TENNESSEE TOPCO LIMITED

CONSOLIDATED ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

REGISTERED NUMBER 134098

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DIRECTORS AND ADVISERS

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CHIEF EXECUTIVE'S REVIEW

I am pleased to present our financial results for the year ended 30 June 2025.

The results over the last 12 months reflect consistent delivery of high single-digit organic growth and continues the growth trajectory for Davies Group. 'Davies Group' refers to all entities consolidated under Tennessee Topco Limited. A full listing of entities consolidated is in note 30.

In the year to 30 June 2025, the Group achieved global revenues of £893.9m and Adjusted EBITDA of £177.3m.

ORGANISATIONAL STRUCTURE

During this financial year, we have continued to evolve our structure and have made two senior appointments at the Global Executive level:

- Firstly, **Amber Wilkinson** was appointed as the new Group Chief Financial Officer, replacing Antonio Debiase in January 2025 and;

- Secondly, **Dhara Patel** was appointed as the new CEO for Davies North America, replacing Matt Button in the role.

In addition to this, **Paul O'Brien** was appointed as the Group's first Chief AI Officer to focus on advancing our AI initiatives and embedding AI technologies across our products and services.

Following Dhara's appointment and last year's appointment of James McEwen as Chief Client Officer for Davies UK & Ireland, new operating structures have been implemented underneath Dhara and James.

- In July 2024, Davies UK & Ireland restructured the go-to-market team, with leaders appointed covering clients, propositions and markets. Proposition leaders are lines of business focussed and consist of core and volume areas such as property, motor and casualty. Market leads are focussed on client segments that include Commercial Lines, Personal Lines, Specialty Lines, Broking and Market Risks. This structure mirrors the UK&I insurance industry and aligns us closer to our clients' businesses.

- In April 2025, Davies North America restructured the leadership team. **Kara Sepulveda** joined Davies as the President of Workers' Compensation, **Dave Valenzano** was appointed to the role of President of P&C TPA Services and **Jose Bridges** was appointed to the role of President of Risk Services. All new appointees join fellow leaders, Don Lederer (Deputy Chairman – Davies North America), Andy Cohen (President – Compliance) and Peter Lucas (Executive Advisor – Davies North America) in reporting directly to CEO Dhara Patel.

Over the last 12 months we have continued to strengthen our operations in all our geographical regions, as we look to capitalise on our growing global footprint. This has also allowed us to further identify opportunities for efficiencies and reduce operational costs through the continued development of the Global Shared Service Centres. During the course of this year, we have scaled this capability to over 350 colleagues, with teams represented across all businesses and Group services. A key part of our strategy is to continue to develop this strategy and are targeting a further increase, with a plan to have over 500 colleagues by the end of the next financial year.

Today, Davies delivers specialist professional services and technology solutions across the risk and insurance value chain, including excellence in claims, underwriting, distribution, regulation & risk, forensic accounting, customer experience, human capital, digital transformation & change management. Our global team of more than 8,500 professionals continues to serve 1,700+ insurance, financial services, public sector and other highly regulated businesses.

CHIEF EXECUTIVE'S REVIEW (continued)

ACQUISITION ACTIVITY

Between July 2024 and June 2025, we completed three significant acquisitions and two minor trading asset deals, allowing us to diversify our service offering, add new capabilities, strengthen our presence in the market and expand our global footprint into new geographical locations.

In October 2024, we completed a deal to acquire Barker Claims Services ("BCS"). With headquarters in Greensboro, North Carolina, BCS provides professional claims handling and loss adjusting expertise predominantly across property, casualty and motor claims. BCS built on Davies' existing nationwide claims operations in North America and further bolstered our capabilities across Virginia, North Carolina, South Carolina and Northeast Tennessee.

We completed the acquisition of Premier Claims Management in December 2024. The acquisition of this highly rated business strengthened our current service lines in North America to offer the full range of professional and general liability claims capabilities and litigation expertise for the Lloyds market. This includes a significant number of specialist coverage areas, including but not limited to environmental, crime, financial, fiduciary and D&O claims. Amongst the team joining were a number of highly experienced coverage attorneys, adding further litigation expertise to the handling of complex and specialty claims.

Also, in December 2024, we added OBL legal services, in the Republic of Ireland (RoI), to our existing legal solutions business, Keoghs. The OBL team joined Davies' Complex & Specialty business unit, led by COO of Complex & Specialty Claims, Laura Warwick. Clients now have access to specialists who have RoI experience representing both insurance and banking clients on a variety of legal matters.

RESPONSIBLE BUSINESS STRATEGY

Clients continue to place increasing emphasis on building sustainable and ethical supply chains. In response, we established a dedicated ESG function in 2023, which has since evolved into our Office of Responsible Business. This office is led by our Global Responsible Business Officer, Gillie Fairbrother, and reflects our deepening commitment to responsible practices. We continue to make meaningful progress against the goals outlined in our People, Planet and Purpose strategy. Each year, we publish a comprehensive report showcasing our achievements and setting out our future ambitions, ensuring transparency and accountability as we drive positive impact across our business and beyond.

Our goals are categorised into three core pillars; First, our People pillar houses our objectives around advancing and developing Davies employees through aspects such as fair pay, continuous training and development and clear diversity and inclusion practices. Secondly, our planet pillar aims to reduce our organisational impact on the environment and addresses our goal to becoming carbon net-zero by 2050. The third and final pillar, Purpose, ensures we are aligned with good governance practices, ensuring our culture and actions are always underpinned by our values.

Our Board of Directors continues to maintain ultimate responsibility for long-term business sustainability and for fulfilling our duties to stakeholders. This includes overall oversight of our business strategy, our approach to risk and opportunity, and for our actions as a company. To support the Board's oversight, our Responsible Business Board Committee sits quarterly to review environmental, social and governance matters.

In FY25, we launched our Responsible Business Accountability Structure, a key milestone in embedding sustainable practices across our operations. Overseen by our Board Committee and developed in collaboration with relevant business leads, this framework ensures alignment between our responsible business goals and day-to-day business activities.

CHIEF EXECUTIVE'S REVIEW (continued)

SENIOR CREDIT FACILITIES

In May 2025, we secured new credit facilities of £275 million ($370 million) to accelerate our organic and M&A growth strategy. The new facility, provided by existing lead lender, Blackstone Credit and Insurance (Blackstone), will be used to fund the Group's global strategic M&A activity, its investment in GenAI and automation, and an acceleration in organic growth, as we deliver on our plan to expand our service offering.

These new facilities are on the same terms as the refinancing of our overall credit facilities in July 24, reflecting our increased global scale and diversified revenue base.

PEOPLE & CULTURE

Over the past year, Davies has been recognised for delivering outstanding service and technology by the press and industry peers, winning a range of awards including:

- Insurance Post Claims & Fraud Awards: Combatting Fraud - Collaboration of the Year
- Sustainability LIVE: Diversity & Inclusion Award (Davies - Highly commended)
- US Insurance Awards: 2025 Claims Management Team of the Year - AmeriSys, A Davies Company, and the State of Georgia Return-to-Work Initiative
- The 100 Best Insurance Leaders in the USA – The Hot 100 – Dan Saulter and Dhara Patel

The Davies Foundation is the charitable branch of Davies where we support our communities across the business and give back to the charities that matter most to our teams. During the course of this year, the Foundation has invested £57,000 in organisations of all different types, including community investment, environmental and animal care, food insecurity prevention and poverty relief, medical aid and educational support.

This year has also seen the beginning of a structural shift for The Davies Foundation as we commenced a review into how we can enhance and improve our impact as part of our upcoming Vision 2030 strategy. The review will conclude in the next financial year and will look to see how best to structure to support even more incredible work in all of our communities.

I am extremely proud of the dedication and hard work displayed by our team from all over the world, who have come together in delivering an exceptional high service for our clients.

Dan Saulter
Chief Executive
Davies Group
Date: 12 February 2026

STRATEGIC REPORT

The Group has performed in line with expectations during the year ended 30 June 2025 and confidently looks forward to continued growth in the coming year.

PRINCIPAL ACTIVITY

The principal activity of the Group in the year under review was the provision of operations management, consulting and digital solutions to organisations in highly regulated markets, including insurance, financial services, utilities, communications and to regulatory bodies. The principal activity of the Company was to act as a holding company.

DAVIES STRATEGY

The Group's strategic goal is to become the leading professional services partner, serving the Insurance, financial services and regulated markets environment.

To achieve this the Group is focused on growing both organically and through M&A activity across three broad business areas:

- **Davies UK and Ireland**. A business that provides claims and legal services for the UK and Ireland insurance market, encompassing claims TPA, adjusting, legal services, supply chain, technology, and ancillary services. The business operates as two constituent divisions, Core & Volume (a division providing solutions for higher volume, lower value claims) and Complex and Specialty (the more specialist and higher value claims) and is focused on providing B2B services required by Insurers, Brokers, MGAs, Lloyds Syndicates, Corporates and the Public Sector.

- **Davies North America**. A business consisting of two operating divisions, Claims Solutions (end-to-end claims TPA and adjusting services) and Insurance & Risk Management (risk, audit, inspections, and actuarial services) providing services across the U.S. and Canada. Strategically the business focuses on the needs of the Insurance and self-retained market and specifically the B2B services required by Insurers, Brokers, MGAs, Lloyds Syndicates, Corporates and the Public Sector.

- **Davies Global Solutions**. A global business with three constituent divisions:
    - *Consulting and Technology* - Assisting clients to deploy technological and automation solutions and accelerate business, transformation and people performance across financial services, banking, asset & wealth management, insurance and highly regulated industries. This division also has a number of SaaS products, specifically targeted at regulatory and compliance requirements.
    - *Insurance Solutions* - A business that works with, creates, administers, and helps develop risk solutions on behalf of Lloyds syndicates, MGAs, Brokers, Insurers, Re-insurers and international captive owners.
    - *Forensic Accounting* - A global business focused on providing forensic and investigative accountancy services with a specific focus on the resolution of economic damage arising from insurance claims and litigation.

During the course of this financial year, the Group launched its Vision 2030 strategy. The strategy is anchored on four growth pillars: accelerated AI and technology investment, operational excellence, geographic expansion and expanding solutions for existing clients.

The over-arching objective is to provide services that enable clients to not only manage risk and operate their core business processes but also transform and grow. This approach enables the Group to be a strategic partner with clients and offers a unique proposition to the market that drives the achievement of the vision accordingly.

STRATEGIC REPORT (continued)

REVIEW OF BUSINESS

We have continued to invest and add capability and geographies through acquisitions. In the year to June 2025, we completed three major acquisitions and two smaller trading assets deals adding to the geographic reach and client solutions offerings. For details of these please see the Chief Executive's Review.

The results for the year and the financial position of the Group are as shown in the annexed financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The risk factors set forth below reflect material risks associated with the business and readers should consider them in addition to the other information contained in this report as our business, financial condition or results of the operation could be adversely affected if any of these risks were to actually occur.

The Group operates in a competitive marketplace. The Group manages this commercial risk by delivering a high quality, bespoke service to its clients, with most of whom it already enjoys long-standing relationships. Additionally, the business development team conducts regular client meetings and update sessions to ensure that any client concerns are dealt with on a timely basis. This also provides an opportunity to update clients on developments within the business as well as new products and services. Furthermore, the business development team actively engages in a large number of tenders each year to grow the client base to minimise reliance on any single client.

The Group operates across multiple jurisdictions which exposes the Group to evolving regulatory requirements, legal obligations, and compliance risks. Failure to comply with applicable laws and regulations could result in fines, sanctions, reputational damage, or restrictions on business activities. The Group has a robust Compliance department which manages such risks through the controls and procedures that are in place.

The results of our operations are generally affected by the level of business activity of our clients, which in turn is affected by the level of economic activity in the industries and markets these clients serve. Economic downturns, volatility, or uncertainty in some markets may cause reductions in technology and discretionary spending by our clients, which may result in reductions in the growth of new business or reductions in existing referrals. The volume of claims referred to the Group, and therefore its revenue, can fluctuate according to the frequency and severity of weather-related events. Additionally, the Group is aiming to specifically grow its liability business to mitigate this risk.

Operational risks exist as the business operates in a complex and highly regulated environment, and it is essential to have effective processes and governance to be successful, as well as effective oversight of operations. The Group has put in place procedures and controls to mitigate any operational risks to which it could be exposed.

The Group successfully operates a mobilised, hybrid workforce enabling efficient working from home and within a number of office locations across the world. Therefore, the impact of any further social restrictions due to pandemics are not considered to be a significant risk to the Group.

The Group continues to monitor its interest rate exposure. Using the latest available forward rate forecasts the Group estimates its future interest expense regularly which allows the Group to track future cash interest costs. Furthermore, our senior debt facilities allow the Group to PIK (convert interest payable to debt) up to 1.75% of the cash interest cost to help manage liquidity as required.

STRATEGIC REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

The Group acknowledges that ongoing geopolitical and economic volatility, such as trade tariffs, creates uncertainty in the global economy, and that conflict and instability in Ukraine and the Middle East reshapes market dynamics. These disruptions have resulted in trade tensions in the economies in which the Group operate, thus influencing price inflation and impacting the Group's cost base. In response, the Group has continued to focus on price increases across all its product lines, in addition to accelerating automation and offshoring initiatives to manage costs. The Group continues to monitor geopolitical developments closely and adopts a proactive approach and quick responsiveness to mitigate the effects on the Group's operations.

The Group acknowledges the critical importance of cybersecurity and are committed to ensuring Davies is a Cyber resilient business, able to respond quickly and effectively to any threat, keeping data safe and secure ensuring competitive advantage and regulatory compliance. Within Davies the Cyber Security function sits within the broader Office of the Group Chief Information Security Officer ("CISO") under the Chief Information Security Officer, reporting directly to the Chief Risk Officer who sits on the General Executive Committee ("GEC") reporting into the Board. This allows clear communication of Cyber Risk through to the GEC and Board and enables collaboration with the wider Governance, Risk and Compliance function.

The principal risks and uncertainties pertaining to cyber security are reviewed in five distinct categories outlined below:

- **Controlled Risk:** Davies approach to Cyber Risk is to ensure that a consistent standard set of controls are deployed Globally across the IT infrastructure whilst adopting ISO 27001 (2022) as the Global security framework. Over the past 2 years the CISO function has developed to encompass Cyber Defence, Information Security, Privacy, Data Governance, AI Governance and an Internal Audit team. Our audit team provides our ISO 27001 (2022) continual monitoring and testing of effectiveness of controls, additional audits across; PCI-DSS, the ICO Accountability Framework and ISO 42001 Information technology — Artificial Intelligence. In FY25 we harmonised our ISO 27001 (2022) UK & US external audits onto a single annual external one and supplemented our policy set with a more detailed set of standards to ensure robust controls across the business. We additionally supported the annual accreditation of Cyber Essentials Plus for areas of the business where applicable and introduced formal governance over the annual New York DFS Cyber 500 submission.

- **Supporting Global growth:** in order to support the Global nature of our business, both the Cyber and Audit teams have recruited team members into our Canada office to ensure we are able available across our Global time zones, this work continues into FY26 with Cyber and Information Security placing team members in our India Shared Services function to enable a follow the sun model and ensure a 24*7 escalation path for any Cyber incidents.

- **Reduce the unknown:** as a business that grows through acquisition, we have an ever-expanding perimeter which means greater risk of unknown assets. In FY25 we have taken the step to further enhance our detection and response controls by deploying a new Attack Surface Management (ASM) capability, giving the Cyber team immediate risk base information on emerging perimeter vulnerabilities. FY26 will see us add to this with a dedicated threat intelligence feed into the Cyber team which will add increased knowledge of targeted and emerging threat against Davies and the wider insurance industry. These capabilities move us increasingly to a more proactive Cyber resilience position, mitigating vulnerabilities before they become a credible threat.

- **AI Governance**: our AI framework has been adapted to support a Global business, and we continue to monitor against emerging regulations. AI and Data Governance are increasingly interconnected. At Davies, both functions operate under the Office of the CISO. This alignment has fostered a collaborative strategy focused on the safe use of corporate AI tools, supported by robust detection and reporting mechanisms to promote best practices. To further drive responsible adoption, we have introduced mandatory AI training to help drive safe adoption. With these corner stones in place, we are set to mature our AI enabled DLP across high-risk data over the coming months.

STRATEGIC REPORT (continued)

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- **Supply Chain Risk:** mindful of the high risk of supply chain attack we are in the process of maturing our Third-Party Risk Management (TPRM) function under our Director of Enterprise Risk. We aim to take a twofold approach of robust onboarding due diligence coupled with active scanning and supported remediation via a partner. Currently we focus active monitoring on those suppliers deemed highest risk, defined by those that represent the highest security risk through having access to our data in the delivery of our service, giving us continual oversight over a major risk area .

We believe that by controlling the knowns whilst minimising the unknowns Davies maintain the best position in light of perpetual Cyber threats.

REGULATORY TRENDS

The Group primarily operates in the Insurance, Financial Services and regulated markets environment. These markets are often subjected to regulatory change, with significant changes arising from the FCA's Consumer Duty being a recent example of this.

Due to the diverse suite of services offered by the Group however, regulatory change offers an opportunity to provide transformation services and outsourced services to its clients helping them navigate the changes. The Group continues to see the evolving regulatory environment primarily as an opportunity in the future.

MARKET TRENDS

Within the Group's chosen markets and client base, there are a number of common trends and themes:

- **Technology and Automation.** There is an ever-present clear market trend for the Group's clients to move more digitally, taking advantage of automation and AI-based solutions to either reduce operating cost or offer new products and services for their consumers. This trend brings opportunity (through the diverse Consulting and Technology offering) and challenge for the Group to continually evolve its service offering to adapt to this market dynamic. In response, the Group has doubled down on technology and AI investment to ensure that it leads the way.
- **Cost and Inflationary Pressures.** Cost pressure and inflationary influences continues to impact the market, not least exacerbated by UK government decisions on employer national insurance contributions. In order to mitigate this, the Group has been forced to leverage price increases in certain markets and services.
- **Consulting Services.** Various global challenges are combining to drive an evolution in the way that Consulting services are procured and delivered. The impact of geopolitical and economical issues in particular, are driving a trend of slower decision-making. Whilst the Group's revenue in this service-type is low as a percentage of overall turnover, the delivery of agile, fast-moving, and value-driven advisory services will be key to take advantage of this market trend.
- **Outsourcing and Offshoring**. Almost as a direct response to inflationary and cost pressures in the market, organisations have continued to look to leverage offshoring and outsourcing as tools to mitigate their impact. The Group, being a leading outsource services provider, is well situated to capitalise on this market trend.

90%+ of the Group's revenue is derived from the Insurance industry in some form.

The insurance industry, whilst highly resilient to change, does have cycles of both a 'hard' and 'soft' market. This leads to varying challenges that arise from time to time (higher premiums, lower capacity, new entrants, notable capacity/market exits) that the Group navigates. The diverse nature of the Group's services (ranging from assisting a startup entity through to assisting a market exit) offers a counter-cyclical resilience at a strategic level.

STRATEGIC REPORT (continued)

ENVIRONMENTAL REVIEW

The Group has an ambition to minimise its environmental impact, through the pursuit of net zero, a reduction in resource consumption, and by influencing positive change throughout its value chain.

The Group has its Science-Based Targets initiative (SBTi)'s net zero targets validated, aiming to cut emissions in half by 2030 and to be carbon net zero by 2050. Davies are proud members of the Business Ambition for 1.5°C Campaign and Race to Zero.

To support these goals, Davies has implemented comprehensive environmental and procurement policies alongside a range of carbon reduction initiatives. Our commitment to environmental sustainability expands beyond GHG emissions, we are continually working to reduce energy consumption, minimise waste and water usage and consider our impact on nature and biodiversity. In FY25, we expanded our focus to not only target operational exposure but also the impact of our products and services. This included engaging with our diverse supply chain.

This year our Real Estate team led a series of initiatives that have significantly contributed to advancing our environmental efforts. Highlights include the development of our renewable energy roadmap, a furniture recycling programme, and increased adoption of sustainable products. We report progress on our goals and initiatives in our annual Responsible Business Report which can be found on our website - https://davies-group.com/wp-content/uploads/2025/11/Davies-FY25-Responsible-Business-Report.pdf

As per the Group's SECR reporting for this financial year, Davies has reduced total emissions by 37%, from 4,545 tCO_2e in 2019/2020 to 2,879.59 tCO_2e in 2024/2025. Scope 3 (emissions from other indirect emissions in the value chain) fell by over 50% (1,852 to 715.83 tCO_2e), driven by supply chain improvements, while Scope 2 (related to indirect emissions from purchased energy; electricity, heating & cooling) dropped from 1,062 to 585.12 tCO_2e. due to consolidation efforts by the facilities team and an uptake in our renewable energy tariffs. Scope 1 (direct emissions from sources owned or controlled by the company) remains close to baseline but increased 71% from last year. Emission intensity improved significantly, from 30.63 to 7.29 tCO_2e/£m, showing emissions are reducing faster than revenue growth. Davies is on track to achieve a 50% reduction in Scope 2 and 3 by FY2030 and absolute emission reduction by 2050.

We anticipate a potential increase in emissions in the coming years due to mergers and acquisitions. However, we remain committed to our decarbonization efforts and may recalibrate our baseline to enhance reporting accuracy.

To strengthen our environmental governance, during the financial year ended June 2025 we have appointed a Responsible Business and Climate Assistant to support our Climate Analyst to help drive our decarbonization strategy. These efforts are overseen by our Responsible Business Board Committee and supported by the Responsible Business Steering Committee.

HUMAN RIGHTS

Our company is dedicated to protecting human rights. We are a committed equal opportunity employer and abide by all fair working practices. We ensure that our activities do not directly or indirectly violate human rights in any country.

The Group has a zero-tolerance approach to modern slavery and are committed to acting ethically and with integrity in all its business dealings and relationships, and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in its own business or in its supply chain.

The Group's full statement under section 54 of the Modern Slavery Act 2015 is published on its website: https://davies-group.com.

STRATEGIC REPORT (continued)

GENDER DIVERSITY REVIEW

At Davies we value diversity of thought and the benefits that a diverse workforce brings to the business. We are committed to creating and maintaining an environment that embraces diversity and inclusion and where everyone is treated equally. We do not discriminate on the grounds of any differentiating factor and embrace the differences which make people unique.

Our approach to driving Diversity, Equity and Inclusion ("DEI") is to focus on developing an inclusive working environment where:

• Everyone is respected and valued for who they are.
• People's differences are embraced as strengths.
• We promote purpose and well-being.
• We ignite awareness and understanding through education and communication.

To support the growth and retention of a diverse workforce, Davies encourages the formation of Employee Resource Groups (ERGs). Our ERGs are run by their members with support from the business and their aim is to foster a culture of inclusion by supporting our population through awareness (via the provision of education and communication), celebration (through engagement and events) and change (to support the needs of our diverse workforce). We have six groups:

• Eco Davies
• LGBTQ+
• My Culture and Heritage
• Supporting our Health and Wellbeing
• Women's Network
• Working Families and Caregivers

In FY25, the work of these groups was highly commended for the Diversity Award at The Sustainability Live Awards.

Our gender split data for the business is detailed below. Please note:

• This data set is gender information held for payroll purposes and is not self-identified data.
• Our Group Executive Leadership Team ("ELT"), includes three cohorts including a) our Group Executive Committee ("GEC") (reporting to our Group CEO); b) our Global Leadership Team (reporting to our GEC) and; c) our Executive Leadership Team (a small group of very senior profit centre owners, sales and strategy focused executives who have been identified to participate by the GEC).

STRATEGIC REPORT (continued)

GENDER DIVERSITY REVIEW (continued)

2025
At 30 June 2025 the gender split for the business is detailed below. Please note that this data set is gender information held for payroll purposes and is not self-identified data.

Cohort	Female	Male
Company Directors	2	6
Group Executive Leadership Team (“ELT”)	24	52
Employees	4,274	3,352

2024
At 30 June 2024 the gender split for the business is detailed below. Please note that this data set is gender information held for payroll purposes and is not self-identified data. This data is based on the previous structure of our global leadership team.

Cohort	Female	Male
Company Directors	2	6
Group Executive Leadership Team (“ELT”)	25	58
Employees	4,596	3,226

DIRECTORS’ ENGAGEMENT WITH STAKEHOLDERS

In performing their duties throughout the period, the directors have promoted the success of the Company for the benefit of the members as a whole and, in doing so, they have considered the key stakeholders when making decisions, including:

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

Our colleagues

Why?
Our colleagues are key to the delivery of our services and therefore to the long-term success of the business. It is imperative that we keep them actively engaged and motivated.

How?
Our internal communications strategy is designed to deliver engaging communication to drive the business objectives, as well as develop and enhance the organisational culture through engaging internal communication and employer brand content, through channels including the employee intranet, newsletters, emails, webinars, internal notice boards and posters, which include a variety of key information and events including; performance and business updates, acquisition news, cultural initiatives and incentives, key appointments, industry award wins etc.

STRATEGIC REPORT (continued)

DIRECTORS' ENGAGEMENT WITH STAKEHOLDERS (continued)

Our colleagues (continued)

We motivate and reward our employees through participation in the Davies Incentive Plan, which is a pool of shares set aside for employees to share in the future success of Davies, all employees who have at least two years' service are eligible to participate in the scheme. During the financial year employee participation in the Davies Incentive Plan was 4,358 colleagues. We focus heavily on our policy of training and developing our staff, promoting internally before we recruit externally.

Kudos is a tool to help our employees recognise and reward colleagues from across the business - each month all employees receive 100 Kudos points which they can allocate to someone to say thank you for a job done well, going above and beyond their role, getting involved in CSR and other business initiatives.

Our communities and the environment

Why?
It is a core principle that we make a positive difference to the communities and environments in which we operate.

How?
The Davies Responsible Business Strategy has three key strands that govern our impact on environmental and social factors. Specifically, these include:

- **People.** Advancing opportunities for all through the nurturing of our people, driving social mobility and adhering to exemplary employer practices.
- **Planet**. Taking climate action through a goal to achieve net-zero, reducing resource use and engaging our supply chain.
- **Purpose.** Succeeding ethically as a business through accountable structures, responsible operations and transparent engagement.

A key part of how this translates into action is the Davies Foundation. The foundation aims to create a positive social impact in the communities globally where Davies operate. Through ongoing fundraising and match funding from the business, the charity provides grant funding to charitable organisations nominated by our employees through our grants programme. The charity has supported 419 causes to date which contribute to its charitable purposes, including family welfare charities, foodbanks, homeless shelters, medical charities, mental health organisations, support groups, environmental charities, and community groups. The primary source of fundraising is through internal events & fundraising challenges such as Tough Mudder, LGBTea Mornings, Davies Sleep Out, Winter Foodbank Scheme and a wide variety of remote events. Our community impact work is led by our Responsible Business function and supported by a team of 60+ volunteers from across the group who promote initiatives, represent our charity globally, organise fundraisers and provide feedback from Davies employees.

Our customers

Why?
The Directors recognise that maintaining long term relationships with existing customers, along with securing new customers, is vital to the success of the business.

How?
Our customers are at the heart of our day-to-day activities and decisions. During the year we have broadened the services we are able to offer our customers and other businesses operating across insurance & highly regulated markets both through the development of new product offerings and through new services made available by acquired businesses.

STRATEGIC REPORT (continued)

DIRECTORS' ENGAGEMENT WITH STAKEHOLDERS (continued)

Our customers (continued)

Davies has significantly increased its investment in technology and digital transformation, while nurturing new ideas and innovation from its people. Davies' teams have continued to launch new technology to market for its highly regulated clients and their customers, including new features to its electronic claims portals and claims automation.

Our investors

Why?
It is critical that our investors have confidence in the Group, how it is operated and in its long-term strategic objectives.

How?
We are supported by our external investors, BC Partners, HGGC and Aimco and through regular dialogue, both inside and outside the structure of formal board meetings, we ensure their interests are represented by careful scrutiny of the shareholder benefit of each material decision taken by the business.

Our suppliers

Why?
The main suppliers to the business are essential to our ability to deliver services to our customers to the standards expected by our customers.

How?
We maintain good relations with all key suppliers to the Group, including through prompt payment practices.

Key decisions

For the key decisions made during the year, we set out below the way in which the interests of key stakeholder groups were considered:

Major acquisitions:
During the year we completed three significant acquisitions and two smaller trading asset deals which diversify our offering and capabilities for the benefit of our customers. Our investors are engaged throughout each acquisition process ensuring their interests are represented through careful analysis and presentation of the shareholder value that is expected to be generated, but also the risks involved. On completion of each acquisition, we make an internal announcement to our colleagues about the acquisition and the new services that the Group can now offer, and in many cases have followed up with webinars to introduce the new team and their business.

WALKER GUIDELINES COMPLIANCE

The Walker Guidelines (the "Guidelines") which are a set of principles designed to enhance transparency and disclosure for the largest private equity-backed companies in the UK. The Guidelines require disclosures in areas of risk, environment, business stakeholders and diversity, equality, and inclusion; and apply on a "comply or explain" basis. The Group is in scope of the Walker Guidelines. The Walker Guidelines are upheld by the Private Equity Reporting Group (PERG) who monitor the industry's compliance with the Guidelines and make periodic recommendations to the British Private Equity and Venture Capital Association (BVCA).

The directors consider the annual report and financial statements to comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity.

STRATEGIC REPORT (continued)

GOING CONCERN

The directors have assessed the Group's ability to continue as a going concern in accordance with IAS 1 *Presentation of Financial Statements*. This assessment included a review of the Group's financial performance, liquidity position, cash flow forecasts, and covenants. After considering these factors, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

The Group's going concern exercise covers the period from the balance sheet date to 28 February 2027. As part of this assessment, the directors performed detailed sensitivity analyses to evaluate the resilience of the Group's liquidity and covenant headroom under severe but plausible downside scenarios. The directors modelled scenarios in which revenue fell to levels materially below both historical performance and the base-case assumptions. Even at the lowest point of these downside scenarios, the Group maintained sufficient liquidity through a combination of available cash, undrawn facilities, and the mitigating actions available to management.

The directors also performed a reverse stress-test to determine the level of underperformance against the base case that would result in a breach of financial covenants and result in a liquidity issue. This analysis indicated that a breach would require a level of deterioration well beyond the severe but plausible scenarios considered.

The Group benefits from the continued financial support of its institutional shareholders—BC Partners, HGGC, and AimCo. Under the existing banking agreement, an equity injection from these shareholders is permitted and represents a key mitigant in the event of a potential covenant breach. In addition, the Group has access to a £140m revolving credit facility ("RCF"), available for operational, working capital, and acquisition purposes, which can be drawn within three working days.

Blackstone is the Group's debt provider. Total gross facilities available to the Group as at June 2025, and at the date of signing these financial statements, amounted to £1,675m (translated at year-end exchange rates). This includes a £700m acquisition facility and the £140m RCF. Facilities other than the RCF may be utilised for capex , acquisition and restructuring requirements and can be drawn within 15 working days. During the reporting year, the RCF was increased from £90m to £140m. Total gross of debt drawn down at June 2025 was £1,416m.

The Group continues to execute its M&A strategy. During the period ended 30 June 2025, it completed two stock acquisitions and three trade-and-asset deals (see note 23 for further detail). Since the year end, the Group has completed one significant stock acquisition, adding approximately £18.7m of EBITDA before synergies.

Having considered the forecast cash flows, available facilities, shareholder support, and the results of the sensitivity analyses, the directors have concluded that the going concern basis of preparation remains appropriate for these consolidated financial statements.

RESULTS AND DIVIDENDS

The Group's Adjusted EBITDA is £177.3m and the loss before tax is £140.2m for the financial year ended 30 June 2025. No final dividend is proposed and the loss for the year has been transferred to reserves accordingly.

The losses arise from the structure of the business supporting its strategy where substantial external borrowings were utilised to fund acquisition activities and the subsequent integration of those acquisitions. This gives rise to the substantial interest cost as well as the charges for amortisation, M&A and exceptional items. Given the underlying profitability there is every expectation the Group will report improving results in the years to come.

STRATEGIC REPORT (continued)

RESULTS AND DIVIDENDS (continued)

Alternative performance measures

The Group calculates a number of metrics that are used on an underlying basis to analyse the performance of the Group. These metrics are not necessarily comparable to similarly titled measures presented by other companies and are not any more authoritative than measures presented in the consolidated financial statements, however management believes that they are useful in assessing the performance of the Group and in drawing comparisons between years and are considered a key benchmark for stakeholders. A description of these measures and their calculation is given below.

EBITDA and Adjusted EBITDA

EBITDA is defined as earnings before interest, taxes, depreciation and amortisation. Adjusted EBITDA is defined as EBITDA before exceptional administrative expenses and M&A deal costs and integration expenses. The Adjusted EBITDA, which excludes these costs, is a key benchmark measure for the key stakeholders of the business.

Exceptional administrative expenses

Exceptional administrative expenses are defined by the Group to be expenses which are not on-going operating expenses and include cost containment plans; rationalisation and restructuring projects; margin-enhancing initiatives, and other significant one-off projects. The separate reporting of exceptional administrative expenses helps provide an indication of the Group's underlying business performance. A significant element of this expense for the year ended 30 June 2025 related to one-off costs to execute strategic initiatives to counter macroeconomic challenges.

M&A deal costs and integration expenses

Merger and Acquisition (M&A) deal and integration expenses include the costs of undertaking M&A deal work: salaries and ongoing costs of the teams involved in the acquisition and integration of businesses into the group; changes in the value of accrued contingent consideration, the costs of agreed integration programmes for acquisition projects, and the costs of realising agreed synergies from deals. During the year, changes to contingent consideration included in M&A deal costs amount to £68.4m credit (30 June 2024: £4.4m debit). Management do not consider such costs to be part of the recurring and ongoing operational business of the Group and therefore present these costs separately.

	For the year to 30 June 2025 **£000**	**For the year to 30 June 2024 (restated)** **£000**
Gross profit	401,691	347,049
Administrative expenses excluding exceptional items, M&A deal cost and integration expenses, depreciation and amortisation:	(224,432)	(198,345)
Adjusted EBITDA	**177,259**	**148,704**
Exceptional administrative expenses	(33,458)	(34,649)
M&A deal costs and integration credit / (expenses)	580	(68,324)
Disposal of associate investment	7,023	-
EBITDA	**151,404**	**45,731**
Depreciation	(25,489)	(24,676)
Amortisation	(94,306)	(91,063)
Other net losses	(1,366)	(116)
Operating profit/ (loss)	**30,243**	**(70,124)**

STRATEGIC REPORT (continued)

KEY PERFORMANCE INDICATORS

Management adopts a number of indicators to measure and monitor the overall performance of the Group. From a financial perspective an annual budget is set. Performance against the budget, in terms of its principal KPIs of revenue and EBITDA before exceptional items and M&A integration expenses and cash flow, is monitored in detail and reviewed monthly at board level.

In addition to the financial KPIs, a number of non-financial KPIs are used to measure and monitor the progress of the Group against its strategic objectives on a quarterly basis. These KPIs include specific targets in respect of organic and acquisitive growth, technology growth, client retention, the cross-selling of services and the Group's revenue mix. These KPIs relate to the strategic objectives of:

- Enhancing the Group's go-to-market function and processes
    - A measure of annual organic growth and client retention for the existing customer base
    - A measure of gross growth that is achieved from proactive cross sell initiatives
    - An increase in the average number of services provided to the Group's Top 250 client base
- Widening the use of technology
    - A measure of technology and technology-enabled services as a proportion of Group revenue
    - A measure of benefit arising from Group automation projects
- Maturing and growing the North American business
    - A measure of organic growth within the North American business
    - A measure of North American revenue as a proportion of Group revenue
    - A measure of M&A activity
- Expanding the Global Solutions business
    - A measure of organic growth within the Global Solutions business
    - A measure of Global Solutions revenue as a proportion of Group revenue
    - A measure of M&A activity
- Maintaining and enhancing a leading M&A and integration capability
    - A measure of rolling actionable M&A EBITDA
    - A target of integration within a set period following acquisition
    - A measure of integrations delivered within budget and delivering the agreed synergies

By order of the Board

Dan Saulter
Director

Date: 12 February 2026

DIRECTORS' REPORT

The directors present their report with the audited consolidated financial statements of the Group for the year ended 30 June 2025.

RESULTS AND DIVIDENDS

The Group's loss for the year ended 30 June 2025 is £127.4m (year ended 30 June 2024: loss of £213.9m (restated)).

No final dividend is proposed and the loss for the year has been transferred to reserves accordingly.

During the current financial year, the Group identified material errors in the prior period financial statements relating to tax related adjustments, historical aged debtor and WIP balances, the integration of previously acquired businesses and deferred taxation. The error arose due to deficiencies in internal controls, misapplication of accounting policies, and integration issues following business acquisitions.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the error has been corrected retrospectively. Comparative figures for the prior period have been restated, and the opening balance of equity as at 1 July 2023 has been adjusted accordingly.

FUTURE DEVELOPMENTS

The Group remains committed to sustainable, profitable growth and continues its programme of strategic activities to meet these objectives. The priority remains to provide a market leading range of high quality and innovative services to customers and to develop our relationships with existing and new customers alike.

The Group continues to invest in new systems and technology with the focus on improving operational efficiency and flexibility. This is being implemented through a specific project which will reduce the lifecycle of claims, improve customer service, enhance the quality of management information available both internally and to our clients, and drive down the cost of delivering a successful claim outcome.

FINANCIAL RISK MANAGEMENT

The Group's operations expose it to a variety of financial risks that include credit risk, liquidity risk and interest rate risk.

Credit risk is managed, as far as possible, by partnering with financially strong clients, agreeing payment terms in advance and requesting progress payments during the life of a claim. Appropriate credit control procedures are in place to monitor credit taken by clients and mitigate the risk of a material bad debt.

The Group has a dedicated team managing its cashflow operations ensuring outstanding fee invoices are collected on a timely basis and suppliers are paid utilising available credit terms. Additionally, the Group reviews and forecasts its cash requirements on a regular basis and has a £140m revolving credit facility with its main lender to provide an additional source of liquidity to assist with growth and manage seasonal spikes in business. The Group continues to monitor its interest rate exposure due to increasing global rates. Using the latest available forward rate forecasts the Group estimates its future interest expense regularly which allows the Group to track future cash interest costs.

The Group consolidates its overseas divisions from local currency to GBP using average and period end exchange rates and therefore faces translation risk on its consolidated financial performance.

Cash held on behalf of clients is held in segregated trust bank accounts, separately identifiable from the Group's own cash at bank and in hand, for regulatory or contractual reasons and in accordance with good corporate governance.

DIRECTORS' REPORT (continued)

EMPLOYEES

Details of the employees related costs can be found in note 22 to the financial statements.

The Group has continued its commitment to fostering good communication and consultation at all levels with a view to informing and involving staff in the progress of the Group and its future. Elected employee representatives meet with the executive management of the Group to consult on important workplace issues, including but not limited to market conditions, performance of the business, employee issues and any changes in business direction. Communication with all employees is through the intranet, email and staff meetings.

To encourage their involvement in the future performance of the Group, executive management and directors are included in the management share scheme and employees participate in performance related bonus schemes.

EMPLOYMENT OF DISABLED PERSONS

It is the Group's policy to give, wherever possible, equal opportunity of employment and career development to both disabled and able persons according to their suitability to perform the work required. The Group also makes every effort to provide employment for employees who become disabled. All employees are given opportunities for training, career development and promotion consistent with their capabilities whether disabled or able.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Tennessee Topco Limited has maintained cover for its directors and officers and those of its subsidiary companies under a directors' and officers' liability insurance policy. The liability insurance is a qualifying third-party indemnity provision and was in force during the financial period from the date of the acquisition of Davies Topco Limited of 3 August 2021 and up to and including the date of the approval of the Annual Report and Financial Statements.

DIRECTORS

The directors who served during the year and up to the date of signing these financial statements unless otherwise stated are as follows:

Alexander Katsis (appointed 11 November 2025)
Cedric Dubourdieu (appointed 3 August 2021)
Dan Saulter (appointed 3 August 2021)
James Ridout (appointed 3 August 2021)
Mark Richards (appointed 5 March 2021)
Michalis Frouzis (appointed 3 August 2021
Neil White (appointed 11 February 2022)
Dr Nneka Abulokwe (appointed 3 August 2021; resigned 10 November 2025)
Marta Cueto Vazquez (appointed 1 January 2024; resigned 11 November 2025)

DIRECTORS' REPORT (continued)

POST BALANCE SHEET EVENTS

On 30 December 2025, the Group completed the acquisition of SCM Insurance Services ("SCM"), Canada's largest claims processing and risk solutions provider. The transaction occurred after the reporting date of 30 June 2025 but before these financial statements were authorised for issue.

In accordance with IAS 10 Events after the Reporting Period, this acquisition is classified as a non-adjusting event, as it does not provide evidence of conditions that existed at the reporting date. Consequently, no adjustments have been made to the amounts recognised in these financial statements as at 30 June 2025.

The acquisition will be accounted for as a business combination under IFRS 3 Business Combinations in the next financial period. As at the date these financial statements were authorised for issue, the initial accounting for the business combination has not been completed. Accordingly, it is not practicable to disclose the amounts recognised at the acquisition date for identifiable assets acquired, liabilities assumed, or goodwill.

The deal will see SCM's three operating businesses; ClaimsPro, Canada's leading claims adjusting firm; IPG, its third-party claims administrator; and Pario, its forensic engineering and consulting business and post-loss appraisal, all join the Davies global platform.

The deal represents The Group's largest strategic M&A addition to date and will allow the fast-growing tech-enabled firm to provide a full nationwide service across Canada, in addition to adding SCM's US operations to the Group's existing US footprint. SCM's 1,500+ strong team of professionals across Canada and the U.S. will join the Group as part of the deal.

The addition of ClaimsPro, IPG, and Pario will strengthen The Group's existing risk management, TPA and end-to-end claims solutions offering across North America, adding specialised services for insurers, brokers, MGAs, Lloyd's Syndicates, corporates, the public sector and captive owners.

The total consideration transferred at completion was cash of £55m and preference shares issued of £147m.

Following the deal, The Group will have annual revenues of c.$1.4bn, with a combined team of 9,500 colleagues operating in 22 countries across Europe, North America, South America, Asia, and Australasia.

Further details will be presented in the Group's next annual financial statements once the purchase price allocation has been finalised.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

(1) so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
(2) each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

STATEMENT OF DIRECTORS' RESPONSIBILITES

DISCLOSURE OF INFORMATION TO AUDITOR (continued)

The directors are responsible for preparing the Annual 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 prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRS) and Companies (Jersey) Law 1991). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. 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 IFRS have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies (Jersey) Law 1991). 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.

INDEPENDENT AUDITOR

The auditor, BDO LLP, has indicated its willingness to continue in office and will be proposed for re-appointment at the next annual general meeting.

By order of the Board

D Saulter
Director
Date: 12 February 2026

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TENNESSEE TOPCO LIMITED

Opinion on the financial statements

In our opinion, the special purpose financial statements of the Group for the year ended 30 June 2025 are prepared, in all material respects, in accordance with the International Financial Reporting Standards ("IFRS").

We have audited the special purpose financial statements of Tennessee Topco Limited (the "Company") and its subsidiaries ("the Group"), which comprise the Consolidated Statement of Profit or Loss, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the special purpose financial statements, including a summary of material accounting policy information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)), including ISA (UK) 800 Revised. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the special purpose financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the special purpose financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the special purpose financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the special purpose 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 ability to continue as a going concern for a period of at least twelve months from when the special purpose financial statements are authorised for issue.

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the consolidated annual report and financial statements other than the special purpose financial statements and our auditor's report thereon. Our opinion on the special purpose 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.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TENNESSEE TOPCO LIMITED (continued)

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the special purpose financial statements, or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the special purpose financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Directors

The Directors are responsible for the preparation of these special purpose financial statements in accordance with IFRS and for such internal control as the Directors determine is necessary to enable the preparation of special purpose financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, the Directors are responsible for assessing the Group'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 to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the special purpose financial statements

Our objectives are to obtain reasonable assurance about whether the special purpose 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 special purpose financial statements.

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be IFRS, United Kingdom tax legislation, and the Companies (Jersey) Law 1991.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TENNESSEE TOPCO LIMITED (continued)

Auditor's responsibilities for the audit of the special purpose financial statements (continued)

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the special purpose financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the requirements of the Financial Conduct Authority ("FCA") and the Prudential Regulation Authority ("PRA") and the regulatory requirements of other territories in which the Group operates.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Involvement of tax specialists in the audit.

Fraud

We assessed the susceptibility of the special purpose financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the special purpose financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the management override of controls and the valuation of Work In Progress ("WIP").

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias such as the valuation of WIP by assessing the appropriateness of management's stage of completion with reference to customer contracts and evidence of work completed as at year end; and
- Performing cut- off procedures to determine whether revenue has been recorded in the correct period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TENNESSEE TOPCO LIMITED (continued)

Auditor's responsibilities for the audit of the special purpose financial statements (continued)

Our audit procedures were designed to respond to risks of material misstatement in the special purpose financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the special purpose financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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 Directors, as a body, in accordance with the terms of our engagement letter dated 6 January 2026. Our audit work has been undertaken so that we might state to the Company's Directors 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 Directors as a body, for our audit work, for this report, or for the opinions we have formed. This report must not be used for any purpose other than that for which it was prepared or be reproduced or referred to in any other document or made available to any third party. We accept no duty or responsibility and deny any liability to any third party who is shown and/or gains access to this report.

Signed by:

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Giles Watson (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
12 February 2026

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

TENNESSEE TOPCO LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025
CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the year ended 30 June 2025 £000	For the year ended 30 June 2024 (restated) £000
Continuing operations			
Revenue	5	893,916	803,765
Cost of providing services		(492,225)	(456,716)
Gross profit		**401,691**	**347,049**
Staff and other overhead expenses		(219,284)	(180,828)
Administrative expenses		(152,607)	(218,693)
Net impairment losses on financial and contract assets	25	(5,214)	(17,536)
Disposal of associate investment	7	7,023	-
Other (losses) / gains – net	8	(1,366)	(116)
Operating profit / (loss)		**30,243**	**(70,124)**
Finance income / (costs) - net	9	(170,486)	(174,617)
Loss before income tax		**(140,243)**	**(244,741)**
Income tax credit	10	12,818	30,814
Loss for the year		**(127,425)**	**(213,927)**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 30 June 2025 £000	For the year ended 30 June 2024 (restated) £000
Loss for the year	**(127,425)**	**(213,927)**
Other comprehensive income / (loss)		
Items that may be reclassified to profit or loss		
Exchange gains / (losses) on translation of foreign operations	9,819	(2,533)
Items that will not be reclassified to profit or loss		
Remeasurement of post-employment benefit obligations	-	-
Income tax relating to this item	-	-
Total other comprehensive income / (loss) for the year, net of tax	**9,819**	**(2,533)**
Total comprehensive loss for the year	**(117,606)**	**(216,460)**
Total comprehensive loss for the year attributable to the owners of Tennessee Topco Limited	**(117,606)**	**(216,460)**

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	As at 30 June 2025	As at 30 June 2024 (restated)	As at 30 June 2023 (restated)
		£000	£000	£000
Assets				
Non-current assets				
Property plant and equipment	12	20,924	26,996	24,841
Right of use assets	13	24,413	30,579	24,636
Goodwill	14	1,151,690	1,163,708	980,998
Intangible Assets	14	625,450	690,887	613,376
Investments in associates	7	-	4,435	3,819
Other non-current assets		757	489	84
Total non-current assets		**1,823,234**	**1,917,094**	**1,647,754**
Current assets				
Prepayments	16	22,529	23,318	15,878
Contract assets	5 (b)	115,516	96,338	85,856
Trade receivables	17i	145,662	151,393	116,839
Other financial assets at amortised cost	17ii	20,103	17,134	15,029
Current tax assets	16	6,087	9,237	9,163
Cash and cash equivalents	18	63,570	92,736	55,469
Total current assets		**373,467**	**390,156**	**298,234**
Total assets		**2,196,701**	**2,307,250**	**1,945,988**
Liabilities				
Non-current liabilities				
Borrowings	19	(1,402,629)	(1,340,113)	(984,771)
Lease liabilities	13	(21,986)	(23,969)	(17,418)
Deferred tax liabilities	15	(64,253)	(84,422)	(91,943)
Employee benefit obligations	22	(8,903)	(8,293)	(13,225)
Other non-current liabilities	21	(10,992)	(99,956)	(78,104)
Provisions	20	(14,127)	(10,821)	(7,977)
Other non-current financial liabilities		(10)	(10)	(14)
Total non-current liabilities		**(1,522,900)**	**(1,567,584)**	**(1,193,452)**
Current liabilities				
Trade and other payables	21	(186,264)	(155,295)	(127,743)
Contract liabilities	5 (b)	(28,056)	(33,655)	(26,353)
Lease liabilities	13	(9,998)	(10,382)	(9,115)
Employee benefit obligations	22	(11,163)	(14,732)	(2,838)
Borrowings	19	(70,027)	(40,312)	(32,528)
Provisions	20	(1,768)	(777)	(1,217)
Total current liabilities		**(307,276)**	**(255,153)**	**(199,794)**
Total liabilities		**(1,830,176)**	**(1,822,737)**	**(1,393,246)**
Net assets		**366,525**	**484,513**	**552,742**
Share capital and share premium	11 (a)	925,857	931,473	778,706
Other reserves	11 (b)	(6,775)	(21,791)	(16,317)
Accumulated deficit	11 (c)	(552,557)	(425,169)	(209,647)
Total equity		**366,525**	**484,513**	**552,742**

The financial statements on pages 27 to 100 were approved by the Board of Directors on 12 February 2026 and were signed on its behalf by:

D Saulter (Director)
The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Foreign currency translation reserve	Own share reserve	Retained earnings	Total
	£000	£000	£000	£000	£000	£000
Balance as at 30 June 2023	**7,669**	**771,037**	**(10,661)**	**(5,656)**	**(190,742)**	**571,647**
Prior period adjustment	-	-	-	-	(18,905)	(18,905)
Balance as at 30 June 2023 (restated)	**7,669**	**771,037**	**(10,661)**	**(5,656)**	**(209,647)**	**552,742**
Loss for the year	-	-	-	-	(192,244)	(192,244)
Prior period adjustment	-	-	-	-	(21,683)	(21,683)
Loss for the year (restated)	-		-	-	(213,927)	(213,927)
Other comprehensive loss for the year, net of tax	-	-	(2,533)	-	-	(2,533)
Total comprehensive loss for the year (restated)	**-**	**-**	**(2,533)**	**-**	**(213,927)**	**(216,460)**
Issue (net) of share capital	1,018	151,749	-	-	(1,595)	151,172
Treasury shares	-	-	-	(2,941)	-	(2,941)
Balance as at 30 June 2024 (restated)	**8,687**	**922,786**	**(13,194)**	**(8,597)**	**(425,169)**	**484,513**
Loss for the year	-	-	-	-	(127,425)	(127,425)
Other comprehensive income for the year, net of tax	-	-	9,819	-	-	9,819
Total comprehensive loss for the year	**-**	**-**	**9,819**	**-**	**(127,425)**	**(117,606)**
Issue of share capital	6	1,190	-	-	-	1,196
Treasury shares	-	-	-	5,197	-	5,197
Cancellation of shares	(68)	(6,744)	-	-	37	(6,775)
Balance as at 30 June 2025	**8,625**	**917,232**	**(3,375)**	**(3,400)**	**(552,557)**	**366,525**

The accompanying notes are an integral part of these consolidated financial statements

TENNESSEE TOPCO LIMITED
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025
CONSOLIDATED STATEMENT OF CASHFLOWS

	Note	For the year ended 30 June 2025	For the year ended 30 June 2024 (restated)
		£000	£000
Cash generated from operations			
Loss before tax		**(140,243)**	**(244,741)**
Adjustments for:			
Depreciation and amortisation expense	12/13ii/14	119,795	115,739
Net impairment of Right of Use Asset and loss on sale of non-current assets	8	1,366	116
Finance costs – net	9	170,486	174,617
Gain on disposal of associate	7	(7,023)	-
Change in operating assets and liabilities, net of effects from purchase of controlled entities			
Increase in trade and other receivables		(2,550)	(10,561)
Increase in contract assets		(16,954)	(3,903)
Decrease in trade and other payables		(55,820)	1,002
Decrease in contract liabilities		(4,912)	7,302
Movement in provisions		4,206	1,129
Cash generated from operations		**68,351**	**40,700**
Interest paid		(111,716)	(115,837)
Income taxes paid		(6,993)	(6,999)
Net cash used in operating activities		**(50,358)**	**(82,136)**
Cash flow from investing activities			
Payment for acquisition of subsidiary including goodwill, net of cash acquired	23	(31,919)	(237,855)
Payment for purchase of property, plant and equipment	12	(8,918)	(15,461)
Proceeds from sale of property, plant and equipment		110	79
Payment for purchase of other intangible assets	14	(16,051)	(15,110)
Payment of contingent consideration on acquisitions		(5,317)	(22,220)
Prior year acquisitions' completion costs paid		(5,000)	-
Proceeds from disposal of associate		11,245	-
Net cash used in investing activities		**(55,850)**	**(290,567)**
Cash flow from financing activities			
Proceeds from borrowings	27	1,442,082	369,612
Repayment of borrowings	27	(1,352,829)	(57,591)
Proceeds from the issue of share capital		14	114,495
Repurchase of own shares		(4,457)	(7,221)
Principal elements of lease payments	27	(9,067)	(9,337)
Net cash from financing activities		**75,743**	**409,958**
Net (decrease) / increase in cash and cash equivalents		**(30,465)**	**37,255**
Cash and cash equivalents at the beginning of the year		**92,736**	**55,469**
Effects of exchange rate changes on cash and cash equivalents		1,299	12
Cash and cash equivalents at the end of the year		**63,570**	**92,736**

The accompanying notes are an integral part of these consolidated financial statements.

1. Company Overview

Tennessee Topco Limited (the 'Company') was incorporated in Jersey on 5 March 2021 under Companies (Jersey) Law 1991. The address of the registered office is given on the Directors and Advisers page and the nature of the Company's operations, and its principal activities are set out in the Strategic Report. The Company acquired the Davies Topco Group on 3 August 2021 and began trading from that date.

2. Basis of preparation of consolidated financial statements

i. Compliance with IFRS

The consolidated financial statements of Tennessee Topco Limited and its subsidiary undertakings (together, the 'Group') have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS.

ii. Period of account

The consolidated financial statements are prepared for the year to 30 June 2025.

iii. Parent company disclosure exemptions

The Company is a holding company and has prepared a set of consolidated financial statements for the Group. As such, separate standalone financial statements for the Company are not required under Companies (Jersey) Law 1991.

iv. Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- defined benefit pension plans – plan assets measured at fair value.

v. New standards and interpretations adopted from 1 July 2024

The following amendments are effective for the period beginning 1 January 2024

- IFRS 16 – Lease Liability in a Sale and Leaseback - clarifies how a seller-lessee should measure lease liabilities in a sale and leaseback transaction.
- IAS 1 – Classification of Liabilities as Current or Non-current - refines the criteria for classifying liabilities, focusing on rights to defer settlement.
- IAS 1 – Non-current Liabilities with Covenants – provides clearer guidance on classifications and disclosures of liabilities subject to covenants.
- IAS 7 and IFRS 7– Supplier Finance Arrangements - introduces an enhanced disclosure of supplier finance and financial instrument reporting.

These amendments to various IFRS Accounting Standards were mandatorily effective for reporting periods beginning on or after 1 January 2024. The Group has adopted these and there has been no material impact on the financial statements.

2. Basis of preparation of consolidated financial statements (continued)

vi. New standards and interpretations not yet adopted

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements that are relevant for the Group are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

The following amendments are effective for the period beginning 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates);

The following amendments are effective for the period beginning 1 January 2026:

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments
    - Clarifies how to assess contractual cash flow characteristics, including ESG-linked features and settlement by electronic payments.
    - Addresses diversity in practice and enhances consistency in classification and measurement.

The following amendments are effective for the period beginning 1 January 2027:

- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 – Subsidiaries without Public Accounting Disclosures

The Group is currently assessing the impact of these new accounting standards and amendments. The Group does not believe that the amendments to IAS 1 will have an impact on the classification of its liabilities.

The Group does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Group.

vii. Current/Non-current classification

The Group presents assets and liabilities in balance sheet based on current/non-current classification.

An asset is classified as current when it is:

a. expected to be realised or intended to be sold or consumed in normal operating cycle;

b. held primarily for the purpose of trading;

c. expected to be realised within twelve months after the reporting period; and

d. cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a. it is expected to be settled in normal operating cycle;

b. it is held primarily for the purpose of trading;

c. it is due to be settled within twelve months after the reporting period; and

d. there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

2. Basis of preparation of consolidated financial statements (continued)

vi. Current/Non-current classification (continued)

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

vii. Going concern

The directors have assessed the Group's ability to continue as a going concern in accordance with IAS 1 *Presentation of Financial Statements*. This assessment included a review of the Group's financial performance, liquidity position, cash flow forecasts, and covenants. After considering these factors, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

The Group's going concern exercise covers the period from the balance sheet date to 28 February 2027. As part of this assessment, the directors performed detailed sensitivity analyses to evaluate the resilience of the Group's liquidity and covenant headroom under severe but plausible downside scenarios. The directors modelled scenarios in which revenue fell to levels materially below both historical performance and the base-case assumptions. Even at the lowest point of these downside scenarios, the Group maintained sufficient liquidity through a combination of available cash, undrawn facilities, and the mitigating actions available to management.

The directors also performed a reverse stress-test to determine the level of underperformance against the base case that would result in a breach of financial covenants and result in a liquidity issue. This analysis indicated that a breach would require a level of deterioration well beyond the severe but plausible scenarios considered.

The Group benefits from the continued financial support of its institutional shareholders—BC Partners, HGGC, and AimCo. Under the existing banking agreement, an equity injection from these shareholders is permitted and represents a key mitigant in the event of a potential covenant breach. In addition, the Group has access to a £140m revolving credit facility ("RCF"), available for operational, working capital, and acquisition purposes, which can be drawn within three working days.

Blackstone is the Group's debt provider. Total gross facilities available to the Group as at June 2025, and at the date of signing these financial statements, amounted to £1,675m (translated at year-end exchange rates). This includes a £700m acquisition facility and the £140m RCF. Facilities other than the RCF may be utilised for capex , acquisition and restructuring requirements and can be drawn within 15 working days. During the reporting year, the RCF was increased from £90m to £140m. Total gross of debt drawn down at June 2025 was £1,416m.

The Group continues to execute its M&A strategy. During the period ended 30 June 2025, it completed two stock acquisitions and three trade-and-asset deals (see note 23 for further detail). Since the year end, the Group has completed one significant stock acquisition, adding approximately £18.7m of EBITDA before synergies.

Having considered the forecast cash flows, available facilities, shareholder support, and the results of the sensitivity analyses, the directors have concluded that the going concern basis of preparation remains appropriate for these consolidated financial statements.

3. Material accounting policy information

The accounting policies set out below have been applied consistently to the period presented, unless otherwise stated. The consolidated financial statements are for the Group.

3.1. Principles of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (see 3.14).

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

3.2. Foreign currency translation

i. Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in 'sterling', which is the Group's functional currency and the Group's presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

iii. Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income and accumulated in a separate component of equity.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.3. Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment loss. Historical cost includes expenditure that is directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Category of Property, plant and equipment	Estimated Useful Life
Fixtures & fittings and office equipment	5 years
Computer equipment	3 years
Leasehold improvements	Useful life of the improvements or lease term, whichever is less.
Right of Use Assets	Lease term

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

3.4. Investments in associates

Where the Group has the power to participate in (but not control) the financial and operating policy decisions of another entity, it is classified as an associate. Associates are initially recognised in the consolidated statement of financial position at cost. Subsequently associates are accounted for using the equity method, where the Group's share of post-acquisition profits and losses and other comprehensive income is recognised in the consolidated statement of profit and loss and other comprehensive income (except for losses in excess of the Group's investment in the associate unless there is an obligation to make good those losses).

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

3.5. Intangible assets

i. Goodwill

Goodwill is measured as described in 3.14. Goodwill represents the excess of the cost of a business combination over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of the acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

3.5. Intangible assets (continued)

ii. Internally generated intangible assets

Costs associated with research (or on the research phase of an internal project) are recognised as an expense as incurred. Development costs that are directly attributable to internal projects are recognised as intangible assets where the following criteria are met:

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

Directly attributable costs that are capitalised as part of the intangible asset include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

iii. Other intangible assets

Separately acquired intangible assets are shown at historical cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

The Group amortises intangible assets with a limited useful life, using the straight-line method over the following periods:

Category of Intangible Assets	**Estimated Useful Life**
Technology assets	3 years
Customer lists	10-20 years
Brand name	2-20 years (assessed by individual asset)

3.6. Impairment of assets

Goodwill is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Where an impairment loss is subsequently reversed, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

3.7. Revenue recognition

Material accounting policy information in relation to revenue recognition is disclosed in note 5.

3.8. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the consolidated statement of financial position.

3.9. Financial assets

i. Classification

The Group classifies its financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

As at the period end, the Group's only financial assets consisted solely of accounts receivables arising from the Group's ordinary business activities. Such accounts receivables are accounted for at amortised cost net of any expected credit losses.

ii. Recognition

Purchases and sales of financial assets are recognised on the trade-date, being the date on which the Group commits to purchase or sell the asset.

iii. Measurement

At initial recognition, the Group measures a financial asset held at amortised cost at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) - net. Impairment losses are presented as a separate line item in the statement of profit and loss.

iv. Impairment of financial assets

For all the Group's financial assets (consisting of trade receivables, contract assets and lease receivables), the Group applies the simplified approach to estimating expected credit losses as permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. See note 2 for further details on the Group's estimation of expected credit losses.

v. Derecognition of financial assets

A financial asset is derecognised only when:

- the Group has transferred the rights to receive cash flows from the financial asset; and
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

3.10. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all the facility will be drawn down, the fee is recognised in profit or loss over the period in which it is incurred.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance income or finance costs, as applicable.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

3.11. Trade and other payables

These amounts represent unsecured liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.12. Employee benefits

i. Short-term obligations

Liabilities for salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Post-employment obligations

Farradane Limited, which was acquired by the Group as part of the acquisition of Davies Topco Limited and its subsidiaries on 3 August 2021, operates a defined benefit pension scheme, the Davies Loss Adjusters Life Assurance and Pension Scheme, the assets of which are held separately from those of the Group in an independently administered fund. The scheme was closed to new members in 1998, and no further benefits are accruing under the scheme.

The liability or asset recognised in the statement of financial position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Plan assets are measured using market value. The present value of the defined benefit obligation is measured using the projected unit actuarial method and is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The increase in the present value of the defined benefit obligation expected to arise from employee service in the period is charged to operating profit in the statement of profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit or loss.

3.12. Employee benefits (continued)

ii. Post-employment obligations (continued)

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the statement of financial position.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

The resulting asset or liability in respect of the defined benefit pension plan is recognised on the statement of financial position. Where there is a surplus, the asset is only recognised to the extent that it can be recorded through reduced contributions by the Group.

The Group makes contributions under a defined contribution scheme, the assets of which are held in a separately administered fund. The contributions are charged to the statement of profit or loss in the period in which they fall due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iii. Davies Incentive Plan

Prior to the acquisition by Tennessee Topco Limited, Davies Group Limited operated the Davies Incentive Plan (“DIP”), an enhanced long-term cash incentive plan. The DIP continued to be in operation by Tennessee Topco Limited following the acquisition of Davies Group Limited and its subsidiaries.

Employees who participate in the Plan receive DIP points on achieving certain milestones or events such as promotion, Professional Development Review (“PDR”) scores and participation in The Davies Foundation or CSR activities that are governed by the rules of the Plan.

Points awarded vest in the event of a Sale or an IPO, or at the discretion of the Remuneration Committee from time to time, provided the DIP point holder is employed by the Group on the same date.

The DIP is administered by the Davies Group Employee Benefit Trust (the “EBT”), which is consolidated in accordance with the principles in note 3.1. At vesting, the DIP holders are entitled to net proceeds arising out of the sale of a certain ring-fenced pool of shares held by the EBT in the capital of Davies Group’s ultimate parent company (after deduction of such fees, charges, Award Tax Liability, costs or expenses incurred in connection with the sale of such shares) on a pro rata basis. The amount of such payment shall be in the sole discretion of the Remuneration Committee.

Following the acquisition of Davies Group Limited, which completed on 3 August 2021, DIP holders owning DIP points at the acquisition date received cash in respect of 50% of their outstanding DIP points. The amount paid reflected the market value of 50% of the shares then held by the EBT. The remaining 50% were rolled forward for future vesting under the existing DIP rules.

The DIP Plan is not deemed to constitute a share-based payment within the scope of IFRS 2 ‘Share-based payments’. This is because although Davies Group has an obligation towards the employees if a vesting event occurs and such obligation is satisfied through the distribution of proceeds from the sale of Tennessee Topco shares, the amount DIP holders get in exchange for their points is not directly based on the share price of Tennessee Topco per DIP point. The DIP awards are therefore considered an employee benefit within the scope of IAS 19 ‘Employee Benefits’.

Liabilities for the Group’s obligation in respect of the DIP are recognised as employee benefit expenses over the relevant vesting period over which services are generated by the respective DIP holders. The liabilities are remeasured to fair value at each reporting date and are presented as employee benefit obligations in the balance sheet.

3.13. Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3.14. Leases

i. As a lessee

The Group leases various offices, IT equipment and vehicles. Rental contracts are typically made for fixed periods of six months to eight years but may have extension or early termination options.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group has chosen to apply the practical expedient under IFRS 16 and treat lease and non-lease components as a single lease component in instances where the minimum lease component criteria have been met.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

3.14. Leases (continued)

i. As a lessee (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

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

Lease payments are allocated between payments of principal and finance costs. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

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

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

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

In certain lease contracts the Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

The Group has chosen to apply the short-term lease practical expedient to motor vehicles. The lease payments for motor vehicles leases with a lease term of 12 months or less are recognised as an expense on a straight-line basis over the lease term. For all other leases, the Group has chosen not to apply the short-term lease and low-value lease practical expedients. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets primarily comprise of IT equipment.

For accounting policies in relation to leases acquired via a business combination, see 3.14.

ii. As a sub-lessor

The Group may lease out properties to third parties as a sub-lessor where such properties are in excess of the Group’s real estate requirements.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

3.14. Leases (continued)

ii. As a sub-lessor (continued)

If a sub-lease is classified as an operating lease, the Group continues to recognise the right-of-use asset associated with the head lease. Rental income from the sub-lease is recognised on a straight-line basis over the term of the relevant sub-lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

During the financial period, all of the Group's sub-leases are classified as finance leases. For such leases, the Group de-recognises the right-of-use asset (to the extent that it is subject to the sub-lease) and recognises a lease receivable equal to the amount of the Group's net investment in the lease. The Group uses the rate implicit in the lease to calculate the net investment in the lease. The implicit rate is the rate of interest that causes the present value of the lease payments and the unguaranteed residual value to equal the sum of the fair value of the underlying asset and any initial direct costs of the lessor. If the Group is unable to determine the rate implicit in a sub-lease, it applies the discount rate used for the head lease, adjusted for any initial direct costs associated with the sub-lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Subsequent to initial recognition of a finance lease, the Group regularly reviews the estimated unguaranteed residual value, if any, and applies the impairment requirements of IFRS 9, recognising an allowance for expected credit losses on the lease receivable. Finance lease income is calculated with reference to the gross carrying amount of the lease receivables.

3.15. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

For leases in which the acquiree is the lessee, the Group recognises a lease liability based on the present value of the remaining lease payments as if the acquired lease were a new lease at the acquisition date. A right of use asset is recognised at an amount equal to the recognised lease liability, adjusted to reflect favourable or unfavourable lease terms compared with market terms. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill.

3.15. Business combinations (continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's weighted average cost of capital.

Contingent consideration is classified as a financial liability and is subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

3.16. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the Group's best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance costs in the statement of profit or loss.

3.17. Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required, or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements where applicable. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

3.18. Share capital

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds. Dividends paid on the Group’s ordinary shares are recognised as a reduction in equity in the period in which they are paid.

Where the Company or any member of the Group purchases the Company’s share capital, the consideration paid is deducted from shareholders’ equity as treasury shares until they are cancelled; if these shares are subsequently sold or reissued, any consideration received is included in shareholders’ equity.

3.19. Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest thousand pounds sterling unless otherwise stated.

3.20. Correction of prior period errors

During the current financial year, the Group identified material errors in prior period financial statements relating to tax related adjustments, historical aged debtor and WIP balances, the integration accounting of previously acquired businesses and deferred tax balances. The errors arose due to deficiencies in internal controls, misapplication of accounting policies, and integration issues following business acquisitions.

In accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, the errors have been corrected retrospectively. Comparative figures for the prior period have been restated, and the opening balance of equity as at 1 July 2023 has been adjusted accordingly.

The impact of the restatement is summarised below, showing the reported lines affected:

Consolidated Statement of Profit or Loss for the year ended 30 June 2024 - selected lines	For the year ended 30 June 2024	Tax - related adjustments	Historical aged balances	Business Integration, and Process Deficiencies	Deferred taxation corrections	Total adjustments	For the year ended 30 June 2024 (restated)
	£000	£000	£000	£000	£000	£000	£000
Cost of providing services	(455,266)	(1,450)	-	-		(1,450)	(456,716)
Gross profit	348,499	(1,450)	-	-		(1,450)	347,049
Administrative expenses	(211,608)	(204)	(2,014)	(4,867)	-	(7,085)	(218,693)
Operating loss	(61,589)	(1,654)	(2,014)	(4,867)	-	(8,535)	(70,124)
Finance costs	(173,508)	(1,109)	-	-	-	(1,109)	(174,617)
Loss before income tax	(235,097)	(2,763)	(2,014)	(4,867)	-	(9,644)	(244,741)
Income tax	42,853	653	418	1,097	(14,207)	(12,039)	30,814
Loss for the year	(192,244)	(2,110)	(1,596)	(3,770)	(14,207)	(21,683)	(213,927)

3.20. Correction of prior period errors (continued)

Statement of Financial Position at 30 June 2024 - selected lines	As at 30 June 2024	Tax related adjustments	Historical aged balances	Business Integration, Process Deficiencies and other adjustments	Deferred taxation corrections	Total adjustments	As at 30 June 2024 (restated)
	£000	£000	£000	£000	£000	£000	£000
Other current assets	24,461	-	(2)	(1,141)	-	(1,143)	23,318
Contract assets	102,616	-	(3,779)	(2,499)	-	(6,278)	96,338
Trade receivables	159,167	-	(5,542)	(2,232)	-	(7,774)	151,393
Other financial assets at amortised cost	18,476	-	(278)	(1,064)	-	(1,342)	17,134
Current tax assets	8,300	-	-	937	-	937	9,237
Total current assets	405,756	-	(9,601)	(5,999)	-	(15,600)	390,156
Total assets	2,322,850	-	(9,601)	(5,999)	-	(15,600)	2,307,250
Deferred tax liabilities	(71,225)	2,529	2,307	1,219	(19,252)	(13,197)	(84,422)
Provision	(1,617)	(9,204)	-	-	-	(9,204)	(10,821)
Total non-current liabilities	(1,545,183)	(6,675)	2,307	1,219	(19,252)	(22,401)	(1,567,584)
Trade and other payables	(193,020)	(1,654)	-	39,379	-	37,725	(155,295)
Borrowings	-	-	-	(40,312)	-	(40,312)	(40,312)
Total current liabilities	(252,566)	(1,654)	-	(933)	0	(2,587)	(255,153)
Total liabilities	(1,797,749)	(8,329)	2,307	286	(19,252)	(24,988)	(1,822,737)
Net assets	525,101	(8,329)	(7,294)	(5,713)	(19,252)	(40,588)	484,513
Accumulated deficit	(384,581)	(8,329)	(7,294)	(5,713)	(19,252)	(40,588)	(425,169)
Total equity	525,101	(8,329)	(7,294)	(5,713)	(19,252)	(40,588)	484,513

3.20. Correction of prior period errors (continued)

Statement of Financial Position at 30 June 2023 - selected lines	As at 30 June 2023	Tax - related adjustments	Historical aged balances	Business Integration, Process Deficiencies and other adjustments	Deferred taxation corrections	Total adjustments	As at 30 June 2023 (restated)
	£000	£000	£000	£000	£000	£000	£000
Other current assets	16,738	-	(2)	(858)	-	(860)	15,878
Contract assets	89,822	-	(3,779)	(187)	-	(3,966)	85,856
Trade receivables	121,437	-	(3,529)	(1,069)	-	(4,598)	116,839
Other financial assets at amortised cost	15,751	-	(279)	(443)	-	(722)	15,029
Current tax assets	8,595	-	-	568	-	568	9,163
Total current assets	307,812	-	(7,589)	(1,989)	-	(9,578)	298,234
Total assets	1,955,566	-	(7,589)	(1,989)	-	(9,578)	1,945,988
Deferred tax liabilities	(91,153)	1,875	1,889	491	(5,045)	(790)	(91,943)
Provision	(958)	(7,019)	-	-	-	(7,019)	(7,977)
Total non-current liabilities	(1,185,643)	(5,144)	1,889	491	(5,045)	(7,809)	(1,193,452)
Trade and other payables	(158,753)	(1,076)	-	32,086	-	31,010	(127,743)
Borrowings	-	-	-	(32,528)	-	(32,528)	(32,528)
Total current liabilities	(198,276)	(1,076)	-	(442)	-	(1,518)	(199,794)
Total liabilities	(1,383,919)	(6,220)	1,889	49	(5,045)	(9,327)	(1,393,246)
Net assets	571,647	(6,220)	(5,700)	(1,940)	(5,045)	(18,905)	552,742
Accumulated deficit	(190,742)	(6,220)	(5,700)	(1,940)	(5,045)	(18,905)	(209,647)
Total equity	571,647	(6,220)	(5,700)	(1,940)	(5,045)	(18,905)	552,742

Prior Period Adjustments – Tax - related adjustments

During the current reporting period, the Group identified errors in prior year financial statements relating to incremental payments due in respect of the Salaried Member Rules. The identification of this liability has arisen as a review of the application of these rules has been undertaken. A robust calculation of the liability has been performed, based on available information at the date of these financial statements, with the assistance of professional advisors but Management recognises that this calculation is complex, involves a number of parameters and years and that there is inherent uncertainty as to the value and timing of the payment of any amounts. The provision comprises national insurance contributions which have been classified as members remuneration and expenses in profit and loss account, other associated expenses and financing charges.

The Group has made several loans to participators, including to Keoghs Acquisition Ltd (a corporate member of Keoghs LLP), the Employee Benefit Trust (EBT), and through intercompany arrangements to fund deferred consideration.

3.20. Correction of prior period error (continued)

Prior Period Adjustments – Tax - related adjustments (continued)

These transactions fall within the scope of the close company provisions under UK tax legislation (sections 455 and 459), resulting in a tax charge of 33.75% on the outstanding balances. Although this charge was not previously paid, it is recoverable from HMRC upon repayment of the loans. A voluntary disclosure has been submitted to HMRC with support from the Group's tax advisors estimating the liability at £1.6 million, primarily relating to late payment and forward-looking interest.

As a result, the comparative result for the year ended 30 June 2024 have been impacted by a reduction of £2.8m before tax and £3.8m after tax, the opening balance of retained earnings as at 1 July 2023 has been restated to reflect a reduction of £6.2m and the opening balance of retained earnings as at 1 July 2022 has been restated to reflect a reduction of £4.3m. Comparative figures have been restated accordingly. These corrections do not impact current period performance but ensure the financial statements present a more accurate and reliable view of the Group's financial position.

Prior Period Adjustments – Historical aged balances

During the current reporting period, the Group identified and corrected errors relating to very old debt and work-in-progress (WIP) balances from acquired entities over the years and the core business that had been misstated in prior years. These adjustments arose from a comprehensive review of acquired and core legacy accounts, which revealed overstated debtor and WIP assets that did not meet recognition criteria under applicable accounting standards. As a result, the comparative result for the year ended 30 June 2024 have been impacted by a reduction of £2.0m before tax and £2.7m after tax, the opening balance of retained earnings as at 1 July 2023 has been restated to reflect a reduction of £5.7m, and the opening balance of retained earnings as at 1 July 2022 has been restated to reflect a reduction of £3.2m. Comparative figures have been restated accordingly. These corrections do not impact current period performance but ensure the financial statements present a more accurate and reliable view of the Group's financial position.

Prior Period Adjustments – Business Integration

During the current reporting period, the Group undertook a comprehensive review of financial reporting processes following the integration of previously acquired businesses. This review identified errors in prior period financial statements resulting from the transition period as subsidiaries were integrated into Davies operations. These errors primarily affected the recognition and measurement of certain assets and liabilities, including intercompany balances, accruals, and inventory valuations. As a result, the comparative result for the year ended 30 June 2024 have been impacted by a reduction of £4.9m before tax and £5.7m after tax, the opening balance of retained earnings as at 1 July 2023 has been restated by £2.5m, and the opening balance of retained earnings as at 1 July 2022 has been restated to reflect a reduction of £0.6m. Comparative figures have been adjusted accordingly. These corrections do not impact current period performance but enhance the accuracy and reliability of the Group's financial reporting.

Prior Period Adjustments – Business Integration – Deferred tax

During the current reporting period, the Group undertook a comprehensive review of its taxation processes and balances across the Group. This review identified errors in prior period financial statements relating to the recognition of deferred taxation balances on acquired entities and in respect of corporate interest deduction. As a result, the comparative result for the year ended 30 June 2024 have been impacted by a reduction of £9.6m and the opening balance of retained earnings as at 1 July 2023 has been restated by £4.6m. Comparative figures have been adjusted accordingly. These corrections do not impact current period performance but enhance the accuracy and reliability of the Group's financial reporting.

Prior Period Adjustments – Borrowings presentation

During the current reporting period, the Group has reclassified its accrued interest on borrowings from accruals to borrowings, which has been reflected in the comparative years presented on the balance sheet.

4. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accounting disclosures including the disclosure of contingent liabilities. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based upon amounts which differ from those estimates. Estimates, judgements and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

The significant judgements, apart from those involving estimation, made by management in applying the Group's accounting policies in these consolidated financial statements (key judgements) and the key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year (key estimates), which together are considered critical to the Group's results and financial position, are as follows:

Critical accounting judgements – Valuation of Deferred Contingent Consideration

The Group recognises deferred contingent consideration arising from business combinations in accordance with IFRS 3 Business Combinations. Contingent consideration represents additional payments that may become payable to the seller based on future events such as performance targets, revenue thresholds, or other specified conditions.

Contingent consideration is measured at fair value at the acquisition date, with subsequent changes in fair value recognised in profit or loss in accordance with IFRS 9, unless the arrangement is classified as equity.

Determining the fair value of contingent consideration requires the use of significant judgement and estimation techniques, and is therefore considered a critical accounting estimate.

Key judgements and estimates:

- Assessment of probability-weighted outcomes for each contingent payment scenario
- Forecasts of future financial performance or operational metrics that drive the earn-out
- Discount rates reflecting the time value of money and risks specific to the liability
- Market-based assumptions consistent with the principles of IFRS 13 Fair Value Measurement
- Evaluation of contractual terms, including caps, floors, clawbacks, and performance periods

The Group uses valuation techniques such as discounted cash flow models, Monte Carlo simulations, or scenario-based models, depending on the nature of the contingent arrangement. These models incorporate both observable and unobservable inputs, and therefore the resulting fair value is typically classified as a Level 3 fair value measurement.

Subsequent to initial recognition, contingent consideration classified as a financial liability is remeasured at fair value at each reporting date, with gains or losses recognised in the income statement. Contingent consideration classified as equity is not remeasured after initial recognition.

Given the inherent uncertainty in forecasting future performance and the sensitivity of valuation models to key assumptions, the fair value of contingent consideration may differ materially from actual settlement amounts.

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

Revenue

Key judgements and estimates in relation to revenue recognition for the Group's revenue streams are disclosed in note 5.

Leases

Key judgements and estimates:

- Evaluating renewal and termination options when determining the lease term.
- Discount rate applied to future cash flows.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.

After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Given that the interest rate implicit in each lease cannot be readily determined, the Group has opted to use an incremental borrowing rate ("IBR") as the basis to determine its lease liabilities.

The Group incremental borrowing rates are estimated as the sum of three component parts, namely:

- a reference rate for the relevant country (i.e. the sovereign bond rate) aligned with the adjusted unexpired lease durations;
- a credit spread reflecting the financial standing of the lessee (derived from corporate bond yields); and
- an asset/lease specific adjustment, if needed, to reflect the nature of the lease collateral.

Defined benefit pension obligations

Key judgements and estimates:

- Discount rate applied to future cash flows;
- Expected future salary increases;
- Expected mortality rates;
- Expected future pension increases.

The cost of defined benefit pension plans and other post-employment medical benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In determining the appropriate discount rate, management considers the interest rates of corporate bonds in the respective currency with at least AA rating, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The underlying bonds are further reviewed for quality, and those having excessive credit spreads are removed from the population bonds on which the discount rate is based, on the basis that they do not represent high quality bonds. The mortality rate is based on publicly available mortality tables for the specific country. Future salary increases and pension increases are based on expected future inflation rates for the respective country. Further details are given in note 21.

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

Intangible assets

Key judgements and estimates:

- Useful life (customer lists)
- Residual value (customer lists)

Customer lists are amortised over their useful life taking into account residual values, where appropriate. The actual life of the asset and residual value is assessed annually and may vary depending on a number of factors. In re-assessing the asset life, factors such as loss of major customers and customer life cycles are taken into account. The Group do not currently assess any value to the residual.

Goodwill

Key judgements and estimates:

- Fair value of consideration
- Fair value of identified assets and liabilities purchased

The valuation of the consideration is assessed at its fair value with respect to both cash and equity payments, the latter requires management judgement as to the value of the equity offered. The value of contingent consideration is made by reference to the underlying parameters driving the contingent consideration, using Management's best estimate of the future value at the acquisition date, and an expected probability analysis of future outcomes. Factors such as budgets and future underlying growth rates, amongst others are key judgements in this process.

The fair value of identified assets and liabilities is prepared by Management and specialised external advice is sought, to ensure that an appropriate fair value is assessed.

5. Revenue from contracts with customers

a. Revenue accounting policies

The Group derives revenue from its customer contracts within each of its operating divisions:

- Consulting & Technology ('C&T'): The Group offers consulting services predominantly to insurance and other highly regulated sectors, including learning solutions and resourcing solutions. The Group also provides Technology solutions, which can involve 'Software as a Service' ('SaaS'), on premise licensing and sub-licensing.

- Claims Solutions UK & Ireland ('Claims UK&I'): The Group provides desk-based, and field-review claims management services depending on the complexity of the claim.

- Claims Solutions US: Services include 1) claims management services relating to worker's compensation, liability, property and casualty claims management, 2) Managed Care Insurance services, including medical bill reviews and approvals as well as ongoing nurse case management, 3) Life and Health services, including ongoing administration and operational support to Insurers within the Life & Health sector, consulting technology development and implementation services.

- Insurance: Services include our Lloyd's business, Asta, which is the leading third-party managing agent, and claims management, subrogation management and end to end management services to Captive Insurers.

- Legal Solutions: The Group provides dispute resolution and support services to the UK insurance industry for legal disputes arising from claims underwritten by policies and insurance programmes. Fees for such services are either fixed or variable in nature, depending on the complexity of the services.

The Group follows the principle-based five-step model in IFRS 15 and recognises revenue on transfer of control of promised goods or services to customer when or as the performance obligation is satisfied at an amount that reflects the consideration, which the Group expects to be entitled in exchange for those goods, or services.

5. Revenue from contracts with customers (continued)

Customer contracts can include combinations of goods and services, which are generally capable of being distinct and accounted for as separate performance obligations.

Identification of contract with customers

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties, in writing, the parties to the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Identification of performance obligations

At contract inception, the Group assesses the goods or services promised to a customer and identifies the distinct performance obligations in the contract. Each promise is identified as either:

a. good or service (or a bundle of goods or services) that is distinct; or
b. a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

Promises in a contract can be explicit, or implicit if they create a valid expectation that the Group will provide a good or service based on the Group's customary business practices, published policies or specific statements. Identification of a distinct performance obligation involves judgement to determine whether the promise is separately identifiable and whether the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer.

Determination of the transaction price and standalone selling prices

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer. The Group determines the transaction price of the performance obligations promised in the contract and allocates the transaction price to each distinct performance obligation based on the standalone selling price of each performance obligation.

The transaction price could be either a fixed amount of customer consideration, variable consideration such as the refunds included in permanent hire resourcing solution contracts, or a combination of both. The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable consideration to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

Timing of revenue recognition

The Group recognises revenue when the respective obligations in the contract are delivered to the customer and payment is probable.

The Group exercises judgement in determining whether a performance obligation is satisfied at a point in time or over a period of time. Revenue is recognised over time if any of the following three criteria are met, otherwise revenue is recognised at a point in time:

a. The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
b. The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
c. The entity's performance does not create an asset with an alternative use to the entity, and the entity has an enforceable right to payment for performance completed to date.

5. Revenue from contracts with customers (continued)

Timing of revenue recognition (continued)

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved. When there are contingent fees, income is recognised at the point in time when the contingent event occurs.

Revenue from ongoing professional services such as consulting, claims management and captive management solutions are typically recognised over time.

Consumption-based services (such as separately identifiable professional services and support services and online / classroom training services) are recognised over time as the services are utilised, typically following the percentage-of-completion method.

Licences for standard on premise software solutions are typically delivered by providing the customer with access to download the software. The licence period starts when such access is granted. Licence revenue is recognized at a point in time or over time depending on whether the Group delivers software with significant standalone functionality or software which is dependent on updates for ongoing functionality. The Group recognises revenue for these licences which have significant standalone functionality at the point in time when the customer has access to and control over the software solution. On premise licenses issued by the Group's C&T division generally fall within this category.

Revenue relating to mobilisation, set up and development services that are performed prior to licensing in technology implementation contracts is deferred and spread on a straight-line basis over the period in which the customer is benefiting from the services, which is typically the contractual licence period. The fulfilment costs related to mobilisation, set up and development services meet the criteria for capitalisation and are amortised over the contractual licence period.

Licenses for cloud-based software solutions, where the Group's performance obligation is the granting of rights to continuously access a cloud-based software offering for a certain term, the Group recognises revenue based on time elapsed over the term of the respective contract.

Revenue from maintenance and support services that are identified as separate performance obligations are typically recognised based on time elapsed over the term of the support arrangement. Under the standardised maintenance and support services, the Group's performance obligation is to stand ready to provide technical product support and where applicable, unspecified updates, upgrades, and enhancements on a when-and-if-available basis. In such instances, the customers are deemed to simultaneously receive and consume the benefits of these services.

Revenue from the provision of resourcing services is based on the nature of the underlying resource requirements of the respective rights and obligations negotiated within the contracts. For placements of permanent hires, revenue is recognised at the point in time when the Group has sourced and the client has accepted the worker, which is when the Group has satisfied its performance obligation. Permanent hire contracts include the provision for refunds which introduce an element of variable consideration. Such consideration is recognised to the extent that it is not probable that there will be reversals of such consideration due to future refunds. For the placement of temporary contractors, the Group is primarily an agent on the basis that it is not deemed to have control over the contractors and is not the primary obligor for services provided by the temporary contractors. Revenue is recognised on a net basis. Such contracts have two performance obligations: a) sourcing contractors and placing them with end-clients, which is satisfied at a point-in-time; and b) administrative services, which are satisfied over the placement period.

A contract asset is recognised within the statement of financial position when revenue is recognised for services rendered but not yet invoiced. A contract liability is recorded within the statement of financial position and excluded from revenue when an interim fee is raised in advance of work performed.

5. Revenue from contracts with customers (continued)

Principal vs. Agent considerations

The Group determines whether it is a principal or an agent for each specified good or service promised to the customer that is delivered via third parties.

When the Group is deemed to have control of third-party goods or services prior to delivery to a customer, then the Group is the principal in the sale to the customer. As a principal, receipts from customers and payments to suppliers are reported on a gross basis in revenue and cost of sales. If the Group does not have control of third party goods or services prior to transfer to a customer, then the Group is acting as an agent for the other party and revenue in respect of the relevant obligations is recognised net of any related payments to the supplier and reported revenue represents the margin earned by the Group. Whether the Group is considered to be the principal or an agent in the transaction depends on analysis by management of both the legal form and substance of the agreement between the Group and its supplier, taking into account whether the Group bears the price, inventory and performance risks associated with the transaction.

The Group is deemed to be acting as an agent when sourcing and administering temporary workers for the customer under claims management and resourcing solution contracts, and when sub-licensing third party intellectual property under technology contracts. In such cases, the Group recognises revenue in the amount of any fee or commission to which it expects to be entitled, whereby the fee or commission is the net amount of consideration that the Group retains after paying any third parties. Such net fees are recognised at a point in time or over time depending on the nature of the Group's performance obligations under the contract.

Revenue critical accounting judgements and key sources of estimation uncertainty

Key judgements:
- Determining whether the Group is acting as a principal or as an agent
- Determining whether the granting of an on premise licence of intellectual property is a right to use or a right to access

Principal vs agent considerations arise in relation to 1) sourcing and administering temporary workers under claims management and resourcing solution contracts, and 2) when sub-licensing third party intellectual property under technology contracts. Under IFRS, no single indicator is individually determinative, and the guidance also does not weigh any indicator more heavily than the others, although some indicators may provide stronger evidence than others, depending on the circumstances.

In relation to sourcing and administering temporary workers, the Group receives a fee for the temporary workers plus a commission, and the Group is responsible for paying the temporary workers their share. The Group is not responsible for the provision of the underlying services provided by the temporary contractors. Such obligations are imposed on the temporary worker, and the Group does not have any control or supervision of the temporary workers. Such responsibility over the performance of the workers falls with the client. The client does not have any recourse on the Group for issues with the service being provided by the temporary workers and customer service issues that arise are dealt directly between the client and the temporary workers. The Group would only be involved if the client expresses a wish to terminate or create a new contract, where the Group would provide administrative assistance to facilitate this process as part of its overarching contract with the customer. The Group does not have complete control over the price it sets (i.e. it does not have latitude to determine the price for the contractor and what is charged to the client, other than the application of a margin, which is restrained by market rates) and the Group is not able to redeploy/switch temporary workers between different clients. The client contracts only with those specific workers as detailed by the contract and the Group does not have inventory risk on the services being provided by the temporary workers on the basis that it does not pay the temporary workers in advance for the services.

5. Revenue from contracts with customers (continued)

Revenue critical accounting judgements and key sources of estimation uncertainty (continued)

Key judgements (continued):

In relation to sub-licensing of third-party software and intellectual property, although the Group acts as an intermediary, the third-party software provider is responsible for the software's functionality as well as issuing and activating the licences. The third-party software provider is therefore responsible in those respects for fulfilling the promise to provide the licences to the customer and ensuring that the level of performance promised under the license is maintained. The Group does not control a pool of standard software licences before entering into the contract with the customer and cannot, for example, direct the software licences to another customer if it wanted to do so. The Group therefore has no inventory risk in relation to the licences as only licences ordered by the client are licensed from the third-party software provider. Although the Group does have flexibility to determine prices for the licences charged to the customer, this flexibility is limited by market rates.

Based on the factors outlined above, Management have judged that the Group is acting as an agent in the above situations.

On premise licenses are assessed on whether they provide a "right to use" the software intellectual property or a "right to access" the intellectual property as defined in IFRS 15, as this will determine whether revenue allocated to the licence should be recognised at a point in time or over time, respectively. This assessment is based on whether the Group's activities significantly change the intellectual property to which the customer has rights. A "right to access" intellectual property is only concluded if all of the following criteria are met:

- the contract requires, or the customer reasonably expects, that the Group will undertake activities that significantly affect the intellectual property to which the customer has rights;
- the rights granted by the licence directly expose the customer to any positive or negative effects of the Group's activities; and
- those activities do not result in the transfer of a good or a service to the customer as they occur.

Under an on premise licence contract, wider updates and maintenance activities do not affect or modify the functionality of the intellectual property that are critical to the functioning of the software (other than technical maintenance services). On this basis, Management have judged that the criteria for "right to access" are not met and therefore the on premise licences grant a "right to use" the Group's intellectual property.

***Key estimates*:**

- Determining the transaction price and the amounts allocated to performance obligations.

Determining the transaction price requires estimation when contracts include an element of variable consideration. This primarily relates to permanent hire resourcing solution contracts in which the Group sources permanent workers for the client in return for a fee. The client may be entitled to a refund under the contract if, for example, the worker is terminated by the client within an initial period from the date of hire and the size of the refund may vary according to the week of termination. The Group uses historical data in order to estimate the expected value of refunds and only recognises revenue to the extent that it is highly probable that a significant reversal of cumulative revenue recognised will not occur.

5. Revenue from contracts with customers (continued)

Revenue critical accounting judgements and key sources of estimation uncertainty (continued)

Key estimates (continued):

Allocating the transaction price to performance obligations requires estimation when the stand-alone selling price for each performance obligation is not directly observable. The Group determines a suitable method for estimating the stand-alone selling price depending on the nature of the good or service and the data available to the Group. Such methods include, but are not limited to:

- Expected cost plus a margin approach - the Group forecasts its expected costs of satisfying a performance obligation and then adds an appropriate margin for that good or service;
- Residual approach—the Group may estimate the stand-alone selling price by reference to the total transaction price less the sum of the observable stand-alone selling prices of other goods or services promised in the contract.

a. Disaggregation of revenue from contracts with customers

The Group derives revenue from the transfer of services over time and at a point in time from the following operating divisions:

As at 30 June 2025	Davies UK & I £000	Davies Global Solutions £000	Davies North America £000	Total £000
Timing of revenue				
– At a point in time	-	17,419	-	17,419
– Over time	274,317	251,820	350,360	876,497
	274,317	**269,239**	**350,360**	**893,916**

As at 30 June 2024	Davies UK & I £000	Davies Global Solutions £000	Davies North America £000	Total £000
Timing of revenue				
– At a point in time	-	15,809	-	15,809
– Over time	290,000	203,881	294,075	787,956
	290,000	**219,690**	**294,075**	**803,765**

The Group has recognised the following assets and liabilities related to contracts with customers:

Contract assets	As at 30 June 2025 £000	As at 30 June 2024 (restated) £000
Contract assets	127,746	103,742
Loss allowance	(12,230)	(7,404)
Total contract assets (see note 25)	**115,516**	**96,338**
Assets recognised from costs incurred to fulfil a contract	-	-
Accumulated amortisation and impairment	-	-
Total assets recognised from costs incurred to fulfil a contract	**-**	**-**
Total contract assets	**115,516**	**96,338**

5. Revenue from contracts with customers (continued)

Revenue critical accounting judgements and key sources of estimation uncertainty (continued)

Key estimates (continued):

b. Assets and liabilities related to contracts with customers

Contract assets and liabilities	As at 30 June 2025 £000	As at 30 June 2024 (restated) £000
At start of period	96,338	89,822
Acquired net contract assets	445	16,362
Increase in contract assets during the period	20,349	(7,591)
Loss allowance	(1,616)	(2,255)
Total contract assets	**115,516**	**96,338**
At start of period	37,409	26,353
Contract liabilities at acquisition	313	14,527
Movement during the period	(7,719)	(3,471)
Total contract liabilities*	**30,003**	**37,409**

Total contract liabilities include £1.9m (2024: £3.7m) which is recognised in Other non-current liabilities in the Statement of Financial Position.

Contract assets have arisen through the ordinary course of business during the year.

The Group has also recognised a loss allowance for contract assets in accordance with IFRS 9. See note 25 for further information.

The Group has applied the practical expedient under IFRS 15 Revenue from Contracts with Customers and has not disclosed the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period due to the following reasons:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or the Group has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

6. Analysis of costs

a. Expenses by nature

	Note	For the year to 30 June 2025 £000	For the year to 30 June 2024 (restated) £000
Employee benefit expenses	6(b)	484,788	422,354
Depreciation of property, plant and equipment	12	14,150	14,257
Depreciation of right-of-use assets	13	11,339	10,419
Amortisation of intangible assets	14	94,306	91,063
Other net losses and gains	8	1,366	116
Other direct costs		138,124	164,660
Other overheads		103,925	80,659
Other expenses		24,108	86,877
Revaluations of contingent consideration	21	(68,386)	4,413

6. Analysis of costs (continued)

a. Expenses by nature (continued)

Other direct costs represent cost of sales other than employee costs.
Other overheads include property and office related costs, professional expenses and other overheads.
Other expenses include merger and acquisition (M&A) deal and integration costs and exceptional administrative expenses and are included within the total exceptional costs table discussed in the Strategic Report on page 17.

b. Employee benefit expenses

	For the year to 30 June 2025 £000	For the year to 30 June 2024 (restated) £000
Wages and salaries	392,053	337,506
Short-term benefits	36,019	26,770
Defined contribution pension cost	13,811	12,168
Other long term employee benefits	8,770	16,096
Social security contributions and similar taxes	34,135	29,814
	484,788	**422,354**

7. Disposal of associate investment

On 2 January 2025 the Group sold its 49% investment in Arma Fusion Limited ("Arma"). Arma had previously been accounted for as an associate investment using the equity accounting method.

The gross proceeds received were £11.3m and the carrying value of the associate at disposal was £4.4m. After associated costs and foreign exchange translation, the Group recognised a profit on disposal of £7.0m on the face of the Consolidated Statement of Profit or Loss and derecognised the investment from the Consolidated Statement of Financial Position.

In addition the Group received interest income of £2.1m in relation to the preference shares it held in Arma and this has been recognised in net finance costs on the face of the Consolidated Statement of Profit and Loss.

8. Other gains / (losses) – net

	For the year to 30 June 2025 £000	For the year to 30 June 2024 £000
Net profit / (loss) on disposal of property, plant and equipment	44	(116)
Impairment of right of use assets (see note 13)	(1,410)	-
Total	**(1,366)**	**(116)**

The impairment of right of use assets relates to onerous leases.

9. Finance costs

	For the year to 30 June 2025 £000	For the year to 30 June 2024 (restated) £000
Finance income		
Interest income (see note 7)	(2,093)	-
Foreign exchange gains and losses that relate to financing	(2,426)	(670)
Total finance income	**(4,519)**	**(670)**
Finance costs		
Interest and finance charges paid/payable for lease liabilities	4,020	2,652
Interest and finance charges paid/payable for financial liabilities not at fair value through profit or loss	169,237	165,250
Unwinding of discount	1,748	7,385
Total finance costs expensed	**175,005**	**175,287**
Net finance costs	**(170,486)**	**(174,617)**

'Unwinding of discount' relates to the adjustments for the time value of money in respect of the deferred consideration liabilities and long term employee benefit obligations, which are disclosed in notes 21 and 22.

10. Taxation

a. Income tax credit

	For the year ended 30 June 2025	For the year ended 30 June (restated) 2024
	£000	**£000**
Current tax		
UK corporation tax on profits for the year	-	1
UK corporation tax adjustments in respect of prior year	4,031	(1,061)
Foreign tax	6,221	6,644
Foreign tax adjustments in respect of prior year	(504)	131
Total current tax charge	**9,748**	**5,715**
Deferred tax		
Origination and reversal of timing differences	(21,499)	(40,975)
Deferred tax adjustments in respect of prior year	(1,067)	4,446
Total deferred tax credit	**(22,566)**	**(36,529)**
Total income tax credit	**(12,818)**	**(30,814)**

10. Taxation (continued)

b. Numerical reconciliation of income tax expense to prima facie tax payable

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 25.0% (2024: 25.0%). The difference is explained below:

	For the year ended 30 June 2025 £000	For the year ended 30 June 2024 (restated) £000
Loss from ordinary activities before income tax	(140,243)	(244,741)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 25.0% (for the year ending 30 June 2024: 25.0%)	(35,061)	(61,185)
Tax effects of:		
Expenses not deductible for tax purposes	1,757	4,733
Income not deductible for tax purposes	(17,603)	-
Movement in deferred tax not recognised	35,248	23,463
Difference in tax rates applied in overseas jurisdictions	136	(1,185)
Adjustments in respect of prior years - UK and overseas jurisdictions	2,460	3,385
Other differences	245	(25)
Income tax credit	**(12,818)**	**(30,814)**

11. Equity

a. Share capital and share premium

Ordinary shares authorised, issued and fully paid

	As at 30 June 2025 Number Shares	As at 30 June 2025 £000 Share capital	As at 30 June 2025 £000 Share premium
A Ordinary Shares of £0.01 each	810,306,517	8,103	861,121
A1 Ordinary Shares of £0.01 each	50,755,526	507	67,945
B Ordinary Shares of £0.0001 each	34,783,493	3	1,324
C Ordinary Shares of £0.0001 each	59,628,845	6	107
D Ordinary Shares of £0.0001 each	45,775,679	5	42
E Ordinary Shares of £0.00001 each	51,682,218	1	9
F Ordinary Shares of £0.000001 each	58,810,800	-	1
Total before issue costs	**1,111,743,078**	**8,625**	**930,549**
Issue costs	**-**	**-**	**(13,317)**
Total	**1,111,743,078**	**8,625**	**917,232**

11. Equity (continued)

a. Share capital and share premium (continued)

Ordinary shares authorised, issued and fully paid (continued)

	As at 30 June 2024 Number Shares	As at 30 June 2024 £000 Share capital	As at 30 June 2024 £000 Share premium
A Ordinary Shares of £0.01 each	814,500,608	8,145	865,273
A1 Ordinary Shares of £0.01 each	52,708,311	527	69,347
B Ordinary Shares of £0.0001 each	34,783,422	3	1,324
C Ordinary Shares of £0.0001 each	59,628,803	6	107
D Ordinary Shares of £0.0001 each	45,569,202	5	42
E Ordinary Shares of £0.00001 each	50,828,537	1	9
F Ordinary Shares of £0.000001 each	55,820,257	-	1
Total before issue costs	**1,113,839,140**	**8,687**	**936,103**
Issue costs	**-**	**-**	**(13,317)**
Total	**1,113,839,140**	**8,687**	**922,786**

Movements in ordinary shares

	Number of shares 000s	Share capital £000	Share premium £000	Total £000
Balance as at 1 July 2024	**1,113,840**	**8,687**	**922,786**	**931,473**
Issued and cancelled (net) during the year	(2,096)	(62)	(5,554)	(5,616)
Balance as at 30 June 2025	**1,111,744**	**8,625**	**917,232**	**925,857**

A, A1, B, C, D, E and F Ordinary shares have a par value of £0.01, £0.01, £0.0001, £0.0001, £0.0001, £0.00001, and £0.00001 respectively. They entitle the holder to participate in dividends, and also to share in the proceeds of winding up the Group as prescribed in the Company's articles of association whereby the A and A1 shares are given priority until such time as the holders of the A and A1 shares have received a specified amount per share, after which the holders of B, C, D, E and F Ordinary Shares then also begin to participate (in each case) after a prescribed return of proceeds have been received by each foregoing class of shares. On a poll every holder of A Ordinary shares present at a meeting, in person or by proxy, is entitled to one vote. The A1, B, C, D, E and F Ordinary shares do not carry any voting rights.

The share premium account includes the premium on issue of equity shares, net of any costs.

The analysis of the movement in the shares in the year is as follows:

	Number of shares 000s	Share capital £000	Share premium £000	Total £000
Balance as at 1 July 2024	**1,113,840**	**8,687**	**922,786**	**931,473**
Shares issued in consideration for acquisitions	665	6	1,190	1,196
Shares issued in the year	4,051	-	-	-
Shares cancelled in the year	(6,812)	(68)	(6,744)	(6,812)
Balance as at 30 June 2025	**1,111,744**	**8,625**	**917,232**	**925,857**

11. Equity (continued)

a. Share capital and share premium (continued)

Movements in ordinary shares (continued)

For the year ended 30 June 2025, there was a gross cash inflow for shares issued in the period of £nil. The shares issued in the year related to 0.7m shares issued in consideration for an acquisition and 4.1m shares issued to the EBT at nominal value. In addition, the Group bought back from the EBT and cancelled 6.8m of A and A1 shares. Furthermore shares were awarded to individuals from the EBT at a market value of £0.9m and shares issued from the EBT in consideration for acquisitions at a market value of £2.0m, and the movements in the share table above for these latter transactions represent the value of the shares at their original date of issue.

b. Other reserves

The following table shows a breakdown of the balance sheet line item 'other reserves' and the movements in these reserves during the year. A description of the nature and purpose of each reserve is provided below the table.

	Own shares reserve £000	Foreign currency translation reserve £000	Total £000
Balance as at 1 July 2024	**(8,597)**	**(13,194)**	**(21,791)**
Exchange differences on translation of foreign operations	-	9,819	9,819
Own shares	5,197	-	5,197
Balance as at 30 June 2025	**(3,400)**	**(3,375)**	**(6,775)**

Treasury shares

The reserves of the Company's own shares comprise the cost of the Company's shares held by the Group. Own shares are shares in Tennessee Topco Limited that are held by the Davies Employee Benefit Trust for the purpose of issuing shares under the Davies Incentive Plan (see note 21 for further information). Shares issued to employees are recognised on a first-in-first-out basis.

	Number of Shares 000	Value of Shares £000
Balance as at 1 July 2024	**34,539**	**8,597**
Acquisition of shares by the Trust	12,857	2,832
Buyback of shares by the Company	(6,812)	(6,812)
Shares issued for acquisitions	(1,088)	(1,088)
Employee share scheme issue	(7,898)	(129)
Balance as at 30 June 2025	**31,598**	**3,400**

Foreign currency translation reserve

Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

11. Equity (continued)

c. Retained earnings

Movements in retained earnings were as follows:

	£000
Balance as at 1 July 2024 (restated)	**(425,169)**
Net loss for the year	(127,425)
Items of other comprehensive income recognised directly in retained earnings	-
Remeasurements of post-employment benefit obligations, net of tax	-
Reserve movement for share buybacks	37
Balance as at 30 June 2025	**(552,557)**

12. Property, plant and equipment

Non-current	Leasehold improvements £000	Fixtures & fittings and office equipment £000	Computer Equipment £000	Total £000
Cost				
At 1 July 2024	**5,603**	**7,429**	**47,320**	**60,352**
Additions	100	700	8,118	**8,918**
Acquired through business combinations	-	9	-	**9**
Disposals	(503)	(2,312)	(833)	**(3,648)**
Reclassification to intangible assets	-	-	(485)	**(485)**
Exchange differences	(199)	(681)	(751)	**(1,631)**
At 30 June 2025	**5,001**	**5,145**	**53,369**	**63,515**
Accumulated depreciation and impairment				
At 1 July 2024	**(3,949)**	**(2,592)**	**(26,815)**	**(33,356)**
Depreciation charge for the year	(969)	(1,443)	(11,738)	**(14,150)**
Disposals	895	1,439	1,148	**3,482**
Reclassification to intangible assets	-	7	12	**19**
Exchange differences	142	610	662	**1,414**
At 30 June 2025	**(3,881)**	**(1,979)**	**(36,731)**	**(42,591)**
Net book value as at 30 June 2025	**1,120**	**3,166**	**16,638**	**20,924**

12. Property, plant and equipment (continued)

Non-current	Leasehold improvements £000	Fixtures & fittings and office equipment £000	Computer Equipment £000	Total £000
Cost				
At 1 July 2023	**5,046**	**5,505**	**35,227**	**45,778**
Additions	591	1,898	12,972	**15,461**
Acquired through business combinations	175	611	367	**1,153**
Disposals	(216)	(549)	(1,211)	**(1,976)**
Reclassification to Intangible assets	8	3	-	**11**
Exchange differences	(1)	(39)	(35)	**(75)**
At 30 June 2024	**5,603**	**7,429**	**47,320**	**60,352**
Accumulated depreciation and impairment				
At 1 July 2023	**(2,563)**	**(1,467)**	**(16,907)**	**(20,937)**
Depreciation charge for the year	(1,575)	(1,622)	(11,060)	**(14,257)**
Disposals	187	473	1,121	**1,781**
Reclassification to Intangible assets	-	-	-	**-**
Exchange differences	2	24	31	**57**
At 30 June 2024	**(3,949)**	**(2,592)**	**(26,815)**	**(33,356)**
Net book value as at 30 June 2024	**1,654**	**4,837**	**20,505**	**26,996**

13. Leases

i. Amounts recognised in the statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

Right-of-use assets	As at 30 June 2025 £000	As at 30 June 2024 £000
Buildings	21,248	28,042
Motor Vehicles	2,832	1,902
IT Equipment	333	635
	24,413	**30,579**

Lease Liabilities	As at 30 June 2025 £000	As at 30 June 2024 £000
Current	9,998	10,382
Non-current	21,986	23,969
	31,984	**34,351**

Additions to the right-of-use assets during the year ended 30 June 2025 were £7.8m (year ended 30 June 2024: £16.7m).

13. Leases (continued)

ii. Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	As at 30 June 2025 £000	As at 30 June 2024 £000
Depreciation charge of right-of-use assets		
Buildings	9,753	9,059
Motor Vehicles	1,093	888
IT Equipment	493	472
	11,339	**10,419**
Interest expense (included in finance costs)	3,014	2,536
Expenses relating to short-term leases (included in administrative expenses)	-	-
Expenses relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	-	-
Expenses relating to variable lease payments not included in the measurement of lease liabilities (included in administrative expenses)	-	-

The total cash outflow for leases for the year ended 30 June 2025 was comprised of principal lease payments of £9,067,000 (year ended 30 June 2024: £9,337,000) and interest of £3,014,000 (year ended 30 June 2024: £2,536,000).

There were no building leases containing variable payment terms that are linked to an index, such as the Consumer Price Index, or market rates.

The impairment of right-of-use assets relating to onerous leases during the year was £1.4m and is disclosed in note 8.

Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

The sensitivity of the finance lease liability to changes in the incremental borrowing rate assumptions is:

	Change in Assumption	Increase/(decrease) on Lease Liability as at 30 June 2025	Increase/(decrease) on Lease Liability as at 30 June 2024
Incremental Borrowing Rate	2.50%	(1,284)	(2,352)
Incremental Borrowing Rate	-2.50%	1,754	3,195

When calculating the sensitivity of the finance lease liability, the same method (present value of the total cash outflows at the end of the reporting period) has been applied as when calculating the finance lease liability recognised in the statement of Financial Position.

14. Intangible assets

Non-current assets	Goodwill £000	Customer lists £000	Brand Name £000	Technology assets £000	Total £000
Cost					
At 1 July 2024	1,163,708	696,336	131,373	81,752	**2,073,169**
Additions - acquired separately	-	-	-	16,051	**16,051**
Acquired through business combinations	12,516	29,724	-	-	**42,240**
Disposals	-	(708)	-	(72)	**(780)**
Transfers	-	-	-	(124)	**(124)**
Reclassification from tangible assets	-	-	-	485	**485**
Exchange differences	(24,534)	(17,798)	(878)	(2,960)	**(46,170)**
At 30 June 2025	**1,151,690**	**707,554**	**130,495**	**95,132**	**2,084,871**
Accumulated amortisation and impairment					
At 1 July 2024	-	(150,454)	(18,862)	(49,258)	**(218,574)**
Amortisation for the year	-	(64,529)	(7,886)	(21,891)	**(94,306)**
Disposals	-	708	-	72	**780**
Transfers	-	-	-	124	**124**
Reclassification from tangible assets	-	-	-	(19)	**(19)**
Exchange differences	-	2,027	130	2,107	**4,264**
At 30 June 2025	**-**	**(212,248)**	**(26,618)**	**(68,865)**	**(307,731)**
Net book value as at 30 June 2025	**1,151,690**	**495,306**	**103,877**	**26,267**	**1,777,140**

Non-current assets	Goodwill £000	Customer lists £000	Brand Name £000	Technology assets £000	Total £000
Cost					
At 1 July 2023	980,998	555,449	120,218	66,747	**1,723,412**
Additions - internally developed	-	**-**	-	15,110	**15,110**
Acquired through business combinations	182,781	143,435	11,211	-	**337,427**
Disposals	-	(1,342)	-	-	**(1,342)**
Reclassification within intangible assets	-	(1,646)	-	-	**(1,646)**
Reclassification from Tangible assets	-	-	-	(11)	**(11)**
Exchange differences	(71)	440	(56)	(94)	**219**
At 30 June 2024	**1,163,708**	**696,336**	**131,373**	**81,752**	**2,073,169**
Accumulated amortisation and impairment					
At 1 July 2023	-	(93,341)	(11,785)	(23,912)	**(129,038)**
Amortisation for the year	-	(58,611)	(7,079)	(25,373)	**(91,063)**
Disposals	-	**-**	**-**	-	**-**
Reclassification within intangible assets	-	1,646	-	-	**1,646**
Reclassification from Tangible assets	-	-	-	-	**-**
Exchange differences	-	(148)	2	27	**(119)**
At 30 June 2024	**-**	**(150,454)**	**(18,862)**	**(49,258)**	**(218,574)**
Net book value as at 30 June 2024	**1,163,708**	**545,882**	**112,511**	**32,494**	**1,854,595**

14. Intangible assets (continued)

The additions to the goodwill, customer lists, brand names and other intangible assets relate to the acquisition deals completed in the year, details of which can be found in note 23. The remaining amortisation for Customer lists is approximately 8 years; for Brand names, approximately 13 years; and for Other Intangible assets, approximately 1 year.

The internally generated intangible assets and the other intangible assets comprise software and technology assets.

15. Deferred tax assets / (liabilities)

Movements	Business Combination intangibles £000	Tax losses £000	Corporate Interest Restriction disallowances £000	Short-term timing differences £000	Other timing differences £000	Total £000
At 30 June 2024 (restated)	(147,468)	18,845	39,386	2,602	2,213	(84,422)
Charged / (credited):						
– On business combinations	(2,517)	-	-	-	-	(2,517)
– to profit or loss	16,252	5,853	(5,042)	3,153	2,350	22,566
– other movements	-	-	-	-	-	-
- foreign exchange to other comprehensive income	1,910	(567)	(622)	(41)	(560)	120
At 30 June 2025	**(131,823)**	**24,131**	**33,722**	**5,714**	**4,003**	**(64,253)**

Movements	Business Combination intangibles £000	Tax losses £000	Corporate Interest Restriction disallowances £000	Short-term timing differences £000	Other timing differences £000	Total £000
At 30 June 2023 (restated)	(136,461)	14,801	24,280	2,869	2,568	(91,943)
Charged / (credited):					-	
– On business combinations	(29,036)	-	-	-	-	(29,036)
– to profit or loss	18,138	3,951	14,922	(266)	(216)	36,529
– other movements	-	-	-	-	(159)	(159)
– foreign exchange to other comprehensive income	(109)	93	184	(1)	20	187
At 30 June 2024 (restated)	**(147,468)**	**18,845**	**39,386**	**2,602**	**2,213**	**(84,422)**

There is an unrecognised deferred tax asset of £65m (2024: £30m) in relation to gross interest restriction disallowances of £261m (2024: £120m). There is also an unrecognised deferred tax asset of £1.5m (2024: £1.5m) in relation to gross tax losses of £6m (2024: £6m).

The interest restriction disallowances and tax losses have no expiry date.

16. Other current assets

	As at 30 June 2025 £000	As at 30 June 2024 (restated) £000
Corporation tax	6,087	9,237
Prepayments	22,529	23,318
	28,616	**32,555**

17. Trade receivables and other financial assets at amortised cost

i. Trade Receivables

	As at 30 June 2025 £000	As at 30 June 2024 (restated) £000
Trade receivables from contracts with customers	169,197	173,526
less: loss allowance (Refer to note 25)	(23,535)	(22,133)
	145,662	**151,393**

Trade receivables are amounts due from customers for services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in note 24. Due to the short-term nature of the trade receivables, their carrying amount is considered to be the same as their fair value.

ii. Other financial assets at amortised cost

	As at 30 June 2025 £000	As at 30 June 2024(restated) £000
Other receivables	20,103	17,134
Total	**20,103**	**17,134**

Other receivables balance is primarily made up of client disbursements, advances to employee advances and other receivables from third parties.

Due to the short-term nature of other financial assets at amortised cost, their carrying amount is considered to be the same as their fair value.

18. Cash and cash equivalents

	As at 30 June 2025 £000	As at 30 June 2024 £000
Cash at bank and in hand	63,570	92,736
Total	**63,570**	**92,736**

Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial period as follows:

	As at 30 June 2025 £000	As at 30 June 2024 £000
Cash at bank and in hand	63,570	92,736
Cash and cash equivalents at the end of the year	**63,570**	**92,736**

Classification as cash equivalents

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours' notice with no loss of interest. See note 3.8 for the Group's accounting policy on cash and cash equivalents.

19. Borrowings

Non-current	As at 30 June 2025 £000	As at 30 June 2024 (restated) £000
Secured		
Bank loans	1,402,629	1,340,113
Total secured borrowings	**1,402,629**	**1,340,113**
Total non-current borrowings	**1,402,629**	**1,340,113**

	£000	£000
Total current borrowings	**70,027**	**40,312**
		-
Total borrowings	**1,472,656**	**1,380,425**

19. Borrowings (continued)

On 1 July 2024, the Group's intermediary holding companies repaid their outstanding loans, other than the RCF, a gross figure of £1.3bn to their external debt holders and entered into new facilities, maintaining Blackstone as the Group's debt provider. Upon completion, new debt of £1.3bn was drawn down. All these new facilities are multi-currency - in sterling GBP, US Dollars, and Euros. The new facility carries interest charges made up of a fixed element: 5.25% (with a 1.75% PIK option) and variable element linked to either the SONIA rate for GBP, EURIBOR rate for EUR elements or the US Dollar LIBOR rate for USD elements.

During the year ended 30 June 2025, the Group entered into an additional acquisition facility of £275m. An upfront payment of £1.4m was made for associated arrangement fees. The Group also increased its revolving credit facility ("RCF facility") from £90m to £140m.

For the year ended 30 June 2025, the total facilities available to the Group attracted an effective interest rate of 8.49% (for the year ended 30 June 2024: 9.34%).

These facilities carry a fixed security over shares, bank accounts and intercompany receivables, and other assets are charged by way of “floating charge” - all assets with the exception of intellectual property (non-US and the Littleton Group trademark), property, insurance policies, governmental contracts / licenses, joint venture interests and bank accounts relating to cash pooling or factoring purposes. Of this facility only the RCF carries a repayment clause whereby it is subject to mandatory repayment in the case of a change of control or an Initial Public Offering of the Group. As at 30 June 2025, the RCF was valued at £81.7m (30 June 2024: £42.3m).

The loans are carried at a value of £1.4bn (30 June 2024: £1.3bn) net of prepaid fees which are amortised on an effective interest rate basis. At 30 June 2025, the unamortised value of prepaid fees was £15.8m (30 June 2023: £15.8m).

20. Provisions

Non-current	**As at 30 June 2025**	**As at 30 June 2024 (restated)**
	£000	**£000**
Dilapidation provision	1,865	988
Salaried members provision	9,204	9,204
Other provisions	3,058	629
	14,127	**10,821**

Current	**As at 30 June 2025**	**As at 30 June**
	£000	**£000**
Dilapidation provision	698	476
Other provisions	1,070	301
	1,768	**777**

20. Provisions (continued)

Dilapidation provision

The Group is required to restore the leased premises to their original condition at the end of the respective lease terms. A provision has been recognised for the present value of the estimated expenditure required to remove any leasehold improvements. These costs have been capitalised as part of the cost of leasehold improvements and are amortised over the shorter of the term of the lease and the useful life of the assets.

Salaried members provision

A Salaried members provision has been made to recognise an expected charge for incremental payments due in respect of the Salaried Member Rules (see 3.20 Correction of Prior Period Errors). A robust calculation of the liability has been performed, with the assistance of professional advisors but Management recognise that this calculation is complex, involves a number of parameters and years and that there is inherent uncertainty as to the value and timing of the payment of any amounts.

Other provisions

Other provisions include amounts relating to onerous contracts.

Movements in each class of provision during the financial year are set out below:

	Dilapidation provision £000	Salaried Member provision £000	Other provisions £000	Total £000
As at 1 July 2024 (restated)	**1,464**	**9,204**	**930**	**11,598**
Acquired through business combination	73	-	-	73
Charged / (credited) to profit or loss:				
– additional provisions recognized	1,412	1,867	1,599	4,878
– unused amounts reversed	(175)	-	-	(175)
Utilised in the year	(168)	-	(268)	(436)
Exchange differences	(43)	-	-	(43)
As at 30 June 2025	**2,563**	**11,071**	**2,261**	**15,895**

	Dilapidation provision £000	Salaried Member provision £000	Other provisions £000	Total £000
As at 1 July 2023 (restated)	**1,427**	**7,019**	**748**	**9,194**
Acquired through business combination	739	-	-	739
Charged / (credited) to profit or loss:				
additional provisions recognised	-	2,185	476	2,661
unused amounts reversed	(237)	-	-	(237)
Utilised in the year	(466)	-	(294)	(760)
Exchange differences	1	-	-	1
As at 30 June 2024 (restated)	**1,464**	**9,204**	**930**	**11,598**

21. Trade and other payables

Non-current	As at 30 June 2025	As at 30 June 2024
	£000	£000
Accruals	1,945	3,752
Contingent consideration	9,045	96,204
Other payables	2	-
	10,992	**99,956**

Current	As at 30 June 2025	As at 30 June 2024(restated)
	£000	£000
Trade payables	40,605	45,128
Other taxation and social security	11,261	10,600
Accruals	74,027	70,328
Contingent consideration	21,819	6,549
Other payables	38,552	22,690
	186,264	**155,295**

The accrual balance is comprised of trading accruals. Other payables are primarily comprised of payroll taxes due on partners' distributions, and specific accruals for M&A exceptional costs.

The maximum total contingent consideration payable by the Group is £168.8m (30 June 2024: £172.2m) and the minimum payable is £nil (30 June 2023: £nil). The value of contingent consideration is dependent on the underlying contractual obligations within each purchase agreement, and the value recognised is based on Management's best estimate of the future outflows at the balance sheet date. The movement of contingent consideration in the year is as follows:

	Non-current	Current
	£000	£000
As at 30 June 2024	96,204	6,549
Business combinations in the year	627	3,137
Payments in the year	-	(5,317)
Unwinding of Discount	179	-
Revaluations of contingent consideration in the year	(64,426)	(3,960)
Translation and reclassification	(23,539)	21,410
As at 30 June 2025	**9,045**	**21,819**

	Non-current	Current
	£000	£000
As at 30 June 2023	76,135	2,662
Business combinations in the year	15,296	20,757
Payments in the year	-	(22,220)
Unwinding of Discount	4,198	1,145
Revaluations of contingent consideration in the year	2,548	1,865
Translation and reclassification	(1,973)	2,340
As at 30 June 2024	**96,204**	**6,549**

Under the Fair Value Hierarchy, these are considered as Level 3 financial instruments.

22. Employee benefit obligations

	Non-current As at 30 June 2025 £000	Non-current As at 30 June 2024 £000
Other employee benefits	8,903	8,293
	8,903	**8,293**

	Current As at 30 June 2025 £000	Current As at 30 June 2024 £000
Defined pension benefits	-	311
Defined contribution benefits	1,806	1,507
Other employee benefits	9,357	12,914
	11,163	**14,732**

Defined pension benefits

Farradane Limited, a subsidiary of the Group, operates a defined benefit pension scheme in the United Kingdom, the Davies Loss Adjusters Life Assurance and Pension Scheme. The scheme was closed to new members in 1998, and no further benefits are accruing under the scheme. The Group's key accounting policies for the scheme are set out in note 3.12 (ii).

Defined contribution benefits

The Group operates a defined contribution scheme. The Group’s legal or constructive obligation for this scheme is limited to the Group's contributions. The expense for the year is included in note 6. The Group's key accounting policies for the scheme are set out in note 3.12 (ii).

Other employee benefits

Other employee benefits comprise of: Amounts owed in relation to the Davies Incentive Plan and long-term incentive plans.

Davies Incentive Plan (“DIP”)

Davies Group rewards eligible employees through participation in the DIP, an enhanced long-term cash incentive plan, backed by an employee benefit trust (“EBT”) that holds ordinary shares in the company. The obligation recognised relates to expected future payments relating to DIP points that are subject to the DIP’s vesting and service conditions, to the extent that the respective services have been provided by the DIP point holders. Any cash obligations are satisfied upon an exit or similar event, where the EBT sells shares to a buyer and uses the proceeds to pay point holders. On this basis the company considers the accounting charge an exceptional item.

In June 2022, in response to the cost of living crisis, the Group introduced and communicated a one-off option that allows DIP holders to convert up to 50% of their existing points into cash in five quarterly instalments between September 2022 and September 2023. This resulted in an accelerated vesting of the fair value of the respective DIP points. The cash obligation was satisfied by the EBT selling shares to the company and using the proceeds to pay point holders and on this basis the accounting charge was included as exceptional item in the years to 30 June 2023 and 2024.

The Group's key accounting policies for the scheme are set out in note 3.12 (iii).

22. Employee benefit obligations (continued)

Other employee benefits (continued)

Long term Incentive plans

Davies Group will offer long term incentive plans to certain employees upon new acquisitions. Such plans and linked to the future result of the businesses acquired, and a M&A exceptional charge is recognised over the period earned.

Defined Benefit Obligation

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Present value of obligation	Fair value of plan assets	Impact of minimum funding requirement/ asset ceiling	Net amount
	£000	£000	£000	£000
At 30 June 2024	(13,427)	17,481	(4,054)	-
Interest (expense) / income	(657)	862	(205)	-
Total amount recognised in profit or loss	**(657)**	**862**	**(205)**	**-**
Remeasurements				
Actuarial gain / (loss)	682	(224)	(458)	-
Total amount recognised in other comprehensive income / (loss)	682	(224)	(458)	-
Exchange differences	-	-	-	-
Contributions	-	-	-	-
Employers	-	-	-	-
Benefits paid	823	(823)	-	-
At 30 June 2025	**(12,579)**	**17,296**	**(4,717)**	**-**

The net liability disclosed above relates to funded and unfunded plans as follows:

	As at 30 June 2025	As at 30 June 2024
	£000	£000
Defined benefit obligation	(12,579)	(13,427)
Fair value of plan assets	17,296	17,481
Surplus of funded plans (before asset ceiling)	**4,717**	**4,054**

22. Employee benefit obligations (continued)

Defined Benefit Obligation (continued)

At the date of the last formal funding valuation – 5 April 2024 – the plan had a funding surplus of £3.0m. Therefore, the Group is not currently required to contribute to the plan.

The following table shows a breakdown of the defined benefit obligation and plan assets as at 30 June 2025:

	As at 30 June 2025 £000	As at 30 June 2024 £000
Present value of obligation	(12,579)	(13,427)
Fair value of plan assets	17,296	17,481
Surplus in the scheme	4,717	4,054
Impact of minimum funding requirement/asset ceiling	(4,717)	(4,054)
Total liability	**-**	**-**

As at the last valuation date, 41% of the present value of the defined benefit obligation related to deferred members and 59% related to members in retirement.

The analysis of the fair value of plan assets by nature is as follows:

	As at 30 June 2025	As at 30 June 2024
The major categories of plan assets, measured at fair value are:	**£000**	**£000**
Equities	-	9,539
Bonds	16,158	7,108
Insured Pensioners	215	331
Cash	923	503
Total fair value of assets	**17,296**	**17,481**
Assets included above which do not have a quoted market value:		
Insured Pensioners	215	331
Total	**215**	**331**

A full actuarial valuation was carried out in April 2024 by a qualified independent actuary. The major assumptions used by the actuary have been projected forward to 30 June 2025 as follows:

	As at 30 June 2025	As at 30 June 2024
Rate of increase in future pensions in payment	2.80%	3.05%
Rate of increase in deferred pensions	1.90%	2.20%
Discount rate	5.45%	5.05%
Inflation assumption	2.90%	3.20%
Consumer price inflation	1.90%	2.20%

22. Employee benefit obligations (continued)

Defined Benefit Obligation (continued)

The assumed life expectancy, on retirement at 65, applied was as follows:

	As at 30 June 2025	As at 30 June 2024
Retiring at the end of the reporting period:		
Male	21.2	21.1
Female	23.7	23.6
Retiring 20 years after the end of the reporting period:		
Male	21.1	22.1
Female	24.8	24.7

Management have reviewed the sensitivities around the pension liability and consider the most volatile assumption to be the discount rate used. The impact of increasing or decreasing the discount rate by 5 basis points will respectively decrease or increase the liability by approximately £66,000 (year ended 30 June 2024: £78,000).

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

		Impact on defined benefit obligation			
	Change in assumption	Increase in assumption	As at 30 June 2025	Decrease in assumption	As at 30 June 2025
Discount rate	0.25%	Decrease by	-2.9%	Increase by	+2.9%
Inflation assumption	0.25%	Increase by	+1.0%	Decrease by	-1.0%
Long-term rate of mortality improvement	0.25%	Increase by	+0.5%	Decrease by	-0.5%

		Impact on defined benefit obligation			
	Change in assumption	Increase in assumption	As at 30 June 2024	Decrease in assumption	As at 30 June 2024
Discount rate	0.25%	Decrease by	-2.9%	Increase by	+2.9%
Inflation assumption	0.25%	Increase by	+1.0%	Decrease by	-1.0%
Long-term rate of mortality improvement	0.25%	Increase by	+0.5%	Decrease by	-0.5%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit obligation.

23. Business combinations

a. Acquisitions in the year to 30 June 2025

The Group made 3 significant acquisitions during the year, and these are detailed below.

In addition, the Group made 2 trade and asset deals, for which cash consideration of £3.6m was paid, and a deferred contingent consideration of £0.5m was recognised on the balance sheet, and corresponding assets recognised as customer lists of £2.1m, goodwill of £1.8m.

i. Acquisition of O'Brien Lynam Solicitors

On 1 December 2024, the Group supported the development of a Keoghs presence in Ireland through the establishment of new Law Society of Ireland regulated firm in Ireland, Keoghs Ireland LLP, which in turn acquired full ownership of O'Brien Lynam Solicitors (“OBL”); a Dublin-based law firm serving the insurance and banking sectors. Keoghs Ireland LLP is Keoghs’ first expansion beyond the UK. This serves to meet the growing demand for cross-border legal expertise in key client markets. The acquisition also introduced new capabilities for Davies within the Banking sector.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchase consideration

	£000
Cash paid	7,808
Ordinary shares issued	1,962
Total purchase consideration	**9,770**

The fair value of the 1 million shares issued as part of the consideration paid for was £2.0 million.

Assets and liabilities recognised

Fair value recognised on acquisition	£000
Intangible fixed assets	9,132
Tangible Fixed Assets	9
Right of use asset	575
Cash	655
Trade Receivables	798
WIP	324
Other current assets	362
Deferred tax liability	(2,283)
Finance leases	(575)
Trade creditors	(484)
Accruals	(826)
Other creditors	(158)
Net identifiable assets acquired	**7,529**
Add: Goodwill	2,241
Total purchase consideration	**9,770**

23. Business combinations (continued)

a. Acquisitions in the year to 30 June 2025 (continued)

i. Acquisition of O'Brien Lynam Solicitors (continued)

The goodwill is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes.

a. Acquired receivables

On the acquisition date the fair value and gross contractual amount of acquired trade receivables was £1,186,000. The Group's best estimate at the acquisition date of the contractual cash flows not expected to be collected was £338,000.

b. Revenue and profit contribution

The acquired business contributed revenues of £3,614,000 and profits of £1,072,317 to the Group for the period from 1 December 2025 to 30 June 2025.

Purchase consideration – cash outflow

Outflow of cash to acquire OBL, net of cash acquired:

	£000
Cash consideration	7,808
Less: balances acquired	
Cash at bank	655
Net outflow of cash – investing activities	**7,153**

ii. Acquisition of Premier Claims Management, LLC.

On 20 December 2024, the Group acquired 100% of the issued share capital of Premier Claims Management, LLC. The company is a California based TPA focused on serving complex liability programs for the Lloyds and US market. Premier Claims which sits within Davies North America, strengthens Davies' existing claims operations in North America, adding complex, high value liability work for Lloyd's clients.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchase consideration

	£000
Cash paid	17,694
Ordinary shares issued	1,197
Deferred contingent consideration	3,411
Total purchase consideration	**22,302**

The fair value of the 0.7 million shares issued as part of the consideration paid for was £1.2 million.

23. Business combinations (continued)

a Acquisitions in the year to 30 June 2025 (continued)

ii Acquisition of Premier Claims Management, LLC. (continued)

Assets and liabilities recognised

Fair value recognised on acquisition	£000
Intangible fixed assets	14,816
Right of use asset	415
Cash	597
Trade Receivables	467
WIP	65
Prepayments	58
Deferred tax liability	(234)
Finance leases	(415)
Trade creditors	(10)
Accruals	(625)
Other creditors	(79)
Net identifiable assets acquired	**15,055**
Add: Goodwill	7,247
Total purchase consideration	**22,302**

The goodwill is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes.

a. Acquired receivables

On the acquisition date the fair value and gross contractual amount of acquired trade receivables was £535,000. The Group's best estimate at the acquisition date of the contractual cash flows not expected to be collected was £69,000.

b. Revenue and profit contribution

The acquired business contributed revenues of £3,638,000 and profits of £927,000 to the Group for the period from 4 December 2024 to 30 June 2025.

Purchase consideration – cash outflow

Outflow of cash to acquire Premier Claims Management LLC, net of cash acquired:

	£000
Cash consideration	17,694
Less: balances acquired	
Cash at bank	597
Net outflow of cash – investing activities	**17,097**

23. Business combinations (continued)

a. Acquisitions in the year to 30 June 2025 (continued)

iii Acquisition of the business and certain assets of Barker Claims Service, Inc.

On 25 October 2024, the Group acquired 100% of the issued share capital of Barker Claims Service, Inc.. Barker Claims Service, Inc. provides insurance claims adjusting, insurance claims management services and third party insurance administrative services and is located in the US. The business has joined the Group's Davies North America division. Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchase consideration

	£000
Cash paid	4,820
Total purchase consideration	**4,820**

Assets and liabilities recognised

Fair value recognised on acquisition	£000
Intangible fixed assets	3,626
Right of use asset	53
Cash	761
Trade Receivables	1,022
WIP	56
Prepayments	13
Other current assets	24
Deferred tax liability	(907)
Finance leases	(53)
Trade creditors	(6)
Accruals	(19)
Other creditors	(937)
Net identifiable assets acquired	**3,633**
Add: Goodwill	1,187
Total purchase consideration	**4,820**

The goodwill is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes.

a. Acquired receivables

On the acquisition date the fair value and gross contractual amount of acquired trade receivables was £1,073,000. The Group's best estimate at the acquisition date of the contractual cash flows not expected to be collected was £51,000.

b. Revenue and profit contribution

The acquired business contributed revenues of £4,443,000 and profits of £889,000 to the Group for the period from 25 October 2024 to 30 June 2025.

23. Business combinations (continued)

a. Acquisitions in the year to 30 June 2025 (continued)

iii Acquisition of the business and certain assets of Barker Consulting LLC (continued)

Purchase consideration – cash outflow

Outflow of cash to acquire Barker, net of cash acquired:

	£000
Cash consideration	4,820
Less: balances acquired	-
Cash at bank	761
Net outflow of cash – investing activities	**4,059**

b. Acquisitions in the year to 30 June 2024

The Group made 3 stock acquisitions during the year, and these are detailed below.

In addition, the Group made 3 trade and asset deals, for which cash consideration of £3.9m was paid, and a deferred contingent consideration of £0.8m was recognised on the balance sheet, and corresponding assets recognised as customer lists of £4.2m, goodwill of £0.3m and other assets of £0.2m.

i. Acquisition of American Claims Management (ACM), Preferred Governmental Claims Services (PGCS), Insurance Claims Adjusters (ICA) and United Self-Insured Services (USIS) ("Speciality programmes")

On 30 November 2023, the Group acquired 100% of the issued share capital of four claims and services businesses, ACM, PGCS, ICA and USIS. ACM is a third party claims administrator; PGCS is a claims management business specializing in Florida governmental and municipality agencies; USIS is a leading supplier of managed care services and TPA for workers' compensation and liability claims; ICA is a premier independent property adjusting firm. The four business entities have formed a new business division, Specialty Programmes, which sits within Davies North America. These four specialist businesses have strengthened the existing TPA offering in the Group's property and workers' compensation claims, catastrophic loss adjusting & response and as part of the deal, more than 600 employees have joined Davies.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchase consideration

	£000
Cash paid	150,354
Contingent consideration	22,404
Total purchase consideration	**172,758**

23. Business combinations (continued)

b. Acquisitions in the year to 30 June 2024 (continued)

i Acquisition of American Claims Management (ACM), Preferred Governmental Claims Services (PGCS), Insurance Claims Adjusters (ICA) and U.S. Information Services (USIS) ("Speciality Programmes") (continued)

Assets and liabilities recognised

Fair value recognised on acquisition	**£000**
Intangible fixed assets	75,827
Tangible Fixed Assets	520
Right of use asset	360
Cash	10,562
Trade Receivables	5,446
Prepayments	275
Accrued income	4,472
Other current assets	48
Deferred tax liability	(18,445)
Deferred revenue	(14,527)
Other LT liabilities	(194)
Finance leases	(360)
Accruals	(3,258)
Other current liabilities	(5,843)
Net identifiable assets acquired	**54,883**
Add: Goodwill	117,875
Total purchase consideration	**172,758**

The goodwill is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes.

a. Acquired receivables

On the acquisition date the fair value and gross contractual amount of acquired trade receivables was £5.6m. The Group's best estimate at the acquisition date of the contractual cash flows not expected to be collected was £0.1m.

b. Revenue and profit contribution

The acquired business contributed revenues of £48.2m and profit after tax of £10.7m to the Group for the period from 30 November 2023 to 30 June 2024.

Purchase consideration – cash outflow

Outflow of cash to acquire Speciality Programmes, net of cash acquired:

	£000
Cash consideration	150,354
Less: balances acquired	
Cash at bank	10,562
Net outflow of cash – investing activities	**139,792**

23. Business combinations (continued)

b Acquisitions in the year to 30 June 2024 (continued)

ii Acquisition of MDD Group

On 29 February 2024, the Group acquired 100% of interests in the leading international forensic accounting firm, MDD. MDD is one of the largest specialist forensic accounting firms in the world, serving the insurance and legal sectors. MDD specialises in assessing economic damages in relation to insurance claims, business disputes, natural or man-made catastrophes, business interruption, fraud and product recalls, expert litigation support, business valuations and shareholder disputes. Its team of 330+ professionals serve 1,000+ international clients from 40+ office locations across the globe, including North America, Latin America, Europe, Asia, and Australasia. MDD has formed a new business line within Davies' Global Solutions division, establishing a new global forensic accounting capability for the Group.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchase consideration

	£000
Cash paid	100,538
Ordinary shares issued	39,494
Deferred completion payment	4,976
Deferred consideration	1,975
Contingent consideration	10,870
Total purchase consideration	**157,853**

The fair value of the 26.3m shares issued as part of the consideration paid for was £39.5m.

Assets and liabilities recognised

Fair value recognised on acquisition	**£000**
Intangible fixed assets	74,566
Tangible Fixed Assets	633
Right of use asset	6,631
Cash	10,335
Trade Receivables	18,712
Work in progress	11,580
Prepayments	1,175
Deferred tax liability	(10,540)
Finance leases	(6,631)
Trade creditors	(228)
Accruals	(5,415)
Other current liabilities	(2,259)
Net identifiable assets acquired	**98,559**
Add: Goodwill	59,294
Total purchase consideration	**157,853**

The goodwill is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes.

23. Business combinations (continued)

b Acquisitions in the year to 30 June 2024 (continued)

ii. Acquisition of MDD Group (continued)

Acquired receivables
On the acquisition date the fair value and gross contractual amount of acquired trade receivables was £20.7m. The Group's best estimate at the acquisition date of the contractual cash flows not expected to be collected was £2.0m.

Revenue and profit contribution
The acquired business contributed revenues of £24.3m and profit after tax of £2.3m to the Group for the period from 1 March 2024 to 30 June 2024.

Purchase consideration – cash outflow
Outflow of cash to acquire the MDD Group, net of cash acquired:

	£000
Cash consideration	100,538
Less: balances acquired	
Cash at bank	10,335
Net outflow of cash – investing activities	**90,203**

iii. Acquisition of Shoreside

On 22 March 2024 the Group acquired 100% of the issued share capital of the Shoreside Law Limited and Shoreside Agents Limited (together "Shoreside"), the commercial and litigation maritime business, specialising on shipping, commercial insurance and energy disputes for a range of insurers, ship and yacht owners, charterers, NVOCCs (non-vessel operating common carriers, ports and other international law firms. Shoreside has joined the Group's Davies Claims UK & Ireland division.

Details of the purchase consideration, the net assets acquired, and goodwill are as follows:

Purchase consideration

	£000
Cash paid	5,227
Other non-cash consideration	375
Ordinary shares issued	1,500
Total purchase consideration	**7,102**

The fair value of the 1.0 million shares issued as part of the consideration paid for was £1.5 million.

Assets and liabilities recognised

Fair value recognised on acquisition	**£000**
Cash	1,245
Trade Receivables	451
Other current assets	745
Accruals	(57)
Other current liabilities	(573)
Net identifiable assets acquired	**1,811**
Add: Goodwill	5,291
Total purchase consideration	**7,102**

The goodwill is attributable to the workforce and the profitability of the acquired business. It will not be deductible for tax purposes.

23. Business combinations (continued)

b Acquisitions in the year to 30 June 2024 (continued)

iii. Acquisition of Shoreside (continued)

Acquired receivables

On the acquisition date the fair value and gross contractual amount of acquired trade receivables was £0.5m. The Group's best estimate at the acquisition date of the contractual cash flows not expected to be collected was nil.

Revenue and profit contribution

The acquired business contributed revenues of £0.7m and profits of £0.2m to the Group for the period from 23 March 2024 to 30 June 2024.

Purchase consideration – cash outflow

Outflow of cash to acquire Shoreside, net of cash acquired:

	£000
Cash consideration	5,227
Less: balances acquired	
Cash at bank	1,245
Net outflow of cash – investing activities	**3,982**

24. Fair value measurement

The Group holds the following financial instruments:

Financial instruments by category	**Note**	**As at 30 June 2025**	**As at 30 June 2024 (restated)**
		£000	**£000**
Financial assets			
Financial assets at amortised cost			
Trade Receivables	17	145,662	151,393
Cash and cash equivalents	18	63,570	92,736
Other financial assets at amortised cost	17	20,103	17,134
Total financial assets		**229,335**	**261,263**
Financial liabilities			
Financial liabilities at amortised cost			
Trade and other payables	21	186,264	155,295
Borrowings	19	1,472,656	1,380,425
Total financial liabilities		**1,658,920**	**1,535,720**

The carrying amount of trade receivables, cash and cash equivalents, other financial assets, trade and other payables and borrowings are a reasonable approximation of fair value. Therefore, fair values for these instruments are not disclosed separately.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

24. Fair value measurement (continued)

	As at 30 June 2025 £000	As at 30 June 2024 £000
Financial liabilities		
Borrowings		
Carrying value	1,472,656	1,380,425
Fair value	1,472,656	1,380,425

Fair value hierarchy

The Group does hold certain financial assets and financial liabilities which are recognised at fair value. Fair Values on contingent consideration and defined benefit obligation are disclosed in notes 20 and 21, respectively.

25. Financial risk management

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance.

The Group's risk management is predominantly controlled by a central treasury department under policies approved by the board of directors. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk.

a. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk arises principally from cash and cash equivalents, deposits with banks and financial institutions, trade and other receivables and other financial instruments.

i. Risk management

Credit risk is managed on a Group basis and is managed, as far as possible, by partnering with financially strong clients, agreeing payment terms in advance and requesting progress payments during the life of a claim. Appropriate credit control procedures are in place to monitor credit taken by clients and mitigate the risk of a material loss allowance.

ii. Trade receivables and contract assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group's historical experience of collecting receivables shows that its credit risk is low, and the Group supports its business activities by applying strong credit management practices.

25. Financial risk management (continued)

a Credit Risk (continued)

(ii) Trade receivables and contract assets (continued)

In estimating expected credit losses, the Group considers historical experience and informed credit assessments alongside other factors such as the current state of the economy and industry and counterparty issues. To facilitate this analysis, the Group consider reasonable and supportable information that is relevant and available without undue cost or effort.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables and contract assets:

As at 30 June 2025	Current £000	0-30 days past due £000	31-60 days past due £000	61-90 days past due £000	More than 90 days past due £000	Total £000
Gross carrying amount - trade receivables	78,316	16,559	13,259	10,918	50,145	169,197
Gross carrying amount - contract assets	127,746	-	-	-	-	127,746
Expected loss rate (%) - trade receivables	3.94%	8.85%	12.22%	18.39%	30.63%	
Expected loss rate (%) - contract assets	9.57%					
Loss allowance						
Trade receivables	3,084	1,465	1,621	2,008	15,357	23,535
Contract assets	12,230	-	-	-	-	12,230
Total	**15,314**	**1,465**	**1,621**	**2,008**	**15,357**	**35,765**

As at 30 June 2024 (restated)	Current £000	0-30 days past due £000	31-60 days past due £000	61-90 days past due £000	More than 90 days past due £000	Total £000
Gross carrying amount - trade receivables	94,648	18,585	11,032	12,553	36,708	173,526
Gross carrying amount - contract assets	103,742	-	-	-	-	103,742
Expected loss rate (%) - trade receivables	2.00%	5.70%	14.07%	16.64%	42.46%	
Expected loss rate (%) - contract assets	7.14%					
Loss allowance						
Trade receivables	1,895	1,059	1,552	2,089	15,538	22,133
Contract assets	7,404	-	-	-	-	7,404
Total	**9,299**	**1,059**	**1,552**	**2,089**	**15,538**	**29,537**

The loss allowance for the Group has increased during the year due to an increase in the gross carrying value.

25 Financial risk management (continued)

a Credit Risk (continued)

(iii) Trade receivables and contract assets (continued)

The loss allowances for trade receivables and contract assets as at 30 June 2025 reconcile to the opening loss allowances as follows:

	Contract assets	Trade receivables	Total
	£000	**£000**	**£000**
Opening loss allowance at 1 July 2024 (restated)	7,404	22,133	29,537
Accumulated loss at acquisition	508	506	1,014
Increase in loss allowance recognised in profit or loss during the year	(1,362)	(463)	(1,825)
Receivables written off during the year as uncollectible	5,680	1,359	7,039
Unused amount reversed	-	-	-
	4,318	896	5,214
Closing loss allowance at 30 June 2025	**12,230**	**23,535**	**35,765**

	Contract assets	Trade receivables	Total
	£000	**£000**	**£000**
Opening loss allowance at 1 July 2023	1,077	8,766	9,843
Accumulated loss at acquisition	107	2,051	2,158
Increase in loss allowance recognised in profit or loss during the year (restated)	6,220	8,032	14,252
Receivables written off during the year as uncollectible	-	3,284	3,284
Unused amount reversed	-	-	-
	6,220	11,316	17,536
Closing loss allowance at 30 June 2024 (restated)	**7,404**	**22,133**	**29,537**

Trade receivables and contract assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

The Group's loss allowance at 30 June 2025 was £35.8m (30 June 2024: £29.5m restated). The loss allowance for the Group has increased due to an increase in the gross carrying value.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group’s objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements.

The Group has a dedicated team managing its cashflow operations ensuring outstanding fee invoices are collected on a timely basis and suppliers are paid utilising available credit terms. Additionally, the Group reviews and forecasts its cash requirements on a regular basis and has a £140m revolving credit facility with its main lender to provide an additional source of liquidity to assist with growth and manage seasonal spikes in business.

In accordance with good corporate governance, cash held on behalf of clients are held in segregated trust bank accounts, separately identifiable from the Group’s own cash at bank and in hand.

25 Financial risk management (continued)

b Liquidity risk (continued)

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

i. Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting year:

		As at 30 June 2025 £000	As at 30 June 2024 £000
Bank loan (expiring beyond one year)	Fixed rate/Floating rate	272,569	78,243

ii. Maturities of financial liabilities

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 6 months £000	6 – 12 months £000	Between 1 and 2 years £000	Between 2 and 5 years £000	Over 5 years £000	Total contractual cash flows £000	Carrying amount liabilities £000
As at 30 June 2025							
– Borrowings	-	-	-	-	1,472,656	1,472,656	1,472,656
– Trade and other payables	164,575	21,689	10,654	338	-	197,256	197,256
– Lease liabilities	4,999	4,999	5,156	12,969	3,861	31,984	31,984
– Other financial liabilities	-	-	-	-	-	-	-
Total	**169,574**	**26,688**	**15,810**	**13,307**	**1,476,517**	**1,701,896**	**1,701,896**

Contractual maturities of financial liabilities	Less than 6 months £000	6 – 12 months £000	Between 1 and 2 years £000	Between 2 and 5 years £000	Over 5 years £000	Total contractual cash flows £000	Carrying amount liabilities £000
As at 30 June 2024 (restated)							
– Borrowings	-	-	-	1,380,425	-	1,380,425	1,380,425
– Trade and other payables	151,394	3,901	26,718	72,055	1,183	255,251	255,251
– Lease liabilities	4,751	5,632	11,095	9,457	3,416	34,351	34,351
– Other financial liabilities	-	-	-	-	-	-	-
Total	**156,145**	**9,533**	**37,813**	**1,461,937**	**4,599**	**1,670,027**	**1,670,027**

25 Financial risk management (continued)

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans, deposits, and borrowings.

d. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating and fixed interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

i. Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Impact on profit before tax	As at 30 June 2025 £000	As at 30 June 2024 £000
Interest rates – increase by 25 basis points	3,608	3,498
Interest rates – decrease by 25 basis points	(3,608)	(3,498)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

e. Foreign currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (£) at the year end.

As of 30 June 2025 and 30 June 2024, the Group's exposure to foreign currency risk, expressed in £, is given in the tables below. The amounts represent only the financial assets and liabilities that are denominated in currencies other than the functional currency of the Group.

The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise are as follows:

The Group is primarily exposed to changes in US/GBP and EUR/GBP exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from US dollar-denominated and Euro-denominated financial liabilities.

			As at 30 June 2025
	Foreign Currency Denomination	Foreign Currency Amount	Constant Currency Amount
		000	£000
Financial assets			
Cash	USD	37,450	28,941
Cash	Euro	4,961	4,152
Financial liabilities			
Bank loan	USD	915,095	707,730
Bank Loan	Euro	28,553	23,994

25 Financial risk management (continued)

e. Foreign currency risk (continued)

Impact on profit before tax	As at 30 June 2025 £000
USD/GBP exchange rate – increase 1%	(611)
EUR/GBP exchange rate – increase 1%	(14)

			As at 30 June 2024
	Foreign Currency Denomination	Foreign Currency Amount	Constant Currency Amount
		000	£000
Financial assets			
Cash	USD	67,812	53,649
Financial liabilities			
Bank loan	USD	859,824	682,942

The Group is primarily exposed to changes in US/GBP and EUR/GBP exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from US dollar-denominated and Euro-denominated financial instruments:

Impact on profit before tax	As at 30 June 2024 £000
USD/GBP exchange rate – increase 1%	(719)
EUR/GBP exchange rate – increase 1%	(12)

26. Capital management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure the Group's will mainly issue new shares, increase indebtedness or repay debt as required.

Consistent with others in the industry, the Group monitors capital on the basis of:

- Leverage: Net debt divided by total LTM Proforma EBITDA. Net debt is defined by the Group as the Group's cash and cash equivalents less its bank overdrafts, borrowings (net of prepaid fees) and lease liabilities. Interest charges associated with the debt is considered to be a Group accrual.
- Free cash flow for debt service divided by interest cost.

During 2025, the Group's strategy was to maintain a leverage ratio at or less than 6.7x, to ensure that the Group is able to use its borrowing facilities to maintain its M&A strategy.

27. Cash flow information

I. Non-cash investing and financing activities

Non-cash investing and financing activities disclosed in other notes are:

- acquisition of right-of-use assets - note 13.
- partial settlement of a business combination through the issue of shares - note 23.

II. Net debt reconciliation

Net debt is defined by the Group as the Group's cash and cash equivalents less its bank overdrafts, borrowings (net of prepaid fees) and lease liabilities. Interest charges associated with the debt is considered to be a Group accrual.

	As at 30 June 2025	As at 30 June 2024
	£000	£000
Cash and cash equivalents	63,570	92,736
Borrowings	(1,472,656)	(1,380,425)
Lease liabilities	(31,984)	(34,351)
Net debt	**(1,441,070)**	**(1,322,040)**

	Borrowings	Bank overdraft	Lease liabilities	Sub-total	Cash and cash equivalents	Total
	£000	£000	£000	£000	£000	£000
Net debt as at 1 July 2024	(1,380,425)	-	(34,351)	(1,414,776)	92,736	(1,322,040)
Bank loans	(1,442,082)	-	-	(1,442,082)	-	(1,442,082)
Debt acquired through business combinations	-	-	(1,044)	(1,044)	-	(1,044)
Repayment of borrowings	1,352,829	-	-	1,352,829	-	1,352,829
Principal lease payments	-	-	9,067	9,067	-	9,067
New leases	-	-	(6,801)	(6,801)	-	(6,801)
Foreign exchange adjustments	56,555	-	1,145	57,700	-	57,700
Amortisation of prepaid fee	(29,818)	-	-	(29,818)	-	(29,818)
Movement in interest accrual	(29,715)	-	(3,014)	(32,729)	-	(32,729)
Interest payments (presented as operating cash flows)	-	-	3,014	3,014	-	3,014
Cash and cash equivalents	-	-	-	-	(29,166)	(29,166)
Net debt as at 30 June 2025	**(1,472,656)**	**-**	**(31,984)**	**(1,504,640)**	**63,570**	**(1,441,070)**

27. Cash flow information (continued)

	Borrowings	Bank overdraft	Lease liabilities	Sub-total	Cash and cash equivalents	Total
	£000	£000	£000	£000	£000	£000
Net debt as at 1 July 2023	(984,771)	-	(26,533)	(1,011,304)	55,469	(955,835)
Bank loans	(369,612)	-	-	(369,612)	-	(369,612)
Repayment of borrowings	57,591	-	-	57,591	-	57,591
Principal lease payments	-	-	9,337	9,337	-	9,337
New leases	-	-	(17,284)	(17,284)	-	(17,284)
Foreign exchange adjustments	225	-	129	354	-	354
Amortisation of prepaid fee	(43,546)	-	-	(43,546)	-	(43,546)
Movement in interest accrual	(40,312)	-	(2,536)	(42,848)	-	(42,848)
Interest payments (presented as operating cash flows)	-	-	2,536	2,536	-	2,536
Cash and cash equivalents	-	-	-	-	37,267	37,267
Net debt as at 30 June 2024	**(1,380,425)**	**-**	**(34,351)**	**(1,414,776)**	**92,736**	**(1,322,040)**

28. Post balance sheet events

On 30 December 2025, the Group completed the acquisition of SCM Insurance Services "SCM"), Canada's largest claims processing and risk solutions provider. The transaction occurred after the reporting date of 30 June 2025 but before these financial statements were authorised for issue.

In accordance with IAS 10 Events after the Reporting Period, this acquisition is classified as a non-adjusting event, as it does not provide evidence of conditions that existed at the reporting date. Consequently, no adjustments have been made to the amounts recognised in these financial statements as at 30 June 2025.

The acquisition will be accounted for as a business combination under IFRS 3 Business Combinations in the next financial period. As at the date these financial statements were authorised for issue, the initial accounting for the business combination has not been completed. Accordingly, it is not practicable to disclose the amounts recognised at the acquisition date for identifiable assets acquired, liabilities assumed, or goodwill.

The deal will see SCM's three operating businesses; ClaimsPro, Canada's leading claims adjusting firm; IPG, its third-party claims administrator; and Pario, its forensic engineering and consulting business and post-loss appraisal, all join the Davies global platform.

The deal represents Davies' largest strategic M&A addition to date and will allow the fast-growing tech-enabled firm to provide a full nationwide service across Canada, in addition to adding SCM's US operations to the Group's existing US footprint. SCM's 1,500+ strong team of professionals across Canada and the U.S. will join the Group as part of the deal.

28. Post balance sheet events (continued)

The addition of ClaimsPro, IPG, and Pario will strengthen Davies' existing risk management, TPA and end-to-end claims solutions offering across North America, adding specialised services for insurers, brokers, MGAs, Lloyd's Syndicates, corporates, the public sector and captive owners.

The total consideration transferred at completion was cash of £55m and preference shares issued of £147m.

Following the deal, Davies will have annual revenues of c.$1.4bn, with a combined team of 9,500 colleagues operating in 22 countries across Europe, North America, South America, Asia, and Australasia.

Further details will be presented in the Group's next annual financial statements once the purchase price allocation has been finalised.

29. Related party disclosures

a. Parent entities

The Group is controlled by the following entity:

Name	Type	Place of incorporation	Ownership interest 2025
BC Partners Management XI Limited as the portfolio manager of BC Partners Fund XI	Ultimate parent entity and ultimate controlling party	Guernsey, Channel Islands	69.7%

Subsidiaries

Interests in subsidiaries are set out in note 30.

b. Key management personnel compensation

	For the year to 30 June 2025 £000	For the year to 30 June 2024 £000
Short-term employee benefits	**809**	719
	809	719

c. Transactions with other related parties

	For the year to 30 June 2025 £000	For the year to 30 June 2024 £000
Turnover from parties controlled by shareholders	104	112
Purchases of services from parties controlled by shareholders	1,382	848
Contributions to Davies Loss Adjusters Life Assurance and Pension Scheme funds on behalf of employees	-	430
Payment of amounts to shareholders	1,082	113
	2,568	1,503

d. Outstanding balances arising from turnover/purchases of services

	As at 30 June 2025 £000	As at to 30 June 2024 £000
Current payables	(108)	(185)
Current receivables	22	19
	(86)	(166)

30. Interest in other entities

Subsidiaries

The entities consolidated into these financial statements as at 30 June 2025 are set out below. The majority of entities have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. For other entities, such as LLPs, control is evidence by voting rights and the underlying membership agreements. The country of incorporation or registration is also their principal place of business.

Name	Country of incorporation	Ownership interest held by the Group 30 June 2025	Ownership interest held by non-controlling interests 30 June 2025	Principal activities
Tennessee PIKco Limited	Jersey	100%	0%	Holding Company
Tennessee Parentco Limited	Jersey	100%	0%	Holding Company
Tennessee Bidco Limited	Jersey	100%	0%	Holding Company
Tennessee US Holdco 1 Inc	USA	100%	0%	Holding Company
Tennessee US Holdco 2 Inc	USA	100%	0%	Holding Company
Davies Europe Limited	UK	100%	0%	Holding Company
Davies Italy s.r.l	Italy	100%	0%	Claims Services
Davies Canada Holdings Inc.	Canada	100%	0%	Claims Services
Davies Insurance Services Canada, Inc.	Canada	100%	0%	Claims Services
Matson, Driscoll & Damico Ltd.	Canada	100%	0%	Claims Services
MDD Forensic Accountant LLP	Canada	100%*	0%	Claims Services
US Sherlock MidCo, Inc.	USA	100%	0%	Claims Services
US Sherlock BidCo, Inc.	USA	100%	0%	Claims Services
Matson, Driscoll & Damico, LLP	USA	100%	0%	Claims Services
Matson, Driscoll & Damico, LLC	USA	100%	0%	Claims Services
Davies US LLC	USA	100%	0%	Holding Company
Frontier Adjusters Inc.	USA	100%	0%	Claims Services
Davies Claims Solutions LLC	USA	100%	0%	Claims Services
Davies Professional Solutions, Inc.	USA	100%	0%	Claims Services
Davies Life & Health, Inc.	USA	100%	0%	Claims Services
Davies Life & Health, LLC	USA	100%	0%	Claims Services
Davies Actuarial, Audit & Consulting, Inc.	USA	100%	0%	Claims Services
Davies Claims North America, Inc.	USA	100%	0%	Claims Services
Jeco Excess Agency, Inc.	USA	100%	0%	Claims Services
Premier Claims Management, LLC	USA	100%	0%	Claims Services
Quick Internet Software Solutions, Inc.	USA	100%	0%	Technology Services
MVP Advisory Group, LLC	USA	100%	0%	Consultancy Services
Davies Risk Services, LLC	USA	100%	0%	Claims Services
ICA, LP	USA	100%	0%	Claims Services

30. Interest in other entities (continued)

Subsidiaries (continued)

Name	Country of incorporation	Ownership interest held by the Group 30 June 2025	Ownership interest held by non-controlling interests 30 June 2025	Principal activities
American Claims Management, Inc.	USA	100%	0%	Claims Services
Superior Recovery Services Inc.	USA	100%	0%	Claims Services
Marquee Managed Care Solutions, Inc	USA	100%	0%	Claims Services
USIS, Inc.	USA	100%	0%	Claims Services
Preferred Governmental Claim Solutions, Inc.	USA	100%	0%	Claims Services
Barker Claims Services, Inc.	USA	100%	0%	Claims Services
Davies Bidco Limited	Jersey	100%	0%	Holding Company
Davies Group Limited	UK	100%	0%	Claims Services
Davies Managed Systems Limited	UK	100%	0%	Claims Services
Davies Construction and Engineering Limited	UK	100%	0%	Claims Services
Garwyn Limited	UK	100%	0%	Claims Services
Garwyn Ireland Limited	Ireland	100%	0%	Claims Services
Farradane Limited	UK	100%	0%	Service company
Davies Shared Services (India) Private Limited	India	100%	0%	Claims Services
Eastwell Contractor Management and Claim Care Limited	UK	100%	0%	Claims Services
Ufton Associates Limited	UK	100%	0%	Claims Services
Associated Loss Adjusters Limited	Ireland	100%	0%	Claims Services
Managed Fleet Services Limited	UK	100%	0%	Claims Services
Surveyorship Limited	UK	100%	0%	Claims Services
Core Insurance Services Limited	UK	100%	0%	Claims Services
Davies Specialist Services Limited	UK	100%	0%	Resourcing Services
Claims Management Services Limited	UK	100%	0%	Claims Services
Davies Broking Services Limited	UK	100%	0%	Insurance Services
Davies MGA Services Limited	UK	100%	0%	Insurance Services
Davies Broking Europe SRL	Belgium	100%	0%	Insurance Services
Davies ST Limited	UK	100%	0%	Technology Services
Total Loss Settlement Services Limited	UK	100%	0%	Claims Services
JMD Specialist Insurance Services Group Limited	UK	100%	0%	Insurance Services
JMD Specialist Insurance Services Limited	UK	100%	0%	Insurance Services
Davies Insurer & Market Services Limited	UK	100%	0%	Insurance Services
Davies Intermediary Support Services Limited	UK	100%	0%	Insurance Services
John Heath & Company Inc.	USA	100%	0%	Insurance Services
Quest Bermuda Holdings Limited	Bermuda	100%	0%	Insurance Services

30. Interest in other entities (continued)

Subsidiaries (continued)

Name	Country of incorporation	Ownership interest held by the Group 30 June 2025	Ownership interest held by non-controlling interests 30 June 2025	Principal activities
Quest Intermediaries (Bermuda) Limited	Bermuda	100%	0%	Insurance Services
Davies Captive Management Limited	Bermuda	100%	0%	Insurance Services
Quest Captive Management LLC	USA	100%	0%	Insurance Services
Davies Insurance Management LLC	USA	100%	0%	Insurance Services
Cedar Consulting LLC	USA	100%	0%	Dormant
Davies consulting (Bermuda) Limited	Bermuda	100%	0%	Insurance Services
Davies Management Service (Guernsey) Limited	Guernsey	100%	0%	Insurance Services
Davies (SAC) Limited	Bermuda	100%	0%	Insurance Services
Davies Insurance Limited	Bermuda	100%	0%	Insurance Services
Davies Insurance Management (Canada) Limited	Canada	100%	0%	Insurance Services
Direct Group Property Services Limited	UK	100%	0%	Claims Services
Direct Validation Services Limited	UK	100%	0%	Claims Services
Davies Consulting and Managed Services Limited	UK	100%	0%	Consultancy Services
Davies Learning Experiences Limited	UK	100%	0%	Training Services
Davies Ember (Canada) Inc.	Canada	100%	0%	Consultancy Services
Veriphy Limited	UK	100%	0%	Technology Services
Topmark Claims Management Limited	UK	100%	0%	Claims Services
GBB (UK) Holdings Limited	UK	100%	0%	Holding Company
GBB (UK) Limited	UK	100%	0%	Claims Services
Banwell & Associates Ltd	UK	100%	0%	Claims Services
Davies Learning Solutions Limited	UK	100%	0%	Training Services
Thornpart Adjustors Limited	Ireland	100%	0%	Claims Services
Bascoon Limited	Ireland	100%	0%	Claims Services
ProAdjust Limited	Ireland	100%	0%	Claims Services
Keoghs Acquisition Limited	UK	100%	0%	Holding Company
Keoghs LLP	UK	100%	0%	Claims and Legal Services
Keoghs Northern Ireland LLP	UK	100%*	0%	Claims and Legal Services
Keoghs Scotland LLP	UK	100%*	0%	Claims and Legal Services
Keoghs Ireland LLP	Ireland	100%*	0%	Claims and Legal Services

30. Interest in other entities (continued)

Subsidiaries (continued)

Name	Country of incorporation	Ownership interest held by the Group 30 June 2025	Ownership interest held by non-controlling interests 30 June 2025	Principal activities
Shoreside Law Limited	UK	100%	0%	Claims and Legal Services
Shoreside Agents Limited	UK	100%	0%	Claims and Legal Services
Codebase8 Limited	UK	100%	0%	Technology Services
ContactPartners Ltd	UK	100%	0%	Technology Services
Vehicle Replacement Group Limited	UK	100%	0%	Vehicle hire services
Nationwide Property Assistance Limited	UK	100%	0%	Claims Services
Grovelands Resourcing Limited	UK	100%	0%	Resourcing Services
Davies Global (CTL) Limited	UK	100%	0%	Holding Company
Catalyst Holdco Limited	UK	100%	0%	Holding Company
Catalyst Debtco Limited	UK	100%	0%	Holding Company
Sionic Global (CDHL) Limited	UK	100%	0%	Dormant
Catalyst Nominee Limited	UK	100%	0%	Dormant
Davies Advisors Inc.	Canada	100%	0%	Consultancy Services
Davies Global (CDL) Limited	UK	100%	0%	Consultancy Services
Davies Global CDL Limited QFC Branch	Qatar	100%	0%	Consultancy Services
Sionic Global (KL) Limited	UK	100%	0%	Consultancy Services
Davies Jersey Limited	Jersey	100%	0%	Holding Company
Sionic Advisors Europe Limited	UK	100%	0%	Consultancy Services
Davies Advisors India PVT Ltd	India	100%	0%	Consultancy Services
Davies European Holdings Limited	UK	100%	0%	Consultancy Services
Davies European Holdings Limited, Sucursal en España	Spain	100%	0%	Consultancy Services
Davies European Holdings Limited, Succursale Luxembourgeoise (Sionic Luxembourg)	Luxembourg	100%	0%	Consultancy Services
Catalyst (US) Bidco Inc.	USA	100%	0%	Consultancy Services
SAGP LLC	USA	100%	0%	Consultancy Services
Sionic UK Subco Limited	UK	100%	0%	Consultancy Services
Sionic Advisors LLP	USA	100%	0%	Consultancy Services
Sionic Advisors LP	USA	100%	0%	Consultancy Services
Building Validation Solutions Limited	UK	100%	0%	Claims Services
BVS Subsidence Ltd	UK	100%	0%	Claims Services

30. Interest in other entities (continued)

Subsidiaries (continued)

Name	Country of incorporation	Ownership interest held by the Group 30 June 2025	Ownership interest held by non-controlling interests 30 June 2025	Principal activities
PJ Web Solutions Limited	UK	100%	0%	Consultancy Services
Verso Damage Management Solutions Ltd	UK	100%	0%	Claims Services
Davies Technology Solutions Limited	UK	100%	0%	Technology Services
Asta Capital Limited	UK	100%	0%	Insurance Services
Asta Insurance Markets Ltd	UK	100%	0%	Insurance Services
Asta Managing Agency Ltd	UK	100%	0%	Insurance Services
AMA Underwriting Services Ltd	UK	100%	0%	Insurance Services
Asta Insurance Services Ltd	UK	100%	0%	Insurance Services
Asta Underwriting Management Ltd	UK	100%	0%	Insurance Services
Asta Blue Line Services Ltd	UK	100%	0%	Insurance Services
Asta Management Services Ltd	UK	100%	0%	Insurance Services
Bricome Limited	UK	100%	0%	Insurance Services
Asta Solutions Asia PTE Ltd	Singapore	100%	0%	Insurance Services
Asta Corporate Member Limited	UK	100%	0%	Insurance Services
Asta Corporate Member (No.2) Limited	UK	100%	0%	Insurance Services
Asta Corporate Member (No.3) Limited	UK	100%	0%	Insurance Services
Asta Corporate Member (No.4) Limited	UK	100%	0%	Insurance Services
PUML Ltd	UK	100%	0%	Insurance Services
PMSL Services Ltd	UK	100%	0%	Insurance Services
Davies UK Holdco Ltd. (UK)	UK	100%	0%	Holding Company
MDD Brasil Consultoria LTDA	Brazil	100%	0%	Claims Services
Sherlock (AU) Acquisition PTY Ltd	Australia	100%	0%	Holding Company
Matson, Driscoll & Damico PTE. Limited	Singapore	100%	0%	Claims Services
Matson, Driscoll & Damico PTY Limited	Australia	100%	0%	Claims Services
Matson, Driscoll & Damico Limited	Hong Kong	100%	0%	Claims Services
Matson, Driscoll & Damico KK	Japan	100%	0%	Claims Services
Matson, Driscoll & Damico, (Taiwan) Limited	Taiwan	100%	0%	Claims Services
Matson, Driscoll & Damico, Co., Ltd	South Korea	100%	0%	Claims Services
Matson, Driscoll & Damico, (Thailand) Limited	Thailand	100%*	0%	Claims Services
Matson, Driscoll & Damico, (Dubai) Ltd	UAE	100%*	0%	Claims Services

30. Interest in other entities (continued)

Subsidiaries (continued)

Name	Country of incorporation	Ownership interest held by the Group 30 June 2025	Ownership interest held by non-controlling interests 30 June 2025	Principal activities
MDD International Limited	UK	100%	0%	Claims Services
Matson, Driscoll & Damico UK LLP	UK	100%	0%	Claims Services
Matson, Driscoll & Damico (Spain) S.L.	Spain	100%	0%	Claims Services
Matson, Driscoll & Damico France SÀRL	France	100%	0%	Claims Services
MDD Deutschland GmbH	Germany	100%	0%	Claims Services
MDD Fee Fund Administration Limited	UK	100%	0%	Claims Services

Keoghs LLP, a subsidiary of the Group, has a reporting year end of 31 May which has been maintained for regulatory reasons. Asta, a subsidiary of the Group, has a reporting year end of 31 December which has been maintained for regulatory reasons.