US dollars as the presentational currency. Comparative information will also be provided in US dollars as required by the relevant Accounting Standards.



**Ash Mehta**  
Chief Financial Officer  
9 July 2024



# Undertaking robust risk management

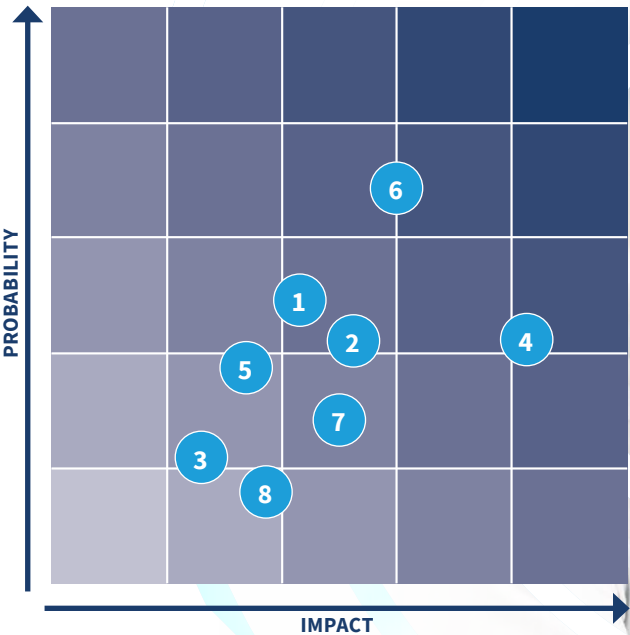
**Celebrus faces the normal economic, commercial and political risks facing a global technology business with employees, customers and suppliers spread across the world.**

To manage these risks, the Group has a Risk Committee with a regular and detailed process to address the identification of new risks and monitor development of existing risks and their mitigation. This Committee is comprised of the Chief Technology Officer, Chief Financial Officer, the Chief Security Officer, Director of Managed Services and the Manager of Information Security. Other employees of the Group are invited to Committee meetings as required, depending upon the topic being discussed. Further detail on the structure, remit and reporting of the Group's Risk Committee is explained on page 51 of this Annual Report.

The Board is confident that it has the appropriate people, processes and reporting to continue to manage risks effectively.

## Principal risks

The Group's principal risks are identified as those risks which have the potential for the highest impact on the Group. The Board reviews the principal risks annually along with the mitigation measures in place.



- |                             |                                  |
|-----------------------------|----------------------------------|
| 1 Global economy            | 5 Client or partner loss         |
| 2 Execution and scalability | 6 Information and cyber security |
| 3 Regulatory changes        | 7 People                         |
| 4 Competition               | 8 Foreign exchange losses        |



**1**

## Global economy

Changes in the global economy can have an impact on business. Whilst the rate of inflation has reduced over the last year, prices are still relatively high and volatile. This has implications for uncertainty of costs in our customers' and prospective customers' businesses. Consequently, they might be slower to commit to new products and services or renew existing products and services.

### Change in risk



No change in risk level

This is a present risk with inflation having an impact on customer profitability and willingness to contract for new products and services. It also potentially has an impact on the Group's cost base resulting in lower profitability.

### Mitigation

The Group has and continues to monitor the market for price sensitivity amongst prospective customers. It is also engaging more closely with existing customers to demonstrate value for their spend on our products. The Group has and continues to engage with suppliers more closely to manage cost increases.

**2**

## Execution and scalability

As the Group has a plan to accelerate Sales and Revenue growth, there are risks of not being able to achieve appropriate Sales levels, as well as the risk of not being able to deliver projects which are signed up. There is also the risk of the Group's back-end infrastructure not being able to support the growth.

### Change in risk



No change in risk level

The plans for accelerated growth require every department to function effectively and this may cause growing pains, resulting in lower quality of execution and delivery.

### Mitigation

The Group continues to increase the size and capability of its Sales, Marketing and Customer Success teams. It has also invested into a number of internal systems to better manage and support the business.

For project delivery, the Group is examining the possibility of appointing project delivery partners.

**3**

## Regulatory changes

The Group is exposed to the risks of changing regulations for the collection of consumer data. Some of these changes, may be positive, but others negative which could impact on Celebris' performance and outlook.

### Change in risk



No change in risk level

### Mitigation

Celebris closely monitors the markets in which it operates with enhanced collaboration with our clients, suppliers and partners. We then plan product, project or operational changes to ensure we are minimising the impact of changes. We follow proposed regulatory changes closely and where necessary adapt our processes and policies.

**4**

## Competition

New competitors or changes to existing competitors' products can significantly alter the market dynamics, which in turn risks the position and standing that our own Intellectual Property has in the financial and consumer marketplace.

### Change in risk



No change in risk level

### Mitigation

The Group continually scans the market for potential technology threats and has a development process in place to ensure its own technology continues to evolve to meet client needs, with six monthly releases. We are seeking to develop technology that cannot be easily disrupted, and which can be protected by patents.

5

**Client or partner loss**

The loss of a major client or significant sales partner would impact the ability of the Group to meet its key business objectives.

**Change in risk**

No change in risk level

**Mitigation**

The Group has historically operated through partners. The revenue passing through a partner fluctuates year to year and this year the largest partner accounted for 66% (FY23: 37%) of all revenues.

We continue to deepen relationships with existing partners and bring on new Partners thereby reducing the dependence on any single Partner. Moreover, the establishment and growth of a direct sales channel has further reduced dependence on any individual Partner.

6

**Information and cyber security**

A significant IP, data loss or security breach could impact the brand and reputation of the Group, as well as cause the Group to spend a great deal of time in rectifying the loss or breach.

**Change in risk**

No change in risk level

From our own assessments, along with industry and governmental publications, it is clear that information and cyber security risk is growing worldwide.

**Mitigation**

Following the appointment of a Chief Security Officer in the prior year who is a member of the Operations Board, we have grown the IT Security team during FY24.

In addition, we are certified to ISO 27001 and operate an information security process that controls and minimises the risks. This process is externally assessed yearly. These risks are mitigated via existing and established information security controls.

7

**People**

A loss of or failure to attract key personnel could impact the ability of the Group to execute on its strategy, causing adverse reputational, operational and financial challenges.

**Change in risk**

No change in risk level

This is an ongoing risk due to the global shortage of talent. This might make it more difficult to recruit and retain talent to support our growth plans.

**Mitigation**

Celebrus is acknowledged as a great place to work, as shown in the employee survey conducted during the year.

Our staff are engaged, motivated and enjoy working with market-leading software, and having responsibility they might not get in larger companies. Having enhanced our benefits package in the prior year to ensure we remain competitive on remuneration, in FY24 we have highlighted training needs and the work environment to remain competitive in the market for talent.

8

**Foreign exchange losses**

Significant changes in foreign exchange rates can result in reduced profitability due to cash collection values not matching transaction values and an increased potential for currency losses in the income statement.

**Change in risk**

Reduction in risk level

The volatility in currency markets has reduced over the past year. The Group previously reported its results in GBP but had a high proportion of revenues in USD. This could have led to financial losses on conversion of USD to GBP.

**Mitigation**

From the year commencing 1 April 2024, the Group will report results in USD. This will reduce currency risk dramatically, leaving just GBP costs incurred in the UK for headcount and facilities. These are easier to hedge than the USD revenues and costs related to customer contracts and payments. We continue to have a monthly meeting to review and discuss cash flows, foreign exchange exposure, cash holding, and deposits, and trade debtor ageing and bad debt risk.



The Celebrus Board of Directors comprises a Non-Executive Chairman, two Executive Directors and three independent Non-Executive Directors.

## Non-executive chairman



**Tom Skelton**  
Non-executive chairman

**Appointed**  
December 2023

### Board committees

**A** **N** **Re**

### Biography

Tom served for more than 20 years in Chief Executive Officer roles for several leading US healthcare technology firms specialising in workflow automation, standards-based information sharing, and data and analytics. Most recently he was CEO of privately owned Surescripts LLC, a US-based clinical information network processing over 20 billion transactions annually. Prior to that, he was CEO for Foundation Radiology Group and Misys Healthcare Systems. Tom is currently Chair of Clearstar LLC and Escher LLC. He has also served on the boards of Misys Plc and Micro Focus International plc

## Executive directors



**Bill Bruno**  
Chief executive officer

**Appointed**  
August 2021

### Board committees

**N**

### Biography

Bill joined Celebrus in 2018 as the VP of North America and became CEO in October 2021. He has over 20 years of experience in the media, data and analytics sectors and has a passion for fostering a culture of innovation while working with brands to drive transformational change. Prior to Celebrus, Bill spent many years as CEO (North America) for an AIM listed company upon leading his consulting business through a successful acquisition by that company in 2013.



**Ash Mehta**  
Chief financial officer

**Appointed**  
September 2021

### Board committees

**Ri**

### Biography

Ash is an experienced public company finance director having previously served on the boards of a number of technology businesses in sectors such as minerals technology, pharmaceuticals, lens technology, e-health and software. He has also held a number of non-executive director roles, including chair of the audit committee of an AIM company. Ash qualified as a chartered accountant with KPMG and has extensive experience in investor relations, strategic finance, managing growth, fundraisings and M&A. He is currently a lay member of the Council of the University of Bradford, where he originally graduated in Pharmacy.

### Committee membership

- A** Audit Committee
- N** Nomination Committee
- Re** Remuneration Committee
- Ri** Risk sub-Committee
- Chair of Committee**

Non-executive directors



**Monika Biddulph**  
Non-executive director

**Appointed**  
December 2019

**Board committees**



**Biography**

Monika has a wide range of experience in both the commercial and technical aspects of an international technology business. In over 20 years at ARM, Monika held various General Manager, IP licensing and technical roles in the business. Currently Monika is also a Non-Executive Director on the board of Ilika plc, AFC Energy plc and Power Roll Ltd. She was previously NED at Linaro Limited, and holds a PhD in High Energy Particle Physics from the ETH Zurich.



**Peter Whiting**  
Non-executive director

**Appointed**  
July 2018

**Board committees**



**Biography**

Over a 30-year career, Peter has gained extensive financial and commercial experience. His core skills are centred around the financial services and technology industries; he has the proven ability to quickly understand complex technologies and their applications and at the same time successfully developed strong interpersonal and management skills which have enabled him to build a technology-led NED portfolio. He is currently chair of Kooth plc and a non-executive director of Team17 Group plc and Aurigo International plc.



**Helen Gilder**  
Non-executive director

**Appointed**  
April 2023

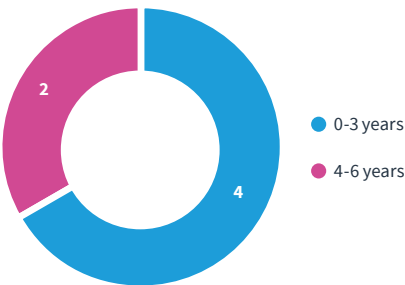
**Board committees**



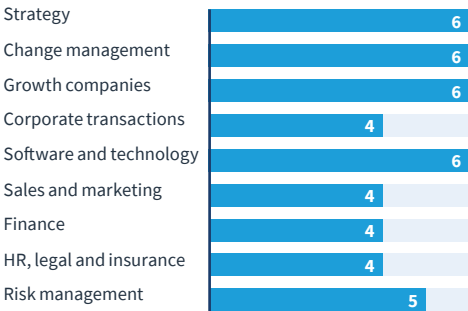
**Biography**

Helen brings a wealth of experience from her time as CFO at AIM-listed ZOO Digital Group plc, where she was part of the team taking the business from tech start up to success in the international entertainment industry. She is currently NED and audit committee chair at Made Tech Group plc, works with a number of small private companies and is chair of a small charity helping families impacted by autism. Helen qualified with the Institute of Chartered Accountants in England and Wales in 1991.

Board tenure



Summary of skills



# Corporate governance for the next stage of growth



Board discussions are conducted openly and transparently, which creates an environment for sustainable and robust debate.”

**Tom Skelton**  
Non-Executive Chairman

### Dear Shareholder

I am pleased to report on the corporate governance procedures undertaken by Celebrus for the financial year 2024, with a continuation of our detailed reporting to provide stakeholders with greater visibility into the workings of the Board, its Committees and the Group overall.

### The role of the Board in good governance and business success

The Board recognises the importance of high standards of corporate governance for delivering long-term success to the Group and acknowledges its role in setting the culture, values and ethics of the Group and communicating these to all the Group's stakeholders. This requirement is set out formally on page 52. The Board meets regularly to discuss the monitoring and promotion of a healthy corporate culture. The Chairman has ultimate responsibility for corporate governance matters and has overseen the preparation of this governance statement accordingly.

AIM Rule 26 requires all AIM companies to disclose details of a recognised corporate governance code that its Board of Directors has decided to apply, how the Group complies with that code and, where it departs from its chosen corporate governance code, an explanation of the reasons for doing so.

The Board believes the Quoted Companies Alliance Corporate Governance Code 2018 (“QCA Code”), adopted by the Company in 2018 remains the most applicable set of principles for governance considering the size, resource and current development stage the Company is in.

Board discussions are conducted openly and transparently, which creates an environment for sustainable and robust debate. In the year, the Board has constructively and proactively challenged management on Group strategies, proposals, operating performance and key decisions, as part of its ongoing work to assess and safeguard the position and prospects of the Group.

The QCA Code was updated in 2023 and the updated code became applicable from 1 April 2024 with a transitional period of 12 months to allow companies time to adopt the revised principles. I'm pleased to report that, although for the financial year 2024 we are reporting formally against the existing (2018) version of the Code, Celebrus has already implemented many of the necessary changes, and is on track to implement the remainder before the end of the new financial year.

### Exceptions to the application of the QCA Code

The QCA Code requires the Board to contain the necessary mix of experience, skills, personal qualities (including gender balance) and capabilities to deliver the Group's strategy over the medium to long term. We believe our Board has a strong mix of experience as evidenced in the table on page 43. Although the technology industry has a longstanding gender bias, which is changing slowly, for our part, we have women in key roles such as VP Marketing, Head of Fraud, Director of Finance, Director of HR, Director of Professional Services, Head of Data Analytics and Insights, Financial Controller, and Demand Generation Manager.

By order of the Board

*Tom Skelton*

**Tom Skelton**  
Non-Executive Chairman  
9 July 2024



## Board operation

The Board's principal role is to provide effective leadership of the Group and to establish and align the Group's purpose, strategy, values and culture. It is responsible to shareholders for delivering shareholder value by developing the overall strategy and supporting the development of the direction of the Group. The Board is also responsible for overseeing the Group's external financial and other reporting and for ensuring that appropriate risk management and internal control systems are implemented and maintained.

The Matters Reserved for the Board document (available on the Group's website) specifies certain matters which must come to the Board for formal approval. These include the matters listed below.

- Strategy and long-term objectives.
- Financial statements, dividend payments and accounting policies and practices.
- Approval of the Group budget.
- Capital structure.
- Internal controls and risk management;
- Acquisitions and disposals.
- Major capital expenditure.
- Legal (including major contracts), health and safety and insurance issues.
- Approval of policies adopted by the Group.
- Board structure and the appointment of advisers.

However, the Board delegates certain powers to its Committees allowing them to deal with those matters in detail and report back to the Board with their considerations and outputs. The Board has three principal Committees: the Audit Committee, the Remuneration Committee and the Nomination Committee. Their responsibilities are set out in formal terms of reference for each committee, which are reviewed annually and are available on the Group's website.

## Audit Committee

The Committee is responsible for overseeing the Group's external financial reporting and associated announcements, considering risk management, internal controls procedures and the work of the external auditors. Full details of the work of the Committee are set out in the Audit Committee Report on page 54.

## Nomination Committee

The Nomination Committee is responsible for leading the Board appointments process and for considering the size, structure and composition of the Board. Full details of the work of the Committee are set out in the Nomination Committee Report on page 55.

## Remuneration Committee

The main role of the Remuneration Committee is to set the Company's remuneration policy, determine each Executive Director's total individual remuneration package and set the targets for performance-related pay, so as to be able to recruit, retain and motivate individuals of the highest calibre. The details of the Committee's work are set out on pages 56 to 60.

The Board meets as often as necessary to discharge its duties and the number of Board meetings held during the year, together with the Directors' attendance records, is set out on page 51. Details on the number of Committee meetings held during the year together with the Directors' attendance records can be found also on page 51.

Board meetings are held in person at the Company's UK offices in Sunbury, or by video conference.

The Directors have access to the advice and services of the Company Secretary, James Thorne, who has over 25 years' experience, and is responsible for ensuring that the Board and its Committees' procedures and applicable rules and regulations are met.

The Directors all have access to the Group's key advisers. If required in the performance of their duties, Directors may take independent professional advice at the Company's expense.

Appropriate insurance cover is in place in respect of legal action against the Directors. The Group has adopted and maintained a share dealing code for Directors and employees in accordance with the Market Abuse Regulations.

Board and Committee papers are circulated approximately one week in advance of meetings to enable the Board to review and consider the materials provided.

The Chair ensures that input is sought and obtained from any Director who is unable to attend a Board meeting and provides a verbal update following the meeting to complement the minutes. There is ongoing contact between the Chair, Executive Directors and Non-Executive Directors between Board meetings. A Board calendar is prepared on an annual basis, and Operations Board members and other staff are regularly invited to attend to present an update on their areas of the business. This is highly valuable in providing further detail to support strategic decisions. In addition, the Board meets on an ad hoc basis as necessary to consider specific issues, such as potential corporate activity, supported by detailed Board papers circulated in advance analysing relevant aspects of the topic under discussion.

## Board roles and responsibilities

The roles of the Chair and the Chief Executive Officer are separate and defined in writing. This provides a clear division of responsibilities between the running of the Board and the executive responsibility for running the business. The key responsibilities of the Chair, the Chief Executive Officer and Chief Financial Officer are set out below:

## The Chair's responsibilities include:

- chairing the Board, the Nomination Committee and shareholder meetings (including the AGM);
- providing leadership of the Board and ensuring the effectiveness of all aspects of the Board's role;
- providing challenge to the Executive Directors and working closely with the Chief Executive Officer on key strategic decisions;
- maintaining a dialogue with major shareholders on governance and other strategic matters, as appropriate;
- setting the Board agenda and ensuring all Directors have the opportunity to maximise their contribution to the Board by encouraging open and honest debate and constructive challenge of the Executive Directors; and
- undertaking the periodic evaluation of the Board and the Directors and building an effective Board.

The Chief Executive Officer and Chief Financial Officer are responsible for the implementation of the approved strategic and financial objectives of the Group.

## The Chief Executive Officer's responsibilities include:

- the day-to-day running of the business, accountable for the Group's financial and operational performance;
- developing and reviewing the Group strategy;
- maintaining close contact with major customers, suppliers and shareholders;
- chairing the Group Operations Board to direct and coordinate the management of the Group's business generally, including sales and marketing, customer delivery and satisfaction and product development;
- with the Chief Financial Officer, approving the divisional budgets; and
- monitoring the performance of senior managers.

## The Chief Financial Officer responsibilities include:

- supporting the Chief Executive in developing and implementing the Group strategy;
- producing the annual budget and long-term strategic and financial plan;
- analysing operations and performance to ensure maximisation of shareholder value over the long term;
- ensuring effective financial reporting, processes and controls are in place;
- leading the finance, HR and admin function;
- monitoring the Group's principal financial risks, and safeguarding its assets; and
- overseeing the Company's relationships with the investment community.

The Non-Executive Directors provide independent, constructive challenge and insight to the Executive team, forming an integral part of the Board's decision-making process together with the monitoring of management and business performance.

The Non-Executive Directors play a key role in developing and reviewing proposals on strategy, actively participating in the regular strategy forums. They strengthen governance through leading and participating in the Board Committees, providing a wide range of experience and independence. This aids the Board in developing a broader understanding and in evaluating the implications, risks and consequences of decisions.

## Board effectiveness

The Board undertakes a periodic assessment of its effectiveness, and the latest one was undertaken during the financial year.

Further information is disclosed under Principle 7 of the Corporate Governance Statement.

## Board composition and changes

The Board is satisfied that the size of the Board and its Committees and the balance of executive and non-executive members is such that no individual or small group of individuals can unduly influence its decisions.

When considering Board appointments, a wide variety of factors is taken into account, including the balance of skills, experience, independence, knowledge of the Group and diversity, including gender.

The Directors have a broad range of international business knowledge and experience, as well as specific skills in the digital technology, growth companies, finance, corporate transactions, investor relations and risk management. A skills matrix reflecting this experience is included in the Directors' biographies on page 43.

## Group Operations Board

The day-to-day operations of the Group are run by the Group Operations Board. This meets weekly and now comprises the following roles:

- Chief Executive Officer.
- Chief Financial Officer.
- Director of HR.
- VP – Marketing.
- VP – Global Sales.
- Director of Partnerships.
- Chief Technical Officer.
- Director of Managed Services.
- Director of Professional Services.
- Chief Security Officer.

## Risk management

Key risks and uncertainties affecting the business are regularly assessed and updated. The Board challenges management to ensure appropriate risk mitigation measures are in place. An outline of the Group's key risks and uncertainties is shown on pages 39 to 41.

In light of the risks or uncertainties arising from the Group's strategic growth plans and the wider economic, political and market conditions, a rolling risk review process has been implemented which seeks to ensure that risks are constantly monitored, assessed and quantified, so that action may be prioritised by the Board accordingly. This process is undertaken by the Risk Committee which reports to the Board on a regular basis via the Chief Security Officer.

## Internal control

The Board has ultimate responsibility for the Group's internal control arrangements and for reviewing their effectiveness, which guide and direct the Group's activities to support delivery of its strategic, financial, operational and other objectives, and safeguard shareholders' investment and the Group's assets.

## Key topics considered by the Board in 2023/24

- Review, debate and challenge of the corporate strategy and plan.
- Presentations from each member of the Operational Board on matters such as product roadmap, risks and information security, sales and marketing plans, HR strategy, financial planning.
- Group Business Plan and Budget.
- Search for a new Chair of the Board.
- Investor engagement and analyst coverage.
- The Group's cash balance, profitability, investment into growth and dividend policy.
- Acquisition opportunities.
- Change of the name of the Group.
- The possible need for appointment of a Senior Independent Director.
- Consideration of the results of an all-employee Company survey.
- ESG Reporting and Carbon Footprint Audit.
- Sale of the Sunbury office and entering into new office lease in the UK and India.
- Change of the Group reporting currency from GBP to USD.
- Risk management and internal controls, including a robust assessment of the principal risks.
- Financial results announcements, presentations, report and accounts and market updates.
- Review of the typical employee remuneration package.

The Board recognises that a system of internal control reduces, but cannot eliminate, the likelihood and impact of poor judgement in decision-making, human error, deliberate circumvention of control processes by employees and others, management override of controls and the occurrence of unforeseeable circumstances.

The Board sets policies and seeks and obtains on an ongoing basis, both directly and through the Audit Committee, assurance regarding the existence and operation of appropriate internal controls to mitigate key strategic, financial, operational, compliance and reputational risks.

The Board and Audit Committee consider any significant control matters raised in reports from management and the external auditor, and they monitor the progress of remedial actions.

The key features of the Group's overall control frameworks, all of which were in place throughout the year and up to the date of approval of this report, are set out below:

- delegated limits of authority in place;
- an appropriate finance function across the Group with suitably qualified and experienced professionals;
- segregation of duties, authorisation limits and other key internal controls are designed into both system-based and manual processes;
- a comprehensive monthly financial and operational performance reporting system which covers, amongst other things, operating results, cash flow, balance sheet information, forecasts and comparisons against budgets;
- a Risk Committee meeting on a regular basis to review and monitor risk and mitigating controls across the Group; and
- regular updates to the Board from management on insurance, litigation, human resources, sustainability and health and safety matters.

These arrangements are reviewed periodically by management to ensure they remain appropriate.

The Group has extensive internal quality assurance processes in critical areas of the business and there are functions within the Group that provide assurance and advice covering specialist areas, such as information security.

The Group holds an ISO certification for ISO 27001: Information Security across its UK, US and India locations. The Group continues to review and make improvements to the implementation of these standards.

## Financial planning and monitoring

The Group sets annual budgets, which are subject to Board approval. Financial information, including actual performance versus budget and expected future performance, is provided to all Board members as part of the Board papers. The monthly reporting cycle includes a rolling forecast.

The key policies and documented procedures in place include:

- Group delegated authority limits;
- Group treasury policy;
- Group share dealing code;
- Group anti-bribery and corruption policy;
- Group human resource and staff welfare policies;
- Group health, safety and environmental policies;
- Group code of ethics and standards of business conduct;
- Group data governance policy;
- Group information security policy;
- Group anti-fraud policy; and
- Group whistleblowing policy.

The Group whistleblowing procedures include a confidential reporting service operated via an external, independent service provider. The policy, and the reporting service continue to be internally promoted. All employees are required to acknowledge that they have read and understood the policy and procedures.

## Directors' responsibilities

A statement of the Directors' responsibilities in respect of the accounts is set out on page 63 of the Annual Report.

## Stakeholder engagement

The Board continues to engage with stakeholders and welcomes ongoing dialogue throughout the year. Further information is contained in our Stakeholder Engagement Report on pages 23 to 27.

## Conflicts of interest

Directors have a legal duty to avoid conflicts of interest. Prior to appointment, conflicts of interest are disclosed and assessed to ensure that there are no matters which would prevent that person from taking on the appointment. Disclosure of Directors' interests is a standing item on the Board meeting agenda and any new interests, whether conflicting or not, are disclosed during that item.

If any potential conflict arises subsequently, the Articles of Association permit the Board to authorise the conflict, subject to such conditions or limitations as the Board may determine. In situations where a potential conflict arises, the Director concerned will not be permitted to remain present in any meeting or discussion concerning that conflict, and all material in relation to that matter will be restricted, including Board papers and minutes.



This section describes how Celebris Technologies plc has applied and complied with the main and supporting principles of the QCA Corporate Governance Code (2018).

In last year's Statement of Corporate Governance there was one area where the Group was not fully compliant with the ten key principles of the QCA Code. This has been addressed as far as possible during the year, and is shown below followed by a review of each of the principles in turn.

No significant corporate governance matters arose during the period covered by the Annual Report 2024, nor subsequently to the date of this statement, on which it was considered necessary for the Board or any of its Committees to seek external advice. The Board consults with its Nominated Adviser and other professional advisers on routine matters arising in the ordinary course of its business.

The following table summarises one specific area within the principles where the Board considers that the Group did not fully comply, or may be perceived as not fully complying, with the QCA Code, throughout the year.

## Principle 6

### Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board should contain the necessary mix of experience, skills, personal qualities (including gender balance) and capabilities to deliver the Group's strategy over the medium to long term.

During the year, the male to female ratio on the Board was 4:2 and there were no female Executive Directors. We believe that this reflects a strong gender bias in the technology industry as a whole, and the Board remains confident both that the opportunities in the Group are not excluded or limited by any diversity issues (including gender) and that the Board nevertheless contains the necessary mix of experience, skills and other personal qualities and capabilities necessary to deliver its strategy.

The male to female ratio is better reflected amongst the leadership team where we have women in key roles such as VP Marketing, Head of Fraud, Director of Finance, Director of HR, Director of Professional Services, Head of Data Analytics and Insights, Financial Controller, and Demand Generation Manager.

continued

## The Principles of the QCA Code

### Principle 1

#### Establish a strategy and business model which promote long-term value for shareholders

The Board's shared view of the Group's purpose, business model, opportunities and strategy, and the values underpinning them, are detailed in the Strategic Report within pages 2 to 41 of the Annual Report as follows:

- "Our platform" (page 4) explains what Celebrus Technologies' platform does.
- "Market overview" (page 12) describes the dynamics in the market we operate in.
- "Our strategy" (pages 16 to 17) describes how Celebrus Technologies seeks to transform the business to create shareholder value.
- "Better data, better relationships" (pages 5 to 7) illustrates, with case studies, how our customers use and benefit from our products and services.

The Group's approach to delivering long-term value for shareholders is addressed in the Business Model on pages 14 to 15. Pages 39 to 41 ("Principal risks and uncertainties") detail the key risks faced by the business and how these continue to be addressed. Pages 28 to 36 describe how we are embedding ESG into our business.

Date	Description of engagement	Group participants	Notes
July 2023	Final results roadshow	B Bruno, A Mehta	
August 2023	AGM	Directors	Shareholders were invited to attend the AGM and later in the day to join an online Q&A session
December 2023	Interim results roadshow	B Bruno, A Mehta	
December 2023	Capital Markets Day	B Bruno, A Mehta	
Various	Shareholder and potential shareholder meetings	B Bruno, A Mehta	

### Principle 2

#### Seek to understand and meet shareholder needs and expectations

Relations with shareholders and dialogue with institutional shareholders.

The Board as a whole is responsible for ensuring that a dialogue is maintained with shareholders based on the mutual understanding of objectives. Members of the Board meet with major shareholders on a regular basis, including presentations after the Group's announcement of the year-end results and at the half year. In addition to regulatory news announcements the Directors publish the Annual Report and Accounts, the annual results presentation, the half year results and announcements on new contract wins as they arise. They also broadcast a video presentation and Q&A, which is also available on the Company website.

In the period from 1 April 2023 to the date of this Corporate Governance Statement, the following activities and events with stakeholders have been arranged with the view to:

- communicate the Group's business model, strategy and values;
- provide financial updates and explanations sought by shareholders; and
- engage with shareholders to fully understand their needs and expectations.

The Board is kept informed of the views of shareholders and other stakeholders at each monthly Board meeting through a report from the Chief Financial Officer together with formal feedback on shareholders' views gathered and supplied by the Group's advisers. The views of private and smaller shareholders, typically arising from the AGM or from direct contact with the Group, are also communicated to the Board on a regular basis.

The Chairman, T Skelton, is available to shareholders if they have concerns where contact through the normal channel of Chief Executive Officer or Chief Financial Officer has failed to resolve or for which such contact is inappropriate. T Skelton can be contacted through the UK head office contact information shown on our website.

#### Constructive use of the AGM

The Board uses the AGM to communicate with private and institutional investors and welcomes their participation; all members of the Board are usually present at the AGM.

#### Capital Markets Day

In December 2023, we held a Capital Markets Day alongside the release of our interim results. This was a good opportunity for our Executive team to meet with shareholders and vice versa. A recording of the day is available on our website.

At all investor meetings, shareholders are asked to confirm that their questions have been successfully answered. At the year end and interim presentations to shareholders, the Group's Nominated Adviser consults with attendees for feedback to ensure that future presentations encapsulate their requirements where possible.

continued

## Principle 3

### Take into account wider stakeholder and social responsibilities and their implications for long-term success

Stakeholders	Reason for engagement	How we engage	Stakeholders	Reason for engagement	How we engage
<b>Staff</b>	Our ability to provide an industry-leading software and services business is dependent upon good communications within our organisation.	<p>We have identified our internal values in order to recruit and maintain talented and motivated staff. These values form the basis of all communications which are sought through internal appraisals and regular cross-functional meetings.</p> <p>There are also regular opportunities for the staff to engage with other parts of the organisation and recognise the successes of others. Examples include staff brunches and bi-monthly Group-wide "Town Hall" meetings, which are held to provide staff with an operational and sales update on what is happening within the business and ask any questions they may have of any of the leadership team.</p> <p>The HR system we launched last year has facilitated more effective employee engagement and communication across our various locations. This is particularly important post-Covid with hybrid working. Moreover, during the year we conducted an all-employee survey which has assisted us in focusing on key improvement areas.</p>	<b>Shareholders</b>	As a public company it is vital that we build relationships with our shareholders so that we can both inform them of our successes and listen to their guidance.	<p>This is achieved in several ways:</p> <ul style="list-style-type: none"> <li>Regulatory news releases.</li> <li>Investor relations section of the Group's website.</li> <li>Annual and half-year reports and presentations.</li> <li>AGM.</li> </ul> <p>Capital Markets Day and Technology demo events.</p> <p>Our intention is to engage with our shareholders to inform them of our successes and to listen to the question and comments. This feedback is usually received at the AGM and the investor presentations.</p>
<b>Clients and Partners</b>	Understanding current and emerging requirements of clients enables us to develop new and enhanced services, together with software to support the fulfilment of those services.	<p>We have account managers and account directors whose primary responsibility is to engage with our clients and Partners to understand and develop our products and services so that we can work with them to exceed their requirements.</p> <p>We seek formal and informal feedback on product roadmap and enhancements via our support offering and annual user group meetings.</p>	<b>Industry bodies</b>	Information security is fundamental to our business, clients, Partners, suppliers and associated data subjects and so we ensure that our policies and procedures provide a cohesive approach to this important area.	We have an established information security management system which encompasses independently audited ISO 27001 and PCI DSS controls, industry best practices, as well as latest regulatory requirements including General Data Protection Regulations (GDPR) and the UK Data Protection Act (2018). Our experienced Information Security Committee ensure that governance, risk and compliance is actively managed and that our policies and procedures evolve to meet ongoing requirements.
<b>Suppliers</b>	Our relationships with our suppliers are key to the core success of our business.	We treat all suppliers with respect and care, building long-term collaborative relationships and where possible working within the local community, and ensuring ongoing communication so that feedback can be received and acted upon. We seek to ensure that supplier invoices are processed and paid promptly.	<b>Communities</b>	We consider that it is important to be a business that makes a positive contribution to local economies and is attractive as an employer and partner.	We look to recruit locally experienced staff and through the local universities, in all of our locations. We employ local suppliers where possible, and throughout the year we encourage staff to identify charities that they have an affiliation with for the Group as a whole to support. Further information is available in the ESG Report on pages 28 to 36.
			<b>Environment</b>	Irrespective of our status as a public company, it is part of our ethos to conduct business operations that minimise any adverse impact on the climate these may have.	We endeavour to use technology wherever possible such that meetings with both internal and external stakeholders can be held online, thus reducing the need for travel. This further extends to allowing employees to work at home, further reducing commuting costs on both economic and environmental grounds. In addition, our HQ at Sunbury uses the latest standards in insulation, lighting, heating and energy waste reduction and is now fully powered using renewable resources. During the year we reappointed an external consultancy to conduct a carbon audit. Further details are given in the ESG Report on pages 28 to 36.



continued

## Principle 4

### Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board's risk management controls and mitigation strategies are described in the Annual Report on pages 39 to 41 ("Principal risks and uncertainties") and pages 46 to 47 outline the control environment the Board has put in place – as per Principles 8 and 9 of the QCA Code – to promote a corporate culture based on ethical values and behaviours and to maintain governance structures and processes that are fit for purpose and support good decision-making by the Board.

The Directors and management have a clear responsibility for identifying risks facing each of the businesses and for putting in place procedures to mitigate and monitor risks. To this end the Company has a Risk sub-Committee appointed by, and reporting directly to, the Board. Its membership includes the Chief Technology Officer, the Chief Financial Officer and the Chief Security Officer; other members of the Company are seconded to the Committee as required.

The remit of the Committee is to examine the vulnerability of the Group to all types of risk, the mitigation of such risks, maintain the risk register to properly reflect this and to report back to the Board with any changes in, or new areas of, vulnerability to risks and recommendations for mitigation.

The Risk Committee meets every two months, or more often as required, and on each occasion reviews two areas of the corporate risk register in detail to assess the vulnerability of the Group to risks under consideration and how to mitigate such risks. Employees from the relevant areas of the business are invited to help provide a more informed opinion of which risks are key and how they can be managed. The Committee reports back to the Board with any changes in, or new areas of, vulnerability to risks and recommendations for mitigation. The global pandemic is an example of an occasion when the Risk Committee has convened more frequently in order to review the register for any changes to the level of risk due to the pandemic and the emergence of any new issues which may require mitigation.

## Principle 5

### Maintain the Board as a well-functioning, balanced team led by the Chair

#### Composition

Directors' biographies are shown both in this Annual Report and on the Group's website. The Board currently comprises the Non-Executive Chairman, two Executive Directors and a further three Non-Executive Directors. At the date of this Corporate Governance Statement, all of the Non-Executive Directors are considered to be independent. The Board does not consider it necessary to appoint an independent director to a formal "senior independent director" role. All Directors are subject to election by shareholders at the first AGM immediately following their appointment and thereafter are subject to re-election at intervals of no more than three years. All Non-Executive Directors are appointed for fixed terms in line with corporate governance requirements, although any Non-Executive Director whose independence may be called into question is subject to re-election annually. Both of the Executive Directors executive directors are full-time employees of the Group.

#### Operation of the Board

The Board is responsible to shareholders for the proper management of the Group. A statement of the Directors' responsibilities in respect of the financial statements is set out on page 63 and a statement of going concern is given on page 73. The Board meets at least 11 times a year, and more often if required.

Other matters are delegated to the Executive Directors, supported by policies for reporting to the Board. Presentations are made to the main Board at each monthly meeting by the Executive Directors and also on regular occasions by operational management.

The Company Secretary is responsible for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with and for advising on corporate governance matters. The Group maintains appropriate insurance cover in respect of any legal action against the Group's Directors and the Company Secretary, but no cover exists if a Director is found to have acted fraudulently or dishonestly.

The Non-Executive Chairman and Non-Executive Directors are able to meet without Executives present prior to each Board meeting. The agenda and relevant briefing papers are distributed in advance of each Board meeting.

When Directors have concerns which cannot be resolved about the running of the Group or a proposed action, these concerns are recorded in Board minutes. Upon resignation, a Non-Executive Director is asked to provide a written statement to the Chairman for circulation to the Board if there are any such concerns.

#### Commitment

All Directors are expected to attend the monthly meeting of the full Board, or to make themselves available to join the meeting by telephone or online, and to attend all meetings of any Committee(s) of which they are members. In addition, the Directors are expected to attend strategy and business planning meetings each year. The Non-Executive Directors are expected to make themselves available at all reasonable times for consultation by other members of the Board.

Prior to each monthly Board meeting the Directors receive a detailed pack which includes:

- Board meeting agenda;
- minutes from previous Board meeting, and outstanding actions items;
- Board pack which includes financial information and an operations update on each part of the business; and
- papers as required for additional items requiring Board attention.

#### Meetings and attendance

The following table summarises the number of Board, Audit Committee, Nomination Committee and Remuneration Committee meetings held during the period covered by the Annual Report 2024 and the attendance record of individual Directors at those meetings: The Board met monthly as in prior years but also had additional ad hoc meetings to discuss other matters.

	Board	Audit <sup>1</sup>	Remuneration	Nomination
M Biddulph	12/12	2/2	5/5	5/5
B Bruno	12/12	–	–	5/5
H Gilder	12/12	2/2	5/5	5/5
A Mehta <sup>2</sup>	12/12	–	–	–
PA Simmonds	12/12	2/2	5/5	4/5
T Skelton	4/4	1/1	1/1	–
PF Whiting	12/12	2/2	5/5	5/5

1 Regular attendees of meetings of the Audit Committee included the CEO, CFO and the Company's auditors.

2 The CFO was an attendee of meetings of the Nomination Committee.

continued

## Principle 6

**Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities**

The Annual Report 2024 includes, on pages 42 to 43, biographies of the current Board of Directors, with details of their experience including a skills matrix. The range of skills at the Board is also considered by the Nomination Committee in its assessment of Board requirements.

All Directors are expected to keep their skills up to date, and it is Board policy that Executive Directors receive suitable ongoing training for their position. The Chairman ensures that all Directors update their skills and knowledge required to fulfil their roles on the Board and Committees. Ongoing training is provided as necessary and includes updates from the Company Secretary and Nominated Adviser on changes to the AIM rules, requirements under the Companies Act and other regulatory matters. Directors may consult with the Company Secretary or Nominated Adviser at any time on matters related to their role on the Board.

### External advice

No significant matters of a corporate governance nature arose during the period covered by the Annual Report 2024 nor subsequently to the date of this statement on which it was considered necessary for the Board or any of its Committees to seek external advice. The Board consults, on an ongoing basis, with its Nominated Adviser and other professional advisers on routine matters arising in the ordinary course of its business.

## Principle 7

**Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**

The Board periodically reviews its own effectiveness, as well as that of its Committees and individual Directors in the following manner:

- (i) The role of the Committees is considered by the Executive Directors without the presence of the Non-Executive Directors.
- (ii) The Chairman and CEO examine the contribution and effectiveness of the individual Directors with regard to their line role and contribution at Board meetings.
- (iii) The whole Board examines its purpose and effectiveness with regard to identified key areas.
- (iv) The whole Board considers its structure, size and composition with particular regard to the skills, knowledge and experience of its members and otherwise as advised by the Nomination Committee.

In addition, a formal Board effectiveness evaluation process is conducted biannually. The process involves all Directors completing a detailed individual evaluation of Board performance, which covers effectiveness in several areas including Board composition, Board information, Board process, internal control and risk management, Board accountability, CEO/Senior management and Standards of conduct.

The results of these biennial evaluations are interpreted by an independent Non-Executive Director, with support from the Chairman, and outputs plus any associated recommendations are reviewed by the Board as a whole, with progress on any actions arising monitored at the monthly Board meetings.

The last evaluation was carried out in the autumn of 2023 by Helen Gilder and presented to the Board soon after. This concluded that the Board operates well overall and that there are no significant weaknesses.

As the business expands and as part of succession planning, the Executive Directors have been challenged to identify potential internal candidates who could potentially occupy Board positions and set out development plans for these individuals and these are in progress.

## Principle 8

**Promote a corporate culture that is based on ethical values and behaviours**

Our long-term growth strategy incorporates our objectives and the business model set out in the Strategic Report. The culture of the Group is characterised by values which are communicated regularly to staff through internal communications and forums. These core values are also communicated to prospective employees in the Group's recruitment programmes and are further embedded within the induction process. The Board believes that a culture that is based on the core values is a competitive advantage and consistent with fulfilment of the Group's mission and execution of its strategy. The Board believes that the Executive Directors represent these values and convey them effectively throughout the organisation.

### Ethical business practices

The Group is committed to corporate sustainability and to applying the highest standards of ethical conduct and integrity to its business activities in the UK and overseas. The Group does not tolerate any form of bribery: the Directors and senior management are committed to implementing and enforcing effective systems throughout the organisation to prevent bribery in accordance with its obligations under the Bribery Act 2010.

continued

## Principle 9

**Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board**

### Roles and responsibilities of Directors

The Annual Report 2024 includes, on pages 45 to 46, descriptions of the individual roles and responsibilities of the Chairman, Chief Executive Officer and other Directors.

### The Board and its Committee composition

The Board currently comprises the Non-Executive Chairman, two Executive Directors and a further three Non-Executive Directors. The roles of Chairman and Chief Executive Officer are distinct, set out in writing and agreed by the Board. The Chairman is responsible for the effectiveness of the Board and ensuring communication with shareholders, and the Chief Executive Officer is accountable for the management of the Group. Non-Executive Directors constructively challenge and assist in the development of strategy. They scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance. The Board has not appointed a Senior Independent Non-Executive Director. The Company Secretary is J Thorne, a solicitor of over 25 years' standing, who was appointed to the role in 2017. He is not a Director of the Group.

To deal with specific aspects of the Group's affairs, the Board has formed certain Committees. Each of these Committees is governed by terms of reference available on the Company website. Details of the membership, roles, responsibilities and activities of the Audit, Remuneration and Nomination Committees are described in more detail in the individual Committee reports commencing on page 54 of the Annual Report 2024. The Chair of each Committee reports to the Board on the activities of that Committee.

### Evolution of governance framework

In 2018 the QCA Code was formally selected as the appropriate recognised corporate governance code to be applied for the purposes of AIM Rule 26. The Board monitors the requirements of this code on an annual basis and revises its governance framework as appropriate as the Group evolves. As part of ongoing governance efforts, the Group decided last year that an additional sub-Committee should be formed to focus on ESG (environmental, social and governance).

This sub-Committee comprises M Biddulph, A Mehta and a number of staff members. The Committee was predominantly formed to focus on the Group's environmental and social initiatives, as governance is clearly a focus of the whole Board and all Committees. As the Group continues to grow the Board fully recognises both the importance and the need for the governance framework to continue to evolve.

## Principle 10

**Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

A range of forums exist at which the functioning of the Group is critically appraised and where opportunities exist for stakeholders to challenge management and hold them to account for the Group's performance.

### Board Committees

A description of the work of the Board's Committees in the financial year to 31 March 2024, including a report from each of the Audit, Remuneration and Nomination Committees, is set out on pages 54 to 60 of the Annual Report 2024.

### Votes at General Meetings

All resolutions put to the AGM held on 9 August 2023 and at the general meeting held on 9 November 2023 were passed by majorities of not less than 90% of the votes cast. The most recent results for the Group, together with Annual Reports for the preceding years and notices of all General Meetings, can be found on the Group's website.



# Reviewing financial performance and controls



## Committee members

- Helen Gilder (Chair)  
(appointed 24 April 2023)
- Monika Biddulph
- Peter Whiting
- Tom Skelton (appointed  
18 December 2023)
- Peter Simmonds  
(resigned 31 March 2024)

## Dear Shareholder

I am pleased to present the report of the Audit Committee for the year ended 31 March 2024, being my first report for a full financial year since taking over as Chair of the Audit Committee on 22 June 2023.

The Audit Committee comprises all of the Non-Executive Directors of the Company which has resulted in there being between three and five members through the year when accounting for the recruitment of Tom Skelton and myself during the year and the handover with Peter Simmonds prior to him stepping down as Chair of the Board at the end of the financial year. By invitation, the meetings are also attended by the CEO and CFO of the Company.

Throughout the year the Audit Committee has included at least one financially qualified member as recognised by the Consultative Committee of Accountancy Bodies, but all Audit Committee members are expected to be financially literate. The Committee is chaired by myself and met twice during the year under review. It operates under formal terms of reference, which are available on our website.

The Audit Committee is responsible for reviewing a wide range of financial matters including ensuring that the financial performance of the Group is adequately measured and controlled, correctly represented, reported to and understood by the Board.

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

The Audit Committee meets the auditors at least once a year without any Executive Directors present. To ensure auditor independence, consideration is given to their integrity and the objective approach of the audit process. The use of non-audit services is not considered to be significant and amounts paid in respect of these are disclosed in note 6.

I would like to thank Haysmacintyre for their work as our auditors. This was their third year as auditor and the process has run smoothly again. The Committee appreciates the approach of the team and their experience acting for a number of public companies, both fully listed and AIM, with a strong presence in the technology sector which has been a valuable asset to the Group.

The Audit Committee has recommended to the Board that Haysmacintyre LLP is reappointed at the forthcoming AGM.

I am satisfied that the Committee has satisfactorily discharged its duties in the year in accordance with its terms of reference.

**Helen Gilder**  
Chair of the Audit Committee  
9 July 2024

## Key issues considered during the recent audit

<b>Revenue recognition</b>	This is a key issue in all audits due to historic misstatement by companies over the years. The Committee reviews the Group's revenue recognition policies to ensure they are compliant with current accounting standards and applied consistently. As described on page 76, the Group recognises license revenue in the month of issue of the license.
<b>Carrying value of goodwill</b>	The Committee monitors the intangible carrying value in the Group for any indications of impairment and undertakes impairment test calculations to support decisions to not impair goodwill.
<b>Management override of controls</b>	<p>This is the risk of misappropriation of assets and the risks of misrepresentation of financial information, in particular in relation to revenue and associated asset and liability accounts.</p> <p>The Committee receives updates on internal controls and any instances of management override.</p>
<b>Valuation of share options</b>	This is the risk of incorrect pricing of share options vesting under market conditions, non-market conditions and LTIP schemes, and hence an incorrect charge being made to the income statement. This is a complex area and so the Group appointed the Valuations department of Evelyn Partners LLP to value the share options under a Black-Scholes and a Monte Carlo basis.

# A focus on succession planning



## Committee members

- Monika Biddulph (Chair)
- Bill Bruno
- Peter Whiting
- Helen Gilder (appointed 24 April 2023)
- Tom Skelton (appointed 18 December 2023)
- Peter Simmonds (resigned 31 March 2024)

## Dear Shareholder

I am pleased to present the report of the Nomination Committee for the year ended 31 March 2024.

For the large part of the year, the Nomination Committee comprised five Directors: four Non-Executive Directors (myself, Helen Gilder, Peter Simmonds and Peter Whiting) and one Executive Director, Bill Bruno.

In the performance of its duties, the Committee held five meetings in the year. The principal activity of the Nomination Committee in the year was succession planning and Board composition.

As previously reported, in April 2023 Helen Gilder was appointed to the Board as an additional Non-Executive Director, and Chair of the Audit Committee, succeeding Peter Simmonds.

Following Helen's appointment, and with Peter Simmonds tenure reaching nine years in April 2024, the Nomination Committee considered his succession, taking into account the skill set of the Chair, the Non-Executive and Executive Directors as well as business strategy and direction.

I am pleased that, after a thorough selection process, in December 2023 Tom Skelton was appointed to the Board as Non-Executive Director and Chair-elect.

Tom has moved into the role of Chair following Peter Simmonds' departure at the end of March 2024.

Tom is based in the US and visits the UK Celebrus headquarters on a regular basis. He brings with him over 25 years' experience in Chair and CEO roles in leading international public companies, and has extensive expertise in software and technology. He has a proven track record in growing and scaling businesses and is currently Chair of Escher Group and ClearStar Inc., having held non-executive roles at Blancco Technology Group plc and Micro Focus International plc.

With regards to Non-Executive Director appointments, the Committee considers, amongst other factors, their other outside commitments prior to making recommendations. This is designed to ensure that they have sufficient time to meet what is expected of them and the Board keeps any changes to these commitments under review.

The Board's policy is to ensure that all appointments are merit-based and based on clear and objective criteria, giving due regard to equality of opportunity, and to promote inclusion and diversity. The Board notes that achieving diversity in the technology sector is challenging, having regard to the available pool of individuals with the right skills, experience and talent.

Given the size of the Board and the Group, the Nomination Committee does not currently set any measurable objectives for implementing a diversity policy, but it acknowledges the role of the Board in promoting diversity, including gender diversity, throughout the Group. Currently there are two female members of the Board, representing 33% of Board membership.

I am satisfied that the Nomination Committee has satisfactorily discharged its duties in the year in accordance with its terms of reference, which are reviewed on an annual basis.

**Monika Biddulph**  
Chair of the Nomination Committee  
9 July 2024

# Determining executive remuneration



## Committee members

- Peter Whiting (Chair)
- Monika Biddulph
- Helen Gilder (appointed 24 April 2023)
- Tom Skelton (appointed 18 December 2023)
- Peter Simmonds (resigned 31 March 2024)

## Dear Shareholder

I am pleased to introduce the Directors' Remuneration Report for the year ended 31 March 2024.

The Committee has consisted throughout the year of four Non-Executive Directors: Peter Simmonds, Helen Gilder, Monika Biddulph and me, with Tom Skelton joining the Committee from his appointment to the Board.

The Committee's terms of reference require it to meet not less than once each year. The Committee met five times in the year ended 31 March 2024. It is responsible for reviewing and determining the policy of the Group on executive remuneration including specific remuneration packages for each of the Executive members of the Board, pension rights and compensation payments. The Committee is also responsible for monitoring compliance with the implementation by the Group of the legal requirements and, so far as reasonably practical, recommendations and guidelines relating to Directors' remuneration.

None of the Committee has any personal financial interest (other than as shareholders or as noted in the Directors' report), conflicts of interests arising from cross-directorships or day-to-day involvement in running the business. The Committee makes recommendations to the Board. No Director plays any part in any discussion about his or her own remuneration.

For the financial year to 31 March 2024, the Remuneration Committee has continued to operate a remuneration structure made up of basic salary, pensions and benefits, annual performance-related bonuses, and a long-term incentive plan (LTIP). As in prior years, a significant proportion of executive remuneration has been based on performance, designed to align executive pay with shareholder interests. In this respect, the Committee has assessed the performance of Executive Directors for the year reported against the targets set a year ago, set performance targets for the following financial year and made recommendations to the Board on the overall packages for the Executive Directors.

The Committee believes that a combination of Total Shareholder Return (TSR) and Annual Recurring Revenue provides an optimal alignment with shareholders over the medium term, and these remain the basis of the vesting criteria of the LTIP grants made during the year.

We pay particular attention to ensure that the package offered to each Executive Director is appropriate to the nature and complexity of the specific role, and aligned with the wider recruitment market, and we encourage the building-up of meaningful shareholdings in the Group. We also set personal objectives for each of the Executive Directors linked to Group objectives, both short term and long term, including ESG objectives.

I am satisfied that the Committee has appropriately discharged its duties in the year in accordance with its responsibilities and encourage you to read the Directors' Remuneration Report on the following pages.

**Peter Whiting**  
Chair of the Remuneration Committee  
9 July 2024



This report complies with the requirements of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended in 2013, the provisions of the QCA Corporate Governance Code 2018 and the Listing Rules.

## The report is in two sections:

- the Directors' remuneration policy which sets out the Group's current policy on remuneration for Executive and Non-Executive Directors; and
- the Directors' Remuneration Report. This section sets out details of how the remuneration policy was implemented for the year ended 31 March 2024.

## Directors' remuneration policy

Executive remuneration packages are prudently designed to attract, motivate and retain Directors of the high calibre needed to maintain the Company's position as a market leader and to reward them for enhancing value to shareholders.

The performance measurement of the Executive Directors and key members of senior management, and the determination of their annual remuneration package are undertaken by the Committee. The remuneration of the Non-Executive Directors is determined by the Board within limits set out in the Articles of Association.

The Company's policy is that a substantial proportion of the potential remuneration of the Executive Directors should be performance related. The performance criteria set should motivate the Executive Directors to create value for the shareholders.

There are five main elements of the remuneration package for Executive Directors and senior management:

Element of remuneration	Link to Group strategy	Operation	Framework
<b>Base salary</b>	Ensures that the Company can recruit and retain high-quality Executives to deliver on the Company strategy in the interest of the shareholders.	Base salary is paid monthly and reviewed annually, with any increases applying from 1 April.	An Executive Director's salary is determined by the Remuneration Committee in March of each year and when an individual changes position or responsibility. In deciding appropriate levels, the Remuneration Committee considers the Company as a whole and relies on objective research which gives up-to-date information on a comparable group of companies.
<b>Benefits</b>	Ensures that the Company can recruit and retain high-quality Executives to deliver on the Company strategy in the interest of the shareholders.	Benefits principally comprise private healthcare and death in service insurance.	In relation to healthcare and death in service benefits, premiums are paid by the Company to an external broker to arrange cover, in line with other Group employees. These benefits are standard for all Group employees.
<b>Annual bonus</b>	Rewards and incentivises the Executive Directors for achievement of strategic objectives.	The Committee sets annual performance targets, linked to strategic objectives and risk management. Bonus payments in respect of a year are made annually after release of audited results, or later if any element is deferred.	The Remuneration Committee sets bonus plans for Executive Directors based upon achieving a number of pre-defined growth targets including ARR and Adjusted profit before tax.
<b>Share option plan (LTIP)</b>	Aligns the interests of the Executive Directors with the interest of the long-term shareholders.	The Remuneration Committee has discretion to make option grants to Executive Directors and other staff, subject to the scheme rules, and to determine appropriate performance conditions.	The share option plans are subject to rules and limits approved by shareholders in general meeting. Any exercise is subject to satisfaction of the specified performance conditions.

Element of remuneration	Link to Group strategy	Operation	Framework
<b>Pension</b>	Ensures that the Company can recruit and retain high-quality executives to deliver on the Group strategy in the interest of the shareholders.	Pension contributions are made by the Company to a defined contribution scheme operated by third-party providers.	Executive Directors are members of the Company Money Purchase pension scheme.  To the extent that contributions to the Company scheme are restricted by HMRC limits, the Company contributes 6% of the Director's salary providing the Director contributes a minimum of 4% of their salary by way of salary sacrifice. There are no unfunded pension promises or similar arrangements for Directors. There were two Directors in the scheme (FY23: 2).
<b>Chairman and Non-Executive Director fees</b>	Ensures that the Group can recruit and retain a high-quality Chairman and Non-Executive Directors to deliver on the Group strategy in the interest of the shareholders.	Fees for Non-Executive Directors are set by the Board (excluding Non-Executive Directors). Fees are paid monthly.	A basic fee is set for normal duties, commensurate with fees paid for similar roles in other similar companies, taking account of the time commitment, responsibilities and committee position(s).  Supplementary fees are paid for any additional duties at fixed day rates. Non-Executive Directors are not eligible for pensions, incentives, bonus or any similar payments other than normal out-of-pocket expenses incurred on behalf of the business.  Compensation for loss of office is not payable to Non-Executive Directors.

## Remuneration policy considerations

### Recruitment

The Company's Nomination Committee is responsible for leading the process for Board appointments and making recommendations to the Board. Refer to the report of the Nomination Committee for details.

### Loss of office payments

In the event of early termination, all of the Directors' contracts provide for compensation up to a maximum of basic salary plus benefits for the notice period.

### Wider staff employment conditions

The Remuneration Committee considers pay and employment conditions for other senior executives and staff members of the Group when designing and setting executive remuneration. Underpinning all pay is an intention to be fair to all staff of the Group, taking into account the individual's seniority and local market practices.

### Consultation with shareholders

The Remuneration Committee is committed to an ongoing dialogue with shareholders and seeks the views of significant shareholders when any major changes are being made to remuneration arrangements. The Committee takes into account the views of significant shareholders when formulating and implementing the policy.

### Consultation with employees

The Board and the Remuneration Committee did not consult with employees when formulating and implementing the policy.

### Service contracts and letters of appointment

It is the Company's policy that Executive Directors should have contracts with an indefinite term providing for a maximum of one year's notice.

### Executive Directors

Bill Bruno has a Directors' service agreement dated 27 August 2021 which can be terminated on six months' notice. Ash Mehta has a Directors' service agreement dated 12 May 2021 which can be terminated on three months' notice.

### Non-Executive Directors

M Biddulph, H Gilder, T Skelton and P Whiting each have an agreement for 12 months. The fees of the Non-Executive Directors are determined and confirmed by the full Board excluding (in each case) the Non-Executive Director concerned.

### Policy on Director shareholdings

The Company has no policy on Director shareholdings.

### Outside appointments

Executive Directors are entitled to accept appointments outside the Company providing that the Chairman's permission is sought and fees in excess of £20,000 from all such appointments are accounted for to the Company.

### Aggregate Directors' remuneration

The total amounts for Directors' remuneration were as follows:

	£'000	
	2024	2023
Emoluments (Fees/basic salary, benefits and annual bonus)	1,326	653
Money purchase pension contributions	29	26
	1,355	679
IFRS 2 share-based payment charge	584	469
Employer's National Insurance	57	58
<b>Total</b>	<b>1,996</b>	<b>1,206</b>

## Remuneration by Director

31 March 2024	Fees/basic salary £'000	Benefits £'000	Bonus £'000	Sub-total £'000	Share option exercise £'000	Pension £'000	<b>Total 2024 £'000</b>	Total 2023 £'000
<b>Executives</b>								
Bill Bruno	295	11	365	671	108	16	<b>795</b>	311
Ash Mehta	208	4	187	399	–	13	<b>412</b>	195
<b>Non-Executives</b>								
Monika Biddulph	52	–	–	52	–	–	<b>52</b>	49
Helen Gilder (appointed 24 April 2023)	49	–	–	49	–	–	<b>49</b>	–
Peter Simmonds (resigned 31 March 2024)	80	–	–	80	–	–	<b>80</b>	75
Tom Skelton (appointed 18 December 2023)	23	–	–	23	–	–	<b>23</b>	–
Peter Whiting	52	–	–	52	–	–	<b>52</b>	49
<b>Total</b>	<b>759</b>	<b>15</b>	<b>552</b>	<b>1,326</b>	<b>108</b>	<b>29</b>	<b>1,463</b>	<b>679</b>

## Remuneration of highest paid Director

	<b>2024</b>	2023
Remuneration	<b>779</b>	296
Company contributions to money purchase pension schemes	<b>16</b>	15
	<b>795</b>	311

Emoluments for the highest paid Director for the year ended 31 March 2024 and 31 March 2023 are included in the table above. The highest paid Director exercised 54,000 share options during the year (2023: nil).

## Directors' share options

Aggregate emoluments disclosed above do not include any amounts for the value of options to acquire Ordinary shares in the Company granted to or held by the Directors.

Details of options for Directors who served during the year are as follows:

	Type	Number at 31 March 2023	Number at 31 March 2024	Option price	Grant date	Exercisable from	Expiry date
B Bruno	1	54,000	–	2.0p	25 January 2021	10 August 2023	10 February 2024
	2	66,185	66,185	2.0p	28 October 2021	28 October 2024	15 March 2025
	3	49,638	49,638	2.0p	28 October 2021	28 October 2024	15 March 2025
	2	121,065	121,065	2.0p	26 August 2022	26 August 2025	10 February 2026
	4	40,921	40,921	2.0p	26 August 2022	26 August 2024	10 February 2026
	2	–	168,913	2.0p	27 July 2023	27 July 2026	26 January 2027
A Mehta	2	58,290	58,290	2.0p	28 October 2021	28 October 2024	28 October 2031
	3	49,638	49,638	2.0p	28 October 2021	28 October 2024	28 October 2031
	2	55,102	55,102	2.0p	26 August 2022	26 August 2025	26 August 2032
	4	17,770	17,770	2.0p	26 August 2022	26 August 2024	26 August 2032
	2	–	84,176	2.0p	27 July 2023	27 July 2026	26 July 2033



The type of awards granted under the terms of the Celebrus Long Term Incentive Plan (LTIP) are as set out above and below.

The Type 1 award represents a one-off award, without performance conditions, following the Director's promotion in January 2021.

Type 2 awards are subject to the satisfaction over the three-year period from the date of grant of specified performance conditions, based on the Company's relative Total Shareholder Return (TSR) in respect of half of the award, and growth in Annual Recurring Revenue (ARR) in respect of the other half. Vesting criteria have been set as follows:

- 15% compound growth in ARR to achieve minimum award vesting, with a sliding scale above this level, up to full vesting at 27.5% compound growth.
- TSR of no less than median performance against the selected benchmark for minimum vesting, with a sliding scale above this level, up to full vesting for top-quartile performance.

Type 3 represents a one-off award, without performance conditions, following each Director's appointment to their respective roles in late 2021.

Type 4 awards are deferred bonus awards, in lieu of a portion of the cash award relating to the 2021/22 Bonus Plan.

Vesting is subject to continued employment, and as a "Deferred Bonus Award" is therefore not subject to performance conditions. These awards will benefit from dividend equivalents in accordance with the LTIP Rules.

T Skelton, Helen Gilder, P Simmonds, P Whiting and M Biddulph who served during the year did not hold any share options.

One Director (2023: nil) exercised options over 54,000 shares (2023: nil) during the year. No Director's options lapsed during the year.

The market price of the shares at 31 March 2024 was 207.5p (31 March 2023: 207.5p) and the range in the period under review was 155.0p to 255.0p. There have been no variations to the terms and conditions or performance criteria for share options during the financial year.

Directors' shareholdings and dividends paid to Directors are disclosed in the Directors' Report on pages 61 to 62.

## Advisers

The Committee receives independent advice from FIT Remuneration Consultants LLP when required.

## Peter Whiting

Chair of the Remuneration Committee



The Directors present their Annual Report and the audited financial statements for the year ended 31 March 2024, which should be read in conjunction with the Strategic Report on pages 2 to 41. The Corporate Governance Statement set out on pages 45 to 47 forms part of this report.

## Incorporation

Celebrus Technologies plc is a company incorporated in the United Kingdom under the Companies Act 1985. The Company was formerly known as D4t4 Solutions plc and changed its name on 15 November 2023.

## Adoption of new Articles of Association

The Articles may be amended by special resolution of the shareholders.

## Directors and Directors' interests

The Directors who held office during the year and to the date of signing, unless otherwise stated, were as follows:

- M Biddulph
- B Bruno
- H Gilder (appointed 24 April 2023)
- A Mehta
- P A Simmonds (resigned 31 March 2024)
- T Skelton (appointed 18 December 2023)
- P Whiting

At the AGM, P Whiting will offer himself for reappointment in accordance with the Articles. Additionally, T Skelton will be proposed for reappointment, having been appointed a Director since the last Annual General Meeting.

The Directors who held office at the end of the financial year had the following interests in the Ordinary shares of the Company as recorded in the register of Directors' share and debenture interests:

	Interest at 31 March 2024	Interest at 31 March 2023
M Biddulph	–	–
B Bruno	67,000	13,000
H Gilder	–	–
A Mehta	80,570	80,570
P A Simmonds	346,500	346,500
T Skelton	50,000	–
P Whiting	22,000	22,000

During the year the Directors received dividends on their shares at the same rate as any other shareholder. Details of share options can be found on pages 88 to 89.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Companies Acts and related legislation. Such appointments are overseen by the Nomination Committee. The powers of Directors are described in the Main Board terms of reference, copies of which are available on request, and in the Corporate Governance Statement on pages 45 to 47.

In accordance with our Articles of Association and to the extent permitted by law, Directors are granted indemnity from the Company in respect of liability incurred as a result of their office. In addition, the Company maintained a Directors' and officers' liability insurance policy throughout the year. Neither our indemnity nor the insurance provides cover in the event that a Director is proven to have acted dishonestly or fraudulently.

## Capital structure

Under its Articles of Association, the Company has authority to issue 50,000,000 Ordinary shares. Details of any authorised and issued share capital, together with details of the movements in the Company's issued share capital during the year, are shown in note 24. The Company has one class of Ordinary shares which carry no right to fixed income. Each share (other than own shares held in treasury) carries the right to one vote at general meetings of the Company and an entitlement to any dividend announced by the Board.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation.

The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

There are a number of agreements that take effect, alter or terminate upon a change of control of the Company such as commercial contracts, and property leases and employees' share plans. None of these are considered to be significant in terms of their likely impact on the business of the Group as a whole.

Furthermore, the Directors are not aware of any agreements between the Company and its Directors or employees that provide for compensation for loss of office or employment that occurs because of a takeover bid.

## Substantial holdings

As far as the Directors are aware, as at 8 July 2024, the only holdings of 3% or more of the Company's issued share capital were the following:

	Number of Ordinary shares	%
Rathbones Investment Management Ltd	5,940,245	15.06%
Canaccord Genuity Wealth Management	4,696,151	11.91%
Herald Investment Management	3,174,800	8.05%
Chelverton Asset Management	2,500,000	6.34%
Close Asset Management Limited	2,280,986	5.78%
Ennismore Fund Management	1,900,000	4.82%

## Acquisition of the Company's own shares

During the year, the Directors had authority, under the shareholders' resolution of 6 November 2023, to purchase through the market up to 500,000 of the Company's shares at a maximum price of 105% of the average middle market price for the five business days immediately preceding the date of purchase and a maximum price of 250p per share. This authority expired 6 May 2024. 441,658 shares were purchased, and 138,799 shares were sold in the year ending 31 March 2024, as shown in note 25.

Treasury shares are ordinary 2p shares purchased in order to satisfy outstanding share option obligations. Sales from Treasury shares are the shares issued to option holders on exercise of their options. The maximum number of own shares held in the year was 936,495 (FY23: 720,670), which represents 2.32% (FY23: 1.78%) of the issued share capital.

## Share option schemes

The Company operates two share option schemes which are open to employees: the Celebrus Technologies EMI Share Options Scheme, and the Celebrus Long Term Incentive Plan. Details of the share options are laid out on pages 88 to 89 within note 28 to the accounts.

## Dividends

The Directors recommend a final dividend of 2.23p (2023: 2.15p) per Ordinary share to be paid this year.

## Employees

The Group has a policy of offering equal opportunities to employees at all levels in respect of the conditions of work. Throughout the Group it is the Board's intention to provide employment opportunities and training for disabled people and to care for employees who become disabled having regard to aptitude and abilities.

Regular consultation and meetings, formal or otherwise, are held with all levels of employees to discuss problems and opportunities.

## System of risk management and internal control

The Board is responsible for maintaining a risk management and internal control system and for managing principal risks faced by the Group. Such a system is designed to manage rather than eliminate business risks and can only provide reasonable and not absolute assurance against material mistreatment or loss. In accordance with the Companies Act s414 c(11) information in relation to the business and risks is shown in the Strategic Report.

## Supplier payment policy

It is Company policy to pay all claims from suppliers according to agreed terms of payment upon receipt of a valid invoice which is materially correct. The Company does not follow a code on standard payment practice. At 31 March 2024 the Company had 26 days (FY23: 17 days) of outstanding liabilities to creditors.

## Research and development

The Group has continued to attach a high priority to research and development throughout the year aimed at the development of new products and maintaining the technological excellence of existing products.

## Treasury policy

The Group's operations are funded by cash reserves. The policy of the Group is to ensure that all cash balances earn a market rate of interest. Bank relationships are maintained to ensure that sufficient cash and unutilised facilities are available to the Group. The Group also has exposure to foreign currency rate fluctuations and undertakes hedging contracts to mitigate potential currency losses.

## Financial instruments

The Group's financial risk management objectives and policies are discussed on pages 90 to 92 within note 31 to the accounts.

## Branch operations

The Group has branch operations located in Chennai, India.

## Political and charitable contributions

The Group made no political contributions during the year (FY23: nil), and charitable donations of £386 (FY23: £382).

## Sustainability

Information about the Company's approach to sustainability risks and opportunities is set out on pages 29 to 30. Also included on these pages are details of our greenhouse gas emissions.

## Auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the reappointment of Haysmacintyre LLP as the auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

## Disclosure of information to the Auditor

In the case of each of the persons who are Directors of the Company at the date when this report was approved:

- so far as each of the Directors are aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware; and
- each of the Directors has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

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

## Future outlook

The Group's future outlook and opportunities are referred to in the Chief Executive's Review on pages 10 to 11.

## Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out above and the risks and uncertainties summarised. The Group and Company has sufficient financial resources to cover budgeted future cash flows and has contracts in place with customers and suppliers across different geographic areas and industries. As a consequence of these factors, the Directors believe that the Group is well placed to manage its business risks successfully.

Having reviewed the future plans and projections for the business, the Directors believe that the Group and Company and its subsidiary undertakings have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

By order of the Board



**Bill Bruno**  
Chief Executive Officer  
9 July 2024

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

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors have elected under company law and the AIM Rules of the London Stock Exchange to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and to prepare the Company financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law.

The Group and Company financial statements are required to present fairly the financial position of the Group and the Company and the financial performance of the Group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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

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

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the Board



**Bill Bruno**  
Chief Executive Officer  
9 July 2024



# Independent auditor’s report

## to the members of Celebrus Technologies plc

### Opinion

We have audited the financial statements of Celebrus Technologies PLC (the ‘parent company’) and its subsidiaries (the ‘group’) for the year ended 31 March 2024 which comprise:

Group	Company
<ul style="list-style-type: none"><li>the Consolidated Statement of Comprehensive Income;</li><li>the Consolidated Statement of Changes in Equity;</li><li>the Consolidated Balance Sheet;</li><li>the Consolidated Statement of Cash flows;</li><li>and related notes to the financial statements</li></ul>	<ul style="list-style-type: none"><li>the Company Statement of Changes in Equity;</li><li>the Company Balance Sheet;</li><li>and related notes to the financial statements</li></ul>

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted International Financial Reporting Standards (IFRSs). The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 “Reduced Disclosure Framework” (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group’s and of the parent company’s affairs as at 31 March 2024 and of the group’s profit for the period then ended;
- have been properly prepared in accordance with UK adopted IFRSs;
- 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 consists of 3 components. All components are exempt from statutory audit requirements but audit work on these was performed to component level materiality where considered appropriate.

The scope of the audit and our audit strategy was developed by using our audit planning process to obtain an understanding of the Group, its activities, its internal control environment, current, and where relevant to our audit, likely future developments.

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 the most 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.

Our audit scope included all components and was performed to component materiality. Our audit work therefore covered 100% of group profit and total group assets and liabilities.

### Conclusions relating to going concern

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

Our evaluation of the directors’ assessment of the group’s ability to continue to adopt the going concern basis of accounting included:

- Discussing management’s assessment of the group’s ability to remain a going concern;
- Reviewing and understanding the cash flow forecasts for the period to end of September 2025 which are the central element of management’s going concern assessment;
- Assessing and challenging the inputs in and judgements made in the preparation of the cash flow forecasts for the period to end of September 2025; and
- Performing stress tests including sensitivity analysis to model the effect of changing assumptions made or amending key data used in management’s cash flow forecasts and considering the impact on the group’s ability to adopt the going concern basis.

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

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

### 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.

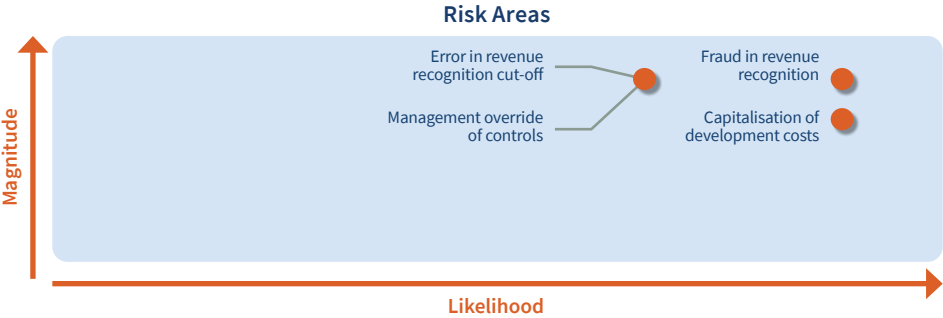
In determining the key audit matters we considered the:

- Areas of higher risks of material misstatement or significant risks identified in accordance with ISA (UK) 315
- Significant audit judgements on financial statement line items that involved significant management judgement such as accounting estimates, and
- The impact of significant events and transactions during the period covered by the audit.

The following table summarises the key audit matters we have identified and rationale for their identification together with how we responded to each in our audit and our key observations. The table also shows how our judgement of the magnitude of each risk has changed since the previous audit.

Key audit matter	How we addressed the key audit matter in the audit
<b>Revenue recognition (Group)</b> Included in the group statement of comprehensive income is revenue of £32,639m.  Revenue is derived from the sale of own IP, the sale of 3rd party IP, the provision of delivery services and of support and maintenance.  See revenue accounting policy note for further details around revenue recognition.  There is a risk that revenue has not been recognised in line with IFRS 15 in relation to ongoing contracts with customers, particularly where contracts span the year-end and therefore application is considered to be more judgemental.	In response to this risk, our work consisted of, but was not limited to, the following audit procedures in respect of all full scope components: <ul style="list-style-type: none"> <li>We agreed a number of revenue transactions to cash receipts and appropriate evidence of customer acceptance in order to gain comfort over occurrence and completeness and satisfaction of the performance obligations per the underlying revenue agreements.</li> <li>We have reviewed management's judgment in applying relevant requirements of IFRS 15, specifically around the timing of software license sales. We have inspected a sample of new significant revenue contracts in the year and have challenged management on the application of IFRS 15 rules in line with the accounting policy.</li> <li>We have also reviewed the treatment of deferred income as a result of this assessment and considered implications of the classification of deferred income in the statement of financial position.</li> <li>As a result of our procedures, we conclude that the group's revenue is stated accurately in all material aspects.</li> </ul> In addition to the above procedures performed over the full scope components, we also performed substantive analytical review procedures in respect of all other out of scope components, providing 100% coverage over the Group's revenue as at the 31 March 2024.

The table also shows our judgement of the likelihood and magnitude of each significant risk, the only risk deemed a key audit matter was fraud in revenue recognition.



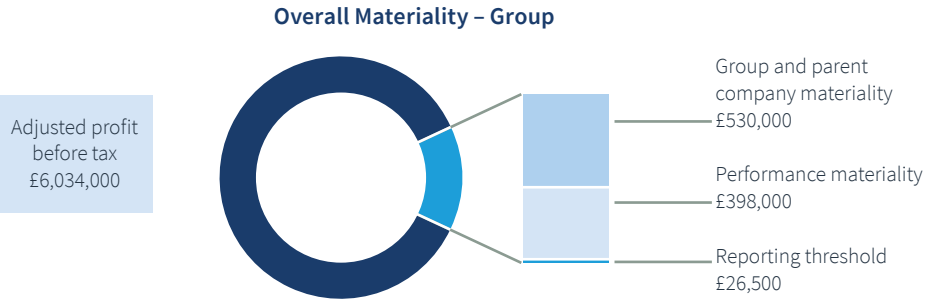
### Our application of materiality

The scope and focus of our audit were influenced by our assessment and application of materiality. We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Group and Parent Financial Statements	
<b>Materiality</b>	£530,000
<b>Benchmark</b>	Materiality for the Group was determined to be 8.75% of Adjusted profit before tax for the period, based on the point at which we performed our audit planning and risk assessment.
<b>Basis for, and judgements used in the determination of materiality</b>	Adjusted profit before tax is a key metric to management and users of the financial statements, and as such was deemed the most appropriate benchmark for determining materiality.  We also considered other important metrics in determining materiality for the Group, and the chosen Adjusted profit before tax materiality fell within the acceptable range for these alternative metrics, including Revenue and Gross Assets.

**Performance materiality** – Based on our risk assessment and our review of the Group's control environment, performance materiality was set at 75% of materiality, being £398,000. A percentage of 75% was used to reflect that the control environment was assessed as strong.

**Reporting threshold** – The reporting threshold to the audit committee was set as 5% of materiality, being £26,500.



### 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.

## 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, 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. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Group and management.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements in respect of employment law, including but not limited to minimum wage regulation, and food standards requirements. 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, payroll tax and sales 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 manual journal entries to revenue and the risk of 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;
- The evaluation of management's controls designed to prevent and detect irregularities;
- The identification and review of manual journals, in particular journal entries which shared key risk characteristics; and
- The review and challenge of assumptions, estimates and judgements made by management in their recognition of 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

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



**Jon Dawson (Senior Statutory Auditor)**

For and on behalf of Haysmacintyre LLP, Statutory Auditors  
10 Queen Street Place  
London EC4R 1AG  
9 July 2024

## Group statement of comprehensive income

for the year ended 31 March 2024

	Note	2024 £'000	2023 £'000
<b>Continuing operations</b>			
Revenue	4,5	32,639	21,369
Cost of sales	6	(15,432)	(8,497)
<b>Gross profit</b>		17,207	12,872
Administration expenses	6	(12,218)	(10,833)
Other operating income	8	-	15
<b>Profit from operations</b>		4,989	2,054
Finance income	9	607	373
Financing costs	9	(17)	(36)
<b>Profit before tax</b>		5,579	2,391
Tax	10	(1,541)	(274)
<b>Attributable to equity holders of the parent</b>		4,038	2,117
<b>Earnings per share from continuing operations attributable to the equity holders of the parent</b>	13		
<b>Statutory</b>			
Basic		10.15p	5.29p
Diluted		9.87p	5.18p

## Consolidated statement of comprehensive income

for the year ended 31 March 2024

	2024 £'000	2023 £'000
<b>Attributable to equity holders of the parent</b>	4,038	2,117
<b>Other comprehensive income:</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Loss on property revaluation	-	(300)
Exchange differences on translation of foreign operations	(317)	204
<b>Total comprehensive income for the year attributable to equity holders of the parent</b>	3,721	2,021



# Group statement of financial position

as at 31 March 2024

	Note	2024 £'000	2023 £'000
<b>Non-current assets</b>			
Goodwill	14	9,446	9,446
Other intangible assets	15	977	806
Property, plant and equipment	16	1,662	607
Trade and other receivables	18	233	942
Deferred tax assets	11	240	212
		<b>12,558</b>	12,013
<b>Current assets</b>			
Inventories	20	3,691	–
Trade and other receivables	18	8,682	7,561
Tax receivables		91	15
Cash and cash equivalents		30,720	17,155
		<b>43,184</b>	24,731
Assets in disposal groups classified as held for sale	19	3,000	3,000
<b>Total assets</b>		<b>58,742</b>	39,744
<b>Current liabilities</b>			
Trade and other payables	21	(8,531)	(2,219)
Tax liabilities		(1,483)	(8)
Deferred revenue	22	(17,637)	(9,383)
Lease obligations	23	(201)	(73)
		<b>(27,852)</b>	(11,683)
<b>Non-current liabilities</b>			
Lease obligations	23	(875)	(148)
Deferred revenue	22	(79)	(173)
Deferred tax liabilities	11	(432)	(395)
		<b>(1,386)</b>	(716)
<b>Total liabilities</b>		<b>(29,238)</b>	(12,399)
<b>Net assets</b>		<b>29,504</b>	27,345

	Note	2024 £'000	2023 £'000
<b>Equity</b>			
Share capital	24	809	809
Share premium account	24	3,365	3,365
Merger reserve	26	6,281	6,281
Revaluation reserve	27	1,010	1,010
Own shares	25	(2,054)	(1,464)
Retained earnings		20,093	17,344
<b>Attributable to equity holders of the parent</b>		<b>29,504</b>	27,345

These financial statements were approved by the Board of Directors and authorised for issue on 9 July 2024 and were signed on its behalf by:



**Bill Bruno**  
Director

Company registration number: 01892751 (England and Wales)

The notes on pages 73 to 92 form part of these financial statements.

# Group statement of changes in equity

for the year ended 31 March 2024

	Notes	Share capital	Share premium	Merger reserve	Revaluation reserve	Treasury shares	Retained earnings	Total £'000
<b>Balance at 1 April 2022</b>		809	3,365	6,031	1,310	(670)	21,040	31,885
Dividends paid	12	–	–	–	–	–	(6,194)	(6,194)
Purchase of own shares	25	–	–	–	–	(1,488)	–	(1,488)
Settlement of share-based payments		–	–	250	–	694	(679)	265
Share-based payment charge	28	–	–	–	–	–	856	856
<b>Transactions with equity holders</b>		–	–	250	–	(794)	(6,017)	(6,561)
Profit for the year		–	–	–	–	–	2,117	2,117
Other comprehensive income		–	–	–	(300)	–	204	(96)
<b>Total comprehensive income</b>		–	–	–	(300)	–	2,321	2,021
<b>Balance at 1 April 2023</b>		<b>809</b>	<b>3,365</b>	<b>6,281</b>	<b>1,010</b>	<b>(1,464)</b>	<b>17,344</b>	<b>27,345</b>
Dividends paid	12	–	–	–	–	–	(1,221)	(1,221)
Purchase of own shares	25	–	–	–	–	(1,042)	–	(1,042)
Settlement of share-based payments		–	–	–	–	452	(450)	2
Share-based payment charge	28	–	–	–	–	–	699	699
<b>Transactions with equity holders</b>		–	–	–	–	(590)	(972)	(1,562)
Profit for the year		–	–	–	–	–	4,038	4,038
Other comprehensive income		–	–	–	–	–	(317)	(317)
<b>Total comprehensive income</b>		–	–	–	–	–	3,721	3,721
<b>Balance at 31 March 2024</b>		<b>809</b>	<b>3,365</b>	<b>6,281</b>	<b>1,010</b>	<b>(2,054)</b>	<b>20,093</b>	<b>29,504</b>

The notes on pages 73 to 92 form part of these financial statements.

# Group statement of cash flow

for the year ended 31 March 2024



	Note	2024 £'000	2023 £'000
<b>Operating activities</b>			
Profit before tax		<b>5,579</b>	2,391
<b>Adjustments for:</b>			
Depreciation of property, plant and equipment	16	<b>292</b>	265
Amortisation of intangible assets	15	<b>164</b>	346
Finance income	9	<b>(607)</b>	(373)
Finance expense	9	<b>17</b>	36
Share-based payments	28	<b>699</b>	856
(Gain)/loss on sale of property, plant and equipment	16	<b>(16)</b>	13
<b>Operating cash flows before movements in working capital</b>		<b>6,128</b>	3,534
(Increase)/decrease in receivables		<b>(412)</b>	18,882
(Increase)/decrease in inventories		<b>(3,691)</b>	–
Increase/(decrease) in payables		<b>14,084</b>	(9,184)
<b>Cash generated from operations</b>		<b>16,109</b>	13,232
Taxes received		<b>–</b>	472
<b>Net cash generated from operating activities</b>		<b>16,109</b>	13,704

	Note	2024 £'000	2023 £'000
<b>Investing activities</b>			
Interest received		<b>607</b>	373
Purchase of property, plant and equipment	16	<b>(435)</b>	(173)
Purchase of intangible fixed assets	15	<b>(21)</b>	(97)
Capitalisation of development costs	7	<b>(315)</b>	(247)
<b>Net cash used in investing activities</b>		<b>(164)</b>	(144)
<b>Financing activities</b>			
Dividends paid	12	<b>(1,221)</b>	(6,194)
Lease repayments	23	<b>(104)</b>	(102)
Interest paid	9	<b>(17)</b>	(36)
Purchase of own shares	25	<b>(1,042)</b>	(1,488)
Exercise of share options		<b>4</b>	(15)
<b>Net cash used in financing activities</b>		<b>(2,380)</b>	(7,835)
<b>Net increase in cash and cash equivalents</b>		<b>13,565</b>	5,725
Cash and cash equivalents at start of year	31	<b>17,155</b>	11,430
<b>Cash and cash equivalents at end of year</b>	31	<b>30,720</b>	17,155

# Company statement of financial position

as at 31 March 2024

	Notes	2024 £'000	2023 £'000
<b>Non-current assets</b>			
Goodwill	14	8,696	8,696
Intangible assets	15	977	806
Property, plant and equipment	16	1,580	502
Investment in subsidiaries	17	750	750
Trade and other receivables		64	942
Deferred tax assets	11	241	212
		<b>12,308</b>	11,908
<b>Current assets</b>			
Trade and other receivables	18	7,625	6,899
Tax receivables		1	5
Cash and cash equivalents		30,504	17,099
		<b>38,130</b>	24,003
<b>Asset in disposal group classified as held for sale</b>	19	<b>3,000</b>	3,000
<b>Total assets</b>		<b>53,438</b>	38,911
<b>Current liabilities</b>			
Trade and other payables	21	(4,244)	(2,318)
Deferred revenue	22	(17,258)	(9,187)
Lease obligations	23	(868)	(42)
		<b>(22,370)</b>	(11,547)
<b>Non-current liabilities</b>			
Lease obligations	23	(161)	(93)
Deferred revenue	22	(79)	(173)
Deferred tax liabilities	11	(433)	(395)
		<b>(673)</b>	(661)
<b>Total liabilities</b>		<b>(23,043)</b>	(12,208)
<b>Net assets</b>		<b>30,395</b>	26,703

	Notes	2024 £'000	2023 £'000
<b>Equity</b>			
Share capital	24	809	809
Share premium account	24	3,365	3,365
Merger reserve	26	6,281	6,281
Revaluation reserve	27	1,010	1,010
Treasury shares	25	(2,054)	(1,464)
Retained earnings		20,984	16,702
<b>Attributable to equity holders of the parent</b>		<b>30,395</b>	26,703

The Company's profit for the year was £5.4 million (2023: £2.1 million).

These financial statements were approved by the Board of Directors and authorised for issue on 9 July 2024 and were signed on its behalf by:



**Bill Bruno**  
Director

Company registration number: 01892751 (England and Wales)



# Company statement of changes in equity

for the year ended 31 March 2024

	Notes	Share capital	Share premium	Merger reserve	Revaluation reserve	Treasury shares	Retained earnings	Total £'000
<b>Balance at 1 April 2022</b>		809	3,365	6,031	1,310	(670)	20,388	31,233
Dividends paid	12	–	–	–	–	–	(6,194)	(6,194)
Purchase of own shares	25	–	–	–	–	(1,488)	–	(1,488)
Settlement of share-based payments		–	–	250	–	694	(679)	265
Share-based payment charge	28	–	–	–	–	–	856	856
<b>Transactions with equity holders</b>		–	–	250	–	(794)	(6,017)	(6,561)
Profit for the year		–	–	–	–	–	2,144	2,144
Other comprehensive income		–	–	–	(300)	–	187	(113)
<b>Total comprehensive income</b>		–	–	–	(300)	–	2,331	2,031
<b>Balance at 1 April 2023</b>		<b>809</b>	<b>3,365</b>	<b>6,281</b>	<b>1,010</b>	<b>(1,464)</b>	<b>16,702</b>	<b>26,703</b>
Dividends paid	12	–	–	–	–	–	(1,221)	(1,221)
Purchase of own shares	25	–	–	–	–	(1,042)	–	(1,042)
Settlement of share-based payments		–	–	–	–	452	(450)	2
Share-based payment charge	28	–	–	–	–	–	699	699
<b>Transactions with equity holders</b>		–	–	–	–	(590)	(972)	(1,562)
Profit for the year		–	–	–	–	–	5,459	5,459
Other comprehensive income		–	–	–	–	–	(205)	(205)
<b>Total comprehensive income</b>		–	–	–	–	–	5,254	5,254
<b>Balance at 31 March 2024</b>		<b>809</b>	<b>3,365</b>	<b>6,281</b>	<b>1,010</b>	<b>(2,054)</b>	<b>20,984</b>	<b>30,395</b>

The notes on pages 73 to 92 form part of these financial statements.

# Notes to the financial statements

## for the year ended 31 March 2024

### 1. General information

Celebrus Technologies plc is a public limited company incorporated and domiciled in England and Wales and quoted on the AIM Market. There is no ultimate controlling party. The Company changed its name from D4t4 Solutions plc on 15 November 2023.

Details of substantial shareholdings are shown in the Directors' Report on page 61.

The address of its registered office, registered number and principal place of business is disclosed on the inside cover of the financial statements.

The financial statements of Celebrus Technologies plc and its subsidiaries (the "Group") for the year ended 31 March 2024 were authorised and issued by the Board of Directors on 9 July 2024 and the Consolidated Statement of Financial Position was signed on the Board's behalf by Bill Bruno.

### 2. Significant accounting policies

#### Basis of preparation

The financial statements have been prepared in accordance with in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the United Kingdom ("adopted IFRSs") and those parts of the Companies Act 2006 which apply to companies preparing their financial statements under IFRSs.

The financial statements have been prepared under the historical cost convention, with the exception of land and buildings which is held at valuation.

The presentation of the financial statements is British Pounds and amounts are rounded to the nearest thousand pounds.

The Parent Company accounts have also been prepared in accordance with IFRS and using the historical cost convention. The accounting policies set out below have been applied consistently to the Parent Company where applicable.

#### Going concern

The Group and Company's business activities, together with the factors likely to affect its future development, performance and position and the risks and uncertainties are presented in the Strategic Report on pages 1 to 41.

The Group and Company have considered these risks and uncertainties along with any impact from the global economic situation.

The Directors have reviewed stress tests for future cash flows over the 18 months to 30 September 2024 to ensure there are sufficient financial resources, together with income from existing contracts with a number of customers, to cover budgeted future cash flows.

On this basis, the Directors have adopted the going concern basis in preparing these accounts.

#### Adoption of new and revised standards

The following amendments to standards were issued and adopted in the year, with no material impact on the financial statements:

- Effective for annual periods beginning on or after 1 January 2023.
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12.
- Definition of Accounting Estimates – Amendments to IAS 8.
- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2.

There were no other new accounting standards issued that have been adopted in the year.

Standards, amendments and interpretations to existing standards that have not been early adopted by the Group:

At the date of approval of these financial statements there were amendments to standards which were in issue, but which were not yet effective, and which have not been applied. The principal ones were:

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, Classification of Liabilities as Current or Non-current – Deferral of Effective Date and Non-current Liabilities with Covenants.
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback.
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements.
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.

The Group is still assessing the implications of the new standards and interpretations. However, they are not expected to have a material impact on the results of the Group.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to the reporting date.

Investee companies are classified as subsidiaries where the Company has control, which is achieved where the Company has the power to govern the financial and operating policies of an investee entity, exposure to variable returns from the investee and the ability to use its power to affect those variable returns. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets and liabilities are initially recognised at their fair values at acquisition date. The results of acquired entities are included in the Consolidated Statement of Comprehensive Income from the date at which control is obtained and are deconsolidated from the date control ceases.

In accordance with Section 408 of the Companies Act 2006 Celebrus Technologies plc is exempt from the requirement to present its own income statement and related notes that form a part of these approved financial statements. The profit of the parent is disclosed at the foot of the Company Statement of Financial Position for the year.

## 2. Significant accounting policies continued

### Property, plant and equipment

The carrying value of these assets is stated at cost or valuation, less accumulated depreciation and any impairment loss. Freehold land is not depreciated. The estimated lives of assets are reviewed annually by the Board, the lives and values are adjusted as necessary, and any impairment loss is recognised in the income statement. Freehold land and buildings were last valued professionally in October 2022 and are reviewed by the Directors on an annual basis. The carrying values of property, plant and equipment and right-of-use assets are considered for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The Group makes provision for depreciation so that the cost less estimated residual value of each asset is written off by equal instalments over its estimated useful economic life as follows:

Buildings – up to 35 years.

Leasehold improvements – up to 10 years.

Fixtures and equipment – up to 4 years.

Leased assets – up to 5 years.

The Directors have assessed that no impairment is required in the current period.

All land and buildings are held for sale and therefore are not depreciated. Further information is shown in the accounting policy note on page 77.

### Leases and lease commitments

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease;
- any lease payments made at or before the date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

When the Group revises its estimate of the term of any lease (because, for example, an early termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. In that case an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

The right-of-use assets are also subject to impairment, as outlined in the accounting policies in the Property, plant and equipment section.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

### Acquisitions

On the acquisition of a business, net fair values are attributed to the identifiable assets and liabilities acquired. Where the cost of acquisition exceeds this net fair value, the difference is treated as purchased goodwill and capitalised in the Group statement of financial position in the year of acquisition. If a subsidiary's assets are subsequently hived up into the parent then the corresponding amount of goodwill is capitalised in the Company statement of financial position.

### Goodwill

Capitalised goodwill is shown in the statement of financial position.

Its carrying value is subject to annual review and any impairment is recognised immediately as a loss which cannot subsequently be reversed. Goodwill arising on acquisitions made before the date of transition to IFRS has been retained at the previous UK GAAP amount subject to being tested annually for impairment. Goodwill has arisen on the acquisition of Speed-Trap Holdings Limited and Prickly Cactus Limited.

### Investments in subsidiaries

The carrying value of investments is stated at cost less any provision for impairment. This value is reviewed annually by the Board with respect to future cash flows in respect of revenue streams related to the investment.

### Intellectual Property Rights (IPR)

On the acquisition of a business, the fair value of IPR is estimated and capitalised taking into consideration the software development cycle and the amount of effort involved between updated versions of the software. The fair value is amortised over the expected development cycle which is estimated to be eight years.

Capitalised IPR is shown in the balance sheet. Its carrying value is subject to annual review and any impairment is recognised immediately as a loss which cannot subsequently be reversed.

### Trade names

On the acquisition of a business, the future value of the trade name of that business is estimated and capitalised. The fair value is amortised over ten years.

Impairment of intangibles is reviewed annually with reference to the identification of any potential indicators of impairment.

## Inventory

Inventories are stated at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less any costs which would be incurred in completing the goods ready for sale. The valuation method for each item of inventory remains consistent from one accounting period to the next.

## Research and development costs

To assess whether research and development expenditure has generated an intangible asset the Group classifies the expenditure into two phases, the research phase and the development phase.

Expenditure on the research phase is recognised as an expense when it is incurred.

Expenditure on the development phase is recognised as an intangible asset if, and only if, each of the following can be demonstrated:

- the technical feasibility of completing the asset;
- its intention to complete and use or sell the asset;
- its ability to use or sell the asset;
- how the asset will generate future economic benefit;
- the availability of sufficient resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure incurred on the asset during its development.

IAS 38 – Intangible Assets includes guidance on the accounting for Research and Development expenditure. Such an intangible asset is a resource that is controlled by the entity as a result of past events (for example, purchase or self-creation) and from which future economic benefits (inflows of cash or other assets) are expected. The three critical attributes of an intangible asset are:

- identifiability;
- control (power to obtain benefits from the asset); and
- future economic benefits (such as revenues or reduced future costs).

## Identifiability

An intangible asset is identifiable when it:

- is separable (capable of being separated and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract); or
- arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

Development expenditure – whether purchased or self-created (internally generated) is an example of an intangible asset, governed under IAS 38.

The intangible asset is recognised using the cost model and is carried at its cost less any accumulated amortisation and any accumulated impairment losses. The useful economic life of development costs capitalised is deemed to be eight years and capitalised costs are amortised over eight years.

## Foreign currencies

In line with IAS 21, transactions denoted in foreign currencies are recorded at an approximation of the exchange rate ruling on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the income statement.

Similarly, for translation of foreign operations, transactions are recorded at an approximation of the exchange rate ruling in the period of consolidation. Monetary assets and liabilities are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in Other comprehensive income.

## Profit from operations

Profit from operations is stated before investment income, finance costs and other gains and losses. Other gains and losses principally include movements in property valuation and are included in Other comprehensive income.

## Dividends

Final dividend and special dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

Interim and prior period dividends paid are included in the Statement of Changes in Equity.

## Share-based payments

Periodically the Group offers share options to employees in exchange for services from those employees. The Group has conformed with the requirements of IFRS 2 "Share-Based Payment" for share options issued after 7 November 2002 and unvested at 31 March 2024. Those options are measured at fair value either:

- using the Black-Scholes model and management's best estimates); or
- options with market-based performance conditions, such as Total Shareholder Performance compared to a peer group of companies, are fair valued using a Monte Carlo model.

Values from both methods are expensed on a straight-line basis over the vesting period of the options.

Options vest only when the Remuneration Committee is satisfied that the vesting criteria have been met, and are settled subsequently by equity shares in the Parent Company and unless the Board, at its discretion, agrees to settle in cash.

## Treasury shares

From time to time the Company purchases its own shares for the purpose of satisfying the future exercising of outstanding share options. These shares are held in treasury and are shown as a reduction in the Company's reserves.

## Pension costs

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.



## 2. Significant accounting policies continued

### Taxation

Current tax (UK and foreign) is calculated on the profit for the year (adjusted for appropriate tax reliefs, allowances, non-deductible expenses and timing differences) using the appropriate tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Tax expenses are recognised in profit or loss or other comprehensive income according to the treatment of the transactions which give rise to them. Deferred tax is recognised in respect of all material temporary differences in the treatment of certain items for taxation and accounting purposes which have arisen but have not reversed by the balance sheet date. It is recognised at the expected prevailing rate at the time of reversal, and is recognised as an asset only to the extent that it is probable that taxable profits will be available to utilise it. It is reviewed annually.

### Revenue recognition

Revenue is measured at the transaction price received or receivable from the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value added tax, rebates and discounts and after the elimination of intercompany transactions within the Group.

The Group recognises revenue as it satisfies its performance obligations by transferring contracted goods and services to its customers. The principal revenue streams are described below:

### Licences

Celebrus creates, authors, markets and sells software products within the Celebrus family of products (eg, CDP, FDP and CDM).

The Group's products are licensed predominantly on a term basis and revenue is recognised on an annual basis for each year of that term, upon acceptance and/or deployment of the licence(s) by the customer, for the whole year in the month of sale or on each successive anniversary for multi-year contracts.

Perpetual licence revenue is recognised in full upon acceptance and/or deployment as the Company has no further obligations to the customer once the non-refundable licences have been delivered. Any upgrade to the software on a perpetual basis will be supplied as part of an ongoing maintenance contract that the customer may make. This maintenance contract is covered under the "Support and maintenance" section below.

### Celebrus Cloud, support and maintenance

Support and maintenance is typically of a recurring nature, over the term of a licence, and is made up of hosting, support services and product maintenance.

For support services and maintenance, the Group's efforts are expended evenly throughout the performance period therefore revenue is recognised on a straight-line basis over the period of the contract, normally between 12 and 36 months. This reflects the even nature of the Group's obligations to the customer over the duration of the agreement.

In the case of Celebrus Cloud hosting, an amount of effort is required up front to create the environment for hosting. Thereafter, the Group's obligations are evenly spread over the term of the hosting period. Therefore, a proportion of the fees for hosting are recognised during the set-up phase, with the balance being recognised evenly over the term of the period.

### Professional services

For fixed-price delivery services work, revenue is recognised over time by comparing how much of the project has been completed versus total expected time required and also with reference to the completion of specific milestones. This is because costs are incurred in proportion to the Group's progress as it satisfies its performance obligations.

In relation to time-based projects, revenue is recognised based on time spent on a project at an agreed rate on a monthly basis.

### Third-party products

Celebrus also provides services that are focused on delivering data management solutions using public and private cloud infrastructure which is securely designed to ensure our clients can operationalise data within their organisation.

Celebrus designs and builds performant platforms for critical business, analytics, compliance, risk, marketing and artificial intelligence applications. Customer Data Management platform solutions may include both third-party hardware and software (as well as our own IP software described above).

The revenue for each component of the product is recognised when the full performance obligation has been satisfied. Typically, this is when the hardware is delivered to the customer's designated premises, and for the software upon acceptance and/or deployment by the customer. The Company acts as principal in the sale to the partner.

### Partnerships with third-party organisations

The Company sells both directly to the customer and via partnerships. The Company acts as principal in the sale to the Partner. The Partner then uses the products and services purchased from the Company as part of their sale to their customer. The revenue will consist of a combination of licence, delivery and support and maintenance as defined in the revenue recognition policy above, and recognised as defined in those sections.

### Alternative performance measures

The Group uses the alternative performance measures of Adjusted profit before tax, Adjusted Earnings Per Share and Annual Recurring Revenue.

These measures are not defined under IFRS, nor are they a measure of financial performance under IFRS. However, they are often used by investors to evaluate a company's operational performance with a long-term view towards adding shareholder value. These measures should not be considered an alternative, but instead supplementary, to profit from operations and any other measure of performance derived in accordance with IFRS.

Alternative performance measures do not have generally accepted principles for governing calculations and may vary from company to company. As such, the adjusted profit from operations quoted within the Group statement of comprehensive income should not be used as basis for comparison of the Group's performance with other companies. Definitions of these measures are detailed below.

- Adjusted profit before tax is the profit before tax as defined under IFRS but with adjustments principally for non-cash or non-recurring items such as amortisation of intangible assets, share-based payments, net foreign exchange differences and restructuring costs. This provides a truer picture of the cash generated from profits.

- Adjusted Earnings Per Share is the earnings per share figure as defined under IFRS except that earnings are adjusted for non-cash and non-recurring items such as amortisation of intangible assets, share-based payments, net foreign exchange differences and restructuring costs, as well as the tax implications of such items.
- Annual Recurring Revenue (ARR) is the sum of the value all live customer contracts at a point in time, which contain recurring revenue. This typically includes annual software licence revenues, support and maintenance and Celebris Cloud revenues. It does not typically include project services provided by the Group which will not recur in the next financial year, nor does it include one-off sales of hardware to customers.

## Initial and subsequent measurement of financial assets

### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and other short-term deposits held by the Group with maturities, generally, of three months or less.

### Trade, Group and other receivables

Trade receivables are initially measured at their transaction price. Group and other receivables are initially measured at fair value plus transaction costs.

Receivables are held to collect the contractual cash flows which are solely payments of principal and interest. Therefore, these receivables are subsequently measured at amortised cost using the effective interest rate method.

### Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

## Initial and subsequent measurement of financial liabilities

### Trade, Group and other payables

Trade, Group and other payables are initially measured at fair value, net of direct transaction costs and subsequently measured at amortised cost.

### Equity instruments

Equity instruments issued by the Company are recorded at fair value on initial recognition net of transaction costs.

### Derecognition of financial assets (including write-offs) and financial liabilities

A financial asset (or part thereof) is derecognised when the contractual rights to cash flows expire or are settled, or when the contractual rights to receive the cash flows of the financial asset and substantially all the risks and rewards of ownership are transferred to another party.

When there is no reasonable expectation of recovering a financial asset it is derecognised ("written off").

The gain or loss on derecognition of financial assets measured at amortised cost is recognised in the income statement.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Any difference between the carrying amount of a financial liability (or part thereof) that is derecognised and the consideration paid is recognised in the income statement.

### Impairment of financial assets

An impairment loss is recognised for the expected credit losses on financial assets when there is an increased probability that the counterparty will be unable to settle an instrument's contractual cash flows on the contractual due dates, a reduction in the amounts expected to be recovered, or both.

The probability of default and expected amounts recoverable are assessed using reasonable and supportable past and forward-looking information that is available without undue cost or effort. The expected credit loss is a probability-weighted amount determined from a range of outcomes and takes into account the time value of money.

### Trade and other receivables

For trade receivables, expected credit losses are measured by applying an expected loss rate to the gross carrying amount. The expected loss rate comprises the risk of a default occurring and the expected cash flows on default based on the ageing of the receivable. The Group has adopted a simplified approach to calculating its expected credit loss provision. For intercompany loans that are repayable on demand, expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date. If the subsidiary does not have sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date, the Parent Company assesses the expected manner of recovery.

### Assets held for sale

Assets are classified as held for sale when:

- they are available for immediate sale;
- management is committed to a plan to sell;
- it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn;
- an active programme to locate a buyer has been initiated;
- the asset or disposal group is being marketed at a reasonable price in relation to its fair value; and
- a sale is expected to complete within 12 months from the date of classification.

Assets classified as held for sale are measured at the lower of:

- their carrying amount immediately prior to being classified as held for sale in accordance with the Group's accounting policy; and
- fair value less costs of disposal.

Following their classification as held for sale, assets are not depreciated.

## 2. Significant accounting policies continued

### Fair value measurement

A number of assets and liabilities included in the Group's financial statements require measurement, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted).
- Level 2: Observable direct or indirect inputs other than Level 1 inputs.
- Level 3: Unobservable inputs (ie, not derived from market data).

The classification of an item into the above levels is based on the lowest level of inputs used that has a significant effect on the fair value measurement of the item. The Group measures a number of items at fair value, including:

- assets held for sale (note 19); and
- share-based payments (note 28).

For more detailed information in relation to the fair value measure of the items above please refer to the applicable notes.

### Related party transactions

These are disclosed in note 30 of the financial statements.

## 3. Critical accounting judgements and key sources of estimation uncertainty

In applying the accounting policies described in note 2 the Directors are required to make judgements, estimates and assumptions of the carrying values of assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimations means that actual outcomes could differ from those estimates. These judgements are reviewed on an ongoing basis, and recognise revisions to accounting estimates in the period in which the Directors revise the estimate and in any future periods affected. It is considered that all judgements have an element of estimation.

### a. Judgements

#### Capitalisation of development costs

The Group is required by accounting rules to capitalise certain development costs. However, the Group almost always expenses a significant percentage of research and development in the period it is incurred.

Internal activities are continually undertaken to enhance and maintain our products in a bid to stay ahead of our competition. Whether this expenditure is an internally generated intangible asset requires management to make judgements, especially with respect to whether the asset created will generate future economic benefit.

This is a key judgement in this respect as the time between development and any income can be considerable and often the income-generating asset may have considerably evolved from the asset originally created.

### b. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Share-based compensation

Management believes that there will not be only one acceptable choice for estimating the fair value of share-based payment arrangements. The judgements and estimates that management apply in determination of the share-based compensation are detailed further in note 28.

#### Valuation of goodwill and intangible assets

The ongoing valuation of goodwill for the purposes of determining impairment requires the evaluation of future cash flows from the cash-generating unit to which the goodwill has been allocated. This is disclosed in note 14.

#### Lease accounting

Lease payment accounting rules require lease payments to be discounted using the lessee's incremental borrowing rate as required by IFRS 16 "Leases". The Group's incremental borrowing rate has been based on local commercial or bank loan rates. Therefore, the specific cost of borrowing has been applied to each lease as this reflects the different economic conditions within each geography and is therefore more representative of the funding facilities available in those countries.

#### Valuation of freehold land and building

Freehold land and buildings are professionally valued periodically and were last valued at 12 October 2022. The carrying values are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The freehold property is an asset held for sale based on the judgement that it will be sold within the next 12 months. The fair value is deemed to be the best estimate of fair value less the costs of a sale.

## 4. Business and geographical segments

IFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the management team to allocate resources to the segments and assess their performance.

Whilst having three product groups, the Group operates the business as a single business with no separation into divisions or allocation or people or assets to a particular division. The management team is responsible for all three product groups with no individual having responsibility for a particular product group.

This is consistent with the internal reporting for management purposes. Management does however monitor revenues by revenue type.

Information is presented to the Board on the revenue analysis below:

- Licences
- Hosting, support and maintenance
- Services
- Third-party products

The revenue analysis set out below is consistent with that provided to the Board of Directors.

## Continuing operations 2024

	Group	
	2024 £'000	2023 £'000
Licences	11,983	8,198
Celebrus Cloud Hosting, support and maintenance	7,545	7,771
Services	2,433	3,173
<b>Software Revenues</b>	<b>21,961</b>	19,142
Third-party products	10,678	2,227
<b>Revenue</b>	<b>32,639</b>	21,369

## Major customers (partners) over 10% of revenue

	2024 £'000	2024 £'000	2023 £'000	2023 £'000
	Customer 1	Customer 2	Customer 1	Customer 2
Licences	6,180	2,073	2,061	4,444
Celebrus Cloud Hosting, support and maintenance	3,973	694	3,583	1,110
Professional services	1,010	75	30	–
<b>Software Revenue</b>	<b>11,163</b>	<b>2,842</b>	5,674	5,554
Third-party products	10,447	–	2,227	–
<b>Revenue</b>	<b>21,610</b>	<b>2,842</b>	7,901	5,554

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2.

As the Group works with Partners, who are responsible for billing to end customers, the Group's customer is very often the Partner which may have numerous end customers of the Group.

## 5. Revenue

### Geographical information

	Group	
	2024 £'000	2023 £'000
United States of America	25,454	11,055
United Kingdom	4,308	3,800
Rest of Europe	2,569	3,745
Others	308	2,769
	<b>32,639</b>	21,369

The geographical revenue analysis is determined by the domicile of the external customer.

Non-current assets, including Property, Plant and Equipment, Goodwill and Intangibles, are mostly located in the United Kingdom.

### Analysis of revenue

	Group	
	2024 £'000	2023 £'000
Rendering of services	21,961	19,142
Sale of goods	10,678	2,227
	<b>32,639</b>	21,369

### Timing of transfer

	Group	
	2024 £'000	2023 £'000
<b>Goods and services transferred at a point in time:</b>		
Licences	11,983	8,198
Third-party products	10,678	2,227
<b>Goods and services transferred over time:</b>		
Professional services	2,433	3,173
Celebrus Cloud, support and maintenance	7,545	7,771
	<b>32,639</b>	21,369

### Contract balances

	Group	
	2024 £'000	2023 £'000
Receivables included within Trade and other receivables	5,917	4,967
Contract assets	1,070	2,015
Contract liabilities	17,716	9,556

Contract assets predominantly relate to fulfilled obligations in respect of Licences, Third-party products, Services and Support and Maintenance which have not yet been invoiced. At the point of invoice, the contract asset is derecognised and a corresponding trade receivable is recognised.

Contract liabilities relate to consideration received from customers in advance of products and services being provided.



## 5. Revenue continued

### Adjustments to profit before tax

	Group	
	2024 £'000	2023 £'000
Profit before tax	5,579	2,391
Amortisation of intangible assets	164	346
Share-based payment	766	856
Net foreign exchange differences	(573)	(330)
Restructuring costs	98	513
Adjusted profit before tax	6,034	3,776

## 6. Analysis of expenses by nature

	2024 £'000	2023 £'000
The breakdown by nature of expenses is as follows:		
Employee remuneration (see note 7)	12,240	12,317
<b>Intangible assets</b>		
Amortisation of intangible assets (see note 15)	164	346
Research and development costs expensed	2,153	1,954
	2,317	2,300
<b>Property, plant and equipment</b>		
Depreciation of property, plant and equipment (see note 16)	292	265
(Gain)/loss on disposal of property, plant and equipment	(17)	13
	275	278
<b>Auditor's remuneration</b>		
– for audit services (Group and Company, the Company fee is not separately quantifiable)	96	100
– for other services	–	–
	96	100
Net foreign exchange gain	(573)	(330)
Purchase of third-party hardware	9,282	412
Other expenses	4,013	4,253
Total cost of sales and administration expenses	27,650	19,330

## 7. Staff costs

	Group		Company	
	2024 Number	2023 Number	2024 Number	2023 Number
The average number of employees (including Directors) during the year was:				
Product and support	102	103	83	90
Distribution	32	32	15	25
Administration	20	16	18	14
	154	151	116	129
	£'000	£'000	£'000	£'000
Their aggregate remuneration comprised:				
Wages and salaries	9,857	9,907	7,784	7,448
Social security costs	1,095	1,090	824	921
Defined contribution pension costs	521	480	377	354
Share-based payments: equity settled	767	840	767	840
	12,240	12,317	9,752	9,563

Included in staff costs is £315,000 (2023: £247,000) which were not recognised through the income statement, but rather capitalised and form part of development costs.

Key management personnel consist of the Board of Directors and their remuneration (included in the totals above) was as follows:

	Group and Company	
	2024 £'000	2023 £'000
Emoluments	1,326	653
Social security costs	57	58
Defined contribution pension costs	29	26
Share-based payments: equity settled	584	469
	1,996	1,206

Details of Directors' remuneration required by the Companies Act are set out in the audited information included in the Directors' Remuneration Report on pages 57 to 60.

Other related party transactions including loans and dividends involving Directors are disclosed in the Directors' Report on pages 61 to 62.

## 8. Other operating income

	Group	
	2024 £'000	2023 £'000
<b>Analysis of other operating income</b>		
Operating lease receipts (see note 29)	–	15
	–	15

## 9. Finance income and finance costs

	Group	
	2024 £'000	2023 £'000
<b>Analysis of finance income</b>		
Bank interest received	607	371
Other	–	2
	607	373
<b>Analysis of finance costs</b>		
Lease interest	(17)	(20)
Other	–	(16)
	(17)	(36)

## 10. Taxation

	2024 £'000	2023 £'000
Current UK tax	1,513	–
Foreign tax	63	178
Less: double taxation relief	(29)	–
Under/(over) provision in prior year	(14)	138
	1,533	316
<b>Deferred tax</b>		
– change in rates	–	–
– temporary differences	8	(42)
– tax losses current year	–	–
	1,541	274
<b>Corporation tax</b>		
The charge for the year can be reconciled to the reported profit as follows:		
Profit before tax	5,579	2,391
UK corporation tax at 25% (2023: 19%)	1,395	454
Research and development credit	(261)	(483)
Patent box	–	(43)
Exercise of share options	(25)	(35)
Share-based payments	164	177
Difference between writing-down allowances and depreciation	(14)	(73)
Amortisation of intangibles – ineligible	78	64
Other non-deductible expenses	9	2
Effect of different rates in other jurisdictions	152	(147)
Over/(under) provision in prior year	(14)	138
Foreign tax charge – India	57	78
Foreign tax charge – USA	–	100
Current year loss carried forward	–	42
<b>Tax charge as above</b>	1,541	274

## 11. Deferred tax

	Other timing differences £'000	Equity reserve £'000	Share-based payments £'000	Tax losses £'000	Intangibles £'000	Total £'000
<b>Group</b>						
Balance at 1 April 2022	(66)	–	229	–	(388)	(225)
(Charge)/credit to income statement	60	–	(17)	–	(1)	42
<b>Balance at 1 April 2023</b>	<b>(6)</b>	<b>–</b>	<b>212</b>	<b>–</b>	<b>(389)</b>	<b>(183)</b>
(Charge)/credit to income statement	6	–	28	–	(43)	(9)
<b>Balance at 31 March 2024</b>	<b>–</b>	<b>–</b>	<b>240</b>	<b>–</b>	<b>(432)</b>	<b>(192)</b>
<b>Company</b>						
Balance at 1 April 2022	(66)	–	229	–	(388)	(225)
(Charge)/credit to income statement	60	–	(17)	–	(1)	(42)
<b>Balance at 1 April 2023</b>	<b>(6)</b>	<b>–</b>	<b>212</b>	<b>–</b>	<b>(389)</b>	<b>(183)</b>
(Charge)/credit to income statement	6	–	29	–	(44)	(9)
<b>Balance at 31 March 2024</b>	<b>–</b>	<b>–</b>	<b>241</b>	<b>–</b>	<b>(433)</b>	<b>(192)</b>
Comprised of:						
Deferred tax assets						241
Deferred tax liabilities						(433)
						(192)

A deferred tax rate of 25% (2023: 25%) has been used.

## 12. Dividends

	2024 £'000	2023 £'000
Amounts recognised as distributions to equity holders		
Final dividend for the year ended 31 March 2023 of 2.15p (31 March 2022: 2.07p) per share	<b>856</b>	831
Special dividend for the year ended 31 March 20223 of nil p (31 March 2022: 12.5p) per share	–	5,012
Interim dividend for the year ended 31 March 2024 of 0.92p (31 March 2023: 0.88p) per share	<b>365</b>	351
	<b>1,221</b>	6,194

There is a proposed final dividend for the year ended 31 March 2024 of 2.23p. This is subject to shareholder approval at the AGM and has not been included as a liability in these financial statements.

## 13. Earnings per share

The calculation of earnings per share is based on profit attributable to owners of the parent and the weighted average number of Ordinary shares in issue during the year.

The adjusted earnings per share figures have been calculated based on earnings before adjusted items. These have been presented to provide shareholders with an additional measure of the Group's year-on-year performance.

For diluted earnings per share, the weighted average number of Ordinary shares in issue is adjusted to assume conversion of all dilutive potential Ordinary shares arising from share options granted to employees where the exercise price is less than the market price of the Company's Ordinary shares at the year end.

Details of the adjusted earnings per share are set out below:

	2024 £'000	2023 £'000
Profit attributable to owners of the parent	<b>4,038</b>	2,117
Amortisation of intangible assets	<b>164</b>	346
Share-based payment	<b>766</b>	856
Net foreign exchange differences	<b>(573)</b>	(330)
Restructuring costs	<b>98</b>	513
Tax on the adjustments	<b>(113)</b>	(340)
<b>Adjusted profit attributable to owners of the parent</b>	<b>4,380</b>	3,162

	2024 No.	2023 No.
Basic weighted average number of shares, excluding own shares, in issue	39,781,184	40,004,526
Dilutive effect of share options	1,117,888	825,517
<b>Diluted weighted average number of shares, excluding own shares, in issue</b>	<b>40,899,072</b>	40,830,043

	2024 pence per share	2023 pence per share
Basic earnings per share	10.15	5.29
Diluted earnings per share	9.87	5.18
Adjusted basic earnings per share	11.01	7.90
Adjusted diluted earnings per share	10.71	7.74

## 14. Goodwill

	Group £'000	Company £'000
<b>Cost of goodwill</b>		
Balance at 1 April 2022, 31 March 2023 and at 31 March 2024	11,702	10,608
<b>Accumulated impairment charges</b>		
Balance at 1 April 2022, 31 March 2023 and 31 March 2024	2,256	1,912
<b>Carrying amount at 31 March 2023 and at 31 March 2024</b>	<b>9,446</b>	<b>8,696</b>
<b>Allocation of goodwill</b>		
Speed-Trap	8,696	8,696
Prickly Cactus	750	–
<b>Balance at 1 April 2022, 31 March 2023 and at 31 March 2024</b>	<b>9,446</b>	<b>8,696</b>

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units (CGUs) that are expected to benefit from that business combination. The directors believe that there is only one CGU in the business, and therefore the whole of the goodwill is allocated to that CGU.

Goodwill is not amortised but tested annually for impairment with the recoverable amount being determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rate, growth rates, pre-tax cash flow and forecasts of income and costs.

The Group assessed whether the carrying value of goodwill was supported by the discounted cash flow forecasts of the Group based on financial forecasts approved by management covering a one-year period, taking into account both past performance and expectations for future market developments.

Management estimates the discount rate using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to each separate business unit if applicable. The impairment charge was nil (2023: nil). The recoverable amount of the CGU is determined from value-in-use calculations.

### Key assumptions used for the value-in-use calculations

Value-in-use was determined by discounting future cash flows generated from the continuing use of the titles and was based on the following most sensitive assumptions:

- cash flows for 2024/25 were projected based on the forecast for 2024/25, using the budget as a base and sensitising in light of the current environment;
- forecasts based on current customer contracts and gross margins being achieved;
- cash flows for year ending 31 March 2025 were projected based on the Group forecast for that year based on the current economic environment in respect of the global pandemic. For years ending 31 March 2026 onwards, cash flows were prepared using underlying growth rates of 2% based on a conservative view; and
- cash flows were discounted using the CGU's pre-tax discount rate of 14.7% (2023: 14.7%).

Based on the above sensitivity assumptions the calculations showed significant headroom against the carrying value of goodwill for the CGU. Management carried out several sensitivity scenarios on the data. These were based on best estimates under the current economic environment created by the global pandemic.

### Sensitivity to changes in assumptions

The margins achieved are based on actual margins, whilst the forecast revenues are based on budget for the current year and an ongoing 2% growth rate.

The discount rate is considered to be the variable with the maximum impact. Varying this by 20% would still allow the recoverable amount to exceed the carrying value. Therefore management is confident in the assumptions used.

Management has considered the growth rates used in light of macroeconomic conditions, and remains confident that they are reasonable.

Management are satisfied that a reasonable change in the key assumptions used in assessing the recoverable amounts of the CGU would not give rise to the recoverable amount exceeding the carrying value.



## 15. Intangible assets

Group and Company	Development costs £'000	Internally generated IPR £'000	Purchased £'000	Trade name £'000	Software £'000	Total £'000
<b>Cost</b>						
Balance at 1 April 2022	625	56	1,858	142	–	2,681
Additions	247	–	–	–	97	344
Disposals	–	(56)	–	–	–	(56)
<b>Balance at 31 March 2023</b>	<b>872</b>	<b>–</b>	<b>1,858</b>	<b>142</b>	<b>97</b>	<b>2,969</b>
Additions	315	–	–	–	21	336
<b>Balance at 31 March 2024</b>	<b>1,187</b>	<b>–</b>	<b>1,858</b>	<b>142</b>	<b>118</b>	<b>3,305</b>
<b>Accumulated amortisation</b>						
Balance at 1 April 2022	92	56	1,626	99	–	1,873
Amortisation	87	–	232	14	13	346
Disposals	–	(56)	–	–	–	(56)
<b>Balance at 31 March 2023</b>	<b>179</b>	<b>–</b>	<b>1,858</b>	<b>113</b>	<b>13</b>	<b>2,163</b>
Amortisation	127	–	–	15	22	164
Disposals	–	–	–	–	1	1
<b>Balance at 31 March 2024</b>	<b>306</b>	<b>–</b>	<b>1,858</b>	<b>128</b>	<b>36</b>	<b>2,328</b>
<b>Carrying amount</b>						
Balance at 1 April 2022	533	–	232	43	–	808
Balance at 31 March 2023	693	–	–	29	84	806
<b>Balance at 31 March 2024</b>	<b>881</b>	<b>–</b>	<b>–</b>	<b>14</b>	<b>82</b>	<b>977</b>

The amortisation charge for the year is booked to administration expenses. Development costs are amortised over eight years.

The remaining amortisation period for the Trade name is 1 year (2023: 2 years).

## 16. Property, plant and equipment

Group	Land and buildings £'000	Fixtures and equipment £'000	Right-of-use assets £'000	Total £'000
<b>Cost or valuation</b>				
Balance at 1 April 2022	3,300	1,347	334	4,981
Additions	–	61	112	173
Fair value loss recognised in other comprehensive income	(300)	–	–	(300)
Reclassified to assets held for sale	(3,000)	–	–	(3,000)
Disposals	–	(493)	(90)	(583)
<b>Balance at 31 March 2023</b>	<b>–</b>	<b>915</b>	<b>356</b>	<b>1,271</b>
Additions	–	435	1,048	1,483
Fair value loss	–	8	(10)	(2)
Disposals	–	(230)	(233)	(463)
<b>Balance at 31 March 2024</b>	<b>–</b>	<b>1,128</b>	<b>1,161</b>	<b>2,289</b>
<b>Depreciation</b>				
Balance at 1 April 2022	–	809	160	969
Depreciation charge	–	184	81	265
Eliminated on disposals	–	(493)	(77)	(570)
<b>Balance at 31 March 2023</b>	<b>–</b>	<b>500</b>	<b>164</b>	<b>664</b>
Depreciation charge	–	163	129	292
Revaluation	–	7	3	10
Eliminated on disposals	–	(164)	(175)	(339)
<b>Balance at 31 March 2024</b>	<b>–</b>	<b>506</b>	<b>121</b>	<b>627</b>
<b>Carrying amount</b>				
Balance at 1 April 2022	3,300	538	174	4,012
Balance at 31 March 2023	–	415	192	607
<b>Balance at 31 March 2024</b>	<b>–</b>	<b>622</b>	<b>1,040</b>	<b>1,662</b>
<b>Allocation of depreciation charge</b>				
			2024 £'000	2023 £'000
Cost of sales			–	–
Administration expenses			292	265
<b>Charge for year</b>			<b>292</b>	<b>265</b>

In respect of tangible assets held at valuation, the comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model is as follows:

For detail on the fair value measurement of the freehold land and buildings see note 31.

Company	Land and buildings £'000	Fixtures and equipment £'000	Right-of-use assets £'000	Total £'000
<b>Cost or valuation</b>				
Balance at 1 April 2022	3,300	1,336	264	4,900
Additions	–	45	–	45
Fair value loss recognised in other comprehensive income	(300)	–	–	(300)
Reclassified to non-current assets held for sale	(3,000)	–	–	(3,000)
Disposals	–	(493)	(21)	(514)
<b>Balance at 31 March 2023</b>	<b>–</b>	<b>888</b>	<b>243</b>	<b>1,131</b>
Additions	–	410	1,048	1,458
Fair value loss recognised in other comprehensive income	–	4	(10)	(6)
Disposals	–	(230)	(233)	(463)
<b>Balance at 31 March 2024</b>	<b>–</b>	<b>1,072</b>	<b>1,048</b>	<b>2,120</b>
<b>Depreciation</b>				
Balance at 1 April 2022	–	808	96	904
Depreciation charge	–	179	46	225
Eliminated on disposals	–	(492)	(8)	(500)
<b>Balance at 31 March 2023</b>	<b>–</b>	<b>495</b>	<b>134</b>	<b>629</b>
Depreciation charge	–	152	91	243
Revaluation	–	5	(7)	(2)
Eliminated on disposals	–	(164)	(166)	(330)
<b>Balance at 31 March 2024</b>	<b>–</b>	<b>488</b>	<b>52</b>	<b>540</b>
<b>Carrying amount</b>				
Balance at 1 April 2022	3,300	528	168	3,996
Balance at 31 March 2023	–	393	109	502
<b>Balance at 31 March 2024</b>	<b>–</b>	<b>584</b>	<b>996</b>	<b>1,580</b>

## 17. Investment in subsidiaries

	Company	
	2024 £'000	2023 £'000
<b>Cost of investment</b>		
Balance at 1 April 2023 and 1 April 2022	750	1,023
Additions in the year	–	–
Disposal in the year	–	(273)
<b>Balance at 31 March 2024 and 31 March 2023</b>	<b>750</b>	<b>750</b>
<b>Accumulated provision for impairment</b>		
Balance at 31 March 2024 and 31 March 2023	–	–
<b>Carrying amount at year end</b>	<b>750</b>	<b>750</b>

The disposal in the prior year was in respect of Chapter26 Ltd, which was dissolved on 13 December 2022.

	Country of Incorporation	Nature of business	Proportion of ownership of Ordinary shares
IS Solutions Limited	England & Wales	Dormant	100%
D4t4 Solutions Limited (formerly Celebrus Technologies Limited) <sup>1,2</sup>	England & Wales	Dormant	100%
Celebrus Solutions Inc <sup>3</sup>	USA	Software & services	100%
D4t4 Solutions Pty Limited <sup>4</sup>	Australia	Software & services	100%
Magiq Limited <sup>1,2</sup>	England & Wales	Dormant	100%
Prickly Cactus Limited	England & Wales	Dormant	100%
Speed-Trap Holdings Limited <sup>2</sup>	England & Wales	Dormant	100%

1 Owned by Speed-Trap Holdings Limited

2 Registered address – Elmbrook House, 18-19 Station Road, Sunbury-on-Thames, TW16 6SB, UK

3 Registered address – 215 E Chatham Street, Suite 215, Cary, North Carolina 27511, USA

4 Incorporated 12 January 2021. Registered address – Level 19, 207 Kent Street, Sydney, NSW 2000, Australia

All UK subsidiaries individually prepare and file their own financial statements. The principal place of business is considered to be the registered address.

## 18. Trade and other receivables

### Non-current

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Prepayments	233	181	64	181
Accrued Income	–	761	–	761
	<b>233</b>	<b>942</b>	<b>64</b>	<b>942</b>

### Current

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade receivables	5,917	4,967	5,345	4,347
Amounts due from Group undertakings	–	–	16	–
Other debtors	68	45	65	42
Prepayments	1,627	1,295	1,153	1,137
Accrued income	1,070	1,254	1,046	1,373
	<b>8,682</b>	<b>7,561</b>	<b>7,625</b>	<b>6,899</b>
<b>Trade receivables</b>				
Ageing of receivables:				
Less than 30 days	1,257	1,211	834	914
31 to 60 days	4,412	3,693	4,374	3,370
61 to 90 days	124	–	14	–
91 to 120 days	4	63	4	63
More than 120 days	120	–	119	–
	<b>5,917</b>	<b>4,967</b>	<b>5,345</b>	<b>4,347</b>

The average credit period taken on sales of goods and services was 79 days (2023: 108 days).

In accordance with IFRS 9, the Group performed a year-end impairment exercise to determine whether any write down in amounts receivable was required, using an expected credit loss model. The expected loss rate for receivables less than 120 days old is 0% and above 120 days has not been considered on the basis of immateriality.

In determining the recoverability of a trade receivable the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date.

## Definition of default

The loss allowance on all financial assets is measured by considering the probability of default.

Receivables are considered to be in default when the principal or any interest is significantly more than the associated credit terms past due, based on an assessment of past payment practices and the likelihood of such overdue amounts being recovered.

## Determination of credit-impaired financial assets

The Group considers financial assets to be “credit-impaired” when the following events, or combinations of several events, have occurred before the year end:

- significant financial difficulty of the counterparty arising from significant downturns in operating results and/or significant unavoidable cash requirements when the counterparty has insufficient finance from internal working capital resources, external funding and/or Group support;
- a breach of contract, including receipts being more than materially past due; and
- it becoming probable that the counterparty will enter bankruptcy or liquidation.

## Write-off policy

Receivables are written off by the Group when there is no reasonable expectation of recovery, such as when the counterparty is known to be going bankrupt, or into liquidation or administration. During the year, no trade receivables were considered impaired (2023: none) and there was a charge of nil (2023: nil) to the income statement.

Additionally the recoverability of intercompany debts is considered. After review, the Directors believe that no further expected credit loss provision is required. The policy of credit risk management is covered in note 31.

## 19. Assets classified as held for sale

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Land and buildings	3,000	3,000	3,000	3,000

In light of the Group's move towards a hybrid working model resulting in lower utilisation of the building, the Directors decided that the freehold land and building in Sunbury-upon-Thames should be disposed of allowing the move to a leased office facility offering greater flexibility whilst also freeing up capital for reinvestment into growing the business. The property was previously held at a valuation of £3.3 million but was written down to a fair value of £3.0 million following a professional third-party valuation in October 2022, as described in note 31. The property was subsequently transferred to Assets held for sale and is currently being marketed for sale.

## 20. Inventories

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Finished goods and goods for resale	3,691	–	3,691	–

## 21. Trade and other payables

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Trade payables	2,049	585	344	427
Amounts owed to Group undertakings	–	–	490	546
Other taxes and social security	265	382	186	358
Other creditors	270	76	1,781	76
Accruals	5,947	1,176	1,443	911
	8,531	2,219	4,244	2,318

There is no material difference between the fair value of payables and their carrying value.

Trade payables comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 26 days (2023: 14 days). Their carrying value approximates to their fair value.

## 22. Deferred revenue

Deferred revenue has been disaggregated from Trade and other payables on the face of the Group statement of financial position. The balance arises from invoices raised by the Group and sent to customers in advance of revenue being recognised for the related products and services. It has been disaggregated due to its size and because it represents revenues related to obligations yet to be fulfilled for customers.

## 23. Lease obligations

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Lease obligations	1,076	221	1,029	135
	1,076	221	1,029	135

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Opening balance	221	200	135	193
Additions during the period	1,044	117	1,044	–
Early termination of lease	(102)	(14)	(100)	(14)
Interest expense	17	20	14	15
Repaid during the year	(104)	(102)	(64)	(59)
Closing balance	1,076	221	1,029	135
Repayable within one year	201	73	161	42
Repayable within more than one year	875	148	868	93

At 31 March 2024 there were no undrawn facilities (2023: nil).



## 24. Share capital

	2024			2023		
	Shares	Share capital £'000	Share premium £'000	Shares	Share capital £'000	Share premium £'000
Ordinary shares of 2p each Authorised Issued and fully paid up	50,000,000	1,000		50,000,000	1,000	
Balance at 1 April 2023 and at 31 March 2024	40,431,453	809	3,365	40,431,453	809	3,365

The Company issued nil (2023: nil) Ordinary shares during the year.

## 25. Treasury shares

At the year end the Company held 936,495 (2023: 608,765) Ordinary shares in Treasury, with fair value of £1,990,000 (2023: £1,260,000). Details of purchases and sales are shown below.

	Number of own shares	Share price at point of transaction in pence	£'000
Balance of own shares at 31 March 2022	224,932		
Shares acquired into Treasury reserve	618,602	221.00 – 277.73	1,488
Shares sold out of Treasury reserve	(234,769)	221.00 – 257.50	
Balance of own shares at 31 March 2023	608,765		
Total consideration paid in year ended 31 March 2023			1,488
Shares acquired into Treasury reserve	520,817	169.25–245.93	1,042
Shares sold out of Treasury reserve	(193,087)	182.00–215.50	
<b>Balance of own shares at 31 March 2024</b>	<b>936,495</b>		
<b>Total consideration paid in year ended 31 March 2024</b>			<b>1,042</b>

In the statements of changes in equity (pages 69 and 72) the value of Treasury shares is calculated on a First-In-First-Out (FIFO) basis, while the Fair Value represents the value based on the year-end share price.

## 26. Merger reserve

The merger reserve originally arose on the acquisition of Speed-Trap Holdings Ltd in January 2015 and represents the excess consideration paid by the issue of shares over the share capital nominal value. Additions to this reserve in the prior year of £250,000 were as a result of the issue of shares as part consideration for the acquisition of Prickly Cactus Limited.

## 27. Revaluation reserve

This represents the gains on revaluation of the property in line with market valuations. The property was last professionally revalued in October 2022. The loss on revaluation was £300,000. This is a non-distributable reserve as it represents unrealised profits on the revalued assets.

## 28. Share-based payments

The Company has share option schemes for various employees of the Group, a combination of both EMI and non-EMI schemes. Share options are granted at the closing price on the day prior to grant, and typically vest over three years, based on previously set targets such as Total Shareholder Return, growth in Annual Recurring Revenue, EPS growth and results being in line with market expectations. In relation to the share options shown below, the Board forecast that the remaining share options will vest.

If the options are not exercised within the allotted time, or if employees leave before their options vest, then those options are forfeited. Vested options are settled subsequently by a combination of equity shares in the Parent Company and cash at Board discretion.

	2024		2023	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Balance at 1 April	896,200	19.31p	862,219	23.52p
Granted during the year	448,005	2.00p	309,858	2.00p
Forfeited during the year	(33,230)	2.00p	(186,573)	11.07p
Exercised during the year	(193,087)	2.00p	(89,304)	17.05p
Balance at 31 March	1,117,888	15.88p	896,200	19.31p
<b>Exercisable at year end</b>	<b>206,000</b>	<b>77.32p</b>	213,531	74.66p

The weighted average share price at the exercise date of the exercised options was £2.221 (2023: £2.247). The weighted average contractual life of the outstanding options was 7 years (2023: 7 years), exercisable in the range 2.00p to 114.00p.

193,087 share options were exercised in the year, by way of issue of shares from Treasury. A summary of the option price ranges is as follows:

	2024	
	Exercisable price range	Number of share options
	2.00p	977,888
	90.50p – 114.00p	140,000
Balance at 31 March 2024		1,117,888

The Group recognised £766,000 (2023: £840,000) of expense related to equity-settled share-based payments in the year. This comprised £699,000 (2023: £856,000) as share-based payments and £67,000 (2023: £14,000) as Employer's NI.

The fair value of options granted during the year is determined by applying the Monte Carlo model, or the Binomial method depending on the performance criteria applicable to the particular option grant. The expense is apportioned over the vesting period of the option and is based on the number which is expected to vest and the fair value of those options at the date of grant.

The inputs into the models in respect of options granted this year are as follows:

Date of grant	27-Jul-23	27-Jul-23
Model type	Binomial	Monte Carlo
Vesting date	27-Jul-26	27-Jul-26
Number of options granted	194,045	194,045
Share price at date of grant	189.0p	189.0p
Exercise price	2.00p	2.00p
Option life in years	10	10
Risk-free rate	4.79%	4.79%
Expected volatility	35.70%	35.70%
Expected dividend yield	0.00%	0.00%
Fair value of options	187.27p	110.79p

The inputs into the models of options previously granted which have contributed to the share-based payment arising this year are:

Date of grant	14-Jan-20	10-Aug-20	08-Jan-21	08-Jan-21	08-Jan-21	25-Jan-21	28-Oct-21	28-Oct-21
Model type	Black-Scholes	Monte Carlo	Monte Carlo	Monte Carlo	Monte Carlo	Black-Scholes	Monte Carlo	Black-Scholes
Vesting date	14-Jan-23	09-Aug-23	15-Jul-22	15-Jul-23	15-Jul-24	10-Aug-23	28-Oct-24	28-Oct-24
Number of options granted	8,333	362,976	59,400	59,400	59,400	54,000	118,159	72,954
Share price at date of grant	205.00p	302.5p	302.5p	302.5p	302.5p	302.5p	383.50p	383.50p
Exercise price	205.00p	2.00p	2.00p	2.00p	2.00p	2.00p	2.00p	2.00p
Option life in years	10	10	10	10	10	10	10	10
Risk-free rate	3.25%	0.01%	0.01%	0.01%	0.01%	0.01%	0.61%	0.61%
Expected volatility	38.50%	47.50%	46.50%	43.90%	47.30%	44.60%	44.40%	44.40%
Expected dividend yield	1.17%	0.00%	1.00%	1.00%	1.00%	0.00%	0.00%	0.00%
Fair value of options	56.36p	392.00p	150.00p	151.00p	152.00p	283.00p	650.00p	382.00p

Date of grant	26-Aug-22	26-Aug-22	26-Aug-22
Model type	Binomial	Monte Carlo	Binomial
Vesting date	26-Aug-25	26-Aug-24	26-Aug-25
Number of options granted	176,167	58,691	76,000
Share price at date of grant	245.50p	245.50p	245.50p
Exercise price	2.00p	2.00p	2.00p
Option life in years	10	10	10
Risk-free rate	2.67%	2.76%	2.67%
Expected volatility	40.00%	40.00%	40.00%
Expected dividend yield	1.19%	0.00%	1.19%
Fair value of options	196.20p	243.60p	196.20p

Expected volatility was determined by calculating the historical volatility of the Group's share price for the five-year period prior to the date of grant of the share option. The expected life used in the model is based on management's best estimate. The Group did not enter into any share-based payment transactions with parties other than employees during the current or previous period.

## 29. Operating lease arrangements (Group and Company)

### As lessor

	2024 £'000	2023 £'000
Lease receipts recognised as an income during the year	–	15

Lease receipts are for fixed-term sublets of parts of the Parent Company's premises bearing no contractual right of renewal or extension.

## 30. Related party transactions

During the year the Company undertook the following transactions with Celebris Technologies Inc., a wholly owned US subsidiary:

	2024 £'000	2023 £'000
Sales to Celebris Technologies Inc.	148	69
Purchases from Celebris Technologies Inc.	9,540	1,959
Management charge to cover services provided (from Celebris Technologies plc to Celebris Technologies Inc.)	131	84
Management charge to cover services provided (from Celebris Technologies Inc. to Celebris Technologies plc)	3,909	2,437
Interest charged on Intercompany loan (from Celebris Technologies plc to Celebris Technologies Inc.)	(40)	(29)
Payments made by Celebris Technologies plc on behalf of Celebris Technologies Inc.	11,637	6,884

During the year the Company undertook the following transactions with D4t4 Solutions Pty Ltd, a wholly owned Australian subsidiary:

	2024 £'000	2023 £'000
Interest charged on Intercompany loan (from Celebris Technologies plc to D4t4 Solutions Pty Ltd.)	–	(11)
Payments made by Celebris Technologies plc on behalf of D4t4 Solutions Pty Ltd.	8	51

Details of any intercompany balances outstanding are shown in notes 18 and 21.

Other than the payment of remuneration, there was one related party transactions with a director who purchased office equipment at market value, with a value of £2,200 (including VAT at 20%).

## 31. Financial instruments and risk management

### General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Executive team.

The Board receives monthly reports from the executives through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

### Capital management policy

Management considers capital to comprise issued share capital, reserves and borrowings, along with cash and cash equivalents.

The Group manages its capital to ensure its operations are adequately provided for, while maximising the return to shareholders through effective management of its resources. The principal financial risks faced by the Group are liquidity risk, interest rate risk and foreign exchange rate risk. The Directors review and agree policies for managing each of these risks. These policies remain unchanged from previous years.

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern and to provide returns for shareholders. The Group meets its objectives by aiming to achieve growth which will generate regular and increasing returns to shareholders.

The Group manages the capital structure and makes changes in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders.

### Capital risk management

The Group and Company's capital structure, as defined above, is managed by the Board to ensure that the Group and Company continues as a profitable going concern. There are no externally imposed capital requirements.

The Group has no net debt (2023: nil).

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Cash and cash equivalents	30,720	17,155	30,504	17,100
Net cash	30,720	17,155	30,504	17,100

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Categories of financial instruments				
Financial assets at amortised cost				
Cash and bank balances	30,720	17,155	30,504	17,100
Trade and other receivables	7,055	7,027	6,472	6,523
Financial liabilities at amortised cost				
Trade and other payables	8,266	1,837	7,749	1,960

## Foreign currency risk management

The Group's foreign currency exposure arises from:

- transactions (sales/purchases) denominated in foreign currencies; and
- monetary items (mainly cash and receivables) denominated in foreign currencies.

The exposure to transactional foreign exchange risk is monitored and managed at a Group level. Natural hedging is employed, to the extent possible, to minimise net exposures; however, where significant exposures arise it is Group policy to enter into formal hedging arrangements.

Carrying amounts of the Group's financial assets and liabilities denominated in foreign currencies were as follows:

Categories of financial instruments	Liabilities		Assets	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
US Dollars				
– cash	–	–	19,650	4,392
– receivables	–	–	5,008	4,160
– payables	1,737	186	–	–
Euros				
– cash	–	–	11	24
– receivables	–	–	–	–
– payables	–	–	–	–
Australian Dollars				
– cash	–	–	–	–
– receivables	–	–	–	1
– payables	–	–	–	–

The value of foreign currency hedge instruments outstanding at the year end was nil (2023: \$1.0 million).

The following table shows the effect on the Group's result for the year of £ strengthening by 5% against debtor, creditor and cash balances denominated in foreign currencies, with all other variables held constant. 5% represents management's assessment of the reasonably possible change in exchange rates.

	USD \$ £'000	EUR € £'000	AUD \$ £'000	Total £'000
<b>As at 31 March 2024</b>				
Impact on profit/equity for the year	(1,092)	(1)	–	(1,093)
<b>As at 31 March 2023</b>				
Impact on profit/equity for the year	(450)	(1)	–	(451)

The following table shows the effect on the Group's result for the year, of £ weakening by 5% against debtor, creditor and cash balances denominated in foreign currencies, with all other variables held constant. 5% represents management's assessment of the reasonably possible change in exchange rates.

	USD \$ £'000	EUR € £'000	AUD \$ £'000	Total £'000
<b>As at 31 March 2024</b>				
Impact on profit/equity for the year	1,206	1	–	1,207
<b>As at 31 March 2023</b>				
Impact on profit/equity for the year	383	1	–	384

## Credit risk management

The Group uses credit reference agencies to determine and monitor the credit limits of new and existing customers. At the end of the year, one Partner owed a total of £3.7 million (2023: one Partner owed £3.4 million) and no expected credit loss provision has been made in relation to this balance (2023: nil). No other customers or partners owed more than 10% of the outstanding total. No expected credit loss provision has been recognised for trade receivables at 31 March 2024 (2023: nil).

The Group's customers primarily consist of banks, partners and other longstanding customers, mostly blue-chip companies that are deemed to have a low credit risk. As a result, the credit quality of trade receivables that are neither past due nor impaired has been assessed by the Directors to be relatively high, taking account of a low historic experience of bad debts and relatively good ageing profiles.

The Group controls its exposure to credit risk by setting limits on its exposure to individual customers, compliance is monitored by the Finance team. As part of the process of setting customer credit limits, external credit reference agencies may be used, according to the country of the customer. The Group has a policy of dealing only with creditworthy counterparts.

The Group manages the credit risk and quality of cash balances by holding balances with reputable banks.

## Liquidity risk management

The Board manages liquidity risk by maintaining adequate reserves of cash and banking facilities to cover day-to-day trading. The Group's policy is to pay creditors in full as and when they become due, which for all practical purposes is at latest by the end of the month following the invoice date. The Board believes that there is little liquidity risk since the Group has adequate cash balances to satisfy its creditors.



## 31. Financial instruments and risk management continued

Maturity analysis of financial liabilities:

	Group		Company	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
In less than one year:				
Trade payables	2,049	585	344	427
Amounts owed to Group undertakings	–	–	490	546
Other creditors	270	76	1,781	76
Accruals	5,947	1,176	5,134	911
	8,266	1,837	7,749	1,960

All of the financial liabilities above are recorded in the financial statements at amortised cost. The above maturity analysis amounts reflect the contractual undiscounted cash flows, including future interest charges, which may differ from the carrying values of the liabilities at the reporting date.

### Interest rate risk management

The Group's exposure to changes in interest rate risk is immaterial as there were no borrowings during the year.

The Board of Directors monitors movements in interest rates and has not prepared sensitivity analysis in relation to interest rates as it does not believe that any reasonable variance would have a material impact on the Group and there are no such financial liabilities at the year end.

### Fair value measurement

Financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

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

The freehold land and buildings are observable at Level 2.

The Group's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of the revaluation of 12 October 2022. The fair value measurements of the Group's freehold land and buildings were performed by Follett & Co., independent valuers not related to the Group. Follett & Co. are members of the Royal Institution of Chartered Surveyors, and they have appropriate qualifications and recent experience in the fair value measurement of properties in the relevant location. The valuation was prepared in accordance with the RICS Valuation – Global Standards 2017 and the International Valuation Standards and was based on recent market transactions at arm's length terms for similar properties in a similar area.

Following the revaluation and in light of the Group's move towards a hybrid working model resulting in lower utilisation of the building, the Directors decided that the freehold land and building in Sunbury-Upon-Thames should be disposed of allowing the move to a leased office facility offering greater flexibility whilst also freeing up capital for reinvestment into growing the business. The net proceeds from a sale are expected to exceed the carrying value and so no impairment charge has been recognised in the accounts.

# Five year history (USD)

## Five year US Dollar comparative information

For the years ended 31 March 2024

USD million	FY20 Unaudited	FY21 Unaudited	FY22 Unaudited	FY23 Unaudited	FY24 Unaudited
<b>Income statement</b>					
Revenue	27.6	29.8	33.4	25.8	<b>41.0</b>
Software Revenue	22.0	22.0	23.9	23.1	<b>27.6</b>
Adjusted PBT	6.4	5.8	4.4	4.6	<b>7.5</b>
Exceptional and other items	-0.1	-1.8	-2.0	-1.7	<b>-0.5</b>
Profit before tax	6.3	4.0	2.4	2.9	<b>7.0</b>
Tax credit/(charge)	-0.7	-0.4	-0.1	-0.3	<b>-1.9</b>
Profit attributable to equity holders	5.7	3.6	2.3	2.6	<b>5.1</b>

USD million	FY20 Unaudited	FY21 Unaudited	FY22 Unaudited	FY23 Unaudited	FY24 Unaudited
<b>Balance sheet</b>					
Non-current assets	17.4	18.9	19.0	14.8	<b>15.9</b>
Net current assets	30.8	38.8	51.7	34.2	<b>58.3</b>
Current liabilities	-11.6	-14.8	-28.1	-14.4	<b>-35.2</b>
Non-current liabilities	-0.3	-0.3	-0.8	-0.9	<b>-1.8</b>
Net assets	36.3	42.6	41.9	33.7	<b>37.2</b>
Called up share capital	-1.0	-1.1	1.1	1.0	<b>1.0</b>
Reserves	37.3	43.7	40.8	32.7	<b>36.2</b>
Shareholders' funds	36.3	42.6	41.9	33.7	<b>37.2</b>

USD cents	FY20 Unaudited	FY21 Unaudited	FY22 Unaudited	FY23 Unaudited	FY24 Unaudited
<b>Earnings per share</b>					
Basic	14.13	9.00	5.75	6.38	<b>12.76</b>
Diluted	14.03	8.83	5.66	6.24	<b>12.41</b>
Adjusted basic	14.34	12.72	9.89	9.52	<b>13.84</b>
Adjusted diluted	14.22	12.48	9.71	9.33	<b>13.46</b>
<b>Dividends</b>					
Dividend per ordinary share GBP pence	3.39	3.68	3.99	3.65	<b>3.96</b>
Dividend per ordinary share USD cents	4.31	4.81	5.45	4.40	<b>4.98</b>
Special dividend per ordinary share GBP pence	0.00	0.00	17.08	0.00	<b>0.00</b>
Special dividend per ordinary share USD cents	0.00	0.00	23.33	0.00	<b>0.00</b>
Total dividend paid (USD million)	1.57	1.43	1.57	7.47	<b>1.53</b>

Key metrics	FY20 Unaudited	FY21 Unaudited	FY22 Unaudited	FY23 Unaudited	FY24 Unaudited
Annual Recurring Revenue	12.1	13.9	19.1	20.2	<b>25.4</b>
ARR as % of Software Revenues	55.3%	63.0%	80.0%	87.7%	<b>92.1%</b>
Cash balance	16.3	18.6	15.6	20.7	<b>38.6</b>
Interest income (net)	0.1	0.0	0.0	0.4	<b>0.7</b>
Average number of employees	132	139	149	151	<b>154</b>

Exchange rates used USD:GBP	FY20	FY21	FY22	FY23	FY24
Average rate	1.2711	1.3081	1.3662	1.2055	<b>1.2570</b>
Year end rate	1.2418	1.3779	1.3133	1.2333	<b>1.2623</b>

## OFFICES

### UK HQ and Registered office

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