



## Annual Report

For the year ended 31 Dec 2024





**Our purpose** is to help our customers to manage and distribute their intellectual property, so they can maximise its value. This enables them to earn a return on their work and reward their content creators, encouraging them to produce new academic, scientific and creative work that delivers wide-ranging benefits to society.

22

**Long-duration customer relationships** – top 15 customers average duration of 22 years

£3.6m

**Net cash** – strong balance sheet and no debt

87%

**Recurring revenues** – focus on recurring “as a service” revenue

20%

**Target EBITDA margin**

## Contents

### STRATEGIC REPORT

- 1 Highlights
- 2 Ingenta at a glance
- 4 Chairman’s statement
- 6 Business model
- 8 Our strategy
- 14 Key performance indicators
- 16 Financial review
- 18 Section 172(1) statement

### CORPORATE GOVERNANCE

- 22 Board members
- 24 Directors’ report
- 27 Corporate governance statement
- 30 Audit Committee report
- 31 Directors’ remuneration report
- 33 Independent auditor’s report to the members of Ingenta plc

### FINANCIAL STATEMENTS

- 46 Group statement of comprehensive income
- 47 Group statement of financial position
- 48 Group statement of changes in equity
- 49 Group statement of cash flows
- 50 Notes to the Group financial statements
- 84 Company statement of financial position
- 85 Company statement of changes in equity
- 86 Notes to the Company financial statements

### ADDITIONAL INFORMATION

- 92 Directors and Advisors

Expanding opportunities in current and faster growth verticals – music, gaming and media.

## The publishing market is growing

Book Publishing<sup>1</sup>

+4.2%



Digital Publishing<sup>2</sup>

+10.7%



1. Grand View Research – 2025-2030 CAGR

2. The Business Research Company – 2024-2029 CAGR

# Highlights

We continue to deliver strong financial performance underpinned by an efficient and flexible operating structure. The Group's next generation software platforms combined with our industry expertise will be key in driving future growth in our target markets.

## Financial highlights

Group revenues

**£10.2m**

(2023: £10.8m)

Cash from operations

**£1.7m**

(2023: £1.1m)

Group revenues  
recurring in nature

**87%**

(2023: 80%)

Cash  
balances

**£3.6m**

(2023: £2.7m)

Gross profit  
margin

**49%**

(2023: 50%)

Adjusted earnings  
per share\*\*

**11.7p**

(2023: 12.8p)

Adjusted EBITDA\*

**£1.8m**

(2023: £2.2m)

Full year dividend

**4.1p**

(2023: 4.1p)

## Operational highlights

Significant Commercial contract win of

**£1.4m**

over three years

New Content contract wins in the year  
with a total contract value of

**£0.5m**

over three to five years

\* Earnings before Interest, Tax, Depreciation and Amortisation is calculated before foreign exchange differences and joint venture write off. See note 5 for reconciliation.

\*\* Adjusted earnings per share is calculated before taxation, foreign exchange and joint venture write off. See note 9 for reconciliation.

Gaming<sup>3</sup>

**+13.1%**



3. Fortune Business Insights 2023-2030 CAGR

Music<sup>4</sup>

**+18.1%**



4. Technavio – CAGR 2024-2029



# Ingenta at a glance

## Who we are

Ingenta plc is a world-leading provider of mission-critical software and services to the global publishing industry. From our headquarters in the UK and our US office, we serve around 175 customers worldwide.

## What we do: helping customers to maximise the value of their intellectual property

Our customers are information and content providers. Each one can hold the rights to many thousands of pieces of intellectual property (IP) – from individual songs, images and articles to books, reports and video games. In turn, every piece of IP has vital information attached to it, ranging from the details of contributors to contracts, royalties, copyright, orders and sales.

This scale and complexity create many challenges for our customers. We provide software and services that put them fully in control, allowing them to manage and distribute their IP effectively and efficiently, maximise its value and focus on what they do best – producing and selling great content.

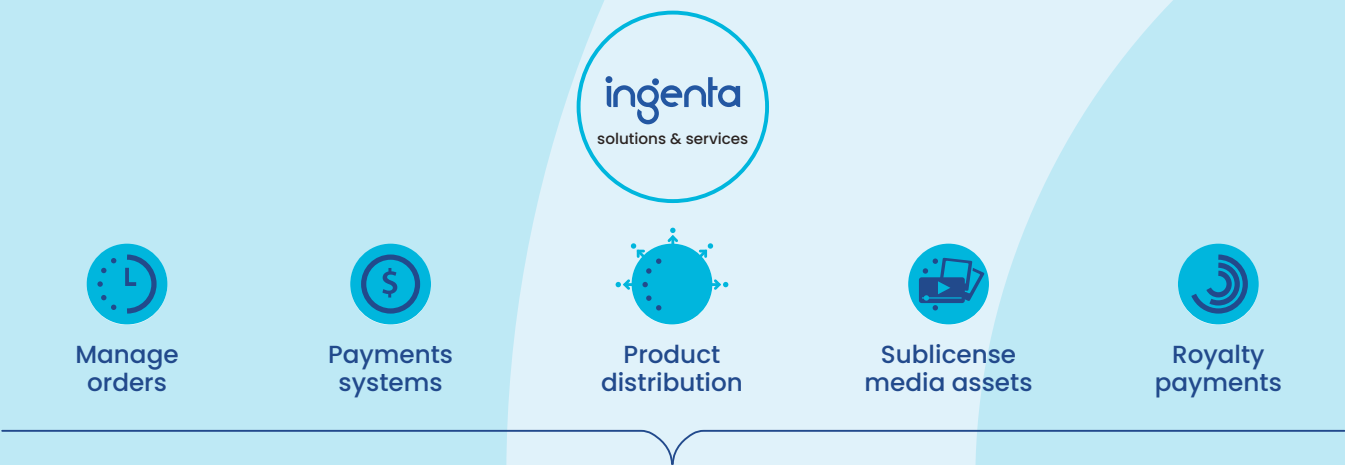
Our software products integrate seamlessly with each other and with customers’ systems, so they become a core part of the customer’s technology landscape. We also provide services that help our customers get the most from our software, from assisting their implementation to ongoing technical and data-checking support.

## Supporting our customers’ growth

We have designed our products to allow customers to start small and grow with us. Our offer ranges from software-as-a-service platforms that are ideal for smaller publishers, through to enterprise-level solutions for our largest customers with the most-complex needs.

Our products are also ‘content agnostic’, meaning they are not tied to specific types of content or customer industries. This makes them suitable for many different organisations and helps customers to grow as they broaden the types of content they offer.

## ingenta provides mission critical solutions



ingenta enables publishers to run their business  
and achieve the highest benefit from their IP

## Our product categories

Our two core products are:

- **Ingenta Commercial**, which provides a range of applications to manage IP, including content lifecycle management; contract, rights and royalties; and order to cash.
- **Ingenta Content**, which provides platforms that enable customers to distribute their digital content online.

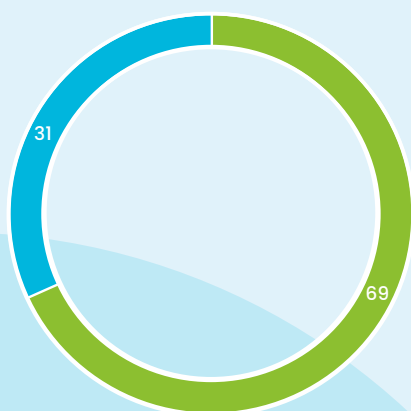
Our specialist support for publishers also includes:

- **Ingenta Advertising**, which offers a complete, browser-based platform to help customers sell and track digital and print advertising.
- **Publishers Communication Group**, an internationally recognised sales and marketing consulting firm, to help customers drive their sales strategies.

See pages 6 to 13 for more information on our products and services.

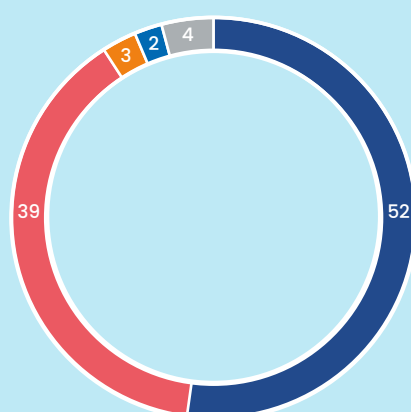
### Group revenue by division (%)

■ Ingenta Commercial ■ Ingenta Content



### Revenue by geography (%)

■ UK ■ US ■ Netherlands ■ France ■ Rest of the World



## Our customers

We support a full spectrum of customers, ranging from global publishing giants to academic and trade publications, right through to prestigious NGOs and established music record and media labels.



## Our key strengths

- **Mission-critical solutions**, which make us integral to how our customers run their organisations.
- **Highly robust software**, reflecting our long track record and more than 45 years' experience supporting the publishing industry.
- **Exceptional reach**, enabling us to work with organisations across different sizes and sectors, and around the world.
- **Long-term relationships**, with our top 15 customers having been with us for an average of 22 years.
- **High recurring revenues**, with more than 87% of our revenues generated by annually recurring software and service contracts.

# Chairman's statement

## Overview

The Board is encouraged that the Group continues to add customers onto the new generation of Ingenta software platforms, as these products will provide the foundation for future growth. During the year, five customers successfully went live, adding £0.5m of recurring annual revenues to the Group. Encouragingly, we anticipate further change control work from these accounts as they look to fine tune their Ingenta deployments.

As previously announced, the Group retains a significant element of higher-margin legacy business which is an important part of the Group's future strategy. These products and services are robust and will provide continued value to our customers for the foreseeable future. However, the Board acknowledges that in some cases customers may decide to migrate to alternative solutions, either with Ingenta or third-party providers.

In the year, four customers with combined annual fees of £0.4m migrated away from Ingenta platforms and this, along with a slow year for non-recurring consultancy services, has led to a full-year reduction in revenue. In response, the Group is prioritising the acceleration of new business acquisition to offset any future, potentially larger-scale reductions in legacy revenues, with the aim of returning the Group to growth in revenue and profit. The Board has sanctioned a £0.5m investment in Group sales and marketing

activity, in order to build a larger and longer-term pipeline of new business opportunities.

As part of our growth drive, we are increasing our use of digital advertising and industry events to raise our brand awareness, and showcase our flagship projects, to demonstrate the benefits we can deliver to similar organisations. We aim to leverage our existing customer relationships to provide our products and services to their wider groups, and provide wrap-around services, to develop deeper customer relationships by taking on activities they do not want to perform themselves. We are aware that consolidation is a feature of our customers' markets and we are building our account management relationships and looking to embed ourselves in the customer decision process through our consulting service, which will help us to retain business if customers merge.

The Ingenta Content and Ingenta Commercial product suites are flexible, well-balanced offerings suited to both small and large customers, which expands their addressable market in our target segments. Our skilled development resource means our products are adaptable and can cater for changing customer needs, and we ensure they meet rigorous data security standards, for example by using globally recognised software and service providers. This underpins our confidence in the quality of our offering and our ability to attract a growing customer base.

## Dividends

The Board expects to recommend the payment of an unchanged final dividend for the year of 2.6p per share, taking the total dividend for the year to a total of 4.1p. Subject to trading remaining in line with expectations, the Board intends to maintain the level of total dividends in 2025 at the current level of 4.1p per share.

## Outlook

The Group anticipates a return to revenue growth in 2025, driven by the investment in sales and marketing, and there are promising early signs with another new contract win in January. However, despite the expected increase in sales, profitability in 2025 is expected to be lower than 2024, as the investments made take time to bed in. Additionally, the rebalancing of revenue in favour of new generation software will impact margins, as they attract a higher level of cloud infrastructure cost than legacy on-premise deployments.

**Martyn Rose** Chairman

25 April 2025

# Business model

## How we operate

### 1. Securing new business



Our products are 'content agnostic', meaning they are not tied to specific types of content or customer industries. This makes them suitable for many different organisations and gives us a broad potential market.

We generate leads through digital outreach and through our sales teams, who we supplement with specialist consultants when needed. Our Publishers Communication Group business also plays an important role in our own sales and marketing, in addition to supporting our customers with their sales strategies.

Any new business goes through a deal review meeting, to determine expected profitability, identify any risks and determine how we can mitigate them in the contract. New contracts must be signed by a Board member.

### 2. Onboard quickly and effectively



We want to get our customers up and running as soon as possible, so they can start to benefit from our products and we begin to generate revenue. We therefore aim to implement one of our standard platforms for them initially, rather than developing a bespoke solution, which can be higher risk and take many months to complete. We also offer services to support their migration to our platform, for example to convert their existing data to the required formats.

### 3. Enable our customers to grow with us



Our platforms are designed to allow customers to grow with us. For example, Ingenta Connect is a multi-tenancy solution, with many customers using its standard functionality. As a customer grows and their needs become more complex, we can then offer them the Edify platform to unlock the full potential of their content. Having content-agnostic products also helps our customers to grow with us, as they broaden the types of content they offer over time.

### 4. Develop our offering



Once we have successfully implemented a standard solution for a customer, we can then adapt it over time to meet any specific needs they have. This benefits the customer by tailoring the platform to their business and makes it more likely they will stay with us, supporting our recurring revenue. We may also be able to apply this new functionality for other customers and our account managers proactively offer them enhancements we think will benefit them.

We continually improve our core solutions and make those upgrades available to customers through quarterly release cycles. However, we do not speculatively build significant new products, preferring our product development to be customer-led.

### 5. Provide ongoing support



We also provide services that help our customers get the most from our software, from assisting their implementation to managed services, such as ongoing technical and data-checking support, as well as providing resilient hosting solutions. These are important sources of recurring revenue and reinforce our customer relationships.



## Our key strengths

Our business has the following key strengths, which enable us to generate value for our customers, shareholders and other stakeholders. We have:

- **Mission-critical solutions**, which make us integral to how our customers run their organisations.
- **Highly robust software**, reflecting our long track record and more than 45 years' experience supporting the publishing industry.
- **Exceptional reach**, enabling us to work with organisations across different sizes and sectors, and around the world.
- **Long-term relationships**, with our top 15 customers having been with us for an average of 20 years.
- **Experienced and dedicated people**, with detailed knowledge of our products and our industry. On average, our people have been with us for 16 years.

For further information see pages 2-3



## How we generate returns

**The large majority of our revenues each year come from recurring sources**, notably the annual fees for our products, managed services and other support services. In 2024, recurring revenues accounted for 87% of our total revenues.

**The remaining revenues are primarily from consulting projects**, which we may carry out for a fixed price or based on the time our people spend.

**Our employees are our largest single cost, followed by IT and software costs and contractors.** These cost categories include our research and development spend, which we expense as we incur it.

**This financial model results in [relatively] predictable operating cash flows**, which enable us to invest in our products to ensure they have the necessary capabilities to deliver revenue and profit into the future.

**Our cash flows also support our strong balance sheet**, with a net cash position of £3.6m at 31 December 2024, and our returns to shareholders, with the Board having a progressive dividend policy.

For further information see pages 10-13



## Our strategy

Driving revenue growth is central to our strategy. In particular, we aim to grow our recurring product revenue, increase our international sales and leverage our standing in the NGO sector to work with more of these organisations.

Strategic priority	Progress in 2024	Priorities for 2025
<b>Grow recurring product revenue</b> We aim to accelerate growth in annual recurring revenue via the sale of software as a service wherever possible. Reflecting our approach to onboarding customers by implementing standard versions of our products, we are therefore primarily targeting smaller publishers and other organisations who do not require heavily customised solutions from the outset.	In 2024, we: <ul style="list-style-type: none"> <li>completed four implementations of Edify within our Content business, which are all delivering stable recurring revenues;</li> <li>added customers to our Ingenta Connect platform; and</li> <li>expanded our recurring revenue with an existing customer in our Commercial business.</li> </ul>	In 2025, we aim to expand our sales and marketing team and develop our pipeline of prospects for all products.  Our key target is to build on the successes in 2024 by promoting the new customer deployments to similar target markets.
<b>Expand our business geographically</b> With around 52% of our revenues coming from the UK, we have a substantial opportunity to grow our international customer base. We see particular potential in the US, as the world's largest English-speaking market.	In 2024, we: <ul style="list-style-type: none"> <li>implemented two Edify platforms for North American customers within a strategically important group; and</li> <li>completed an Edify deployment for a customer in the UAE.</li> </ul>	In 2025, we aim to utilise our enhanced sales and marketing teams to leverage digital marketing capabilities, so we can promote existing deployments to prospects in global markets.
<b>Target Non-Governmental Organisations</b> We work with numerous high-profile NGOs, including the United Nations and International Maritime Organization. This gives us strong brand recognition in the sector, which we aim to leverage to grow our business with these customers.	In 2024, we completed an Edify deployment for a significant UK-based NGO.	In 2025, we will expand our knowledge of NGO procurement processes, so we know when services come up for tender and ensure we are invited to bid.
<b>Invest in sales and marketing</b> We support our growth strategy through targeted investment in sales and marketing, to build a strong pipeline for future wins.	In 2024, we: <ul style="list-style-type: none"> <li>added two North American sales consultants to our team; and</li> <li>recruited a digital marketing manager.</li> </ul>	In 2025, we intend to recruit sales and marketing specialists for our key target areas of IP management software, Edify and Ingenta Connect.

## The challenges to our business model and strategy

Challenge	Our response
We need to ensure our name is known to potential customers, so we are included in the process when they tender for new products and services.	<ul style="list-style-type: none"> <li>■ Expanding our sales and marketing teams in 2025.</li> <li>■ Increasing digital advertising and attending industry events to raise brand awareness.</li> <li>■ Leveraging our existing customer relationships to provide our products and services to their wider groups.</li> <li>■ Leveraging flagships projects to showcase the benefits we can deliver to similar organisations.</li> </ul>
Our products are generally industry agnostic, so they work across industries such as music, media and publishing. However, we need to ensure our products are adaptable and can cater for changing customer needs.	<ul style="list-style-type: none"> <li>■ Retaining skilled development resources, so we can modify our software as needed.</li> <li>■ Providing wrap-around services, to develop a deeper customer relationship (“we can do that if you don’t want to”).</li> </ul>
We need to ensure we meet data security standards for hosted applications.	<ul style="list-style-type: none"> <li>■ Using globally recognised software and service providers.</li> <li>■ Tailoring solutions to the level of security required.</li> <li>■ Hosting services team manage and monitor customer environments.</li> <li>■ Ensuring we have secure backup and restoration processes.</li> </ul>
Customer mergers and acquisitions can lead to revenue loss if strategic plans change.	<ul style="list-style-type: none"> <li>■ Building our account management relationships, to become aware of changes early on.</li> <li>■ Providing stable and reliable software and services at competitive rates.</li> <li>■ Embedding ourselves in the customer decision process, by offering consulting services.</li> </ul>

Further discussion on challenges to the business model and strategy is included within the Chairman’s Statement on page 4.

**Revolver Records** is one of the oldest independent record labels in the UK with 40 years of presence in Music.

### Challenge

Royalty statements were very difficult to calculate and manage taking huge investment of time to guarantee accuracy.

- Delayed royalty statements/payments
- Limited visibility for artists and management
- Difficulty in supporting questions due to necessary research
- Inconsistency in calculations
- Limited ability to train on-board.

### Proposal

Implement **Ingenta Conchord** to replace manual efforts and spreadsheet manipulation.

Use **Ingenta Conchord** to automate the process.

- Contract driven meta-data analysis
- Accurate and traceable royalty calculations
- Automatic royalty statement production/distribution
- Use Ingenta Aperture to provide visibility into royal statements
- Control over data visibility
- Ease of support and management
- Protection of data.

### Decision

Fully implement the multi-tenanted versions of both Ingenta Conchord and **Ingenta Aperture** to allow for extremely rapid onboarding and set-up.

### Project

Extremely rapid onboarding and customer driven migration with phase II of **Aperture**.

- Simple onboarding process
- Revolver performed individual set-up/rules
- Revolver input the appropriate information
- Multiple initial runs
- Once 100% certain of correct set-up Aperture implementation for visibility.

### Solution

Revolver set-up on **Ingenta Conchord** and **Ingenta Aperture**.

- Multi-tenanted – negligible incremental cost
- Immediate availability
- Limited features (but available for up-sell)
- Highly secure, stable, scalable platform
- Customised Configuration
- AWS – world class hosting, monitoring, security.

### Results

Ability to deliver accurate royalty statements in days rather than weeks with limited effort and engagement by newly trained resources with minimal QA and review.



# Revolver

*“Aperture has allowed us to seamlessly provide a professional portal to our artists so they can see their data and statements via mobile devices on demand. This results in increasing transparency between record labels and artists which has been well received.”*

**Paul Birch, Director, Revolver**





**Research4Life** provides institutions in low-and middle-income countries with online access to academic and professional peer-reviewed content. We aim to improve teaching, research and policymaking in health, agriculture, the environment and other life, physical and social sciences.

### Challenge

Bring together highly researched published articles, journals, books and databases.

- Five geographically diverse organisations
- Large amounts of diverse content
- Easy search needed
- Four Languages.

### Proposal

Deliver a unified Ingenta Edify platform that brings together all appropriate content.

- Single site
- Unified search capabilities
- Seamless user experience
- All connections to research metrics
- Linking to outside sources.

### Decision

Provide **Ingenta Edify** site to unify the content while acknowledging the organisations.

### Project

Drive comprehensive migration project using the **Ingenta Implementation Framework** and tools.

- 10 Month Project
- Delivered on-time
- Real-time project tracking/visibility
- Robust deliverable traceability
- Quality tracking per each deliverability.

### Solution

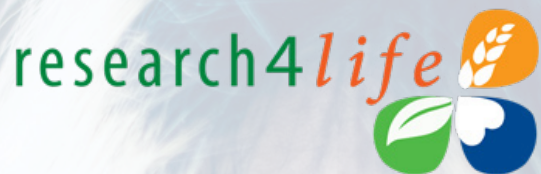
Deliver a unified **Ingenta Edify** platform that brings together all appropriate content.

- Standard Base Platform
- Customised Configuration
  - Searching
  - User profiles
  - Multi-lingual
- AWS – world class hosting, monitoring, security.

### Results

Research4Life now has a future proof, high performance, scalable system to deliver content globally. Their processes have been streamlined and are more flexible for all members of the organisation. R4L will benefit from improved features and functionality, and future releases in our product roadmap.





*"After 20 years of commitment to bridging the digital divide, it was urgent to rapidly improve and streamline our users' ability to access essential research. We are grateful to Ingenta for the robust and intuitive solution created by their team of experts and technical wizards."*

**Ylann Schemm, Chair of the Executive Committee, Research4Life**

# Key performance indicators

The Board uses the following metrics to monitor our performance and assess the implementation of our strategy:

## Group revenue

£10,199

(2023: £10,825)

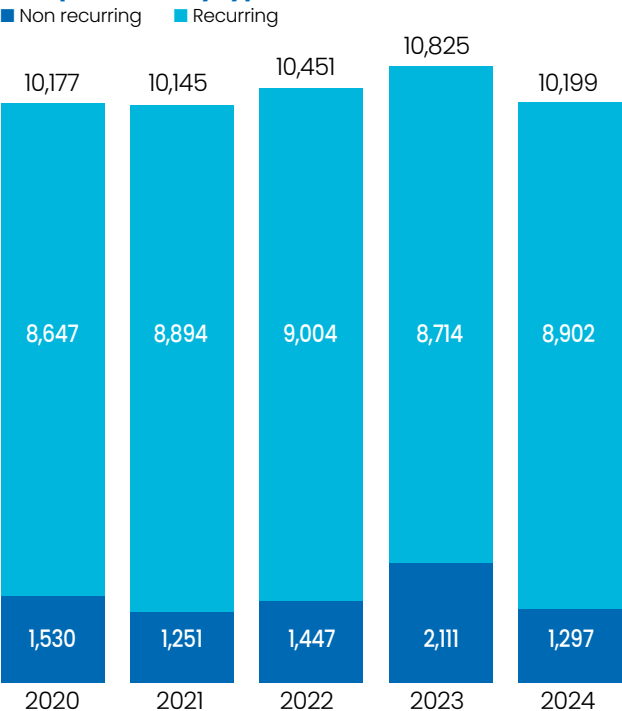
### Definition

The fair value of the consideration received or receivable for the sale of our products and services, net of value added tax, returns, rebates and discounts. For a full explanation of our revenue recognition policies, see note 1 to the financial statements.

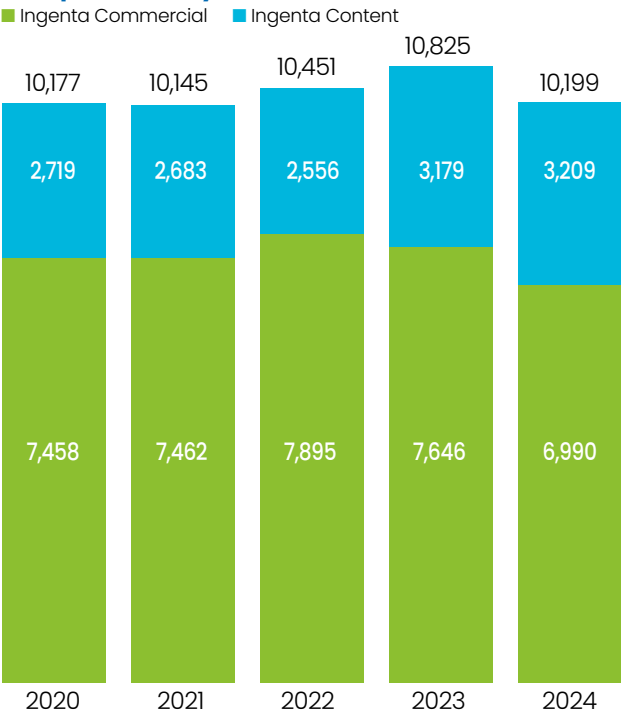
### Relevance to strategy

Our strategy (as set out on page 8) is designed to deliver revenue growth and this is therefore a key metric showing our progress.

Group revenue by type £'000



Group revenue by division £'000



**Adjusted EBITDA****£1,786**

(2023: £2,169)

**Definition**

Earnings before interest, tax, depreciation and amortisation, and excluding impairments, gain or loss on disposal of fixed assets, foreign exchange gain or loss, and exceptional non-recurring items. See note 5 to the financial statements for a reconciliation to profit from operations.

**Relevance to strategy**

Adjusted EBITDA reflects the underlying profitability of our business and demonstrates our ability to grow the business profitably.

**Cash flow****£1,684**

(2023: £1,140)

**Definition**

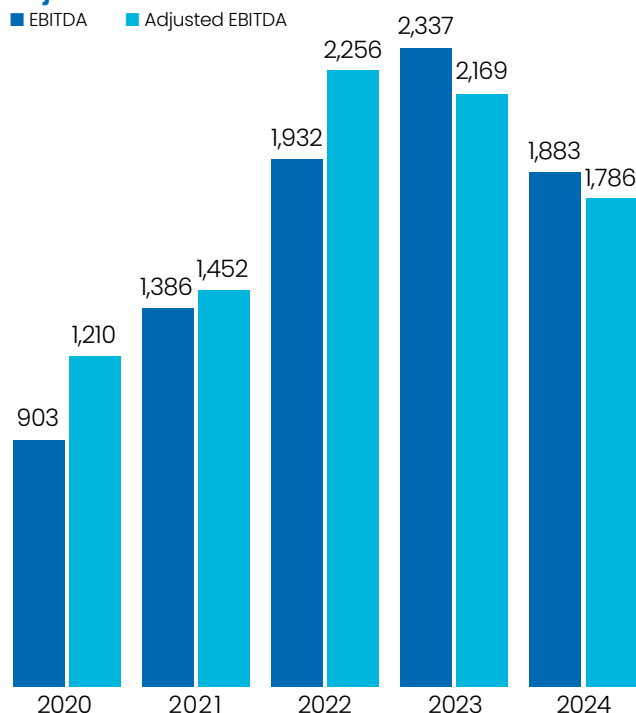
Operating cash flow, as shown in the cash flow statement on page 49.

**Relevance to strategy**

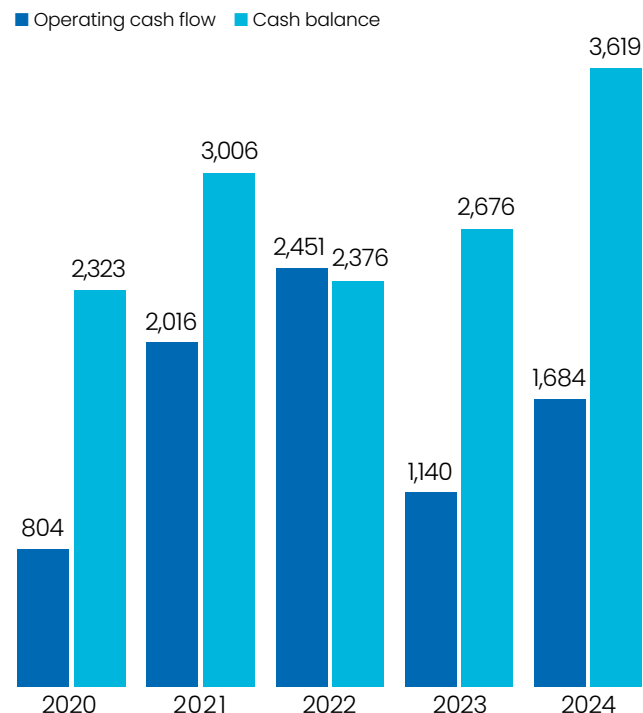
Strong cash flow is fundamental to our ability to invest in the business for further growth and to reward shareholders.

**Adjusted EBITDA £'000**

■ EBITDA ■ Adjusted EBITDA

**Cash flow £'000**

■ Operating cash flow ■ Cash balance





# Financial review

The Group operates as one reporting segment with two core revenue categories of Ingenta Commercial and Ingenta Content.

## Ingenta Commercial

Ingenta Commercial provides a variety of modular publishing management systems for both print and digital products. Its core area of expertise is intellectual property management, including the associated contracts, rights and royalties. The software has an established publisher client base and is highly adaptable, so it can also be applied to broader media markets including music, television and film.

Commercial revenues were £7.0m (2023: £7.6m) with the decrease driven mainly by a reduction in non-recurring legacy software consultancy services. In prior years, consultancy activity has been strong as customers undertook significant projects to modify and integrate their back end IT infrastructure. Whilst opportunities were slower to materialise in 2024, early indications suggest an upturn in 2025 as the Group is discussing a number of potential engagements. During the year two legacy customers with combined recurring annual fees of £0.1m left the Group.

## Ingenta Content

The Ingenta Content suite of products enables publishers of any size, discipline or technical proficiency to convert, store, deliver and monetise digital content on the web.

Annual revenue remained stable at £3.2m (2023: £3.2m), as the Group successfully implemented five more customers onto the platform, with associated annual fees of £0.5m. Encouragingly, these new customers also have change control work they would like to pursue and the Group is scoping out requirements with a view to commencing work in 2025. During the year, two customers with annual fees of £0.3m left the Group.

## Financial Performance

Group revenue decreased to £10.2m (2023: £10.8m). As outlined above, this was a consequence of slower consultancy services revenue, particularly within Ingenta Commercial legacy products.

Annual recurring revenue (see note 2) was £8.9m or 87% of total revenue (2023: £8.7m and 80% respectively). Although Group revenue declined slightly, the business has been replacing legacy software revenues with next-generation products, which should provide a solid foundation for future growth.

Sales and marketing spend was stable at £0.8m but the Group has announced its intention to invest £0.5m in sales and marketing activities, to accelerate new business wins. We have identified a number of roles that will help secure new business in our target markets and we are actively recruiting. Administrative costs declined slightly to £2.4m (2023: £2.6m) driven by the release of a £149K payable balance no longer required after formal wind up of the Group's 49% share of a Chinese Joint Venture plus the release of a £100K contract provision. Additionally, the Group benefited from reduced depreciation charges, as the business continues its policy of adopting cloud infrastructure wherever possible.

Adjusted EBITDA was £1.8m (2023: £2.2m) and was impacted in the year by the slower than expected consultancy revenues mentioned above. Similarly, profit from operations declined to £1.8m (2023: £2.0m), as disclosed in the statement of comprehensive income.

The Group has significant accumulated tax losses and anticipates making use of £12.0m and \$5.7m in the UK and US respectively. For the deferred tax calculation, the Group reviews expected profits and use of tax losses over a five-year period. The £0.5m investment in sales and marketing activity described above means we expect that profits will now be lower in 2025. As a consequence, the losses may take longer to utilise, which in turn reduces the valuation of the deferred tax asset. The £0.5m tax charge (2023: £0.3m tax credit) is the adjustment to reduce the deferred tax asset from £1.6m to £1.1m (see note 8 for further details). Utilisation of losses means the Group's cash tax payments in respect of 2024 are minimal.



## Financial Position

The Group has a robust balance sheet. Non-current assets of £3.9m (31 December 2023: £4.4m) include goodwill of £2.7m (31 December 2023: £2.7m). The Group tests goodwill for impairment each year using discounted cashflows and did not identify any impairment in the year. Property, plant and equipment of £0.1m reflects tight control of our expenditure and our infrastructure strategy to leverage Cloud-based services wherever possible. The balance of non-current assets is the deferred tax asset, with the reduction explained above.

Current assets increased from £4.9m to £5.7m, driven by increased cash balances reflecting our continued operational efficiency. See below for more information on cashflow.

Total liabilities decreased from £3.6m to £3.1m, primarily because the Group released £0.3m of provisions after successfully completing all of its software obligations. The Group has no debt or lease obligations.

## Cashflow

The Group generated £1.7m of operating cashflow in the year (2023: £1.1m). Differences in cash generation year on year are mainly a timing issue, as the Group has a significant element of legacy annual renewal business. These renewals are billed in the final quarter of the year, causing increases in contract liabilities, with cash receipts tending to fall either side of year end. New business is predominantly contracted on a SaaS style arrangement, so is less prone to these timing issues. Closing cash balances were £3.6m (31 December 2023: £2.7m), increasing to £3.8m at the end of February 2025.

## Earnings per share and dividends

The Group maintained its progressive dividend policy and paid out £0.6m in the year (2023: £0.5m). The Board is proposing to maintain the full year dividend for 2024 at 4.1p per share (2023: 4.1p) subject to shareholder approval of the 2.6p per share final dividend at the

forthcoming AGM. The parent Company distributable reserves were £7.6m at 31 December 2024.

Basic earnings per share were 8.8p (2023: 15.8p) but these are heavily impacted by movements in deferred tax and unrealised foreign exchange movements on intercompany balances. Adjusted earnings per share, after removing these non-cash items and the joint venture write off, were 11.7p (2023: 12.8p).

## Going concern

The core fundamentals of the Group remain strong, with profitable operations, cash reserves at the end of February 2025 of over £3.8m and no debt on the balance sheet. The Directors have prepared detailed cashflow projections, including sensitivity analysis, to the end of June 2026. Management is satisfied that cash is sufficient for the needs of the business and accordingly, the Group continues to adopt the going concern basis in preparing its consolidated financial statements.

**Jon Sheffield** Chief Financial Officer

25 April 2025

## Section 172(1) statement

The Directors continually monitor the operations of the business and take decisions to promote the success of the Group for the benefit of all its members.

The Directors have selected a business model and operational structure designed to maximise the effectiveness of the business for all stakeholders. The likely consequences of any decisions are modelled to provide assurance that they are in the long-term interest of stakeholders and, as detailed in the Corporate Governance Report included in the 2024 Annual Report, risk management and internal controls are a key oversight to ensure objectives are met. The Group have also adopted the QCA Corporate Governance code which is designed to foster strong relations with all stakeholders and details are included on the Group's website. In addition to our shareholders, the Board considers the employees, customers and suppliers to be critical to the long-term success of the business.

### Shareholder engagement

The Board is committed to maintaining active dialogue with its shareholders to ensure that its strategy, business model and performance are understood. The AGM is the main forum for dialogue between retail shareholders and the Board. The notice of the AGM is sent at least 21 days before the meeting which is held at the Group's Head Office and all Board members routinely attend. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. During the meeting, the Board members are available to answer any questions raised by shareholders. The results of the AGM are subsequently published via a Regulatory Information Service and on the Company's corporate website. The Chief Executive Officer and Chief Financial Officer are primarily responsible for shareholder liaison and can be contacted on 01865 397 800. The executive management make presentations to institutional and retail shareholders and analysts each year following the release of full year and half year results. Conversations, when requested, are also held at other points in the year. The corporate website also includes details of recent annual and interim results and all of the Group's RNS and RNS Reach announcements. The Board and Executive management team have shareholdings and share options in the Group which are designed to align the goals and decisions made on behalf of all shareholders. Dividend policy and strategies to increase shareholder value are key considerations.

### Employee engagement

Staff are invited to Companywide meetings where the Executive Team share information and updates on strategy and recent news. At these meetings, there is also a forum where all members of staff can ask questions. Ingenta also retain an independent HR resource to ensure all HR issues are dealt with in accordance with best practice and all rules and regulations are adhered to. Decisions made which affect staff are opened up to feedback. An example of this being the return-to-work policy after Covid-19 restrictions which promoted a consideration of individual circumstances and requests resulting in the flexible working environment that exists today.

### Customer engagement

The Group has many customers of differing sizes and complexity with a variety of requirements. To best service them, the business has rolled out a new operating model to standardise its approach to all customers and provide a consistent level of service and support. The business also keeps regular contact with customers via account managers and user groups where demand exists so that our customers can feed back any issues, share experiences and help shape the development of our products. Each quarter software releases are made available and the Group considers the impact on customers by scheduling in convenient times for upgrades and also allowing change requests where appropriate. To ensure the business is keeping abreast of wider industry challenges, we actively participate in a variety of annual trade events.

### Supplier engagement

The Group makes every effort to ensure our suppliers are treated fairly and paid on time and on average they are paid within 29 days. Ingenta opposes modern slavery in all its forms and endeavours to make sure any concerns raised are investigated. Where offshore resourcing is used, the business meets the suppliers prior to contract signing to satisfy itself that they are operating in a responsible manner. Where appropriate, the Group have contracts in place which ensure clarity over the terms of the engagement.

### Company culture

The Board and senior management expect everyone in the Company to act in a responsible and ethical

manner because the reputation of the business is key to our success. The Group does not let cost concerns override its ethics and behaviour. For example, we only contract with offshore resourcing entities who commit to fair working practices. The Company is committed to minimising negative environmental impact in terms of energy usage at our offices, digitising our content and using responsible methods to dispose of electrical equipment. Feedback from all stakeholders allow the Board to monitor the Company's culture, as well as the ethical values and behaviours within the business.

### Principal risks and uncertainties

The Board has overall accountability to identify and manage risk to ensure the Group is well positioned to achieve growth and ongoing success. Each month, the Board review current operational and financial performance and any associated risks that could affect future prospects. The risks listed below are those we believe could have a material impact on results.

### Economic and political uncertainty

Global and domestic UK events can have adverse consequences for economic and political policy potentially impacting trade and investment decisions. Pandemics, war and economic policy have all had varying impacts on the business. From a Group revenue perspective, customers may delay or cancel decisions on new and discretionary spend until there is greater clarity. High inflation rates in the UK put pressure on input prices for goods and services which do not always align with the timing of the Group's revenue renewal cycle meaning margins can be impacted. To mitigate input price inflation, the Group has streamlined its infrastructure and related energy consumption requirements.

Additionally, bulk buying and pre purchasing options can be taken to obtain better prices for ongoing services. The Group has no debt beyond fixed interest leasing arrangements, therefore interest rate increases are not currently an issue.

Current conflicts and political unrest have not been identified as a key risk. The Group have no customers in Ukraine, Russia or states involved in the Gaza conflict, which unduly affect supplies of goods or services. Inflation resulting from conflict, as mentioned above, is having some impact but is being monitored and mitigated wherever possible.

The Group has modelled restrictions in new sales activity and predict the business will continue to operate profitably with sufficient working capital headroom.

### Sales risk

The major risks for future trading are converting sales of the Ingenta Content and Commercial product suite. Most of the business costs are fixed in the medium-term, being people and premises costs, and therefore there is a risk to Group profitability when budgeted revenue is not delivered as cost reductions will lag behind revenue reductions. To mitigate against this, management have reduced the fixed cost elements of the business by streamlining physical location costs. Management also undertakes detailed monthly revenue forecasting and assesses risk on an ongoing basis. Customer procurement processes remain difficult to predict, and any delays during contract negotiation will impact on the timing of project commencement, cash receipts and the level of revenue that can be recognised in the year. This is considered a principal risk for the business.

### Customer retention and dependence on key customers

The Group have a significant portion of revenue associated with several large customers. The Group is reliant on maintaining contracts and services with key customers to deliver financial results. Whilst the Group cannot control future customer decisions, the business aims to mitigate risk by maintaining close relationships and providing highly functional products along with quality services to support customers current and future requirements. As detailed in the Chairman's Statement, the Group is investing heavily in sales and marketing activities with the intention of building a large pipeline of new business to further mitigate these risks.

### Project risk

There are two principal project risks: risk of fixed priced projects running over and the risk on all projects where there is development required that we are unable to deliver to the specification agreed.

Fixed price project risk relates to the accuracy of project estimates and the time it will take to complete the tasks as specified in the customer contract. Management mitigate this risk by hiring skilled staff

who are able to estimate projects accurately and by building in a contingency to fixed priced contracts. Management also closely monitor contracts to ensure all work performed is in accordance with the agreement and any new requests are separately contracted for.

Management further mitigate the risk by taking on new projects on a time and materials basis wherever possible.

Projects requiring bespoke development also carry the risk that the development will not be able to be delivered in the way envisaged at the time of contract. Management take care to fully scope these development projects and use developers who understand the products and the complexities of building bespoke elements. This is considered a principal risk for the business.

### **IT infrastructure and cyber security risk**

Internal IT services are deployed onto fault tolerant platforms and spread over multiple locations including the Group's offices, co-location facilities, Infrastructure as a Service (IAAS) and Office365. Regular backups and securing of data offer multiple restore points in the event of a critical failure outside of the scope of the in-built resilience. E-mail is a cloud-based deployment that staff can access from any working PC/smart phone. Staff have access to cloud-based storage (OneDrive) in addition to co-location deployed file servers where data cannot be stored in e-mail. Key staff have mobile phones and access to resilient telephony services for the purposes of contacting each other and customers. Through remote working staff can access their data and customer sites in the event that it was not possible to gain access to our offices.

Customer facing services are monitored for both stability and performance and wherever possible proactive maintenance is undertaken to avoid performance problems and/or downtime. All

customer deployments are done to fault tolerant hardware either in one of our co-location facilities or to a cloud-based service, both offering high levels of resiliency and multiple, redundant access. Cyber security and data protection are considered within the Group's IT risk. A rolling quarterly cyber security training program has been rolled out to all employees

making them aware of current threats and guiding them on the correct actions to take. Data protection considerations are built into the IT infrastructure with internal data held securely and access restricted as necessary. For customer deployment risks, where Ingenta host data, the Group build in standard protection which can be further tailored for individual customer requirements. The Group's business continuity plan is available from multiple locations and is regularly updated to cover new services and deployments.

### **Foreign exchange risk**

The Group operates internationally creating an exposure to changes in foreign currency exchange rates. The risk is mitigated by matching of foreign currency receipts and payments wherever possible.

### **Staff recruitment and retention risk**

In a company with a high proportion of people-based revenue there is a risk of key staff leaving or being absent through sickness. This is mitigated by having appropriate notice periods built into employee contracts and ensuring there is adequate coverage for all staff roles with no individual solely responsible for significant revenue generation. Further, the Group now embraces a flexible working policy designed to augment basic pay and conditions which is seen as an important retention incentive. Staff recruitment can also be challenging to find candidates with the right qualifications and experience. To mitigate this, the Group use internal and external recruitment options to widen the available selection pool. As mentioned above, the Group's flexible and remote working capabilities means recruitment is not bound to physical premise location.

The Strategic Report is signed on behalf of the Board.

**Jon Sheffield** Chief Financial Officer

25 April 2025







# Board members

## Scott Winner

Chief Executive Officer

Scott Winner has served as the Chief Executive Officer of Ingenta since 2018 leading the Company with a strong vision, strategic foresight, and a commitment to driving long-term growth and value for shareholders. With over 20 years of experience in providing value to businesses through technology, Scott has successfully transformed Ingenta's operations and product lines to position Ingenta to be a leader in helping customers achieve the most value from their intellectual property.

Before joining Ingenta, Scott held positions at Pearson Education, Amplify Learning, and McGraw-Hill Education, where he successfully drove large initiatives and product line P&Ls.

## Jonathan Sheffield

Chief Financial Officer and  
Company Secretary

Jon is responsible for the financial well-being and stability of the organisation managing all aspects of reporting, compliance and investor communications.

An ACA qualified accountant, Jon spent the early part of his career in practice, latterly at PricewaterhouseCoopers LLP, managing audits and compliance over a broad range of companies and market sectors. Prior to joining Ingenta, he held similar finance roles in the IT and Retail industry.

## Martyn Rose

Chairman

Martyn Rose is a long standing and well-established entrepreneur, having started or become involved in many companies over his career and is Chairman and a non-executive director of Ingenta. Martyn has helped steer the Company toward its continued growth, stability and success since 1999 before the merger of Ingenta and VISTA International Limited to become Ingenta in 2007.

Martyn is also a qualified barrister and became Chairman of his first publicly listed company at the age of 34.

Apart from his commercial activities, he has chaired a number of charities as well as government initiatives.

**Mark Rowse**

Non-Executive Director

Mark Rowse is a media and publishing entrepreneur in the digital content area. After graduation from the University of Cambridge with a first-class honours degree in Law, Mark worked at investment bank NM Rothschild & Sons Limited in mergers and acquisitions. Following this he entered the media industry and since the mid 1990's Mark has principally worked in digital publishing and television.

In 1998 he founded Ingenta plc, taking the Company to a successful flotation in 2000 and is now a non-executive director of Ingenta. He is also a Trustee of a number of charities and has recently worked as part of a £35m non-profit pilot project to provide a safe community residential space for justice-involved women and their children as an alternative to a custodial prison sentence, which launched in Hampshire in 2023.

**Neil Kirton**

Non-Executive Director

Neil was formerly Co Head of EMEA and the London Office Head at Kroll's Investigations and Disputes business. He is also non-executive Chair at Warehouse REIT plc and a Senior Advisor at Smith Square Partners.

During his executive career he held a number of senior positions in the City including Global Head of Equity Sales, Head of UK Equity Sales, Head of Corporate Finance, Chief Executive and Board director at a UK listed Bank.

# Directors' report

The Directors present their report and the audited financial statements for the year ended 31 December 2024.

## Directors

The Directors of the Company who held office during the year were:

### Executive Directors

G S Winner, Chief Executive Officer

J R Sheffield, Chief Financial Officer

### Non-Executive Directors

M C Rose, Chairman

M A Rowse

N W Kirton

S J G White (resigned 18 July 2024)

The interests of Directors in the shares of the Company at 31 December 2024 are disclosed in the Directors' remuneration report.

## Corporate governance

Details of corporate governance for the year to 31 December 2024 are disclosed in the corporate governance statement. The Directors of the Company pay particular attention to maintain good working relationships with the Group's shareholders, customers, employees and suppliers. Further details are included on the Company website. The Directors continue to refine and embed the new Group structure and flexible operating practices which has the benefit of reducing risk within the business ensuring a stable foundation is in place for the benefit of all stakeholders.

## Research and development activities

The Group carries out research and development activities in connection with customer change controls, administration systems, web delivery, access control and linking technologies. All costs relating to these activities are charged to profit and loss within the Group Statement of Comprehensive Income as incurred. The charge to the Group Statement of Comprehensive Income was £1.2m (2023: £1.2m) in the year to 31 December 2024.

## Substantial shareholdings

At the latest shareholder register update for the quarter ended December 2024, the Company had been notified of the following shareholders who are

interested, directly or indirectly, in three percent or more of the issued share capital of the Company:

Name	Number of ordinary 10p shares	Percentage of issued ordinary share capital
M C Rose	4,134,417	28.50%
Kestrel Partners LLP	3,113,864	21.46%
Canaccord Genuity Wealth Management	1,275,000	8.79%
Hargreaves Lansdown	718,438	4.95%
Criseren Investments Limited	699,134	4.82%

## Financial risk management

Details of the Group's financial risks are given in note 23.

## Employment policy

Group employees are regularly consulted by Management and kept informed of matters affecting them and the overall development of the Group. The Group's policy is to give disabled people full and fair consideration for job vacancies, having due regard for their abilities and the safety of the individual. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and appropriate training is arranged.

## Directors' and officers' liability insurance

The Group, as permitted by sections 234 and 235 of the Companies Act 2006, maintains insurance cover on behalf of the Directors and Company Secretary indemnifying them against certain liabilities which may be incurred by them in relation to the Group.

## Future developments

The business is looking to accelerate its sales momentum by investing in specialist sales and marketing resources to complement the existing teams. The Group has confidence that the new generation of products now have a proven and referenceable customer base that this investment can leverage to build a larger and longer pipeline of new opportunities.

## Going concern

The accounts are prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management have taken into account all relevant available information about the future

including revenue, profit and cash forecast and management's ability to affect costs and revenues. The going concern assessment was made with reference to the forecast period ended 30 June 2026. Management regularly forecast profit, financial position and cash flows for the Group. The rolling annual forecast is updated monthly.

Revenue streams are forecast in detail by product and customer with all items categorised as being contractual, variable fees, other or forecasted new sales. All expense items are forecast at the transactional level. The Group forecasting model provides a monthly view of the Income Statement, Statement of Financial Position and Cash Flow Statement allowing further insight into expected patterns and trends.

As part of the review, management stress tested the forecast model for likely alternative scenarios. On the revenue side, the scenarios included making no sales to new customers to which management have satisfied themselves that the Group have sufficient liquidity and operational flexibility to trade through the going concern assessment period. Management believes they have adequate visibility over salary inflation and prices of other IT related inputs. Management believes these risks can be managed by using mitigating actions such as limiting hiring of new employees and reducing discretionary spend in marketing and capital expenditure.

As a result, Management have satisfied themselves that the identified risks do not impact on the going concern assessment.

Management have reviewed forecast costs for reasonableness against prior years and with knowledge of expected movements and concluded that forecast costs are robust.

As at 31 December 2024 the Group had net current assets of £2.5m (2023: £1.3m), which includes £2.0m (2023: £2.1m) of contract liabilities which will be recognised in the year ending 31 December 2025.

The Group has positive cash balances of £3.6m as at 31 December 2024 (2023: £2.7m). Management have assured themselves that cash is sufficient

for the needs of the business based on the cash flow forecast.

The major risks for future trading are the timing and extent of project work and new sales of products within the Ingenta Content and the Commercial product suite, which to some extent is reliant on the macro-economy and the willingness of data providers to commit to capital expenditure projects.

There remains an element of caution in the wider economy that adds uncertainty to financial forecasting and modelling. These cautionary factors include escalating global trade tariffs, conflict in Ukraine and a pessimistic view of economic activity in the UK. However, the Group continues to trade profitably and sales pipeline activity is strong and although timing of new sales wins is inherently uncertain, the Board are confident targets are achievable. The Group continues to embrace established flexible working practices which have been successful in supporting an adaptable operational structure which has positively impacted on services. The Group have no direct customer or supplier relationships in Ukraine, Russia or Gaza but remain vigilant of any wider impact on the business. Additionally, the Group have a US subsidiary to trade within the US market and at present tariffs are not applicable to software and services. The Group has modelled various downside scenarios and consider it appropriate to use the going concern basis to compile these financial statements.

### Statement of Directors' responsibilities

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 financial statements for each financial year. Under that law the Directors have elected to prepare the group financial statements in accordance with UK-adopted international accounting standards and have elected to prepare the parent company financial statement in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law including FRS 101 'Reduced Disclosure Framework'). 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 and profit or loss of the Company and Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

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

### Auditor

Grant Thornton UK LLP, offer themselves for re-appointment as auditor. A resolution to re-appoint Grant Thornton UK LLP will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board.

**G S Winner** Director

25 April 2025



# Corporate governance statement

The Board of Ingenta plc have adopted the Quoted Companies Alliance Corporate Governance Code (the QCA Code).

It is the Board's responsibility to ensure that the Ingenta Group is managed in the long-term interests of all shareholders and stakeholders in the business. The Board believes a strong and effective corporate governance culture is critical in this respect as we endeavour to grow a resilient and sustainable business for the benefit of our shareholders, customers, people and suppliers.

The QCA code is constructed around 10 broad principles which are detailed in full on the Company's website.

## Strategy and business model

Ingenta seeks to solve the unique problems faced by information providers. We tailor our suite of industry-specific technology products to create robust solutions to manage our customers' IP, content and advertising requirements.

Our business model is to deliver profitable services enabling us to invest in the development of software solutions that help our customers manage and monetise their Intellectual Property and content. We generate revenue via professional service fees for implementing our solutions, providing ongoing licence, hosting and support services plus a range of ancillary consulting services. We then reinvest some of these profits into our products and the development of next generation solutions to ensure we have the required product capabilities to deliver revenue and profit into the future.

The Group financial review provides further information on the results of the business.

## Risk management

The Board of Directors acknowledges its responsibility for the Group's system of risk management and internal control, including suitable monitoring procedures. There are inherent limitations in any system of risk management and internal control and accordingly, even the most effective system can provide only reasonable, and not absolute, assurance with respect to the preparation of financial information and the safeguarding of assets. The Group's control environment is the responsibility of the Group's Directors and managers at all levels.

The Directors and management have considered the risks facing the business with the key items discussed in the Group Risks and uncertainties section of the financial statements. These are assessed on an ongoing basis. Other risks which come under the direct control of the Directors include treasury management, capital expenditure, insurance, health and safety and regulatory compliance. Risk assessment includes the review of potential mitigations.

The Company has an established framework of internal controls covering the following areas:

- The Board reviews and approves Company strategy and the associated annual budgets.
- Monthly management information packs are produced which report performance to the Board and management team. These include income statements, balance sheets and cash flows. Actual results are reported against budget, latest forecast and prior year with an updated forecast for the expected full year outcome.
- Any new business goes through a deal review meeting to determine expected profitability and identify any risks and how they can be mitigated in the contract. New contracts must be signed by a member of the Board and where material they are reviewed by the Company's advisors.
- A Company-wide timesheet system is in place to enable management to effectively monitor projects, both internal and external, and report on profitability throughout the duration of the work.
- A clear organisational structure with defined levels of authority and approval.
- Close supervision of the daily operations by the Executive Directors and management team.
- Central control over banking facilities with defined authority limits.
- The Audit Committee reviews the independent audit findings report each year to ensure compliance with financial reporting regulations and that its internal control procedures are being adhered to and remain effective.

The Group continues to review its internal controls and will be including further key performance indicators

into the monthly reporting cycle to assist management and the Board in understanding the performance of the business. The Board considered the usefulness of appointing a dedicated legal counsel and internal audit function but decided in view of the size of the Group it was not effective to do so. This will be kept under review.

Further detail on the key risks faced by the business are set out in the Group risk and uncertainties section of the financial statements.

### Management framework

Ultimate responsibility for corporate governance lies with the Chairman of the Board. At present the Board comprises the Non-Executive Chairman, two Non-Executive Directors and two Executive Directors. N W Kirton is deemed to be an independent Board member.

The Board is satisfied that it has the right mix of skills covering finance, investor relations, technology and industry experience to enable it to discharge its duties and responsibilities effectively and is supported by an Audit and a Remuneration Committee which meet separately through the year. Any conflicts of interest at Board level are reviewed regularly through the year and disclosed at the Board meeting as appropriate.

There are normally eleven Board meetings scheduled as standard through the year with further meetings set up as required. In the year to 31 December 2024 there were eight Board meetings held with attendance records below:

Name	Attendance
G S Winner	8 out of 8
J R Sheffield	8 out of 8
M C Rose	5 out of 8
M A Rowse	8 out of 8
N W Kirton	8 out of 8
S J G White	5 out of 5

Each month the Board is supplied with a comprehensive management information pack covering financial performance for the month and forecast for the full year. The management team also provide an in-depth commentary on the divisional operations of the business to ensure the Board is kept abreast of the latest developments.

Executive Directors are required to work full time for the Group and expected to commit sufficient time to ensure the operational effectiveness of the business. Non-Executive Directors are required to commit sufficient time to analyse all the supplied monthly Board materials along with any further time necessary to complete designated action items as they arise over the year. Board meeting attendance is expected wherever possible either in person or remotely.

### Board of Directors

Between them, the Board members provide skills in finance and reporting, public markets, investor relations, technology and the publishing industry. These skills are kept up to date via training courses and current on the job experience. The Company's Nomad strengthens the Board's professional development by providing guidance and updates on corporate governance and regulatory matters as required.

The Board composition is under regular review and has made use of specialists in public markets and technology where the Board felt there was a need for additional expertise. All Directors can take independent professional advice in order that they can effectively carry out their duties and have access to the services of the Company secretary as required.

Each board member's biography is available on the Company's website and in the financial statements where it details their skills, experience and capabilities.

The Company secretary is responsible for guiding the Chairman and Board on their responsibilities and how those responsibilities should be discharged. This includes ensuring good information flows within the Board and its committees and also between senior management. Other responsibilities include shareholder relations, administration of the Company's records and ensuring compliance with legal and statutory requirements.

### Board performance

The Chairman continually monitors performance of the Board at the regular board meetings. The Executive Director roles of Chief Executive Officer and Chief Financial Officer are clearly defined with performance targets relating to Revenue, EBITDA and cash balances set each year. The Company's auditor provides an annual finding report which is used as a tool to identify

any areas of improvement for the Board, and these are reviewed and acted upon as appropriate. Where further training requirements have been identified, the Company then ensures that these are carried out.

In terms of succession planning, the Board are encouraged to maintain dialogue regarding individual member's future plans to enable the Company to complete an orderly transition. The succession process involves a thorough review of potential internal and external candidates to ensure the best person is selected. While no formal nomination committee has been established, Board and other senior management appointments are regularly considered at a Board level.

### Corporate culture

The Board and senior management expect everyone in the Company to act in a responsible and ethical manner because the reputation of the business is key to our success. The Company does not let cost concerns override its ethics and behaviour. For example, we only contract with offshore resourcing entities who commit to fair working practices. The Company is committed to minimising negative environmental impact in terms of energy usage at our offices, digitising our content and using responsible methods to dispose of electrical equipment.

The Company and staff are also active in the local community supporting charities and sponsoring good causes. Feedback from all stakeholders, as described in further detail on the Company's website, allow the Board to monitor the Company's culture, as well as the ethical values and behaviours within the business.

### Remuneration Committee

The Remuneration Committee is composed of three Non-Executive Directors: M C Rose (Chairman), M A Rowse and N W Kirton. It is responsible for the terms, conditions and remuneration of the Executive Directors and senior management. The Remuneration Committee may consult external agencies when ascertaining market salaries. The Chairman of the Remuneration Committee will be available at the AGM to answer any shareholder questions.

### Relations with shareholders

The Group gives high priority to its communication with shareholders. This is achieved through the Group's

website, correspondence and extensive corporate information. In addition, the Group visits its main institutional investors on an ongoing basis and makes available to all shareholders, free of charge, its Interim and Annual Reports online, from the Group's head office or via the Financial Times Annual Report Service. At the AGM the shareholders are given the opportunity to question members of the Board. The notice of the AGM is sent to shareholders at least 21 business days before the meeting.

On behalf of the Board.

**M C Rose** Chairman of the Audit Committee

25 April 2025

# Audit Committee report

## Role and composition of the Audit Committee

The Audit Committee has responsibility to monitor the integrity of the financial statements of the Group, review the adequacy of internal control and risk management systems and oversee the relationship with the external auditor. The Committee makes recommendations to the Board on any appropriate changes to the existing systems and processes as deemed necessary.

In compliance with the QCA Corporate Governance Code, the Audit Committee is comprised of three Non-Executive Directors for the year ended 31 December 2024:

- Martyn Rose (Chairman) 2 out of 2 meetings attended
- Mark Rowse 1 out of 2 meetings attended
- Neil Kirton 1 out of 2 meetings attended

## Responsibilities

The main responsibilities of the Audit Committee are:

- to review accounting policies and the integrity and content of the financial statements;
- to monitor the Group's internal controls;
- to consider the adequacy and scope of the external audit;
- to review significant issues identified by the external auditor in relation to the financial statements and determine how they are addressed; and
- to review and approve the statements to be included in the Annual Report.

The Group does not set a defined time period for the rotation of external auditor and instead appraises the situation on an ongoing basis weighing up overall performance, timeliness and value for money for the given scope of work and tier of audit firm. Grant Thornton LLP have been the Group auditor since 2003. There are no current plans to put the audit engagement out to tender.

The Group does not currently have an internal audit function however, there are continual monthly reconciliations of all general ledger accounts and detailed reporting to the Board for all variances to budget and forecast.

## Activities during the year

The Audit Committee met with both the external auditor and key internal management during the year and discussed the following matters:

- the presentation of the Group's audited full year results and the unaudited interim results;
- the Group's revenue recognition policies applied during the year;
- the carrying values of the Company's investment and intercompany receivables balances;
- the external auditors report on any deficiencies in the internal controls of the Group identified during the audit. The Group does not have an internal audit function and believes that, given the size of the business, this remains appropriate; and
- an assessment of the independence of the external auditor including a review of the non-audit services provided. The Audit Committee is satisfied there are no issues arising that impact on the external auditor's independence.

# Directors' remuneration report

The AIM Rules for Companies require the disclosure of certain information regarding the remuneration earned by each director. The Remuneration Committee comprises M C Rose (Chairman), M A Rowse and N W Kirton who are Non-Executive Directors. The Remuneration Committee decides the remuneration policy that applies to Executive Directors and senior management. The Remuneration Committee meets regularly in order to consider and set the annual remuneration for the Executive Directors, having regard to personal performance and industry remuneration rates.

In determining that policy, it considers a number of factors including:

- the basic salaries and benefits available to Executive Directors of comparable companies,
- the need to attract and retain Directors of an appropriate calibre, and
- the need to ensure Directors' commitment to the success of the Group.

Non-Executive Directors are appointed on a contract with a three-month notice period and may be awarded fees in relation to the Board and committee meetings attended. Any fee awards to Non-Executive Directors are determined by the Board. Non-Executive Directors do not participate in the Company's share

option scheme and do not receive the benefit of pension contributions.

The Group made contributions to externally administered defined contribution pension schemes for two Executive Directors.

The interests of the Directors on 31 December 2024 in the shares of the Company were as follows:

	Number of ordinary shares of 10p in Ingenta plc 31 December 2024	Number of ordinary shares of 10p in Ingenta plc 31 December 2023
M C Rose	4,134,417	4,134,417
M A Rowse	391,847	391,847
N W Kirton	44,250	44,250
G S Winner	22,000	22,000
J R Sheffield	13,872	13,872

## Directors' interests

The Directors at 31 December 2024 had an interest in 880,884 options over the ordinary shares. The Directors had no post-employment benefits, other long-term benefits, termination benefits or share-based payments in the year.

The market price of the Company's shares at the end of the year was 72.5p and the price ranged in the year between 70.5p and 191p.

## Directors' remuneration

	Salary and fees £'000	Benefits £'000	Sums paid to a third-party for Directors' services £'000	Pension contribution £'000	Total remuneration £'000	Group National Insurance Costs £'000	2024 Total cost of employment £'000	Restated 2023 Total remuneration £'000	Restated 2023 Total cost of employment £'000
G S Winner	245	17	-	4	266	16	282	245	261
J R Sheffield	162	-	-	41	203	23	226	203	228
M C Rose	48	-	48	-	96	5	101	86	90
M A Rowse	40	-	-	-	40	4	44	32	35
N W Kirton	40	-	-	-	40	4	44	32	35
S J G White	-	-	25	-	25	-	25	32	32
	535	17	73	45	670	52	722	630	681



Included in salary and fees are bonus payments of £nil to G S Winner (2023: £10K) and £nil to J R Sheffield (2023: £10K). Bonus payments are based on EBITDA and cash generation targets. The 2023 salary and fees have been restated to exclude the bonus paid in 2023 in respect of the 2022 financial year of £80K and to include the bonus paid in 2024 in respect of the 2023 financial year of £20K in line with Companies Act requirements.

### Share options

Director	Award date year	Fully vests year	Expires year	Exercise price £	Outstanding at 31 December 2023	Outstanding at 31 December 2024
G S Winner	2016	2018	2026	1.27	20,000	20,000
G S Winner	2019	2021	2029	0.74	340,136	340,136
G S Winner	2022	2024	2032	0.81	200,000	200,000
J R Sheffield	2016	2018	2026	1.27	5,000	5,000
J R Sheffield	2017	2019	2027	1.56	11,666	11,666
J R Sheffield	2019	2021	2029	0.74	204,082	204,082
J R Sheffield	2022	2024	2032	0.81	100,000	100,000
					880,884	880,884

On behalf of the Remuneration Committee.

**M C Rose** Chairman

25 April 2025

# Independent auditor's report to the members of Ingenta plc

## Opinion

### Our opinion on the financial statements is unmodified

We have audited the financial statements of Ingenta plc (the 'Parent Company') and its subsidiaries (the 'group') for the year ended 31 December 2024, which comprise the Group statement of comprehensive income, the Group statement of financial position, the Group statement of changes in equity, the Group statement of cash flows, the Company statement of financial position, the Company statement of changes in equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting 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 December 2024 and of the group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- Documenting our understanding of management's processes and controls implemented in the preparation of their going concern assessment;
- Obtaining and testing the mathematical accuracy of management's going concern assessment including cash flow forecasts covering a period of at least 12 months from the anticipated date of approval of the financial statements along with supporting sensitivity analysis;
- Obtaining an understanding of and challenging management's forecasts and assumptions, obtaining corroborating evidence and documentation to support key assumptions made;
- Assessing the relevance and reliability of data underpinning management's assessment;
- Comparing actual results with management's previous forecasts to assess the accuracy of management forecasting's ability and using this to determine any impact this may have on the reliance we can place upon the forecasts provided;
- Comparing the forecasts with our understanding of the Group and post year end results;
- Obtaining an understanding of and challenging the sensitivity analysis performed by management;
- Considering whether forecasts used within the going concern assessment are consistent with other forecasts provided and used in other areas of the audit;
- Enquiring whether management and those charged with governance are aware of events or conditions beyond the period of management's assessment that may cast significant doubt on the entity's ability to continue as a going concern; and
- Assessing the adequacy of related disclosures within the annual report.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as inflationary pressures and subsequent rising employee-related costs, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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

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

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

## Our approach to the audit



### Overview of our audit approach

Overall materiality:

Group: £206,000, which represents approximately 2% of the group's revenue.

Parent company: £189,000 which represents approximately 2% of the Parent Company's total assets.

Key audit matters were identified as:

- The revenue cycle includes fraudulent transactions (same as previous year); and
- Valuation of intercompany receivables (Parent Company only) (same as previous year).

Our auditor's report for the 31 December 2023 included no key audit matters that have not been reported as key audit matters in our current year's report.

We performed an audit of the financial information using component materiality ("full scope audit") of Ingenta UK Limited.

We performed specific scope procedures on the financial information of two components, being Ingenta PLC (the parent company) and Ingenta Inc, and specific audit procedures on a financial statement line item of one component, being Publishers Communication Group ("PCG") Inc

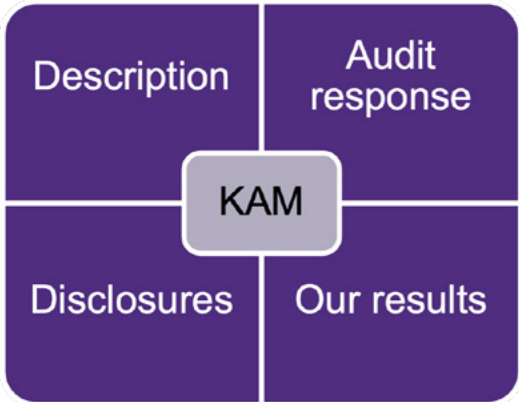
We also performed analytical procedures on the financial information of all the remaining Group components.

Our work performed covered 97% of the Group's revenue.



Key audit matters

Key audit matters are those matters that, in our professional judgement, 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) that we identified. These matters included those that 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 the graph below, we have presented the key audit matters, significant risks and other risks relevant to the audit.



**Key Audit Matter – Group****The revenue cycle includes fraudulent transactions (occurrence of revenue)**

We identified the risk that the revenue cycle includes fraudulent transactions as one of the most significant assessed risks of material misstatement due to fraud.

Group revenue totals £10.2m (2023: £10.8m) and revenue is the most significant item in the group statement of comprehensive income, impacting several key performance indicators as set out in the Strategic Report.

We applied an audit data analytics (ADA) approach to revenue which enabled us to identify transactions which did not follow an expected/normal cycle of revenue transactions or expected posting pattern for recognition of revenue and related payment by customer ("outliers"). We pinpointed the significant risk of material misstatement with regards to the occurrence of revenue on these outliers.

**Relevant disclosures in the Annual Report**

Financial statements:

- Note 1 Principal accounting policies, Revenue
- Note 2 Revenue

**How our scope addressed the matter – Group**

In responding to the key audit matter, we performed the following audit procedures:

- Obtained an understanding of the revenue recognition process and assessed whether relevant controls identified within the process were appropriately designed and implemented to mitigate the risk of fraud in revenue recognition;
- Assessed and tested the revenue recognition policies to ensure they were reasonable and applied both appropriately and consistently in accordance with IFRS15;
- Used our data analytics software to identify unusual transactions or postings within the revenue population. We assessed the account combination of every transaction impacting revenue or receivables during the period;
- As part of our procedures to corroborate that the underlying data was complete and accurate, we tested the operating effectiveness of the bank reconciliation controls;
- We tested a sample of revenue transactions for occurrence by agreeing to supporting evidence such as customer contract, invoice, remittance and cash receipt; and
- We tested any transactions that impacted accounts outside of our expectation (the outliers) and agreed these to supporting third party documentation.

**Our results**

Based on the audit procedures performed, we have not identified material misstatements relating to the occurrence of revenue.

## Key Audit Matter – Parent Company only

### Valuation of intercompany receivables

We identified the valuation of intercompany receivables (within the parent company only) as one of the most significant assessed risks of material misstatement due to error.

There are large intercompany receivable balances within the group with substantial estimation uncertainty in determining if the loans are impaired at the year end.

Due to the high level of estimation uncertainty present within the testing for impairment of these loans along with underperformance of actual results compared to forecasts in the period we have concluded this represents a Key Audit Matter.

In addition, the calculation of expected credit losses in accordance with IFRS 9 'Financial Instruments' includes significant judgements and estimates to be applied including the expected recovery of the amount's receivable and future cash flows of the subsidiary.

### Relevant disclosures in the Annual Report

- Parent Company Financial statements: Note 5, Trade and other receivables

## How our scope addressed the matter – Parent Company only

In responding to the key audit matter, we performed the following audit procedures:

- Obtained an understanding of the processes around intercompany receivables valuation, assessing whether relevant controls identified within the processes were appropriately designed and implemented;
- Obtained management's calculation of expected credit losses and evaluated the mathematical accuracy of the calculation and whether the methodology applied was in accordance with IFRS 9;
- Challenged the key assumptions used within the expected credit loss calculations including the expected value to be recovered in the event of a trade sale; and
- Assessed the adequacy of related disclosures within the annual report in compliance with the requirements of IFRS 9.

## Our results

Based on our audit work, we have not identified material misstatements relating to the valuation of intercompany receivables.

### Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

Materiality measure	Group	Parent company
<b>Materiality for financial statements as a whole</b>	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£206,000 (2023: £217,000), which represents approximately 2% of the Group's revenue.	£189,000 (2023: £301,600), which represents approximately 2% of the Parent Company's total assets.
Significant judgements made by auditor in determining materiality	<p>In determining materiality, we made the following significant judgements:</p> <ul style="list-style-type: none"> <li>■ We determined revenue to be the most appropriate benchmark for the Group because revenue is a key performance indicator for the Group and there is volatility in profit before tax.</li> <li>■ We consider 2% to be an appropriate benchmark percentage as this is a listed Group with no external debt.</li> </ul> <p>Materiality for the current year is lower than the level that we determined for the year ended 31 December 2023 because of a decrease in the Group's revenue.</p>	<p>In determining materiality, we made the following significant judgements:</p> <ul style="list-style-type: none"> <li>■ We determined total assets to be the most appropriate benchmark as it reflects the company's status as a non-trading holding company.</li> <li>■ We consider 2% to be an appropriate benchmark percentage as this is a listed company with no external debt.</li> </ul> <p>Materiality for the current year is lower than the level that we determined for the year ended 31 December 2023 because of a reduction in the total assets of the company.</p>



Materiality measure	Group	Parent company
<b>Performance materiality used to drive the extent of our testing</b>	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.	
Performance materiality threshold	<p>£144,200 (2023, £151,900) which is 70%) of financial statement materiality.</p> <p>The range of component performance materialities used across the group was £79,000 to £123,000.</p>	£132,000 (2023: £211,400) which is 70%) of financial statement materiality.
Significant judgements made by auditor in determining performance materiality	<p>In determining performance materiality, we considered the following significant matters in forming our judgements:</p> <ul style="list-style-type: none"> <li>■ Having considered the level of misstatements identified in the prior period and the control environment of the Group, we determined that it was appropriate to maintain the performance materiality threshold at 70%, as used in the prior year.</li> </ul>	<p>In determining performance materiality, we considered the following significant matters in forming our judgements:</p> <ul style="list-style-type: none"> <li>■ Having considered the level of misstatements identified in the prior period and the control environment of the parent company, we determined that it was appropriate to maintain the performance materiality threshold at 70%, as used in the prior year.</li> </ul>
<b>Specific materiality</b>	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements	
Specific materiality	<p>We determined a lower level of specific materiality for the following areas:</p> <ul style="list-style-type: none"> <li>■ Directors' remuneration; and</li> <li>■ related party transactions outside of the normal course of the business.</li> </ul>	<p>We determined a lower level of specific materiality for the following areas:</p> <ul style="list-style-type: none"> <li>■ Directors' remuneration; and</li> <li>■ related party transactions outside of the normal course of the business.</li> </ul>

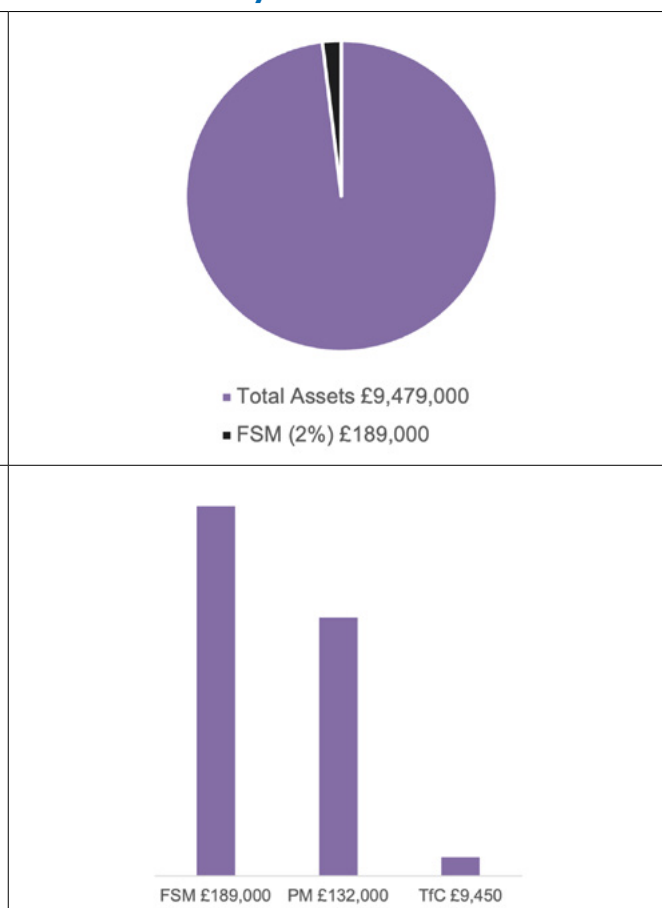
Materiality measure	Group	Parent company
<b>Communication of misstatements to the audit committee</b>	We determine a threshold for reporting unadjusted differences to the audit committee.	
Threshold for communication	£10,300 (2023: £10,900) which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£9,450 (2023: £15,100), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality and the range of component performance materiality interacts with our overall materiality and the threshold for communication to the audit committee.

#### Overall materiality - Group



#### Overall materiality - Parent



FSM: Financial statement materiality, PM: Performance materiality  
RoPM: Range of performance materiality at three components  
TFC: Threshold for communication to the audit committee

## An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the group's and the parent company's business and in particular matters related to:

## Understanding the group, its components, their environments, and its system of internal control including common controls

- Our audit approach was founded on a thorough understanding of the Group's and parent company's business, its environment and risk profile. The Group's accounting process is primarily resourced through a central function within the United Kingdom with local finance functions in the US which report into the central Group finance function. We obtained an understanding of the Group and its environment, including common controls, and assessed the risks of material misstatement at the Group level.
- In our identification of components we considered our evaluation of:
  - the Group's operational structure
  - the existence of common information systems
  - the existence of common management across entities
  - the existence of common risk profiles across entities
  - our ability to perform audit procedures centrally.
- We obtained an understanding of the business processes for all significant classes of transactions, including significant risks, in order to confirm our understanding of the control environment across the Group and its entities.
- We documented and assessed the design and implementation effectiveness of controls related to key audit matters and other significant risks identified.

## Identifying components at which to perform audit procedures

- We determined the components at which to perform further audit procedures, by considering the following:
  - Components required to be in scope due to individually including a risk of material misstatement to the Group financial statements subsequent to their specific nature or circumstances;

- Components required to be in scope due to the nature and size of assets, liabilities and transactions at the component (being of financial significance to one or more scoped items that it is required to be in scope); and
- Components required to be in scope to obtain sufficient appropriate audit evidence for significant classes of transactions, account balances and disclosures, or for unpredictability.

## Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group auditor. For the one full scope component and two specific scope components, audit procedures were performed directly by the Group auditor. Our work included:

- Full-scope audit procedures on the financial information of one component, being Ingenta UK Limited. This full-scope audit included the work on the identified key audit matter relating to revenue recognition;
- Specific scope procedures on the financial information of two components, being Ingenta plc and Ingenta Inc. This work included the procedures on the identified key audit matters of the valuation of intercompany receivables in Ingenta plc and occurrence of revenue in Ingenta Inc. as described above;
- Specific audit procedures on a financial statement line item of one component, PCG, to ensure we achieved sufficient coverage; and
- Analytical procedures using Group materiality on the financial information of all remaining Group components.

## Performance of our audit

Further audit procedures performed on components subject to specific scope and specified procedures may not have included testing of all significant account balances of such components, but further audit procedures were performed on specific accounts within that component that we, the group auditor, considered had the potential for the greatest

impact on the group financial statements either due to risk, size or coverage.

The components within the scope of further audit procedures accounted for the following percentages of the Group's results, including the key audit matters identified:

Audit approach	No. of components	% coverage revenue
Full-scope audit	1	72%
Specific scope procedures	3	24%
<b>Full-scope and specific scope procedures coverage</b>	4 (2023: 3)	97% (2023: 100%)
<b>Analytical procedures</b>	13 (2023: 14)	3% (2023: 0%)
<b>Total</b>	17 (2023: 17)	100%

### Changes in approach from previous period

- We note that in the current year there was a change in scope for Ingenta Inc and Ingenta plc. In Ingenta Inc specified audit procedures were performed as opposed to a full scope audit performed in the prior year, which was driven by the coverage required for group audit. Specifically for Ingenta plc, this required an increase in scope to meet coverage requirements.

### Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

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

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

### Matter on which we are required to report under the Companies Act 2006

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

### Matters on which we are required to report by exception

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

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



## Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on pages 25 and 26, 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Parent Company and the Group and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks, the AIM rules for Companies and the relevant taxation regulations in the jurisdictions in which the Parent Company and Group operates. In addition to these, we also concluded laws and regulations relating to

health and safety, employees, environmental, social and anti-bribery and corruption practices were applicable.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Parent Company and the Group and sector in which they operate through our commercial and sector experience, making enquiries of management and those charged with governance, and inspection of the Parent Company's and the Group's key external correspondence. We corroborated our enquiries through our inspection of board minutes and other information obtained during the audit.
- We understood how the Group is complying with those frameworks by making enquiries of management and we corroborated our enquiries through our review of Board minutes and papers provided to the Board, as well as consideration of the results of our audit procedures across the Group.
- We assessed the susceptibility of the Parent Company's and the Group's financial statements to material misstatement, including how fraud might occur, by considering management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to areas of the financial statements characterised by judgement and estimation uncertainty, including revenue occurrence and the use of journal entries.
- Our audit procedures included:
  - Gaining an understanding of the relevant controls that management has in place to prevent and detect fraud and evaluating the design and implementation of these controls;
  - Challenging significant accounting assumptions, estimates and judgements made by management, including those relevant to the estimation and judgemental areas with a risk of fraud, including potential management bias;
  - Journal entry testing, with a focus on journals indicating large or unusual transactions or account combinations based on our understanding of the business;

- Obtaining an understanding of, and testing, significant identified related party transactions; and
- Performing audit procedures to assess the compliance of disclosures in the financial statements with the applicable financial reporting framework requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the group audit team's members included consideration of the group audit team members':
  - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
  - Knowledge of the industry in which the Parent Company and the Group operates; and
  - Understanding of the legal and regulatory requirements specific to the Parent Company and the Group, including the provisions of the applicable legislation and the applicable statutory provisions.
- Communications within the group audit team in respect of potential non-compliance with laws and regulations and fraud included the areas of the financial statements where estimation and judgement, including potential management bias, is applied in the occurrence of revenue, as well as management override of controls in the preparation of the financial statements. The risk that the revenue cycle includes fraudulent transactions (occurrence of revenue) is also reported as a key audit matter in

the key audit matter section of our report, where the matter is explained in more detail and the specific procedures we performed in response are described in more detail.

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.

### Andrew Turner FCA

Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Birmingham

25 April 2025

# Group statement of comprehensive income

	Note	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Group revenue	2	10,199	10,825
Cost of sales		(5,214)	(5,429)
<b>Gross profit</b>		<b>4,985</b>	<b>5,396</b>
Sales and marketing expenses		(750)	(757)
Administrative expenses		(2,408)	(2,590)
<b>Profit from operations</b>	5	<b>1,827</b>	<b>2,049</b>
Finance costs	7	(2)	(17)
<b>Profit before income tax</b>		<b>1,825</b>	<b>2,032</b>
Income tax	8	(546)	267
<b>Profit for the year attributable to equity holders of the parent</b>		<b>1,279</b>	<b>2,299</b>
Other comprehensive expenses which will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		78	(190)
<b>Total comprehensive profit for the year attributable to equity holders of the parent</b>		<b>1,357</b>	<b>2,109</b>
<b>Basic profit per share (pence)</b>	9	<b>8.81</b>	<b>15.82</b>
<b>Diluted profit per share (pence)</b>	9	<b>8.60</b>	<b>15.50</b>

All activities are classified as continuing.

The accompanying notes form part of these financial statements.

# Group statement of financial position

	Note	31 Dec 24 £'000	31 Dec 23 £'000
<b>Non-current assets</b>			
Goodwill	10	2,661	2,661
Other intangible assets	11	–	–
Property, plant and equipment	12	121	93
Deferred tax asset	17	1,108	1,622
		3,890	4,376
<b>Current assets</b>			
Trade and other receivables	13	2,065	2,185
Cash and cash equivalents	14	3,619	2,676
		5,684	4,861
<b>Total assets</b>		<b>9,574</b>	<b>9,237</b>
<b>Equity</b>			
Share capital	19	1,510	1,512
Capital redemption reserve		182	180
Merger reserve		11,055	11,055
Reverse acquisition reserve		(5,228)	(5,228)
Share option reserve		172	140
Translation reserve		(410)	(488)
Retained earnings		(856)	(1,510)
<b>Total equity</b>		<b>6,425</b>	<b>5,661</b>
<b>Non-current liabilities</b>			
Deferred tax liability	17	2	–
Leases	18	–	–
		2	–
<b>Current liabilities</b>			
Trade and other payables	15	1,159	1,218
Provisions	15	–	307
Contract liabilities		1,988	2,051
		3,147	3,576
<b>Total liabilities</b>		<b>3,149</b>	<b>3,576</b>
<b>Total equity and liabilities</b>		<b>9,574</b>	<b>9,237</b>

The financial statements were approved by the Board of Directors and authorised for issue on 25 April 2025 and were signed on its behalf by:

**J R Sheffield** Director

**G S Winner** Director

Registered number: 00837205.

The accompanying notes form part of these financial statements.

# Group statement of changes in equity

	Share capital £'000	Capital redemption reserve £'000	Merger reserve £'000	Reverse acquisition reserve £'000	Translation reserve £'000	Retained earnings £'000	Share option reserve £'000	Total attributable to owners of parent £'000
At 1 January 2023	1,512	180	11,055	(5,228)	(298)	(3,264)	117	4,074
Dividends paid	–	–	–	–	–	(545)	–	(545)
Share options granted in the year	–	–	–	–	–	–	23	23
Transactions with owners	–	–	–	–	–	(545)	23	(522)
Profit for the year	–	–	–	–	–	2,299	–	2,299
Foreign exchange differences on translation foreign operations	–	–	–	–	(190)	–	–	(190)
Total comprehensive income for the year	–	–	–	–	(190)	2,299	–	2,109
<b>Balance at 31 December 2023</b>	<b>1,512</b>	<b>180</b>	<b>11,055</b>	<b>(5,228)</b>	<b>(488)</b>	<b>(1,510)</b>	<b>140</b>	<b>5,661</b>
Dividends paid	–	–	–	–	–	(596)	–	(596)
Shares purchased and cancelled	(2)	2	–	–	–	(29)	–	(29)
Share options granted in the year	–	–	–	–	–	–	32	32
Transactions with owners	(2)	2	–	–	–	(625)	32	(593)
Profit for the year	–	–	–	–	–	1,279	–	1,279
Foreign exchange differences on translation foreign operations	–	–	–	–	78	–	–	78
Total comprehensive income for the year	–	–	–	–	78	1,279	–	1,357
<b>Balance at 31 December 2024</b>	<b>1,510</b>	<b>182</b>	<b>11,055</b>	<b>(5,228)</b>	<b>(410)</b>	<b>(856)</b>	<b>172</b>	<b>6,425</b>



# Group statement of cash flows

	Note	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Profit before taxation		1,825	2,032
<b>Adjustments for</b>			
Depreciation and amortisation		56	288
Profit on disposal of fixed assets		(1)	–
Interest expense		2	17
Share based payment charge		32	23
Decrease/(increase) in trade and other receivables		121	(276)
Decrease in trade and other payables and contract liabilities		(44)	(1,112)
(Decrease)/increase in provisions		(307)	168
Cash inflow from operations		1,684	1,140
Tax paid		(30)	(7)
Net cash inflow from operating activities		1,654	1,133
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment		(84)	(80)
Net cash used in investing activities		(84)	(80)
<b>Cash flows from financing activities</b>			
Interest paid		(2)	(17)
Payment of lease liabilities		–	(192)
Dividends paid		(596)	(545)
Cost of shares repurchased and cancelled in the year		(29)	–
Net cash used in financing activities		(627)	(754)
Net increase in cash and cash equivalents		943	299
Cash and cash equivalents at the beginning of the year	14	2,676	2,376
Exchange difference on cash and cash equivalents		–	1
Cash and cash equivalents at the end of the year	14, 21	3,619	2,676

The accompanying notes form part of these financial statements.

# Notes to the Group financial statements

For the year ended 31 December 2024

## General information and nature of operations

Ingenta plc (the 'Company') and its subsidiaries (together the 'Group') is a provider of content management, advertising and Commercial enterprise solutions and services to publishers, information providers, academic libraries and institutions. The nature of the Group's operations and its principal activities are set out in the Chairman's statement and Group Strategic report.

The Company is incorporated in the United Kingdom under the Companies Act 2006. The Company's registration number is 00837205 and its registered office is Suite 2, Whichford House, Parkway Court, John Smith Drive, Oxford, OX4 2JY. The consolidated financial statements were authorised by the Board of Directors for issue on 25 April 2025.

## 1. Principal accounting policies

New Standards adopted as at 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants – Amendments to IAS 1;
- Lease Liability in Sale and Leaseback – Amendments to IFRS 16; and
- Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7.

There are no accounting standards that are not yet effective that would be expected to have a material impact on the Group.

### Standards and interpretations not yet applied by the Group

The following new standards and interpretations, which are yet to become mandatory and have not been applied in the Group's financial statements, are not expected to have a material impact on the Group's financial statements.

- Amendments to IAS 21 – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025);
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2026);
- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027);

Management is currently assessing the detailed implications of applying the following new standard:

- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027).

### Going concern

The accounts are prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, management have taken into account all relevant available information about the future including revenue, profit and cash forecast and management's ability to affect costs and revenues. The going concern assessment was made with reference to the forecast period ended 30 June 2026.

Management regularly forecast profit, financial position and cash flows for the Group. The rolling annual forecast is updated monthly.

Revenue streams are forecast in detail by product and customer with all items categorised as being contractual, variable fees, other or forecasted new sales. All expense items are forecast at the transactional level. The Group forecasting model provides a monthly view of the Income Statement, Statement of Financial Position and Cash Flow Statement allowing further insight into expected patterns and trends.

As part of the review, management stress tested the forecast model for likely alternative scenarios. On the revenue side, the scenarios included restricted consultancy project work and making no sales to new customers to which management have satisfied themselves that the Group have sufficient liquidity and operational flexibility to trade through the going concern assessment period. Management believes they have adequate visibility over salary inflation and prices of other IT related inputs. Management believes these risks can be managed by using mitigating actions such as limiting hiring of new employees and reducing discretionary spend in marketing and capital expenditure. As a result, Management have satisfied themselves that the identified risks do not impact on the going concern assessment.

## 1. Principal accounting policies (continued)

Management have reviewed forecast costs for reasonableness against prior years and with knowledge of expected movements and concluded that forecast costs are robust.

As at 31 December 2024 the Group had net current assets of £2.5m (2023: £1.3m), which includes £2.0m (2023: £2.1m all of which was recognised through revenue in 2024) of contract liabilities which will be recognised in the year ending 31 December 2025.

The Group has positive cash balances of £3.6m as at 31 December 2024 (2023: £2.7m). Management have assured themselves that cash is sufficient for the needs of the business based on the cash flow forecast.

The major risks for future trading are the timing and extent of project work and new sales of products within the Ingenta Content and the Commercial product suite, which to some extent is reliant on the macro-economy and the willingness of data providers to commit to capital expenditure projects.

There remains an element of caution in the wider economy that adds uncertainty to financial forecasting and modelling. These cautionary factors include conflict in Ukraine and a pessimistic view of economic activity in the UK. However, the Group continues to trade profitably and sales pipeline activity is strong and although timing of new sales wins is inherently uncertain, the Board are confident targets are achievable. The Group continues to embrace established flexible working practices which have been successful in supporting an adaptable operational structure which has positively impacted on services. The Group have no direct customer or supplier relationships in Ukraine, Russia or Gaza but remain vigilant of any wider impact on the business. The Group has modelled various downside scenarios and consider it appropriate to use the going concern basis to compile these financial statements.

### Basis of preparation

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below.

These accounting policies have been consistently applied to all years presented throughout the Ingenta Group. The financial statements have been prepared under the historical cost convention.

### Statement of compliance

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards ("IASs").

### Significant accounting estimates and judgements

When preparing the financial statements management make estimates, judgements and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgements, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

#### Deferred tax assets

The assessment of the probability of future taxable income against which deferred tax assets can be utilised is based on the Group's approved budget for the following year, which is adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. In line with goodwill impairment testing detailed in note 10, management believe a five-year forecast period is suitable to assess deferred tax. The five-year forecast horizon is reasonable based on past experience, contracted terms and the long lead times required for transition off software platforms. The approved budget is applied to the five-year forecast period adjusting for any confirmed events. Sensitivity analysis was performed on the forecast and although management believe that profitability levels can be reasonably controlled given the contract terms and associated notice periods the assessment of deferred tax is sensitive to changes in profitability which could materially impact its estimated carrying value. Were profit before tax in each year to be 10% higher or 10% lower this would impact the deferred tax asset by £111K.

The tax rules in the numerous jurisdictions in which the Group operates are also carefully taken into consideration. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilised without a time limit, that deferred tax asset is usually recognised to the extent it can be used over the subsequent five-year period. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties are assessed individually by management based on the specific facts and circumstances. Uncertainty is a factor in predicting future profitability and tax rates but estimates are updated each year to reflect current conditions and expectations.

The assessment is over a rolling five-year period which means there is no resolution to estimation uncertainties.

## 1. Principal accounting policies (continued)

### Accounting judgement

#### Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Costs relating to ongoing obligations of customer contracts are expensed. Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is only capitalised if all of the following conditions are met:

- completion of the intangible asset is technically feasible so that it will be available for use or sale;
- the Group intends to complete the intangible asset and use or sell it;
- the Group has the ability to use or sell the intangible asset;
- the intangible asset will generate probable future economic benefits. Among other things, this requires that there is a market for the output from the intangible asset or for the intangible asset itself, or, if it is to be used internally, the asset will be used in generating such benefits;
- there are adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the expenditure attributable to the intangible asset during its development can be measured reliably.

The Board have taken into account the inherent risks in all research and development expenditure and specifically the expenditure being incurred by the business in the year and have concluded that the requirements of IAS 38 to capitalise development expenditure have not been met. The Group do not currently build significant new products, preferring customer-led development and consultancy work.

#### Basis of consolidation

The Group financial statements consolidate those of the parent Company and all of its subsidiaries as of 31 December 2024. All subsidiaries have a reporting date of 31 December 2024.

Subsidiary undertakings are those entities controlled directly or indirectly by the Company. Control arises when the Company has the power to govern the financial and operating policies of an entity, uses this power to affect the returns from that entity and has exposure to variable returns from its investment in the entity.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Unrealised gains on transactions between the Group and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Investments in Joint Ventures are initially recognised at cost and subsequently accounted for using the equity method. Any goodwill or fair value adjustment attributable to the Group's share in the Joint Venture is not recognised separately and is included in the amount recognised as investment in Joint Ventures. The carrying amount of the investment in Joint Ventures is increased or decreased to recognise the Group's share of the profit or loss and other comprehensive income of the Joint Venture, adjusted where necessary to ensure consistency with the accounting policies of the Group. Unrealised gains and losses on transactions between the Group and its Joint Ventures are eliminated to the extent of the Group's interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment.

## 1. Principal accounting policies (continued)

### Property, plant and equipment

Property, plant and equipment is stated at cost, net of depreciation and any provision for impairment.

#### Depreciation

Depreciation is calculated using the straight – line method to allocate the cost of assets less their estimated residual value over their estimated useful lives, as follows:

Office building – over the term of the lease

Leasehold Improvements – over the term of the lease

Computer equipment – three years

Fixtures, fittings and equipment – five years

The residual value and the useful life of each asset are reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) are accounted for as a change in an accounting estimate.

#### Disposal of assets

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised within profit or loss within the Group Statement of Comprehensive Income.

### Intangible assets

#### Goodwill

Goodwill arose on the merger in 2007 between Vista and Ingenta to create the enlarged Ingenta Group. Although the Group has a number of software products and associated services the Group is managed as a single operating segment and cash generating unit which represents the lowest level at which goodwill is monitored for internal management purposes. The synergies of the combination are expected to benefit all group activities. Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary at the date of acquisition.

Goodwill is tested annually for impairment and is carried at cost less accumulated impairment losses. Impairment losses are recognised immediately in the income statement and are not subsequently reversed.

Goodwill arising on acquisitions before the date of transition to IFRS has been retained at the previous UK GAAP amounts subject to being tested for impairment at that date and at least annually thereafter.

#### Technology based intellectual property

Intangible assets relating to the technology acquired from business combinations that qualify for separate recognition are recognised as intangible assets at their fair value. The assets are valued using a discounted cash flow model for the revenues they will generate over the next five years.

The asset is amortised on a straight-line basis over a five-year period. Residual values and useful lives are reviewed at each reporting date. Amortisation is included within amortisation of non-financial assets.

#### Impairment of intangibles and property, plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Goodwill, other individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.



## 1. Principal accounting policies (continued)

### Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Financial assets and financial liabilities are measured initially at fair value plus transactions costs, except for financial assets and financial liabilities carried at fair value through profit or loss, which are measured initially at fair value. Financial assets and financial liabilities are measured subsequently as described herein.

### Financial assets

#### Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified as at amortised cost. In the periods presented the corporation does not have any financial assets categorised as fair value through other comprehensive income (FVOCI).

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

#### Subsequent measurement of financial assets

Financial assets are measured at amortised cost if the assets meet the following conditions and are not designated as fair value through profit or loss (FVTPL):

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

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

## 1. Principal accounting policies (continued)

### Trade receivables

Trade receivables are recognised initially at transaction price in accordance with IFRS 15 and subsequently reviewed for expected credit losses in line with IFRS 9. In measuring the expected credit losses, the trade receivables have been assessed on an individual basis. Where trade receivables were found to be individually impaired an allowance for credit losses has been recorded within "sales and marketing" in the Group Statement of Comprehensive Income. This allowance has been determined by reference to expected receipts after considering historical experience, readily available external indicators and forward-looking information. Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within six months from the invoice date, failure to engage with the Group on alternative future payment arrangements and bankruptcy or administration of the customer are indicators of a potential expected credit loss. The Group has a stable customer base with strong relationships built up over time allowing it to make reasonable assessments of recoverability. Most trade receivables relate to customers ongoing ability to function and past experience indicates the balances are recoverable subject to any future information that becomes available. Where an expected credit loss is recognised it will be significantly influenced by additional forward-looking information such as industry discussion papers, repayment plan reasonableness and direct account management negotiation. When a trade receivable is uncollectible, it is written off against the credit loss provision. Subsequent recoveries of amounts previously provided for are credited against 'Sales and marketing expenses' in the Group Statement of Comprehensive Income.

### Financial liabilities

The Group's financial liabilities include lease liabilities and trade and other payables.

### Trade payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### Leased assets

#### The Group as a lessee

For any contracts entered into, the Group considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

#### Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the Statement of Financial Position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

## 1. Principal accounting policies (continued)

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

In the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits together with other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

### Equity

Share capital represents the nominal value of shares that have been issued.

The share premium account represents the amounts paid for shares issued in excess of the nominal value.

The translation reserve within equity relates to foreign currency translation differences arising on the translation of the Group's foreign entities. Retained earnings include all current and prior year retained profits and losses.

Reverse acquisition reserve and merger reserve represent balances arising on the acquisition of Ingenta plc in 2007. The IFRS 3 acquisition adjustment reflects the entries required under reverse acquisition accounting, whereby consolidated shareholders' funds comprise the capital structure of the legal parent combined with the reserves of the legal subsidiary and the post-acquisition reserves of the parent.

The share option reserve relates to a cumulative charge made in respect of share options granted by the Company to the Group's employees under its employee share option plans.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transactions costs and the related income tax effect, is included in equity attributable to the Company's equity holders.

### Operating segments

IFRS 8 requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes used by the Chief Operating Decision Maker (CODM). The Directors believe that the CODM is the Executive Board.

The internal management accounting information is prepared on an IFRS basis but uses EBITDA as the primary measure of profitability. This is reconciled in the notes to the accounts.

### Revenue

The Group is organised on a global basis and provides a range of products and services that are split into two categories depending on the type of business requirement the software or related service caters for:

- **Ingenta Commercial** – 'back end' operational systems designed to manage Intellectual Property rights, royalties and advertising space within publications. The software products included are the Commercial suite of modules, Vista and Ad depot (Advertising).
- **Ingenta Content** – internet based software platforms designed to distribute digital content via the internet and services to sell and promote customer's published content. The software products include Edify and Ingenta connect and the sales promotion services are delivered by Publishers Communication Group (PCG).

## 1. Principal accounting policies (continued)

Within these two categories, the following revenue streams are applicable:

- **Licences.** Only applicable when an on premise perpetual licence to use software is sold. Any concept of a licence to access internet based software forms part of the hosted services revenue stream and is not separately identified.
- **Consulting services.** Includes all time-based services work typically for change requests or implementation projects.
- **Hosted services.** Includes fees to host software.
- **Managed services.** Includes fees to perform ongoing operational tasks linked to the running of software over time such as day end routines.
- **Support and upgrade.** Includes fees to provide user support for the software and access to upgrades when they become available.
- **PCG.** Includes monthly retainer revenue to provide sales representation services along with commission revenue for any sales achieved.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value added tax, returns, rebates and discounts after eliminating sales within the Group.

To determine whether to recognise revenue, the Group follows a five-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Where certain services are sold as multi element arrangements, the Group evaluates the separability of the goods or services based on whether they are distinct. A good or service is distinct if both:

- the customer benefits from the item either on its own or together with other readily available resources, and
- it is 'separately identifiable' (i.e. the Group does not provide a significant service integrating, modifying or customising it).

### Licence revenue recognition

Licence revenue is only reported separately for sales of perpetual, right to use software licences.

Perpetual software licence revenues are recognised at a point in time if there are no associated implementation requirements. This will only occur where an existing customer purchases additional licences to increase the number of users on an existing installed software system.

## 1. Principal accounting policies (continued)

Where perpetual software licences require consulting services to make the licences usable, the licence revenue is linked to the consulting services and is recognised over the period of the associated consulting services on a percentage complete basis. The software is deployed immediately onto the customer network and consulting services are used to perform integration work which enhances the software's functionality. The customer has benefit from the software over the implementation and gains increased benefit as the functionality extends. The percentage complete assessment is made by reference to the estimated project days in the project planning documentation, amended for project change requests and the days worked on the project to the year end.

Right to access software licences for internet-based platforms cannot be separately distinguished from the hosting, and support and upgrade revenue. Any licence component is bundled together with hosting, support and upgrade and reported under the hosting services category.

Any bundled licences are deemed to be a right to access the software and revenue is recognised over time as part of hosted services revenue and taken in equal instalments over the period of the contract from the point the software is functional.

### Consulting services revenue recognition

Revenue recognition of consulting services depends on the contractual terms. Consulting services are distinct and related to customer specific change requests that enhance assets that are controlled by the customer including right to use software platforms, enhanced customer owned data, reports or other infrastructure. The customer has access to the software throughout the consulting phase and gets benefit from the consulting work as functionality is expanded over time. The performance obligation is to provide bespoke, customer specific time-based consultancy services.

Fixed price consulting contracts are recognised over time on the percentage of completion method. This is assessed by reference to the estimated project days in the project planning documentation, amended for project change requests and the days worked on the project to the year end.

Variable price consulting services contracts are on a time and materials basis and revenue is recognised over time as work is performed. The amount of revenue is calculated by the number of days worked at the contracted day rate.

Consulting services normally last for less than 12 months and payment terms are always in instalments during the period. As such, the Group does not adjust the receivable amounts for the effects of financing.

### Hosted services, Managed services and Support and upgrade revenue recognition

Revenues collected or billed in advance for hosted services, managed services and support and upgrade revenue are recorded as contract liabilities and recognised evenly over the period to which the service relates. In all cases, the performance obligation is to provide a service evenly over a contracted period of time.

Also included within Hosted services are pay per view royalties. Pay per view revenue is recognised at a point in time when digital content, hosted on our software, is delivered to a customer. The performance obligation is to deliver content and facilitate a transfer of money for the purchase.

### PCG revenue recognition

A proportion of the revenues are charged as a retainer for services provided throughout the period. These revenues are recognised over time as the performance obligation is to provide a dedicated sales representative over a contracted period.

Some revenues are earned on a commission basis associated with selling publishers' content. This revenue is recognised at a point in time when commission is earned which contractually is when PCG's publishing customer invoices the end user for the services sold by PCG. In some cases, PCG invoices the end user on behalf of the customer for the services sold by PCG and records PCG's commission when the invoice is issued as agreed in the contract. Where any sales representation and cash collection services are incorporated into the contract the work involved is minimal and does not affect recognition of commission.

Some further revenues are based on performing surveys for publishers. These revenues are based on a fixed number of calls at an agreed rate per call. Revenue is recognised at a point in time on a per call completed basis in the period the calls were made.



## 1. Principal accounting policies (continued)

### Employee benefits

#### Pension obligations

The Group operates various pension schemes which are by nature defined contribution plans. A defined contribution plan is a pension plan under which the Group pays a fixed contribution into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group does not operate a defined benefit plan.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The contributions are recognised as employee benefit expenses when they are due.

#### Share-based employee remuneration

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions.

All share-based remuneration is ultimately recognised as an expense in profit or loss. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.

#### Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either terminating the employment according to a detailed formal plan without possibility of withdrawal or to providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the reporting date are discounted to their present value.

### Operating expenses

Operating expenses are recognised within profit or loss within the Group Statement of Comprehensive Income upon utilisation of the service or at the date of their origin.

### Finance costs

Financing costs comprise interest payable, the amortisation of the costs of acquiring finance and the unwinding of discounts that are recognised within profit or loss within the Group Statement of Comprehensive Income. Interest payable is recognised in the Group Statement of Comprehensive Income as it accrues, using the effective interest method.

## **1. Principal accounting policies (continued)**

### **Income taxes**

The tax expense recognised within profit or loss within the Group Statement of Comprehensive Income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity. Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit.

Deferred tax on temporary differences associated with shares in subsidiaries and Joint Ventures is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income. Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

### **Provisions, contingent liabilities and contingent assets**

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Group and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, onerous contracts. Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group can be virtually certain to collect from a third-party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases, where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised, unless it was assumed in the course of a business combination. In a business combination, contingent liabilities are recognised in the course of the allocation of the purchase price to the assets and liabilities acquired in the business combination. They are subsequently measured at the higher amount of a comparable provision as described above and the amount initially recognised, less any amortisation.

Possible inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets.

## 1. Principal accounting policies (continued)

### Foreign currency

The consolidated financial statements are presented in Sterling (GBP), which is also the functional currency of the parent Company.

Foreign currency transactions are translated into the functional currency of the respective Group entity, using a monthly estimated rate set at the beginning of each month. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognised in profit or loss. Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction and not subsequently retranslated.

In the Group's financial statements, all assets, liabilities and transactions of Group entities with a functional currency other than Sterling are translated into Sterling upon consolidation. The functional currencies of the entities in the Group have remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Sterling at the closing rate at the reporting date. Income and expenses have been translated into the Group's presentation currency at an approximation of the average rate over the reporting period.

Exchange differences are recognised in the Consolidated Income Statement in the period in which they arise.

Exchange differences arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are charged/credited to other comprehensive income and recognised within equity in the translation reserve.

On disposal of a foreign operation the cumulative translation differences recognised in equity are reclassified to profit or loss and recognised as part of the gain or loss on disposal. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Sterling at the closing rate.

## 2. Revenue

An analysis of the Group's revenue by revenue stream is detailed below:

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Licences	–	24
Consulting Services	1,297	2,087
Non-recurring revenue	1,297	2,111
Hosted Services	3,644	3,509
Managed Services	2,742	2,668
Support and upgrade	2,163	2,197
PCG	353	340
Annual recurring revenue	8,902	8,714
	10,199	10,825

## 2. Revenue (continued)

An analysis of the Group's revenue by product type is as follows:

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Commercial products division	6,990	7,646
Content products division	3,209	3,179
	<b>10,199</b>	<b>10,825</b>

A geographical analysis of the Group's revenue is as follows:

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
UK	5,340	5,266
US	3,929	4,418
Netherlands	301	345
France	227	208
Rest of the World	402	588
	<b>10,199</b>	<b>10,825</b>

Revenue is allocated to geographical locations based on the location of the customer. All business divisions are active in each of the geographic areas.

An analysis of the timing of revenue recognition is shown as follows:

	Commercial products £'000	Content products £'000	Year ended 31 Dec 24 £'000
Revenue transferred over time	6,990	2,727	9,717
Revenue transferred at a point in time	–	482	482
	<b>6,990</b>	<b>3,209</b>	<b>10,199</b>

	Restated Commercial products £'000	Restated Content product £'000	Restated Year ended 31 Dec 23 £'000
Revenue transferred over time	7,622	2,696	10,318
Revenue transferred at a point in time	24	483	507
	<b>7,646</b>	<b>3,179</b>	<b>10,825</b>

The prior year analysis of the timing of revenue recognition has been amended. Within Commercial products, £1,206K of consultancy revenue has been transferred from point in time to over time. Within Content products, £664K of consultancy revenue has been transferred from point in time to over time.

The following aggregated amounts of transaction prices relate to performance obligations from existing contracts that are unsatisfied or partially unsatisfied as at 31 December 2024:

	Year ended 31 Dec 25 £'000	Year ended 31 Dec 26 £'000
Revenue expected to be recognised	1,988	–

Two customers each contributed more than 10% of revenue (2023: two) and this amounted to £3,510K (2023: £3,578K). The Group's operations are located in the United Kingdom and North America. Any transactions between business divisions are on normal commercial terms and conditions.

### 3. Joint Venture/Investment

The Group held a 49% voting and equity interest in Beijing Ingenta Digital Publishing Technology Limited (BIDPT) which was purchased during the year to 31 December 2012. BIDPT has been formally wound up under Chinese law and a credit balance payable to BIDPT held in Ingenta plc has been written off to the income statement.

BIDPT had a reporting date of 31 December. The shares were not publicly listed on a stock exchange and hence published price quotes are not available. Dividends were subject to the approval of at least 51% of all shareholders of BIDPT. The Group has received no dividends.

### 4. Operating segments

Management provides information reported to the Chief Operating Decision Maker (CODM) for the purpose of assessing performance and allocating resources. The CODM is the Board of Ingenta.

The CODM monitors revenue on a product basis. Costs are incurred by a product agnostic central support function which services all products and revenue streams. Operating profit is only monitored at Group level therefore Management have determined there is only one operating segment.

Significant product types are: Ingenta Commercial products and Ingenta Content products.

Ingenta Commercial products are back end enterprise level publishing and Intellectual property (IP) management systems. Ingenta Content products help content providers distribute their content online.

The Group derives revenue from the revenue streams reported in the revenue analysis in note 2. A further discussion of each division is included on pages 2 to 13. All revenues are derived from trade with external parties.

### 5. Profit from operations

Profit from operations has been arrived at after charging:

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Research and development costs	1,227	1,176
Net foreign exchange loss/(gain)	52	(168)
Depreciation of property, plant and equipment:		
– owned assets	56	94
– assets under leases	–	194
Auditor's remuneration	140	140



## 5. Profit from operations (continued)

An analysis of expenses by type within the statement of comprehensive income is as follows:

	Cost of sales £'000	Sales and marketing £'000	Admin- istration £'000	Year ended 31 Dec 24 £'000
IT and software costs	1,154	–	449	1,603
Staff costs (note 6)	3,357	426	1,394	5,177
Contractors	750	224	75	1,049
Other HR costs	–	–	91	91
Premises costs	–	–	95	95
Insurance costs	–	–	87	87
Legal and professional fees	13	2	354	369
Provision and creditor release	(248)	–	(149)	(397)
Depreciation	–	–	56	56
Foreign exchange	–	–	52	52
Other	188	98	(96)	190
	<b>5,214</b>	<b>750</b>	<b>2,408</b>	<b>8,372</b>

	Cost of sales £'000	Sales and marketing £'000	Admin- istration £'000	Year ended 31 Dec 23 £'000
IT and software costs	1,051	–	412	1,463
Staff costs (note 6)	3,187	595	1,333	5,115
Contractors	902	76	85	1,063
Other HR costs	–	–	87	87
Premises costs	–	–	60	60
Insurance costs	–	–	91	91
Legal and professional fees	12	3	385	400
Provisions	168	–	–	168
Depreciation	–	–	288	288
Foreign exchange	–	–	(168)	(168)
Other	109	83	17	209
	<b>5,429</b>	<b>757</b>	<b>2,590</b>	<b>8,776</b>

A more detailed analysis of auditor's remuneration on a worldwide basis is provided below.

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Fees payable to the Group's auditor for:		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	30	30
Fees payable to the Company's auditor and its associates for other services:		
Audit of the accounts of subsidiaries	110	110
	<b>140</b>	<b>140</b>

A description of the work of the Audit Committee is set out on page 30.

## 5. Profit from operations (continued)

An analysis reconciling the profit from operations to adjusted EBITDA is provided below.

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Profit from operations	1,827	2,049
Add back:		
Depreciation and amortisation	56	288
EBITDA	1,883	2,337
Adjusted for:		
Joint venture payable write off	(149)	–
Foreign exchange loss /(gain)	52	(168)
Adjusted EBITDA	1,786	2,169

## 6. Staff numbers and costs

	Year ended 31 Dec 24 Average number	Year ended 31 Dec 23 Average number
Staff numbers:		
Operations	46	47
Sales and marketing	14	14
Administration	5	6
	65	67

Staff numbers exclude contractors.

## 6. Staff numbers and costs (continued)

	Year ended 31 Dec 24 £'000	Restated Year ended 31 Dec 23 £'000
Their aggregate remuneration comprised:		
Wages and salaries	4,276	4,245
Social security costs	485	472
Contribution to defined contribution plans	255	236
Health insurance	124	129
Share based payments	30	26
Other staff costs	7	7
<b>Total staff costs</b>	<b>5,177</b>	<b>5,115</b>
Remuneration in respect of Directors was as follows:		
Non-Executive	201	182
Executive Directors' emoluments	424	404
Company pension contributions to money purchase schemes	45	44
	<b>670</b>	<b>630</b>
Remuneration of the highest paid Director (aggregate emoluments):		
Salaries	245	225
Other Benefits	17	16
Contribution to defined contribution plans	4	4
	<b>266</b>	<b>245</b>

Further unaudited information on Directors' remuneration is provided in the Directors' remuneration report. Key management personnel within the business are considered to be the Board of Directors. Pension contributions of £4K were paid in respect of the highest paid Director (2023: £4K). There were two (2023: two) Directors in a money purchase pension scheme.

The Group operates defined contribution retirement benefit schemes for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund.

The total cost charged to income of £255K (2023: £236K) represents contributions payable to these schemes by the Group at rates specified in the rules of the plans. As at 31 December 2024, contributions of £28K (2023: £27K) due in respect of the current reporting period were included in the Group Statement of Financial Position for payment in January 2025.

The Group operates an approved EMI Share Option plan. A charge in the year of £30K (2023: £23K) has been recognised in the income statement during the year. Further details on share options are included in note 20.

Included in salary and fees are bonus payments of £nil to G S Winner (2023: £10K) and £nil to J R Sheffield (2023: £10K). Bonus payments are based on EBITDA and cash generation targets. The 2023 salary and fees have been restated to exclude the bonus paid in 2023 in respect of the 2022 financial year of £80K and to include the bonus paid in 2024 in respect of the 2023 financial year of £20K in line with Companies Act requirements.

## 7. Finance costs

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Interest payable:		
Interest on Right of Use lease	–	15
Interest on other loans	2	2
	<b>2</b>	<b>17</b>

## 8. Tax

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Analysis of (charge)/credit in the year		
Current tax:		
Current year State tax – US	(8)	(5)
Current year withholding tax – UK	(3)	(3)
Adjustment to prior year charge – US	(19)	–
Deferred tax (charge)/credit	(516)	275
<b>Taxation</b>	<b>(546)</b>	<b>267</b>

The Group have accumulated tax losses at 31 December 2024 in the UK and the US of £12.0m (2023: £13.9m) and \$5.7m (2023: \$7.0m) respectively. These losses have been agreed with the tax authorities in the UK and US. The Board intends to make use of all losses wherever possible.

Management have utilised £4.8m of Group losses to recognise a £1.1m (2023: £1.6m) deferred tax asset at year end which is based on expected taxable profits over the next five years. Management do not believe they have adequate information to make an assessment of utilisation beyond five years.

At year end there are unutilised tax losses of £6.3m and \$3.1m in the UK and US respectively. From 1 April 2023, the corporation tax rate applicable to companies with taxable profits above £250,000 is 25%. Companies with profits below £50,000 will, however, continue to pay tax at the current rate of 19%. Those with taxable profits between £50,000 and £250,000 will benefit from marginal relief, similar to that which applied before the previous incarnation of the small companies' rate of corporation tax was abolished with effect from 1 April 2015.

The differences are explained below:

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Profit on ordinary activities before tax	<b>1,825</b>	<b>2,032</b>
Tax at the UK corporation tax rate of 25% (2023: 23.5%)	<b>456</b>	<b>477</b>
Income/expenses not allowable for tax purposes	<b>7</b>	<b>(22)</b>
Unrelieved losses carried forward	<b>39</b>	<b>31</b>
Utilisation of losses	<b>(476)</b>	<b>(525)</b>
Difference in timing of allowances	<b>(15)</b>	<b>42</b>
Deferred tax movement	<b>516</b>	<b>(275)</b>
Adjustment to tax charge in respect of prior years	<b>19</b>	<b>5</b>
<b>Total taxation</b>	<b>546</b>	<b>(267)</b>

United Kingdom Corporation tax is calculated at 25% (2023: 23.5%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

## 9. Earnings per share and dividends earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive ordinary share options. There are a further 347,451 ordinary shares (2023: 297,097) in respect of share options.

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Attributable profit	1,279	2,299
Adjustments for:		
Foreign exchange	52	(168)
Write back of joint venture creditor	(149)	–
Deferred tax movement	516	(275)
Adjusted attributable profit	1,698	1,856
Weighted average number of ordinary shares used in basic earnings per share ('000)	14,523	14,535
Shares deemed to be issued in respect of share-based payments ('000)	347	297
Weighted average number of ordinary shares used in dilutive earnings per share ('000)	14,870	14,832
Basic profit per share arising from both total and continuing operations	8.81p	15.82p
Diluted profit per share arising from both total and continuing operations	8.60p	15.50p
Adjusted basic profit per share arising from both total and continuing operations	11.69p	12.77p

### Dividends

On 19 July 2024 the Company paid a final dividend of 2.6p per share for the year ended 31 December 2023.

On 4 November 2024 an interim dividend of 1.5p per share was paid in respect of the year ended 31 December 2024.

After the year end, the Directors declared their intention to pay a final dividend of at 2.6p for the year ended 31 December 2024.

## 10. Goodwill

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Gross carrying amount:		
Total goodwill	2,661	2,661

Goodwill has been recognised on historic acquisitions and is reviewed at the end of each financial period for impairment.

The Group has one operating segment and similarly one cash-generating unit (CGU) which is expected to benefit from the synergies of previous business combinations.

During the year a change was made to the CGUs monitored by the Board to reflect the reorganisation of operations that occurred in 2023. The Board now monitors performance of only the combined business leading to the conclusion that this is the appropriate level for which goodwill being tested for impairment should be measured. At the year end, management carried out an impairment review of goodwill and following that review, management are of the opinion that no impairment needs to be recognised against the goodwill.

The recoverable amounts of the cash generating unit was determined based on value in use calculations for the next five years which management believe they have reasonable knowledge in predicting and will benefit from the resulting cash generation. The five-year forecast horizon is reasonable based on past experience, contracted terms and the long lead times required for transition off software platforms.

The calculation uses pre-tax cash flow projections based on the board approved budget for 2025 with revenue growth and cost increase assumptions applied beyond this period. The key assumptions are shown below:

	Group
Pre-tax discount factor	11%
Average revenue growth	11%
Cost base growth	3-7%
EBITDA range	£1.3m-£2.2m
Terminal growth rate	3%
	Group £'000
Carrying amount	2,661
Value of intangibles	-
Total goodwill and intangibles	2,661
Recoverable amount	23,062

Management assumptions include stable profit margins on existing contracts as they renew into the future assessment period. New sales growth is anticipated to be faster in future years as the Group invest in sales and marketing resources to expand the sales pipeline.

No reasonably possible changes in key assumptions would cause the carrying amount of the CGU to exceed its recoverable value.



## 11. Other intangibles

	Acquired Software Technology £'000
<b>Cost</b>	
At 31 December 2023	500
At 31 December 2024	500
<b>Accumulated amortisation and impairment</b>	
At 1 January 2023	500
Amortisation	–
At 31 December 2023	500
Amortisation	–
At 31 December 2024	500
<b>Carrying amount</b>	
At 31 December 2022	–
At 31 December 2023	–
At 31 December 2024	–

The cost of the acquired software was calculated by discounting expected cashflows from the acquired advertising software business over a five-year period. Management expect a minimum of five years useful life from the product as current customers are on long term contracts and any customer migrations are very protracted in nature.

The discount rates used in the calculation of intangibles was 10%.

Amortisation has been charged on a straight-line basis from date of acquisition. All amortisation and impairment charges are included within depreciation, amortisation and impairment of non-financial assets.

## 12. Property, plant and equipment

	Office building £'000	Leasehold improve- ments £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
<b>Cost</b>					
At 1 January 2023	28	–	5	2,050	<b>2,083</b>
Additions	–	–	–	80	<b>80</b>
Disposals	(28)	–	–	–	<b>(28)</b>
Exchange differences	–	–	–	(15)	<b>(15)</b>
At 31 December 2023	–	–	5	2,115	<b>2,120</b>
Additions	–	–	–	84	<b>84</b>
Disposals	–	–	–	(181)	<b>(181)</b>
Exchange differences	–	–	–	5	<b>5</b>
At 31 December 2024	–	–	5	2,023	<b>2,028</b>
<b>Accumulated depreciation and impairment</b>					
At 1 January 2023	28	–	5	1,748	<b>1,781</b>
Charge for the year	–	–	–	288	<b>288</b>
Disposals	(28)	–	–	–	<b>(28)</b>
Exchange differences	–	–	–	(14)	<b>(14)</b>
At 31 December 2023	–	–	5	2,022	<b>2,027</b>
Charge for the year	–	–	–	56	<b>56</b>
Disposals	–	–	–	(181)	<b>(181)</b>
Exchange differences	–	–	–	5	<b>5</b>
At 31 December 2024	–	–	5	1,902	<b>1,907</b>
<b>Carrying amount</b>					
At 31 December 2024	–	–	–	121	<b>121</b>
At 31 December 2023	–	–	–	93	<b>93</b>
At 1 January 2023	–	–	–	302	<b>302</b>

The Office Building category consisted of a single right-of-use asset.

Right of Use Assets held under leases with a net book value of £nil (2023: nil) are included under computer equipment in property, plant and equipment and £nil (2023: £194K) of depreciation was charged on these assets in the year, see note 18 for further details.

### 13. Trade and other receivables

Trade and other receivables comprise the following:

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Trade receivables – gross	1,664	1,699
Allowance for credit losses	(99)	(48)
Trade receivables – net	1,565	1,651
Other receivables	4	4
Unbilled receivables	64	182
Financial assets at amortised cost	1,633	1,837
Prepayments	432	348
Non-financial assets	432	348
Trade and other receivables	2,065	2,185

All amounts are short term. The Directors consider that the carrying amount of trade and other receivables approximates to their fair value.

Trade receivables at the reporting date comprise amounts receivable from the sale of goods and services of £1.7m (2023: £1.7m, 2022: £1.6m). The average credit period taken on sales of goods is 39 days (2023: 53 days, 2022: 47 days).

In measuring the expected credit losses, the trade receivables have been assessed on an individual basis. Certain trade receivables were found to be individually impaired and an allowance for credit losses of £99K (2023: £48K, 2022: £83K) has been recorded within "sales and marketing" in the Group Statement of Comprehensive Income. This allowance has been determined by reference to expected receipts after considering historical experience, readily available external indicators and forward-looking information. Trade receivables are written off (i.e., derecognised) when there is no reasonable expectation of recovery. Failure to make payments within six months from the invoice date, failure to engage with the Group on alternative future payment arrangements and bankruptcy or administration of the customer are considered to be indicators of a potential expected credit loss. The Group has a stable customer base with strong relationships built up over time allowing it to make reasonable assessments of recoverability. The majority of trade receivables relate to customers ongoing ability to function, and past experience indicates the balances are recoverable subject to any future information that becomes available. Where an expected credit loss is recognised, it will be significantly influenced by additional forward looking information such as industry discussion papers, repayment plan reasonableness and direct account management negotiation.

On the above basis the expected credit loss for trade receivables is as follows:

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Balance as at 1 January	48	83
Amounts collected	–	(35)
Additional allowance in year	51	–
Balance as at 31 December	99	48

## 14. Cash and cash equivalents

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Cash at bank and in hand:		
Cash at bank:		
– GBP	2,356	2,137
– USD	1,254	527
– EUR	8	12
Net cash and cash equivalents	3,619	2,676

Net cash and cash equivalents' is used for the Group Statement of Cash Flows. The net carrying value of cash and cash equivalents is considered a reasonable approximation of fair value.

## 15. Trade and other payables

Trade payables and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 29 days (2023: 26 days, 2022: 27 days).

The Directors consider that the carrying amount of trade payables approximates to their fair value.

Payables falling due within one year:

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Trade payables	451	348
Accruals	321	342
Other payables	80	243
Financial liabilities at amortised cost	852	933
Social security and other taxes	307	285
Non-financial liabilities	307	285
Trade and other payables	1,159	1,218

Included within provisions are the following items:

	Software development provision £'000	Contract provision £'000	Total provision £'000
Provision at 1 January 2024	139	168	307
Utilised in year	(139)	(68)	(207)
Released in year	–	(100)	(100)
Provision at 31 December 2024	–	–	–

The contract provision was for a possible settlement being offered to incentivise a contract renewal under new terms. The software development provision related to commitments made by the Group to ensure customer owned legacy software will continue to function on evolving hardware technology and also integrate with new applications as they become mainstream. Activities were completed in the year to resolve both provisions.

## 16. Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Balance at 1 January	–	192
New leases entered into during the year	–	–
Repayments made during the year	–	(207)
Finance charges	–	15
Balance at 31 December	–	–
Presented as:		
Lease liability payable within one year	–	–
Lease liability payable in more than one year	–	–
Balance at 31 December	–	–

## 17. Deferred tax

The movement in deferred tax within the Group Statement of Financial Position is as follows:

	Deferred tax liability		Deferred tax asset	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Balance as at 1 January	–	(37)	1,622	1,384
Charged to Group Statement of Comprehensive income (note 8)	(2)	37	(514)	238
Balance at 31 December	(2)	–	1,108	1,622

The components of deferred tax included in the Group Statement of Financial Position are as follows:

	Property, plant and equipment £'000	Tax losses £'000	Other temporary differences £'000	Total £'000
Balance at 31 December 2022	(37)	1,384	–	1,347
Credited to Group Statement of Comprehensive income (note 8)	37	238	–	275
Balance at 31 December 2023	–	1,622	–	1,622
Credited to Group Statement of Comprehensive income (note 8)	(2)	(514)	–	(516)
Balance at 31 December 2024	(2)	1,108	–	1,106

Deferred tax is provided for at tax rates of 25% in the UK and 21% in the US to each future accounting period.  
For further details see note 8.

## 18. Lease arrangements

### The Group as lessee

Elements of the Group's equipment are held under lease arrangements. As at 31 December 2024, the net carrying amount of equipment under lease arrangements was £nil (2023: £nil). Lease liabilities are secured by the related assets. Future minimum lease payments are as follows:

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Balance at 1 January	–	192
New leases entered into during the year	–	–
Repayments made during the year	–	(207)
Finance charges	–	15
Balance at 31 December	–	–
Presented as:		
Lease liability payable within 1 year	–	–
Lease liability payable in more than 1 year	–	–
Balance at 31 December	–	–

The lease agreements include fixed payments and a purchase option at the end of the lease. The agreement is non-cancellable and does not contain any further restrictions.

The table below describes the nature of the Group's leasing activities:

Right of use (ROU) asset	No. of ROU assets	Range of remaining term	Average remaining term	No. of leases with extension options	No. of leases with option to purchase	No. of leases with variable payments	No. of leases with termination options
IT equipment	3	–	–	–	3	–	–

The Group has elected to apply the practical expedient permitted under IFRS 16 to not recognise a right of use asset and lease liability due to a short term or immaterial nature. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of lease liability is as follows:

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Short-term leases	41	37
Leases of low value assets	–	–
Variable lease payments	–	–

The Group's future aggregate minimum lease payments are as follows:

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Short-term leases	33	23
Leases of low value assets	–	–
Variable lease payments	–	–

The Group's lease agreements do not contain any contingent rent clauses. None of the lease agreements contain escalation clauses or any restrictions regarding dividends, further leasing or additional debt.



## 19. Share capital

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Issued and fully paid:		
15,098,125 (2023: 15,123,125, 2022: 15,123,125) ordinary shares of 10p each	1,510	1,512

There is one class of ordinary shares and holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings.

### Share transactions

During the year, the Company purchased 25,000 ordinary shares at 114p per share (2023: nil). These shares were subsequently cancelled. There were no shares issued during the year (2023: nil).

## 20. Share options

The Group have an approved Executive Management Incentive (EMI) share option scheme. Further details are detailed below.

### Approved EMI scheme

This scheme is part of the remuneration package of the Group's senior management. Options will vest if certain conditions, as defined in the scheme, are met. These conditions have included a combination of Group EBITDA performance versus budget and employment tenure. EBITDA performance measures are now known and tenure remains the only current vesting condition. Participating employees have to be employed at the end of each period to which the options relate. Upon vesting, each option allows the holder to purchase ordinary shares at the market price on date of grant.

Share options and weighted average exercise prices are as follows:

	Number of shares	Weighted average exercise price per share (£'s)
Outstanding at 1 January 2023	1,001,551	0.80
Lapsed	(38,333)	0.85
Outstanding at 31 December 2023	963,218	0.80
Lapsed	(3,333)	1.27
Outstanding at 31 December 2024	959,885	0.80

Further details on share options are detailed below:

	As at 31 Dec 24	As at 31 Dec 23
Weighted average remaining contractual life	69 months	80 months
Weighted average exercise price	80p	80p
Range of exercise prices	73.5-156p	73.5-156p
Number of options exercisable	594,885	598,218

## 20. Share options (continued)

The fair value of options granted were determined using the Black Scholes method. The following principal assumptions were used in the valuation:

Grant date	Jan 2016	Feb 2016	Aug 2016	Sep 2017	Sep 2019	Jul 2022
Vesting period ends	31 Dec 16 31 Dec 17 31 Dec 18	31 Dec 16 31 Dec 17 31 Dec 18	31 Dec 16 31 Dec 17 31 Dec 18	31 Dec 18 31 Dec 19 31 Dec 20	31 Dec 22	31 Dec 25
Share price at grant	£1.27	£1.27	£1.30	£1.56	£0.74	£0.81
Volatility	26%	26%	16%	16%	27%	27%
Risk free investment rate	5%	5%	5%	5%	5%	5%
Fair value of option – 31 Dec 2016 vesting period	18p	18p	9p			
Fair value of option – 31 Dec 2017 vesting period	26p	26p	17p			
Fair value of option – 31 Dec 2018 vesting period	32p	32p	23p	16p		
Fair value of option – 31 Dec 2019 vesting period				24p		
Fair value of option – 31 Dec 2020 vesting period				31p		
Fair value of option – 31 Dec 2022 vesting period					18p	
Fair value of option – 31 Dec 2025 vesting period						20p

The underlying volatility was determined with reference to the historical data of the Company's share price. In total £30K (2023: £23K) of employee remuneration expense and has been included in the profit for the year.

## 21. Notes to the cash flow statement

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value. Refer to note 14 'cash and cash equivalents'. The initial recognition of lease liabilities are non-cash transactions excluded from the statement of cash flows.

### Net debt reconciliation

	Leases £'000	Bank £'000	Total £'000
<b>Net debt at 1 January 2023</b>	(192)	2,376	<b>2,184</b>
Net cash increase	–	299	<b>299</b>
Financing cashflows	192	–	<b>192</b>
Interest payment	15	–	<b>15</b>
Other charges:			
Interest charge	(15)	–	<b>(15)</b>
Foreign exchange adjustments	–	1	<b>1</b>
<b>Net debt at 31 December 2023</b>	–	2,676	<b>2,676</b>
Net cash increase	–	943	<b>943</b>
<b>Net debt at 31 December 2024</b>	–	3,619	<b>3,619</b>

## 22. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

### Remuneration of key management personnel

The remuneration of the Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures. Further information about the remuneration of individual Directors is provided in the Directors' remuneration report on page 31.

	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Short term employee benefits	722	681
Share option charge	20	20
	<b>742</b>	<b>701</b>

Total key management personnel remuneration for 2023 has been updated to include the share based payment charge of £20K relating to share options.

### Directors' transactions

The amounts outstanding as at 31 December 2024 relate to amounts due from Ingenta plc to Directors in connection with invoiced Non-Executive fees.

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Amounts outstanding with Directors	3	7

### Joint Venture transactions

The Joint Venture loan payable amounts to £nil (2023: £149K). The loan balance has no defined terms including any details on repayment terms or interest.

## 23. Financial risk management

The Group is exposed to various risks in relation to financial assets and liabilities. The main types of risk are foreign currency risk, interest rate risk, market risk, credit risk and liquidity risk.

The Group's risk management is closely controlled by the Board and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets. The Group does not actively trade in financial assets for speculative purposes nor does it write options. The most significant financial risks are currency risk and certain price risks.

### Foreign currency sensitivity

The Group trades in Sterling (GBP), US Dollars (USD) and Euros (EUR). Most of the Group's transactions are carried out in Sterling and US Dollars. Exposure to currency exchange rates arise from the Group's overseas sales and purchases, which are primarily in USD, through the trading divisions in the US (Ingenta Inc. and Publishers Communication Group Inc.). Short term intercompany loan balances are also held between UK and US subsidiaries which creates foreign currency exchange exposure in the income statement. In order to mitigate the Group's foreign currency risk, non-GBP cash flows are monitored and excess USD and EUR not required for foreign currency expenditure are translated into GBP on an on-going basis. The Group is a net importer of USD being cash flow positive by approximately \$2.0m per annum. No further hedging activity is undertaken. The Group does not enter into forward exchange contracts.

## 23. Financial risk management (continued)

Foreign currency denominated financial assets and liabilities, translated into GBP at the closing rate, are as follows:

	Short-term exposure USD £'000	Long-term exposure USD £'000
<b>31 December 2024</b>		
Assets	385	–
Liabilities	(258)	–
Intercompany loan liabilities	(3,840)	–
Total exposure	(3,713)	–
<b>31 December 2023 (restated)</b>		
Assets	249	–
Liabilities	(64)	–
Intercompany loan liabilities	(3,892)	–
Total exposure	(3,707)	–

The 2023 balances above and sensitivity calculations below have been restated to include foreign currency denominated intercompany liabilities.

The following table illustrates the sensitivity of profit and equity with regard to the Group's financial assets and financial liabilities and the USD/GBP exchange rate "all other things being equal".

Transactions in EUR are immaterial and therefore movements of the EUR/GBP exchange rate have not been analysed.

It assumes a +/-10% change of the USD/GBP exchange rate for the year ended 31 December 2024 (2023: 10%). This percentage has been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group foreign currency financial instruments held at each reporting date.

If GBP had strengthened against USD by 10% (2023: 10%) then this would have had the following impact:

	Income Statement credit USD £'000	Equity USD £'000
<b>31 December 2024</b>	<b>338</b>	<b>338</b>
31 December 2023 (restated)	337	337

If GBP had weakened against USD by 10% (2023: 10%) then this would have had the following impact:

	Income Statement debit USD £'000	Equity USD £'000
<b>31 December 2024</b>	<b>(413)</b>	<b>(413)</b>
31 December 2023 (restated)	(412)	(412)

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

## 23. Financial risk management (continued)

### Interest rate sensitivity

The Group's policy is to minimise interest rate cash flow risk exposures on long term financing. Long term borrowings are therefore usually at fixed rates. At 31 December 2024 and 31 December 2023, the Group had no exposure to borrowings on variable interest terms and hence no sensitivity of profit or equity to changes in interest rates.

### Credit risk analysis

The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:

	2024 £'000	2023 £'000
Cash and cash equivalents (note 14)	3,619	2,676
Trade receivables – net (note 13)	1,565	1,651
Other receivables (note 13)	4	4
Unbilled receivables (note 13)	64	182
	<b>5,252</b>	<b>4,513</b>

The credit risk in respect of cash and cash equivalents is considered negligible as they are held with major reputable financial institutions only.

None of the Group's financial assets are secured by collateral or other credit enhancements.

The Group continuously monitors defaults of customers and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and reports on customers are used and the Group's policy is only to deal with creditworthy customers. The credit terms range between 30 and 75 days and support and maintenance customers are required to pay the annual amount upfront, mitigating the credit risk. The ongoing credit risk is managed through regular review of ageing analysis. Some of the unimpaired trade receivables are past due at the reporting date.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk from any single customer or group of customers having the same characteristics. Trade receivables consist of a large number of customers in different sectors of the market and geographical locations.

The carrying amount of financial assets whose terms have been renegotiated, that would otherwise be past due or impaired is £Nil (2023 & 2022: £Nil). Details of trade receivables that have not been settled by the contractual due date but are not considered to be impaired are included in note 13.

### Liquidity risk analysis

The Group manages its liquidity needs by monitoring scheduled debt repayments for long term financial liabilities as well as forecast cash flows due in day-to-day business. Liquidity needs are monitored in various time bands. Short term cash flow is monitored daily using known daily inflows and outflows for cash within 8 to 12 weeks. Medium term cash flows within 12 months are monitored using monthly rolling forecast data. Longer term cash flows are monitored using higher level management strategy documents. Net cash requirements are compared to cash balances and forecast in order to determine headroom or any shortfalls. This analysis shows if available cash is expected to be sufficient over the lookout period of 15 months to March 2026.

The Group maintains sufficient cash balances and enters into lease arrangements to meet its liquidity requirements for the medium-term forecast period (one year).

## 23. Financial risk management (continued)

As at 31 December 2024, the Group's financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

31 December 2024:	Current £'000		Non-current £'000	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Lease obligations	–	–	–	–
Trade and other payables (note 15)	852	–	–	–
<b>Total</b>	<b>852</b>	<b>–</b>	<b>–</b>	<b>–</b>

This compares to the Group's financial liabilities in the previous reporting period as follows:

31 December 2023:	Current £'000		Non-current £'000	
	Within 6 months	6 to 12 months	1 to 5 years	Later than 5 years
Lease obligations	–	–	–	–
Trade and other payables (note 15)	933	–	–	–
<b>Total</b>	<b>933</b>	<b>–</b>	<b>–</b>	<b>–</b>

The above amounts reflect the contractual undiscounted cash flows, which may differ to the carrying value of the liabilities at the reporting date.

Where the customer has a choice of when an amount is paid the liability has been included on the earliest date on which payment can be required.

The carrying amounts presented in the statement of financial position relate to the following categories of assets and liabilities.

An analysis of the Group's financial assets is set out below:

	As at 31 December 2024			As at 31 December 2023		
	Amortised cost £'000	FVTPL £'000	Total £'000	Amortised cost £'000	FVTPL £'000	Total £'000
Trade and other receivables	1,633	–	1,633	1,837	–	1,837
Cash and cash equivalents	3,619	–	3,619	2,676	–	2,676
<b>Total financial assets</b>	<b>5,252</b>	<b>–</b>	<b>5,252</b>	<b>4,513</b>	<b>–</b>	<b>4,513</b>

An analysis of the Group's financial liabilities is set out below:

	As at 31 December 2024			As at 31 December 2023		
	Other liabilities (amortised cost) £'000	Other liabilities at FVTPL £'000	Total £'000	Other liabilities (amortised cost) £'000	Other liabilities at FVTPL £'000	Total £'000
Non-current lease obligations	–	–	–	–	–	–
Current lease obligations	–	–	–	–	–	–
Trade and other payables	852	–	852	933	–	933
<b>Total financial liabilities</b>	<b>852</b>	<b>–</b>	<b>852</b>	<b>933</b>	<b>–</b>	<b>933</b>



## 24. Capital management policies and procedures

The Group's capital management objectives are:

To ensure the Group's ability to continue as a going concern and provide an adequate return to shareholders.

The Group monitors capital on the basis of the carrying amount of equity plus any loan notes less cash and cash equivalents. The Group's goal in capital management is a capital to overall financing ratio of 1:6 to 1:4.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Capital for the reporting periods under review is summarised as follows:

	2024 £'000	2023 £'000
Total equity	6,425	5,661
Cash and cash equivalents	(3,619)	(2,676)
Capital	2,806	2,985
Total equity	6,425	5,661
Borrowings	–	–
Overall financing	6,425	5,661
Capital to overall financing ratio	0.44	0.53

## 25. Post balance sheet events

There are no post balance sheet events.



# Company statement of financial position

	Note	31 Dec 24 £'000	31 Dec 23 £'000
<b>Non-current assets</b>			
Investments	4	–	–
Trade and other receivables	5	9,479	15,074
		9,479	15,074
<b>Current assets</b>			
Cash and cash equivalents		4	4
		4	4
<b>Total assets</b>		<b>9,483</b>	<b>15,078</b>
<b>Equity</b>			
Called up share capital	7	1,510	1,512
Capital redemption reserve		182	180
Share option reserve		172	140
Retained earnings		7,619	13,097
Total Equity		9,483	14,929
<b>Current liabilities</b>			
Trade and other payables	6	–	149
<b>Non-current liabilities</b>			
Total liabilities		–	149
<b>Total equity and liabilities</b>		<b>9,483</b>	<b>15,078</b>

The loss recognised in the year was £4,853K (2023: profit £3,589K).

The financial statements were approved by the Board of Directors and authorised for issue on 25 April 2025 and were signed on its behalf by:

**J R Sheffield** Director

**G S Winner** Director

Registered number: 00837205

The accompanying notes form part of these financial statements.

# Company statement of changes in equity

	Share capital £'000	Capital redemption reserve £'000	Share option reserve £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2023	1,512	180	117	10,053	11,862
Dividends paid	–	–	–	(545)	(545)
Share options granted	–	–	23	–	23
Transaction with owners	–	–	23	(545)	(522)
Profit for the year	–	–	–	3,589	3,589
Total comprehensive income for year	–	–	–	3,589	3,589
<b>Balance at 31 December 2023</b>	<b>1,512</b>	<b>180</b>	<b>140</b>	<b>13,097</b>	<b>14,929</b>
Dividends paid	–	–	–	(596)	(596)
Shares repurchased and cancelled	(2)	2	–	(29)	(29)
Share options granted	–	–	32	–	32
Transaction with owners	(2)	2	32	(625)	(593)
Loss for the year	–	–	–	(4,853)	(4,853)
Total comprehensive expense for year	–	–	–	(4,853)	(4,853)
<b>Balance at 31 December 2024</b>	<b>1,510</b>	<b>182</b>	<b>172</b>	<b>7,619</b>	<b>9,483</b>

# Notes to the Company financial statements

For the year ended 31 December 2024

## 1. Accounting Policies Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates and management are required to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 45(b) and 46 to 52 of IFRS 2 'Share based payment' including details of the number and weighted average exercise prices of share options and how the fair value of goods or services received was determined.
- IFRS 7 'Financial instruments' disclosures.
- Paragraph 91 to 99 of IFRS 13 'Fair value measurement' disclosures relating to valuation techniques and inputs used for fair value measurement of assets and liabilities.
- The following paragraphs of IAS 1 'Presentation of financial statements':
  - 10(d) statement of cashflows.
  - 16 statement of compliance with all IFRS.
  - 38A requirement for a minimum of two primary statements, including cashflow statements.
  - 38B-D additional comparative information.
  - 111 Statement of cashflow information.
  - 134-136 Capital management disclosures.
- IAS 7 'Statement of cashflows'.
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' and the requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective.
- Paragraph 17 of IAS 24 'Related party disclosures' and the requirement to present key management compensation.
- IAS 24 'Related party disclosures' and the requirement to disclose related party transactions entered into between two or more members of a group.

### Accounting policies

A summary of the principal Company accounting policies, which have been applied consistently, is set out below.

### Investments

Investments held as fixed assets are stated at cost less any provision for impairment in value.

### Going concern

The Parent Company relies on its subsidiary companies to generate cash and transfer funds to the parent as required. The Directors are satisfied that the subsidiaries are able to provide this support.

Refer to the Group going concern note for further details on the procedures undertaken by the Directors to satisfy themselves that the going concern assessment is reasonable.

### Share options

Please refer to the Group accounting policies note for full details. Within the parent company accounts, share based payments are recorded as an increase to investments and credited to the share option reserve within equity.

## 1. Accounting Policies Statement of compliance (continued)

### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the statement of financial position date.

Transactions in foreign currencies during the year are recorded at a monthly estimated rate set at the beginning of each month. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items at year-end exchange rates are recognised in profit or loss. Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction and not subsequently retranslated.

### Deferred taxation

Provision is made for deferred taxation, using the full provision method, on all taxable temporary differences. Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset is not recognised to the extent that the transfer of economic benefits in the future is uncertain.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

### Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the statement of financial position. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

### Significant accounting estimates and judgements

When preparing the financial statements management make estimates, judgements and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results are likely to differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. Information about the significant judgements, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

### Intercompany receivables

The Company assesses the carrying value of its intercompany receivables using a probability weighting applied to three recovery scenarios. These scenarios include immediate repayment via a trade sale and a two- and five-year repayment plan. Management concluded that the only applicable recovery scenario in the current period was an immediate trade sale. The receivables are repayable on demand and non-interest bearing.

An immediate trade sale includes an estimate of the following items:

- Trade sale value. This was estimated using the Ingenta plc share price quoted on the Alternative Investment Market at 31 December 2024 of 72.5p per share.
- Probability of achieving the market value trade sale price. Given the requirement to complete a trade sale rapidly, an assessment was made that this was 95% probable. Factors considered included the low market value relative to secured recurring revenues.
- Transactional fees. Management deemed a 5% transactional fee was appropriate to cover all professional fees relating to the sale.



## 1. Accounting Policies Statement of compliance (continued)

Changes to any of these estimates could affect the intercompany loan provision assessment:

- If the market value probability was changed to 90% then the intercompany loan provision increased by £520K.
- If transactional fees increased to 7% then the intercompany loan provision increased by £208K.

### Subsidiary investments

The Company assesses the carrying value of its subsidiary investment balances in conjunction with its assessment of Intercompany receivables. The same repayment plan model is used to assess the combined balance and any identified impairment will be applied to the investment balance first and then the intercompany receivable balance if appropriate. The investments relate to current trading entities or business units which are the value drivers of the Group.

## 2. Profit/(loss) for the financial year

The parent Company has taken advantage of section 408 of the Companies Act 2006 and has not included its own income statement in these financial statements. The parent Company's loss for the year was £4,853K (2023: profit £3,589K), impairment for intercompany debtors was a debit to the income statement of £5,617K (2023: credit of £3,932K) and impairment of investments was a charge of £32K (2023: charge £23K). An audit fee of £30K was paid in respect of the parent Company audit (2023: £20K).

The Company employed two Executive Directors (2023: two), three Non-Executive Directors (2023: three) and the Non-Executive Chairman. The costs of these employees and the fees for the other Non-Executive Directors were borne by the subsidiaries.

## 3. Staff numbers and costs

	Year ended 31 Dec 24 Average number	Restated Year ended 31 Dec 23 Average number
Staff numbers:		
Operations	6	6
	Year ended 31 Dec 24 £'000	Year ended 31 Dec 23 £'000
Remuneration in respect of Directors was as follows:		
Non-Executive	201	182
Executive Directors' emoluments	424	404
Company pension contributions to money purchase schemes	45	44
	670	630
Remuneration of the highest paid Director (aggregate emoluments):		
Salaries	245	225
Other Benefits	17	16
Contribution to defined contribution plans	4	4
	266	245

Included in salary and fees are bonus payments of £nil to G S Winner (2023: £10K) and £nil to J R Sheffield (2023: £10K). Bonus payments are based on EBITDA and cash generation targets. The 2023 salary and fees have been restated to exclude the bonus paid in 2023 in respect of the 2022 financial year of £80K and to include the bonus paid in 2024 in respect of the 2023 financial year of £20K in line with Companies Act requirements.

## 4. Investments

	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Cost		
At 1 January	4,399	4,376
Disposal	(201)	–
Share options issued to employees of subsidiaries	32	23
At 31 December	4,230	4,399
Impairment		
At 1 January	4,399	4,376
Disposal	(201)	–
Charge for the year	32	23
At 31 December	4,230	4,399
Carrying amount		
At 31 December	–	–

Investments are investments in subsidiary and Joint Venture undertakings.

Details of subsidiary undertakings, in which the Company holds majority shareholdings and investments in which the Company holds significant interest and which have been consolidated and disclosed respectively in the Group financial statements, are as follows:

Company	Company registration number	Country of registration	Registered address	Holding	Proportion held	Nature of the business
Catchword Limited	02986756	England	UK*	Ordinary shares	100%	Dormant
				Preference shares	100%	
Ingenta Holdings Limited	05649633	England	UK*	Ordinary shares	100%	Dormant
Ingenta US Holdings Inc.	04-3555698	US	US*	Ordinary shares	100%	Holding Company
Publishers Communication Group Inc	04-3171759	US	US*	Ordinary shares	100%	Marketing and Sales Consultancy
Ingenta UK Limited**	03571231	England	UK*	Ordinary shares	100%	Publishing Software and Services
Ingenta Inc	04-3463850	US	US*	Ordinary shares	100%	Publishing Software and Services
Vista Computer Services Limited	02714639	England	UK*	Ordinary shares	100%	Dormant
Vista Holdings Limited	02653885	England	UK*	Ordinary shares	100%	Dormant
Vista International Limited**	03618343	England	UK*	Ordinary shares	100%	Holding Company
Vista North America Holdings Limited**	03755226	England	UK*	Ordinary shares	100%	Non-Trading Holding Company
5 Fifteen Limited	03820158	England	UK*	Ordinary shares	100%	Dormant

UK\* Suite 2, Whichford House, Parkway Court, John Smith Drive, Oxford, OX4 2JY, UK

US\* 317 George Street, New Brunswick, NJ 08901, US

\*\* Companies for which a parental guarantee has been issued and audit exemption taken

The Directors have taken advantage of the exemption available under Section 479A of the Companies Act 2006 relating to the requirement for the audit of the individual accounts for the companies annotated as Ingenta plc has provided these companies with a parental guarantee. The registered numbers of these Companies have been provided above.

## 5. Trade and other receivables

Amounts falling due after one year	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Other debtors:		
Amounts due from subsidiary undertakings	17,523	17,501
Provision for intercompany debtors	(8,044)	(2,427)
	9,479	15,074

Balances recorded for subsidiary undertakings are not governed by formal loan agreements and are repayable on demand with no interest charged but repayment is not expected within the next year and hence these are disclosed as falling due after one year.

## 6. Trade and other payables

Amounts falling due within one year	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Other creditors:		
Amounts due to subsidiary undertakings	–	–
Accruals	–	149
	–	149

## 7. Share Capital

Amounts falling due within one year	As at 31 Dec 24 £'000	As at 31 Dec 23 £'000
Issued and fully paid:		
15,098,125 (2023: 15,123,125) ordinary shares of 10p each	1,510	1,512

### Share transactions

During the year, the Company purchased 25,000 ordinary shares at 114p per share (2023: nil). These shares were subsequently cancelled. There were no shares issued during the year (2023: nil).

There is one class of ordinary shares and holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings.

## 8. Related party transactions

Please refer to note 22 of the Group financial statements for related party transactions.

## 9. Financial assets and liabilities

An analysis of the Company's assets is set out below:

	As at 31 December 2024		As at 31 December 2023	
	Loans and receivables £'000	Total for financial position heading £'000	Loans and receivables £'000	Total for financial position heading £'000
Other receivables	9,479	9,479	15,074	15,074
Cash and cash equivalents	4	4	4	4
	9,483	9,483	15,078	15,078

	As at 31 December 2024		As at 31 December 2023	
	Financial liabilities at amortised cost £'000	Total for financial position heading £'000	Financial liabilities at amortised cost £'000	Total for financial position heading £'000
Other payables	–	–	–	–
Other creditors	–	–	149	149
	–	–	149	149

# Directors and Advisors

## Executive Directors

**G S Winner** Chief Executive Officer

**J R Sheffield** Chief Financial Officer

## Non-Executive Directors

**M C Rose** Chairman

**M A Rowse**

**N W Kirton**

## Company Secretary

**J R Sheffield**

## Registered Office

Suite 2, Whichford House

Parkway Court

John Smith

Drive Oxford, OX4 2JY

## Auditor

**Grant Thornton UK LLP**

Registered Auditor

17<sup>th</sup> Floor, 103 Colmore Row

Birmingham, B3 3AG

## Banker

**HSBC Bank plc**

71 Queen Victoria Street

London, EC4V 4AY

## Solicitor

**Fladgate LLP**

16 Great Queen Street

London, WC2B 5DG

## Registrar

**Link Group**

10th Floor Central Square

29 Wellington Street

Leeds, LS1 4DL

## Nominated Adviser and Broker

**Cavendish Capital Markets Limited**

1 Bartholomew Close

London, EC1A 7BL







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