Annual Report

for the year ended 30 April 2025

Gateley

Contents

"As a Group, we have significant untapped potential for accelerated profitable growth and sustainable margin improvement over the coming years. We will continue to build on our strong and established diversified model across our broad legal and professional services offering, client segments and geographic presence. Delivering this profitable growth potential is our mission and will benefit all our stakeholders."

Edward Knapp,
Gateley Chairman

Forward thinking Straight talking

Why we do what we do

Our purpose is to deliver results that delight our clients, inspire our people and support our communities.

How we do this

We do this by:

- being forward thinking about the services that we deliver to our clients and the working environment we provide for our people;
- being straight talking about what matters, inside and outside of our business; and
- thinking differently about what we do and how we do it.

What we do

We deliver professional services which enable our clients to solve the challenges that they are facing or to maximise the opportunities they are pursuing, without ever losing sight of what makes us Gateley: our Gateley Team Spirit values.

Strategic focus,

operational discipline, positioned for growth

"

In-Period highlights include the renewal and increase of our revolving credit facility to £80m. This is primarily to support further investment in our diversified growth strategy and our Employee Benefit Trust in facilitating our equity incentivisation and recirculation strategy.

We remain ever alert to acquisition opportunities that will add value to our diversified portfolio and build on our successful M&A track record. Despite an increasingly competitive backdrop, we are confident in the quality of our pipeline, the rigour of our selective process and we look forward to updating shareholders in due course.

Looking forward, the resilience of our diversified model, our strong financial foundations, and our unbroken track-record of revenue growth, underpins our confidence. Our long-term strategy of client focused investment in people augmented by continued improvements in our internal structure and technology, will ensure the Group is positioned well to deliver profitable growth in FY26 and beyond. Whilst we continue to monitor and adjust in response to the unpredictable environment, the Group is carrying good momentum into the current financial year.

Most importantly, I would like to thank our clients for their support and our dedicated and talented people for their ongoing hard work, commitment and can-do attitude. We look to the future with confidence."

Rod Waldie

Chief Executive Officer, Gateley

Highlights for the year

FY25 represents another year of revenue and underlying profit growth for Gateley, set against an unpredictable economic backdrop for much of the year. We are particularly pleased that this growth was driven by the combination of positive returns on our recent investments with an increase in activity levels and active management of cost inflation.

We present below our financial performance for the Period both on an underlying and statutory basis.

Underlying	FY25	FY24	Change
Group revenue	**£179.5m**	£172.5m	4.1%
Group underlying operating profit[1]	**£20.9m**	£20.3m	3.3%
Group underlying profit before tax[1]	**£23.3m**	£23.0m	1.2%
Underlying adjusted fully diluted EPS[2]	**13.31p**	14.20p	(6.3)%
Dividend per share	**9.5p**	9.5p	-
Net assets	**£67.5m**	£80.3m	£(12.8)m
Net (debt)/cash[3]	**£(6.6)m**	£3.8m	£(10.4)m

Reported	FY25	FY24	Change
Group profit before tax	**£6.4m**	£14.0m	(54.4)%
Group profit after tax	**£1.4m**	£10.1m	(86.5)%
Basic earnings per share ('BEPS')	**1.02p**	7.74p	(86.8)%

1 Underlying operating profit and underlying profit before tax excludes remuneration for post-combination services, gain on bargain purchase, share-based payment charges, acquisition related amortisation and exceptional items

2 Adjusted fully diluted EPS excludes remuneration for post-combination services, gain on bargain purchase, share-based payment charges, acquisition related amortisation and exceptional items. It also adjusts for the future weighted average number of expected unissued shares from granted but unexercised share options in issue based on a share price at the end of the financial year

3 Net (debt)/cash excludes IFRS 16 lease liabilities

Financial highlights

- Diversified business model delivered revenue growth of 4.1%.
- Organic revenue growth in legal services of 3.9%.
- Overall activity levels increased during the year to 87% (FY24: 83%) despite a challenging professional services market, alongside the General Election and subsequent uncertainty ahead of the Autumn Budget.
- Underlying operating profit margin maintained at 11.7% (FY24: 11.7%), reflecting good control of salary and other costs whilst continuing to prioritise organic and acquisitive investment.
- Net assets decreased by £12.8m to £67.5m (FY24: £80.3m), including net debt of £(6.6)m (FY24: net cash £3.8m).
- Proposed final dividend of 6.2p (FY24: 6.2p), taking total dividends for the year to 9.5p per share (FY24: 9.5p).

Operational highlights

- Continued strategic hiring with 15 new Partners or Partner equivalents joining during the year. More broadly, we were delighted to make 73 fee earner promotions throughout the Group, of which 16 individuals were promoted to Partner or Partner equivalent.
- Increase in fee earner productivity as revenue growth was delivered whilst average fee earner headcount remained in line with the prior year (FY25:1,066 vs 1,068 in FY24).
- Prior year acquisition of Richard Julian and Associates Limited ("RJA") has been integrated and is performing well-ahead of initial expectations.
- Continued focus on alignment of stakeholders including through 65% of staff either owning shares or currently participating in the Group's Restricted Share Awards Plan and Save As You Earn scheme.
- 25 sector awards won through the year, across both legal and consultancy services; a demonstration of the successful growth of our diverse professional services model.
- Achieved all 15 responsible business objectives set out in our 2023/24 Responsible Business Report and launching 15 new objectives in our fourth annual Responsible Business Report due to be published on 6 August 2025.

Current trading and outlook

Trading in FY26 is in-line with market expectations, reflecting good activity levels as we entered the new year, the resilience across all four Platforms and the increasing visibility of our historic growth investments coming through. This gives us confidence as we move through FY26, however, the Board is conscious that macro indicators continue to point to ongoing volatile market conditions, at least in the near term, which we will monitor and adjust for as appropriate.

We continue to look through potential macro volatility in how we choose to allocate capital for sustainable, long-term profitable growth, encouraged by the patient investment made by us in specialist services which returned well for us in FY25 and are carrying good momentum into FY26. In parallel, the Board's operational focus is on enhancing existing revenue and realising operational efficiencies which will further contribute to our ambition to deliver operating margins to at least 13.5% over the near term.

Who are we?

Property Platform	*People* Platform	*Business Services* Platform	*Corporate* Platform
Gateley / LEGAL	Gateley / LEGAL	Gateley / LEGAL	Gateley / LEGAL
Gateley / MIDDLE EAST	Gateley / MIDDLE EAST	Gateley / MIDDLE EAST	Gateley / MIDDLE EAST
Gateley / CAPITUS	/ ENTRUST	/ ADAMSON JONES part of Gateley	Gateley / GLOBAL
Gateley / HAMER	/ KIDDY & PARTNERS part of Gateley	/ SYMBIOSIS IP part of Gateley	
Gateley / VINDEN	/ T-THREE	AUSTEN HAYS part of Gateley	
Gateley / SMITHERS PURSLOW			
Gateley / RJA			

Over **1,500** people

£179.5m 2025 turnover

23 UK locations

At a *glance*

Our purpose is to deliver results that delight our ***clients***, inspire our ***people*** and support our ***communities***

Our business model creates a platform for scalable and sustainable growth. Our strong market reputation and the culture and Gateley Team Spirit that sits at the heart of our business enables the delivery of integrated legal and complementary business services across our four market facing Platforms.

Delivering *results*

- An unbroken track record of revenue and profit growth through multiple economic cycles.
- 4% revenue growth in FY25 to £179.5m.
- 6.2p final dividend maintained in FY25.
- Attractive income stream with 70% of adjusted post-tax profits earmarked for dividends.

Delighting our *clients*

- Rated 5 star/excellent on independent legal review platform, Review Solicitors.
- Winner of the 'Legal/Professional Team of the Year' award at Property Week's RESI Awards 2024 and 2025.
- Listed in six areas in 2025 The Times Best Law Firms.
- Shortlisted as Corporate Law Firm of the Year at the 2025 Dealmakers Awards in the Midlands.
- Recognised in 47 areas by Legal 500 2024 and 28 areas by Chambers & Partners 2024.

Inspiring our *people*

- 1590 employees, of which over 1000 are fee earners.
- 135 internal promotions during FY25.
- The only UK legal business to be ranked in the Glassdoor top 25 best companies for senior leadership.
- Proud that 65% of employees are share or option holders.
- 3 employee community groups to support diversity, inclusion and belonging.
- Investors in People accredited.
- Our CEO was recognised in The Lawyer's Hot 100 for business leadership and setting the benchmark for listed law firms.
- Winner of the Birmingham Law Society 2025 Law Firm of the Year Award and for the second year running the 2025 Equality, Diversion & Inclusion Award.
- Winner of the Manchester Legal Awards 2025 Equality, Diversion and Inclusion Award.

Supporting our *communities*

- A commitment to achieving net zero by 2040 and with a carbon reduction plan to reduce emissions by 50% by 2030.
- Sustainability Task Force reports progress to the Strategic Board on a monthly basis identifying risks, opportunities and progress made.
- Strong sustainability governance framework with Strategic Board accountability which ensures that climate-related risks are managed in line with our Group-wide risk management framework.
- Taskforce on Climate Related Financial Disclosures ("TCFD") included within our FY25 Annual Report.
- An active CSR programme through our Gateley Gives committees in each office which fundraised over £100,000 last year.

Our story

Our story starts in Victorian Birmingham – then the workshop of the world. Solicitors Stephen Gateley & Sons was founded to help forward thinking Victorians prosper.

Two centuries later, and our approach is still about thinking ahead. Looking to the future to ensure the success of our clients, our business and our people.

2015
We entered a new chapter with a UK law firm first, putting aside the traditional equity partnership model to go Plc

2016
Acquired Capitus Ltd and Hamer Associates forming Gateley Capitus and Gateley Hamer

2018
Acquired GCL Solicitors, Kiddy & Partners and International Investment Services (now Gateley Global)

2019
Acquired Persona Associates (now part of Gateley Hamer) and t-three

2020
Acquired Tweed Law and The Vinden Partnership (now Gateley Vinden)

2021
Acquired Tozer Gallagher which now sits within Gateley Vinden

2022
Acquired Adamson Jones, Symbiosis IP and Smithers Purslow forming Gateley Smithers Purslow

2023
Acquired RJA Associates now Gateley RJA

2024
Established our class actions practice, Austen Hays, and launched our first claim in February 2024.

2025
Appointed new Chairman, Edward Knapp, celebrated 10 years on AIM and 15 years in Manchester.

Business overview

Our advisers deliver professional services to incredible clients every day to enable them to compete in an ever-changing and competitive business environment, helping them to face tough challenges, to seize opportunities and to create profitable, resilient and purpose-led businesses.

Our purpose

To deliver results that delight our clients, inspire our people and support our communities.

Strategic ambitions

To diversify, differentiate and incentivise by being forward thinking about the services we deliver to our clients, the working environment we provide for our people and by being straight talking about what matters, inside and out of the business.

The Group is committed to accelerating its client-led profitable growth strategy through organic and inorganic means, achieving a higher margin, diverse and growing client offering across our four Platforms, client segments, geographic reach and service offering.

How we operate

Business Model

Our business model creates a platform for scalable and sustainable growth. Our strong market reputation and the culture and Gateley Team Spirit that sits at the heart of our business enables the delivery of integrated legal and complementary business services across our four market facing Platforms.

Business Services

Dealing with disputes that arise during everyday operations or change programmes, or managing unexpected crisis scenarios, needs a decisive response. Our business services experts help to address risks effectively, to assess the options, protect reputations and ensure financial and team stability.

The Platform combines the considerable commercial expertise of our IP and dispute resolution lawyers with that of Patent and Trade Mark Attorneys within Adamson Jones and Symbiosis IP. During the last year we established our legal services class actions practice, Austen Hays who have since launched their first case.

Corporate

Brings together the skills of corporate and banking and finance, tax and restructuring lawyers in Gateley Legal with the inward investment experience of consultants within Gateley Global.

With corporate activity at the heart of our business, we advise private and public companies, owner-managed businesses, and entrepreneurs at every stage of their corporate lifecycle from start up to exit, dealing with all aspects of managing financial and governance responsibilities along the way.

People

Connecting the advisory skills of our leadership and development consultancies t-three and Kiddy & Partners with the expertise of our employment and pensions lawyers within Gateley Legal and the independent pension trustees within Entrust.

With a team of people development consultants, pensions advisers and lawyers, we help employers fix the people issues that arise within organisations in everyday operations and change projects. We enable businesses to become fitter for the future, flexing the implemented solutions in response to changing economic and social contexts.

Property

Within this Platform, Gateley Legal lawyers advise on construction, planning, residential development, real estate finance, development and disputes and investment. Our property tax specialists within Gateley Capitus combine with the built environment consultants in Gateley Vinden (incorporating Tozer Gallagher) and Gateley Hamer to offer a one stop shop for all real estate needs. Our Property Platform is further complemented by Gateley Smithers Purslow and Gateley RJA, specialist providers of surveying services, principally to the insurance industry and the affordable housing market.

Our team of surveyors, property tax consultants and lawyers work with property investors, owners, occupiers and developers at every stage of the property lifecycle, from opportunity identification through to the use and commercialisation of property assets.

Growth drivers

- **Organically**
  Enhanced opportunity to grow Gateley organically, including lateral hires of individuals or teams.
- **Diversification**
  Making selective acquisitions including (i) other legal firms which offer geographical expansion or additional specialist services (ii) professional consultancy service businesses offering complementary services.
- **Platforms**
  Building out the Group's four Platforms which comprise clusters of complementary Group services presenting a broader and more compelling offering to our clients.
- **Incentivisation**
  Alignment through share participation of the interests of shareholders (including employee shareholders) with those of the business, aiding retention of staff and widening our recruitment appeal.

Delivering results for long term success

- **Our clients**
  Delivering results that delight our clients by being forward thinking, straight talking, working in collaboration and being ambitious for their success.
- **Our colleagues**
  Inspiring our people, incentivising their hard work and providing a diverse and inclusive working environment that gives them room to breathe and opportunity to develop.
- **Our communities**
  Supporting the communities in which we work and measuring our social impact so we can provide the right support and make progress in the future.
- **Our investors**
  Delivering excellent returns and demonstrating that our shareholders' investments are in safe hands.
- **Our suppliers**
  Building mutually beneficial relationships and long-term, sustainable partnerships.
- **Our environment**
  Taking ownership for the things we can do as a business and individuals to protect and repair our planet now and for future generations.

Established and diversified *Platforms for growth*

We are focused on targeting the right kind of investments for our continued growth and through the people and the businesses we bring into the Group. This enables our proposition to remain unique in delivering complementary legal and consultancy services to our clients in their chosen markets.

Our success is underpinned by the diversity and quality offered within our range of legal and consultancy services through our four client-facing Platforms – Business Services, Corporate, People and Property.

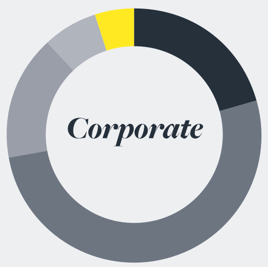
Through cross-selling we believe that we have significant headroom in offering our unique combination of complementary legal and consultancy services, as showcased at our recent 2025 Gateley Leadership Conference, "Connecting for Growth" where we gathered more than 200 of our leaders for a well-spent day of information sharing and an opportunity to connect our expertise and services across the Group.

Part-way through FY25, we introduced a new management account metric to help measure the value of cross-sell activity. This metric has been further developed for FY26 and will give a full year measure, against which cross-selling can be incentivised and rewarded.

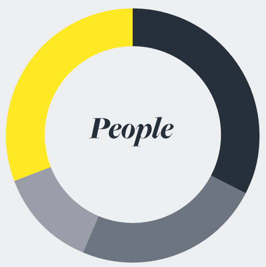
To further stimulate cross-selling, improve inter-Platform connectivity and hone performance management, FY26 will see us implement a new Platform management structure. Each Platform will now operate through a Board on which each business unit will be represented, reporting into a chairperson responsible for the Platform's strategic, operational and financial outturn. This structure will bring our related businesses closer together to realise external opportunities and internal objectives.

FY25 Platform highlights - Platform Mix

Commercial Litigation	36%
Complex and International Dispute Resolution	20%
IPCT	13%
Regulatory	6%
Consultancy	24%



Banking	21%
Corporate	52%
Restructuring	16%
Tax	7%
Consultancy	5%



Employment	33%
Pensions	24%
Private Client	13%
Consultancy	31%

Real Estate	16%
Housebuilding	26%
Construction	13%
Planning	3%
Disputes	2%
Consultancy	40%

Business Services Platform

Richard Healey
Partner and Business Services Platform Head

This Platform supports clients in dealing with their commercial agreements, managing risks, protecting assets and resolving disputes.

Revenue grew by 14.3% to £28.5m, underpinned by strong performances in both the legal services complex international dispute resolution team and the patent and trademark attorney businesses. Even more pleasing to see was the increase in contribution margin despite our on-going investment in specialist service lines.

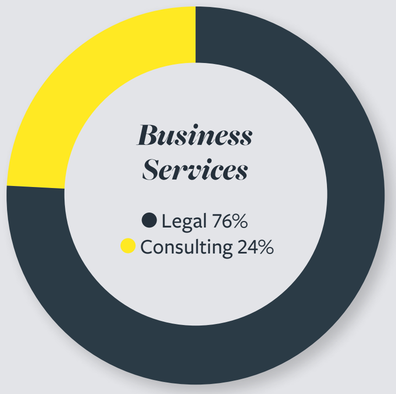
The dispute resolution teams saw a strong increase in demand from both UK and overseas clients, including a return of some activity in Central Europe alongside new mandates from clients in the Middle East and Africa. These are representative of new, deliberately agile steps to win specialist work in new overseas markets.

Buoyed by the success in growing dispute resolution services, we continue to make strategic investment in other specialist service lines, predominantly in competition litigation, class actions and international arbitration where, in all cases, we see significant opportunities.

Our highly regarded senior experts in international arbitration are winning quality new work and forging strong credentials for us. Alongside this, our recently formed specialist class action team continues to research and build its potential case pipeline alongside running its existing case.

Our growing patent and trademark attorney businesses were strong throughout the Period. These deliver resilient, steady-recurring revenues. The teams are working well together and across related legal services teams elsewhere in the Group on shared opportunities. We will continue to invest for scale in these services, where typical projects are long-dated and our expertise is highly valued by clients whose businesses are founded upon intellectual property that needs protecting in order to preserve value. We see further UK and international client opportunities in this area.

Consultancy revenue grew by 3.9% and now represents 23.6% (FY24: 26.9%) of Business Services Platform revenue.



TOTAL REVENUE

£28.5m

+14.3%

Corporate Platform

This Platform, dominated by legal services, is focused on the corporate, financial services and restructuring markets in both transaction and business support services.

Despite lower volumes of transactional activity during most of FY25, revenue increased by 5.3% to £39.0m and Corporate remains our strongest margin contributor at 41.8%.

The corporate, banking and tax transactional teams benefitted from a spike in activity during the post-Election, pre-Autumn Budget period. Deal volumes and deal quality was impressive, across multiple sectors and this cascaded work through to other Platforms. Whilst initial indications are that the Autumn Budget has done little to encourage UK growth, transactional services activity remains good, in parallel with which our counter-cyclical restructuring advisory unit grew revenue by 7.5% in FY25, ahead of the Platform as a whole.

Mandates have been generated both in-market and internally, including working alongside experts in Gateley Vinden and our legal services construction unit in delivery of market-leading services to insurers who have bonded construction projects that have become distressed. Our banking team also had a very busy last few months and posted 16.0% revenue growth in year. Overall, current activity is good across all teams in this Platform.

We saw in-Period lateral partner hires to our corporate, tax and restructuring teams, reflecting our commitment to further enhance the quality of our offer across the Platform.

Consultancy revenue grew by 255% and now represents 5.0% (FY24: 1.5%) of Corporate Platform revenue. The Platform's sole consultancy business, Gateley Global, continues to be a good cross-referrer of opportunities across the Group whilst it significantly increased its like-for-like revenue in Period. It's key in-Period client was the West Midlands Combined Authority (WMCA) which it helped to support its High Growth Accelerator Programme. The Group's broad range of professional services was a key factor in this win.

TOTAL REVENUE

£39.0m

+5.3%

Charles Glaskie
Partner and Corporate Platform Head

People Platform

Andrew Macmillan
Partner and People Platform Head

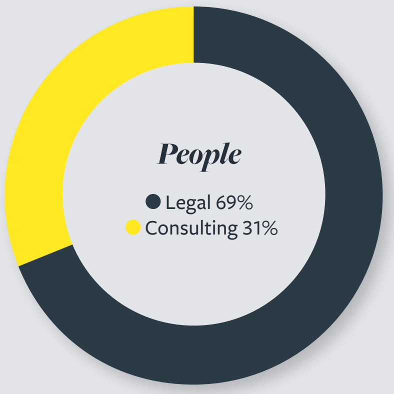
This Platform supports clients in dealing with and developing people and in administering individuals' personal affairs.

Revenue on this Platform contracted by 10.3%, mainly due to a deliberate significant contraction in our legal services private client team, where we have reduced scale and re-focused on core services to high-net-worth clients supported by the appointment of a private client Chartered Tax Advisor. Our re-cast private client offer is stabilising as we enter FY26.

Although in-Period revenue in t-three and Kiddy & Partners, our talent assessment, development and cultural change consultancy businesses contracted, they continue to attract significantly sized clients buying dual services, with particular focus on scalable products to high growth clients.

In the meantime, we saw a good performance from our legal services pension team and our pension trustee business, Entrust which, together, grew revenue by 11.7%. These teams generate relatively predictable revenue streams and are a further example of deliberately designed resilience in our model. The pensions sector is a space in which we are keen to make further investment to service the increasing number of pension schemes looking to complete all liability buy-outs, and/or out-source management of their pension schemes to organisations like Entrust.

Consultancy revenue contracted by 10.0% but still represents 30.9% (FY24: 30.8%) of the People Platform revenue.



TOTAL REVENUE

£17.5m

(10.3)%

Property Platform

This Platform is focused on clients' activities in real estate development and investment and in the built environment in the widest sense.

This remains our most diverse and mature Platform and we maintain our view that the range of expertise now housed on this Platform puts us in a strong position to compete directly with the well-established, multi-disciplinary property consultancies. Despite a challenging backdrop for the property sector generally, revenue on our Property Platform grew by 3.9% to £94.5m during FY25 (FY24: £91.0m) with organic growth of 1.3%. Contraction in margin contribution is attributable to reduced activity in some segments of the Platform which have been, or are, being rationalised and strategic investment in headcount in some of our busy, specialist teams.

In commercial real estate, despite a continuing caution dominating for most of the year, we still generated a 3.2% like-for-like revenue increase. We maintain a focus on both investment and development work and remain a market-leader in the warehousing and distribution sector. Rationalisation of parts of our commercial real estate team, allied to other operational efficiencies in play, will improve overall margin contribution going forward.

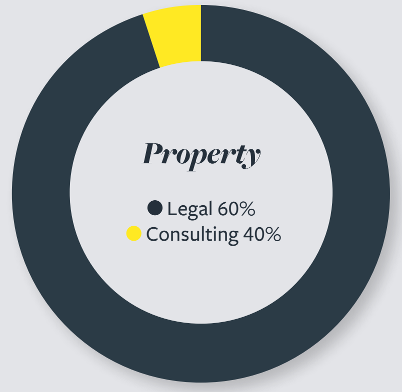
Whilst transactional activity in the wider commercial property market has declined over the last few years, we continue to see an increase in non-transactional advisory and dispute resolution services. This includes helping our wide range of residential development clients navigate regulation under the high-profile Building Safety Act (post-Grenfell) and advising on related remediation projects. This is long-dated, specialist work in which we continue to invest. Our construction team had another record year and activity levels remain good. Elsewhere, prevailing market conditions have resulted in an increase in work relating to the exit of commercially onerous contracts.

In our house-builder team, we continue to act for all of the top developers, many of whom have consolidated their adviser panels in favour of larger providers, such as Gateley, who cover all the key requirements. This should result in more work for the team, allied to perceived tailwinds in the Government's housing policy. Therefore, we continue to invest in both headcount and system development for this team to maintain its market-leading position. Our clients need to continue to build and sell and have other areas for which they require our services. This includes shared ownership framework agreements, bulk sales to housing associations and build-to-rent investors and housing-led urban regeneration. Our unique combination of legal and consultancy services offers whole project life cycle advice to our clients.

In consultancy services, Gateley Smithers Purslow ("GSP"), who deliver specialist services to the property insurance major loss claims market, contributed revenue of £19.5m (FY24: £17.6m), representing annualised growth for that business of 10.3%.

Our acquisition of surveyors Richard Julian and Associates Limited ("RJA"), in July 2023 extended our reach to organisations that deliver affordable housing, a resilient sector underpinned by high levels of grant to support delivery of the Government's housing targets. RJA also has specialists in major loss property claims, which enhances related expertise in both GSP and Gateley Vinden. RJA has had an excellent first full year in Group, as annualised revenues grew on a like-for-like basis by 28.0%.

Consultancy revenue grew by 2.8% and now represents 40.1% (FY24: 40.4%) of the Property Platform revenue.



TOTAL REVENUE

£94.5m

+3.9%

Callum Nuttall
Partner and Property Platform Head

Investment *for future growth*

We remain committed to a disciplined and consistent application of investment to maximise long term value returns for our shareholders and other key stakeholders.

Such investment includes:

- Selective M&A which enhances or expands the range of professional services in the Group;
- Organic growth opportunities, particularly in specialist and deep sector expertise services, where we can deliver high value client solutions alongside attractive margins;
- System development for both efficiency and enhanced service delivery.

Selective M&A

Since listing in 2015, we have built significant scale and expanded our range of professional services well beyond our core legal services. Carefully targeted acquisitions have been an integral part of this diversified growth.

Our proposition remains unique; the ability to deliver complementary legal and consultancy services to clients in our chosen markets.

The professional services sector remains fragmented and of increasing interest to private equity backed buyers, which has resulted in a more competitive M&A landscape during FY25. However, we continue to see and appraise significant opportunities for further growth on each of our Platforms, via selective acquisitions across both legal and consultancy services, aided by the Group's strong balance sheet and recently renewed Revolving Credit Facility (RCF) of £80m with an accordion option of £20m. We have a clear framework against which we assess all acquisition opportunities, and the rigour of our process and return hurdles remain a key aspect of our approach.

Whilst absorption of each acquisition, integration and system costs may sometimes impact margin in the short term, our track record gives us confidence that M&A remains a key part of our strategy for long term margin enhancing returns, evidenced by our latest acquisition, Gateley RJA, growing year-on-year revenue by 28.0% in Period.

Organic Growth Opportunities

A key focus in FY25 was investment in, and laying further foundations for, margin enhancing organic growth. This remains a key part of our look-forward strategy.

We were pleased to see that organic growth investments made in prior years, which we had previously characterised as 'patient investment', are bearing fruit. Most notable was our FY23 investment in legal services Complex International Dispute Resolution, where we have since been carrying related cost, but which grew its revenue by 49.8% in FY25 and is carrying good momentum into this financial year.

Our international dispute resolution team sources its work from overseas and is an example of our deliberate investment and agile reach into appropriate international opportunities. Alongside this, in Q4 FY25, we invested further in our services to target markets in the Middle East from our base in Dubai, where we recruited a team of highly regarded corporate lawyers, the leader of which now heads our activities in the region. We anticipate further investment in complementary services in the region and are confident this will deliver further client, revenue and margin opportunities.

System investment

During FY25, our investment in systems and system development totalled circa £0.7m including further recruitment of specialists to our in-house AI development team, which is working on applications for use on each of our client-facing Platforms and for our business support teams. Whilst this investment had an impact on margin in FY25, this will drive future margin improvement as the applications increase our client service levels and delivery efficiency.

Investment in AI-driven system development remains high on our strategic agenda and we have established a cross-business steering group reporting directly to the Board on product assessment, procurement and integration. Embedding such cutting-edge technology more deeply within our organisational fabric will positively enhance the delivery of some of our services and realise efficiencies which will help us improve our profitability.

We are *Gateley*

Our ability to attract, develop, reward and retain outstanding people is central to both our strategy and our continued growth. As we have grown as a business so has our workforce.

We are protective of our environment and culture, which is one that drives innovation, enhances employee satisfaction and contributes to our overall success. We have always been focused on employing like-minded people and continuing to create a workplace for us all to feel comfortable in, supported by the desire to ensure our culture remains as inclusive as it has ever been. Gateley is built on strong foundations and we are well placed to ensure we progress and evolve in the right way for years to come.

Colleagues going above and beyond

Our annual Gateley Team Spirit Awards serve as a tribute to the dedication, commitment, and enthusiasm of our people, particularly those who have gone the extra mile in living and breathing our values. 372 colleagues across the Group were nominated in 2024 with 10 eventual winners out of the 35 colleagues who were shortlisted taking home their much-coveted trophies at the awards ceremony in October. The award categories are framed around the five elements of our Gateley Team Spirit as well as categories recognising excellent leadership and the championing of our Responsible Business ethos.

In November, we held our first ever 'Decades Dinner' to celebrate the incredible career milestones of some of our people. The event, held in our newly created social space in Birmingham, brought together 46 colleagues celebrating 10/20/30 and 40 years of Gateley service.

Developing and investing in talent

During the last financial year, we made 15 lateral hires at Partner and Partner equivalent level across the Group. We also promoted 16 of our people to Partner or Partner equivalent in addition to a further 118 promotions across the Group within our fee earner and business support teams.

To support our people at different stages of their careers, we have two networking groups called Influence and Ignite. Both groups help our people build connections, improve collaboration across teams and create more cross-selling opportunities with colleagues at a similar level of seniority.

We recently refreshed our comprehensive mentoring programme to allow our people to choose a mentor from our Influence or Ignite mentoring schemes depending on where they are in their career journeys.

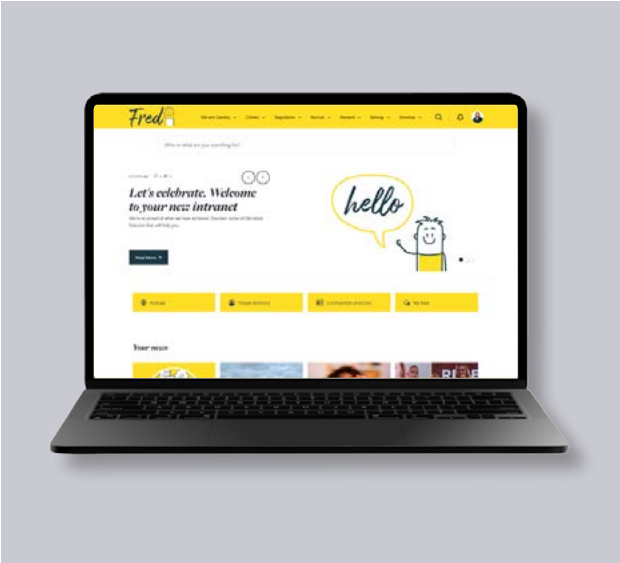
Connecting our leaders

Our annual leadership conference is designed to arm our leaders with the tools needed to develop and help our business to grow while ensuring they are supporting their teams to do the same.

Recognising that a key part of our purpose is to deliver results that delight our clients and that we now have colleagues delivering more legal and professional services right across the Group than ever before, this year's theme was 'Connecting for Growth'.

We have a unique advantage in the mix of services that we house in Group and an exciting growth trajectory ahead of us. The aim of this year's conference was to invest some time for our leaders to forge greater connections with colleagues across Gateley by offering a forum in which to see examples of our broader than ever range of services. In addition, being given the time and space to consider which of those might be valuable to their own clients and contacts and to begin discussions that could result in creating some great cross-selling results in the future.

We are Gateley
continued



Engaging with our teams

In January we launched a new and enhanced employee engagement channel.

FRED (Find, Research & Engage Daily) is a state of the art, AI powered, colleague intranet which enables our teams to find and share information easily, communicate with one another and find out about all the 'need-to-know' activities that are happening daily across the Group.

FRED is more than a technological upgrade though - it's an integral part of our culture and a reflection of our shared internal values. Developed with direct input from colleagues across the business, the platform was shaped around three core principles:

- **Connection:** making it easier for everyone to stay informed, engaged, and connected - no matter where they work;
- **Collaboration**: providing intuitive tools and spaces for teams to share ideas, celebrate successes, and work together seamlessly; and
- **Culture:** showcasing the stories, voices and values that make our business unique.

Conversations with our CEO

During November, our CEO, Rod Waldie introduced the first of his regular internal vodcasts - The Rodcast.

Each episode of The Rodcast sees Rod sit down with different colleagues from across Gateley to have relevant conversations about our business. He covers a variety of topics that are informative and interesting which are then shared with all of our employees.

Investing in future talent

In a powerful example of colleague-led impact, two of our 'home-grown' solicitors recently founded an initiative called 'AskTrainees' designed to support aspiring legal professionals, particularly those from underrepresented backgrounds or without connections in the legal industry. The initiative aims to level the playing field by offering guidance, resources, and access to opportunities that might otherwise be out of reach.

'AskTrainees' delivered a four-day work experience programme across our Manchester, Leeds, Birmingham, and Nottingham offices. Following a competitive application process, four university students were selected to take part. The programme gave them hands-on exposure to life in a law firm, with placements across a range of legal sectors including Planning, Banking, CDR, IPCT, and Construction.

One student has since secured a training contract, and several others have earned places on Gateley's summer vacation scheme which is a key pathway to future roles as trainee solicitors or graduate solicitor apprentices.

Creating an internal equity journey with a difference

Our Plc structure enables us to provide a unique combination of cash and equity incentives to current and new colleagues. Over 65 per cent of our people now own either shares, share options or Restricted Share Awards (RSA Plan), supporting a powerful alignment across all of our key stakeholders.

We continue to regard our RSA Plan as a powerful differentiator in attracting and retaining the best senior talent. Support for the RSA Plan is now a firm pillar in our capital allocation policy. In October we announced that our EBT had been funded in order to acquire 2,026,490 shares at £1.38, mainly from staff who were Partners at the time of our IPO in 2015. Those shares are warehoused in the EBT to part-satisfy imminent RSA Plan awards, ensuring that, in line with our strategy, as the Group evolves, a meaningful number of shares can be re-circulated within the Group and remain in the hands of our key senior people. This alone makes our internal equity journey powerfully different and meaningful.

Responsible Gateley

Our Responsible Business initiatives prioritise the wellbeing of our people, our aim to be a positive force in society and in the communities we serve and our contribution to the protection and restoration of our planet.

You can view our most recent Responsible Business report by clicking here or visiting gateleyplc.com/about-us/responsible-business

Last year, we set a clear set of objectives aligned with the United Nations Sustainable Development Goals (UN SDGs). This year, we continue to build on our progress against those objectives by adding 14 new objectives designed to deepen our impact and drive meaningful change.

Among the highlights of the year was the generosity and commitment shown by our people in many different ways. December was a particularly inspiring month, with our teams coming together to "give back". This ranged from sponsoring the Magic Maker programme at Birmingham Children's Hospital to working with the Pearly Kings and Queens Association to deliver toys to children in need and supporting the Royal Berkshire Hospital Acute Stroke Unit.

We were also delighted to support Alzheimer's Research UK through a range of fundraising activities, helping to advance vital research in the fight against dementia.

Our new partnership with Maiden Cricket, a female-led clothing brand founded by two teenage sisters, represents an exciting step forward in championing young entrepreneurs, diversity and inclusion.

Volunteering for the Birmingham Children's Hospital Grotto as part of the Magic Maker programme

Championing young female entrepreneurs through our Maiden Cricket partnership

Fundraising day for Alzheimer's Research UK

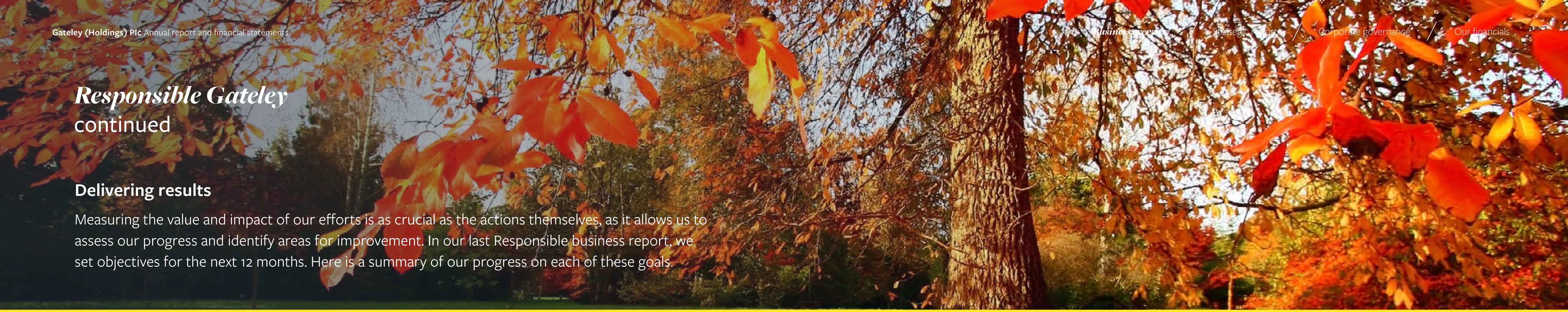
Supporting young people from underrepresented backgrounds through our Regeneration Brainery collaboration

Our ongoing collaboration with Regeneration Brainery continues to help open doors for young people from underrepresented backgrounds to explore careers in the property and regeneration sector. We were especially pleased to welcome numerous participants in the Regeneration Brainery programme to our offices this year, offering insight, support and encouragement for their future careers.

These collective efforts are a powerful reminder of the positive impact we have when we come together with purpose and shared values.

We remain deeply committed to improving our environmental impact. Working with a carbon accounting and net zero partner has been instrumental in helping us better understand our carbon footprint and guiding us on our journey toward achieving net zero by 2040. We are also proud to have improved our EcoVadis score, an important milestone that reflects the progress we are making on our broader sustainability journey.

As we look ahead, our focus remains on building a business that not only delivers excellent results for our clients and our people but also contributes positively to society. Our commitment to responsible business is not about reaching an endpoint but about embracing growth, development and continuous improvement.



Responsible Gateley continued

Delivering results

Measuring the value and impact of our efforts is as crucial as the actions themselves, as it allows us to assess our progress and identify areas for improvement. In our last Responsible business report, we set objectives for the next 12 months. Here is a summary of our progress on each of these goals.

24/25 review of objectives

1.	Partner with clients on community development projects. This could include supporting local education initiatives, investing in community infrastructure, or participating in volunteer programmes.	**During the past year we have collaborated with clients such as HSBC and Barratt Homes West Midlands on community development projects.**
2.	Invite clients to share their Responsible Business ambitions and achievements on the Purpose Pod.	**We interviewed Amanda Amass from Barratt Homes West Midlands who is responsible for their charitable initiatives. She spoke about the impact of volunteering as well as sharing some ways people can get involved.**
3.	Collaborate with clients to promote diversity and inclusion within their organisations.	**We have successfully advanced diversity and inclusion by working closely with our clients. We have co-developed DE&I frameworks through our DE&I audit, supported the creation and refinement of inclusive policies and delivered workshops, training sessions, and awareness campaigns.**
4.	Introduce a pregnancy loss policy to support our people.	**We launched a pregnancy loss policy to raise awareness of pregnancy loss and its impact in the workplace, alongside signposting the support available through our employee assistance programme and other useful organisations.**
5.	Undertake a review of our existing DE&I partnerships and outreach programmes that progress our inclusion work.	**We have conducted a comprehensive review of our existing DE&I partnerships and outreach programmes to ensure that their impact aligns with our strategic DE&I goals. We will be implementing new partnerships and outreach programmes that best reflect our values and support our long-term inclusion objectives.**
6.	Introduce key framework and governance documents to support our community groups to deliver on their agreed objectives.	**We have introduced new frameworks and governance protocols for our community groups to better support our agreed objectives.**
7.	Roll out quarterly DE&I training to our people and undertake a quarterly review.	**Regular DE&I training has been provided across the Group.**
8.	Introduce new rewards for our people that are designed to promote healthy living and positive habits.	**We gave our people access to the award-winning Help@hand app from Unum, which offers total health and wellbeing support including services such as 24/7 remote GPs, physiotherapy and medical second opinions. We also introduced the MediCash Cash Plan to provide cashback towards everyday healthcare bills.**
9.	Refresh and relaunch our Social Impact Dashboard to gain access to improved analytics.	**We updated our Social Impact Dashboard to make it easier for our people to log the positive impact they are involved with at Gateley.**
10.	Submit our first social mobility and employer index questionnaire.	**During the year we submitted our first entry to the Social Mobility Employer Index to assess our current practices and identify areas for improvement.**
11.	Increase the number of volunteering hours undertaken by our people.	**We achieved a 151% increase in volunteering hours recorded on our Social Impact Dashboard.**
12.	All offices to take part in World Alzheimer's Month to support our chosen charity partner, Alzheimer's Research UK.	**We encouraged our colleagues to 'go orange' in September in support of World Alzheimer's Month. Throughout our partnership with Alzheimer's Research UK we have donated a total of £26,305.**
13.	Appoint sustainability champions across the Group.	**We appointed net zero agenda champions to support our sustainability agenda. They help us elevate awareness, actively promote new ideas and drive change across the Group.**
14.	Measure our carbon footprint for our baseline year of 2023/24 to create a Carbon Reduction Plan to support our net zero targets.	**We are closely working with Flotilla, our carbon accounting partner to measure our carbon footprint for our baseline year of 2023/24 and are working towards a carbon reduction plan.**
15.	Maintain and look at how we can improve our EcoVadis assessment score.	**Our latest EcoVadis reassessment scorecard shows improvement across all four categories achieving above average in three out of four areas. In recognition of our commitment to sustainability, we have also been awarded a Committed Badge.**

Responsible Gateley continued

Delighting clients

A key element of our purpose is delighting our clients and in our Responsible Business report this year we outlined some of the initiatives we have undertaken with our clients and connections to help us leverage diverse perspectives and resources, allowing our network to blossom into a more resilient and dynamic community, including:

Joining forces with Barratt Redrow for community wellbeing

Supporting a Birmingham-based refuge that provides short-term emergency accommodation and support for women and their children escaping domestic violence.

The volunteering day focused on improving the living environment at the refuge with activities including the painting of three bedrooms and two bathrooms, constructing a raised garden bed, painting a garden shed and carrying out general garden maintenance.

We collaborated on an Inclusive Leaders programme with BusinessLDN, which represents over 170 leading employers in London, and Journi, which delivers programmes to improve the career progression of diverse individuals.

The programme enhances equity, diversity and inclusion practices within UK business by empowering decision-makers to drive real strategic change and achieve measurable impact through data-led approaches.

Tuning into responsible conversations

We published more episodes of our Responsible Business Podcast – The Purpose Pod. Aligned to our purpose, it looks at how we delight our clients, inspire our people, and support our communities.

Each episode shares insight from the forward thinkers we engage with as a business as we delve into what inspires them, how they support communities across the UK and how our own social values bring them together to improve society.

The Purpose Pod is available on our website and through Spotify and Apple Music.

The Purpose Pod
Responsible Business Podcast by Gateley

Inspiring our people

Cultivating a vibrant and supporting culture that drives innovation, enhances employee satisfaction and contributes to our overall success.

Earlier this year we unveiled a new partnership with the Birmingham Panthers, the city's first Netball Super League franchise. We also became the Panthers' official legal adviser and leveraged our extensive expertise and experience in sports law to support the team and its players to navigate the complex legal landscape of professional sports.

The partnership has seen us sharing knowledge and best practice through reverse mentoring opportunities, coaching, and masterclasses on leadership, reputation management and motivation. It's also given our people the chance to watch the team live throughout the season.

Gateley is the perfect partner for the Panthers. They understand the unique environment that sporting organisations, teams and elite athletes operate within. They are also innovative and ambitious, set the highest standards in all they do, have an ethos of teamwork and cooperation, and share a vision for increasing female empowerment."

Alison Kay, Co-Founder, CEO and Chair of the Board at Birmingham Panthers

Responsible Gateley
continued

Creating a sense of belonging

Gateley has three community groups that support our people to ensure we create a sense of belonging and a culture where everyone can be themselves. These internal communities create a place of debate where we can learn from each other, educate each other and celebrate our differences.

ability

Provides a welcoming, supportive and confidential space for our people focusing on issues related to neurodiversity and disability.

unity

Recognises, celebrates and supports our people from different cultures, religions and backgrounds.

pride

Supports our LGBTQ+ community by providing a welcoming, supportive, safe and confidential space for our people.

influence *ignite*

To support our people at different stages of their careers, we have two networking groups, Influence and Ignite.

Both groups help our people build connections, improve collaboration across teams and create more cross-selling opportunities with colleagues at a similar level of seniority.

> *"It's been great to see so many people getting involved in Influence and Ignite. They really value the direct line of communication with our Board members and the opportunity to ask any business-related questions. The ability to build deeper internal connections with colleagues embodies our Gateley Team Spirit and provides an informal setting for cross-selling and networking."*
>
> Tina Woods, HR director

Celebrating our impact

Birmingham Law Society Awards

In February 2025, we celebrated securing two prestigious awards at the Birmingham Law Society 2025 Legal Awards.

We were excited to have won the Law Firm of the Year Award and as the first business to win the Equality, Diversity & Inclusion Award, two years in a row for demonstrating excellence in promoting EDI within our business and the wider legal community.

> *"Receiving the EDI award for the second year is a ringing endorsement of the commitment of our team to create a welcoming, inclusive working environment where everyone can thrive and grow. Equality, diversity and inclusion lie at the heart of everything we do, and this success demonstrates our values as a business and the incredible environment and community we have created."*
>
> Rebecca Sherwin, a partner in our real estate team and head of the Birmingham office.

Property Week's RESI Awards 2025

We were thrilled to see our residential property experts honoured with the accolade of 'Professional Services Team of the Year' for the second year running at Property Week's RESI Awards 2025. Held at Grosvenor House Hotel in London, our team picked up the award in front of over 1,000 guests at the prestigious ceremony, shining a spotlight on those transforming the residential property sector.

Outshining the competition in a category which saw a total of eight shortlisted, the judges stated:

> *"Gateley's comprehensive, full-service offering spans the entire development lifecycle, with a focus on lasting impact through apprenticeships, training and community engagement initiatives. Its unique combination of legal and technical expertise, alongside strong ESG and DE&I commitments, positions them as a true leader in the industry."*

2025 Manchester Legal Awards

We recently celebrated being named ED&I Champions of the Year at the prestigious 2025 Manchester Legal Awards. Judges commended us on our partnership with Manchester-based University Academy 92 (UA92), as well as our recruitment, talent retention and trainee solicitor recruitment processes – all of which help us maintain a workplace where everyone feels valued and empowered.

Greater Birmingham Chambers of Commerce Awards 2025

Our commitment to being a Responsible Business was recognised by the Greater Birmingham Chambers of Commerce when we were shortlisted for 'Excellence in Contribution to the Community' in their 2024 Awards which celebrates the outstanding achievements of businesses throughout Greater Birmingham.

> *"Supporting the communities in which we operate is an important part of our purpose and we are delighted that we have been able to provide positive and lasting social impact to the Greater Birmingham area."*
>
> Andlyn White, responsible business manager

Responsible Gateley
continued

Supporting our communities

An important driver of our Responsible Business ethos is empowering the next generation, nurturing their potential and fostering a culture of knowledge, creativity and resilience that will drive sustainable growth and prosperity for communities.

We're committed to advancing D&I through accessible pathways for individuals from underrepresented and disadvantaged backgrounds and an inclusive culture where employees can thrive. As a Responsible Business embedding principles of equity and opportunity makes professional services more representative, accessible, and equitable.

Community partnership with Greater Birmingham Professional Services Academy (GBPSA), part of Birmingham Metropolitan College. GBPSA engages people from diverse and harder-to-reach communities with professional opportunities. Gateley's played a leading role, including our COO previously sitting on the Board to help shape its direction and impact.

Mentorship and outreach programmes with educational institutions, targeting students from underrepresented backgrounds, providing guidance and support to navigate pathways into professional services careers.

Recruitment, retention and career development processes that attract and engage candidates from diverse communities. Selection focuses on skills, potential and alignment with our values, regardless of socioeconomic background. We provide internal mentoring schemes, flexible working and inclusive leadership training.

Non-traditional pathways. Working with BMet on its T-Level programme (vocational, government-backed qualifications offering an alternative to A-levels) bridging the gap between education and employment for students who might be excluded from traditional routes. We hosted two 2025 graduates during the first two years of the programme and they have since joined Gateley's IT team.

Gateley Gives

Our Gateley Gives teams across all our offices coordinate fundraising activities and local initiatives that align with our Responsible Business ethos.

Their efforts not only raise essential funds and awareness for local and national charities but also foster a culture of purpose across our business.

Here are some of the charities we supported in FY25:

Sustainability

Working towards a healthier planet, we ensure our business practices contribute positively to the environment and inspire others to join our commitment to sustainability, fostering growth for a better future.

Partnering with Flotilla

As part of our commitment to environmental responsibility and achieving net zero by 2040, we have partnered with Flotilla, a leading carbon accounting and sustainability solutions provider.

Through this collaboration, we are undertaking a comprehensive assessment of our carbon footprint across Scope 1, 2 and 3 emissions.

EcoVadis

As part of our Responsible Business ambitions and our mission towards net zero, we are proud to have recently been awarded a 'committed badge' from EcoVadis, a widely respected authority on business sustainability ratings.

Whilst we are still in the early stages of our sustainability journey and understand there remains a long way to go, we are pleased to report that we are scoring above the industry average in three key areas: environment, labour and human rights, and ethics.

Initiatives include:

Our Birmingham, Manchester and London offices are on a 100% green energy tariff.

All the hotels with which we hold corporate rates have been reviewed and selected based on their clear commitment to environmental sustainability.

During the year, we introduced Sustainability Champions, as outlined in the objectives set in the previous Responsible Business report. They have played a vital role in raising awareness through internal communications and campaigns, supporting the rollout of environmentally conscious initiatives and putting forward ideas for future improvements. By acting as local advocates and change-makers, they help to foster a culture of environmental responsibility across the Group.

We have installed digital screens in common areas across our offices to reduce reliance on printed materials and support our goal of minimising paper usage and promoting more sustainable communication practices within the workplace.

We offset the carbon emissions from all business travel booked through our travel management company, Gray Dawes. As part of our commitment to responsible travel, we joined the Gray Dawes legacy programme, which supports verified environmental projects. Through this partnership, we contribute to a peatland restoration and conservation initiative, an important nature-based solution for carbon capture and biodiversity protection. In addition to offsetting, we continue to promote lower-carbon travel options wherever possible. For example, we provide group transport such as buses or coaches for Gateley events where possible to reduce the environmental impact of individual travel.

Through a combination of waste reduction initiatives, responsible disposal practices and partnerships with certified recycling and recovery providers, we ensure that all waste generated across our operations is either reused, recycled or recovered for energy.

We have taken steps to be more mindful of plastic use, particularly during internal social events. Wherever possible, we have reduced single-use plastics and opted for eco-friendly alternatives, such as compostable tableware and reuseable decorations.

Strategic report

This report has been prepared by the directors in accordance with the requirements of Section 414 of the Companies Act 2006.

The Chairman's Statement, Chief Executive Officer's Review and Chief Financial Officer's Review, as set out on pages 36 to 48, form an integral part of the Strategic report.

Chairman's statement

I am pleased to present Gateley's audited results for the year ended 30 April 2025.

The Group is now larger and more diversified than ever across legal and professional services, having achieved its tenth consecutive year of revenue growth since IPO. Revenue has grown by 4.1% year on year to reach £179.5m, with underlying operating profit growing 3.3% to £20.9m and underlying PBT growing 1.2% to £23.3m, during another period of investment in the Group's foundations to accelerate profitable growth.

Following my appointment as Chairman on 1 November 2024, I have spent time with a broad range of our investors, clients, colleagues and wider stakeholders. As a Group, we have significant untapped potential for accelerated profitable growth and sustainable margin improvement over the coming years. We will continue to build on our strong and established diversified model across our broad legal and professional services offering, client segments and geographic presence. Delivering this profitable growth potential is our mission and will benefit all our stakeholders.

Market Context

Gateley has consistently demonstrated the resilience of its business model, standing shoulder to shoulder with our clients through difficult market conditions, and creating opportunities to do what we do best: achieving outstanding positive impact for our clients. Market volatility, weak investor sentiment, sluggish economic growth and a volatile political and legislative environment have all created both challenges and opportunities for the Group.

Edward Knapp
Chairman

It is in this context that our clients need independent, trusted advice on their critical business issues more than ever. Our differentiated model offers high quality advice and expertise where it matters most.

Professional services are in an era of long-overdue disruption, requiring nimble and evolving client service, proposition and pricing models, a greater breadth and depth of cross-domain expertise, faster paced delivery and relentless focus on quality and client outcomes. Technological advancement, including the deployment of advanced data science techniques, automation, digital tools and of course deploying Generative AI and navigating the path toward Artificial General Intelligence, will all be key battlegrounds for the sector. At Gateley, we are partnering our leading client service partners with colleagues from our technology and change teams to target our investments with great care.

As a Group we remain nimble, adapting to evolving client and market needs and technological disruption, and at all times ensuring our clients have ready access to our talented partners and colleagues. Our values, including being 'forward thinking', 'trusted to do' and most importantly 'ambitious for success' are more relevant than ever in this market context.

Accelerating and capturing our profitable growth opportunity

Through my time spent with Gateley it has become clear that this is a Group with strong foundations for significant and profitable future growth and the strengths of the diversified model can be evidenced through the progress already made. This is covered in more detail in the CEO Review. It is also clear how much more there is still to come. Underpinning our near-term and medium-term strategic execution are a number of clear, overarching themes:

- **Client proposition** – Our teams, across the Group, do outstanding work with our clients, and it has been a pleasure to hear and see such positive feedback from both our legal and consultancy clients. Investing further in the breadth and depth of our client relationships and proposition, including at Board level, will further grow our client reach, creating more, higher value relationships, whilst enhancing client retention.
- **Growth investment** – Targeted lateral hires and team lift outs, alongside carefully chosen potential acquisitions, are all assessed against our return hurdles and their contribution to our client proposition, capabilities and margin expansion opportunity. As a diversified client-led Group, we are disciplined in focusing on those opportunities that enhance, or complement, our existing client propositions.
- **Colleague experience** – Investing in our people, the lifeblood of our business, to create a 'cradle to grave' colleague value proposition that is joyful, high impact, high performance and second to none. Our performance management, culture and remuneration model, including our unique equity incentive structures, are all central to this.
- **Financial foundations** – Enhancing our tools, processes and systems, from business development, scoping and pricing through to service delivery, WIP conversion and cash collection. We come from a position of balance sheet strength, enabling us to strive towards further enhancing our financial returns and efficiency as we scale up across our Platforms.
- **Strategic growth** – Being equipped to capture the next wave of profitable growth by client segment, industry, geography and service line. We are, and will continue to be, patient investors in support of our profitable growth mission.

Our colleagues

My heartfelt thanks go to all our colleagues across Gateley who have worked so hard and demonstrated such commitment to our clients. I am struck by how fortunate we are to have remarkably talented colleagues in both our legal and consultancy services, bringing the best of Gateley to our clients.

It is particularly impressive to see the colleagues and teams we are privileged to have leading the way on Gateley's client service, proposition, profitable growth, margin expansion and business development efforts. We are committed to establishing Gateley as a truly diverse meritocracy: where we have a positive, inclusive, diverse results-oriented and merit-based community to serve our clients, and where rigorous performance management ensures we can invest in those teams and individuals who are delivering on our profitable growth objectives.

Dividends

We recognise that our dividend payments are a key component of our total shareholder return, and have maintained our dividend returns to investors while continuing to invest in our profitable growth strategy. An interim dividend of 3.3p per share (FY24: 3.3p) was paid on 31 March 2025 to shareholders on the register at the close of business on 21 February 2025. The Board is pleased to propose a final dividend of 6.2p per share (FY24: 6.2p), giving a total dividend for the year of 9.5p per share (FY24: 9.5p), subject to approval at the forthcoming Annual General Meeting, which will be held on 24 September 2025. If approved, this final dividend will be paid on Friday 14 November 2025 to shareholders on the register at the close of business on 10 October 2025. The shares will go ex-dividend on 9 October 2025.

Strengthening our Board, Governance and Risk Management

We recognise that good governance adds material value and mitigates risk for all our stakeholders. As Chairman I am focused on ensuring we have an outstanding Board to bring effective challenge and support in service of this. In April 2025 we were pleased to welcome Martin Pike to the Board as a Non-Executive Director. Martin brings outstanding experience from his executive career in global professional services, followed by a series of Non-Executive Director roles including at leading FTSE 100 and FTSE 250 companies. Colin Jones stepped down from the Board in April 2025, and we thank him for his contribution to the Board since September 2023. We will continue to invest in further refreshing and strengthening our Board governance over the coming period.

To support our commitment to strong governance and shareholder engagement, for the first year in our history all members of the Board will stand for re-election at the upcoming 2025 AGM, and at every future AGM. We will also hold our AGM in person in London to be closer to many of our investors.

Responsible Business

In September 2024, we published our fourth annual Responsible Business report. We were delighted to achieve all 15 of our responsible business targets and are on track toward reducing our CO_2 emissions by 50% by 2030 and to become net zero by 2040. Our Responsible Business actions focus on the wellbeing of our employees, on being a force for good in society and within the communities in which we operate, and by playing our part in protecting and repairing our planet. We will publish our next Responsible Business Report covering objectives and activity for FY25 shortly.

Summary and outlook

Gateley's diversified business model has proven resilient, and current trading is in line with market expectations despite the continuing uncertain economic environment. Looking forward, the Group is committed to accelerating its client-led profitable growth strategy through organic and inorganic means, achieving a higher margin, diverse and growing client offering across our Platforms, client segments, geographic reach and service offering.

Finally, on behalf of the Board, it is my pleasure to thank our clients, colleagues, investors and wider stakeholders for their support and commitment to the Group over the past year. We look forward to Gateley's accelerated profitable growth journey ahead, bringing greater capabilities, to more clients, in more exciting and value creating ways than ever.

Edward Knapp
Chairman

14 July 2025

Chief Executive Officer's review

Introduction

The Group delivered a solid performance in FY25, maintaining Gateley's unbroken record of year-on-year revenue growth. As always, I am grateful to our people for their ongoing hard work and commitment to delivering the best possible outcomes for our clients.

Rod Waldie
Chief Executive Officer

Group revenue grew by 4.1% to £179.5m (FY24: £172.5m), including 2.8% organic revenue growth. Pleasingly, we saw good returns from historic investments made in areas such as complex international dispute resolution and two of our specialist property consultancy businesses. We also saw strong transactional activity across our corporate transactional teams and our market-leading housebuilding and construction teams.

Our revenue growth was underpinned by an increase in overall activity levels from 83% to 87%. Our transactional services teams, particularly on our Corporate Platform, benefited from a Q2 spike in activity stimulated by the lead-in to the Autumn Budget, since when transactional services activity has held steady. Our more counter cyclical or economically agnostic business lines were also strong throughout the year, exampled by a number of our specialist consultancy practices in the property sector delivering strong growth. This is in contrast to ongoing challenging market conditions in most commercial real estate sectors and is a good illustration of the deliberately designed resilience in our diversified model.

Underlying operating profit increased by 3.3% to £20.9m (FY24: £20.3m). Underlying profit before tax increased by 1.2% to £23.3m (FY24: £23.0m), reflecting the impact of lower interest rates on cash balances.

There are two themes that underpin both our performance and our strategic actions through FY25:

1. Our capital allocation policy in action
2. Our active management of our Diversified Group

Our Capital Allocation Policy in action

We remain committed to a disciplined and consistent application of investment in four main areas to maximise long term value returns for our shareholders and other key stakeholders.

1. Selective M&A which enhances or expands the range of professional services in the Group;
2. Organic growth opportunities, particularly in specialist and deep sector expertise services, where we can deliver high value client solutions alongside attractive margins;
3. System development for both efficiency and enhanced service delivery; and
4. Investment in our people to ensure that we attract and retain the best possible talent, including the support for our Employee Benefit Trust (EBT) in facilitating internal equity recirculation, which remains a critical senior employee proposition differentiator for us.

Beyond the above, our priority is to return regular dividends to our shareholders. The Board is recommending payment of a final dividend for FY25 of 6.2p per share, which would deliver a total dividend of 9.5p, unchanged versus FY24.

Selective M&A

Since listing in 2015, Gateley has built significant scale and expanded its range of professional services well beyond its core legal services. Carefully targeted acquisitions have been an integral part of this diversified growth.

Our proposition remains unique; the ability to deliver complementary legal and consultancy services to clients in our chosen markets. This focus has seen consultancy service revenue across the Group growing to £52.0m (FY24: £49.9m), or 29.0% (FY24: 28.9%) of Group revenue.

The professional services sector remains fragmented and of increasing interest to private equity backed buyers, which has resulted in a more competitive M&A landscape during FY25. However, we continue to see and appraise significant opportunities for further growth on each of our Platforms, via selective acquisitions across both legal and consultancy services, aided by the Group's strong balance sheet and recently renewed Revolving Credit Facility (RCF) of £80m with an accordion option of £20m. We have a clear framework against which we assess all acquisition opportunities, and the rigour of our process and return hurdles remain a key aspect of our approach.

Whilst absorption of each acquisition, integration and system costs may sometimes impact margin in the short term, our track record gives us confidence that M&A remains a key part of our strategy for long term margin enhancing returns, evidenced by our latest acquisition, Gateley RJA, growing year-on-year revenue by 28.0% in Period.

Investment for organic growth

A key focus in Period was investment in, and laying further foundations for, margin enhancing organic growth. This remains a key part of our look-forward strategy.

In Period, we made 15 lateral hires at Partner and Partner equivalent level across the group. In addition, we promoted 16 individuals to Partner or Partner equivalent, whilst also fully integrating Gateley RJA, which is performing very well.

We were pleased to see that organic growth investments made in prior years, which we had previously characterised as patient investment, are bearing fruit. Most notable was our FY23 investment in legal services Complex International Dispute Resolution, where we have since been carrying related cost but which grew its revenue by 49.8% in FY25 and is carrying good momentum into FY26.

Our international dispute resolution team sources its work from overseas and is an example of our deliberate investment and agile reach into appropriate international opportunities. Alongside this, in Q4 FY25, we invested further in our services to target markets in the Middle East from our base in Dubai, where we recruited a team of highly regarded corporate lawyers, the leader of which now heads our activities in the region. We anticipate further investment in complementary services in the region and are confident this will deliver further client, revenue and margin opportunities.

System investment

During FY25, our investment in systems and system development totalled circa £0.7m including further recruitment of specialists to our in-house AI development team, which is working on applications for use on each of our client facing Platforms and for our business support teams. Whilst this investment had an impact on margin in FY25, this will drive future margin improvement as the applications increase our client service levels and delivery efficiency.

Investment in AI driven system development remains high on our strategic agenda and we have established a cross-business steering group reporting directly to the Board on product assessment, procurement and integration. Embedding such cutting-edge technology more deeply within our organisational fabric will positively enhance the delivery of some of our services and realise efficiencies which will help us improve our profitability.

Investment in people

As a people business, our ability to attract, develop, reward and retain outstanding people is central to both our strategy and our continued growth. Our PLC structure enables us to provide a unique combination of cash and equity incentives to current and new colleagues.

This investment necessarily includes the need to assess our remuneration structures against the context of a professional services market which has seen relatively high pay inflation for a number of years. However, there are tangible signs that this inflation may now be tempering.

Combined with the increase in our average headcount to 1,571 during the Period (FY24: 1,536), this resulted in a 3.3% increase in overall personnel costs. Whilst overall average headcount in the Group increased by 2.3% to 1,571 (FY24: 1,536). Legal services average headcount growth was 0.8% to 1,100 employees (FY24: 1,091). In contrast, average consultancy headcount increased by 5.8% to 471 (FY24: 445).

In a volatile macro environment, it is incumbent on the Board to heighten performance management across the Group. This includes careful management of natural people churn, being highly selective about where we hire and early realisation of operational efficiencies. Personnel cost savings realised in FY25 will deliver full year savings in FY26. The Board maintains a vigilant approach in this regard.

Uniquely, and of strategic importance to us in the context of incentivisation, we continue to regard our Restricted Share Award Plan (RSA Plan) as a powerful differentiator for us in attracting and retaining the best possible senior talent. As previously announced, support for the RSA Plan is now a firm pillar in our capital allocation policy. In October we announced that our EBT had been funded in order to acquire 2,026,490 shares at £1.38, mainly from staff who were Partners at the time of our IPO in 2015.

Chief Executive Officer's review
continued

Those shares are warehoused in the EBT to part-satisfy imminent RSA Plan awards, ensuring that, in line with our strategy, as the Group evolves, a meaningful number of shares can be re-circulated within the Group and remain in the hands of our key senior people. The RSA Plan makes our internal equity journey powerfully different and meaningful.

More broadly, I am delighted that over 65% of our colleagues now own either shares, share options or Restricted Share Awards in Gateley, supporting a powerful alignment across all of our key stakeholders.

Our Active Management of our Diversified Group

In the near-term, our operational focus is on driving organic revenues and realising efficiencies to improve underlying operating profit margin to not less than 13.5%, which is our key near-term priority. This sits alongside our constant focus on the basics in our business; consistent delivery of excellent service, enhancing cross-selling opportunities and winning quality, profitable new business on each of our Platforms.

Key components in the Group's margin improvement bridge include:

1. Pricing;
2. WIP management and conversion into fees; and
3. Enhanced cross-selling.

We have undertaken a comprehensive review of relevant market data and as a result, all our Platforms have been challenged with positive resets against this data which indicates that we can and should make improvements against each of these areas.

In pricing, WIP management and conversion into fees, market intelligence is telling us that, taken as a whole, when benchmarked against our competitors, we have headroom to grow into, while attracting and retaining clients. Current initiatives to help facilitate improvement include:

- we have recently completed training across all the senior leaders in our legal services business by the sector's leading pricing and revenue management consultancy; and
- we have invested in the market-leading pricing and revenue management software, which will be operational by H2 FY26 and will enable us to better price and monitor client engagements.

For those parts of the Group that record time, our WIP to fees conversion rate was 81% in FY25 (FY24: 82%). Each 1% improvement in conversion generates circa £2.0m of additional fees and this is therefore a key focus for us in FY26.

In cross-selling, we believe that we have significant headroom in offering our unique combination of complementary legal and consultancy services, as showcased at our recent senior managers' conference, "Connecting for Growth". Part-way through FY25, we introduced a new management account metric to help measure the value of cross-sell activity. This metric has been further developed for FY26 and will give a full year measure, against which cross-selling can be incentivised and rewarded.

To further stimulate cross-selling, improve inter-Platform connectivity and hone performance management, FY26 will see us implement a new Platform management structure. Each Platform will now operate through a Board on which each business units will be represented, reporting into a chairperson responsible for the Platform's strategic, operational and financial outturn. This structure will bring our related businesses closer together to realise external opportunities and internal objectives

Responsible Business

Being a Responsible Business remains an integral part of our Purpose Statement;

"Our purpose is to deliver results that delight our clients, inspire our people and support our communities."

We were pleased to achieve all 15 of our internally set responsible business targets in 2023/2024 and, in-Period, we published our fourth annual Responsible Business Report outlining actions taken and setting targets for 2024/2025, in which, so far, we have supported 110 good causes through over 300 separate activities. Our next report will be published imminently.

Highlights from the last report include:

- launch of the Purpose Pod - Gateley's Responsible Business podcast;
- a new strategic partnership with environmental charity the Heart of England Forest; and
- an update on the environmental changes made to support its objective of reaching net zero by 2040

We are proud of the progress that we have made since publishing our Responsible Business Strategy in October 2021. We will continue to evaluate where we are effecting change and how we can improve and progress over time. Our journey continues with conviction.

Results	Business Services Platform	Corporate Platform	People Platform	Property Platform	Total
FY25 Revenue (£m)	28.5	39.0	17.5	94.5	**179.5**
Revenue growth FY25	14.3%	5.3%	(10.3)%	3.9%	**4.1%**
Organic revenue growth FY25	14.3%	5.3%	(10,3)%	1.3%	**2.8%**
FY24 Revenue (£m)	24.9	37.0	19.6	91.0	**172.5**
FY25 contribution margin	30.5%	41.8%	31.2%	33.2%	**34.4%**
FY24 contribution margin	30.2%	37.7%	29.5%	36.5%	**35.1%**

Platform performance

Before exploring each Platform in more detail below, we outline the key positive and negative contributors to our Platform performance in FY25.

Positive:

- Delivering the benefits of our diversified professional services strategy with growth in three of our four Platforms (Business Services, Corporate and Property) delivering, in aggregate across these three Platforms, 5.9% revenue growth in FY25.
- Overall, from a margin perspective, three of our four Platforms (Business Services, Corporate and People) delivered margin growth, resulting in 11.7% growth in contribution from these three Platforms.
- The strength of both revenue and margin in our Business Services platform was particularly pleasing as this reflects the growing returns from our historic growth investment in legal services dispute resolution and patent and trademark consultancy services.

Negative:

- The People Platform saw revenue decline by 10.3% in FY25 due to the deliberate, and previously communicated, contraction of our legal services private client team. However, this expected revenue decline was partially offset by cost reductions resulting in a lower 6% decline in segment contribution and improved margins to 31.2% (FY24: 29.5%).
- The Property Platform experienced a mixed year, reflective of the volatile conditions across the UK property market. Strong performance from our legal services construction and residential development teams and three of our consultancy businesses were drivers behind the 3.9% platform revenue growth. A combination of overall mix effects, investment in future growth and rationalisation costs in certain areas saw margins decline to 33.2% (FY24: 36.5%).

Business Services Platform

This Platform supports clients in dealing with their commercial agreements, managing risks, protecting assets and resolving disputes.

Revenue grew by 14.3% to £28.5m, underpinned by strong performances in both the legal services complex international dispute resolution team and the patent and trademark attorney businesses. Even more pleasing to see was the increase in contribution margin despite our on-going investment in specialist service lines.

The dispute resolution teams saw a strong increase in demand from both UK and overseas clients, including a return of some activity in Central Europe alongside new mandates from clients in the Middle East and Africa. These are representative of new, deliberately agile steps to win specialist work in new overseas markets.

Buoyed by the success in growing dispute resolution services, we continue to make strategic investment in other specialist service lines, predominantly in competition litigation, class actions and international arbitration where, in all cases, we see significant opportunities. Our highly regarded senior experts in international arbitration are winning quality new work and forging strong credentials for us. Alongside this, our recently formed specialist class action team continues to research and build its potential case pipeline alongside running its existing case.

Our growing patent and trademark attorney businesses were strong throughout the Period. These deliver resilient, steady-recurring revenues. The teams are working well together and across related legal services teams elsewhere in the Group on shared opportunities. We will continue to invest for scale in these services, where typical projects are long-dated and our expertise is highly valued by clients whose businesses are founded upon intellectual property that needs protecting in order to preserve value. We see further UK and international client opportunities in this area. Consultancy revenue grew by 3.9% and now represents 23.6% (FY24: 26.9%) of Business Services Platform revenue.

Chief Executive Officer's review
continued

Corporate Platform

This Platform, dominated by legal services, is focused on the corporate, financial services and restructuring markets in both transaction and business support services.

Despite lower volumes of transactional activity during most of FY25, revenue increased by 5.3% to £39.0m and Corporate remains our strongest margin contributor at 41.8%.

The corporate, banking and tax transactional teams benefitted from a spike in activity during the post-Election, pre-Autumn Budget period. Deal volumes and deal quality was impressive, across multiple sectors and this cascaded work through to other Platforms. Whilst initial indications are that the Autumn Budget has done little to encourage UK growth, transactional services activity remains good, in parallel with which our counter-cyclical restructuring advisory unit grew revenue by 7.5% in FY25, ahead of the Platform as a whole. Mandates have been generated both in-market and internally, including working alongside experts in Gateley Vinden and our legal services construction unit in delivery of market-leading services to insurers who have bonded construction projects that have become distressed. Our banking team also had a very busy last few months and posted 16.0% revenue growth in year. Overall, current activity is good across all teams in this Platform.

We saw in-Period lateral partner hires to our corporate, tax and restructuring teams, reflecting our commitment to further enhance the quality of our offer across the Platform.

Consultancy revenue grew by 255% and now represents 5.0% (FY24: 1.5%) of Corporate Services Platform revenue. The Platform's sole consultancy business, Gateley Global, continues to be a good cross-referrer of opportunities across the Group whilst it significantly increased its like-for-like revenue in Period. It's key in-Period client was the West Midlands Combined Authority (WMCA) which it helped to support its High Growth Accelerator Programme. The Group's broad range of professional services was a key factor in this win.

People Platform

This Platform supports clients in dealing with and developing people and in administering individuals' personal affairs.

Revenue on this Platform contracted by 10.3%, mainly due to a deliberate significant contraction in our legal services private client team, where we have reduced scale and re-focused on core services to high-net-worth clients supported by the appointment of a private client Chartered Tax Advisor. Our re-cast private client offer is stabilising as we enter FY26.

Although in-Period revenue in T-three and Kiddy & Partners, our talent assessment, development and cultural change consultancy businesses contracted they continue to attract significantly sized clients buying dual services, with particular focus on scalable products to high growth clients.

In the meantime, we saw a good performance from our legal services pension team and our pension trustee business Entrust which, together, grew revenue by 11.7%. These teams generate relatively predictable revenue streams and are a further example of deliberately designed resilience in our model. The pensions sector is space in which we are keen to make further investment to service the increasing number of pension schemes looking to complete all liability buy-outs, and/or out-source management of their pension schemes to organisations like Entrust.

Consultancy revenue contracted by 10.0% but still represents 30.9% (FY24: 30.8%) of the People Platform revenue.

Property Platform

This Platform is focused on clients' activities in real estate development and investment and in the built environment in the widest sense.

This remains our most diverse and mature Platform and we maintain our view that the range of expertise now housed on this Platform puts us in a strong position to compete directly with the well-established, multi-disciplinary property consultancies. Despite a challenging back drop for the property sector generally, revenue on our Property Platform grew by 3.9% to £94.5m during FY25 (FY24: £91.0m) with organic growth of 1.3%. Contraction in margin contribution is attributable to reduced activity in some segments of the Platform which have been, or are, being rationalised and investment in headcount in some of our busy, specialist teams.

In commercial real estate, despite a continuing caution dominating for most of the year, we still generated a 3.2% like-for-like revenue increase. We maintain a focus on both investment and development work and remain a market-leader in the warehousing and distribution sector. Rationalisation of parts of our commercial real estate team, allied to other operational efficiencies in play, will improve overall margin contribution going forward.

Whilst transactional activity in the wider commercial property market has declined over the last few years, we continue to see an increase in non-transactional advisory and dispute resolution services. This includes helping our wide range of residential development clients navigate regulation under the high-profile Building Safety Act (post-Grenfell) and advising on related remediation projects. This is long-dated, specialist work in which we continue to invest. Our construction team had another record year and activity levels remain good. Elsewhere, prevailing market conditions have resulted in an increase in work relating the exit of commercially onerous contracts.

In our house-builder team, we continue to act for all of the top developers, many of whom have consolidated their adviser panels in favour of larger providers, such as Gateley, who cover all the key requirements. This should result in more work for the team, allied to perceived tailwinds in the Government's housing policy. Therefore, we continue to invest in both headcount and system development for this team to maintain its market-leading position. Our clients need to continue to build and sell and have other areas for which they require our services. This includes shared ownership framework agreements, bulk sales to housing associations and build-to-rent investors and housing-led urban regeneration. Our unique combination of legal and consultancy services offers whole project life cycle advice to our clients.

In consultancy services, Gateley Smithers Purslow ("GSP"), who deliver specialist services to the property insurance major loss claims market, contributed revenue of £19.5m (FY24: £17.6m), representing annualised growth for that business of 10.3%.

Our acquisition of surveyors Richard Julian and Associates Limited ("RJA") in July 2023 extended our reach to organisations that deliver affordable housing, a resilient sector underpinned by high levels of grant to support delivery of the Government's housing targets. RJA also has specialists in major loss property claims, which enhances related expertise in both GSP and Gateley Vinden. RJA has had an excellent first full year in Group, as annualised revenues grew on a like for like basis by 28.0%.

Consultancy revenue grew by 2.8% and now represents 40.1% (FY24: 40.4%) of the Property Platform revenue.

Current trading and outlook

Trading to date in FY26 is in-line with market expectations, reflecting good activity levels as we enter FY26, the resilience across all four Platforms and the increasing visibility of our historic growth investments coming through. This gives us confidence as we move through FY26, however, the Board is conscious that macro indicators continue to point to ongoing volatile market conditions, at least in the near term, which we will monitor and adjust for as appropriate.

We continue to look through potential macro volatility in how we choose to allocate capital for sustainable, long-term profitable growth, encouraged by the patient investment made by us in specialist services which returned well for us in FY25 and are carrying good momentum into FY26. In parallel, the Board's operational focus is on enhancing existing revenue and realising operational efficiencies which will further contribute to our ambition to deliver operating margins to at least 13.5% over the near term.

Roderick Waldie
Chief Executive Officer

14 July 2025

"Our uniquely diverse business model has proved its designed resilience consistently since its inception in 2015. Looking forward, we remain committed to further accelerating our growth both organically and in-organically through appropriately flexed investment in-line with strategy and disciplined active management, all focused upon enhancing returns to our key stakeholders."

Rod Waldie, Chief Executive Officer

Chief Financial Officer's review

Financial overview

The Group has again grown revenue and carefully managed its costs throughout FY25.

In an increasingly cost-conscious market and challenging economic environment, we have successfully maintained our adjusted operating profit margin alongside strengthened activity levels across all four Platforms, we enter FY26 feeling confident of improved profitability set against a near-term margin improvement plan.

We have increased our access to debt for further growth and expansion of the Group. Renewal of our revolving credit facility to £80m was a significant task to complete in the last month of our financial year but we were pleased to double the number of supportive lenders to the business from two to four.

Revenue and activity levels

Group total revenue grew by 4.1% (FY24: 6.0%) to £179.5m (FY24: £172.5m), including 2.8% organically. Revenue from core legal service lines grew organically by 3.9% (FY24: 0.8%) predominantly due to the £3.6m increase in revenue in the Business Services platform. Consultancy revenues have grown to £52.0m (FY24: £49.9m) and now represent 29.0% (FY24: 28.9%) of total revenue, demonstrating our strategy to build and diversify into a broader professional services group, and further enhance our unique offering to clients.

Fee earner utilisation levels during FY25 increased to 87% (FY24: 83%).

Activity levels by Platform	Business Services £m	Corporate £m	People £m	Property £m	Total £m
FY25	80%	86%	92%	89%	**87%**
FY24	78%	80%	75%	88%	**83%**
FY23	84%	83%	76%	95%	**89%**

Neil Smith
Chief Financial Officer

Costs and margins

As activity levels improve and the mix of work benefits from increased returns from new areas of investment, and enhanced levels of recurring revenue, we are starting to see prior year fee rate increases work through into improved recoveries. This, alongside a greater focus on governance, systems and training in price setting and negotiation, will continue to progressively increase margin returns.

Average staff headcount has increased by 2.3% from 1,536 to 1,571 total staff. Average professional staff headcount within this period have decreased slightly by 1,068 to 1,066. So, whilst overall headcount grew modestly, greater returns were generated from our staff base as shown by the earlier increased utilisation.

Personnel costs as a percentage of revenue in FY25 reduced to 62.4% (FY24: 62.9%), excluding IFRS 2 share-based payment charges of £1.4m (FY24: £1.6m) and staff reorganisation costs of £1.9m (FY24: £1.2m) which are both disclosed as non-underlying items. We continue to sensibly manage this key metric as market conditions improve.

Other operating expenses increased from 22.5% in FY24 to 23.1% in FY25, due mainly to the investment in IT systems, ancillary costs overheads relating to higher employee numbers, inflationary cost rises and a full year cost contribution from RJA.

Underlying operating profit

The Group recorded £20.9m of underlying operating profit (FY24: £20.3m). Whilst we have continued to strategically invest across the business in our legal and consultancy teams, the decrease in personnel costs as a percentage of revenue has fully offset the increase in overheads referred to earlier. Our underlying trading margins have stabilised at 11.7% (FY24: 11.7%) as we see our historic and current internal initiatives start to reverse the trend of recent years and we look forward to enhancing margins in the future.

Underlying operating profit excludes amortisation of acquisition related intangibles, all share-based charges and exceptional acquisition related items, including the acquisition accounting treatment of consideration payments on acquisitions being reclassified as employment costs in the income statement, as well as gains on bargain purchases arising from the related acquisition accounting. Underlying operating profit has been calculated as an alternative performance measure in order to provide a more meaningful measure and year-on-year comparison of the profitability of the underlying business.

There has been an acceleration of un-expensed contingent consideration treated as remuneration following the successful integration and transition to the retained management teams in GSP and RJA, arising from the retirement of a key shareholder in each that was present on acquisition. This will result in lower than forecast contingent consideration treated as remuneration costs in FY26 and FY27.

Extract of UK statement of comprehensive income	2025 £'000	2024 £'000
Revenue	**179,499**	172,492
Operating profit	**3,982**	11,177
Operating profit margin (%)	**2.2**	6.48
Reconciliation to alternative performance measure: underlying operating profit		
Operating profit	**3,982**	11,177
Non-underlying items		
Amortisation of intangible assets	**2,696**	2,483
Share based payment charge – Gateley Plc	**1,375**	1,625
Share based payment charge – Gateley RJA Limited	**-**	61
Contingent consideration treated as remuneration	**10,928**	6,956
Gain on bargain purchase	**-**	(3,609)
Acquisitions costs	**13**	37
Reorganisation costs	**1,924**	1,159
One off remuneration charge – Gateley RJA Limited	**-**	367
Underlying operating profit	**20,918**	20,256
Adjusted underlying operating profit margin (%)	**11.7**	11.7

Chief Financial Officer's review continued

Earnings Per Share (EPS)

Basic EPS decreased by 86.8% to 1.02p (FY24: 20.8% to 7.74p). Basic EPS before non-underlying and exceptional items decreased by 7.5% to 13.34p (FY24: decreased by 13.7% to 14.42p). Diluted EPS decreased by 86.6% to 1.02p (FY24: increased by 19.9% to 7.63p). Diluted EPS before non-underlying and exceptional items decreased by 6.3% to 13.31p (FY24: decreased by 12.8% to 14.20p).

Share option schemes

Over 65% of our people are existing share or option holders in the Group. The Board remains committed to providing its people with the opportunity to own shares in the Company primarily through the continued issuance of restricted shares awards ("RSAs") across senior leaders within the Group and our Save As You Earn ("SAYE") all staff share scheme. Such share ownership promotes strong alignment with the Group's external shareholders, improves our attraction to like-minded recruits and is reflective of Gateley's culture of long-term ownership. The RSAs, which vest on receipt, are subject to a five-year non-dealing restriction and are forfeited should employment cease within that period.

Long-Term Incentive Plan awards ("LTIP") over 837,500 Ordinary Shares failed to vest on 27 April 2025 following the conclusion of LTIP awards due to profit related performance conditions not meeting the minimum 5% threshold required. Vesting period decline for 27 April 2022 LTIP awards was 8.5% being the movement between 14.54p in FY22 and 13.31p for FY25.

Profits used to calculate underlying EPS each year are disclosed below:

	2025 £'000	2024 £'000	2023 £'000	2022 £'000
Reported profit after tax	**1,365**	10,074	12,240	23,023
Adjustments for non-underlying and exceptional items:				
Amortisation of acquired intangible assets	**2,696**	2,483	2,073	1,581
Share-based payment adjustments	**1,375**	1,686	1,984	1,213
Contingent consideration treated as remuneration	**10,928**	6,956	6,190	3,509
Gain on bargain purchase	**-**	(3,609)	(1,389)	(12,380)
Reorganisation costs	**1,924**	1,159	-	-
One off remuneration costs	**-**	367	-	-
Acquisition-related costs	**13**	37	-	870
Tax impact of above	**(484)**	(391)	(168)	(94)
Underlying profit after tax	**17,817**	18,762	20,930	17,722
Weighted average number of ordinary shares for calculating diluted earnings per share	**133,888,191**	132,107,953	128,527,341	121,893,238
Underlying adjusted fully diluted EPS	**13.31p**	14.20p	16.28p	14.54p

Taxation

The Group's tax charge for the Period was £5.0m (FY24: £3.9m) which comprised a corporation tax charge of £5.8m (FY24: £4.4m) and a deferred tax credit of £0.8m (FY24: credit of £0.5m).

The deferred tax credit arises due to a combination of credits in respect of the share schemes that have vested in past years and the release of deferred tax on brands. The total effective rate of tax is 78.5% (FY24: 27.8%) based on reported profits before tax. The increase in the effective rate of tax is as a result of the acceleration of earn-out related consideration remuneration charges, which is not allowable for corporation tax purposes.

The net deferred taxation liability has decreased to £1.8m (FY24: £2.6m) as a result of the unwinding of the deferred tax liabilities in respect of acquired intangible assets.

Dividend

The Group paid an interim dividend of 3.3p share on 31 March 2025 and proposes a final dividend at the Company's Annual General Meeting on 24 September 2025 of 6.2p (FY24: 6.2p) per share, which if approved, will be paid on 14 November to shareholders on the register at the close of business on 10 October 2025. The shares will go ex-dividend on 9 October 2025.

Balance sheet

The Group's net asset position has decreased by £12.8m (FY24: £2.2m) to £67.5m (FY24: £80.3m), due to the following movements:

There was a £11.3m decrease in total non-current assets from continued usage of right of use assets, ongoing amortisation of intangible assets and goodwill and an acceleration of prepaid consideration due to early retirement of vendors in Gateley Smithers Purslow and Gateley RJA.

There was a £6.8m decrease is total current assets, resulting from £3.5m reduction of trade and other receivables mainly as a result of prepaid consideration release, £4.6m decrease in cash held at the year end and a £1.3m increase in the value of contract assets ("unbilled revenue").

Total liabilities decreased by £5.3m primarily due to the reduction in total lease liabilities.

The board has carefully considered the impact of macro-economic uncertainties, on the future forecasts used in assessing the value in use of the cash generating units to which the goodwill and intangibles relate and determined that, despite short term reductions, such forecasts are more than sufficient to justify the carrying value of goodwill. Therefore, as at 30 April 2025, the board concluded that the goodwill and intangible assets do not require impairment.

The Group has £46.8m (FY24: £61.6m) of retained earnings to carry forward in support of future dividends.

Cash flow

During the year, the Group increased its usage of its Revolving Credit Facility from £13m to £19m. The renewed facility provides total committed funding of £80m until April 2028 with a £20m accordion and an optional two-year extension. We are also pleased, as a result of the renewal, to now be working with Barclays and NatWest banks in addition to our existing banking relationships with Bank of Scotland and HSBC UK. The new facility is specifically earmarked to fund growth and expansion via acquisition together with supporting the Group's internal recirculation of equity strategy. Interest is payable on the loan at a margin of 1.25% above the SONIA reference rate.

Net cash inflows from operating activities decreasing to £13.4m (from £18.9m in FY24) due to the return of staff bonus payments for the FY24 year that were paid in FY25 and reflected in a decrease in trade and other payables.

The Group ended the year with net debt of £6.6m (FY24: net cash £3.8m), as cash was used for equity recirculation and expansion of the group as shown in movements within working capital. Working capital was supported by a small improvement in debtor days.

Interest income reduced as a result of the fall in bank interest rates which alongside an increase in capital expenditure on leased premises and further outflows to RJA following successful earn out achievement, all contributed to the reduction in free cashflow in the year.

	2025 £'000	2024 £'000
Net cash generated from operations	**13,356**	18,887
Tax paid	**(5,423)**	(4,902)
Net interest received	**3,471**	4,043
Cash outflow from IFRS 16 leases (rental payments excluded from operating cash flows under IFRS 16)	**(5,376)**	(5,091)
Cash outflow paid on acquisitions	**401**	5,825
Purchase of property, plant and equipment	**(1,526)**	(1,045)
Free cash flow	**4,903**	17,717
Profit after tax	**1,365**	10,074
Free cash flow (%)	**359.2%**	175.9%
Adjusted free cash flow		
Profit after tax	**1,365**	10,074
Non-underlying operating items	**14,999**	7,516
Exceptional items	**1,937**	1,563
Underlying profit after tax	**18,301**	19,153
Adjusted free cash flow	**26.8%**	92.5%

Chief Financial Officer's review continued

Overall, I am pleased we have made further progress in debt collection and that working capital levels have decreased overall on the previous year by 4 days despite a challenging market. Unbilled revenue represented 58 days of pro-forma net revenue compared to 61 days last year, and Group debtor days have decreased to 110 days of pro-forma net revenue from 111 days last year, which includes revenue from acquisitions on a full year pro-forma basis. We have made a good start to collections in FY26. Unbilled revenue recognised in the Group's statutory accounts, from time recorded on non-contingent work, remains low as a percentage of revenue and totalled just £24.9m or 13.9% of revenue recognised over the year (FY24: £23.5m or 13.6%).

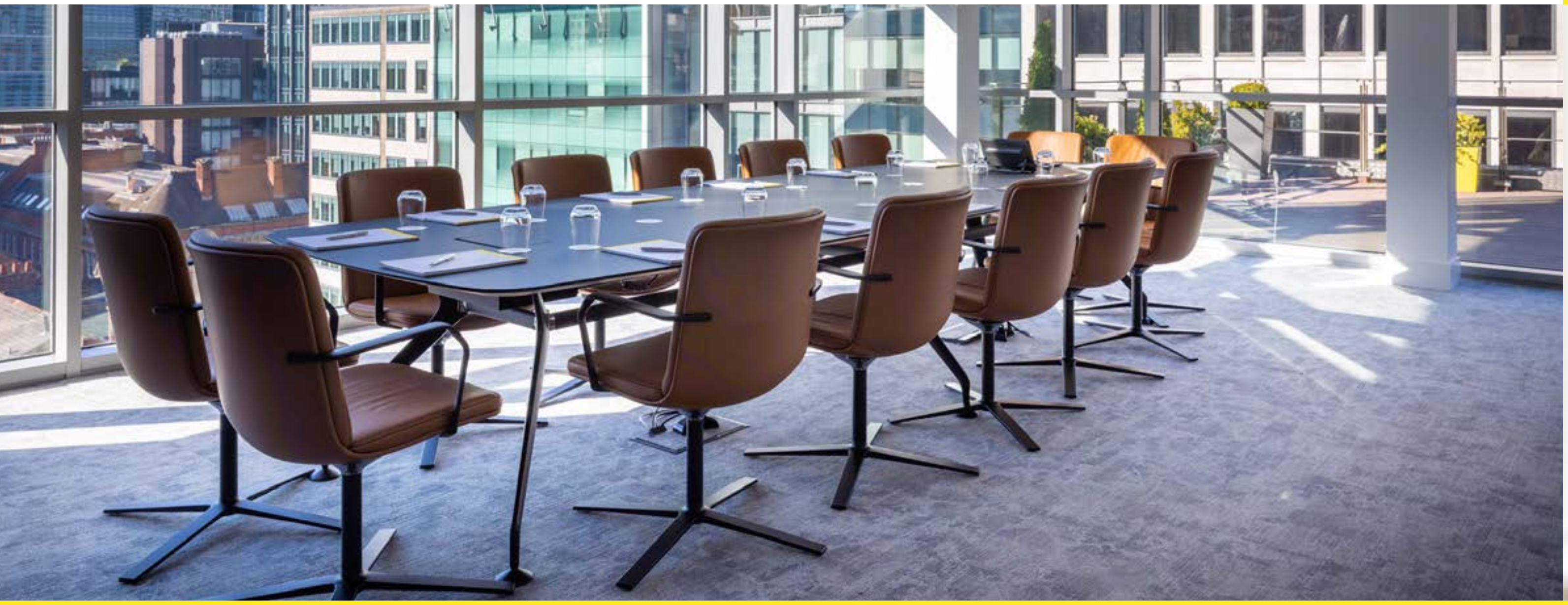
Summary

With activity levels increasing, good cost management, underlying operating profit margins stabilising and the Group's recent investments starting to return we look forward to FY26 positively. Our recent acquisitions are performing well against their earn out targets and although we have rationalised some specific areas due to their subdued end markets, we feel confident about forecasting margin improvement in the near term.

This improvement will be supported by significant energy, focus and insight from our existing and new IT systems, AI and the drive towards greater efficiencies throughout the group that are laser focused on margin and cash generation.

Share ownership rewards for our staff continue to play a significant part in our vision of wider, long-term connectivity across the Group and will deliver a significant opportunity to all staff in FY26 and beyond.

Neil Smith
Chief Financial Officer
14 July 2025



Principal activity, objectives, strategy and outlook

The principal activity of Gateley during the year was the provision of commercial legal services together with complementary professional consultancy services. The Group sells its services through 26 business lines, grouped into four operating segments, known as Platforms. Dependent on a client's requirements, any given instruction or assignment can involve more than one business line with fee earning staff being provided across one or more geographical office location.

The Group's services are tailored to those required by local, regional and national clients and are provided from twenty three offices across the UK, as well as an office in Dubai. Gateley also maintains informal, non-exclusive, relationships with a number of law firms (30+) around the world, enabling it to provide clients access to a global legal solution.

Gateley became an Alternative Business Structure ("ABS") with effect from 1 January 2014. Non-lawyers are permitted to own and invest in ABS law firms. The Board believes a combination of the ABS structure and admission to trading on AIM provides a platform for the continued profitable growth and future diversified development of the business. It enables the business to differentiate itself from its competition through an enhanced service-offering and unique career opportunity, to diversify its revenue streams through the acquisition of additional complementary legal and professional consultancy service businesses and finally to incentivise its people offering wider and earlier ownership to staff of a more modern, dynamic business.

The Group's current areas of focus are:

- **Enhanced opportunities to grow Gateley organically** – including lateral hires of individuals or teams
- **Making selective acquisitions,** including (i) other legal firms which offer geographical expansion or additional specialist services and (ii) professional consultancy service businesses offering complementary services
- **Building out the Group's Platforms** which comprise clusters of complementary Group services presenting a broader and more compelling offering
- **Alignment through share participation, of the interests of shareholders** (including employee shareholders) with those of the business, aiding retention of staff and enhancing Gateley's recruitment appeal.

Principal activity, objectives, strategy and outlook continued

Organic growth strategy

The UK legal services market continues to exhibit growth and clear opportunities exist for Gateley to continue to differentiate its service offering and grow organically, in particular from:

- The retention of existing employees, working together to deliver 100% client satisfaction by looking after our clients' businesses as if they were our own
- Attracting new talent wishing to be a part of a pioneering law led professional services group
- We will continue to provide enhanced cross-selling opportunities through collaborative working via our Group wide Platforms
- Continued strengthening of our national network, offering a quality, value-for-money legal service to mid-market clients at home, in the markets in which they trade
- Continue to build upon our straight-talking mid-market corporate service offering
- Maintaining and building upon Gateley's bank panel representation and "own account" work for banks
- Extending Gateley's relationships with the UK's leading house builders and in particular in those divisions and regions where Gateley does not currently act.

Acquisitive growth

Gateley believes that it can strengthen its business by broadening its service offering through the acquisition of complementary legal and consultancy service businesses. A broader set of services create additional channels to market, increase cross-sales potential, facilitate a more flexible sales model and enhance client retention. To owners of target complementary professional services businesses Gateley offers a platform for their continued growth, drawing upon Gateley's established national office network and supporting back-office infrastructure and access, via Gateley's existing "sales force" of partners and other lawyers, to Gateley's existing client-base. Gateley will expand by:

- being well positioned, as a result of its more flexible corporate structure, to take advantage of anticipated consolidation within the UK legal services industry
- acquiring legal teams or firms offering new niche services, sector specialism, or an opportunity to enter new geographic markets deemed strategic
- acquiring complementary professional services businesses (facilitated by the Group's alternative business structure)

Incentivisation

Gateley operates a range of employee share schemes that ensure all staff can acquire shares and participate in the financial success of our business.

The aim of encouraging earlier and widespread equity ownership in the business is to attract, retain and motivate talent and to ensure all employees can benefit from the Group's longer-term success.

Overview for the year

See Chief Financial Officer's report on pages 44 to 48 for a summary of key financial highlights during the year.

Management uses a number of financial and non-GAAP alternative performance measures to assess the performance of the Group which are detailed below.

Financial Measures:

- Revenue up 4.1% (2024: 6.0%) to £179.5m (2024: £172.5m)
- Underlying profit before tax up 1.2% (2024: down 8.1%) to £23.3m (2024: £23.0m)
- Profit after tax down 86.5% (2024: down 17.7%) to £1.4m (2024: £10.1m)
- Operating profit margin 2.2% (2024: 6.5%) – Operating profit as a percentage of revenue
- Basic Earnings per share (EPS) down 86.8% (2024: down 20.8%) to 1.02p (2024: 7.74p)
- Total dividend declared remains at 9.5p (2024: 9.5p)

Alternative Performance Measures (APMs):

- Operating profit before non-underlying charges up 3.3% to £20.9m (2024: £20.3m). Operating profit before non-underlying charges excludes income or expenses that relate to remuneration for post-combination services, gain on bargain purchase, acquisition related amortisation, share based payment charges and non-underlying and exceptional items, see reconciliation on page 45. This measure is used as it removes the impact of non-cash items charged to the income statement, giving a more representative view of the Group's performance for the year.
- Operating profit margin before non-underlying and exceptional charges 11.7% (2024: 11.7%) – Operating profit before non-underlying and exceptional charges as a percentage of revenue.
- Revenue per pound of salary cost £1.60 (2024: £1.59): Employees are the driving force behind revenue earned and also the largest operating expense within the Group. Therefore this measure monitors the ratio between the two.
- Revenue days 110 (2024: 111): This measure expresses year end trade receivables (excluding unbilled disbursements and expenses) as the number of preceding days' gross revenue. The measure is used to monitor the cash generation and working capital cycles of the business with the view to minimise the average days taken to collect revenue once it is billed.
- Utilisation 87% (2024: 83%): Utilisation represents an average of the total hours billed as a percentage of total available hours for each employee. The measure is used by Management to ensure efficient people management across the various segments and an early indication of Group activity levels.
- Gearing ratio 27.5% (2024: 16.1%): This ratio shows the proportion of total debt to total equity within the business. The business monitors this ratio to ensure that the liquidity and funding of the business continues to fall in line with its overall strategy to maintain a low level of gearing.
- Net (debt)/cash £(6.6)m (2024: £3.8m): Net cash is calculated by subtracting the amount of other interest-bearing loans and borrowings from the cash balance. The measure is used to monitor the level of debt within the Group and ensure that this remains in line with the adopted business strategy.

Earnings per share (EPS)

Basic EPS was 1.02p (2024: 7.74p). Diluted EPS was 1.02p (2024: 7.63p). Adjusted, fully diluted EPS was 13.31p (2024: 14.20p).

Cash flow generated and net debt position

Net cash generated from operating activities was £7.9m (2024: £14.0m).

The Group's net (debt)/cash position as at 30 April 2025 was £(6.6)m (2024: £3.8m).

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Chief Financial Officer's review, together with the financial position of the Group, its cash flows, liquidity position and borrowings. Financial projections have been prepared to October 2026 which show positive earnings and cash flow generation. The Group typically applies sensitivities (informed by the past experiences of the Group since the onset of the pandemic, including the Group's time recording activity, fee generation and cash collections) to any current financial projections based on various downside scenarios to illustrate the potential impact from a downturn in client activity or any increases in costs.

This process included a reverse 'stress test' used to inform downside testing which identified the break point in the Group's liquidity. Whilst the sensitivities applied do show an expected downside impact on the Group's financial performance in future periods, in all scenarios modelled the Board have identified the appropriate mitigating actions in order for the Group to maintain a robust balance sheet and liquidity position. In addition, the Board have also considered mitigating actions such as lower capital expenditure, reductions in personnel and overhead expenditure and other short-term cash management activities within the Group's control as part of their assessment of going concern.

The Group continues to work closely with its supportive banks, extending the club of banks when renewing the three-year revolving credit facility in period, of which £19m was drawn down at 30 April 2025, with committed funding of £80m through to April 2028. As at 30 April 2025 the Group has net debt of £(6.6)m and continues to sensibly manage its cash position within permitted covenants relating to its facility.

The Group expects to be able to operate within the Group's existing financing facilities for the foreseeable future and currently demonstrates significant debt capacity headroom based on its strong financial performance. Accordingly, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future and at least 12 months from the approval of these financial statements. Accordingly, they have adopted the going concern basis of accounting in preparing the annual Group financial statements.

Principal risks and uncertainties

The Board monitors both existing and emerging risks. The operational Risk Committee identifies risks facing the business, recording these in the risk register and regularly assesses the status of these risks. Many of the risks faced by the Group are similar to those risks faced by any business but those considered to be key risks for the Group are detailed below. Due to the nature of the business and the markets in which it operates, many of the risks it faces are ongoing, proving relevant to more than one single year.

Macro-economic headwinds and inflationary pressures

Details of Risk

There is a risk that external macro-economic factors impact the ability of the Group to deliver on its strategic objectives.

Our people and clients are impacted by the cost of living crisis and wider economic uncertainty.

Liquidity risk

- Elements of any potential future disruption could impact the Group's ability to convert unbilled time into fees as client activity is affected by the macro-economic uncertainty which could slow down collection of cash as forecast.

M Chance: Medium

M Impact: Medium

= Change in risk: No change

Mitigating Factors

The Group has proven that it is well positioned to withstand the effects of the economic headwinds, as it navigated successfully through the pandemic. This is due to the broad-based nature of the Group's activities; comprising legal and non-legal services delivered to a diverse and well spread client base. The balance between transactional services and litigation services effectively hedges the position of the business.

The Group has demonstrated that it is prepared to take steps to preserve the liquidity of the business including cancelling dividends, cancelling bonuses, freezing pay and reducing non-essential expenditure. The Company remains confident that other mitigating actions are available alongside alternative sources of funding should further action be needed.

The Group continues to realise operational efficiencies, to mitigate the impacts of wage inflation.

The Group continues to maintain a strong balance sheet to be able to absorb the impact of short-term economic instability.

Reputation

Details of Risk

The success of the Group's business depends on the maintenance of good client relationships and its reputation for providing high-quality professional services. If a client's expectations are not met, or if the business is involved in litigation or claims relating to its performance in a particular matter, the Group's reputation could be significantly damaged.

The Group's reputation could also be damaged through Gateley's involvement (as an adviser or as a litigant) in high-profile or unpopular legal proceedings. The Group may incur significant reputational and financial harm if such litigation is successful or if there is negative press coverage.

The Group regards its brand names, trademarks, domain names, trade secrets and similar intellectual property as important to its success. Its businesses have been developed with a strong emphasis on branding. Should the brand name of Gateley be damaged in any way or lose market appeal, the Group's businesses could be adversely impacted.

M Chance: Medium

H Impact: High

= Change in risk: No change

Mitigating Factors

The Group constantly endeavours to maintain its reputation as a provider of client focused commercial advice and has adopted internal management processes and training programmes to support this. Its legal services are Lexcel accredited (the SRA's quality standard). These standards are applied across the non-legal parts of the business where applicable.

New clients and matters go through an internal acceptance process that includes a comprehensive risk assessment. This includes consideration of potential impact of each engagement on the Group's integrity and reputation.

While the Group will use all reasonable endeavours to protect its intellectual property rights should this be required, it may not be able to prevent any unauthorised use or disclosure of its intellectual property having an adverse effect on operating, marketing and financial performance of the Group.

Operational & IT risk

Details of Risk

The Group places significant reliance on its IT systems, any loss of these facilities or provisions would have a serious impact on the Group's operations. Due to the nature of this risk no assurances can be given that all such risks will be adequately covered by its existing systems.

There is also a risk that competitors may be able to deliver services more efficiently and profitably by leveraging advanced technologies such as Artificial Intelligence ('AI').

M Chance: Medium

H Impact: High

= Change in risk: No change

Mitigating Factors

The Group monitors the resilience of its information systems and other facilities on an ongoing basis, working with external partners to support the delivery of its internal and client facing IT provision.

The Group has in place a business continuity plan and an IT disaster recovery plan that are reviewed as appropriate.

The Group, and external partners assisting in the development and implementation of the new system have undertaken risk assessment and have concluded that adequate safeguards are in place to minimise the risk of loss or disruption to the business.

The Group continues to invest in its in-house AI development team to create bespoke applications for both service delivery and internal uses, ensuring we create operational efficiencies.

Cyber and data risk

Details of Risk

Due to the nature of the Group's business and its reliance on IT platforms, the Group is at risk of cyber attack. The risk of cyber attack continues to increase not just within the legal and other professional services sectors but for all businesses operating via the internet across the world. The risk to the Group relates primarily to the risk of malicious hacking of the Group's systems with consequent risk to client data or of ransom attacks.

H Chance: High

H Impact: High

= Change in risk: No change

Mitigating Factors

The Group and the Risk Committee are aware of the increasing cyber risk. The risk cannot be avoided as IT systems are fundamental to the delivery of the Group's services. Accordingly the Group has an ongoing programme based on the adoption and continual improvement of IT security controls and business procedures to mitigate this risk.

The Group regularly reviews and tests its security arrangements, for example implementing regular third party penetration tests, in order to identify and subsequently address possible weaknesses within the current systems.

In June 2021 the Group experienced a cyber attack. Fortunately the attack was identified quickly, and significant disruption was avoided. A full review of the incident was carried out and enhancements to the Group's IT security arrangements are being and will continue to be implemented as part of the Group's ongoing programme to mitigate this risk.

Principal risks and uncertainties continued

Professional liability and uninsured risks

Details of Risk

The Group provides professional services, predominantly legal advice. Like all providers of professional services, it is susceptible to potential liability from negligence, breach of client contract and other claims by clients. The professional indemnity insurance held by the Group may not be adequate to indemnify the Group for all liability that may be incurred (or loss which may be suffered). Any liability or legal defence expenses that are not covered by insurance or are in excess of the insurance coverage could have a materially adverse effect on the Group's business and financial condition.

L Chance: Low
M Impact: Medium
= Change in risk: No change

Mitigating Factors

The Group is advised by market leading insurance brokers and the Directors believe that it holds comprehensive professional liability insurance. Any claims are defended strongly by senior members of the business at all stages and external advice is sought where appropriate. The Group works hard to ensure its employees provide excellent advice and services to its clients, underpinned by quality processes and bespoke training programmes. In the opinion of the Directors the Group has a good claims history.

Employees

Details of Risk

Well trained and experienced employees are essential for the delivery of excellent professional services. The market for such employees remains competitive and the loss of or failure to recruit and retain such employees could impact on the Group's ability to deliver professional services and financial performance.

A failure to implement effective succession planning throughout the business could also adversely affect financial performance.

The geographical spread of management and the development of new offices and operations could compromise effective communication and responsiveness impacting the Group's strategic goals.

M Chance: Medium
H Impact: High
= Change in risk: No change

Mitigating Factors

Recruitment is led by senior members of the business with all professional staff being interviewed by partners and senior managers.

Remuneration arrangements include a range of benefits and are considered to be highly competitive.

Employee contracts include appropriate provisions to protect the business where possible. A comprehensive training programme is in place for all staff providing management, leadership, technical and skills training.

The Board and the Boards of the Group companies are responsible for the implementation of succession plans for each of the businesses and investment continues to be made in the recruitment of appropriate staff where required.

Use of internal communications systems is continuously reviewed and developed to meet staff needs.

The Group has a vision statement which sets out the core values and behaviours expected of staff.

Regulatory Compliance

Details of Risk

The Group, like all businesses, is subject to a range of regulations, for example, AIM Rules and the Solicitors Regulation Authority's ("SRA") Code of Conduct for Firms. Failure to comply with these could have significant implications for the business ranging from reputational damage to criminal prosecution and sentencing. The Group operates in a regulated market which imposes additional regulation, including *restrictions on holdings of 10% or more* under the Legal Services Act 2007. This Act dictates that the acquisition by any non-deemed approved lawyer of a restricted interest (a shareholding of 10% or more) in Gateley Plc, (which is an SRA Licenced Body) without the prior consent of the SRA would be treated as a criminal offence. The SRA also has the power to force the divestment of any shareholding that breaches the rule or revoke the Licenced Body status of Gateley Plc which would have a serious effect on the Group.

The SRA also regulates the use and disclosure of client information. The Group is exposed to the risk of employees engaging in misconduct, including the improper use or disclosure of confidential client information. Employee misconduct could result in considerable harm to the Group's reputation, as well as regulatory sanctions and financial damage.

L Chance: Low
M Impact: Medium
= Change in risk: No change

Mitigating Factors

The Directors are in a dialogue with the SRA to minimise such risk and as far as they are able, ensure that this particular regulation is made known to shareholders.

Staff are trained and reminded of these duties and file management processes are in place to mitigate this risk, but it cannot be removed in full.

Acquisition risk

Details of Risk

The Group's strategy is for growth, both organically and by acquisition. Acquisitions may not always realise the benefits expected at the time of completion.

A failure to successfully integrate acquisitions may impact on Group profitability.

The availability of viable acquisition opportunities may decrease.

L Chance: Low
M Impact: Medium
= Change in risk: No change

Mitigating Factors

The Group will consider complementary and earnings enhancing acquisitions as part of its overall growth strategy. Acquisitions may not always realise the benefits expected at the time of completion.

Integration plans are formulated as part of the acquisition process and executed in anticipation of and following acquisition as appropriate.

The Group has an experienced in-house acquisitions team with a proven track record that undertakes a robust due diligence process with external experts being utilised where necessary. Risks are further mitigated through the retention and appropriate incentivisation of acquisition targets' senior management.

The Board considers that the recent consolidation within the professional services market will continue and that as a result there will be continuing availability of businesses for acquisition.

Management have considered the principal risks and uncertainties faced by the Group for the year and not felt the need to add any risks to those disclosed last year.

Section 172(1) statement

The Directors consider that they have acted in the way most likely to promote the success of the Group for the benefit of its members.

In doing so the Directors have paid regards to key stakeholders and other matters set out in s172(1) of the Act when making decisions in the year, including:

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

The disclosures set out below are some examples of how the Directors have had regard to the matters set out in Section 172(1)(a) to (f) when discharging their section 172 duties and the effect of that on certain decisions taken by them. More detail on how our Board operates can be found in the Corporate Governance Report at www.gateleyplc.com/investors/investor-relations/aim-rule-26/. Illustrations of how section 172 factors have been applied by the Board can be found throughout the Strategic Report. For example, details of how we have considered the impact of the Company's operations on the environment are set out below.

Board decision made in the year:

Strategy:
Acquisition of businesses during the year

Application of s.172
The Group has not made an acquisition in the year. During the Board's consideration of acquisition targets, management presented its due diligence findings. The Board considered how the acquisitions would fit in with the culture of the business and the long-term value creation strategy of the wider Group.

Strategy:
Dividend

Application of s.172
The Board has declared an interim dividend of 3.3p per share and proposes a final dividend of 6.2p per share. In reaching this decision the Board considered all key stakeholders including shareholders, employees and creditors. The Board determined closing cash reserves to be sufficient to ensure the continued ability to meet future employee and creditor liabilities based on the results of FY25.

Governance:
Board effectiveness

Application of s.172
The Group evaluates the performance and effectiveness of the Board, its Directors and Chair each year to ensure the right balance of skills, experience and knowledge is maintained in order for each to perform their duties effectively and deliver strong continued growth.

Finance:
Acquisition of businesses during the year

Application of s.172
The Group's business plan is to drive sustainable growth in the long term, which is in the interest of all stakeholders. The Board has paid close consideration to this objective in establishing and approving the FY25 year -end budget. In the current economic climate this has involved close monitoring of the impact of economic headwinds on each sector in which the Group operates, ensuring no over reliance on a single market or client; ensuring the Group is well placed to continue to deliver a high standard of client service through new ways of working; and increasing focus on minimising our environmental impact.

Task Force on Climate Related Financial Disclosures

Being a purpose-led business, we are committed to minimising the impact that we have on the environment and operating in a sustainable manner.

We continue to make good progress in considering the climate-related risks within our operation and will continue to focus on this over the coming years. We have in-built resilience to many of the challenges that climate change presents due to the nature of our business.

The disclosure has been prepared under the requirements of UK CFD (United Kingdom Climate-related financial disclosures), under section 414CA and 414CB of Companies Act 2006 however, we have voluntarily aligned to TCFD. We understand effective management and adaptation to climate-related issues will be an iterative process, that will require continuous improvement. We are committed to building on our current understanding, management, and resilience to climate risk and will look to continuously advance our strategic and financial planning to ensure effective climate change adaptation. We will be transparent and communicate our progress in this space via annual TCFD-aligned reporting.

Our disclosures are summarised below against each of the 11 TCFD disclosure recommendations.

Governance

Describe the Board's oversight of climate-related risks and opportunities

The Board has oversight of climate-related risks and opportunities. On a quarterly basis the Sustainability Task Force reports to the Board identifying risks, opportunities and progress made. These climate-focused updates are discussed at the Board meeting. Currently, these reports do not include KPI's however, as explained later in this report, we are working with a third-party specialist to assist us in capturing KPI's for future reporting. Partner and Board Member Neil Smith leads on sustainability, ensuring that climate-related risks are managed in line with our Group-wide risk management framework.

Describe management's role in assessing and managing climate-related risks and opportunities

The Board considers climate-related risks and opportunities with management responsibilities integrated into the relevant functional areas including Facilities; IT; Risk; Finance; HR and Marketing.

Our Responsible Business team meets on a 6-weekly basis to consider all aspects of ESG, including climate-related risks and opportunities, with key risks and opportunities being fed into the Sustainability Task Force.

Our Sustainability Task Force, led by Group Marketing Director Vikki Whittemore, meets quarterly to ensure momentum is maintained on climate-related initiatives which are captured in a Sustainability Action Plan ("SAP"). The Sustainability Task Force reports quarterly to the Board on progress against our ESG ambitions, climate strategy and related commitments.

Risk management

Describe the organisation's processes for identifying and assessing climate-related risks and opportunities.

As outlined previously, our Board report on the climate-related risks that are most likely to impact the business, and these are aligned to our risk management framework when determining the materiality of the Group's exposure to climate-related risks.

On an annual basis, as part of our business continuity training and assessments, our Operations Board consider emergency scenarios which may impact the Group, including climate-related emergencies.

Describe the organisation's processes for managing climate-related risks.

Our processes for managing climate-related risks are consistent with our process for managing other risks in the business and follow standard risk management processes, i.e. a risk identification exercise is performed. This is then followed by an assessment of the identified risks and a mitigation plan is prepared accordingly.

The response is implemented, and the risk is monitored and reported on an ongoing basis.

The process for prioritising climate-related risks is similar to other risks, i.e. these are prioritised based on the assessment of their likelihood and potential impact on our operations, e.g. our financial performance.

Describe how processes for identifying, assessing and managing climate-related risks and opportunities are integrated into the organisation's overall risk management.

Our approach to climate risk management is aligned to our Group-wide risk management framework. The Board monitors both existing and emerging risks. The Executive Risk Committee identifies risks facing the business, recording these in the risk register and assesses the status of these risks. Many of the risks faced by the Group are similar to those risks faced by any business and, due to the nature of the business and the markets in which it operates, many of the risks it faces including climate-related risks are ongoing, proving relevant to more than one single year. We tailor our underlying policies and controls to manage the different risks and exposures.

Task Force on Climate Related Financial Disclosures
continued

Strategy

Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.

We have outlined the climate-related risks and opportunities in the table that follows in line with our purpose: clients; people; communities; and have also included infrastructure.

We consider short term to be less than one-year, medium term to be by 2030 and long term to be by 2050. We aim to be net zero in our operations and supply chain by 2040.

Describe the impact of climate-related risks and opportunities on the organisation's business strategy and financial planning.

We have considered the impact of climate-related issues on our business strategy, and financial planning within the table. We recognise that our assessment will continue to evolve over time and that more work needs to be done as our collective understanding of climate related risks and opportunities grows.

Describe the resilience of the business model and strategy, taking into consideration of different climate-related scenarios, including a 2 degrees or lower scenario.

We have considered two climate-related scenarios, in the table that follows: 1.5 degrees above pre-industrial levels and a 'Hothouse Earth' scenario with 4 degrees of warming above the pre-industrial age, which would create a global climate emergency.

1.5 degrees above pre-industrial levels

Risk/ opportunity	Timeframe	Business impact	Business response/mitigation
Clients			
Property loss/ damage due to climate-related change events.	Short/ medium term	The increase in climate-related weather events (such as floods) has and will continue to cause property damage and loss for our clients. There is an opportunity for the Group to offer relevant services to support our clients negatively impacted by such weather events.	We have invested in the capabilities of qualified and experienced loss adjusters through the acquisition of Gateley Smithers Purslow. The team provides specialist insurance loss services to clients impacted by climate-related events to ensure that our clients can respond to and recover from the risk presented through premises damage and the inability to occupy.
Transition to a net zero carbon economy.	Short/ medium term	There is an opportunity to review the products and services that we offer our clients to help them to achieve their own net zero carbon objectives throughout their supply chain. Risk exists that we could lose our trusted adviser position if we are unable to provide the advisory support which our clients require, and they look to another provider for that and associated advice.	Through our annual business planning process and regular client listening, we are actively engaging with our clients to understand their sustainability challenges and concerns within their operations and where we can provide legal advice and advisory services to help them to address these challenges. Such opportunities are reviewed on a quarterly through each of our four platforms and discussed within our Strategic Board.
Clients / People			
Reputation	Medium and long term	Being linked to clients or suppliers that are not operating in a sustainable manner would be detrimental to our responsible business ethos, damaging our reputation both inside and outside of the business, which could result in clients deciding to no longer instruct us.	We review the clients that we engage with to assess their ESG commitments, including their sustainability protocols, and would escalate any decisions on whether to act for a client which did not operate in an ethical manner to our Board. Gateley is well-placed to influence the energy agenda as we work for 18 of the UK's top 20 housebuilders and are involved in many significant infrastructure projects. We are able – through the professional advice that we give – to support our clients in delivering place strategies which make a positive impact in terms of CO2 reduction including new public transport connections, walking and cycling routes and green infrastructure. Strategic procurement projects are reviewed from a sustainability perspective to ensure that all aspects of our supply chain are as sustainable as they can be, recognising that many businesses, like us, are on a journey towards net zero and are evolving their products and working practices.
People			
Talent retention	Short, medium, long term	We are a people business and attracting and retaining the best people is essential to the future success of our business. Ensuring that our people understand and buy-in to our sustainability commitment, recognising our activities as credible and authentic, is central to delivering our purpose as a responsible business.	We engage with our colleagues to provide opportunities for them to support our transition to net zero through changes in the way that they work (for example using Teams technology to avoid excessive travel or the ongoing commitment to paperlite working practices) or the way that they commute to our offices (through the introduction of an electric/ hybrid car scheme or the ability to work on an agile/ hybrid basis).
Communities			
Reducing carbon with our supply chain	Short, medium, long term	Although our supply chain is not as carbon intensive as other sectors, we remain reliant on the actions of the suppliers within our supply chain to meet their low carbon/ net zero targets. The risk is that suppliers are unable to meet their low carbon targets in the timeframe that would enable us to meet our own.	Our procurement strategy continues to focus on working with suppliers that share our commitment to ESG principles across all aspects of their operations. Sustainability assessments form part of each strategic procurement decision.

Task Force on Climate Related Financial Disclosures continued

Risk/ opportunity	Timeframe	Business impact	Business response/mitigation
Infrastructure			
Business occupancy	Short, medium term	The increased use of agile working, both within our own operations and that of our clients, has significantly changed the number of people who routinely commute into our office network daily. This creates a risk that property-related cost is being incurred that is not required. There is also an opportunity to consider the use of our office space and identify opportunities to reshape the space that we use, potentially generating additional revenue for the Group.	We actively review our property portfolio to consider whether the space can be used in a different way which would reduce cost or generate additional revenue. We continue to consolidate our occupied office space and have closed under-occupied floors in our hub offices, for example in Manchester. Reviews of our building lease arrangements continue as and when commitments are up for renewal.

4 degrees above pre-industrial levels

Risk/ opportunity	Timeframe	Business impact	Business response/mitigation
Clients			
Impact of extreme weather events	Medium/ long term	Clients are exposed to the impact of extreme weather and the ability to operate in locations where extreme weather events, such as wildfires or flooding has taken place. Our property developers and housebuilders may not be able to find opportunities to acquire suitable land or to develop the land that they already have as a result of the unsuitability of certain locations due to climate-related events. This could lead to a reduction in instructions for Gateley.	We are a resilient and diversified business which ensures that we can provide support to a diverse client base and are not over-reliant on a sector or geography. The diversified offering, with the combination of legal and advisory services, means that we are well placed to help our clients to implement strategies and solutions to mitigate the risk to their businesses or to recover post-incident.
People			
Impact of extreme weather events	Short, medium and long term	Like our clients, extreme weather events could make it difficult for our colleagues to work in certain office environments, but it does depend on the type and location of the extreme weather event.	The shift to hybrid working has ensured that are able to deliver excellent client service regardless of office location. With continued use agile working practices combined with technology, we would be able to service our clients in spite of the impact of extreme weather events.
Infrastructure			
IT infrastructure	Medium and long term	Extreme weather events could damage our IT infrastructure, for example due to fire, flood or overheating. Our ability to deliver our services would be significantly impacted by the loss of our IT environment.	Through our business continuity planning and training, we regularly review, update and test the protocols which would ensure that we could continue to operate should one of our technology hubs was out of action. We use fail over technology to ensure that we could move our operations on to servers operated out of technology hubs not impacted by this weather event.

Metrics and targets

Describe the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management processes.

We are committed to achieving net zero ahead of the UK Government's target of 2050 to achieve the goals of the Paris Agreement. Reported energy and GHG emissions data is compliant with SECR requirements and has been calculated in accordance with the GHG Protocol and SECR guidelines. Energy and GHG emissions are reported from buildings and transport where operational control is held – this includes electricity, natural gas, and business travel in company-owned or grey-fleet vehicles. During this financial year, we have partnered with Certified B Corp net zero consultants Flotilla Group and are using their net zero platform Flotilla World to more efficiently capture our sustainability metrics. We will be updating our net zero plan and carbon reduction plan during FY26 once the outputs from the platform have been analysed during FY26.

Gateley reports Scope 1 and Scope 2 greenhouse gas emissions annually which helps us to monitor our carbon footprint and reduce emissions. We report GHG emissions and energy use under the Streamlined Energy and Carbon Reporting (SECR) under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018. The intensity ratios were calculated for Gateley Plc and have been calculated using turnover, energy usage and greenhouse gas emissions figures. For further information, see page 41 for our SECR reporting.

Moving forward, we will consider developing and implementing further metrics that may be used to effectively monitor identified priority climate-related risks and opportunities (identified in Strategy) and measure performance of mitigation actions.

So far, we have focused our efforts on the climate risk identification and assessment process to better understand our risk profile across various climate scenarios, and where best to prioritise our efforts. We have continued to concentrate on our GHG emissions measurement and reporting process in line with SECR Regulations 2018, and will consider the use of both current year and historic emissions data to identify a baseline to set GHG emission reduction targets. In FY25, we will evaluate the opportunity to establish GHG emissions reduction targets for our Group, the outcome of which we expect to be reported in next year's Annual Report. Going forward, we will also consider developing and implementing metrics and associated targets relating to our priority climate-related risks and opportunities identified from this year's climate risk assessment. As our analysis matures, we may revise the appropriateness of any metrics and targets, as well as look to identify new metrics and targets to effectively monitor and measure our climate-related performance over time.

Disclose Scope 1, 2 and 3 greenhouse gas (GHG) emissions, and the related risks.

We report scope 1, 2 and part of scope 3 greenhouse gas emissions resulting from the energy used in our buildings and employees' business travel. These are included in our Environmental Actions Statement on page 41.

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

Having reviewed what other legal and professional services firms are doing in relation to setting net zero targets (recognising that the Government's Net Zero Strategy has set a target date of 2050 for the UK to achieve net zero), Gateley has committed to:

- The attainment of net zero emissions by 2040.
- Setting interim targets for 2030 to reduce CO_2 emissions by 50% compared to 2019 levels.

This will ensure that we can meet the demands of our clients, our people, and our investors.

Environmental actions statement

UK energy consumption and Greenhouse Gas disclosure

The Companies Act 2006 (Strategic Report and Directors' Report) Regulation 2018 requires Gateley (Holdings) Plc to disclose annual UK energy consumption and Greenhouse Gas (GHG) emissions from SECR regulated sources. Energy and GHG emissions have been calculated using previously set guidance from an independent third-party consultancy.

The data reported is for Gateley Plc. The parent company consumes less than 40MWh of energy per year and is, therefore, exempt from providing full disclosure in this report.

Following on from the Paperlite project that we introduced across our business in 2020, we have continued to find ways to reduce the amount of printing required including the installation of two monitors on all hot desks and the introduction of DocuSign e-signature technology. As a result of our reduction in printing, we were able to remove most of our desk printers, which were donated to local charities through our relationship with social enterprise, Make Good Grow, and have completed a procurement exercise to appoint a print partner who will deliver sustainable and efficient multi-functional devices to each of our offices. In May 2024 we moved the majority of our office electricity supply onto 100% renewable tariffs. We continue to use Microsoft Teams to reduce travel between offices including delivering our Leadership Lunches, Gateley Leadership Overview and new starter inductions virtually. Our Gateley Agile approach encourages meetings to be held virtually where not all attendees can attend in person.

We continue to review our property estate and colleagues have moved into existing offices in order to reduce our footprint. For example, our Adamson Jones colleagues joined our existing Nottingham office and Gateley Smithers Purslow moved into our Nottingham and Manchester offices.

Reported energy and GHG emissions data is compliant with SECR requirements and has been calculated in accordance with the GHG Protocol and SECR guidelines. Energy and GHG emissions are reported from buildings and transport where operational control is held – this includes electricity, natural gas and business travel in company-owned or grey-fleet vehicles. The table below details the regulated SECR energy and GHG emissions sources for the current reporting period 1 May 2024 to 30 April 2025.

Data records and methodology

Metered kWh consumption taken from supplier or landlord invoices is reported where possible.

Scope 1,2 and 3 consumption and CO2e emission data has been calculated in line with the 2019 UK Government environmental reporting guidance. The following Emission Factor Databases consistent with the 2019 UK Government environmental reporting guidance have been used, utilising the current published kWh gross calorific value (CV) and kgCO2e emissions factors relevant for reporting years ending 30 April 2024 and 30 April 2023:

- Database 2023, Version 1.1

Transport emissions have been calculated based on mileage expense claim records, applying the average UK split between petrol and diesel vehicles to estimate relative fuel usage. Mileage per fuel type was converted into equivalent GHG emissions using the most recent emissions factors published by BEIS in 2022, and then divided by the gross Calorific Value to deduce kWh consumption.

	2025	2024	Change
Energy (thousand kWh)			
Natural Gas	**1,057**	1,023	3.3%
Electricity	**2,551**	2,545	0.2%
Transport	**346**	289	19.7%
Total energy (thousand kWh)	**3,954**	3,857	2.5%
Emissions (tCO2e)			
Natural Gas (scope 1)	**194**	187	3.3%
Electricity (scope 2)	**43**	540	(92.1)%
Transport (scope 3)	**82**	68	19.7%
Total SECR emissions	**319**	795	(60.1)%
Intensity metrics			
£m turnover	**179.5**	173.5	4.0%
tCO2e per £m of turnover	**1.8**	4.6	(61.6)%
Average headcount	**1,571**	1,536	2.3%
tCO2e per employee	**0.2**	0.5	(60.9)%
Square footage (thousand sq.ft)	**117**	117	-
tCO2e per square foot	**2.7**	6.8	(60.1)%

Social matters

We believe that running a profitable and growing business, which creates jobs and contributes to the economic success of the areas in which it operates, is a platform for good corporate social responsibility.

We have a long-standing commitment to support our staff in engaging with their local communities and charities. This is achieved by allowing all staff to spend up to 15 hours undertaking paid volunteering leave per calendar year. This social awareness is present throughout the business, from our employees to our clients, our professional connections and the suppliers we work with. Our ongoing contribution through the commitment of our people to their local community continues to improve lives and build these communities.

Sustainability

To deliver strong, sustainable shareholder returns over the long-term the operation of a profitable business is a priority and that means investing for growth. To achieve this, the Group recognises that it needs to operate in a sustainable manner and therefore has adopted core principles to its business operations which provide a framework for both managing risk and maintaining its position as a good 'corporate citizen'.

Charities and communities

We have a high level of engagement within our local communities. Each year, we sponsor business, sports and community awards. Our business has benefited greatly from winning numerous awards and we feel it's right to help other businesses reap the rewards of such accolades. In addition, we sponsor a variety of local clubs, business and sports related events across the country. We believe this brings many benefits to the local community and beyond. Our staff vote annually to choose a local office charity to support throughout the year with fund raising activities engaging staff, clients and communities in a number of enjoyable events.

Developing our people

The Group continues to create opportunities for staff at all levels of the Group. We have a strong track record as an employer of choice in the provision of legal graduate traineeships and apprenticeship schemes highlighting our motivation to 'grow our own'. Trainees work alongside qualified professionals in completing a period of recognised training (often known as a training contract) giving individuals supervised experience in legal practice. This is the final stage of the process of qualification as a solicitor where they refine and develop their professional skills.

For our non-lawyer employees we offer both internal and external routes to qualifications and accreditations within their chosen sector and area of expertise.

In order to oversee our people development we have a dedicated internal training team on hand with soft skills and professional course guidance to enhance staff careers and upskill our staff at all levels throughout the year.

Diversity and inclusion

We are an equal opportunities employer and it is our policy to ensure that all job applicants and employees are treated fairly and on merit regardless of race, sex, marital/civil partnership status, age, disability, religious belief, pregnancy, maternity, paternity, gender identity or sexual orientation. We have three staff groups providing support to staff.

- **Unity** – Unity recognises, celebrates and supports employees from all different cultures, religions, and backgrounds. Our Unity network Group highlights and celebrates events across all our offices to ensure we have an environment where all employees have room to breathe and feel comfortable bringing their full selves to work.
- **Pride** – The Gateley Pride network group provides a welcoming, supportive, safe and confidential space for staff affected by sexual orientation and gender identity issues to share experiences, ideas or concern.
- **Ability** – Ability is our most recent network set up to provide a focus on, and raise awareness of, disabilities to ensure that we are providing a welcoming, supportive and confidential space for colleagues across the Group to discuss issues of disability and to ensure enhanced awareness is reflected in a positive, inclusive and fulfilling working environment.

Modern slavery

We are committed to preventing acts of modern slavery and human trafficking from occurring within our business and supply chain, and expect our suppliers to adopt the same high standards. As part of our commitment to combating modern slavery, the Directors have approved the adoption and implementation of a specific modern slavery policy. We expect all of our suppliers to adhere to our Anti-Slavery Policy and will not tolerate slavery and human trafficking within our supply chains.

Our slavery and human trafficking statement, made in accordance with section 54(1) of the Modern Slavery Act 2015 can be found on our website, www.gateleyplc.com.

Anti-bribery policy

We value our reputation for ethical behaviour and upholding the utmost integrity and we comply with the FCA's clients' best interests rule. We recognise that in addition to the criminality of bribery and corruption, any such crime would also have an adverse effect on our reputation and integrity and we do not tolerate bribery and corruption in our business. We limit our exposure to bribery and corruption, we ensure all our employees are adequately trained and our suppliers are aware of our position, by:

- Setting out clear anti-bribery and corruption policies;
- Providing mandatory training to all employees;
- Encouraging our employees to be vigilant and report any suspected cases of bribery in accordance with the specified procedures; and
- Escalating and investigating instances of suspected bribery and assisting the police or other appropriate authorities in their investigations.

Gender pay reporting

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires all employers with 250 or more employees in the UK to publish details of their gender pay gap. Its aim is to achieve greater transparency about gender pay difference. The analysis is based on data as at 5 April of each year and shows the differences in the average pay between men and women. The Group has submitted its data on gender pay to the government and published these details on our website.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Group continues and that appropriate training is arranged and support provided. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed regularly on matters directly affecting them and group wide developments. This is achieved through informal discussions between Management and other employees at a local level after Board meetings which are held across our office network, in annual briefing presentations to each office location and through the formation of committees and Boards at different levels across the Group together with an active social events calendar. The Group further encourages employee involvement in the performance of the business through participation in share schemes, including the SAYE and RSA schemes. Our internal digital communication platform, is a hub of activity and communication across the Group and used extensively for social interaction as well as internal training, policy updates, cross selling activity and recognition of recent successes from around the Group.

Political donations

The Group made no political donations in the year (2024: £nil).

Approval

The Strategic Report contains certain forward-looking statements, which are made by the Directors in good faith based on the information available to them at the time of their approval of this Annual Report. Statements contained within the Strategic Report should be treated with some caution due to the inherent uncertainties (including but not limited to those arising from economic, regulatory and business risk factors) underlying any such forward-looking statements. The Strategic Report has been prepared by Gateley (Holdings) Plc to provide information to its shareholders and should not be relied upon for any other purpose.

Pages 34 to 65 constitute the Strategic Report, which has been approved by the Board of Directors and signed on its behalf by:

Neil Smith
Chief Financial Officer

14 July 2025

Corporate governance

Board of Directors

Details of the Directors, their roles and their backgrounds are as follows:

Edward Knapp

Non-Executive Chairman
(appointed 22 August 2024)

aged 41

Edward is a trusted global business leader, FTSE 100 Non-Executive Director, and PLC Board Chairman with extensive experience in technology, growth strategy, risk management, and transformation. He has held executive roles in consultancy, high-growth technology companies, and major regulated financial institutions, including McKinsey & Company, Barclays, Revolut, and HSBC where he was a global Managing Director. Edward's expertise spans various sectors, including financial and professional services, consumer, and technology. Edward joined the Board on 22 August 2024 and was appointed Non-Executive Chair with effect from 1 November 2024.

Rod Waldie

Chief Executive Officer

aged 57

Rod was appointed to the position of Chief Executive Officer on 1 May 2020. He has been a key member of the Group's Strategic Board since joining the business via the acquisition of the Manchester office of Halliwells LLP in 2010. Prior to his appointment as CEO, Rod was the Senior Office Partner of the Manchester office and led the Group's national property services team. He has been involved in the successful integration of a number of Gateley's post IPO acquisitions.

Rod has over 25 years' experience as a real estate lawyer. He has considerable experience in real estate investment acquisitions, and disposals, estate management, development and landlord and tenant. Clients include off-shore investors, on-shore real estate companies and developers, real estate asset management companies, high net-worth individuals, retail and leisure operators and specialist providers of supported living accommodation.

Victoria Garrad

Chief Operating Officer

aged 51

Victoria was appointed to the Board as COO elect on 1 May 2022 and formally took up post as COO on 1 May 2023. She is an award-winning employment lawyer with over 25 years' experience undertaking a mix of contentious and non-contentious work. Having joined the business in 1996 as a trainee solicitor, Victoria was promoted to partner in the legal services employment team in 2005. She has been a member of the Operations Board since 2011 and was appointed to the Strategic Board on 1 May 2017 to undertake the Group HRD role.

Neil Smith

Chief Financial Officer and Company Secretary

aged 49

Neil has 30 years' experience working in the accountancy profession where he specialised in the professional services industry. Initially Neil spent 14 years at a major accounting practice where he gained considerable experience of auditing and advising a wide range of privately owned and publicly listed businesses across many sectors. He joined Gateley LLP in 2008, was appointed as Finance Director in 2011 and became the first non-lawyer to be appointed as Partner within Gateley LLP following its successful application to become an Alternative Business Structure in January 2014. Neil was a member of the Management team on Gateley LLP's acquisition of the commercial law business from Halliwells LLP in 2010 and, following his involvement in Gateley (Holdings) Plc's admission to AIM, was appointed to the Plc Board in 2015. As well as Company Secretary for the Gateley Group he is also the Group's compliance officer for finance and administration ("COFA") and a fellow of the Association of Certified Chartered Accountants.

Joanne Lake

Non-Executive Director

aged 61

Joanne has over 30 years' experience in financial and professional services; in investment banking with firms including Panmure Gordon, Evolution Securities and Williams de Broe and in audit and business advisory services with Price Waterhouse. Joanne is Non-Executive Chairman of AIM-quoted digital services provider, Made Tech Group Plc and is a non-executive director of Main Market-listed shipbroking, chartering and risk management group, Braemar Plc, and alternative asset manager, Pollen Street Group Limited. Joanne is a Fellow of the Chartered Institute for Securities & Investment and of the ICAEW, and is a member of the ICAEW's corporate finance faculty.

Martin Pike

Non-Executive Director
(appointed 22 April 2025)

aged 63

Martin has over 30 years' experience in the financial services/ insurance sector as a strategy and risk consultant, and actuary. He brings experience from previous roles at Abrdn PLC where he was Chair of the Risk & Capital Committee and a member of the Remuneration Committee, Audit Committee and Nomination and Governance Committee. Martin was Chairman of the Remuneration Committee, and member of the Audit Committee for esure Group PLC. Martin served as Chair of Faraday Underwriting Limited (a subsidiary of Gen Re managing a syndicate at Lloyd's) and as Chair of AIG Life (a subsidiary of the AIG Group). Previously he was Managing Director, Risk Consulting and Software EMEA at Towers Watson from 2010 until 2013 having spent just under 30 years with the business.

Board changes

On 28 July 2025 we appointed Jenny Goldie-Scot and Sunil Gadhia as Independent Non-Executive Directors with immediate effect.

Jenny brings a wealth of experience from her executive career in global financial services and technology businesses, followed by a series of non-executive director roles within financial services. Jenny spent nearly 23 years at Morgan Stanley where she was latterly Global Head of Strategy, Operations & Technology, Finance with roles in both London and New York, before joining Google where she was VP Finance, Systems & Integrations and led significant transformation. Since then, Jenny has held various Board and advisory positions and is currently a non-executive director of HSBC UK Bank plc, Marks & Spencer Financial Services plc and Marks & Spencer Unit Trust Management Limited.

Sunil brings significant experience of accelerating profitable growth in legal and professional services from his executive career. Sunil was until recently a partner for 12 years at Cleary Gottlieb Steen & Hamilton LLP, where he was a member of the firm's Global Executive Committee. Before that, he spent 15 years as a partner at Stephenson Harwood LLP and for six of those years he was Chief Executive. During his tenure the firm's revenues more than doubled and it became one of the most profitable mid-sized law firms in the City, being awarded "Law Firm of the Year" at the British Legal Awards. Sunil has chaired the Asian Business Association of the London Chamber of Commerce and has also served on the Board of the Advertising Standards Authority.

To support Gateley's growth journey, which is underpinned by strong governance and risk management, the existing Audit & Risk Committee will be separated into two committees of the Board with immediate effect: Jenny Goldie-Scot will chair the newly formed Risk Committee and will become a member of the Audit Committee. Martin Pike will chair the Audit Committee and will become a member of the Risk Committee. Edward Knapp will Chair the Nomination and Remuneration Committees and will be a member of the Audit and Risk Committees. Sunil Gadhia will become a member of the Nomination and Remuneration Committees.

Joanne Lake will conclude her term on the Board at the AGM on 24 September 2025, having provided a decade of invaluable service as both an Independent Non-Executive Director and as Chair of the Audit & Risk Committee.

Report on remuneration:
voluntary disclosure

Dear shareholders,

I am pleased to present the Directors' Remuneration Report for the financial year ended 30 April 2025. This letter introduces the report, outlines the major decisions on Directors' remuneration taken during the year and, importantly, explains the context in which these decisions have been taken.

Gateley (Holdings) Plc is committed to high standards of corporate governance and our policy and disclosures on Directors' remuneration are intended to reflect this approach. We welcome shareholder feedback on these matters and this Directors' Remuneration Report will be put to an advisory vote at the forthcoming 2025 AGM.

Key reward principles

Remuneration at Gateley for executives and the wider workforce is guided by the following principles:

- Underpin an effective pay-for-performance culture which enables the Group to attract, retain and motivate the very best talent, without paying excessively.
- Support the delivery of the business strategy and promote long-term sustainable performance, whilst ensuring that performance-related-pay does not encourage individuals to operate outside of the Group's risk appetite.
- Provide reward outcomes that fairly reflect Group and personal performance and take into account the returns to shareholders.

Bonus outcome for FY25

The Group performed well in FY25 set against the unpredictable economic backdrop for professional services firms during the year. The Group's resilient business model delivered revenue growth once again during the financial year.

We remain extremely grateful for the continued hard work, dedication and loyalty of our colleagues which delivered this performance. In FY25 we determined it was appropriate to award bonuses across the Group to reflect the contribution made by our people. No bonus awards were made to the Executive Directors. Bonuses across the business for FY25 were awarded which the Board regarded as an appropriate allocation of resources and in our shareholders' best interests for the long-term.

Share plans

During FY25, the Group has continued to focus on the growth, attraction, incentivisation and retention of talent. We remain committed to providing our people with the opportunity to own shares in the Company which we believe secures a strong alignment with the Group's shareholders, incentivises and retains employees and is reflective of our long-established culture.

Our senior talent comprises partners in our legal business together with equivalent roles in our consultancy businesses and business support teams. For the purposes of this report, these colleagues are referred to as "Leaders."

As part of our continuing focus on incentivisation and retention of senior talent, the Group's Restricted Share Award Plan ("RSA Plan"), introduced in FY22, was utilised during FY25 to reward certain Leaders as well as those employees who were promoted to leadership roles. During FY25, awards of Restricted Shares were made to 94 Leaders, including two Executive Directors (Neil Smith and Victoria Garrad), with the average award being 35,641 shares. Our rationale at IPO in 2015 included the ability for us to adopt a structure that enables us to incentivise our people in a different way to the competing Limited Liability Partnership model. The RSA Plan represents further progression of our incentivisation strategy and is now the preferred share option scheme for all Leaders across the Group including the Executive Directors. We do not envisage making any further LTIP awards.

We intend to utilise the RSA Plan annually as a flexible element of overall reward to selected Leaders including the Executive Directors. In October 2024, the Company supported the Group's Employee Benefit Trust ("EBT") to purchase 2,028,815 shares at an average price of £1.38, predominantly from colleagues who were partners at IPO. Those shares are warehoused by the EBT and will be used to make awards through the RSA Plan to Leaders, facilitating the re-circulation of internally held shares from former equity partners who participated in the IPO to those Leaders who now form part of our senior talent pool and who merit a long-term share ownership award. This non-dilutive recirculation mechanism is a key differentiator for the Group in attracting and retaining quality senior talent who are incentivised and aligned with creating long term value for the Group and its stakeholders.

On a more general basis, the Board remains committed to providing all of its people with the opportunity to own shares in the Company and continues to grant awards under the Save As You Earn scheme. At least 65% of current staff are existing share or option holders in the Company.

Executive Director remuneration

As referenced in previous reports, the Committee acknowledges that the remuneration for the Executive Directors remains at the lower end of market-suggested levels for similar roles in similar sized AIM listed businesses and has been gradually aligning the remuneration for the Group's Executive Directors to market rates.

During FY24, FIT Remuneration Consultants LLP ("FIT") (a founding member of the Remuneration Consultants Group and the voluntary code of conduct of that body is designed to ensure that objective and independent advice is given to remuneration committees) were engaged to complete an independent benchmarking of the Group's Executive Directors' remuneration. Following careful consideration of this exercise, the Committee determined that the salaries and benefits for the Executive Directors were below market benchmarks, and accordingly these were increased for FY25 with effect from 1 May 2024 as set out on page 75. The Committee regarded the increased levels of remuneration for FY25 as appropriate and still at the lower end of market-suggested levels.

For FY26, the Committee increased the salaries for each of Roderick Waldie, Victoria Garrad and Neil Smith by 5% with effect from 1 May 2025 to £399k, £315k and £315k respectively. This was consistent with the average increase for the wider workforce.

The Committee intends to continue to focus on Executive Director remuneration to ensure that it is aligned with market rates and supports our core reward principles in order to retain the right skill set and experience within our leadership team to deliver the Group's strategic objectives.

I hope that you find the remainder of this report helpful and informative and I look forward to receiving feedback from you on the information presented.

Joanne Lake
Remuneration Committee Chair

Joanne Lake
Remuneration Committee Chair

Report on remuneration: voluntary disclosure continued

This report is for the year ended 30 April 2025. It sets out the detailed remuneration for the Executive and Non-Executive Directors of the Company. As an AIM-quoted company, the information is disclosed to fulfil the requirements of AIM Rule 19.

Gateley (Holdings) Plc is not required to comply with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, however the Board believes this disclosure is key to the reader's understanding of the business. The information is unaudited except where stated.

This report sets out:

- a description of how the Remuneration Committee operates;
- a summary of the Directors' remuneration policy – setting out the parameters within which the remuneration arrangements for Directors operate; and
- details of the remuneration paid to the Directors for FY25 and expected to be paid for FY26.

The Committee

The Committee is appointed by the Board and is formed entirely of Non-Executive Directors. The Committee was chaired by Colin Jones until he resigned from the Board on 30 April June 2025. Joanne Lake has chaired the Committee since that date. The other member of the Committee is Edward Knapp.

The Committee meets formally at least twice a year and has responsibility for setting the Group's general policy on remuneration and also specific packages for individual Directors including those that comprise the Strategic Board. The Committee receives internal advice from Executive Directors and external advice from remuneration consultants where necessary. The Committee also makes recommendations to the Board concerning the allocation of long-term incentive awards to Leaders. The Committee's terms of reference are available for public inspection on request.

The Executive Directors are invited to attend meetings when appropriate, but no Director is present when his or her remuneration is discussed.

The remuneration of the Non-Executive Directors is determined by the Board in consultation with the Executive Directors.

Activities during the year

The main activities undertaken by the Committee during the year included: -

- Determining incentive outcomes for the Executive Directors for FY25;
- Setting salaries and benefit provision for the Executive Directors for FY26; and
- Further embedding and evolving the strategy for use of the RSA Plan including granting awards under the RSA to senior talent to support long-term share ownership.

Remuneration policy

The remuneration policy is designed to support an effective pay-for-performance culture which enables the Group to attract, retain and motivate Executive Directors and Leaders with the necessary experience and expertise to deliver the Group's objectives and strategy.

The table below summarises the key elements of the Executive Directors' remuneration.

Element, purpose and operation	Opportunity and performance measures
Base salary	
Reviewed on an annual basis with any increases normally becoming effective from the start of the financial year.	Appropriate salary increases will be awarded to provide alignment with the market so that levels reflect the responsibilities of the role and the skills and experience of the individual.
Bonus	
Designed to align participants' interests with shareholders and to incentivise participants to perform at the highest levels. The bonus comprises a merit pool and a performance pool and is paid in cash after the end of the year. All Executive Directors participate in the merit pool. Neil Smith and Victoria Garrad also participate in the performance pool.	**Merit pool** Each year, a pre-agreed percentage of pre-tax profits is allocated to the merit pool, subject to a minimum threshold of profit to ensure the bonus is self-funding. The merit pool is distributed to participants based on their individual performance during the year as determined by appropriate financial and non-financial criteria. **Performance pool** A fixed sum is allocated to the performance pool based on the Group achieving budgeted performance. To the extent that budgeted performance is not achieved, the size of the pool is scaled back. The pool is capped at a pre-determined amount at the start of each year. The pool is distributed to participants based on their role, responsibility and contribution to the long-term business strategy.
Restricted Share Award (RSA Plan)	
Designed to incentivise participants to perform at the highest levels and to retain senior talent within the Group with direct alignment with shareholder interests. Executive Directors and selected Leaders may participate in the RSA Plan as determined by the Strategic Board and approved by the Remuneration Committee. Awards are granted in the form of nil-cost options which vest on receipt. Awards are subject to a five year non-dealing restriction ("Restricted Period") and are forfeited should the employment of the participant be terminated or should notice of termination be served in the Restricted Period (whether such notice is served by the Company or the employee).	The award of restricted shares to a participant pursuant to the RSA Plan is performance related having regard to the participant's individual performance and contribution to the Group. The number of awards made under the RSA Plan is set after taking into account the current and expected dilution from all share schemes. The Company applies a guideline for dilution from all share plans which is 15% of issued share capital from time to time and which (as is normal) counts in all awards made by the Company (and which have not lapsed) under all of its share plans in the prior 10 years. The Company regards this guideline as appropriate for a people-focused business on the AIM market which has been listed for almost 10 years and the Company intends to continue operating its share plans using a mix of dilutive shares within this guideline and shares purchased on the market when it is appropriate to do so.
Pension and benefits	
	The Executive Directors do not participate in a company funded pension scheme (other than at a qualifying earnings level of employer contribution) nor do they receive a cash allowance in lieu of employer pension contributions. The Company funds the provision of private medical insurance, income protection insurance and critical illness insurance for Executive Directors and Leaders.

Report on remuneration: voluntary disclosure continued

Policy for the remuneration of employees more generally

The key principles of the remuneration policy for Executive Directors also apply to employees more generally. In particular, Leaders may participate in the merit bonus pool, performance bonus pool and RSA Plan depending on their role and responsibilities and contribution to the business.

The Company also supports and encourages share ownership for all employees through the all-employee Save As You Earn (SAYE) scheme. In owning shares, employees are directly aligned with the interests of shareholders and are able to participate in the dividend income that share ownership provides. 45% of the Group's issued share capital was held by employees as at 30 April 2025.

Non-Executive Directors' fees

The Non-Executive Directors receive an annual fee for their services, reflective of their level of responsibility, relevant experience and specialist knowledge. Non-Executive Directors are also reimbursed for appropriate travel expenses to and from Board meetings.

Together with the Executive, the Committee also examines the time that the Non-Executive Directors commit to the business ensuring that each Non-Executive Director has sufficient time to carry out their duties in light of their other business commitments. This exercise concluded that all of the Non-Executive Directors have available and apply sufficient time to discharge their duties.

Executive Directors' service agreements and Non-Executive Directors' letters of appointment

The Executive Directors entered into service agreements on 1 June 2015. The service agreements provide that their employment with the Company is on a rolling basis, subject to written notice being served by either party of not less than six months. The service agreements contain provisions for early termination in the event of a breach of a material term of the service agreement by the Executive Director or where the Executive Director ceases to be a Director of the Company for any reason. The service agreements also contain restrictive covenants for a period of 12 months following termination of employment. No bonus is payable to the Executive Director if their employment terminates for any reason, or they are under notice of termination (whether given by the Company or the Executive Director) at or prior to the date when the bonus is paid. All bonuses are payable within six months of the financial year end.

The Non-Executive Directors serve under letters of appointment. The notice period required in the letters of appointment for either party to terminate the appointment is at least three months. Each agreement also contains provisions for early termination in the event of a serious or repeated breach of the agreement by the Non-Executive Director or where the Non-Executive Director ceases to be a Director of the Company for any reason.

Joanne Lake was originally appointed for an initial three year term on 8 June 2015 and she was reappointed for a third three year term which commenced on 1 October 2021. Joanne will step down from the Board at the forthcoming AGM. Edward Knapp was appointed for an initial three year term on 22 August 2024 and Martin Pike was appointed for an initial three year term on 22 April 2025.

Summary of Directors' remuneration for the year

The following table represents the Directors' remuneration for the years ended 30 April 2025 and 30 April 2024:

	Salaries and fees £'000	Bonus £'000	Share options £'000	Benefits in kind £'000	Total 2025 £'000	Salaries and fees £'000	Bonus £'000	Share options £'000	Total 2024 £'000
Edward Knapp[1]	72*	-	-	-	72	-	-	-	-
Nigel Payne[2]	42*	-	-	-	42	76	-	-	76
Joanne Lake	55	-	-	-	55	50	-	-	50
Martin Pike[3]	2*	-	-	-	2				
Colin Jones[4]	55	-	-	-	55	34*		-	34
Suzanne Thompson[6]	-	-	-	-	-	21*	-	-	21
David Wilton[5]	15*	-	-	-	15	15*		-	15
Roderick Waldie	380	-	-	8	388	339	83	-	422
Neil Smith	300	-	100	7	407	252	83	17	352
Victoria Garrad	300	-	100	7	407	252	83	17	352
Michael Ward[7]	-	-	-	-	-	70*	-	-	70
	1,221	-	200	22	1,443	1,109	249	34	1,392

1. Edward Knapp was appointed as a Non-Executive Director and Chairman Designate with effect from 22 August 2024 and as Non-Executive Chair with effect from 1 November 2024.
2. Nigel Payne resigned from the Board with effect from 30 November 2024.
3. Martin Pike was appointed as a Non-Executive Director with effect from 22 April 2025.
4. Colin Jones resigned from the Board with effect from 30 April 2025.
5. David Wilton was appointed as a Non-Executive Director and Chairman designate with effect from 1 February 2024. The Board and David Wilton mutually agreed not to continue with his appointment and he stood down from the Board on 14 May 2024.
6. Suzanne Thompson resigned from the Board with immediate effect on 27 June 2023 due to ill-health.
7. Michael Ward resigned from the Board with effect from 27 October 2023.

* Amounts pro-rated

Salary and fee increases for FY25

Details of FY25 salary and fee increases are set out in the FY24 report on remuneration.

Salary and fee increases for FY26

The Committee agreed to increase Roderick Waldie, Victoria Garrad and Neil Smith's salaries by 5% with effect from 1 May 2025 to £399k, £315k and £315k respectively. The Committee took into consideration salary increases for the wider workforce when determining the Executive Director's salary increases; the average increase for the wider workforce was in line with that given to the Executives.

With regard to the Non-Executive Directors, Edward Knapps's annual fee as chair increased to £110,000 (FY25: £100,000) with effect from 1 May 2025 and Joanne Lake's annual fee increased to £60,000 which brings her in line with Martin Pike who was appointed shortly before year end. An additional fee of £10,000 is paid to each Non-Executive Director (excluding the Chair) who chairs a Board committee.

Bonus outcome for FY25

The Group continued to perform well throughout FY25 despite an unpredictable economic backdrop for professional services firms and delivered growth in revenue and continuing positive underlying trading performance. This was due to the continued hard work, dedication and loyalty from colleagues. The Committee therefore considered it appropriate to award bonuses across the Group to reflect the contributions made by our colleagues in respect of FY25. No bonus awards were made to the Executive Directors. Bonuses across the business for FY25 were awarded which the Board regarded as an appropriate allocation of resources and in our shareholders' best interests for the long-term.

Long-term incentives granted during the year

As we reported last year, the RSA Plan has replaced the LTIP as the share incentive scheme for Leaders including the Executive Directors.

During FY25, awards of 72,464 shares were made to each of Neil Smith and Victoria Garrad under the RSA Plan. The Committee believes these awards were made at modest level compared to share awards in comparator companies for Executive Directors, and the Committee is satisfied that the total remuneration opportunities combining fixed salary, bonus and long-term share-based pay continue to reflect a cautious and cost sensitive perspective for the Executive Directors which has applied since IPO and served the business well to date.

Rod Waldie will continue to not participate in the share incentive scheme for FY26 as he is deemed to be sufficiently incentivised by his existing shareholding.

Long term incentives vested during the year

During FY25 no LTIP awards vested for the Executive Directors.

Report on remuneration: voluntary disclosure continued

Directors' Interests

Directors' shareholdings at the year end were as follows:

	At 30 April 2025		At 30 April 2024	
	10p ordinary shares		10p ordinary shares	
	Number of shares	Percentage Holding	Number of shares	Percentage Holding
Edward Knapp	**41,519**	**0.03%**	-	-
Joanne Lake	**26,300**	**0.02%**	26,300	0.02%
Martin Pike	**-**	**-**	-	-
Colin Jones	**40,000**	**0.03%**	-	-
Roderick Waldie	**1,185,670**	**0.89%**	1,235,670	0.93%
Victoria Garrad	**590,486**	**0.44%**	535,235	0.40%
Neil Smith	**355,863**	**0.27%**	333,399	0.24%

The following Directors held share options under the LTIP Scheme as at 30 April 2025:

	Number of shares at 30 April 2025	Date of grant	Exercise price	Earliest exercise date
Neil Smith	25,000	27 April 2022	£nil	1 May 2025
Neil Smith	40,000	23 February 2023	£nil	1 May 2026
Victoria Garrad	25,000	27 April 2022	£nil	1 May 2025
Victoria Garrad	40,000	23 February 2023	£nil	1 May 2026

Orderly market agreement

The Group operated a five-year orderly market agreement (the "Agreement") with its Partners (the "Locked-in Shareholders") which, inter alia, placed certain restrictions on the sale of ordinary shares in the Company ("Ordinary Shares"). The Executive Directors were Locked-in Shareholders in respect of the share interests detailed above.

The Agreement became effective on 8 June 2020 following the expiry of the previous lock-in arrangements, which were put in place at the time of the Company's admission to AIM in June 2015 (the "Admission").

Pursuant to the Agreement, each Locked-in Shareholder and his/ her associates, which include their spouse and children under the age of 18 to whom any Ordinary Shares have been transferred ("Associates"), that held Ordinary Shares as at Admission were restricted to selling a maximum of 10% per annum of the aggregate number of the Ordinary Shares that they held on Admission for a period of five years from 8 June 2020. The Agreement expired on 8 June 2025. We have however continued with our controlled non-dilutive equity recirculation policy utilising internally held shares, predominantly from staff who were partners at IPO, to make awards under the restricted share award scheme in order to attract and retain senior talent who are aligned with creating long-term value for the Group and its stakeholders.

Directors' report

The Directors present their annual report and the audited financial statements for the year ended 30 April 2025.

Principal activities

The principal activities of the Group during the year were the provision of commercial legal services together with complementary consultancy services including acting as independent trustees to pension schemes, the provision of specialist tax incentive advice, the supply of specialist property consultancy services and the supply of specialist human capital management.

Business review

The results of Gateley (Holdings) Plc for the year are set out in the consolidated statement of profit and loss and other comprehensive income on page 89.

A review of the business, results and dividends, and likely future developments of the company are contained in the Chief Executive Officer's review on pages 38 to 44 and the Chief Financial Officer's review on pages 44 to 48. The Strategic Report, which includes a description of the principal risks and uncertainties facing the Group, is set out on pages 34 to 65.

Employee share trust

The Gateley Employee Benefit Trust (EBT) was established to facilitate the issue of the equity shares of Gateley (Holdings) Plc to Group employees under share based payment arrangements.

During the year ended 30 April 2025 the EBT purchased 2,028,815 shares with a nominal value of 10p in the company (2024: 2,948,417) at a cost of £2,799,462 (2024: £3,338,986).

Dividends

The Directors propose to recommend a final dividend of 6.2p (2024: 6.2p) per share, be paid, giving a total dividend for the year of 9.5p (2024: 9.5p). The final dividend has not been included within creditors as it was not approved before the year end.

The Directors and their interests in the shares of the parent company

	10p ordinary shares		10p ordinary shares	
	Number of shares 2025	Percentage Holding 2025	Number of shares 2024	Percentage Holding 2024
Edward Stephen Knapp	**41,519**	**0.03%**	-	-
Joanne Carolyn Lake	**26,300**	**0.02%**	26,300	0.02%
Martin St Clair Pike	**-**	**-**	-	-
Roderick Richard Waldie	**1,185,670**	**0.89%**	1,235,670	0.93%
Victoria Louise Garrad	**590,486**	**0.44%**	535,235	0.40%
Neil Andrew Smith	**355,863**	**0.27%**	333,399	0.24%

Substantial shareholdings

The Company was notified that the following held interest of 3% or more of the issued share capital of the Company as at 30 April 2025:

Name	Number of ordinary shares	% of issued share capital
Octopus Investments	**14,260,095**	10.67%
Liontrust Asset Management	**13,239,755**	9.90%
FIL Investment International	**9,863,798**	7.38%
Jupiter Asset Management	**5,085,637**	3.80%

Directors' report
continued

Financial risk management objectives and policies

The Group uses various financial instruments including cash, trade debtors and trade creditors. It is the Group's policy not to enter into complex financial instruments. Such instruments give rise to liquidity risk, interest rate risk, credit risk and foreign exchange risk. More detail on financial instruments is given in note 27 to the financial statements.

Directors' professional indemnity insurance

All Directors and Officers of the Company have the benefit of the indemnity provision contained in the Company's Articles of Association. The provision, which is a qualifying third party indemnity provision, was in force throughout the last two financial years and is currently still in force. The Group also purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors and Officers, although no cover exists in the event Directors or Officers are found to have acted fraudulently or dishonestly.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have to prepare the financial statements in accordance with UK-adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and Group for that period. In preparing these financial statements, the Directors are required to:

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

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

Disclosure of information to auditor

The Directors confirm that:

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

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

Employees

Details of how the Group's policy and approaches to employee engagement, diversity and inclusion and disabled employees can be found in the strategic report.

Engaging with stakeholders

The Directors have identified the key stakeholders of the business, and documented their engagement with these groups throughout the year along with how they have been considered in the making of key decisions within the year.

The Group conducts regular client surveys to better understand and improve the clients' experience and service received.

We seek to build strong, long term relationships with our suppliers working alongside them as business partners for the benefit of all.

The Group works closely with its advisors to ensure it operates in accordance with the market regulations.

The CEO and CFO, have regular meetings with the Group's Relationship Manager at the Solicitors Regulatory Authority (SRA), the organisation that oversees the regulation of the legal services sector.

Streamlined Energy & Carbon Reporting

Under The Companies Act 2006 (Strategic Report and Director's Report) Regulation 2018, Gateley (Holdings) Plc have disclosed their annual UK energy consumption within the Strategic Report.

Corporate Governance Statement

Since September 2018 all AIM companies have been required to set out details of a recognised corporate governance code that the Board of Directors has chosen to apply, how they comply with that code, and where it departs from its chosen corporate governance code an explanation for doing so.

The Board adopted the Quoted Companies Alliance ('QCA') Code. The Group's application of this code is detailed in the Corporate Governance Statement as detailed on the Group's website at www.gateleyplc.com/investors/investor-relations/aim-rule-26/. As required under AIM Rule 26, the information in this statement is updated annually.

Future developments

The Board plans to continue to drive growth within the existing business and through acquisitions within both the legal and non-legal sectors, supporting this with further investment in technology and recruitment of quality personnel.

Auditor

In accordance with section 489 of the Companies Act 2006, a resolution for the re-appointment of MHA as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

By order of the Board.

R. R. Waldie

Roderick Waldie
Chief Executive Officer

14 July 2025

One Eleven Edmund Street
Birmingham
West Midlands
B3 2HJ

Our financials

Independent auditor's report
to the members of Gateley (Holdings) plc

For the purpose of this report, the terms "we" and "our" denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of Gateley (Holdings) plc. For the purposes of the table on pages 84 to 88 that sets out the key audit matters and how our audit addressed the key audit matters, the terms "we" and "our" refer to MHA. The Group financial statements, as defined below, consolidate the accounts of Gateley (Holdings) plc and its subsidiaries (the "Group"). The "Parent Company" is defined as Gateley (Holdings) plc, as an individual entity. The relevant legislation governing the Parent Company is the United Kingdom Companies Act 2006 ("Companies Act 2006").

Opinion

We have audited the financial statements of Gateley (Holdings) plc for the year ended 30 April 2025.

The financial statements that we have audited comprise:

- the Consolidated Statement of Profit and Loss and Other Comprehensive Income
- the Consolidated Statement of Financial Position
- the Consolidated Statement of Changes in Equity
- the Consolidated Cash Flow Statement Notes 1 to 32 to the consolidated financial statements, including material accounting policies
- the Parent Company Statement of Financial Position
- the Parent Company Statement of Changes in Equity
- the Parent Company Cash Flow Statement and
- Notes 1 to 14 to the company financial statements, including material accounting policies.

The financial reporting framework that has been applied in the preparation of the Group and Parent Company's financial statements is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 April 2025 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding of management's process for preparing the going concern assessment.
- The consideration of inherent risks to the Group's and the Parent Company's operations and specifically their business model, including an evaluation of how those risks might impact on the available financial resources.
- An examination of budgets and forecasts and their basis of preparation, including an assessment of inputs and assumptions and respective challenge in assessing the budgets and forecasts.
- Identification of key costs and other areas that could have an adverse impact on the Group's cash flow, ensuring these have been considered in the budgets and forecasts.
- Analysed post year end financial performance against the budgets prepared by management.
- Liquidity considerations including examination of cash flow projections at Group and Parent Company level.
- Consideration of the funding facilities and headroom available to the Group, ensuring compliance with financial covenants.
- A review of RNS announcements and share price movements to consider potential indicators of impairment or going concern matters.

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

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

Overview of our audit approach

Scope	Our audit was scoped by obtaining an understanding of the Group, including the Parent Company, and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.

Materiality	2025	2024	
Group	£1,164k	£1,146k	5% (2024: 5%) of underlying profit before tax and exceptional items
Parent Company	£610k	£630k	1% (2024: 1%) of net assets

Key audit matters

Group (recurring)	● Revenue recognition and contract asset – valuation In the prior year, revenue recognition – cut off of billed revenue was identified as a key audit matter. We no longer deem this to be a key audit matter due to the low levels of judgment applied to sales that have been billed.

Independent auditor's report
continued

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those matters which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter description	How the scope of our audit responded to the key audit matter	Key observations communicated to the Group's Audit Committee
Revenue recognition and valuation of contract assets (note 18)		
Revenue (in respect of client matters) is recognised in accordance with IFRS 15 'Revenue from Contracts with Customers'. Accrued income arises where work has been performed on a matter, but an invoice has not been raised pre-year-end. There is judgement in the calculation of accrued income in terms of the recoverability of the time recorded and whether the accrued income relates to a live matter. Some matters classified as contingent at year-end may not have been re-evaluated by management, even where events suggest the contingency has been resolved and income may now be recognisable. Accrued income is one of the most material figures in the financial statements and is subject to significant management judgement, making it inherently susceptible to estimation uncertainty and potential bias. This would be of particular interest to potential and existing investors which is why it has been classified as a key audit matter. Accrued income and contract assets are synonymous.	We evaluated the Group's accounting policies for recognition of contract assets for appropriateness in accordance with requirements of the financial reporting framework, including IFRS 15 'Revenue from Contracts with Customers', and checked this has been appropriately applied. We assessed the appropriateness of matter classification between contingent and non-contingent by reference to engagement terms, and challenged management where classification appeared inconsistent. We evaluated management's assessment in accordance with the requirements of IFRS 15, that it is not probable that client matters classified as contingent at the year-end, and valued at £nil, will result in revenue being incorrectly recognised. For a sample of matters, we critically evaluated the nature and timing of the contingent event to assess whether classification as contingent remained appropriate, and ensured these matters were not included in the year end WIP valuation. We assessed the design and implementation and tested the operating effectiveness of controls over the valuation of accrued income recognised in Gateley plc. A breakdown of the accrued income was obtained and any large or unusual balances were investigated, with an assessment performed on the basis of the valuation. We assessed the valuation of the accrued income by review of after date billing and movements on timesheets to ensure the matter is live. In addition to this, we tested and challenged the expected credit losses (ECL) against accrued income.	Nothing has come to our attention indicating that there is any material misstatement in the valuation of accrued income.

Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

Materiality in respect of the Group was set at £1,164k (2024: £1,146k) which was determined on the basis of 5% (2024: 5%) of the Group's underlying profit before tax and exceptional items. Materiality in respect of the Parent Company was set at £610k (2024: £630k), determined on the basis of 1% (2024: 1%) of the Parent Company's net assets.

Underlying profit before tax and exceptional items is considered the main measure by which the users of the financial statements assess the financial performance, success and risk exposure of the Group. We therefore consider this to be the most appropriate benchmark for Group materiality.

The Parent Company principally serves as a holding company to the Group. As a result, it was our assessment that an assets based benchmark would be most pertinent and we selected net assets accordingly. In our opinion this is the benchmark with which the users of the financial statements are principally concerned.

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Performance materiality for the Group was set at £815k (2024: £802k) and at £427k (2024: £441k) for the Parent Company which represents 70% (2024: 70%) of the above materiality levels.

The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.

We agreed to report any corrected or uncorrected adjustments exceeding £58.2k and £30.5k in respect of the Group and Parent Company respectively to the Audit Committee as well as differences below this threshold that in our view warranted reporting on qualitative grounds.

Overview of the scope of the Group and Parent Company audits

Our assessment of audit risk, evaluation of materiality and our determination of performance materiality sets our audit scope for each component within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. This assessment takes into account the size, risk profile, organisation / distribution and effectiveness of group-wide controls, changes in the business environment and other factors such as recent internal audit results when assessing the level of work to be performed at each component.

In assessing the risk of material misstatement to the consolidated financial statements, and to ensure we had adequate quantitative and qualitative coverage of classes of transactions, account balances and disclosures (COTABDS) in the consolidated financial statements, of all entities within the Group were allocated to components.

In order to determine the components at which the audit work would be performed, we assessed whether any of the legal entities had similar business characteristics; and operated in the same geographical location under the same management, and using a common system of internal control, including the information system. We identified 7 components which formed the basis of our risk assessment and testing strategy. Of the 7 components across the Group, audits of the complete financial information of 2 components were undertaken, these entities were selected based upon their size or risk characteristics.

After considering the above components, where the residual untested population was material to the Group, audit procedures were performed across the remaining components based on their component performance materialities. The overall coverage of the balances tested across the Group was:

	Number of components		Net assets	Profit before tax
Audit of entire financial information	2	70%	76%	65%
Audit of specified COTABDs	5	30%	24%	35%
Total	7	100%	100%	100%

Independent auditor's report continued

The control environment

We evaluated the design and implementation of those internal controls of the Group, including the Parent Company, which are relevant to our audit, such as those relating to the financial reporting cycle. We tested the design, implementation and operating effectiveness of controls over valuation of accrued income and placed reliance on these controls for the principal subsidiary Gateley Plc. Our specific testing has been documented in the key audit matters section. Our specific testing has been documented in the key audit matters section.

We deployed our internal IT audit specialists to obtain an understanding of the general IT environment and noted a small number of minor management points for the attention of management. Our internal specialists also reviewed the integration of the time recording application with the accounting application, no significant issues were noted in this regard.

Climate-related risks

In planning our audit and gaining an understanding of the Group and Parent Company, we considered the potential impact of climate-related risks on the business and its financial statements. We obtained management's climate-related risk assessment, along with relevant documentation and reports relating to management's assessment and held discussions with management to understand their process for identifying and assessing those risks. We have agreed with management's assessment that climate-related risks are not material to these financial statements.

Reporting on other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 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.

Strategic report and directors report

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

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of directors

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

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

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Extent to which the audit was considered 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.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

Identifying and assessing potential risks arising from irregularities, including fraud

The extent of the procedures undertaken to identify and assess the risks of material misstatement in respect of irregularities, including fraud, included the following:

- We considered the nature of the professional practice sector in which the group operates, the control environment, business performance including remuneration policies and the Group's, including the Parent Company's, own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussion with the directors, we obtained an understanding of the legal and regulatory frameworks applicable to the Group focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, UK tax legislation or those that had a fundamental effect on the operations of the Group.
- We enquired of the directors and management concerning the Group's and the Parent Company's policies and procedures relating to:
  - identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries to increase revenue to meet market expectations and management bias in accounting estimates particularly in determining ECL and provisions against accrued income.

Independent auditor's report
continued

Audit response to risks identified

In respect of the above procedures:

- we corroborated the results of our enquiries through our review of the minutes of the Group's and the Parent Company's audit committee and Board meetings;
- audit procedures performed by the engagement team in connection with the risks identified included:
  - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements;
  - testing journal entries, including those processed late for financial statements preparation, those posted by infrequent or unexpected users, those posted to unusual account combinations;
  - evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
  - enquiry of management around actual and potential litigation and claims; and
  - challenging the assumptions and judgements made by management in its significant accounting estimates.
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Use of our report

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

Andrew Moyser FCA FCCA
(Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
London, United Kingdom
14 July 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)

Consolidated statement of profit and loss and other comprehensive income
for the year ended 30 April 2025

	Note	2025 £'000	2024 £'000
Revenue	4	**179,499**	172,492
Other operating income	5	**224**	153
Personnel costs, excluding IFRS 2 charge	7	**(112,062)**	(108,490)
Depreciation – Property, plant and equipment	13	**(1,303)**	(1,140)
Depreciation – Right-of-use asset	13	**(4,034)**	(3,949)
Impairment of trade receivables and contract assets	18/19	**(1,684)**	(591)
Other operating expenses, excluding non-underlying and exceptional items		**(39,722)**	(38,219)
Operating profit before non-underlying and exceptional items	6	**20,918**	20,256
Non-underlying operating items	6	**(14,999)**	(7,516)
Exceptional items	6	**(1,937)**	(1,563)
		(16,936)	(9,079)
Operating profit	6	**3,982**	11,177
Financial income	9	**4,770**	4,999
Financial expense	9	**(2,389)**	(2,221)
Profit before tax		**6,363**	13,955
Taxation	10	**(4,998)**	(3,881)
Profit for the year after tax attributable to equity holders of the parent		**1,365**	10,074
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
- Revaluation of other investments		**(196)**	129
- Exchange differences on translation of a foreign branch		**(141)**	(20)
Profit for the financial year and total comprehensive income all attributable to equity holders of the parent		**1,028**	10,183
Statutory Earnings per share			
Basic	11	**1.02p**	7.74p
Diluted	11	**1.02p**	7.63p

The results for the periods presented above are derived from continuing operations.

The accompanying notes on pages 93 to 125 form an integral part of these financial statements.

Consolidated statement of financial position
at 30 April 2025

	Note	2025 £'000	2024 £'000
Non-current assets			
Property, plant and equipment	13	**1,806**	1,583
Right of use asset	13	**21,131**	23,621
Investment property	14	**-**	164
Deferred tax asset	22	**566**	373
Intangible assets and goodwill	15	**11,072**	13,768
Other intangible assets	16	**222**	647
Trade and other receivables	19	**2,559**	8,368
Other investments	17	**115**	275
Total non-current assets		**37,471**	48,799
Current assets			
Contract assets	18	**24,886**	23,543
Trade and other receivables	19	**70,576**	74,105
Cash and cash equivalents	24	**12,081**	16,674
Total current assets		**107,543**	114,322
Total assets		**145,014**	163,121
Non-current liabilities			
Other interest-bearing loans and borrowings	20	**(18,685)**	-
Lease liability	28	**(21,552)**	(24,178)
Deferred tax liability	22	**(2,409)**	(2,968)
Provisions	23	**(2,730)**	(3,725)
Total non-current liabilities		**(45,376)**	(30,871)
Current liabilities			
Other interest-bearing loans and borrowings	20	**-**	(12,908)
Trade and other payables	21	**(25,935)**	(33,112)
Lease liability	28	**(4,230)**	(4,346)
Provisions	23	**(175)**	(175)
Current tax liabilities		**(1,794)**	(1,378)
Total current liabilities		**(32,134)**	(51,919)
Total liabilities		**(77,510)**	(82,790)
NET ASSETS		**67,504**	80,331
EQUITY			
Share capital	25	**13,370**	13,304
Share premium		**424**	35
Merger reserve		**(9,950)**	(9,950)
Other reserve		**19,754**	19,383
Treasury reserve		**(2,647)**	(4,012)
Translation reserve		**(212)**	(71)
Retained earnings		**46,765**	61,642
TOTAL EQUITY		**67,504**	80,331

These financial statements were approved by the directors on 14 July 2025 and were signed and authorised for issue on their behalf by:

Roderick R Waldie
Chief Executive Officer

Neil A Smith
Chief Financial Officer

Company registered number: 09310078

The accompanying notes on pages 93 to 125 form an integral part of these financial statements.

Consolidated statement of changes in equity

	Share capital £'000	Share premium £'000	Merger reserve £'000	Other reserve £'000	Treasury reserve £'000	Retained earnings £'000	Foreign currency translation reserve £'000	Total Equity £'000
At 1 May 2023	12,664	11,846	(9,950)	15,413	(677)	48,867	(51)	78,112
Comprehensive income:								
Profit for the year	-	-	-	-	-	10,074	-	10,074
Revaluation of other investments	-	-	-	-	-	129	-	129
Exchange rate differences	-	-	-	-	-	-	(20)	(20)
Total comprehensive income	-	-	-	-	-	10,203	(20)	10,183
Transactions with owners recognised directly in equity:								
Issue of share capital	640	1,919	-	3,970	-	-	-	6,529
Cancellation of share premium account	-	(13,730)	-	-	-	13,730	-	-
Purchase of own shares at nominal value	-	-	-	-	-	(166)	-	(166)
Sale of treasury shares	-	-	-	-	4	-	-	4
Purchase of treasury shares	-	-	-	-	(3,339)	-	-	(3,339)
Recognition of tax benefit on gain from equity settled share options	-	-	-	-	-	(343)	-	(343)
Dividend paid	-	-	-	-	-	(12,335)	-	(12,335)
Share based payment transactions	-	-	-	-	-	1,686	-	1,686
Total equity at 30 April 2024	13,304	35	(9,950)	19,383	(4,012)	61,642	(71)	80,331
At 1 May 2024	13,304	35	(9,950)	19,383	(4,012)	61,642	(71)	80,331
Comprehensive income:								
Profit for the year	-	-	-	-	-	1,365	-	1,365
Revaluation of other investments						(196)	-	(196)
Exchange rate differences	-	-	-	-	-	-	(141)	(141)
Total comprehensive income	-	-	-	-	-	1,169	(141)	1,028
Transactions with owners recognised directly in equity:								
Issue of share capital	66	389	-	371	-	-	-	826
Purchase of treasury shares	-	-	-	-	(2,799)			(2,799)
Share options exercised by employees	-	-	-	-	4,164	(4,164)	-	-
Recognition of tax benefit on gain from equity settled share options	-	-	-	-	-	(90)	-	(90)
Dividend paid	-	-	-	-	-	(12,498)	-	(12,498)
Share based payment transactions	-	-	-	-	-	706	-	706
Total equity at 30 April 2025	**13,370**	**424**	**(9,950)**	**19,754**	**(2,647)**	**46,765**	**(212)**	**67,504**

The following describes the nature and purpose of each reserve within equity:

Share premium – Amount subscribed for share capital in excess of nominal value together with gains on the sale of own shares and the difference between actual and nominal value of shares issued by the Company in the acquisition of trade and assets.

Merger reserve – Represents the difference between the nominal value of shares acquired by the Company in the share for share exchange with the former Gateley Heritage LLP members and the nominal value of shares issued to acquire them.

Other reserve – Represents the difference between the actual and nominal value of shares issued by the Company in the acquisition of subsidiaries.

Treasury reserve – Represents the repurchase of shares for future distribution by Group's Employee Benefit Trust.

Retained earnings – All other net gains and losses and transactions with owners not recognised anywhere else.

Foreign currency translation reserve – Represents the movement in exchange rates back to the Group's functional currency of profits and losses generated in foreign currencies.

The accompanying notes on pages 93 to 125 form an integral part of these financial statements.

Consolidated cash flow statement
for year ended 30 April 2025

	Note	2025 £'000	2024 £'000
Cash flows from operating activities			
Profit for the year after tax		**1,365**	10,074
Adjustments for:			
Depreciation and amortisation	13/15/16	**8,458**	8,015
Financial income	9	**(4,770)**	(4,999)
Financial expense	9	**1,299**	1,170
Interest charge on capitalised leases	9	**1,090**	1,051
Equity settled share-based payments	7	**706**	1,686
Gain on bargain purchase		**-**	(3,609)
Acquisition related earn-out remuneration charge	6	**10,928**	6,956
Earn-out consideration paid - acquisition of subsidiary		**(401)**	(3,790)
Initial consideration paid on acquisitions		**-**	(2,035)
Tax expense	10	**4,998**	3,881
		23,673	18,400
Increase in trade and other receivables		**(2,328)**	(10,658)
(Decrease)/increase in trade and other payables		**(6,994)**	8,642
(Decrease)/increase in provisions	23	**(995)**	2,503
Cash generated from operations		**13,356**	18,887
Tax paid		**(5,423)**	(4,902)
Net cash flows from operating activities		**7,933**	13,985
Investing activities			
Acquisition of property, plant and equipment	13	**(1,526)**	(1,045)
Cash acquired on business combinations		**-**	1,239
Interest received	9	**4,770**	4,999
Net cash flows from investing activities		**3,244**	5,193
Financing activities			
Interest paid	9	**(1,299)**	(956)
Lease repayments		**(5,376)**	(5,091)
Receipt of new revolving credit facility, net of refinancing costs	20	**5,777**	6,000
Proceeds from sale of own shares		**-**	4
Acquisition of own shares by Employee Benefit Trust		**(2,799)**	(3,339)
Cash received for shares issued on exercise of SAYE/CSOP options		**425**	2,108
Dividends paid	12	**(12,498)**	(12,335)
Net cash used in financing activities		**(15,770)**	(13,609)
Net (decrease)/increase in cash and cash equivalents		**(4,593)**	5,569
Cash and cash equivalents at beginning of year		**16,674**	11,105
Cash and cash equivalents at end of year	24	**12,081**	16,674

The accompanying notes on pages 93 to 125 form an integral part of these financial statements.

Notes to the consolidated financial statements
(forming part of the financial statements)

1. Basis of preparation and material accounting policies

Gateley (Holdings) Plc is a public company limited by shares, incorporated and domiciled in the United Kingdom. The Parent Company's acquisition of Gateley Plc and its acquisition of Gateley LLP have been assessed as being business combinations under common control which are scoped out of IFRS 3 'Business Combinations'. In accordance with the requirements of IAS 8 the Directors have selected an appropriate accounting policy to reflect the substance of this transaction. The Directors have chosen to apply merger accounting as outlined in UK GAAP (FRS102). This required the Group to be consolidated at the date of the business combinations as though the Group structure had always been in place. No goodwill was recognised on this transaction.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The parent company financial statements present information about the Company as a separate entity and not about its Group.

The financial statements of Gateley (Holdings) Plc have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 3.

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position of each Group company are expressed in GBP, which is the functional currency of the Company, and the presentational currency for the Group.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except where adopted IFRSs require an alternative treatment. The principal variations relate to investment properties and financial instruments which are carried at fair value.

1.2 Going concern

See full explanation on page 51 of the Strategic Report.

Having reviewed the Group's forecasts, which includes an analysis of both short term cash flow forecasts and longer term cash flow forecasts, the risk and uncertainties surrounding the current and future demand for legal services, and other reasonably possible variations in trading performance, mitigating actions available to management the Group expects to be able to operate within the Group's financing facilities.

The Group continues to work closely with its supportive banks, extending the club of banks when renewing the three-year revolving credit facility in period, of which £19m was drawn down at 30 April 2025, with committed funding of £80m through to April 2028. As at 30 April 2025 the Group has net debt of £(6.6)m and continues to sensibly manage its cash position within permitted covenants relating to its facility.

Sensitivity analysis has been performed in respect of specific scenarios which could negatively impact our future performance such as lower levels of revenue growth, lower than forecast receipts of cash, and reduced levels of gross margin expansion. In addition, the Directors have also considered further mitigating actions such as lower capital expenditure and other short-term cash management activities within the Group's control. On this basis, the Directors have a reasonable basis to conclude that the Group is forecast to continue to trade in line with existing financing facilities for the foreseeable future and at least 12 months from the approval of these financial statements.

Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Basis of consolidation

On 29 May 2015, the Company acquired 100 per cent of the issued share capital of Gateley Plc which had, on the same day, acquired the business assets and liabilities of Gateley Heritage LLP, formerly the partnership of Gateley LLP. Following this Group reorganisation the financial statements for the year ended 30 April 2016 were prepared on a merger accounting basis as though this Group structure had always been in place.

Although the share for share exchange resulted in a change of legal ownership, in substance these financial statements reflect the continuation of the pre-existing Group, headed by Gateley LLP.

Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group's primary consideration is voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by the Group.

Notes to the consolidated financial statements continued

Audit exemption of subsidiaries
The following subsidiaries, consolidated into these group accounts, are exempt from the requirements of the UK Companies Act 2006 relating to the audit of individual accounts by virtue of s479A of the Act.

Name	Registered number
Gateley UK LLP	OC315778
Gateley EBT Limited	09576648
Gateley Capitus Limited	03324995
Gateley Hamer Limited	03948095
Gateley Omega Limited	13367322
Kiddy & Partners Limited	11379755
Gateley Global Limited	08597472
T-Three Consulting Limited	03959623
Gateley Vinden Limited	03830233
SP 2018 Limited	11344448
Gateley Smithers Purslow Limited	01402539
Smithers Purslow Group Limited	05508205
Adamson Jones IP Limited	07188937
Symbiosis IP Limited	06658551
Gateley RJA Limited	07941809
Austen Hays Limited	14581598
Gateley Investments Limited	02919582
GEG Services Limited	12374579

The outstanding liabilities at 30 April 2025 of the above named subsidiaries have been guaranteed by the Company pursuant to s479A to s479C of the Act. In the opinion of the directors, the possibility of the guarantee being called upon is remote.

1.4 Foreign currency

Transactions in foreign currencies are translated to the functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the consolidated statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

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

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

1.5 Classification of financial instruments issued by the Group

IFRS 9 '*Financial Instruments*' specifies how an entity should classify and measure financial assets including some hybrid contracts. Financial assets are to be classified on principle-based requirements dependent on the assets contractual cash flow characteristics and the Group business model for managing those assets.

The standard also introduced an impairment model that is to be applied to debt instruments measured at amortised cost or fair value through other comprehensive income, as well as trade receivables and contract assets. Under the model, expected credit losses are to be recognised against financial assets. Expected credit losses have been calculated in relation to debt securities and over the life time of trade and other receivables in line with the approach provided within the standard. The Group have based the assessment of the expected credit losses on a number of factors including the credit risk of the asset upon initial recognition as well as observed actual losses against classes of financial assets and specific client and industry knowledge held by fee earners.

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the financial instruments (including members' capital of subsidiary LLP's) are classified as a financial liability. Profit distributions relating to equity instruments are debited direct to equity.

1.6 Non derivative financial instruments

Financial assets
The Group's financial assets include cash and cash equivalents and trade and other receivables. All financial assets are recognised when the Group becomes party to the contractual provisions of the instrument.

i) Investments
Other investments in equity securities held by the Group that were previously classified as being available-for-sale and are stated at fair value, have been classified as equity investments measured at fair value through other comprehensive income under IFRS 9.

ii) Trade and other receivables
Trade and other receivables (except unbilled amounts for client work) are initially recognised at their transaction price and carried at amortised cost under IFRS 9.

In line with the simplified approach within IFRS 9, the Group recognises as disclosed in note 19 and 20 any expected credit loss against trade receivables in order to recognise the inherent risk that the Group may not be able to collect all amounts due according to the original terms of the receivable. The amount of the provision recorded is based on a broad range of information including past events, current conditions and forecasts of the future cash flows of the asset and is recognised in the statement of profit and loss in other operating expenses.

iii) Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held at call with banks. For the purpose of the consolidated cash flow statement, cash and cash equivalents includes bank overdrafts in addition to the definition above.

iv) Treasury shares
The Group operates an Employee Benefit Trust ("EBT") under which ordinary shares have been issued and are held by the EBT. These are treated as treasury shares under IAS 32 and are added to the Treasury Share Reserve.

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

The Group's financial liabilities comprise trade and other payables, borrowings, contingent consideration, members' capital and amounts due to members. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method with the exception of contingent consideration that is measured at fair value through profit or loss.

i) Bank borrowings
All loans and borrowings are initially recognised at the fair value of the consideration received net of issue costs associated with the borrowing. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of profit and loss over the period of the borrowings using the effective interest method.

Financial expenses comprise interest expense on borrowings.

ii) Trade and other payables
Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

iii) Contingent consideration
Contingent consideration is initially recognised and carried at the fair value. Following the end of the measurement period contingent consideration is continually remeasured to fair value with changes in fair value being reflected in profit or loss. Any interest payable on the balance is reflected in the value of the liability and charged to Profit and Loss as it arises.

1.7 Property, plant and equipment

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

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

Depreciation is calculated to write off the cost of property, plant and equipment less the estimated residual value on a straight-line basis over the expected useful economic life of the assets concerned. Annual reviews are made of estimated useful lives and material residual values.

The useful lives over which these assets are depreciated are:

Leasehold improvements	over the term of the lease
Equipment	33.3% straight line
Fixtures and fittings	20% straight line
Right-of-use assets	term of the lease (between 1 and 10 years)

Notes to the consolidated financial statements continued

1.8 Leases

The Group leases offices, equipment and vehicles. Rental contracts are for periods of between 1 and 10 years. Lease terms are negotiated on a lease by lease basis and contain a variety of terms and conditions.

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (being those assets with a value less than £5,000 when new). For short term and low value leases, the Group recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

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 payments that are based on an index or a rate;
- payments of penalties for terminating the lease, if the lease term assumed reflects the Group exercising that option.

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

The lease liability is presented as a separate line in the consolidated statement of financial position.

Right-of-use assets are recognised at commencement of the lease and initially measured at the amount of the lease liability, plus any incremental costs of obtaining the lease and any lease payments made at or before the leased asset is available for use by the Group.

Subsequent to initial recognition, the lease liability is reduced for payments made and increased to reflect interest on the lease liability (using the effective interest method). The related right-of-use asset is depreciated over the term of the lease or, if shorter, the useful economic life of the leased asset. The lease term shall include the period of an extension option where it is reasonably certain that the option will be exercised. Interest on the lease liability is recognised in the Consolidated Statement of Profit and loss and Other Comprehensive Income.

1.9 Business combinations

Subject to the transitional relief in IFRS 1, all business combinations are accounted for by applying the acquisition method. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

Acquisitions on or after 1 January 2010
For acquisitions on or after 1 January 2010, the Group measures goodwill at the acquisition date as:

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

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

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

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. Any interest payable on the balance is reflected in the value of the liability and charged monthly to the Statement of Profit and Loss as it arises. Further detail on contingent consideration is disclosed in note 16.

On a transaction-by-transaction basis, the Group elects to measure non-controlling interests, which have both present ownership interests and are entitled to a proportionate share of net assets of the acquiree in the event of liquidation, either at its fair value or at its proportionate interest in the recognised amount of the identifiable net assets of the acquiree at the acquisition date. All other non-controlling interests are measured at their fair value at the acquisition date.

1.10 Intangible assets and goodwill

Goodwill
Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units for the purpose of impairment assessment and is not amortised but is tested at least annually for impairment, or whenever events or changes in circumstances indicate the carrying value may not be recoverable.

Other intangible assets
Other intangible assets, including software licences, expenditure on internally generated computer software, brands, customer contracts and relationships are capitalised at cost and amortised on a straight-line basis over their estimated useful economic lives through operating expenses.

Other intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

Customer lists
Customer lists that are acquired by the Group as part of a business combination are stated at cost less accumulated amortisation and impairment losses (see accounting policy 'Impairment of assets'). Cost reflects Management's judgement of the fair value of the individual intangible asset calculated by reference to the net present value of future benefits accruing to the Group from the utilisation of the asset, discounted at an appropriate discount rate.

Brand value
Certain acquisitions have retained their trading name due to the value of the brand in their specific market place.

Brand value is amortised over a period of up to 15 years based on the Directors assessment of the future life of the brand, supported by trading history.

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

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

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed five years. Computer software under development is not amortised. Amortisation starts from the date on which the software is available for use. If a decision is made to halt development then the cost is immediately expensed.

Amortisation
Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each statement of financial position date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Customer lists	3 to 11 years
Brands	15 years
Computer software	3 years

1.11 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are stated at fair value. Any gain or loss arising from a change in fair value is recognised in profit or loss.

1.12 Impairment excluding investment properties

Financial assets (including receivables)
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether it is impaired. Management assess impairment of financial assets based on a broad range of information, including past events, current conditions and forecasts of the future cash flows of the asset that can be estimated reliably.

Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Under IFRS 9 the Group recognises expected credit losses (ECLs) on receivables through application of the simplified method. The ECLs are determined using historic credit loss experience adjusted for forward-looking factors and specific provisions based on Management knowledge and expertise.

Intangibles and property, plant and equipment (non-financial assets)
The carrying amount of the Group's assets including property, plant and equipment and intangibles other than goodwill is reviewed at each year end date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Notes to the consolidated financial statements
continued

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not 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 in profit or loss where it relates to an amount charged to profit or loss.

Goodwill (non-financial asset)
Goodwill is capitalised as an intangible asset and is not amortised but tested for impairment annually or when there are any indications that its carrying value is not recoverable. As such, goodwill is stated at cost less any provision for impairment in value. For impairment testing purposes, goodwill is allocated to cash-generating units. If a subsidiary undertaking is subsequently sold, goodwill arising on acquisition is taken into account in determining the profit or loss on sale.

1.13 Employee benefits

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

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

Share-based payment transactions
The Group operates several equity settled share based compensation plans.

The grant date fair value of share-based payment awards made to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted.

The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date, measured at the grant date fair value of the award.

At each reporting date, the Group revises its estimates of the number of share incentives which are expected to vest. The impact of the revision of original estimates is recognised in the income statement with a corresponding adjustment to equity.

1.14 Own shares held by EBT trust (treasury reserve)

Transactions of the group-sponsored EBT trust are included in the Group financial statements. In particular, the trust's purchases and sales of shares in the Company are recognised directly within equity.

1.15 Contingent consideration treated as remuneration

Certain acquisitions made by the Group include an element of consideration, known as an earn-out, that is contingent on the financial performance of the acquired business meeting pre-determined targets over a specified period. Where the earn-out is also contingent on the continued employment of the seller(s) following the acquisition, this is then treated as a non-underlying remuneration charge (see note 1.21), accrued over the retention period (i.e. the period over which the effective employment condition is applicable) as a liability. Where initial consideration transferred is also subject to these same employment conditions, this too is treated as a non-underlying remuneration charge, with the prepaid consideration transferred being released to the statement of profit and loss over the retention period.

1.16 Provisions

Professional indemnity provision
A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Where material, the impact of the time value of money is taken into account by discounting the expected future cash flow at a pre-tax rate, which reflects risks specific to the liability.

Insurance cover is maintained in respect of professional negligence claims. This cover is principally written through insurance companies with coverage of up to £150 million for each claim. Premiums are expensed as they fall due with prepayments or accruals being recognised accordingly. Expected reimbursements are recognised once they become receivable. The liability and the associated reimbursement asset are shown separately in the financial statements. Where outflow of resources is considered probable and reliable estimates can be made, provision is made for the cost (including related legal costs) of settling professional negligence claims brought against the Group by third parties and disciplinary proceedings brought by regulatory authorities. Amounts provided for are based on Management's assessment of the specific circumstances in each case. No separate disclosure is made of the detail of such claims and proceedings, as to do so could seriously prejudice the position of the Group. In the event the insurance companies cannot settle the full liability, the liability will revert to the Group.

Dilapidations provision
The Group recognise a provision for the future costs of dilapidations on leased office space. The provision is an estimate of the total cost to return applicable office space to its original condition at the end of the lease term, spread over the term of the lease. The estimated total cost is based on previous dilapidation expense per square foot of office space.

1.17 Revenue recognition

IFRS 15 Revenue from contracts with customers
Under IFRS 15 *Revenue from contracts with customers*, revenue is recognised either over time or at a point in time. The model uses a contract based five-step analysis of transactions to determine when, and how much, revenue is recognised; this includes the matching of stand-alone process for services provided to the satisfaction of performance obligations.

The Group considers that there are two contract types in issue in the performance of the Group's professional services, being non-contingent and contingent contracts.

Non-contingent contracts
Non-contingent work is typically recognised over the duration of the contract in line with the number of hours charged to the engagement at a pre-established rate. Under IFRS 15 the hours worked on these engagements are considered to be the satisfaction of the performance obligation, therefore where there is an enforceable right to payment and collection of revenue is considered probable, it is recognised in line with the hours performed.

Contingent contracts
Contingent work is typically recognised at a point in time, once the pre-agreed stages of the contract performance are reached or concluded as a result of an event linked to each work type performance. In line with IFRS 15 the Group recognises revenue on these contracts at a point in time once the uncertainty over the contingent event has been satisfied as this is the point at which the performance obligation is considered to have been met.

Recognition of accrued revenue
The standard requires the recognition of both contract assets and liabilities. Whilst IFRS 15 requires that when an entity has an unconditional right to consideration then at this point the contract asset would become a trade receivable regardless of whether a bill has been issued. However, the Group does not consider the right to be unconditional until the point of billing at which point the fee amount has been agreed and confirmed with the customer. Therefore, these unbilled amounts are recognised as contract assets as opposed to trade receivables. The Group have also recognised a contract liability under the standard that represents the amount of income that has been invoiced in advance of the service being performed.

Recoverable expenses
Recoverable expenses and disbursements represent charges from other professional service firms, sub-contractors and out of pocket expenses incurred in respect of assignments and expected to be recovered from clients.

Other income
Rental income, generated through the subletting of office space, is recognised in line with IFRS 16, on a straight line basis over the lease term.

1.18 Short term and low value lease payments

Payments made on short term and low value leases are recognised in the statement of profit and loss on a straight-line basis over the term of the lease in prior year comparatives and where current year leases meet the short-term lease criteria under IFRS 16.

1.19 Financial income and expenses

Financial expenses comprise interest payable and exchange losses that are recognised in the statement of profit and loss. Financial income comprises interest receivable on funds invested.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset/liability to that asset/liabilities net carrying amount.

1.20 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates and laws enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates and laws enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes to the consolidated financial statements continued

1.21 Non-underlying items

Non-underlying items are non-trading and or non-cash items disclosed separately in the Consolidated Income Statement where the quantum, nature or volatility of such items would otherwise distort the underlying trading performance of the Group. The following are included by the Group in its assessment of non-underlying items:

- Consideration treated as remuneration: such charges are treated as non-underlying in order to reflect the commercial substance of the transaction. All former vendors who remain employed by the group are paid at market rates and the earn-out remuneration is a function of the interpretation of IFRS, and related emerging guidance only.
- Share based payment charges: such charges are treated as non-underlying as the gain realised on the options granted is settled in shares not cash and therefore does not impact the income statement. The IFRS 2 charge is taken to the income statement, these expenses are treated as non-underlying items as they are either non-cash or non-recurring in nature.
- Amortisation in respect of intangible fixed assets: these costs are treated as non-underlying as they are non-cash items and do not need to be replaced on the statement of financial position once fully written down, therefore this cost will ultimately disappear from the Consolidated Statement of Profit and loss and Other Comprehensive Income.

The tax effect of the above is also included if considered significant.

1.22 Exceptional items

Exceptional items are one off transactions, unrelated to the underlying trading performance of the Group disclosed separately in the Consolidated Statement of Profit and Loss where the quantum, nature or volatility of such items would otherwise distort the underlying trading performance of the Group.

The following are included by the Group in its assessment of exceptional items:

- Gains or losses arising on disposal, closure, restructuring or reorganisation of businesses that do not meet the definition of discontinued operations.
- Impairment charges in respect of intangible fixed assets: these costs are treated as exceptional due to their one off nature.
- Non-typical expenses associated with acquisitions.
- Costs incurred as part of significant refinancing activities.

The tax effect of the above is also included if considered significant.

Details in respect of the non-underlying items recognised in the current and prior year are set out in note 6 to the Financial Statements.

1.23 Ordinary dividends

Dividends are recognised as a liability in the period in which they are approved by the Company's shareholders.

2. Accounting developments

New and revised IFRS in issue but not yet effective

There have been no changes to international accounting standards this year that have a material impact on the group's results. No forthcoming new international accounting standards are expected to have a material impact on the financial statements of the group.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of consolidated financial statements under IFRS requires Management to make estimates and assumptions which affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on Management's best judgement at the date of preparation of the financial statements, deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. The key areas where a higher degree of judgement or complexity arises, or where estimates and assumptions are significant to the consolidated financial statements are discussed below.

Estimates

Unbilled revenue on client assignments (note 18)

The valuation of unbilled revenue involves detailed understanding of contractual terms with clients, and affects the amount of revenue recognised. The valuation is based on an estimate of the amount expected to be recoverable from clients on unbilled items based on such factors as time spent, the expertise and skills provided and the stage of completion of the assignment. The principal uncertainty over this estimation is a result of the amounts not yet being billed to, or recognised by the client. Management look to reduce this level of uncertainty by conducting comprehensive risk assessments over each engagement undertaken to minimise the overall risk held by the Group. Provision is made for such factors as historical recoverability rates, contingencies, agreements with clients, external expert's opinion and the potential credit risks, following interactions between legal staff, finance and clients. In assessing whether unbilled time is recognised as unbilled revenue, Management are required to make estimates in determining the point at which the contingency is resolved and when the fair value of consideration can be measured reliably.

Where a case is contingent at the statement of financial position date, no revenue is recognised. Where entitlement to income is certain it is recognised at selling price.

Other sources of estimation uncertainty

Impairment assessment of trade receivables (note 19) and unbilled revenue (note 18)

The carrying amount of trade receivables on client assignment is held at selling price less lifetime estimated credit losses (ECLs). The inclusion of the ECLs contributes to reducing the risk relating to the amounts of debts that are recoverable or not recoverable.

ECLs have been estimated based on historic credit losses within each operating segment for each ageing bracket. These credit losses calculated have then been adjusted where appropriate for the inclusion of Management and legal professional judgement to account for any forward looking information on specific clients.

Management have performed sensitivity analysis over the ECL applied to trade receivables:

	Increase/(decrease) in value of trade receivables £'000
+1% increase in ECL	(578)
-1% decrease in ECL	578

Management have also applied the same expectation of credit losses for trade receivables to contract assets to assess the recoverability of unbilled revenue recognised in the consolidated accounts.

Management have performed sensitivity analysis on the expectation of recoverability applied to the contract assets balance:

	Increase/(decrease) in value of contract assets £'000
+1% increase in ECL rate	(250)
-1% decrease in ECL rate	250

Management believe that the provision in place is sufficiently prudent and therefore any increase in the rate applied is unlikely.

Valuation of intangibles (note 15)

Measurement of intangible assets relating to acquisitions: In attributing value to intangible assets arising on acquisition, Management has made certain assumptions in terms of cash flows attributable to intellectual property and customer relationships. The key assumptions made relate to the valuation of the brand, where the acquired brand is retained by the entity, and the customer list. The value of such intangibles has been estimated based on the amount of revenue expected to be generated by them. The revenue estimations rely on annual growth rates. Management have selected the appropriate rates based on a combination of observed historical growth, industry norms and forecasted influencing factors. The rates applied reflect previous growth rates, with sensitivities indicating that variations in the actual rate achieved are unlikely to materially impact the valuation of the intangible assets.

Notes to the consolidated financial statements continued

4. Revenue and operating segments

The Chief Operating Decision Maker ("CODM") is the Strategic Board. The Group have the following four strategic divisions, comprising both legal and consultancy services, which are its reportable segments, and referred to as it's platforms.

The following summary describes the operations of each reportable segment as reported up to 30 April 2025 and also the new service lines:

Reportable segment/Platforms	Legal service lines	Consultancy service lines
Corporate	Banking Corporate Restructuring advisory Taxation	GEG Services Gateley Global
Business services	Austen Hays Commercial Dispute Resolution Complex International Litigation IP and commercial Regulatory Reputation, media and privacy law	Adamson Jones Symbiosis IP
People	Employment Pension Private client	Entrust Pension Kiddy and Partners T-three
Property	Real Estate Residential Development Construction Planning Real Estate Dispute Resolution	Capitus Hamer/Persona RJA Smithers Purslow Vinden

The revenue and operating profit are attributable to the principal activities of the Group. A geographical analysis of revenue is given below:

	2025 £'000	2024 £'000
United Kingdom	**167,803**	156,760
Europe	**5,402**	9,016
Middle East	**1,205**	1,797
North and South America	**1,871**	2,478
Asia	**2,352**	1,878
Other	**866**	563
	179,499	172,492

The Group has no individual customers that represent 10% or more of revenue in either the 2025 or 2024 financial year. The Group's assets and costs are predominately located in the UK save for those assets and costs located in the United Arab Emirates (UAE) via its Dubai subsidiary. Net Group assets of £0.07m (2024: Net Group assets of £0.09m) are located in the Group's Dubai subsidiary. Revenue generated by the Group's Dubai subsidiary to customers in the UAE totalled £1.20m (2024: £1.80m) as disclosed above as due from the customers in the Middle East.

2025

	Business Services £'000	Corporate £'000	People £'000	Property £'000	Total £'000
Segment revenue from services transferred at a point in time	6,456	16,677	7,103	19,667	**49,903**
Segment revenue from services transferred over time	21,995	22,334	10,438	74,829	**129,596**
Total Segment revenue	28,451	39,011	17,541	94,496	**179,499**
Segment contribution (as reported internally)	8,668	16,321	5,475	31,392	**61,856**
Costs not allocated to segments:					
Other operating income					**224**
Personnel costs					**(19,849)**
Depreciation and amortisation					**(8,458)**
Other operating expenses					**(15,551)**
Share based payment charges					**(1,375)**
Consideration treated as remuneration					**(10,928)**
Exceptional items					**(1,937)**
Net financial income					**2,381**
Profit for the financial year before taxation					**6,363**

2024

	Business Services £'000	Corporate £'000	People £'000	Property £'000	Total segments £'000
Segment revenue from services transferred at a point in time	5,648	15,845	7,918	18,936	**48,347**
Segment revenue from services transferred over time	19,241	21,219	11,636	72,049	**124,145**
Total segmental revenue	24,889	37,064	19,554	90,985	**172,492**
Segment contribution (as reported internally)	7,523	13,975	5,772	33,240	**60,510**
Costs not allocated to segments:					
Other operating income					**153**
Personnel costs					**(18,087)**
Depreciation and amortisation					**(8,015)**
Other operating expenses					**(16,788)**
Share based payment charges					**(1,686)**
Gain on bargain purchase					**3,609**
Contingent consideration treated as remuneration					**(6,956)**
Exceptional items					**(1,563)**
Net financial income					**2,778**
Profit for the financial year before taxation					**13,955**

Notes to the consolidated financial statements
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Group entities may be engaged on a contingent basis; in such cases the Group considers the satisfaction of the contingent event as the sole performance obligation within the contract. Fees are only billed once the contingent event has been satisfied. The initial financing of these engagements is met by the Group. Due to the nature and timing of the billing, such engagements influence the contract asset balance held in the balance sheet at year end. In the majority of cases the contingent event is expected to be concluded within one year of the engagement date. The Group operates standard payment terms of 30 days. £10.2 million (2024: £11.1m) of the current period revenue is derived from services satisfied, in part, in the previous period.

Services transferred over time

For non-contingent engagements, fee earners' hourly rates are determined at the point of engagement with all hours attributed to the engagement fully and accurately recorded. The recorded hours are then translated into fees to be billed and invoiced on a monthly basis. The Group typically operates on 30 days credit terms, in line with IFRS 15 the performance obligations are fulfilled over time with revenue being recognised in line with the hours worked.

Contract assets

Under IFRS 15 the Group recognises any goods or services transferred to the customer before the customer pays consideration, or before payment is due, as a contract asset. These assets differ from accounts receivables. Accounts receivable are the amounts that have been billed to the client and the revenue recognised, whereas these contract assets are amounts of work in progress where work has been performed, yet the amounts have not yet been billed to the client. Due to the nature of the services delivered by the Group the significant component of the cost of delivery is staff costs. As a result, there is little to no judgement exercised in determining the costs incurred as they are driven by the time recorded by fee earners. Contract assets are subject to impairment under IFRS 9.

No other financial information has been disclosed as it is not provided to the CODM on a regular basis.

Contract Liabilities

Under IFRS 15 the Group is required to recognise contract liabilities based on those amounts recognised against contracts for which the satisfaction of performance obligations has not yet been met. These liabilities relate to the deferred income recognised within Kiddy & Partners, T-three Consulting Limited and GEG Services Limited as a result of their billing structure. The amounts recognised reflect the agreed cost of the services to be performed and are realised in line with the ongoing cost of delivery. Due to the nature of the services provided, the main component of this cost of delivery is staff costs, as a result there is little to no judgement exercised in determining the value of the liability held at year end.

Practical expedients under IFRS 15

Under IFRS 15 companies are required to disclose the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied at the end of the reporting period. However, only a small proportion of revenue contracts in issuance are for fixed amounts, rather the company has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the business' performance completed to date. Therefore, the Group considers it impractical to estimate the potential value of unsatisfied performance obligations and has elected to apply the practical expedient available under IFRS 15.

5. Other operating income

	2025 £'000	2024 £'000
Rental and service charge income	**224**	153

6. Expenses and auditor's remuneration

Included in operating profit are the following:

	2025 £'000	2024 £'000
Depreciation on tangible assets (see note 13)	**1,303**	1,140
Depreciation on right-of-use asset (see notes 13 and 28)	**4,034**	3,949
Short term and low value lease payments (see note 28)	**88**	76
Operating lease costs on property (see note 28)	**117**	116

	2025 £'000	2024 £'000
Non-underlying items		
Amortisation of intangible assets (see note 15)	**2,696**	2,483
Share based payment charges – Gateley Plc	**1,375**	1,625
Share based payment charges – Gateley RJA Limited	**-**	61
Gain on bargain purchase	**-**	(3,609)
Consideration treated as remuneration	**10,928**	6,956
	14,999	7,516
Exceptional items		
Acquisition costs	**13**	37
Reorganisation costs	**1,924**	1,159
One off remuneration charge – Gateley RJA Limited	**-**	367
Total non-underlying and exceptional items	**16,936**	9,079

Consideration treated as remuneration: such charges are treated as non-underlying in order to reflect the commercial substance of the transaction. All former vendors who remain employed by the group are paid at market rates and the earn-out remuneration is a function of the interpretation of IFRS, and related emerging guidance only.

Acquisition costs relate to third-party professional fees in connection with prospecting and completing acquisitions during the current and prior period.

Share based payment charges in Gateley Plc represent charges in accordance with IFRS 2 in respect of unexercised SAYE, CSOP, LTIP and RSA schemes (See note 8).

Share based payment charges in Gateley RJA Limited represent shares awarded to staff following the successful acquisition of the Company (See notes 7 and 8).

Reorganisation costs relate to restructuring and integration projects around the group.

Auditor's remuneration

	2025 £'000	2024 £'000
Fees payable to the Company's Auditor in respect of audit services:		
Audit of these financial statements	**126**	115
Audit of financial statements of subsidiaries of the Company	**25**	23
	151	138
Amounts receivable by the Company's auditor and its associates in respect of:		
Other assurance services	**47**	37

Other assurance services relate to Solicitors Accounts Rules review with associated reporting to legal regulators. This work is entirely assurance focused.

Notes to the consolidated financial statements
continued

7. Personnel costs

The average number of persons employed by the Group during the year, analysed by category, was as follows:

	Number of employees	
	2025	**2024**
Legal and professional staff	**1,066**	1,068
Administrative staff	**505**	468
	1,571	1,536

The aggregate payroll costs of these persons were as follows:

	2025 £'000	2024 £'000
Wages and salaries	**97,467**	94,402
Social security costs	**11,515**	10,928
Pension costs	**3,080**	3,160
	112,062	108,490
Non-underlying items (see note 6)		
Share based payment expense – Gateley Plc	**1,375**	1,625
Share based payment expense – Gateley RJA Limited	**-**	61
	113,437	110,176

Details of the Directors' remuneration and share interests are given in the Summary of Directors' remuneration for the year within the Directors' Remuneration Report on page 71.

8. Share based payments

Group

At the year end the Group has twelve unexercised grants across four different equity-settled share based payment schemes.

Save As You Earn scheme ('SAYE')
The Group operates a HMRC approved SAYE scheme for all staff. Options under this scheme will vest if the participant remains employed for the agreed vesting period of three years. Upon vesting, each option allows the holder to purchase the allocated ordinary shares at a discount of 20% of the market price determined at the grant date.

Company Share Option Plan ('CSOP')
The Group operates an HMRC approved CSOP scheme for associates, senior associates, legal directors, equivalent positions in Gateley Group subsidiary companies and Senior Management positions in our support teams. Options under this scheme will vest if the participant remains employed for the agreed vesting period of three years. Upon vesting, each option allows the holder to purchase the allocated ordinary shares at the price on the date of grant.

Long Term Incentive Plan ('LTIP')
The Group operates an LTIP for the benefit of Executive Directors and Senior Management. Awards under the LTIP may be in the form of an option granted to the participant to receive ordinary shares on exercise dependent upon the achievement of profit related performance conditions.

Performance conditions
Options granted under the LTIP are only exercisable subject to the satisfaction of the following performance conditions which will determine the proportion of the option that will vest at the end of the three-year performance period. The awards will be subject to an adjusted fully diluted earnings per share performance measure as described in the table below:

Adjusted, fully diluted earnings per Share Compound Annual Growth Rate (CAGR) over the three year period ending 30 April 2025/26	**Amount Vesting %**
Below 5%	**0%**
5%	**25%**
Between 5% and 10%	**Straight line vesting**
Above 10%	**100%**

The options will generally be exercisable after approval of the financial statements during the year of exercise. The performance period for any future awards under the LTIP will be a three-year period from the date of grant. Vested and unvested LTIP awards are subject to a formal malus and clawback mechanism.

Restricted Share Award Plan ('RSA')
The Group operates an RSA for the benefit of Senior Management. Awards under the RSA entitle the option holder to participate in dividends however, the shares are restricted for a period of 5 years from issue, such that they cannot be traded.

The annual awards granted under all schemes are summarised below:

	Weighted average remaining contractual life	Weighted average exercise price	Originally granted Number	Lapsed/ exercised at 30 April 2024 Number	At 1 May 2024 Number	Granted during the year Number	Lapsed during the year Number	Exercised in the year Number	At 30 April 2025 Number
SAYE									
SAYE 20/21 - 6 November 2020	0 years	£1.02	2,337,197	(1,966,215)	370,982	-	(170,346)	(200,636)	**-**
SAYE 21/22 - 25 August 2021	0 years	£1.70	673,077	(391,813)	281,264	-	(277,242)	-	**4,022**
SAYE 22/23 - 22 September 2022	0.4 years	£1.55	1,070,154	(465,305)	604,849	-	(151,660)	-	**453,189**
SAYE 23/24 - 3 November 2023	1.5 years	£1.14	1,801,308	(95,668)	1,705,640	-	(400,282)	-	**1,305,358**
SAYE 24/25 - 18 September 2024	2.5 years	£1.12	-	-	-	938,984	(72,315)	-	**866,669**
			5,881,736	(2,919,001)	2,962,735	938,984	(1,071,845)	(200,636)	**2,629,238**
CSOPS									
CSOPS 20/21 - 7 July 2020	0 years	£1.35	976,797	(742,095)	234,702	-	(70,999)	(163,703)	**-**
CSOPS 22/23 - 14 December 2022	0.6 years	£1.74	300,000	(50,000)	250,000	-	(25,000)	-	**225,000**
			1,276,797	(792,095)	484,702	-	(95,999)	(163,703)	**225,000**
LTIPS									
LTIPS - 27 April 2022	0.0 years	£0.00	1,115,000	(225,000)	890,000	-	(52,500)	-	**837,500**
LTIPS - 23 Feb 2023	0.8 years	£0.00	1,320,000	(190,000)	1,130,000	-	(30,000)	-	**1,100,000**
			2,435,000	(415,000)	2,020,000	-	(82,500)	-	**1,937,500**

Notes to the consolidated financial statements
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	Weighted average remaining contractual life	Weighted average exercise price	Originally granted Number	Lapsed/ exercised at 30 April 2024 Number	At 1 May 2024 Number	Granted during the year Number	Lapsed during the year Number	Exercised in the year Number	At 30 April 2025 Number
RSA									
RSA – 27 April 2022	2.0 years	£0.00	1,422,560	(237,500)	1,185,060	-	(25,000)	-	**1,160,060**
RSA – 22 February 2023	2.8 years	£0.00	1,175,000	(237,500)	937,500	-	(150,000)	-	**787,500**
RSA – 21 September 2023	3.4 years	£0.00	790,131	-	790,131	-	(29,155)	-	**760,976**
RSA – 24 July 2024	4.2 years	£0.00	-	-	-	3,198,327	(72,464)	-	**3,125,863**
RSA – 6 February 2025	4.8 years	£0.00	-	-	-	151,882	-	-	**151,882**
			3,387,691	(475,000)	2,912,691	3,350,209	(276,619)	-	**5,986,281**

Fair value calculations
The award is accounted for as equity-settled under IFRS 2. The fair value of awards which are subject to non-market based performance conditions is calculated using the Black Scholes option pricing model. The inputs to this model for awards granted during the financial year are detailed below:

	SAYE	RSA	RSA
Grant date	18/09/2025	24/07/2024	06/02/2025
Share price at date of grant	£1.36	£1.355	£1.36
Exercise price	£1.12	£nil	£nil
Volatility	29%	27%	27%
Expected life (years)	3.3	5.0	5.0
Risk free rate	3.648%	3.945%	4.170%
Dividend yield	5.75%	0.00%	0.00%
Fair value per share			
Market based performance condition	-	-	-
Non-market based performance condition/no performance condition	£0.29	£1.355	£1.36

Expected volatility was determined by using historical share price data of the Company since it listed on 8 June 2015. The expected life used in the model has been based on Management's expectation of the minimum and maximum exercise period of each of the options granted.

The total charge to the Consolidated Statement of Profit and loss and Other Comprehensive income for all schemes now in place, included within non-underlying items, is £1,375,000 (2024: £1,686,000). Of this charge, £706,000 relates to schemes outlined in the table on page 89, with a corresponding credit taken to the Consolidated statement of changes in equity. The remainder relates to one-off awards that have been expensed in the Consolidated Statement of Profit and loss and Other Comprehensive income as they were exercised immediately.

9. Financial income and expense

Recognised in profit and loss

	2025 £'000	2024 £'000
Financial income		
Interest income	**4,770**	4,999
Total financial income	**4,770**	4,999
Financial expense		
Interest expense on bank borrowings measured at amortised cost	**(1,299)**	(1,051)
Interest on lease liability	**(1,090)**	(1,170)
Total financial expense	**(2,389)**	(2,221)
Net financial income	**2,381**	2,778

Interest income is recognised on client deposits held and recognised in the Consolidated statement of profit and loss as it accrues, based on the effective interest rate during the period.

Interest expense is recognised in the Consolidated statement of profit and loss on the basis of the effective interest rate.

10. Taxation

	2025 £'000	2024 £'000
Current tax expense		
Current tax on profits for the year	**5,425**	4,341
Under provision of taxation in previous period	**418**	73
Total current tax	**5,843**	4,414
Deferred tax expense		
Origination and reversal of temporary differences	**(561)**	(646)
(Under)/over provision on share-based payment charges	**(284)**	113
Total deferred tax expense	**(845)**	(533)
Total tax expense	**4,998**	3,881

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2025 £'000	2024 £'000
Profit for the year (subject to corporation tax)	**6,363**	13,955
Tax using the Company's domestic tax rate of 25% (2024: 25%)	**1,591**	3,489
Expenses not deductible for tax purposes	**3,273**	206
Under provision of taxation in previous period	**418**	73
(Under)/over provision on share-based payment charges	**(284)**	113
Total tax expense	**4,998**	3,881

The Finance Act 2021 increased the main rate of corporation tax to 25% from 1 April 2023.

Notes to the consolidated financial statements continued

11. Earnings per share

Statutory earnings per share

	2025 Number	2024 Number
Weighted average number of ordinary shares in issue, being weighted average number of shares for calculating basic earnings per share	**133,571,424**	130,127,316
Shares deemed to be issued for no consideration in respect of share based payments	**316,767**	1,980,638
Weighted average number of ordinary shares for calculating diluted earnings per share	**133,888,191**	132,107,953

	2025 £'000	2024 £'000
Profit for the year and basic earnings attributable to ordinary equity shareholders	**1,365**	10,074
Non-underlying and exceptional items (see note 6)		
Operating expenses	**16,936**	9,079
Tax on non-underlying and exceptional items	**(484)**	(391)
Underlying earnings before non-underlying and exceptional items	**17,817**	18,762

Earnings per share is calculated as follows:

	2025 Pence	2024 Pence
Basic earnings per ordinary share	**1.02**	7.74
Diluted earnings per ordinary share	**1.02**	7.63
Basic earnings per ordinary share before non-underlying and exceptional items	**13.34**	14.42
Diluted earnings per ordinary share before non-underlying and exceptional items	**13.31**	14.20

12. Dividends

	2025 £'000	2024 £'000
Equity shares:		
Interim dividend in respect of 2025 (3.3p per share) - 31 March 2025	**4,342**	-
Final dividend in respect of 2024 (6.2p per share) - 8 November 2024	**8,156**	-
Interim dividend in respect of 2024 (3.3p per share) - 28 March 2024	**-**	4,338
Final dividend in respect of 2023 (6.2p per share) - 27 October 2023	**-**	7,997
	12,498	12,335

The Board proposes to recommend a final dividend of 6.2p (2024: 6.2p) per share at the AGM. If approved, this dividend will be paid on 14 November 2025 to shareholders on the register at the close of business on 10 October 2025. The shares will go ex-dividend on 9 October 2025. This dividend has not been recognised as a liability in these final statements.

13. Property, plant and equipment

	Leasehold improvements £'000	Equipment £'000	Fixtures and fittings £'000	Right-of-use assets £'000	Total £'000
Cost					
Balance at 1 May 2023	313	7,736	6,025	40,153	**54,227**
Additions	-	699	346	472	**1,517**
Arising through business combinations	34	90	-	-	**124**
Disposal	-	(22)	-	(630)	**(653)**
As at 30 April 2024	**347**	**8,503**	**6,371**	**39,994**	**55,215**
Balance at 1 May 2024	347	8,503	6,371	39,994	**55,215**
Additions	-	802	723	1,545	**3,070**
Disposals	-	-	-	(1,071)	**(1,071)**
As at 30 April 2025	**347**	**9,305**	**7,094**	**40,468**	**57,214**
Depreciation and impairment					
Balance at 1 May 2023	220	6,722	5,504	13,055	**25,501**
Depreciation charge for the year	29	823	287	3,949	**5,089**
Arising through business combinations	15	59	-	-	**74**
Eliminated on disposal	-	(22)	-	(630)	**(652)**
Balance at 30 April 2024	**264**	**7,582**	**5,791**	**16,374**	**30,011**
Balance at 1 May 2024	264	7,582	5,791	16,374	**30,011**
Depreciation charge for the year	29	941	333	4,034	**5,337**
Eliminated on disposal	-	-	-	(1,071)	**(1,071)**
Balance at 30 April 2025	**293**	**8,523**	**6,124**	**19,337**	**34,277**
Net book value					
At 30 April 2024	83	921	580	23,621	**25,204**
At 30 April 2025	**54**	**782**	**970**	**21,131**	**22,937**

Notes to the consolidated financial statements continued

14. Investment property

	£'000
Fair value	
Balance at 1 May 2023 and 30 April 2024	164
Balance at 1 May 2024	164
Disposal	(164)
Balance at 30 April 2025	**-**

The Group's interest in its freehold property at 216 Capella House, Celestia Falcon Drive, Cardiff Bay, Cardiff, CF10 4RE was valued as at 30 April 2024 at £164,000 by the Directors based on current open market values for existing use. During the period, the property was sold for proceeds of £128,000, resulting in a loss on disposal of £36,000, which has been recognised in other comprehensive income. Rental income of £nil (2024: £nil) was received during the year. Services charges of £3,324 (2024: £3,089) were incurred during the year.

15. Intangible assets and goodwill

	Goodwill £'000	Customer lists £'000	Brands £'000	Total £'000
Deemed cost				
At 1 May 2023	1,550	17,261	3,518	**22,329**
Arising through business combinations	-	3,322	-	**3,322**
At 30 April 2024	1,550	20,583	3,518	**25,651**
Arising through business combinations	-	-	-	**-**
At 30 April 2025	**1,550**	**20,583**	**3,518**	**25,651**
Amortisation				
At 1 May 2023	-	9,155	245	**9,400**
Charge for the year	-	2,248	235	**2,483**
At 30 April 2024	-	11,403	480	**11,883**
Charge for the year	-	2,461	235	**2,696**
At 30 April 2025	**-**	**13,864**	**715**	**14,579**
Carrying amounts				
At 30 April 2024	1,550	9,180	3,038	**13,768**
At 30 April 2025	**1,550**	**6,719**	**2,803**	**11,072**

Intangible assets includes a Gateley Smithers Purslow customer list asset of £3.6m (2024: £4m) which has a remaining life of 8 years, and a Gateley RJA customer list asset of £2.2m (2024: £3m) which has a remaining useful life of 3 years and 3 months. The entirety of the brand intangible relates to Gateley Smithers Purslow and has a remaining life of 12 years.

Goodwill is allocated to the following cash generating units:

	2025 £'000	2024 £'000
Property Group		
Gateley Capitus Limited	**-**	-
Gateley Hamer Limited	**-**	-
GCL Solicitors (acquisition of trade and assets)	**-**	-
Persona Associates Limited	**40**	40
Gateley Vinden Limited	**934**	934
Tozer Gallagher (acquisition of trade and assets)	**-**	-
Gateley Smithers Purslow Limited	**-**	-
Gateley RJA Limited	**-**	-
	974	974
Employment, Pensions and Benefits Group		
Kiddy & Partners Limited	**-**	-
International Investment Services Limited	**-**	-
T-three Consulting Limited	**-**	-
	-	-
Business services Group		
Gateley Tweed (acquisition of goodwill)	**576**	576
Adamson Jones IP Limited	**-**	-
Symbiosis IP Limited	**-**	-
	576	576
	1,550	1,550

Impairment testing

The Group tests goodwill annually for impairment. The impairment test involves determining the recoverable amount of the cash generating unit (CGU) to which the goodwill has been allocated. The Directors believe that each operating segment represents a cash generating unit for the business and as a result, impairment is tested for each segment, and all the assets of each segment are considered.

The recoverable amount is based on the present value of expected future cash flows (value in use) which was determined to be higher than the carrying amount of goodwill so no impairment loss was recognised.

Value in use was determined by discounting the future cash flows generated from the continuing operation of the Group and was based on the following key assumptions:

- A pre-tax discount rate of between 12 and 21% (2024: 12-21%) was applied in determining the recoverable amount. The discount rate is based on the Group's average weighted cost of capital of 10.18% and adjusted according to the risks attributable to each CGU.
- The values assigned to the key assumptions represent Management's estimate of expected future trends and are based on both external (industry experience, historic market performance and current estimates of risks associated with trading conditions) and internal sources (existing Management knowledge, track record and an in-depth understanding of the work types being performed).
  - Revenue growth rates of between 2% to 10% (2024: 2-10%) are based on Management's understanding of the market opportunities for services provided pertaining to the industry in which each CGU is aligned.
  - Increases in costs are based on current inflation rates and expected levels of recruitment needed to generate predicted revenue growth.
  - Attrition rates are based on the historic experience and trends of client activity over a two to three year period and applied to future fee forecasts.
  - Cash flows have been typically assessed over a five-year period, using the latest management approved budgets and forecasts which management extrapolates using a terminal value calculation based on an estimated growth rate of 2%. The expected current UK economic growth forecasts for the legal services market is 2%.
- The Group has conducted a sensitivity analysis on the impairment test of the CGU carrying value. The Directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of goodwill is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

Notes to the consolidated financial statements
continued

16. Other intangible assets

	IT development costs £'000	Computer software £'000	Total £'000
Cost			
Balance at 1 May 2023	282	1,203	**1,485**
Additions	-	-	**-**
At 30 April 2024	282	1,203	**1,485**
Additions	-	-	**-**
At 30 April 2025	**282**	**1,203**	**1,485**
Amortisation			
Balance at 1 May 2023	40	355	**395**
Charge for the year	80	363	**443**
At 30 April 2024	120	718	**838**
Charge for the year	80	345	**425**
At 30 April 2025	**200**	**1,063**	**1,263**
Net book value at 30 April 2024	162	485	**647**
Net book value at 30 April 2025	**82**	**140**	**222**

The Group's amortisation policy, as disclosed in note 1.10, is to amortise other intangible assets from the date they are made available for use.

17. Other investments

The Group holds other investment interests in the following third party investments:

	£'000
Fair value	
Balance at 1 May 2023	147
Gain on revaluation - FVOCI	128
Balance at 30 April 2024	**275**
Loss on revaluation - FVOCI	**(160)**
Balance at 30 April 2025	**115**

£nil (2024: £nil) – Gateley Investments Limited holds a 1.9% investment in the ordinary shares of Manchester Biotech Limited (formerly PeptiGelDesign Ltd).

£114,652 (2024: £275,433) – Gateley Plc holds a 3.0% investment in the ordinary shares in Incanthera Plc, acquired on 26 February 2020.

18. Contract assets and liabilities

	Contract assets £'000	Contract liabilities £'000
As at 30 April 2025	**24,886**	**(198)**
As at 30 April 2024	23,543	(409)

Contract assets

Contract assets consist of unbilled revenue in respect of professional services performed to date.

Contract assets in relation to non-contingent work are recognised at appropriate intervals, normally on a monthly basis in arrears, in line with the performance of the services and engagement obligations. Where such matters remain unbilled at the period end the asset is valued on a contract-by-contract basis at its expected recoverable amount.

Contract assets in relation to contingent work are recognised at a point in time once the uncertainty over the contingent event has been satisfied and all performance obligations satisfied, such that it is no longer contingent, these matters are valued based on the expected recoverable amount. Due to the complex nature of these matters, they can take a considerable time to be finalised therefore performance obligations may be settled in one period but the matter not billed until a later financial period. Until the performance obligations have been performed the Group does not recognise any contract asset value at the year end.

During the year, contract assets of £nil (2024: £nil) were acquired in business combinations.

The Group applies the simplified approach to providing for the expected credit losses on contact assets.

An impairment loss of £33,000 has been recognised in relation to contract assets in the year (2024: loss £656,000). This is based on the expected credit loss under IFRS 9 of these types of assets. The contract asset loss is estimated at 0.1% (2024: loss 2.8%) of the balance.

Contract assets recognised under IFRS 15
Under IFRS 15 the Group is required to recognise contract assets, as detailed in note 1.17.

	2025 £'000	2024 £'000
Contract asset value at 1 May	**23,543**	20,388
Contract asset value added in the year	**21,671**	24,759
Contract asset value realised in the year	**(20,328)**	(21,604)
Contract asset value at 30 April	**24,886**	23,543

The Group have applied ECLs to unbilled revenue in order to account for the potential default on amounts not yet billed to the client. The ECLs have been calculated on the same basis as those applied to trade receivables.

Contract liabilities

When matters are billed in advance or on a basis of a monthly retainer, this is recognised in contract liabilities and released over time when the services are performed.

Contract liabilities recognised under IFRS 15

Under IFRS 15 the Group is required to recognise contract liabilities.

	2025 £'000	2024 £'000
Contract liabilities at 1 May	**409**	499
Contract liabilities gained in the year	**24**	879
Contract liabilities credited to P&L in year	**(235)**	(969)
Contract liabilities at 30 April	**198**	409

Notes to the consolidated financial statements continued

19. Trade and other receivables

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Trade receivables	**57,854**	58,056
Prepaid consideration subject to earn-out service conditions	**2,328**	6,717
Prepayments	**8,901**	7,249
Other receivables including insurance receivables	**1,493**	2,083
	70,576	74,105

	£'000	£'000
Amounts falling due after one year:		
Prepaid consideration subject to earn-out service conditions	**2,559**	8,368

Prepaid consideration comprises amounts transferred to vendors as consideration on acquisition where payments are subject to ongoing employment service conditions. Amounts are released to the Statement of profit and loss over a period of up to seven years, as the service condition is satisfied.

Trade receivables

Trade receivables are recognised when a bill has been issued to the client, as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. Trade receivables also includes disbursements.

Bills are payable within thirty days unless otherwise agreed with the client.

All trade receivables are repayable within one year.

Movement in loss allowance

	2025 £'000	2024 £'000
Brought forward provision	**(3,257)**	(3,825)
Provision utilised	**1,735**	1,187
Charged to statement of profit and loss	**(1,949)**	(1,062)
Provisions released	**329**	443
	(3,142)	(3,257)

The Group applies the simplified approach to providing for the expected credit losses under IFRS 9. Management have also elected to apply an uplift to the IFRS 9 provision in the current year to account for the specific risks in the subsidiary entities where the application of IFRS 9 alone is not considered appropriate.

2025	Not passed due	Past due 0-30 days	Past due 31-120 days	Past due greater than 120 days	Total
Expected credit loss rate	2.41%	2.67%	3.19%	14.45%	
Estimated total gross carrying amount £'000	35,668	6,575	5,358	13,395	**60,996**
Lifetime ECL £'000	860	176	171	1,935	**3,142**

2024	Not passed due	Past due 0-30 days	Past due 31-120 days	Past due greater than 120 days	Total
Expected credit loss rate	2.32%	2.53%	2.69%	14.86%	
Estimated total gross carrying amount £'000	35,813	6,777	4,343	14,380	**61,313**
Lifetime ECL £'000	831	172	117	2,137	**3,257**

The carrying amount of financial assets (including contract assets but not including equity investments) recorded in the financial statements, which is net of any impairment losses, represents the Group's maximum expected exposure to credit risk. Financial assets include client and other receivables and cash. The Group does not hold collateral over these balances.

All the Group's trade and other receivables have been reviewed for indicators of impairment. The specifically impaired trade receivables are mostly due to customers experiencing financial difficulties.

An impairment loss of £1,949,000 has been recognised in relation to trade receivables in the year (2024: £1,062,000). This is based on the expected credit loss under IFRS 9 of these types of assets. The trade receivables loss is estimated at 3.4% (2024: 1.7%) of the balance.

20. Other interest-bearing loans and borrowings

The contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost are described below. For more information about the Group's exposure to interest rate and foreign currency risk, see note 26.

	2025		2024	
	Fair value £'000	Carrying amount £'000	Fair value £'000	Carrying amount £'000
Non-Current liabilities				
Bank borrowings	**18,685**	**18,685**	12,908	12,908

On 11 April 2025, the Company entered into a new revolving credit facility which provides total committed funding of £80m until April 2028. Interest is payable at a margin of 1.25% above the SONIA reference rate. A commitment fee of one third of the applicable margin is payable on the undrawn amounts.

As at 30 April 2025, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

	Current		Non-current	
30 April 2025	Within 6 months £'000	6 to 12 months £'000	1 – 5 years £'000	Later than 5 years £'000
Bank borrowings	**-**	**-**	**22,249**	**-**
Leases	**2,584**	**2,584**	**19,048**	**4,012**
Trade and other payables	**9,249**	**-**	**-**	**-**
Total	**11,833**	**2,584**	**41,297**	**4,012**

This compares to the maturity of the Group's non-derivative financial liabilities in the previous reporting period as follows:

	Current		Non-current	
30 April 2024	Within 6 months £'000	6 to 12 months £'000	1 – 5 years £'000	Later than 5 years £'000
Bank borrowings	-	14,133	-	-
Leases	2,721	2,720	19,855	7,926
Trade and other payables	12,839	-	-	-
Total	15,560	16,853	19,855	7,926

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

Notes to the consolidated financial statements
continued

21. Trade and other payables

	2025 £'000	2024 £'000
Current		
Trade payables	**9,249**	12,839
Other taxation and social security payable	**8,062**	8,143
Contingent consideration	**252**	324
Accruals	**8,174**	11,397
Contract liabilities	**198**	409
	25,935	33,112

Trade payables and accruals mainly comprise amounts outstanding from trade purchases and other normal business-related costs. The average credit period taken for trade purchases is 18 days (2024: 20 days).

Other taxation and social security are comprised of payroll taxes and value added tax due to HMRC.

22. Deferred tax

Deferred tax assets and liabilities are summarised below:

Deferred tax asset

The deferred tax asset recognised in the consolidated statement of financial position represents the future tax impact of issued share based payments schemes that are yet to vest.

	Share-based payments £'000
At 1 May 2023	**830**
Debited during the year in the Consolidated income statement	**(114)**
Debited during the year to retained earnings	**(343)**
At 1 May 2024	**373**
Credited during the year in the Consolidated income statement	**283**
Debited during the year to retained earnings	**(90)**
At 30 April 2025	**566**

Deferred tax liability

The deferred tax liability recognised in the Consolidated Statement of Financial Position represents the future tax impact of the Group's benefit from customer lists obtained through acquisitions.

	Customer lists £'000
At 1 May 2023	2,941
Arising through business combinations – Symbiosis IP Limited	831
Credited during the year in the Consolidated income statement	(804)
At 30 April 2024	**2,968**
Credited during the year in the Consolidated income statement	**(559)**
At 30 April 2025	**2,409**

23. Provisions

	2025 £'000	2024 £'000
Current provision		
Professional indemnity provision	**175**	175
Total current provision	**175**	175
Non-current provision		
Professional indemnity provision	**2,093**	3,088
Dilapidations provision	**637**	637
Total non-current provision	**2,730**	3,725
Total provisions	**2,905**	3,900

Professional indemnity estimated claim cost

	2025 £'000	2024 £'000
Brought forward	**3,263**	1,010
Provisions made during the year	**-**	2,253
Provisions reversed during the year	**(995)**	-
At end of year	**2,268**	3,263
Non-current	**2,093**	3,088
Current	**175**	175
	2,268	3,263

The Group from time to time receives claims in respect of alleged professional negligence which it defends where appropriate but makes provision for the best estimate of probable amounts considered likely to be payable as set out above. Inevitably, these estimates depend on the outcome and timing of future events and may need to be revised as circumstances change. A different assessment of the likely outcome in each case or of the probable cost involved may result in a different level of provision recognised. Professional indemnity Insurance cover is maintained in respect of professional negligence claims.

Dilapidations provision

The Group has leases for a number of offices, some of which include dilapidation clauses. The Group maintains the office buildings throughout each lease term with regular maintenance, however a cost is likely to arise at the end of the lease term in order to return the space to its original condition. Management have therefore elected to introduce a dilapidations provision to account for the future cost. The provision is based on Management's estimate of the total costs across all applicable lease to be recognised on a straight-line basis over the total lease terms.

	2025 £'000	2024 £'000
At 1 May	**637**	387
Provision made in the year	**-**	250
At 30 April	**637**	637

Notes to the consolidated financial statements
continued

24. Net debt

	2025 £'000	2024 £'000
Cash and cash equivalents	**12,081**	16,674
Debt		
Total loans brought forward	**(41,432)**	(38,786)
Revolving credit facility	**(5,777)**	(6,095)
New lease liability in the year	**(2,634)**	(1,642)
Repayment of lease liability	**5,376**	5,091
Total loan carried forward	**(44,467)**	(41,432)
Brought forward from previous year	**(24,758)**	(27,681)
Movement during year	**(7,628)**	2,923
Net debt at the year end	**(32,386)**	(24,758)

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

	Long term borrowings £'000	Short term borrowings £'000	Lease liabilities £'000	Total £'000
1 May 2024	-	12,908	28,524	**41,432**
Cashflows:				
Receipt of revolving credit facility	19,000	6,000		**25,000**
Repayments	(320)	(19,000)	(5,376)	**(24,696)**
Non-cash				
Loan arrangement fee unwind	5	92		**97**
New lease liability in the year	-	-	2,634	**2,634**
30 April 2025	18,685	-	25,782	**44,467**

	Long term borrowings £'000	Short term borrowings £'000	Lease liabilities £'000	Total £'000
1 May 2023	6,813	-	31,973	**38,786**
Cashflows:				
Repayments	(5,000)	-	(5,091)	**(10,091)**
Receipt of revolving credit facility	11,000	-	-	**11,000**
Non-cash				
Reclassification to short term borrowings	-	-	-	**-**
Loan arrangement fee unwind	95	-	-	**95**
New lease liability in the year	-	-	1,642	**1,642**
Reclassification to short term borrowings	(12,908)	12,908	-	**-**
30 April 2024	-	12,908	28,524	**41,432**

25. Share capital

Authorised, issued and fully paid

	2025 Number	2025 £	2024 Number	2024 £
Ordinary shares of 10p each				
Brought forward	**133,037,849**	**13,303,784**	126,636,157	12,663,615
Issued to satisfy consideration in acquisition of Richard Julian and Associates Limited	**299,438**	**29,944**	1,192,163	119,216
Issued as part of contingent consideration of Gateley Smithers Purslow Limited	**-**	**-**	1,661,790	166,179
Issued on vesting of RSA	**-**	**-**	790,131	79,013
Issued on vesting of SAYE	**200,636**	**20,064**	1,591,555	159,156
Issued on vesting of LTIP	**-**	**-**	727,790	72,779
Issued on vesting of CSOPS	**163,703**	**16,370**	438,263	43,826
At 30 April	**133,701,626**	**13,370,162**	133,037,849	13,303,784

The Company has one class of Ordinary shares which carry no right to fixed income. Each share has full rights in respect to voting.

On 5 August 2024 the Company issued 299,438 10p ordinary shares to satisfy the contingent consideration on the acquisition of Richard Julian and Associates Limited.

Between 1 May 2024 and 30 April 2025 200,636 10p ordinary shares were issued upon vesting of the 2019/2020 SAYE schemes to participants.

On 27 September 2024 163,703 10p ordinary shares were issued upon vesting of the 2020 LTIP scheme to participants.

26. Financial instruments and related disclosures

Financial risk management

The Board has overall responsibility for the oversight of the Group's risk management framework. A formal process for reviewing and managing risk in the business has been developed. A register of strategic and operational risk is maintained and reviewed by the Board, who also monitor the status of agreed actions to mitigate key risks.

Management's objective in managing financial risks is to ensure the long-term sustainability of the Group.

As the Group's principal financial instruments comprise cash, client receivables and unbilled revenue, the main risks are those that relate to credit in regard to receivables and contract assets.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's credit risk is primarily attributable to its trade receivables.

The Group continuously monitors the credit quality of customers and risk attributable to specific debts. The Group's policy is to deal only with credit worthy counterparties, with standard credit terms being 30 days. The credit terms as negotiated with customers are subject to close monitoring and internal approval. The ongoing credit risk is managed through regular review of ageing analysis.

Trade receivables across the Group have been assessed with regard to credit risk characteristics which vary across segmental reporting lines according to the nature of the industry, size and financial position of the counterparty. The Group also considers days past due in making this assessment as well as historical credit losses experienced within over a period of 12 months before 30 April 2025.

The expected loss rates derived from this assessment are adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables. The Group has a policy of performing credit checks and the large spread of reputable clients ensures there are no unacceptable concentrations of credit risk.

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.

Notes to the consolidated financial statements continued

The Board considers financial instruments where contractual payments are significantly past due on a monthly basis to determine the risk of default. As part of this process and financial instruments that have had a significant increase in credit risk are identified. For these purposes default is considered to be where the counterparty to the financial instrument fails to fulfil part or all of their financial obligation. The Group will consider a financial asset to be credit impaired based on both the age of the item and specific knowledge held by the fee earner in relation to the client's ability and intention to meet their obligations.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

In circumstances where fee earners and the Board find sufficient indicators that there is no longer reasonable expectation of recovery, the amounts are written off.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group ensures that it has sufficient cash or loan facilities to meet all its commitments when they fall due by ensuring that there is sufficient cash or working capital facilities to meet the cash requirements of the Group.

Gateley Plc is financed through a combination of unsecured bank loans together with cash generated from operations. The Board reviews the projected financing requirements annually when agreeing the Group's budget and, based on this review, sets the value of the future capital requirements of the business. The cash flow forecast for the entire Group is updated regularly and compared to the budget with any significant variance being reported to the board.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income. The Group's exposure to market risk predominantly relates to interest and currency risk. Management does not consider this to be a significant risk to the Group on the grounds of materiality.

Interest rate risk

The Group's bank borrowings incur variable interest rate charges linked to SONIA plus a margin. Management do not consider this to be a significant risk to the Group. See page 123 for further analysis.

Foreign currency risk

The Group has an overseas operation based in Dubai and another in the Republic of Ireland which, therefore, exposes the Group to changes in Sterling/Dirhams and Sterling/Euro exchange rates. Management does not consider this to be a significant risk to the Group due to the total value of transactions conducted in Dubai and the Republic of Ireland.

Fair value disclosures

The fair value of each class of financial assets and liabilities is the carrying amount, based on the following assumptions:

Trade receivables, trade payables, short term deposits and borrowings	The fair value approximates to the carrying value because of the short maturity of these instruments.
Long-term borrowings	The fair value of bank loans and other loans approximates to the carrying value reported in the statement of financial position.

Fair value hierarchy

Financial instruments carried at fair value should be measured with reference to the following levels:

- Level 1: quoted prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The fair value of financial assets and liabilities are as follows (there is no difference between the carrying value of the financial assets and liabilities and their fair value):

	2025 £'000	**2024 £'000**
Quoted investments	**115**	275
Cash and cash equivalents	**12,081**	16,674
Contract assets	**24,886**	23,621
Trade receivables at amortised cost	**57,854**	58,056
Total financial assets	**94,936**	98,626
Trade and other payables	**(17,873)**	(24,560)
Current borrowings	**-**	(12,908)
Current financial liabilities	**(17,873)**	(37,468)
Long-term borrowings	**(18,685)**	-
Total financial liabilities	**(36,558)**	(37,468)

Financial assets contain trade receivables and unbilled revenue whereas financial liabilities contain trade payables, other payables, contingent consideration and accruals.

Measurement of fair value of financial instruments

The Group performs valuations of financial items for financial reporting purposes, in consultation with third party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The only instruments held at fair value are quoted investments and as these are immaterial to the financial statements no further disclosures have been made in respect of the specific valuation techniques used.

Financial instruments sensitivity analysis

In managing interest rate and currency risks, the Group aims to reduce the impact of short term fluctuations on its earnings. At the end of each reporting period, the effect of hypothetical changes in interest and currency rates are as follows:

Interest rate sensitivity analysis

The table below shows the Group's sensitivity to interest rates on floating rate borrowings (i.e. cash and cash equivalents and bank borrowings which attract interest at floating rates) if interest rates were to change by +/- 1%. The impact on the results in the statement of profit and loss and other comprehensive income and equity would be:

	2025 Increase/ (decrease) in profit and loss £'000	**2024 Increase/ (decrease) in profit and loss £'000**
+1 % movement in interest rates	**190**	130
-1 % movement in interest rates	**(190)**	(130)

The group's borrowing facility consists solely of a revolving credit facility which provides committed funding of £80m until April 2028.

Foreign exchange rate sensitivity analysis

The Group had the following net currency denominated financial instruments at year end:

	2025 £'000	**2024 £'000**
Net currency	**242**	112

The effect of foreign currency fluctuations on the financial statements is immaterial.

Notes to the consolidated financial statements
continued

27. Capital commitments

There were no capital commitments at 30 April 2025 (2024: £nil)

28. Lease liabilities – IFRS 16

The Group has leases for offices, vehicles and some IT equipment, with the exception of short-term leases and leases of low-value assets each lease is held on the balance sheet as a right-of-use asset and corresponding lease liability. Property leases have a remaining term of one to ten years. Leases of vehicles and IT equipment have a term of three to five years. Lease payments on all those recognised on the balance sheet are fixed. Unless there is a contractual right for the Group to sublet the asset to a third party, the right of use asset can only be used by the Group.

The table below provides additional information on the right-of-use assets by class of assets:

	Number of leased assets*	Average length of lease remaining	Opening lease asset £'000	Net additions £'000	Depreciation £'000	Closing lease asset £'000
Office buildings	**10**	**4.5 years**	**23,239**	**1,375**	**(3,886)**	**20,729**
Electric vehicles	**15**	**1.7 years**	**382**	**168**	**(148)**	**402**

* Where properties within the same building are leased on a floor by floor basis on the same contractual terms, the Group has elected to treat these as a portfolio and are counted as a single leased asset within the table

Lease liabilities are presented in the statement of financial position as follows:

	2025 £'000	2024 £'000
Current lease liability	**4,230**	4,346
Non-current lease liability	**21,552**	24,178

A number of property leases held by the Group include break or termination options. The lease liability has been calculated based on the likelihood of such option being exercised. An option would only be exercised when in line with the Groups wider strategy.

In line with IFRS 16 *Leases* the Group has elected not to recognise a lease liability for leases with a term of 12 months or less, or for leases of low value assets. The payments made under such leases are expensed to the profit and loss on a straight-line basis. Any variable lease payments incurred are expensed as incurred.

The table below shows amounts recognised in the Statement of Comprehensive Income for short term and low value leases as at 30 April 2025:

	Property £'000	Equipment £'000	Total £'000
Expenses relating to short-term leases	117	18	**135**
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	-	70	**70**
	117	88	**205**

The total minimum undiscounted lease payments at 30 April 2024 under non-cancellable operating lease rentals were:

	30 April 2025 £'000	30 April 2024 £'000
Within one year	**5,169**	5,441
In the second to fifth year inclusive	**19,048**	19,855
After five years	**4,012**	7,926
	28,229	33,222

29. Related parties

Compensation paid to key management personnel

At the year end, Directors of Gateley (Holdings) Plc control 1.61% (2024: 1.64%) of the voting shares of the Company.

The key management personnel comprise the Strategic Board on the basis that they make any final key decisions.

Short term compensation paid to key management personnel during the year totalled £3.920m (2024: £3.597m).

Short term remuneration to key management personnel is included in personnel costs and analysed as follows:

	2025 £'000	2024 £'000
Wages and salaries	**3,473**	3,166
Social security	**442**	431
Pension costs	**5**	-
	3,920	3,597

30. Pensions

The Group participates in a defined contribution scheme operated by Aegon UK Plc, the assets of which are held separately from the Group. The amounts charged to the profit and loss account in respect of this scheme represent contributions payable in respect of the accounting year. The total annual pension cost for the defined contribution scheme was £3,080,491 (2024: £3,159,992) and the outstanding balance at the year end was £64,842 (2024: £74,268).

31. Post balance sheet events

The Directors are not aware of any material post balance sheet events.

Parent company statement of financial position
at 30 April 2025

	Note	2025 £'000	2024 £'000
Non-current assets			
Investments	5	**58,475**	47,727
Other receivables	6	**2,559**	8,014
Total non-current assets		**61,034**	55,741
Current assets			
Other receivables	6	**12,786**	20,359
Cash and cash equivalents		**193**	379
Total current assets		**12,979**	20,738
Total assets		**74,013**	76,479
Non-current liabilities			
Other interest-bearing loans and borrowings	8	**(12,685)**	-
Total non-current liabilities		**(12,685)**	-
Current liabilities			
Other interest-bearing loans and borrowings	8	**-**	(12,908)
Other payables	7	**(276)**	(561)
Total current liabilities		**(276)**	(13,469)
Total liabilities		**(12,961)**	(13,469)
Net assets		**61,052**	63,010
Equity			
Share capital	9	**13,370**	13,304
Share premium		**424**	35
Other reserves		**19,754**	19,383
Share based payment reserve		**8,305**	7,599
Retained earnings		**19,199**	22,689
Total equity		**61,052**	63,010

Under section s408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account. The profit for the year to 30 April 2025 was £9,007,000 (2024: £12,980,000).

These financial statements were approved by the directors on 14 July 2025 and were signed and authorised on their behalf by:

Roderick R Waldie
Chief Executive Officer

Neil A Smith
Chief Financial Officer

Company registered number: 09310078.

The accompanying notes on pages 129 to 138 form an integral part of these financial statements.

Parent company statement of changes in equity
for year ended 30 April 2025

	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Other reserves £'000	Retained earnings £'000	Total Equity £'000
At 1 May 2023	12,664	11,846	5,913	15,413	8,314	**54,150**
Comprehensive income:						
Profit for the year	-	-	-	-	12,980	**12,980**
Total comprehensive income	-	-	-	-	12,980	**12,980**
Transactions with owners:						
Dividend paid	-	-	-	-	(12,335)	**(12,335)**
Issue of share capital	640	1,919	-	3,970	-	**6,529**
Cancellation of share premium account		(13,730)	-	-	13,730	**-**
Share based payment transactions	-	-	1,686	-	-	**1,686**
Total equity at 30 April 2024	13,304	35	7,599	19,383	22,689	**63,010**
At 1 May 2024	13,304	35	7,599	19,383	22,689	**63,010**
Comprehensive income:						
Profit for the year	-	-	-	-	9,008	**9,008**
Total comprehensive income	-	-	-	-	9,008	**9,008**
Transactions with owners:						
Dividend paid	-	-	-	-	(12,498)	**(12,498)**
Issue of share capital	66	389	-	371	-	**826**
Share based payment transactions	-	-	706	-	-	**706**
Total equity at 30 April 2025	13,370	424	8,305	19,754	19,199	**61,052**

The following describes the nature and purpose of each reserve within equity:

Share premium – Amount subscribed for share capital in excess of nominal value.

Other reserves – Represents the difference between the actual and nominal value of shares issued by the company in the acquisition of subsidiaries.

Share based payment reserve – Represents the accumulated share based payment charge and is not distributable.

Retained earnings – All other net gains and losses and transactions with owners not recognised anywhere else.

The accompanying notes on pages 129 to 138 form an integral part of these financial statements.

Parent company cash flow statement
for year ended 30 April 2025

	Note	2025 £'000	2024 £'000
Cash flows from operating activities			
Profit for the year		9,008	12,985
Interest expense		1,094	1,051
(Decrease)/Increase in liabilities		(285)	(940)
Decrease/(increase) in other receivables		3,788	(1,875)
Net cash flows from operating activities		13,605	11,221
Investing activities			
Initial consideration paid on acquisitions		-	(2,035)
Earn-out consideration paid - acquisition of subsidiary		(401)	(3,790)
Net cash used in investing activities		(401)	(5,825)
Financing activities			
Receipt of funds for issue of SAYE/RSA/COP/LTIP shares		425	2,274
Receipt of revolving credit facility	8	-	6,000
Repayment of revolving credit facility		(223)	-
Interest paid		(1,094)	(956)
Dividends paid		(12,498)	(12,335)
Net cash used in financing activities		(13,390)	(5,017)
Net (decrease)/increase in cash and cash equivalents		(186)	379
Cash and cash equivalents at beginning of the year		379	-
Cash and cash equivalents at end of year		193	379

The accompanying notes on pages 129 to 138 form an integral part of these financial statements.

Parent company notes to the financial statements
For the period ended 30 April 2025 (forming part of the financial statements)

1. Basis of preparation and material accounting policies

Gateley (Holdings) Plc (the "Company") is a company incorporated and domiciled in the UK under the Companies Act. The nature of the Group's operations and its principal activities are set out in the strategic report.

The financial statements have been prepared in accordance with UK-adopted International Accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 13 below.

The individual financial statements of the Company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purposes of the financial statements, the results and financial position of the company are expressed in GBP, which is the functional and presentational currency of the Company.

Measurement convention
The financial statements are prepared on the historical cost basis except where Adopted IFRSs require an alternative treatment. The principal variations relate to financial instruments which are carried at fair value.

1.1 Going concern

See full explanation on page 51 of the Strategic Report.

Having reviewed the Company's forecasts, which includes an analysis of both short term cash flow forecasts and longer term cash flow forecasts, the risk and uncertainties surrounding the current and future demand for legal services, and other reasonably possible variations in trading performance, the Company expects to be able to operate within the Company's financing facilities and in accordance with the covenants set out in those facility agreements.

Sensitivity analysis has been performed in respect of specific scenarios which could negatively impact our future performance such as lower levels of revenue growth, lower than forecast receipts of cash, and reduced levels of gross margin expansion. In addition, the directors have also considered mitigating actions such as lower capital expenditure and other short-term cash management activities within the Company's control. On this basis, the directors have a reasonable basis to conclude that the Company is forecast to continue to trade in line with existing financing facilities for the foreseeable future and at least 12 months from the approval of these financial statements.

Accordingly the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.2 Classification of financial instruments issued by the Company

Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

(b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the financial instruments are classified as a financial liability.

Parent company notes to the financial statements continued

1.3 Non derivative financial instruments

Financial Assets
The Company's financial assets include cash and cash equivalents and trade and other receivables. All financial assets are recognised when the Company becomes party to the contractual provisions of the instrument.

i) Investments
Fixed asset investments are stated at cost less provision for any impairment in value.

Investments in subsidiary undertakings are stated as fixed asset investments, at cost less amounts written off for impairment with any subsequent year adjustments stated directly into the profit and loss account. Investments are reviewed for impairment where events or circumstances indicate that their carrying amount may not be recoverable. In some instances investments are subject to contingent consideration, this is included in the cost of investment. The amount of contingent consideration due is assessed regularly by Management based on actual and forecast performance. Any changes to contingent consideration due are recognised within the statement of profit and loss. Cost of investment also includes share-based payment charges of equity settled share based payment schemes to be settled on behalf of subsidiary companies.

ii) Other receivables
Other receivables (except unbilled amounts for client work) are initially recognised at their transaction value and carried at amortised cost under IFRS 9.

iii) Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held at call with banks. For the purpose of the cash flow statement, cash and cash equivalents includes bank overdrafts in addition to the definition above.

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

The Company's financial liabilities comprise borrowings and contingent consideration treated as remuneration. All financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method with the exception of contingent consideration that is measured at fair value through profit or loss.

1.4 Impairment

Financial assets (including receivables)
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss scenario is likely to occur after the initial recognition of the asset, and that the loss event has a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Under IFRS 9 the Group recognises expected credit losses (ECLs) on receivables through application of the simplified method. The amount of the provision recorded is based on a broad range of information including past events, current conditions and forecasts of the future cash flows of the asset.

1.5 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to a business combination, or items recognised directly in equity or other comprehensive income. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognised on deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.6 Ordinary dividends

Dividends are recognised as a liability in the period in which they are approved by the Company's shareholders.

1.7 New and revised IFRS in issue but not yet effective

There have been no changes to international accounting standards this year that have a material impact on the company's results. No forthcoming new international accounting standards are expected to have a material impact on the financial statements of the company.

2. Expenses

Audit fees in relation to the audit of these accounts of £10,000 (2024: £10,000) have been borne by Gateley Plc. The company does not have any employees (2024: Nil).

3. Investment income

Intercompany dividends to the Company have been received from other Group entities as detailed below:

	2025 £'000	2024 £'000
Dividend received from Gateley Plc – 29 April 2025	**10,000**	-
Dividend received from GEG Services Limited – 20 March 2025	**182**	-
Dividend received from Gateley Plc – 23 October 2023	**-**	1,000
Dividend received from Gateley RJA Limited – 16 November 2023	**-**	600
Dividend received from Gateley Plc – 12 February 2024	**-**	3,900
Dividend received from Gateley Plc – 30 April 2024	**-**	8,600
	10,182	14,100

Parent company notes to the financial statements continued

4. Taxation

The Company's profit for the year arises from the receipt of intercompany dividends and the issuance of new shares to Gateley EBT Limited, which are not chargeable to corporation tax. As a result, no provision for corporation tax is needed in these financial statements.

5. Investments

	£'000
At 1 May 2023	40,155
Share based payment charge	1,686
Capital contribution in respect of acquisition related remuneration	5,886
Balance at 30 April 2024	**47,727**
At 1 May 2024	47,727
Share based payment charge	706
Capital contribution in respect of acquisition related remuneration	10,042
Balance at 30 April 2025	**58,475**

Investments in subsidiaries

The Company has effective control of the following:

	Registered office	Ordinary share proportion held	Nature of business
Gateley Plc	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Legal services
Entrust Pension Limited	Ship Canal House 98, King Street, Manchester, M2 4WU	100%	Pension trustee services
Gateley Capitus Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Tax incentive services
Gateley Hamer Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Specialist property consultancy
Kiddy & Partners Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Human capital consultancy
Gateley Global Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	UK Investment consultancy
T-Three Consulting Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Human capital consultancy
Gateley Vinden Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Corporate advisory, dispute resolution and consultancy to the built environment in the property and construction markets
GEG Services Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	UK Investment services provider
Austen Hays Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Legal services
SP 2018 Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Intermediate holding company
Smithers Purslow Group Limited*	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Intermediate holding company
Gateley Smithers Purslow Limited*	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Architecture, building surveyance and civil & structural engineering
Adamson Jones IP Limited	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Patent attorney
Symbiosis IP Limited*	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Patent attorney
Gateley RJA Limited	One Eleven, Edmund Street, Birmingham, B3 2HJ	100%	Quantity surveyors
Gateley EBT Limited	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Employee benefit trust
Gateley Investments Limited*	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Corporate investment company
Ensco Trustee Company Limited*	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Corporate trustee company
Gateley Secretaries Limited*	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Non-trading
Gateley Incorporations Limited*	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Non-trading
Gateley Custodian and Nominee Services Limited*	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Non-trading
Gateley Custodian and Nominee Services No.2 Limited*	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Non-trading
Gateley Omega Limited (formerly Ensco 1413 Limited)	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Non-trading
Gateley Trust Corporation Limited	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Non-trading

	Registered office	Controlling interest held	Nature of business
Gateley UK LLP**	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Legal services via a branch in Dubai
Gateley (NI) LLP***	Imperial House, 4-10 Donegall Square East, Belfast, Northern Ireland, BT1 5HD	n/a	Legal services in Northern Ireland
Victoria Louise Garrad and Richard Julian Healey trading as Gateley Ireland***	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	n/a	Legal Services in Ireland
Gateley Heritage LLP*	One Eleven, Edmund Street, Birmingham, West Midlands, B3 2HJ	100%	Non-trading

* these investments are indirectly held at the year end.

** certain Directors of Gateley (Holdings) Plc and Gateley Plc as individuals are members of this entity, although effective control is held by Gateley (Holdings) Plc via a trust holding arrangement.

*** These entities are related entities of Gateley Plc since the majority of its Members are also Board members of Gateley Plc. In substance they are controlled by Gateley Plc and so their results are included in the consolidated results of Gateley (Holdings) Plc. In accordance with local governance regulations, direct ownership in Gateley (NI) LLP and Gateley Ireland (a partnership in Ireland) is not permitted however both entities will be recognised as subsidiary undertakings of Gateley Plc under section 1162(4) of the Companies Act 2006 and thus subsidiary undertakings of the Group by virtue of section 1162(5) of the Companies Act 2006.

Parent company notes to the financial statements
continued

6. Other receivables

	2025 £'000	2024 £'000
Amounts falling due within one year:		
Amounts owed from Gateley Plc	**8,116**	11,832
Amounts owed from Gateley EBT Limited	**646**	646
Amounts owed from Gateley Vinden Limited	**50**	50
Amounts owed from Adamson Jones IP Limited	**2,000**	2,000
Prepaid consideration subject to earn-out service conditions	**1,974**	5,831
	12,786	20,359

	£'000	£'000
Amounts falling due after one year:		
Prepaid consideration subject to earn-out service conditions	**2,559**	8,014
	2,559	8,014

Prepaid consideration comprises amounts transferred to vendors as consideration on acquisition where payments are subject to ongoing employment service conditions. Amounts are released to the Statement of profit and loss over a period of up to seven years, as the service condition is satisfied.

All intercompany receivables are anticipated to be due within one year and repayable on demand. No interest is charged on intercompany balances repayable on demand.

The directors are satisfied that no provisioning for impairment is required in respect of the receivables at 30 April 2025 (2024: £Nil)

The carrying amount of financial assets (excluding investments) recorded in these accounts, which is net of any impairment losses, represents the Company's maximum exposure to credit risk. Financial assets include amounts due from Gateley Plc. The Company does not hold collateral over these balances.

7. Other payables

	2025 £'000	2024 £'000
Contingent consideration	**252**	324
Other payables	**24**	237
	276	561

8. Other interest-bearing loans and borrowings

The contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost, are described below. For more information about the Group's exposure to interest rate and foreign currency risk, see note 27.

	2025		2024	
	Fair value £'000	Carrying amount £'000	Fair value £'000	Carrying amount £'000
Non-Current liabilities				
Bank borrowings	**12,685**	**12,685**	12,908	12,908

On 11 April 2025, the Company entered into a new revolving credit facility which provides total committed funding of £80m until April 2028. Interest is payable at a margin of 1.25% above the SONIA reference rate. A commitment fee of one third of the applicable margin is payable on the undrawn amounts.

As at 30 April 2025, the Company's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarised below:

30 April 2025	Current		Non-current	
	Within 6 months £'000	6 to 12 months £'000	1 – 5 years £'000	Later than 5 years £'000
Other payables	**24**	**-**	**-**	**-**
Bank borrowings	**-**	**-**	**15,238**	**-**
Total	**24**	**-**	**15,238**	**-**

This compares to the maturity of the Company's non-derivative financial liabilities in the previous reporting period as follows:

30 April 2024	Current		Non-current	
	Within 6 months £'000	6 to 12 months £'000	1 – 5 years £'000	Later than 5 years £'000
Other payables	-	561	-	-
Bank borrowings	-	14,133	-	-
Total	-	14,694	-	-

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

Parent company notes to the financial statements continued

9. Capital and reserves

Authorised, issued and fully paid

	2025 Number	2025 £	2024 Number	2024 £
Ordinary shares of 10p each				
Brought forward	**133,037,849**	**13,303,784**	126,636,157	12,663,615
Issued to satisfy consideration in acquisition of Richard Julian and Associates Limited	**299,438**	**29,944**	1,192,163	119,216
Issued as part of contingent consideration of Gateley Smithers Purslow Limited	**-**	**-**	1,661,790	166,179
Issued on vesting of RSA	**-**	**-**	790,131	79,013
Issued on vesting of SAYE	**200,636**	**20,064**	1,591,555	159,156
Issued on vesting of LTIP	**-**	**-**	727,790	72,779
Issued on vesting of CSOPS	**163,703**	**16,370**	438,263	43,826
At 30 April	**133,701,626**	**13,370,162**	133,037,849	13,303,784

The Company has one class of Ordinary shares which carry no right to fixed income.

On 5 August 2024 the Company issued 299,438 10p ordinary shares to satisfy the contingent consideration on the acquisition of Richard Julian and Associates Limited.

Between 1 May 2024 and 30 April 2025 200,636 10p ordinary shares were issued upon vesting of the 2019/2020 SAYE schemes to participants.

On 27 September 2024 163,703 10p ordinary shares were issued upon vesting of the 2020 LTIP scheme to participants.

10. Financial instruments and related disclosures

Financial risk management

The Board has overall responsibility for the oversight of the Company's risk management framework. A formal process for reviewing and managing risk in the business has been developed. A register of strategic and operational risk is maintained and reviewed by the Board, who also monitor the status of agreed actions to mitigate key risks.

Management's objective in managing financial risks is to ensure the long-term sustainability of the Company and Group.

As the Company's principal financial instruments comprise cash and inter-group receivables. The main risks are those noted below:

Credit risk

Credit risk is the risk of financial loss to the Company if a subsidiary to a financial instrument fails to meet its contractual obligation. The Company has a policy of monitoring subsidiaries who perform credit checks which together with the spread of reputable clients ensures there are no unacceptable concentrations of credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company ensures that the Group has sufficient cash or loan facilities to meet all its commitments when they fall due by ensuring that there is sufficient cash or working capital facilities to meet the cash requirements of the Company.

Gateley Plc is financed through a combination of unsecured bank loans together with cash generated from operations. The Board reviews the projected financing requirements annually when agreeing the Group's budget and, based on this review, sets the value of the future capital requirements of the business. The cash flow forecast for the entire Group is updated regularly and compared to the budget with any significant variance being reported to the Board.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income. The Company's exposure to market risk predominantly relates to interest and currency risk. Management does not consider this to be a significant risk to the Company.

Interest rate risk

The Company's bank borrowings incur variable interest rate charges linked to SONIA plus a margin. Management do not consider this to be a significant risk to the Company or Group. See page 123 for further analysis.

Foreign currency risk

The Group has one overseas operation based in Dubai which, therefore, exposes the Group to changes in Sterling/ Dirhams exchange rates. Management does not consider this to be a significant risk to the Company or Group.

The company itself does not have any exposure to foreign exchange rates. The Group's exposure is detailed in note 27.

Fair value disclosures

The fair value of each class of financial assets and liabilities is the carrying amount, based on the following assumptions:

Inter Group receivables	The fair value approximates to the carrying value because of the short maturity of these instruments.

There are no financial instruments carried at fair value within this financial information.

The fair value of financial assets and liabilities are as follows (there is no difference between the carrying value of the financial assets and liabilities and their fair value):

	2025 £'000	2024 £'000
Cash and cash equivalents	**193**	379
Group receivables	**10,812**	14,528
Total financial assets	**11,005**	14,907
Current borrowings	**-**	(12,908)
Other payables	**(276)**	(561)
Current financial liabilities	**(276)**	(13,469)
Long-term borrowings	**(12,685)**	-
Other payables	**-**	-
Total non-current liabilities	**(12,685)**	-
Total financial liabilities	**(12,961)**	(13,469)

Financial instruments sensitivity analysis

In managing interest rate risk, the Group aims to reduce the impact of short term fluctuations on its earnings. At the end of each reporting period, the effect of hypothetical changes in interest rates are as follows:

Parent company notes to the financial statements continued

Interest rate sensitivity analysis

The table below shows the Company's sensitivity to interest rates on floating rate borrowings (i.e. cash and cash equivalents and bank borrowings which attract interest at floating rates) if interest rates were to change by +/- 1%. The impact on the results in the statement of profit and loss and other comprehensive income and equity would be:

	2025 Increase/ (decrease) in profit and loss £'000	2024 Increase/ (decrease) in profit and loss £'000
+1 % movement in interest rates	**190**	130
-1 % movement in interest rates	**(190)**	(130)

The borrowing facility consists solely of a revolving credit facility which provides committed funding of £80m until April 2028.

11. Share based payments

Details of the Group's share based payment schemes in operation are shown in note 8 of the Group financial statements. All shares are issued by Gateley (Holdings) Plc.

12. Related parties

None of the executive directors received any remuneration from the company during the year, other than dividend income. They are however remunerated by Gateley Plc, further details can be found in note 30 of the group financial statements.

13. Accounting estimates and judgements

The preparation of these financial statements under IFRS requires Management to make estimates and assumptions which affect these financial statements. The key estimates and assumptions relate to the impairment assessment of investments.

Impairment of investments (note 5)

The total carrying amount of investments is held net of impairment losses. In determining whether investments are impaired requires an estimation of the future value arising from a subsidiary or the trade and assets acquired with it. The value in use calculation requires an estimate of the future cash flows expected to arise from a subsidiary or cash generating unit and the use of a suitable discount rate in order to calculate present value. Any change in estimates could result in an adjustment to recorded amounts. Management do not believe any impairment is necessary against the carrying value of its investments.

14. Contingent liability

A cross guarantee between the company and Gateley Plc exists in respect of all loans and overdrafts. The value of the contingent liability at 30 April 2025 is £18,685,000 (2024: £12,908,000).

Appendix

Reconciliation of alternative performance measures

Underlying profit before tax

The Directors seek to present a measure of underlying profit performance which is not impacted by exceptional items or items considered non-operational in nature. These include non-trading, non-cash and one-off items disclosed separately in the consolidated income statement where the quantum, nature or volatility of such items are considered by management to otherwise distort the underlying performance of the Group. This measure is described as 'underlying' and is used by management to assess and monitor profit performance only at the before and after tax level. In line with the Board's wish to simplify reporting of profits, the Board have moved away from reporting adjusted Earnings Before Interest Tax Depreciation and Amortisation ("EBITDA"), following the introduction of IFRS 16 'Leases'.

	2025 £'000	2024 £'000
Reported profit before tax	**6,363**	13,955
Adjustments for non-underlying and exceptional items:		
- Amortisation of intangible assets	**2,696**	2,483
- Share-based payment adjustment	**1,375**	1,686
- Gain on bargain purchase	**-**	(3,609)
- Consideration treated as remuneration	**10,928**	6,956
- Exceptional items	**1,937**	1,563
Underlying profit before tax	**23,299**	23,034

Amortisation of acquired intangible assets is identified as a non-cash item released to the income statement therefore such cost is removed when considering the underlying trading performance of the Group by adding to profit the annual amortisation charge.

Consideration treated as remuneration: such charges are treated as non-underlying in order to reflect the commercial substance of the transaction. All former vendors who remain employed by the Group are paid at market rates and the earnout remuneration is a function of the interpretation of IFRS, and related emerging guidance only.

The adjustment for share-based payments relates to the impact of the accounting standard for share-based compensation. The cost of all share-based schemes is settled entirely by the issue of shares where the proportions can vary from one year to another based on events outside of the businesses control e.g., share price. Under IFRS the anticipated future share cost is expensed to the income statement over the vesting period. The adjustment above addresses this by adding to profit the IFRS 2 charge in relation to outstanding share awards. This adjustment is made so that non-cash expenses are removed from profit.

Underlying operating profit

	2025 £'000	2024 £'000
Reported operating profit	3,982	11,177
Adjustments for non-underlying and exceptional items:		
- Amortisation of intangible assets	**2,696**	2,483
- Share-based payment adjustment	**1,375**	1,686
- Gain on bargain purchase	**-**	(3,609)
- Consideration treated as remuneration	**10,928**	6,956
- Exceptional items	**1,937**	1,563
Underlying operating profit	**20,918**	20,256

Appendix continued

Cash generated from operations

a) Free cash flows

	2025 £'000	2024 £'000
Net cash generated from operations	13,356	18,887
Repayment of lease liabilities	(5,376)	(5,091)
Net interest received	3,471	4,043
Tax paid	(5,423)	(4,902)
Cash outflow paid on acquisitions	401	5,825
Purchase of property, plant and equipment	(1,526)	(1,045)
Free cash flows	**4,903**	17,717

b) Working capital measures

	2025 £'000	2024 £'000
WIP days		
Amounts recoverable from clients in respect of contract assets (unbilled revenue)	24,886	23,543
Unbilled disbursements	3,522	5,389
Total WIP	**28,408**	28,932
Annualised revenue	179,499	173,312
WIP days	**58**	61

	2025 £'000	2024 £'000
Debtor days		
Trade receivables	57,854	58,056
Less unbilled disbursements	(3,522)	(5,389)
Total debtors	**54,332**	52,667
Annualised revenue	179,499	173,312
Debtor days	**110**	111

	2025 £'000	2024 £'000
Gross lock-up days		
Total WIP	28,408	28,932
Total debtors	54,332	52,667
Total gross lock-up	**82,740**	81,599
Annualised revenue	179,499	173,312
Gross lock-up days	**168**	172

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

Notice of Annual General Meeting

NOTICE IS GIVEN that the Annual General Meeting (**AGM**) of Gateley (Holdings) Plc (**Company**) will be held at 1 Paternoster Square, London EC4M 7DX on Wednesday 24 September 2025 at 12:00 p.m. Shareholders will be asked to consider and, if thought fit, to pass the following resolutions of which resolutions 1 to 13 (inclusive) will be proposed as ordinary resolutions and resolutions 14 to 16 (inclusive) will be proposed as special resolutions.

ORDINARY RESOLUTIONS

1. To receive the Company's annual report and accounts for the financial year ended 30 April 2025, including the directors' report and the independent auditors' report on those accounts.
2. To approve the Directors' Remuneration Report, as set out on pages 70 to 76 of the Company's annual report and accounts for the financial year ended 30 April 2025.
3. To declare a final dividend for the financial year ended 30 April 2025 of 6.2 pence per ordinary share to be paid on 14 November 2025 to shareholders on the Company's register of members at the close of business on 10 October 2025.
4. To appoint Martin Pike, who retires in accordance with article 23.4.2 of the Company's articles of association and, being eligible, offers himself for appointment as a director.
5. To appoint Jenny Goldie-Scot, who retires in accordance with article 23.4.2 of the Company's articles of association and, being eligible, offers herself for appointment as a director.
6. To appoint Sunil Gadhia, who retires in accordance with article 23.4.2 of the Company's articles of association and, being eligible, offers himself for appointment as a director.
7. To reappoint Victoria Garrad, who retires in accordance with article 23.4.2 of the Company's articles of association and, being eligible, offers herself for reappointment as a director.
8. To reappoint Edward Knapp, who retires and, being eligible, offers himself for reappointment as a director.
9. To reappoint Rod Waldie, who retires and, being eligible, offers himself for reappointment as a director.
10. To reappoint Neil Smith, who retires and, being eligible, offers himself for reappointment as a director.
11. To reappoint MHA Audit Services LLP as auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company.
12. To authorise the directors to determine the remuneration of the auditors of the Company.
13. **THAT**, in substitution for all existing and unexercised authorities and powers, the directors of the Company be generally and unconditionally authorised for the purpose of section 551 Companies Act 2006 (the **Act**) to exercise all or any of the powers of the Company to allot shares of the Company or to grant rights to subscribe for, or to convert any security into, shares of the Company (such shares and rights being together referred to as **Relevant Securities**) up to an aggregate nominal value of £4,412,154, which is equal to approximately 33% of the nominal value of the ordinary share capital of the Company as at 25 August 2025 (the latest practicable date prior to publication of this document), to such persons at such times and generally on such terms and conditions as the directors may determine (subject always to the articles of association of the Company) provided that this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, at the close of business on 24 December 2026 save that the directors of the Company may, before the expiry of such period, make an offer or agreement which would or might require Relevant Securities or equity securities (as the case may be) to be allotted after the expiry of such period and the directors of the Company may allot Relevant Securities or equity securities (as the case may be) in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired.

Notice of Annual General Meeting continued

SPECIAL RESOLUTIONS

14. **THAT**, if resolution 13 above is passed, and in substitution for all existing and unexercised authorities and powers, the directors of the Company be and are hereby generally and unconditionally empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) (**Equity Securities**) for cash under the authority given by that resolution 13 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited to:

    14.1 the allotment of Equity Securities or sale of treasury shares in connection with a rights issue or similar offer in favour of ordinary shareholders where the Equity Securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them on that date subject only to such exclusions or other arrangements as the directors of the Company may consider appropriate to deal with fractional entitlements or legal and practical difficulties under the laws of, or the requirements of any recognised regulatory body in, any territory;

    14.2 the allotment of Equity Securities or sale of treasury shares (otherwise than under paragraph 14.1 above) up to an aggregate nominal amount of £1,337,016 representing approximately 10% of the nominal value of the share capital of the Company as at 25 August 2025 (the latest practicable date prior to publication of this document); and

    14.3 the allotment of Equity Securities or sale of treasury shares (otherwise than under paragraphs 14.1 or 14.2 above) up to an aggregate nominal amount equal to 20% of any allotment of Equity Securities or sale of treasury shares from time to time under paragraph 14.2 above, such authority to be used only for the purposes of making a follow-on offer which the directors of the Company determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this document,

    provided that this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business on 24 December 2026, save that the directors of the Company may, in each case, prior to the expiry of this authority, make offers, and enter into agreements, which would, or might, require Equity Securities to be allotted (and treasury shares to be sold) after the expiry of this authority and the directors of the Company may allot Equity Securities (and sell treasury shares) under any such offer or agreement as if this authority had not expired.

15. **THAT**, if resolution 13 above is passed, and in addition to any authority granted under resolution 14 above, the directors of the Company be and are hereby generally and unconditionally empowered pursuant to section 570 of the Act to allot Equity Securities for cash under the authority given by that resolution 13 and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Act did not apply to any such allotment of Equity Securities, such authority to be:

    15.1 limited to the allotment of Equity Securities or sale of treasury shares pursuant to the authority granted under resolution 13 up to an aggregate nominal amount of £1,337,016 representing approximately 10% of the nominal value of the share capital of the Company as at 25 August 2025 (the latest practicable date prior to publication of this document), such authority to be used only for the purposes of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the directors of the Company determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this document; and

    15.2 limited to the allotment of Equity Securities or sale of treasury shares (otherwise than under paragraph 15.1 above) up to an aggregate nominal amount equal to 20% of any allotment of Equity Securities or sale of treasury shares from time to time under paragraph 15.1 above, such authority to be used only for the purposes of making a follow-on offer which the directors of the Company determine to be of a kind contemplated by paragraph 3 of Section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this document,

    provided that this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business on 24 December 2026, save that the directors of the Company may, in each case, prior to the expiry of this authority, make offers, and enter into agreements. which would, or might, require Equity Securities to be allotted (and treasury shares to be sold) after the expiry of this authority and the directors of the Company may allot Equity Securities (and sell treasury shares) under any such offer or agreement as if this authority had not expired.

16. **THAT** the Company be generally and unconditionally authorised for the purposes of section 701 of the Act to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of £0.10 each in the capital of the Company provided that:

    16.1 the maximum number of ordinary shares which may be purchased is 13,370,163 (representing approximately 10% of the Company's issued share capital as at 25 August 2025 (the latest practicable date prior to publication of this document));

    16.2 the minimum price which may be paid for each ordinary share is £0.10;

    16.3 the maximum price which may be paid for each ordinary share is an amount equal to 105% of the average of the middle market quotations for an ordinary share as derived from the Daily Official List of The London Stock Exchange plc for the five business days immediately preceding the day on which the ordinary share is contracted to be purchased; and

    16.4 this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business on 24 December 2026, save that the Company may, prior to the expiry of this authority, enter into a contract or contracts for the purchase of ordinary shares which contract or contracts would or might be completed (wholly or partly) after the expiry of this authority, and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

BY ORDER OF THE BOARD

Neil Andrew Smith, Company Secretary

Date:
28 August 2025

Registered office:
One Eleven, Edmund Street, Birmingham, B3 2HJ

Notice of Annual General Meeting continued

EXPLANATORY NOTES:

Resolution 1 – Annual Report and Accounts
The directors are required by law to lay their report and the financial statements before the shareholders in a general meeting. The directors will therefore present the Annual Report and Accounts of the Company for the financial year ended 30 April 2025 (**Annual Report**) to the AGM.

Resolution 2 – Directors' Remuneration Report
In line with the recommendations of the QCA Corporate Governance Code 2023, we are offering shareholders an advisory vote on the Directors' Remuneration Report, which is on pages 70 to 76 of the Annual Report. The Remuneration Committee has decided to take this step to offer shareholders an advisory vote and the Board hopes that shareholders will support the remuneration strategy and policy that the Board has adopted, which the Board believes is in the best interests of the Company and its shareholders. The Board does not believe that the overall quantum of pay for any director could be regarded as excessive.

As this is an advisory vote only, no individual director's remuneration is dependent on the resolution being passed. Should a substantial number of shares be voted against this resolution, the Company must respond and say how it will address those shareholders' concerns.

The Remuneration Committee is cognisant of the principles in the new QCA Corporate Governance Code 2023, in relation to that holding of a separate vote on the remuneration report and the remuneration policy. However, the Remuneration Committee does not believe that a separate vote on the remuneration policy is proportionate or appropriate for a company of our size, and therefore intends to hold a single advisory vote on the Directors' Remuneration Report (inclusive of the remuneration policy) at the AGM. The Remuneration Committee will keep this approach under review in future years.

Resolution 3 – Proposed final dividend
The directors recommend a final dividend in respect of the financial year ended 30 April 2025 of 6.2 pence per share. Subject to shareholders' approval at the AGM, this will be paid on 14 November 2025 to shareholders on the register of members at the close of business on 10 October 2025, with an ex-dividend date of 9 October 2025.

An interim dividend of 3.3 pence per share in respect of the financial year ended 30 April 2025 was paid to shareholders on 31 March 2025. Assuming shareholders approve the recommended final dividend at the AGM, the total dividend paid in respect of that year will therefore be 9.5 pence per share.

Resolutions 4 to 10 – (Re)appointment of directors
The new QCA Corporate Governance Code 2023 provides for all directors to submit themselves for appointment or reappointment on an annual basis. As a result, all directors, with the exception of Joanne Lake who is retiring at the AGM and is not seeking reappointment, are offering themselves for appointment or reappointment as a director of the Company at the AGM. Victoria Garrad, Martin Pike, Sunil Gadhia and Jenny Goldie-Scot each offer themselves for (re)appointment under article 23.4.2 of the Company's articles of association. Whilst not expressly required under the current articles of association, as a matter of good corporate governance and in line with the QCA Corporate Governance Code 2023, Edward Knapp, Rod Waldie and Neil Smith also offer themselves for (re)appointment at the AGM. The Board believes each of the directors contributes valuable knowledge, skills and experience which are important to the Company's long-term sustainable success.

Resolutions 11 and 12 – Auditors
Taken together, if passed, these resolutions will reappoint MHA Audit Services LLP as the auditor of the Company until the conclusion of the AGM in 2026 and authorise the directors to determine the fees to be paid to MHA Audit Services LLP for the statutory audit.

Resolution 13 – Directors' power to allot shares
Under section 551 of the Act, relevant securities may only be issued with the consent of the shareholders, unless the shareholders pass a resolution generally authorising the directors to issue shares without further reference to the shareholders. This resolution authorises the general issue of shares up to an aggregate nominal value of £4,412,154, which is equal to approximately 33% of the nominal value of the ordinary share capital of the Company as at 25 August 2025 (the latest practicable date prior to publication of this document). Unless previously revoked or varied, the authority will expire on the conclusion of the next AGM of the Company or on the date which is 15 months after the resolution being passed (whichever is the earlier).

As at 25 August 2025 (the latest practicable date prior to publication of this document), the Company does not hold any ordinary shares in the capital of the Company in treasury.

Resolutions 14 and 15 – Disapplication of pre-emption rights
These resolutions are conditional on shareholders approving resolution 13 to grant the directors the authority to allot additional shares. Resolutions 14 and 15 would give the Board authority to allot ordinary shares for cash, without first offering them to existing shareholders, in proportion to their existing shareholdings.

The disapplication authorities being sought are in line with guidance issued by the Investment Association (updated in February 2023), the Pre-emption Group's statement of Principles (**Principles**) and the template resolutions published by the Pre-emption Group in November 2022. Shareholders will be aware that under the Principles, companies are permitted to seek a general disapplication of pre-emption rights to issue, for cash, equity securities representing no more than 10% of the issued ordinary share capital, plus an additional 10% in connection with an acquisition or specified capital investment. The Principles also permit companies to seek authority for an additional 2% pre-emption disapplication, in each case to facilitate a 'follow-on' offer. The Company is seeking the full authorities contemplated in the Principles, to create flexibility and retain the option of enabling retail investors to participate, should the Company undertake a capital raising. If passed, these resolutions would enable the directors to issue shares:

(a) Under resolution 14, up to an aggregate nominal value of £1,337,016, which is equal to approximately 10% of the nominal value of the current ordinary share capital of the Company as at 25 August 2025 (the latest practicable date prior to publication of this document), which could be used for any purpose; and

(b) Under resolution 15, up to an additional aggregate nominal value of £1,337,016, which is equal to approximately 10% of the nominal value of the current ordinary share capital of the Company as at 25 August 2025 (the latest practicable date prior to publication of this document), which could only be used for an acquisition or specified capital investment,

subject in each case to resolution 13 being passed. Resolutions 14 and 15 also grant the directors of the Company authority to allot shares (otherwise than under resolutions 14.1 and 14.2 or 15.1 respectively) in each case up to 2% of the nominal value of the current ordinary share capital of the Company to be used for the purposes of making a follow-on offer to retail customers or existing investors not allocated shares in the offer.

Unless previously revoked or varied, the disapplications will expire on the conclusion of the next Annual General Meeting of the Company or on the date which is 15 months after the relevant resolution being passed (whichever is the earlier).

In the event the Directors exercise the authorities under Resolutions 14 and 15, they intend to follow best practice as regards their use, including (i) following the shareholder protections in Part 2B of the 2022 Statement of Principles and (ii) in respect of any follow-on offer, following the expected features set out in paragraph 3 of Part 2B of the 2022 Statement of Principles.

Resolution 16 – Company's authority to purchase ordinary shares
In certain circumstances it may be advantageous for the Company to purchase its own shares and this resolution seeks the authority from shareholders to do so up to an aggregate of 13,370,163 ordinary shares of £0.10 each in the capital of the Company, representing approximately 10% of the Company's issued ordinary share capital as at 25 August 2025 (the latest practicable date prior to publication of this document).

Granting authority for the Company to purchase ordinary shares in the market is intended to allow the directors to take advantage of opportunities that may arise to increase shareholder value. The directors will exercise this power only when, in the light of market conditions prevailing at the time, they believe that the effect of such purchases will be to increase earnings per share and will be likely to promote the success of the Company for the benefit of its members as a whole. Other investment opportunities, appropriate gearing levels and the overall position of the Company will be taken into account when exercising this authority.

The price paid for shares will not be less than the nominal value of £0.10 per share nor more than 5% above the average of the middle market quotation of the Company's ordinary shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the shares are purchased.

The Company may hold in treasury any of its own shares that it purchases pursuant to the Act and the authority conferred by this resolution. This gives the Company the ability to reissue treasury shares quickly and cost-effectively and provides the Company with greater flexibility in the management of its capital base. It also gives the Company the opportunity to satisfy employee share scheme awards with treasury shares. Once held in treasury, the Company is not entitled to exercise any rights, including the right to attend and vote at meetings in respect of shares. Further, no dividend or other distribution of the Company's assets may be made to the Company in respect of the treasury shares.

The directors have no present intention of purchasing ordinary shares in the market. The authority given under this resolution will lapse, unless renewed, at the conclusion of the next Annual General Meeting of the Company or on the date which is 15 months after the resolution being passed (whichever is the earlier).

Notice of Annual General Meeting continued

NOTES:

Entitlement to Attend and Vote

1. To be entitled to vote at the AGM (and for the purposes of the determination by the Company of the votes that may be cast in accordance with Regulation 41 of the Uncertified Securities Regulations 2001), only those members registered in the Company's register of members at close of business on 22 September 2025 (or, if the AGM is adjourned, close of business on the date which is two business days before the adjourned AGM) shall be entitled to vote at the AGM. Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to vote at the AGM.

Voting on a Poll

2. In line with best practice, voting at the AGM will be on a poll, rather than a show of hands. Each shareholder present at the AGM will be entitled to one vote for every ordinary share registered in their name and each corporate representative or proxy will be entitled to one vote for each ordinary share which they represent.

Website Giving Information Regarding the AGM

3. Information regarding the AGM, including the information required by Section 311A of the Act, is available from www.gateleyplc.com/investors.

Appointment of Proxies

4. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the AGM. You can appoint a proxy only using the procedures set out in these notes.

5. A proxy does not need to be a member of the Company but must attend the AGM to represent you. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chair) and give your instructions directly to them.

6. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please indicate on your proxy submission how many shares it relates to.

7. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at their discretion. Your proxy will vote (or abstain from voting) as they think fit in relation to any other matter which is put before the AGM.

Appointment of Proxy Using Hard Copy Proxy Form

8. A hard copy form of proxy has **not** been sent to you but can be requested directly from our Registrar, MUFG Corporate Markets, via its general telephone helpline on 0371 664 0391 (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9:00 a.m. – 5:30 p.m., Monday to Friday excluding public holidays in England and Wales), via email at shareholderenquiries@cm.mpms.mufg.com, or via post at MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

9. To be valid, the form must be completed and signed, sent or delivered to MUFG Corporate Markets, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL to be received no later than 12:00 p.m. on 22 September 2025, being 48 hours before the time appointed for the AGM, or not less than 48 hours before the time of any adjournment thereof (not including weekends or bank holidays). If conflicting proxies are sent or delivered at the same time in respect of (or deemed to be in respect of) your entire holding, none of them shall be treated as valid.

10. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. For the purposes of determining the time for delivery of proxies, no account has been taken of any part of a day that is not a working day.

Appointment of a Proxy Online

11. You may submit your proxy electronically using the Share Portal service at www.signalshares.com. Shareholders can use this service to vote or appoint a proxy online. To be valid, you must submit your proxy no later than 12:00 p.m. on 22 September 2025, being 48 hours before the time appointed for the AGM, or not less than 48 hours before the time of any adjournment thereof (not including weekends or bank holidays). Shareholders will need to use the unique personal identification Investor Code (IVC) printed on your share certificate. If you need help with voting online, please contact our Registrar, MUFG Corporate Markets via its telephone helpline on 0371 664 0391 (calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9:00 a.m. – 5:30 p.m., Monday to Friday excluding public holidays in England and Wales) or via email at shareholderenquiries@cm.mpms.mufg.com.

Appointment of Proxy Using CREST

12. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the AGM and any adjournment(s) of it by using the procedures described in the CREST Manual (available from www.euroclear.com). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear UK & International Limited's (**EUI**) specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID: RA10) by 12:00 p.m. on 22 September 2025. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

    CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

    In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

Appointment of Proxies Through Proxymity Voting

13. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12:00 p.m. on 22 September 2025 in order to be considered valid or, if the AGM is adjourned, by the time which is 48 hours before the time of the adjourned AGM. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

Appointment of Proxy by Joint Members

14. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding, the first-named being the most senior.

Changing Proxy Instructions

15. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off times for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact our Registrar, MUFG Corporate Markets in accordance with the communication methods shown in note 8. Subject to note 9 regarding conflicting proxies being submitted at the same time, if you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of Proxy Appointments

16. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to our Registrar, MUFG Corporate Markets, at the address shown in note 8. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed, or a duly certified copy of such power or authority, must be included with the revocation notice. The revocation notice must be received by MUFG Corporate Markets no later than 48 hours (not including weekends or bank holidays) before the AGM. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the AGM and voting in person. If you have appointed a proxy and attend the AGM in person, your proxy appointment will automatically be terminated.

Notice of Annual General Meeting continued

Corporate Representatives

17. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued Shares and Total Voting Rights

18. As at 25 August 2025 (the latest practicable date prior to publication of this document), the Company's issued share capital comprised 133,701,626 ordinary shares. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 25 August 2025 (the latest practicable date prior to publication of this document) was 133,701,626. The website referred to in note 3 will include information on the number of ordinary shares and voting rights.

Questions at the Meeting

19. Under Section 319A of the Act, the Company must answer any question you ask relating to the business being dealt with at the AGM unless:
    - answering the question would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information;
    - the answer has already been given on a website in the form of an answer to a question; or
    - it is undesirable in the interests of the Company or the good order of the AGM that the question be answered.

Website Publication of Audit Concerns

20. Under Section 527 of the Act, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Act (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under Section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM for the relevant financial year includes any statement that the Company has been required under Section 527 of the Act to publish on a website.

Documents on Display

21. Copies of the letters of appointment and service agreements (as the case may be) of the directors of the Company will be available for inspection at the registered office of the Company from the date of this notice until the end of the AGM.

Company information

Registration number

09310078

Registered office

One Eleven Edmund Street
Birmingham
B3 2HJ

Directors

RR Waldie, Chief Executive Officer
VL Garrad, Chief Operating Officer
NA Smith, Chief Financial Officer and Company Secretary
E Knapp, Non-Executive Chairman
JC Lake, Non-Executive Director
M Pike, Non-Executive Director

Independent auditor

MHA
Rutland House
148 Edmund Street
Birmingham
B3 2FD

Nominated advisor and broker

Panmure Liberum
25 Ropemaker Street
London
EC2Y 9LY

Principal bankers

HSBC Bank Plc
1 Centenary Square
Birmingham
B1 1HQ

Lloyds Bank Plc
125 Colmore Row
Birmingham
West Midlands
B3 3SF

Registrars

MUFG Pension & Market Services (previously known as Link Group)
6th Floor
65 Gresham Street
London
EC2V 7NQ

Website

www.gateleyplc.com

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