

Zellis Holdings Limited

Annual Report and Consolidated Financial Statements
For the year ended 30 April 2025



**ZELLIS HOLDINGS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2025**

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Company Statement

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Financial highlights

Reported Revenue

£261.1m

FY24: £226.6m

Refer to [page 84](#) for details

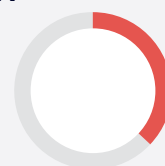


Management EBITDA Margin %

37.0%

FY24: 36.5%

Management EBITDA as % of Reported Revenue (see [page 21](#) for details)



Management EBITDA

£96.5m

FY24: £82.6m

Refer to [page 21](#) for details



Strategic Report

Our CEO's review highlights progress that goes beyond financial performance, with advances in sustainability, culture and innovation shaping our year. From industry recognition to improved performance, we have built momentum that positions the Group confidently for the year ahead.

“

FY25 was a year of transformation for Zellis Group. Under new ownership, we delivered double-digit revenue growth, completed three strategic acquisitions, and continued to enhance how organisations manage people, pay and benefits. These achievements strengthen our foundations for future growth, supported by continued investment in people, technology and customer experience.”

Alan Kinch, Group President and Group CFO
Zellis Group



Strategic Report

Zellis Group at a glance

This section of the report covers each business unit detailing regional and domain information as well as revenue growth.



Large Enterprises +

Region: UK & Ireland

Domains:

- HR
- Payroll
- Workforce Management
- Wellbeing
- Managed Services

FY25 Revenue Growth: **Up 8%**



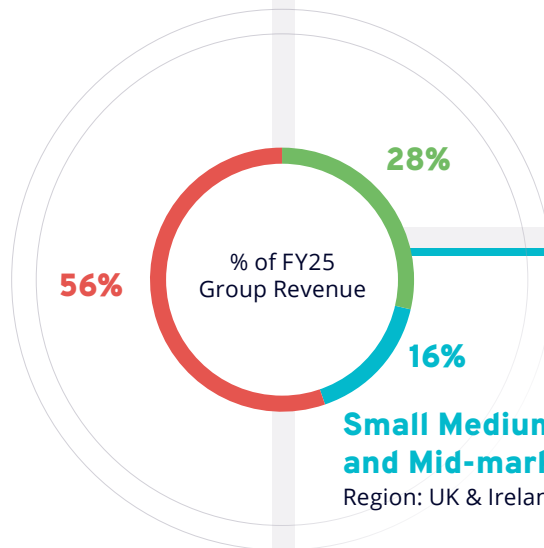
All organisations – public & private sector

Region: Global

Domains:

- Recognition & Reward, Discounts
- Online Benefits
- Communications
- Wellbeing
- Allowances

FY25 Revenue Growth: **Up 38%**



Small Medium Businesses and Mid-market

Region: UK & Ireland

Domains:

- HR
- Payroll
- Moorepay Suite

FY25 Revenue Growth: **Up 7%**



Key

Small Medium Business: 50–999 employees
 Large: 1,000–10,000 employees
 Very Large: 10,000+ employees

Strategic Report

Financial Highlights

This section of the reports covers financial highlights ranging from reported revenue and revenue growth as well as core software revenue and core software revenue growth.

Reported Revenue



(Refer to Note 4 for details)

Core Software Revenue



(Refer to note 4 for details)

Revenue Growth



(Refer to Note 4 for details)

Core Software Revenue Growth



(Refer to note 4 for details)



FY25 was a year of strategic acceleration and solid financial performance for the Group, underpinned by the continued support of our investors."

Alan Kinch, Group President and Group CFO
Zellis Group



Strategic Report Financial Highlights (continued)

Management EBITDA

£96.5m

FY24: £82.6m

(Refer to [page 21](#) for details)



Management EBITDA Margin %

37.0%

FY24: 36.5%

Management EBITDA as % of Reported Revenue (see [page 21](#) for details)



Management EBITDA Growth

16.9%

FY24: 19.4%



Management EBITDAC

£74.9m

FY24: £64.8m

(Refer to [page 21](#) for details)



Management EBITDAC Margin %

28.7%

FY24: 28.6%

Management EBITDAC as % of Reported Revenue (see [page 21](#) for details)



Management EBITDAC Growth

15.6%

FY24: 22.3%



Operating Profit*

£15.5m

FY24: £22.7m

(Refer to [page 65](#) for details)



Operating Profit Margin %

5.9%

FY24: 10.0%

Operating Profit as % of Reported Revenue (see [page 65](#) for details)



Net cash from Operating Activities*

£62.7m

FY24: £71.2m

(Before changes in working capital and provisions)



*Decrease driven by an increase in significant separately disclosed items, predominantly M&A.

*Decrease driven by an increase in significant separately disclosed items, predominantly M&A.

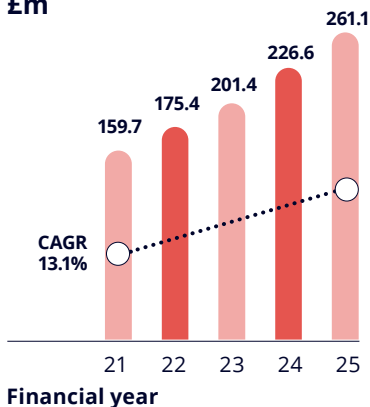


Strategic Report

Group Financial Performance

This section of the report covers the group financial performance highlighting reported revenue, management EBITDA, management EBITDAC and operating profit/loss.

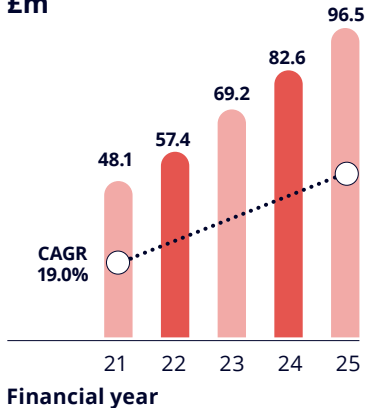
Reported Revenue £m



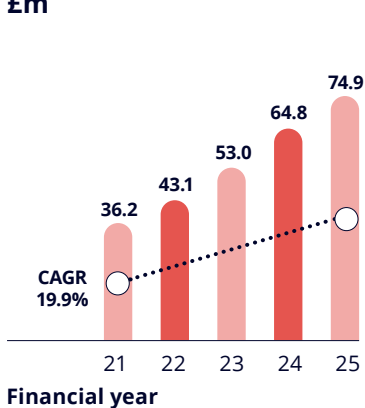
FY25 was another year of strong development for Zellis Group (the Group). Revenue growth of 15.2% (including Q4 acquisitions) resulted in an annual turnover of £261.1m and £74.9m Management EBITDAC."

John Petter, Chief Executive Officer
Zellis Group

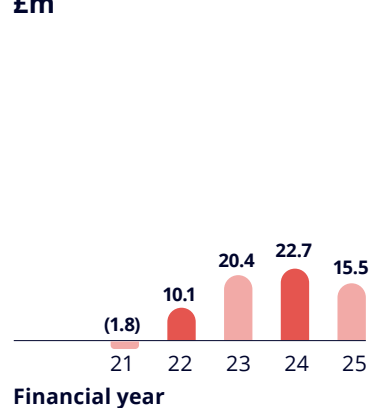
Management EBITDA £m



Management EBITDAC £m



Operating profit/(loss)* £m



*Decrease driven by an increase in significant separately disclosed items, predominantly M&A.

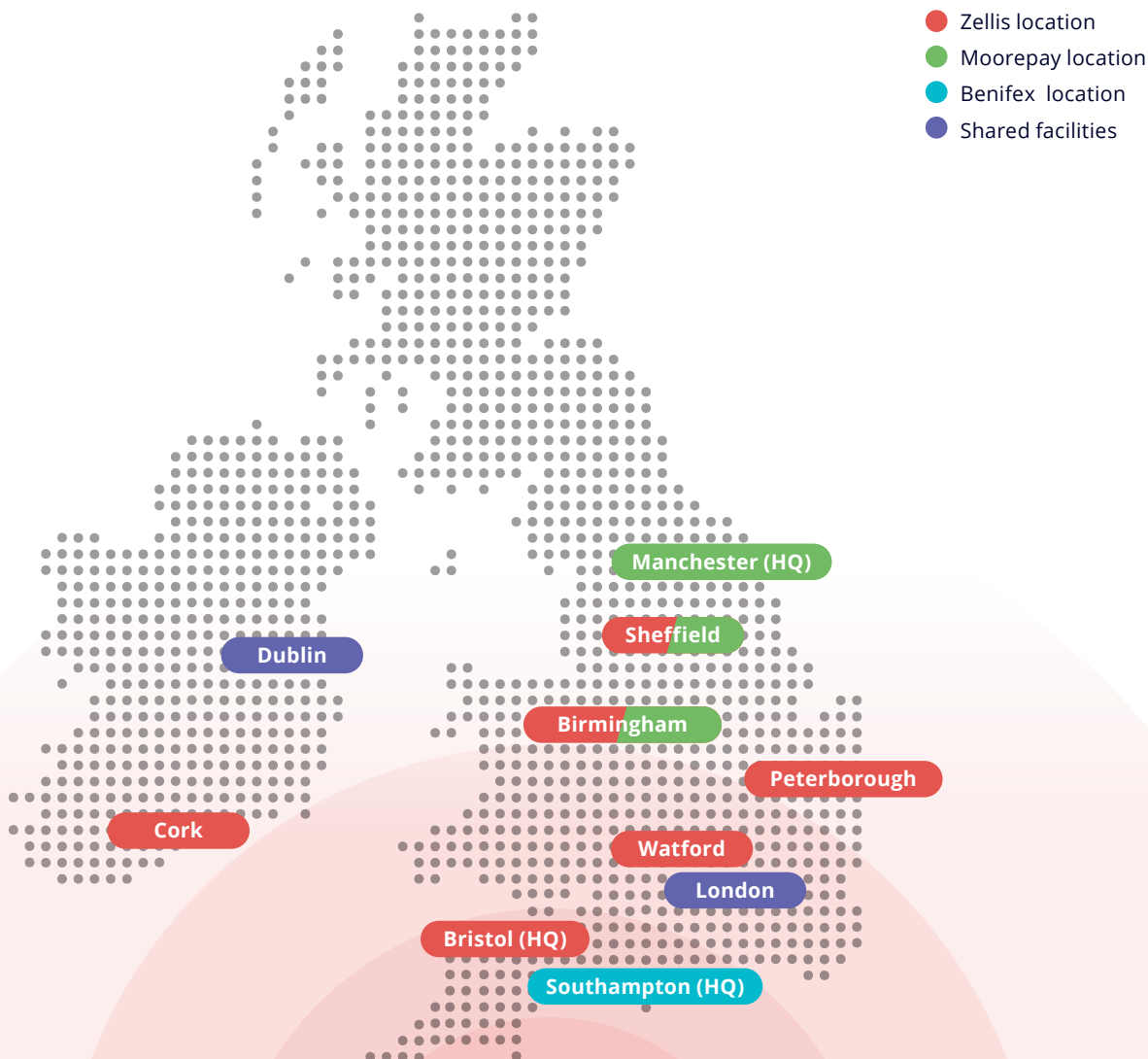
Key highlights from the numbers

- > Double digit revenue growth for four years leading to a healthy CAGR 13.1%
- > Record annual turnover of £261.1m
- > Nearly 20% year on year growth for EBITDAC since 2021 with a record year of £74.9m

Strategic Report

Our Locations

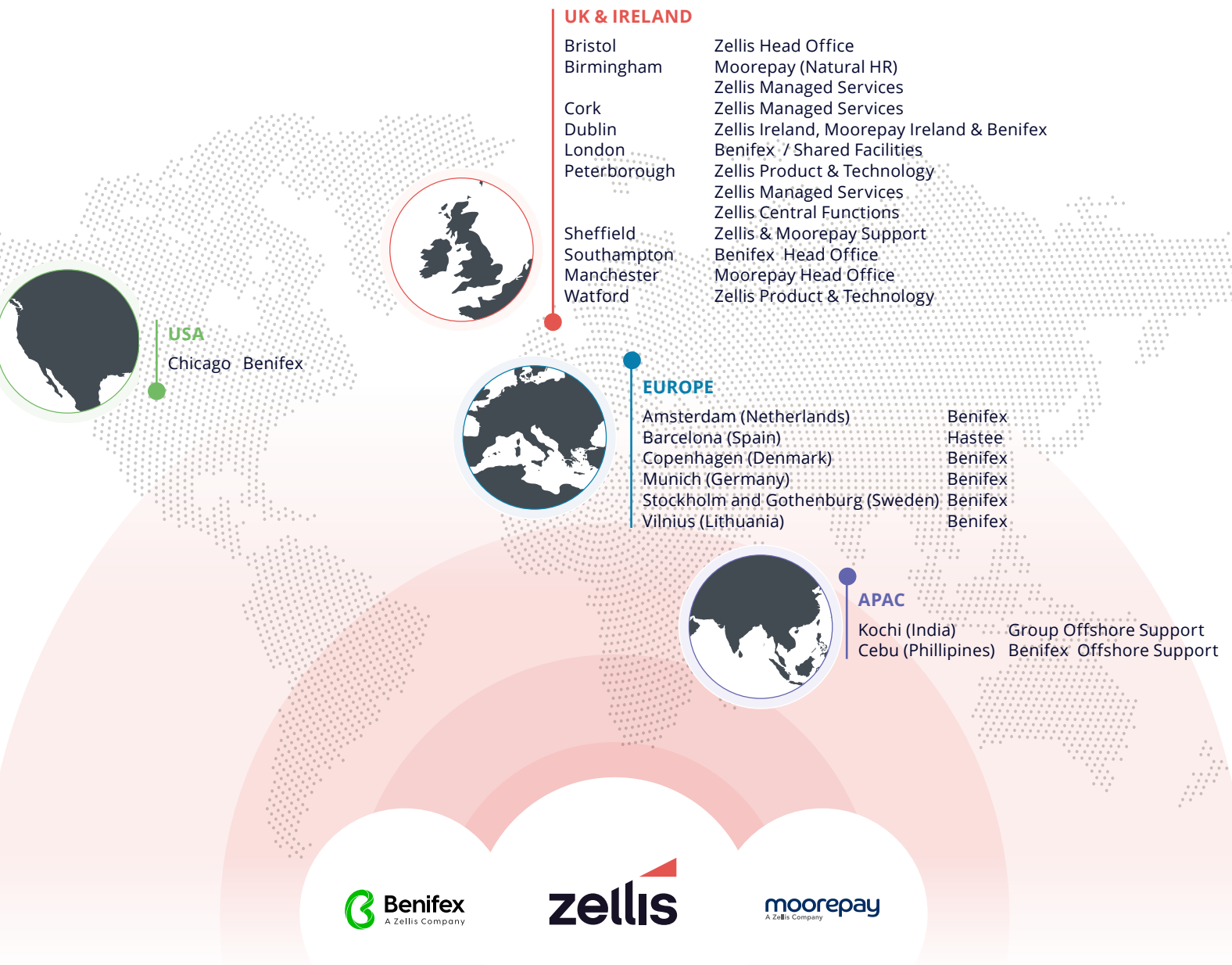
Zellis Group has depth of experience in product & technology, sales and customer experience, all underpinned by strong group functions and presence in the UK & Ireland, Europe, APAC and USA.



Strategic Report

Our Locations (continued)

Zellis Group has depth of experience in product & technology, sales and customer experience, all underpinned by strong group functions and presence in the UK & Ireland, Europe, APAC and USA.



Our global footprint has expanded with the acquisition of new businesses, expanding our reach into new locations and new opportunities.”

John Petter, Chief Executive Officer, Zellis Group

Strategic Report

Zellis Group - Chief Executive Officer's Review

Powered by progress. Led by purpose. Positioned for the future.

“FY25 marked a transformative chapter for Zellis Group - strategic acquisitions, award-winning innovation, and a renewed sustainability focus positioning us as a resilient, future-ready market leader.”

John Petter, Chief Executive Officer, Zellis Group



Zellis Group - Background to the Year

FY25 was another year of strong development for Zellis Group (the Group). Revenue growth of 15.2% (including Q4 acquisitions) resulted in an annual turnover of £261.1m and £74.9m Management EBITDAC. Growth in revenue has given room to continue building a strong platform for future growth, with investment in Sales & Marketing, and Research & Development.

This year, the Group has made a transformative leap forward, under the new ownership of Apax Partners LLP ('Apax') and Vitruvian Partners LLP ('Vitruvian'), expanding the global footprint and enhancing product offerings to reinforce market leading positions. The significant progress we've made, including four acquisitions in under twelve months, is a testament to their tenacity and our shared ambition for growth. The financial year commenced with the launch of HCM AIR, in June 2024, a platform that combines AI and Realtime to unlock advanced capabilities, enhance payroll accuracy and optimise HR processes.

Three strategic acquisitions were completed during this financial period. elementsuite joined the Zellis business unit, in early February 2025, with a product offering that enables us to deliver a more comprehensive HR and workforce management suite while leveraging the team's deep expertise in AI to drive innovation and intelligence across our solutions.

This was shortly followed by the acquisition of two businesses by the Benifex business unit. Benify, a global benefits platform in February 2025 and Vebnet, from Standard Life, in March 2025. This merged business has been rebranded as Benifex to reflect the ambition to combine the companies' complementary strengths in product features, geographic footprint and skills.

This year we have adopted a distinct organisational structure, where each business unit - Zellis, Moorepay and Benifex - has a dedicated CEO directly reporting into me as Group CEO. This new structure has strengthened our alignment and positions the Group for accelerated growth through continued product innovation and strategic acquisitions. As part of this refined model, each business unit CEO shares their perspective on the past year, included within this report.

The Group continued to affirm its position as a market leader, securing multiple industry accolades across diverse categories, including Payroll Software Product of the Year, Best Global Employee Benefits Platform and B2B Marketing Team of the Year. Zellis earned a rare "treble" by winning awards from the Global Payroll Association, The Rewards and the CIPP Excellence Awards for payroll software, while also being named a Leader in NelsonHall's 2024 Payroll NEAT assessment.

Benifex's accolades include being crowned Best Global Employee Benefits Platform at the 2025 Corporate Vision HR & Employment Awards, Employee Benefits Provider of the Year at The Rewards 2024, Top 25 Work Tech Vendor 2024, B2B Marketing Team of the Year 2024, plus multiple Stevie Awards including Total Reward Solution Provider of the Year and was also named one of the Sunday Times Best Places to Work, for the third consecutive year. Moorepay maintained its outstanding service credentials with continued accreditation under CIPP's Payroll Assurance Scheme, affirming sustained excellence in payroll delivery.

There has also been a significant rise in customer advocacy, reflecting our continued focus on improving the customer experience through smarter platforms and stronger service. A key factor has been the rollout of our digitised portal for Managed Services customers, improving access, visibility and ease of use. Overall, our technology is enabling organisations to manage people and pay with greater efficiency - a benefit consistently reflected in the positive feedback we receive.

Strategic Report

Chief Executive Officer's Review (continued)

Significant milestones for sustainability efforts

This has also been a year in which the Group made significant progress against its Sustainability and Impact Ambitions. It included the launch of our Zellis Group Community Days Programme to give all our colleagues the opportunity to volunteer in the communities we operate in. We continue to strengthen our environmental plans by aligning with ISO 14001 and ISO 31000, ensuring risks are proactively assessed, addressed, and embedded into enterprise-wide governance. We also saw a twelve-point improvement to the Group's EcoVadis score, earning 'Silver Medal' status for the second year in a row, and placing it in the top 15% of companies evaluated.

When we set out our ambition to become operationally net zero by the end of 2027, the size and geographic reach of the business was very different from the Group we are today. This is a challenge faced by many growing organisations, but we fully recognise our responsibility to protect our environment for future generations. In early FY25 our short-term and long-term emissions targets were validated by the Science Based Targets initiative (SBTi) and we are currently working with industry experts and peer communities to develop a management plan to mitigate the effects of our scaling on our 2027 ambition.

Other milestones included becoming a Disability Confident Committed Employer and launching three new colleague-led networks. These milestones reflect the Group's continuing pursuit of excellence so we can better serve our customers, colleagues and the communities that we operate in.

We remain committed to maintaining the highest standards across our operations. In FY25, we upheld key industry certifications, including ISO 27001, Cyber Essentials, and Cyber Essentials Plus, with additional cloud-based security certifications ISO27017 and ISO27018 and ISO22301 for operational resilience retained by Benifex. Beyond information security, Moorepay successfully renewed ISO 9001 certification. The Chartered Institute of Payroll Providers (CIPP) operate a voluntary assurance programme called The Payroll Assurance Scheme (PAS) which both Zellis and Moorepay brands sustain, reinforcing our dedication to managing operational risks and effectiveness, as well as sustaining precision rates above industry practice.

Key highlights from Zellis Group

- **Three strategic acquisitions** were completed during this financial period. elementsuite, Benify and Vebnet.
- **Disability Confident Committed Employer**, launched three new colleague-led networks.
- **Multiple industry accolades** across diverse categories including Payroll Software Product of the Year.

Zellis Group – Looking Forward

Last year, we set out to differentiate ourselves through the strength of our software – a move that's proven vital. With the latest wave of employment legislation, our ability to help customers adapt quickly and confidently is more relevant than ever. We remain committed to providing clarity, control and peace of mind as regulations evolve.

As AI becomes increasingly embedded in the workplace, we remain focused on innovation and developing these new capabilities. Building on our early investment in tools like Zellis HCM Air, the FY25 acquisition of elementsuite and the early FY26 acquisition of Hastee - we are committed to leading the industry in the responsible development and deployment of AI. As adoption grows, we will regularly review and evolve our principles to align with technological progress and evolving customer expectations. For us, true innovation is not just about what technology can do - but how responsibly and intelligently it is applied.

FY25 has been a defining year for the Group, with transformative investments in innovation, talent and sustainability laying the foundation for long-term growth. Through strategic acquisitions, AI-powered product launches and the continued trust of our customers, we have not only expanded our footprint but deepened our impact. As the following reviews, from each business unit CEO highlight, we remain focused on delivering industry-leading solutions, responding swiftly to regulatory change and driving innovation with purpose and integrity. With Apax's support, Vitruvian's continued investment, and a clear vision for the future, the Group is uniquely positioned to shape the future of work - intelligently, responsibly, and sustainably.

John Petter

John Petter
Director
17 September 2025

The following section presents year-end reviews from our business unit CEOs, reflecting the new structure of dedicated leadership within each unit and its alignment to Group priorities.

Business Unit Reviews from CEOs

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Moorepay Business Unit	15
Benifex Business Unit	16



Strategic Report

Zellis Business Unit - Chief Executive Officer's Review

Leading with world recognised AI-Enabled HR, Workforce Management and Pay Solutions in partnership with customers.



“ This year has been one of continued growth and product transformation. With the successful launch of our AI-enabled HR and Payroll platform HCM AIR (AI and Realtime) and a step change in our HR offering following the acquisition of elementsuite, we are delivering more value and more complete solutions for our customers.

We have additionally focused on investing in our people, tooling and processes to improve customer experience, efficiency and effectiveness particularly in Customer Success, CloudOps, BPaaS and Support, which, alongside the investment in product, has resulted in our strongest brand net promoter score to date with more than half of our customers rating us 9 or 10 out of 10. Looking ahead, we remain dedicated to strengthening our product offering, innovation, operational excellence and building lasting partnerships with our customers.”

Abigail Vaughan, CEO, Zellis

Zellis Business Unit - Background to the Year

Growth and Customer Focus

Zellis has maintained strong momentum in the year to April 2025, driven by increased adoption of our pay solutions, the acquisition of elementsuite completed in February 2025 and the more recent FY26 acquisition of Hastee. This growth is underpinned by the expanding penetration of our cloud payroll solutions, now adopted by the majority of our customer base.

Customer satisfaction remains important to our business, with continued progress in customer advocacy reflecting the strength of our products and customer relationships. The strength of our product and customer partnerships have earned international recognition, including being named Payroll Software Supplier of the Year in both 2024 and 2025 by the prestigious Global Payroll Association Awards. We also received accolades from The Rewards and the CIPP Excellence Awards and were named a Leader in NelsonHall's 2024 Payroll NEAT assessment.

Transformative Acquisition and Launch of Integrated Platform

A key priority for this year was to strengthen our HR and workforce management offering and this has been accelerated through the acquisition of AI-enabled HCM software company, elementsuite, completed in February 2025.

Investment in People

From November 2024 a standalone Zellis leadership team was created, under which I have assumed the position of CEO, having previously acted as COO. The Zellis business unit leadership team brings together the best of Zellis and elementsuite leadership alongside external talent, to support acceleration of our strategy and growth.

Zellis Business Unit - Looking Forward

As we move into FY26, our focus will be on further product development and deeper integration of HR and Payroll capabilities, with particular emphasis on leveraging AI, APIs and data-driven insights to enhance our platform. We anticipate growing market demand from both new and existing customers for integrated HR and Pay solutions and are well positioned to meet this with our expanded offering.

In addition to innovation, we remain committed to maintaining the robustness and reliability of our systems, ensuring customers can operate with confidence. Our continued investments in technology and people underpin our goal to deliver sustained growth and long-term value for our customers throughout FY26.

Strategic Report

Moorepay Business Unit - Chief Executive Officer's Review

FY25 was a pivotal year for Moorepay – marked by product advancement, leadership transformation, and stronger customer engagement.

“At the heart of our growth is our Human Capital Management (HCM) suite, which now accounts for nearly half of all new business...To accelerate and sustain this momentum, we made significant changes to our leadership team...Collectively, they bring extensive knowledge and expertise in product strategy, transformation, scale-up tech and operations, and B2B SaaS - positioning Moorepay to navigate the next phase of growth with confidence.”

Anthony Vollmer, CEO, Moorepay

Moorepay Business Unit - Background to the Year

FY25 was a pivotal year for Moorepay, marked by significant product advancement, leadership transformation and stronger customer engagement. At the heart of our growth is our Human Capital Management (HCM) suite, which now accounts for nearly half of all new business. This combines our HR and Payroll solutions, underscoring strong and growing demand for integrated, scalable platforms.

Continued investment in product performance, seamless user experience, and simplified implementation has made it easier than ever for customers to derive value quickly. To accelerate and sustain this momentum, we made significant changes to our leadership team, introducing key roles such as Chief Operating Officer, Chief Financial Officer, Chief Technology Officer and Chief Product Officer.

This renewed leadership focus has already had a tangible impact on the business: we've strengthened our delivery and service governance, accelerated product innovation and built the organisational capability required to meet increasing demand.

Our progress has also been driven by a sharp focus on customer experience. We established Customer Hubs in Dublin, Manchester, Birmingham and Kochi, centralising service expertise and improving responsiveness. Our new Customer Help Centre transforms how customers interact with us – offering smarter digital support, fewer queries and faster access to expert support. We also introduced a new, dedicated Customer Success Team, designed to proactively help clients maximise value from our solutions.

We've invested in product quality and implementation excellence, resulting in a substantial increase of new customer 'go lives' and improved time-to-value, while also

successfully renewing key certifications including ISO/IEC 27001 certification, ISO 9001 and the Payroll Assurance Scheme (PAS).

Moorepay Business Unit - Looking Forward

As we enter FY26, we are focused on scaling with purpose. Our key priorities range from enhancing the customer journey through our new customer experience programme and rolling out Zellis Group-wide products and services, including Hastee Pay, Background Checking and Benifex's SMB proposition. We will be launching new HR Services within HCM, providing access to our 'on-hand' HR experts directly from our HR software through digital channels while investing significantly in building product and engineering talent and capacity. We are also preparing to support customers through regulatory changes, including the Employment Rights Bill, with software updates and expert guidance from our in-house HR professionals.

FY25 was a year of evolution and progress. FY26 promises to be one of acceleration - powered by a strong team, an ambitious product roadmap and a deep commitment to delivering modern, reliable and high-impact HR and payroll solutions.



Strategic Report

Benifex Business Unit - Chief Executive Officer's Review

With the strategic acquisitions of Benify and Vebnet, Benifex has doubled in scale, expanded our global footprint and entered the next phase of growth with a clear purpose and proven momentum.

“The newly combined business, branded Benifex, marks a fresh chapter while firmly retaining the company's core mission and values. With customers live in over 100 countries, we are now positioned to help customers around the world leverage the Benifex platform as their Benefit Operating System.”

Matt Macri-Waller, CEO, Benifex

Benifex Business Unit - Background to the Year

Over the past 12 months, the business has undergone a period of significant growth, transformation and strategic progress. A defining milestone was the introduction of a new name and brand identity, marking a fresh chapter while firmly retaining the company's core mission and values. The brand evolution reflects a broader vision, but the mission to positively impact the lives of millions of employees remains unchanged.

Two acquisitions during the year have reshaped the scale and capability of Benifex. Most notably, the acquisition of Benify has significantly expanded our reach and potential. Strategically, the acquisition brought together complementary regional strengths - Benify with a strong footprint across the Nordics and Europe, and Benifex with a growing presence in the UK, APAC and North America. Together, the Benifex business has customers in 100 countries and is positioned to serve clients globally with an enhanced platform, deeper integrations and accelerated product innovation. Progress to date has been strong, with integration well underway and a combined product roadmap that leverages the company's expanded data capabilities and engineering scale.

The acquisition of Vebnet, formerly part of Standard Life, further strengthened our position in the UK. Vebnet added a portfolio of large UK-based customers, many of them representing global brands, bringing additional scale and further reinforcing our commitment to the UK market. The acquisition supports a balanced strategy: growing internationally while maintaining a foundation in core markets, like the UK and Sweden.

Alongside acquisition-led growth, the business has continued to expand internationally, securing a number of new global partnerships that enable us to deliver seamless experiences for clients within their wider technology

ecosystems. New clients such as Microsoft went live during the year, demonstrating continued demand from global enterprises to seek the best-in-class platform to run their reward and benefits.

The business also maintained its momentum across people and culture. For the third consecutive year, it was named one of the Sunday Times Best Places to Work, underlining our continued focus on employee engagement and experience. Further accolades include being crowned Best Global Employee Benefits Platform at the 2025 Corporate Vision HR & Employment Awards, Employee Benefits Provider of the Year at The Rewards 2024, Top 25 Work Tech Vendor 2024, B2B Marketing Team of the Year 2024, plus multiple Stevie Awards including Total Reward Solution Provider of the Year.

Benifex Business Unit - Looking Forward

The year ahead will focus on deepening the integration of the recent acquisitions, delivering value to clients through shared technology capabilities and strengthening global delivery and support models. Our priority is to deliver on the opportunities already in motion - through technology innovation, deeper client relationships and continued investment in talent and culture. With scale, a clear sense of purpose and a strong strategic position in the market, Benifex is well-placed for the next phase of growth.



Strategic Report

Our Strategic Framework

Our Purpose

We are Zellis Group. As a leading provider of HR, workforce management, pay, reward, analytics and people experiences, we enable organisations to unlock their people's full potential.

We are three business units - Zellis and Moorepay serving the UK & Ireland and Benifex operating globally - aligned through our collective power.

Our purpose is to:

Power exceptional employee experiences so you and your people do better.



Our Approach

Our vision is to be the clear leader in pay, reward, analytics, and people experiences. Building trusting and beneficial relationships with our customers is our top priority. We leverage our size, scale and breadth of experience to help them differentiate their organisations through enhanced employee experience and improved efficiency.

With deep industry experience, we pride ourselves on staying ahead of regulatory changes and workforce trends so that our customers do too. Our best-of-breed cloud software streamlines colleague lifecycle processes and increases employee engagement

through an intuitive self-service platform. Its powerful data analytics and reporting tools also help organisations understand their workforces and automate functions such as National Minimum Wage compliance and gender pay gap monitoring.

Each business within the Zellis Group is unique, together we form a truly unique and powerful collective, ensuring every moment at work counts through modern, digital employee experiences. At the heart of our operations is the knowledge and commitment of our highly qualified HR and payroll experts, committed to delivering first-class customer service at all times.

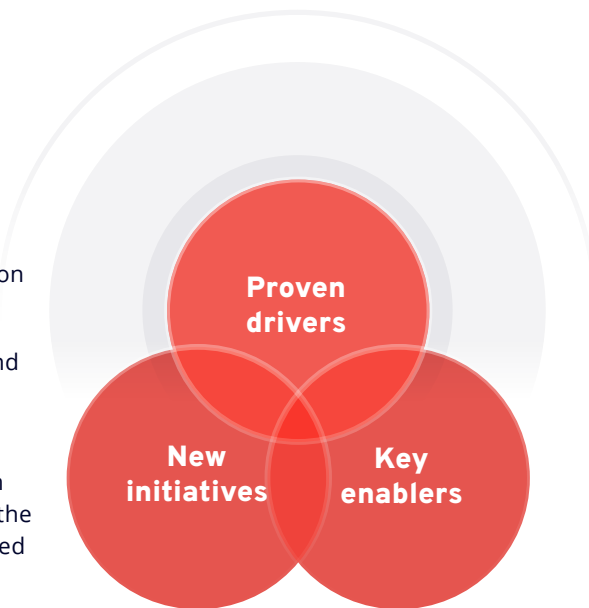


Strategic Report

Our Strategic Framework (continued)

Our Business Strategy

- 1** **Continued focus on strengthening the core** through initiatives to deliver a step change in the strength of the company's presence as a leader in HR software with a high growth product roadmap focusing on developments that add significant value to our customers.
- 2** **Expansion into complementary adjacencies** through thoughtful and targeted prioritisation of new organic and inorganic opportunities.
- 3** Through the above, **expanding our total addressable market and accelerating the Revenue and EBITDAC growth** we committed to in our FY22 five-year plan, leveraging the underlying organic growth of the Group and accelerating through M&A leading to a new and recalibrated five-year plan.



Our Strategic Drivers

For our three business units, and the Group as a whole, the same four strategic drivers guide our focus: building a bulletproof core, developing an intelligent platform, delivering consumer-grade experiences, and sustaining unbreakable relationships.

Bulletproof Core	Intelligent Platform	Consumer Grade	Unbreakable Relationships
Solutions that are cloud-based, secure, robust and proactively compliant 100% of the time.	A platform customers want to leverage and partners want to build on, setting new standards and meeting ever more needs.	Intuitive employee experiences delivering moments of magic that build great cultures.	Broader, deeper strategic customer partnerships that endure because we focus relentlessly on outcomes.

United by Purpose, Driven by People

Power exceptional employee experiences so you and your people do better.

Behaviours
Think scale
Make it count
Unstoppable together
Always learning

Drivers
Bulletproof core
Consumer grade
Unbreakable relationships
Intelligent platform



Strategic Report Our Strategic Framework (continued)

Our Group Framework

Zellis Group.

Our purpose is to power exceptional employee experiences so you and your people do better.



Provider of HR and Payroll software and services in the UK and Ireland for businesses with over **1,000 employees**.



Provider of payroll and HCM software and services for small and medium-sized enterprises with **50-1,000 employees**.



Helps over 2,000 organisations across 100+ countries transform the experience of more than **4 million employees**.

All underpinned by AI-powered cloud-based architecture.

Our Group Strategy

Each Business Unit has a modular, cloud-based offering and highly differentiated value proposition to lead in their respective markets and meet the evolving needs of our customers:

Focus	HR, WFM and Payroll for mid to large-sized enterprises	HR and Payroll for SMBs	Benefits management for SMBs to Multi-Nationals
Territory	UK and Ireland	UK and Ireland	Global
What	AI enabled HR, workforce management, and pay solutions covering the complete employee lifecycle. Available as SaaS or managed services. Delivers personalised experiences that transform how public and private sector organisations operate. Recently acquired elementsuite.	Offers a full HR suite, targeted towards SMB customers with the ability to outsource entire payroll. HR and Payroll (originated from Natural HR acquisition in March 2023).	Configurable benefits platform delivering rewards, recognition, discounts, wellbeing, communications, and allowances. Global technology with 24/7 multinational support. Recently acquired Benify.
Target	1K to +50K employees	SMBs 50 - 999 employees	100 to 100k employees



Strategic Report

Chief Financial Officer's Review

Accelerating strategy. Building strength. Delivering momentum.

“FY25 was a year of strategic acceleration - three acquisitions, three energised business units, and a clear path to long-term value underpinned by strong investor support.”

Alan Kinch, Group President and Group CFO, Zellis

Financial review

FY25 was a year of strategic acceleration and solid financial performance for the Group, underpinned by the continued support of our investors, Apax Funds and Vitruvian. While headline financials reflect a steady and resilient performance following five consecutive years of double-digit revenue growth, the real story of FY25 lies in the transformational progress we have made across our three business units, Zellis, Benifex and Moorepay.

The results for the year to 30 April 2025 are set out in the consolidated income statement on page 65. Zellis Group closed the year with revenues of £261.1m (2024: £226.6m) and operating profit excluding significant separately disclosed items, amortisation of acquired intangibles and fair value adjustments of £73.1m (2024: £60.9m). After significant separately disclosed items of £28.7m (2024: £8.6m), amortisation of acquired intangibles of £29.4m (2024: £28.7m) and fair value adjustments of £0.5m (2024: £0.8m), the Group reported an operating profit of £15.5m (2024: £22.7m).

We completed four acquisitions in under twelve months (the fourth being Hastee, acquired post year end by Zorro Bidco Limited, an intermediate parent company of Zellis Holdings), each playing a pivotal role in advancing our long-term strategic objectives. These acquisitions, spanning benefits, payroll, and strategic HR technology, have already strengthened our position in the market, expanded our capabilities and increased our opportunity

to serve a broader range of customer needs. In particular, the integration of Benify with Benefex becoming Benifex significantly accelerates our ambition to be the global leader in benefits administration, while the addition of elementsuite to Zellis creates a compelling, all-in-one HR and payroll proposition for mid-market and enterprise customers that embraces the capabilities of AI. Moorepay also continues to progress well, integrating Natural HR, an acquisition made in FY23, into a single platform for SMBs and refining our go-to-market strategy.

Across all business units, we are now better aligned, better positioned and better equipped to capture opportunities and outperform in our chosen markets. FY25 laid the groundwork; FY26 will be a year of execution and momentum. Early indicators are strong and clearly indicate that our investments are translating into commercial traction. With a focused operating model, an energised leadership team and the continued backing of Apax and Vitruvian, we are well positioned to capture long-term value.

Key highlights from CFO's Review

- **£261.1m Revenue:** up from £226.6m in FY24.
- **3 Acquisitions:** strengthening benefits, payroll, and HR technology.
- **£74.9m EBITDAC:** rising from £64.8m in FY24.
- **3 Business Units:** aligned, focused, and positioned for growth.



Strategic Report

Chief Financial Officer's Review (continued)

Management EBITDA & EBITDAC

Operating profit is reconciled to Management EBITDA/EBITDAC as follows.

	2025 £m	2024 £m
Operating profit	15.5	22.7
Depreciation	5.9	5.4
Amortisation	46.2	43
Reported EBITDA	67.6	71.1
Add back employee costs capitalised	(21.6)	(17.8)
Reported EBITDAC	46.0	53.3
	2025 £m	2024 £m
Reported EBITDA	67.6	71.1
Significant separately disclosed items (Note 6)	28.7	8.6
Management fee	0.5	1.5
Defined benefit pension scheme costs and adjustments	0.5	0.1
Fair value adjustment on deferred consideration	(0.5)	0.8
Forex differences and other non-trading adjustments	(0.3)	0.5
Management EBITDA	96.5	82.6
Add back employee costs capitalised	(21.6)	(17.8)
Management EBITDAC	74.9	64.8

Net financing costs are at £48.5m (2024: £34.4m) and the loss on ordinary activities before tax is £32.8m (2024: £11.5m).

Key performance indicators

Apart from the KPIs disclosed in the Financial Highlights, the Group also focus on other key performance indicators. For FY25, Operating profit before significant separately disclosed items, amortisation of acquired intangibles and fair value adjustments was £73.1m (2024: £60.9m) and Operating profit margin before significant separately disclosed items, amortisation of acquired intangibles and fair value adjustments was 28% (2024: 26.9%). In addition, Net Promoter Scores ('NPS') from our customers and employees are also crucial for the Group. We conduct NPS surveys with customers every quarter and with employees twice a year.

Tax

The effective tax credit for FY25 was £9.4m (FY24: debit of £1.6m), resulting in an effective tax rate of 3.73%. The statutory income tax credit for FY25 was £8.2m (FY24: credit of £2.9m), resulting in a statutory tax rate of 25% (FY24: 25%). The difference between effective and statutory rates in FY25 primarily reflects a combination of disallowed interest under the UK Corporate Interest Restriction and disallowed income and expenditure.

Strategic Report

Chief Financial Officer's Review (continued)

Financial Position

On 30 April 2025, the Group had cash balances of £71.4m (2024: £61.8m), bank loans of £84.4m (2024: £378.5m) and Loans due to Group Undertakings of £644.9m (2024: £0.0m). See Note 26 for further details.

The movements during the period on bank loans and loans due to Group Undertakings can be summarised as follows:

£'m	Bank Loans	Loans due to Group Undertakings	Total
Balance as at 1 May 2024	378.5	-	378.5
Settlement of bank loans	(365.0)	368.3	3.3
Loans Drawn	79.0	284.9	363.9
Interest incurred	13.1	31.2	44.3
Interest paid	(26.2)	(12.3)	(38.5)
Foreign exchange movements	4.8	-	4.8
Fair value adjustments	1.0	(27.2)	(26.2)
Other non-cash adjustments	(0.8)	-	(0.8)
Total Borrowings as at 30 April 2025	84.4	644.9	729.3

At the start of the period the Group had a bank loan of £365 million with a repayment date of 31st January 2028. On 13th August 2024, this loan was fully repaid. On the same day a loan from Group Undertakings of £368.3m owed by Zellis Holdings Limited to Zorro Bidco Limited was drawn with a repayment date of 13th August 2034. Further loans were drawn during the year as illustrated in the table above and detailed in Note 26.

Research and Development

The Group is committed to its principal products and will continue to invest in its product roadmap which is focused on building to maximum effect on the momentum developed over the past six years. The product strategy has been developed to provide our customers with a compliant, insightful, and engaging experience through its flagship HR, payroll and benefits platforms.

Alan Kinch

Alan Kinch
Director
17 September 2025



Strategic Report

Stakeholders

Section 172(1) Statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, section 172(1) requires a director to have regard, amongst other matters, to the:

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

In discharging its section 172(1) duties the Group has regard to the factors set out above. We acknowledge that every decision we make will not necessarily result in a positive outcome for all of our stakeholders and the board frequently has to make difficult decisions based on competing priorities. By considering the Group's purpose ("Power exceptional employee experiences so you and your people do better") values (Unstoppable together; Always learning; Make it count; Think Scale) and strategic priorities (an integrated approach to pay and reward; deep understanding of customer needs; new insights through data integration and analytics; leading service delivery with process and automation gains; great customer/colleague experience) we aim to balance those different perspectives. Our strategy is met through our business model focusing on delivering value for our stakeholders. We have outlined how we engage, create value (by focusing on what matters to the Group) and the key inputs (in what the Group is doing that delivers this for our stakeholders).

The Group delegates authority for day-to-day management of the Group to executive directors and then engages management teams in setting, approving, and overseeing the execution of the business strategy and related policies. The Group reviews risk and compliance, legal, pensions and health and safety matters at every relevant Board and Committee meeting (including the Audit and Risk Committee as a subset of the Board). The Group also reviews other areas over the course of the financial year including the Group's financial and operational performance; stakeholder-related matters; diversity and inclusivity; and corporate responsibility matters. This is done through the consideration and discussion of reports which are sent in advance of each board meeting and through presentations to the Board.

The impacts of the Group's activities on the Group's stakeholders (including its colleagues, customers, suppliers, shareholders, lenders and pension trustees) are an important consideration when making relevant decisions. In general, stakeholder engagements take place at the operational and group level which is considered an efficient and effective approach.

The Group reviews information regularly to help it understand the interests and views of the Group's key stakeholders and other relevant factors when making decisions. This information was distributed in a range of different formats including reports and presentations on our financial and operational performance, non-financial KPIs, risk, sustainability and governance matters and the outcomes of specific pieces of engagement. As a result of this, the Group has had an overview of engagement with stakeholders and other relevant factors which allows it to understand the nature of the stakeholders' concerns and to comply with our section 172 duty to promote success of the Group.

The impacts of the Group's activities on the Group's stakeholders (including its colleagues, customers, suppliers, shareholders, lenders and pension trustees) are an important consideration when making relevant decisions.



Strategic Report

Stakeholders (continued)

Suppliers

Our suppliers are predominantly across the categories of IT, property, and professional services.

How we engage

A preferred supplier list is in place to ensure Zellis Group has a compliant, sustainability focused, and cost-effective supply base to meet business requirements. All preferred suppliers are categorised based on the importance of the service to the business and have a senior business owner allocated to them. They are engaged in accordance with the Zellis supplier management standards including regular operational meetings, monthly/quarterly reviews, and periodic executive reviews where appropriate.

New suppliers are engaged where a preferred supplier cannot meet the business requirements appropriately. Any new supplier is engaged through the appropriate procurement process which could include a competitive tender process. All tenders consider sustainability factors, as well as the conformance with the specification, commercials and compliance matters. A minimum of 10% of the score is allocated to sustainability.

What matters to them?

Our supply base contains a wide range of companies with varying priorities. The effective application of our supplier management approach ensures that we manage them appropriate to the risk and value they present to the business and understand the specific priorities of each supplier and work collaboratively to collectively achieve these. We also endeavour to ensure that payments to our suppliers are made in line with agreed terms and conditions. Zellis UK pay 70% of their invoices within agreed terms: Payment practice report for [ZELLIS UK LIMITED](#) and Benifex Limited 75%: Payment practice report for [BENIFEX LIMITED](#).

What we are doing

We have an independent supplier assurance programme from procurement services ensuring our supply chain continues to adhere to the highest statutory and regulatory compliance, security, financial crime prevention, sustainability in business resilience and sustainability standards throughout the relationship with the Group.

Through a supplier management framework we segment suppliers based on risk and opportunity for the business, and continue to work collaboratively with key suppliers to ensure they are aligned to our strategic objectives, and we gain access to innovations in the fast-changing supply markets which includes establishing shared environmental sustainability initiatives and reporting on sustainability issues.

Customers

We support organisations of all sizes across the UK and Ireland, from mid-market businesses with over 1,000 employees through Zellis, to SMBs with 50–1,000 employees through Moorepay, delivering award-winning payroll, HR solutions, and BPaaS. Benifex helps organisations across the globe put their people first, with powerful solutions that transform how employees feel valued, rewarded, and connected.

How we engage

With regular updates, our online help centre enables customers to access the information and support they need - quickly and efficiently.

Customers also enjoy access to personal support, often including a dedicated relationship manager. They work closely with clients to identify new opportunities and provide a direct line to our support services team for incident management and expert guidance. For larger customers with more complex service requirements, we hold regular meetings and provide them with timely reports and KPIs on our services and control environments.

What matters to them?

All our customers need modern, performant, and easy-to-use systems, with rich functionality that provides them with accurate and timely legislative information for them to run HR and payroll, as well as sophisticated data analytics capabilities.

Our BPaaS customers expect us to deliver above and beyond traditional outsourcing. We deliver best-in-class, tech-enabled BPaaS HR and payroll services accurately, securely, and on-time, but also to deliver additional value through process optimisation, cost reduction, business continuity planning (i.e., operational resilience), business intelligence and reporting.

Our customers expect us to deliver seamless implementations, as well as other value-adding consultancy and support services.

Our Zellis Background Checking customers expect us to provide them with a swift, thorough, and compliant service, enabling them to hire with confidence.

Our Benefits and Recognition customers expect us to deliver exceptional employee experiences with intuitive technology which helps them to achieve their engagement, wellbeing, and reward objectives, and offers insights and reporting.

Strategic Report

Stakeholders (continued)

What are we doing?

We focus on innovation, improving our product offering by regularly reviewing our roadmaps to make sure we prioritise the right updates for our customers' needs.

We take a partnership approach with all of our customers, but especially our BPaaS customers. We strive to act as an extension of our customers' HR and payroll teams, equipped with the best possible technology and solutions, and adopting a mindset of continuous improvement that allows us to add value above and beyond alternative providers.

We also maintain a strong focus on compliance, ensuring that software updates to cover new legislative requirements are delivered in a timely manner.

Our IT security environment is under constant review because data protection is one of our top priorities as a HR and payroll provider.

Lenders

Our facilities are managed by an agent on behalf of a number of banks that form our borrowings.

How we engage

Information undertakings form part of our agreements with the lenders. This information is provided on a quarterly basis. If the lenders have any queries, this is communicated to us via the agent, and we respond as soon as it is practicable. In addition, there is the ability for the lenders to request an annual CFO call.

What matters to them?

That we are adhering to the terms of the agreement and that there are no cash flow or other issues impacting the business.

What are we doing?

We complete the appropriate tests as per the lender agreements and monitor on an ongoing basis. We also regularly review our performance as a business.

Shareholders

Our shareholders are primarily Apax funds and Vitruvian with some shares held by Group executives and senior managers. Apax Partners LLP is a leading global private equity advisory firm. For over 50 years, Apax has worked to inspire growth and transform businesses. The firm has raised and advised funds with aggregate commitments of c.\$80 billion. Vitruvian Partners was founded in 2006 and is a leading international investment firm that supports the most ambitious and talented entrepreneurs and higher growth companies to achieve their goals. They have a total of €20bn assets under management across 90+ investments.

How we engage

We engage regularly with our major shareholders, Apax funds/Vitruvian, both on a formal and an informal basis. Formal Board meetings, at which Apax and Vitruvian are represented, are held quarterly. In addition, Audit and Risk Committees and Remuneration Committees are held at least twice a year.

Apax members also provide support and guidance to Group executives on a wide variety of matters including attendance at Steering Committee meetings for initiatives which are key to delivering the Group strategy.

What matters to them?

That the business executes on its strategic plan, improves the underlying business, and delivers sustainable returns.

What are we doing?

Regular interaction and communication with the Board ensures that the goals of the business.



Strategic Report Stakeholders (continued)

Pension trustees

How we engage

The Group is represented at regular pension trustee meetings by an Executive member. In this meeting the Group shares information on strategy, financial position, and performance as well as any other important information. During the meetings the Group openly engages with the trustees and their advisors on investment and risk management strategies undertaken by the fund.

What matters to them?

Pension trustees operate on behalf of the members of the pension scheme and therefore act in the best interest of the scheme beneficiaries. That means working with their advisors and the Group to ensure that investments are made by the scheme balancing both the investment return and risk management. The trustees also ensure the business makes appropriate contributions into the scheme to fund the pension deficit over time whilst ensuring the business remains a strong financial covenant.

What are we doing?

The board are committed to openly engaging with the pension trustees and their advisors to ensure collectively the best interests of all the stakeholders are maintained.

Colleagues

What matters to them?

Our colleagues expect us to provide a safe and healthy working environment that provides recognition of achievements, and opportunities for personal development and progression, all underpinned by a culture where all colleagues feel they can participate and play an active part.

We believe that if we focus on doing better for our people, and building a great colleagues experience, we will be best placed to serve the needs of our customers and enhance the communities we operate in.

How we engage / What are we doing?

- ▶ See separate [“Our Colleagues” section](#).

Community

- ▶ See separate [“Our Community” section](#) in our Sustainability section..

Environment

- ▶ See separate [“Our Environment” section](#) in our Sustainability section.



Strategic Report Our Colleagues

Our culture

Power exceptional employee experiences so you and your people do better.

As a purpose driven company, we are committed to creating positive outcomes for our people and for society. We foster an inclusive, engaging and values-driven culture that people are proud to be part of and inspired to join.

Our values underpin our culture and will continue to help us achieve our growth ambition while building exceptional experiences for our colleagues and customers.

Our values

Our Group culture is underpinned by our core values, created with input from our global workforce.

Unstoppable together

We are inclusive, celebrate differences, and work together to achieve exceptional results.



Always learning

We build expertise in ourselves and others, always looking for better ways.



Make it count

We are accountable for what we do and the impact we have.



Think scale

We build for the future, creating repeatable, simple, and scalable solutions.



Our colleagues expect a safe and healthy working environment where achievements are recognised and opportunities for personal growth and progression are supported. This is underpinned by a culture where everyone feels empowered to participate and play an active role.

We believe that by focusing on doing better for our people and creating an exceptional colleague experience, we will strengthen our ability to deliver lasting value across the business. This, in turn, enables us to better serve our customers and positively impact the communities we operate in.

Engagement strategy

We have a comprehensive and collaborative Group-wide communications and engagement strategy that includes a global all-colleague intranet, daily news articles, weekly news bulletins, monthly all-hands calls, quarterly all-colleague Virtual Connect broadcasts, interactive internal social media channels, six-monthly engagement surveys, and a peer-to-peer recognition platform.

We work with colleagues to recognise, raise awareness, and celebrate what matters most to them, whether culturally, individually, or as a community.



Strategic Report

Our Colleagues (continued)

We believe the greatest action comes from our colleagues, and we're committed to promoting representation through the development of colleague-led networks to foster connection, promote awareness and celebrate diversity. These voluntary, colleague-led groups foster connection and belonging through common experiences, identities, or passions. They span all geographies and business areas, and provide opportunities for support, development, outreach, and networking.

Our colleague led networks are:



We regularly seek feedback from colleagues and monitor our employee NPS scores to help guide continuous improvement. As a result, the key drivers of engagement have steadily improved year on year.

Growth and development

At Zellis Group we want every colleague to thrive and feel fulfilled at work. We're committed to supporting personal and professional growth through a multi-channel learning and development framework. This includes a rich digital learning offering and a wide-ranging programme of opportunities such as masterclasses, workshops, and bite-sized training. Colleagues also have access to our career pathway hub and a suite of accredited learning programmes. These include dedicated initiatives to support our next generation of leaders, such as the Future Leader and Making Management Count programmes.

Over the past year our colleagues have completed 71,745 learning hours which is the highest number achieved to date – proof that our Always Learning value is truly part of our culture.

Reward and recognition

We offer a reward and recognition framework that acknowledges each colleague's individual circumstances, and unique contributions to the Group.

- We review pay annually to ensure we are providing fair and equitable pay.
- We are an accredited Real Living Wage employer.
- We offer private medical cover to colleagues, funded by Zellis Group.
- Our flexible benefits offering gives colleagues the opportunity to select the right benefits for them, whether for peace of mind, such as insurance for them and their family, or to enable lifestyle choices, such as cycle to work and travel benefits as well as a range of resources and benefits to support financial wellbeing.
- Our recognition platform, MyAppreciation, enables colleagues to celebrate one another in the moment - anytime and anywhere - while reflecting our shared values. We also highlight outstanding achievements through our monthly, values-based recognition programme, with 3,243 acknowledgements made during FY25.

At Zellis Group we welcome gender pay gap reporting as an effective way for us, along with other organisations, to gain visibility on progress for gender pay parity – an intrinsic part of achieving gender equality.

- ▶ Our latest report is available at: [Zellis UK Limited](#), [Moorepay limited](#) and [Benifex Limited](#).

As of 30 April 2025, the proportion of females was as follows:

	2025 Total	2025 Females
Directors and Company Secretary*	3	0%
Executive team**	5	40%
Senior leadership team***	69	35%
Colleagues	3,159	49%
Total	3,236	48%

* Employed by a parent company

**Executive team (excluding Directors and Company Secretary), see page 48

*** Senior leaders reporting into the Executive team

Strategic Report

Sustainability and Impact

Doing better for our people and society

At Zellis Group, we believe we have a responsibility to make a meaningful, positive impact on our colleagues, customers, and the communities we serve - guided by four key areas of influence:

<p>Wellbeing for all</p> <ul style="list-style-type: none"> • Make pay and benefits easier to understand. • Promote wellbeing through digital resources. • Build knowledge and confidence or better financial wellbeing. 	<p>Diversity of thought and experiences</p> <ul style="list-style-type: none"> • Empower organisations to be representative and equitable through data. • Advance inclusion and celebrate differences. • Champion pay equality and benefits. 	<p>Strong communities</p> <ul style="list-style-type: none"> • Nurture high quality employment and workplace experiences. • Make charitable giving easy. • Support our local communities through volunteering and partnering with community organisations. 	<p>Protect our environment</p> <ul style="list-style-type: none"> • Be Operationally Net Zero by the end of 2027. • Fully Net Zero, across all activities by 2040. • Proactively protect and restore biodiversity, not just minimise our impact.
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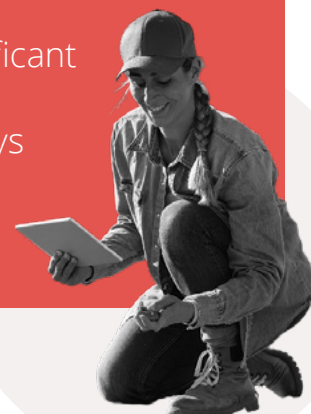
And by the end of 2027 our Sustainability and Impact ambitions are to:

<ul style="list-style-type: none"> • Support 5 million people with financial and mental wellbeing. • 2 million people with access to discounts and cashback 	<ul style="list-style-type: none"> • Have truly diverse leadership with 50% women and 20% diverse characteristics. • Help more than half our customers to be truly diverse/representative. 	<ul style="list-style-type: none"> • Support 100 apprenticeships by 2025. • By 2027 we will increase the people giving through payroll by 20%. 	<ul style="list-style-type: none"> • Achieve EcoVadis Silver Medal Status. • Plant 1 million trees by the end of 2025. • Ensure our emission reduction targets are validated by the SBTi. 
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This has also been a year in which the Group made significant progress against its Sustainability and Impact Ambitions. It included the launch of our Zellis Group Community Days Programme to give all our colleagues the opportunity to volunteer in the communities we operate in."

- John Petter, Chief Executive Officer, Zellis Group



Strategic Report Sustainability and Impact (continued)

Delivering on our promise

Our commitment to sustainability is core to how we operate as a business. Our Sustainability and Impact framework and ambitions are inclusive of all Zellis Group companies – Zellis, Moorepay, and Benifex – across all geographies. Sustainability and Impact have Board level oversight, and an Executive Team level Steering Committee. Progress is driven by focused working groups that are centred around our priorities.

Our awards and certifications are a testament to the progress we’re making toward our Sustainability and Impact goals, providing valuable third-party recognition of our commitment to doing things the right way.

<p>EcoVadis is the world’s largest and most trusted provider of business sustainability ratings. In 2025 we retained our Silver Medal Status and achieved a 12-point increase.</p> 	<p>The Carbon Disclosure Project (CDP) is a platform used by companies to disclose their environmental management and carbon emissions. Our 2024 submission achieved a B, in recognition of our implementation of best practice.</p> 	<p>Proud signatory of the UN Global Compact demonstrating our commitment to advancing the 17 UN Sustainable Development Goals, building high quality employment experiences, and preserving our environment.</p> 
<p>We are an accredited Real Living Wage employer.</p> 	<p>Recognised as Top 10 Employer for Women in Tech.</p> 	<p>As an honoured partner of Microhive (formerly Pennies from Heaven) we have been awarded a Microhive Gold Award and quality mark.</p> 
<p>By signing The Pregnancy Loss Pledge we commit to giving all affected colleagues the support they need, whilst recognising that everyone’s needs will be different.</p> 	<p>As a signatory of the Microsoft partner pledge, we are committed to “working together to make digital innovation a force for good”.</p> 	<p>By signing the membership charter of the Employers’ Initiative on Domestic Abuse we are united in taking action and supporting our colleagues.</p> 
<p>In February 2025 both our near term and net zero targets were validated by the SBTi. Our science-based targets prove our commitment to building a sustainable economy, by doing not what is easy but what is necessary.</p> 	<p>We’re committed to ensuring that disabled colleagues are treated with dignity and respect and are not disadvantaged in the workplace.</p> 	

Strategic Report Sustainability and Impact (continued)

Wellbeing for all

Wellbeing for All is our commitment to supporting our colleagues' physical, financial, and emotional wellbeing. As the UK's leading provider of HR, pay, reward, analytics and employee experiences, our software, services, and solutions reach millions of people. This extensive footprint helps us maximise our impact and reach our goal of supporting 5 million people with financial, mental, and physical wellbeing.

Why is it important?

Given the significant role work plays in our lives, having the right support in the workplace is essential to overall wellbeing and enables colleagues to truly thrive.

Wellbeing for Zellis Group's Colleagues

Our Wellbeing for All hub, brings all our wellbeing support together in one convenient location – be it financial, physical, or emotional. It offers easy access to resources like country-specific Employee Assistance Programme (EAP) services, our network of Wellbeing for All Champions, and a comprehensive overview of the wide range of benefits available.

Wellbeing for Zellis Group's Customers

The product teams across all three businesses take responsibility for ensuring our product roadmap supports the Group's ambitions to promote wellbeing for our customers' employees.

Benifex plays a leading role through thought leadership, with the Chief Innovation Officer, Gethin Nadin, being a highly respected industry expert on wellbeing. Benifex's One-Hub platform is designed to engage employees with their employer's benefits and other wellbeing offerings to enhance the overall experience of employment.

It's important to note that all parts of our business contribute to our wellbeing ambitions. For example, Zellis delivers interactive digital payslips, helping employees understand their pay and benefits, empowering them to manage their finances with confidence and build greater financial security.

Our strategic acquisition of Hastee, a pioneering financial wellbeing platform, early in FY26 enables customers across the Group to access a comprehensive suite of financial wellbeing tools, including on-demand earned wage access, personalised financial education, intuitive money management tools, state-benefits eligibility-checking, and detailed analytics into employee financial wellness. There is compelling evidence to show how this will contribute to the financial wellbeing of employees, as well as contributing to business outcomes by helping our clients fill shift slots, recruit, motivate and retain people.

- ▶ To find out more about how we're supporting physical, financial, and emotional Wellbeing for All, please see the "Wellbeing for All" section of our Impact Report.



Strategic Report

Sustainability and Impact (continued)

Diversity of thought and experiences

At Zellis Group we are committed to building an inclusive and engaging, values-led culture – one that people are proud to be part of and inspired to join. We believe fostering a culture of Diversity, Equity, and Inclusion (DEI) not only strengthens our organisation but also supports the wellbeing of our colleagues by enabling them to be themselves, feel a true sense of belonging and thrive in their work.

A diverse workplace is one that acknowledges the benefit of having a range of perspectives in decision making and one in which colleagues are representative of the communities the business operates in and the customers it serves.

An equitable workplace is one where all colleagues have equal opportunities and support to succeed and grow. This applies regardless of their gender, sexual orientation, gender reassignment, race, nationality, religion or belief, age, marital or civil partnership status, pregnancy or maternity, disability, or any other personal characteristics.

Inclusion means that colleagues' differences are valued and applied to enable everyone to thrive at work. Colleagues feel they belong without having to conform, that their contribution matters and that they are able to perform to their full potential, irrespective of their background.



Why is it important?

Through our customers, we pay or reward 1 in 7 working people in the UK and Ireland. We believe this gives us a unique opportunity to support organisations in becoming more diverse and representative in a number of ways:

- The MyDiversity Data module is Zellis' MyView self-service software, designed to make it easy and secure for employees to declare their diverse characteristics, enabling their employer to build and track evidence-based plans. We have also provided our HCM Cloud customers with a PowerBI dashboard to interpret this data.
- We have invested in comprehensive research to reveal employee points of view, and provide best practice guidance for employers, in collaboration with leading experts and institutions including The Economist Intelligence Unit.
- We support organisations in meeting current pay gap reporting requirements - such as gender and CEO pay - while also developing our products to help them stay ahead of future reporting requirements. Championing pay equity and personalised employee benefits that are easily accessible to all.

Supporting Diversity, Equity, and Inclusion through our role as an employer

In 2022 we set an ambitious target that by 2027 we aim to achieve truly diverse leadership, with 50% of our leaders being women. This includes our Executive Team and their direct reports, collectively known as the Senior Leadership Community (SLC). In FY25 25% of our Executive Team and 35% of our SLC are women.

To achieve our ambition, we are enhancing our talent pipeline, looking at both internal promotion opportunities, and our approach to external recruitment. We're committed to hiring and advancing the best people into leadership roles, with pay decisions based on skills, relevant experience, the market value, and performance.

We continuously monitor our recruitment process, including advertising, interviewing, and onboarding to ensure that we promote inclusion at every opportunity and attract from the widest talent pools, limiting unconscious bias and barriers to joining. We provide enhanced training for managers to help them source and select talent more effectively, ensuring balanced shortlists using practical tools and data to inform hiring decisions and removing barriers to employment for individuals from disadvantaged or underrepresented groups.

Strategic Report Sustainability and Impact (continued)

We encourage all colleagues to learn and grow through a multi-channel learning & development framework that includes a digital learning offering, a comprehensive programme of L&D opportunities and activities including masterclasses, workshops, and bite size training, plus a career pathway hub, and multiple accredited learning programmes.

Looking at our two main internal talent development programmes, Making Management Count and Future Leaders, 44.4% of the delegates are women, and over half of our apprentices are women.

This has led to us being recognised as a Top 10 Employer for Women in Tech.

In addition, in FY25 we became a Disability Confident Committed Employer, as part of our commitment to ensuring that disabled colleagues are treated with dignity and respect.

As a business committed to continuously improving how we work – for both our colleagues and our customers – we’re looking to go beyond the standard pre-employment diversity monitoring questions. We recognise that life circumstances, personal identities, and people’s confidence in sharing data changes over time.

Within Zellis Group we are committed to an evidence-based approach, using our own MyDiversity Data module. Since asking colleagues to declare their diversity data from May 2022, we have been able to track trends, and progress, enabling us to better understand who we are as a business, and target resources and support in the most impactful way.

- ▶ To find out more about how we’re supporting DEI, please see the “Diversity of Thought and Experience” section of our Impact Report.

Strong communities

By working with our colleagues, customers, and suppliers we aim to protect and strengthen the communities we serve. We do this through high-quality employment experiences, charitable giving, and actively supporting local communities through volunteering.

Why is it important?

Given the nature of our business, we have a unique opportunity to enhance the impact of charities and community organisations through payroll giving. This approach makes it easier and more efficient for people to donate, while providing charities with a reliable and steady stream of income to support and expand their work.

We are also uniquely positioned to support our customers by providing high-quality employment and workplace experiences for their employees and encourage more sustainable behaviours through employee benefits.

Progress against our ambitions

One of the ways we are helping make charitable giving easy is by partnering with Microhive (formerly known as Pennies from Heaven), allowing our UK & ROI colleagues, and Zellis Group’s customers, to donate the pennies – or cents – from their monthly pay directly to charity. To maximise our impact, Zellis Group also triples the amount raised each year through match funding.

In recognition of the generosity of our colleagues, with over a third of our UK and ROI colleagues signed up, we have been awarded a Microhive Gold Award and quality mark.

In 2025, we launched our Zellis Group Community Days programme, giving each colleague two days to volunteer with causes that matter most to them and support the communities they care about. We look forward to reporting on its impact over its first year in our next strategic report.

- ▶ To find out more about how we’re building Strong Communities, please see the “Strong Communities” section of our Impact Report.



Strategic Report Sustainability and Impact (continued)

Protect our environment

Our commitments

Zellis Group has continued developing our environmental plan based on the outcomes of a comprehensive environmental risk assessment. We remain committed to reducing our carbon emissions and become operationally net carbon zero by the end of 2027. We are pleased to report we have achieved year-on-year improvement reducing our carbon emissions. Our environmental commitments are matters considered by the Board and the Executive Leadership team and our Group CEO is the appointed company director for sustainability matters and has appropriate knowledge on environment management practices. We have a dedicated team who focus on environmental matters who are representative of the people team, property and procurement, and finance.

Progress during the year

We have continued developing better ways of working to reduce waste and embed sustainable procurement practices including renewable energy choices. Our efforts and trajectory show we need to review and adjust our environmental plan which was initially set to reach our net carbon zero target by the end of 2027.

Within our colleague community we continue to raise awareness and encourage sustainable behaviours to protect our environment - for example, by incorporating carbon footprint calculations into business travel so that colleagues can consider costs beyond the financial aspect. We have achieved our target to plant one million trees to reverse the impacts from deforestation in Nepal and support global efforts to combat climate change and restore our biodiversity. Within our benefits platform, we have continued encouraging more sustainable choices for our colleagues such as promoting the use of electric vehicles (EVs).

In FY25, we were pleased to receive validation of our short-term and Net-Zero emission reduction targets from the Science Based Targets Initiative and met our obligations to DEFRA regarding the submission of our ESOS energy reduction plan.

To achieve this, we are making strides to improve efficiency in our offices and reduce power consumption. We have already made the move to renewable energy and continue to upgrade our facilities and equipment including lighting to be more energy efficient. We've also procured green gas – renewable and low carbon alternatives to traditional gas – for our heating systems.

- For more information on our Net Zero target, please see the "Protect our Environment" section of our Impact Report.

EcoVadis is the world's largest and most trusted provider of business sustainability ratings and is used by many of our customers. In 2025 we retained our silver medal status, increasing our score by 12 points.

The Carbon Disclosure Project (CDP) is a platform used by companies to disclose their environmental management and carbon emissions. It grades companies from D to A and our 2024 submission achieved a rating of B, in recognition of our implementation of best practice.



Strategic Report

Sustainability and Impact (continued)

Reducing our environmental aspects and impacts of significance

Zellis Group's environmental plan is determined by a comprehensive environmental risk assessment designed to identify environmental aspects and impacts of significance. We maintain this risk assessment and formalised the process in a standard operating procedure aligned with ISO14001 and ISO31000 requirements. We continually review and update our risk assessment and our environmental plan to ensure our plans and remediation measures can achieve our targets. Environmental risks are integrated into our enterprise risk management and reporting up to the Board.

Our plan is maintained and implemented by the environmental working group with strong focus on reducing our impacts. The results can be seen within the external assessors' report.

Our offices

Zellis Group offices are within tenanted and managed commercial spaces, many of which are located outside of central towns and cities. This means our estate strategy can have a direct impact on our carbon emissions, depending on the extent of public transport opportunities available to colleagues and the proximity of available talent to these office locations.

Within our offices we have to strengthen relationships with our landlords to collaboratively work towards reducing our energy consumption, cut down waste, including the reduction in the use of plastics, and improve recycling efforts. Disposal of electronic waste is under our control, and we have recycled and re-purposed our assets to lower our volume of waste to landfill reducing the risk of toxic waste and leachates at landfill sites. In 2025, we introduced food waste schemes to our UK offices to encourage the use of composting.

Business travel

Emissions from business travel is one of our biggest impacts on the environment and symptomatic of our operating model and the geographical distribution of our office locations. Hybrid working patterns continue to benefit our growth and employee well-being plans. The employee experience is at the heart of what we do and this year we will be investing more in our office spaces with a view to welcoming more colleagues back to the office.

Transition to low carbon economy

Transitional climate change risks arise when the pace and scale at which we can manage and adapt to both internal and external changes fall short. This can hinder our ability to reduce greenhouse gas emissions, transition to

renewable energy, and ultimately achieve our targets to become net carbon zero. In response to our risk assessment and analysis, we switched to renewable energy sources choices lowering our environmental impact.

Environment management voluntary disclosures

Zellis Group continues making voluntary disclosures for environment management through the Carbon Disclosure Project. In the reporting period we were pleased to be awarded B 'management' status in the Carbon Disclosure Project (CDP).

Energy Consumption and Green House Gas ('GHG') emissions and energy use data for period 1 May 2024 to 30 April 2025

In accordance with our plans and commitments, Zellis Group has reported on all scope 3 emissions, and improved our overall environmental performance. LG Energy were appointed 10 March 2022 as Zellis Group external assessors for environmental regulatory assessments and disclosures relating to the Energy Savings Opportunity Scheme (ESOS) and since April 2022, the Streamlined Energy and Carbon Reporting (SECR). In 2024, DEFRA launched new obligations requiring the submission of energy reduction plans and reporting performance updates annually. We have met all our environmental regulatory obligations for this period.

LG Energy assessed our scope 1, 2, and 3 energy consumption and carbon emissions and reported our outcomes and provided their view on our performance:

External Assessors (LG Energy) Energy and Carbon Emissions Assessment and Report

External Assessors Summary

In line with the Streamlined Energy and Carbon Reporting legislation, the company is required to report its energy consumption and greenhouse gas emissions arising in the UK. All scope 1 & 2 sources of energy and emissions have been disclosed as well as mandatory scope 3 sources of energy and emissions. Material energy use outside of the UK has also been included.

During the financial year, Zellis Group encountered challenges in obtaining the necessary input data to accurately calculate carbon emissions which meant reliance upon averages and benchmarks to provide a fair view of the Group's carbon emissions. Zellis Group are actively working to address these issues and working hard to improve the quality of data collection processes across all business units for future reporting periods. Methodologies and conversion factors have been incorporated into the disclosure.

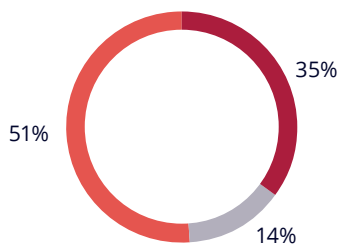
Strategic Report Sustainability and Impact (continued)

Since the previous reporting period the company has expanded through acquisitions and growth meaning their energy consumption profile changed considerably. An increased number of sites means that natural gas consumption increased by 10% and electricity consumption increased by 104%, however more sites are now all-electric, and the percentage of electricity which is procured through 100% renewable contracts has increased from 25% to 41%. Energy consumption in employee vehicles increased by 77%, however mileage in taxis reduced by 51%, and the amount of mileage in electric vehicles increased from 3.0% to 5.2%. Transport energy increased by 2.6% overall but the associated greenhouse gas emissions decreased by 0.6%.

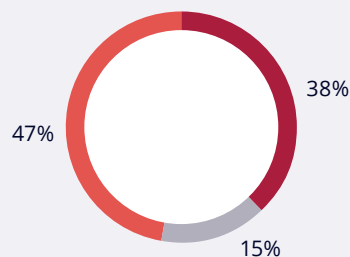
In total energy consumption increased by 32% but greenhouse gas emissions decreased by 2.7%. In addition, revenue increased which means that the Group's emissions intensity ratio reduced by 15.5%.

Energy and greenhouse gas (GHG) emissions by usage within our buildings and business travel.

- Buildings
- Transport - Staff
- Transport - Taxi



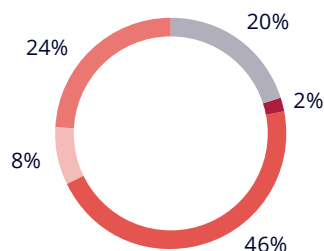
Energy Consumption by Usage



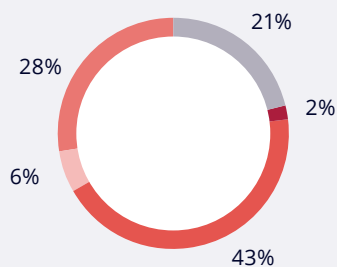
Emissions by Usage

Energy and greenhouse gas (GHG) emissions by fuel type.

- Electricity
- Diesel
- Natural Gas
- Petrol
- Misc. Transport



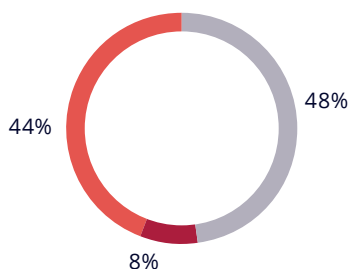
Energy Consumption by Fuel



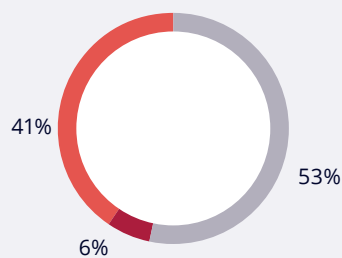
Emissions by Fuel

Energy and greenhouse (GHG) emissions by scope.

- Scope 1
- Scope 2
- Scope 3



Energy Consumption by Scope



Emissions by Scope

Strategic Report

Sustainability and Impact (continued)

This table outlines overall annual energy consumption and carbon emissions for Zellis Group.

Source of Energy and Carbon Emissions	Energy Consumption (MWh)		GHG Emissions (tCO ₂ e)	
	2025	2024	2025	2024
Combustion of Natural Gas	359.77	327.33	65.80	59.88
Combustion of Fuel in Company Vehicles	-	-	-	-
Combustion of Other Fuel	1.13	-	0.29	-
Other Activities inc. Process & Fugitive	-	-	-	89.36
Scope 1 Total	360.91	327.33	66.09	149.24
Generation of Purchased Electricity	2,045.67	1,000.48	506.46	413.44
Of which from renewable sources	836.34	254.40	87.07	52.68
Scope 2 Total (Market Based)	2,045.67	1,000.48	419.39	360.76
Combustion of Fuel by Employee Vehicles	1,603.43	911.91	385.45	226.11
Electricity Consumed by Employee vehicles	37.22	16.27	7.72	3.37
Combustion of Fuel by Taxis	559.84	1,244.48	141.75	315.18
Electricity Consumed by Taxis	80.77	50.71	16.74	10.50
Scope 3 Total	2,281.26	2,223.37	551.66	555.16
Grand Total (Market Based)	4,687.84	3,551.18	1,037.15	1,065.16
Intensity per £100,000 Revenue	1.80	1.57	0.40	0.47
Percentage within the UK	56.6%	51.2%	51.0%	41.5%

Methodology - Conversion Factors

Utilities

Energy consumption expressed in kilowatt-hours has been taken from suppliers' invoices. Location-based kgCO₂e/kWh conversion factors for the average grid supply have been used to calculate greenhouse gas emissions from electricity and natural gas consumption. For electricity supplies through renewable contracts the emissions have been deducted to give the net market-based emissions.

Transport

The company does not own or lease any vehicles. Employees drive personal vehicles and are reimbursed through mileage claims. In Kochi, taxis are provided for employees. The kWh/mile and kgCO₂e/mile conversion factors from the category "Cars (by size)" have been used to calculate greenhouse gas emissions and underlying energy use.

Other Fuels and Emissions

Two sites have diesel generators which are used only in emergencies. Consumption expressed in litres or kWh have been taken from supplier invoices.

Maintenance records did not contain any instances of refrigerant leaks during the reference period. No other fugitive emissions have been identified.



Strategic Report

Sustainability and Impact (continued)

Conversion Factors

International electricity grid emissions intensities have been taken from the most recent publications of their respective governing bodies. For the Republic of Ireland, Sweden, Lithuania, Denmark, Netherlands and Germany the intensity was taken from "Greenhouse Gas Emission Intensity of Electricity Generation" published by the European Environment Agency. For India the intensity was taken from "Baseline Carbon Dioxide Emission Database Version 20" published by the Government of India Ministry of Power Ceral Electricity Authority. For the Philippines the intensity was taken from "Key Energy Statistics 2023" published by the Philippines Department of Energy. All other conversion factors and fuel properties used in this disclosure have been taken from "UK Government Greenhouse Gas Conversion Factors for Company Reporting 2024" published by the Department for Energy Security & Net Zero (DESNZ) and the Department for Environment, Food & Rural Affairs (DEFRA).

All greenhouse gas emissions have been expressed in terms of their carbon dioxide equivalence. This is the full list of conversion factors utilised for this report.

Fuel	Conversion	Factor
Electricity: UK	kg CO ₂ e/kWh	0.20705
Electricity: Germany	kg CO ₂ e/kWh	0.32900
Electricity: Netherlands	kg CO ₂ e/kWh	0.26300
Electricity: Ireland	kg CO ₂ e/kWh	0.26000
Electricity: Lithuania	kg CO ₂ e/kWh	0.12400
Electricity: Denmark	kg CO ₂ e/kWh	0.09400
Electricity: Sweden	kg CO ₂ e/kWh	0.00800
Electricity: India	kg CO ₂ e/kWh	0.72700
Electricity: Philippines	kg CO ₂ e/kWh	0.76000
Natural Gas (Standard UK Grid)	kg CO ₂ e/kWh (Gross CV)	0.18290
Diesel (100% mineral diesel)	kg CO ₂ e/kWh (Gross CV)	0.25197
	kg CO ₂ e/litre	2.66155

Vehicle type	Conversion	Factor
Large Engine: Diesel	kWh/mile (Net CV)	1.32000
	kg CO ₂ e/mile	0.33362
Medium Engine: Diesel	kWh/mile (Net CV)	1.06822
	kg CO ₂ e/mile	0.27050
Small Engine: Diesel	kWh/mile (Net CV)	0.88759
	kg CO ₂ e/mile	0.22522
Average Engine: Diesel	kWh/mile (Net CV)	1.07954
	kg CO ₂ e/mile	0.27334
Large Engine: Petrol	kWh/mile (Net CV)	1.86949
	kg CO ₂ e/mile	0.43267
Medium Engine: Petrol	kWh/mile (Net CV)	1.23098
	kg CO ₂ e/mile	0.28526
Small Engine: Petrol	kWh/mile (Net CV)	0.99703
	kg CO ₂ e/mile	0.23126
Average Engine: Petrol	kWh/mile (Net CV)	1.14204
	kg CO ₂ e/mile	0.26473
Large Engine: Hybrid	kWh/mile (Net CV)	1.00746
	kg CO ₂ e/mile	0.24921

Strategic Report Sustainability and Impact (continued)

Vehicle type	Conversion	Factor
Medium Engine: Hybrid	kWh/mile (Net CV)	0.75907
	kg CO ₂ e/mile	0.18492
Small Engine: Hybrid	kWh/mile (Net CV)	0.75960
	kg CO ₂ e/mile	0.18143
Average Engine: Hybrid	kWh/mile (Net CV)	0.83885
	kg CO ₂ e/mile	0.20288
Average Battery Electric Car	kWh/mile (Net CV)	0.33841
	kg CO ₂ e/mile	0.07015
Average Car (Unknown Engine Size and Fuel)	kWh/mile (Net CV)	1.11314
	kg CO ₂ e/mile	0.26860

Our Colleagues

- See separate Colleagues section as well as “Doing Better for People and Our Society” section on [Page 28](#).

Our Customers

Our evidence-based strategy relies on clear, independent accreditations and specific, demonstrable results. We recognise this as an imperative for customers who are looking for clear, reportable information about our progress against our ambitions.

We appreciate that our customers are increasingly conscious of the impact of their entire business and supply-chain on the environment and the communities in which they operate. We recognise that our sustainability strategy is just as important to our customers as it is to our colleagues.

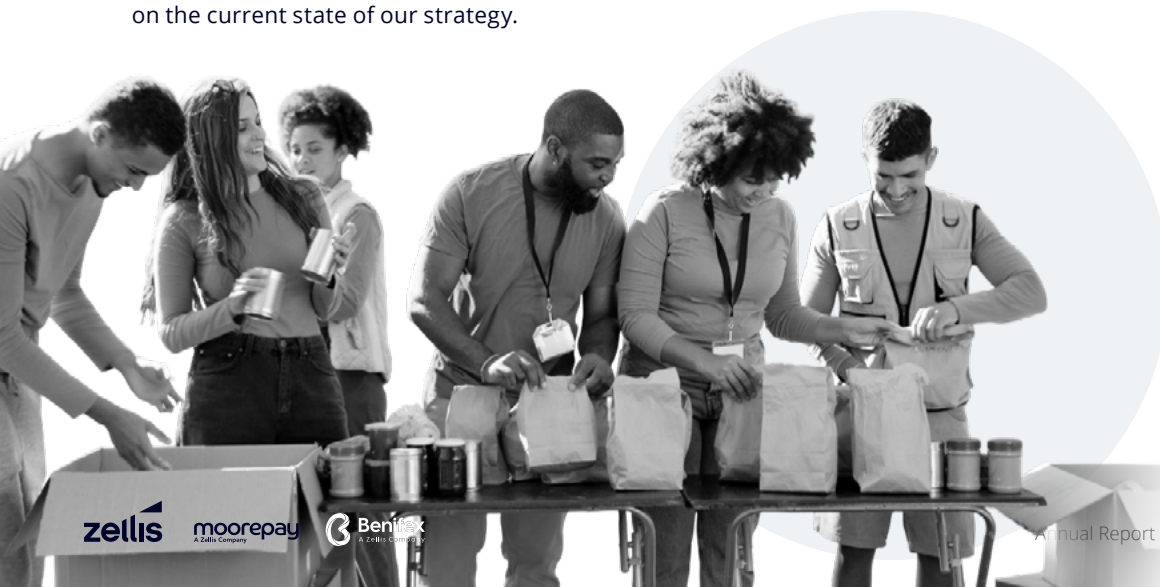
Sustainability presents a regular section in our regular customer updates and plays an important role in our customer events and roundtables. We celebrate our achievements through our website and social channels and maintain sites where customers can read regular updates on the current state of our strategy.

Our Communities

By working with our colleagues, customers, and suppliers we aim to protect and strengthen the communities we serve - through high-quality employment experiences, environmental stewardship, and meaningful support of charities and community organisations.

We uphold human rights and commit to our anti-modern slavery and human trafficking statement and report on the performance of our action plan to the Home Office on how we contribute to the prevention of associated financial crimes.

Our action plan includes maintaining oversight of our supply chains ensuring alignment with FATF recommendations. We recognise the richness of our payroll data and how this can be utilised to detect modern slavery, forced and bonded labour. In line with requirements, we ensure our colleagues are trained and aware of the signs of this crime and societal atrocity.



Strategic Report

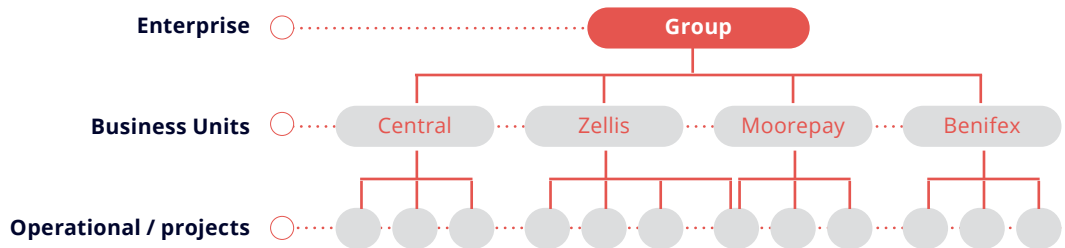
Risk and Opportunities

Risk governance

Enterprise risk is at the heart of our corporate governance practices ensuring the Group continues to act ethically and responsibly within risk appetite and tolerance thresholds. Ultimately, we are focused on value creation and protection. Striking the balance between the two is governed by our enterprise risk management principles and practices.

The Group operates an enterprise reporting structure that enables the Group CEO to hold business unit CEOs accountable for their risk-taking and risk management practices. Our reporting then flows upwards for groupwide accountability to the Supervisory Board Audit and Risk Committee (ARC). In this board committee, the most impactful and prevalent risks are reported, with matters of concern escalated for feedback, advice and support. The ARC also receives an information security report from the Group Chief Information Security Officer (GCISO).

This leadership commitment helps us integrate enterprise risk management within all parts of the group. The central services of the group governance, risk and compliance (Group GRC) function support the Board and the Executive on risk matters ensuring management information flows are synchronised.



Strategic Report

Risk and Opportunities (continued)

Risk appetite and tolerance thresholds

Our enterprise risk framework utilises four clear classifications a) sustainability, b) financial, c) compliance, and d) operational, to facilitate enterprise risk reporting and analytics across all business units in a standardised manner. In October 2024, the group reviewed and approved risk appetite and tolerance thresholds to inform decision-making and monitor risk-taking out of appetite.

The culture towards risk taking differs within each of the brands but all operate within defined tolerance thresholds.

<p>Sustainability</p>  <ul style="list-style-type: none"> • Strategy • Corporate governance • Brand and intellectual property • Business continuity • Reputation and contagion 	<p>Financial</p>  <ul style="list-style-type: none"> • Income and revenue • Liquidity • Treasury • Control • Financial reporting
<p>Compliance</p>  <ul style="list-style-type: none"> • Statutory and regulatory • Commercial and certifications • Conduct and ethics • Culture • Non-financial reporting 	<p>Operational</p>  <ul style="list-style-type: none"> • Product and engineering • Services • Change • Security and technology • Third party • Customer success

External uncertainty

During the reporting period the impacts of the cost-of-living crisis and economic sanctions eased, but the consequences of climate change, information security threats, and a complex regulatory environment persisted.

We have seen both the volume and sophistication of cyber-attacks increase based on our formal intelligence feeds and reports in the media, and we recognise the disruption cyber-attacks have caused in the retail sector and impact they have had on the economy. These events continually reinforce our strategic decision to focus on security provisions that keep our corporate and customer data safe and secure.

Tracking carbon emissions within an increasingly complex corporate structure has been challenging because of the speed of acquisitions and access to qualitative data for measuring and monitoring our carbon emissions. We are incorporating environmental regulatory reporting obligations into our runbooks to help manage transition plans post-acquisition.

In response to an ever increasing statutory and regulatory environment we are focused on strategically positioning group governance, risk, and compliance with other central services such as IT, security, and procurement to ensure optimal coverage and response.

Strategic Report Risk and Opportunities (continued)

Principal risks and uncertainties

All principal risks are proactively monitored, enabling us to appropriately leverage opportunities and remediate where necessary.

Sustainability



Corporate governance

Risk: Maturity of corporate governance practices impacting effective and ethical business management.

Current Position: Significant improvement to board diversity at business unit levels.

Mitigation:

- New boards were formed following change in ownership and organisational restructuring, improving gender diversity. Overall, we achieved 31% female leadership against our 2027 ambitions target of 50%. Taking a business unit view, Zellis has 43%, Moorepay 33%, Benifex 15%, and central services 36%.
- We continued leveraging the strength of the GRC programme in our EcoVadis evaluation. Ethics pillar achieved 82%, with key strengths achieving 100% in coverage and measures indicators. Environment and procurement improved, and we achieved a 12-point increase in our overall score.
- We will be reviewing our corporate governance framework in FY26 as we align with our corporate structure, boards, and reporting lines.

Operational resilience

Risk: Any threat disrupting the functioning and sustainability of our business units.

Current Position: We have significantly strengthened scenario planning and disaster recovery testing in response to heightened uncertainty and growing external threats from malicious actors.

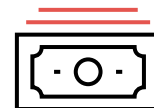
Mitigation:

- We have strengthened our approach to scenario testing, increasing the frequency and complexity of scenario tests.
- Joint scenario testing exercises helped our customers improve their own contingencies and has built joint resiliency against threat actors.



Strategic Report Risk and Opportunities (continued)

Financial



Credit

Risk: Losses to the group should a financial instrument fail or customer fail to meet contractual obligations.

Current Position: Limited risk exposure from the group's trade and other receivables from customers.

Mitigation:

- Management has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. Credit evaluations are performed on all customers.
- The Group does not require collateral in respect of financial assets.
- At the reporting date there were no significant concentrations of credit risk.

Liquidity

Risk: Inability to meet financial commitments as they fall due.

Current Position: We are meeting our objective to ensure that adequate facilities are available through use of bank loans and finance leases.

Mitigation:

- The Group manages liquidity risk through regular forecasting and monitoring of cash flows, management review and regular review of working capital and costs. The Group regularly monitors its available headroom under its borrowing facilities. Post the Aug-24 refinancing, the RCF is now due to renew in Feb-31 and Senior Debt in Aug-31.

Interest rate

Risk: Increased net financing costs due to rising market interest rates.

Current Position: The Group finances its operations and acquisitions through a mixture of retained profits, bank borrowings and equity.

Mitigation:

- The Group's main interest rate risk comes from its bank borrowings, which the Group borrows principally in Sterling, aside from the SEK debt held by Bruin Bidco.
- The Group has hedged £433m of the SONIA interest exposure.
- The Group continues to review hedging options to mitigate the risk of increasing interest rates.



Strategic Report Risk and Opportunities (continued)

Compliance



Corporate disclosures

Risk: Non-compliance with regulatory reporting and disclosures.

Current Position: At the time of this report, all disclosures were met however we are conscious of the effort required to maintain this position following in year acquisitions.

Mitigation:

- We have maintained an effective group governance, risk, and compliance programme which has been acknowledged by external auditors.
- To keep pace with strategic plans and acquisitions we are reviewing the target operating model for the GRC programme, ensuring adequacy of resources, and reviewing reporting lines in central services.
- We have strengthened our monitoring and oversight provisions for environmental regulation. In FY26 we will be working with business units to improve data quality.

Statutory and regulatory

Risk: Failing to manage changes to laws and regulations due to increasing complexity and diverse geographies.

Current Position: We are focused on building centralised and local capacity to ensure risks arising following acquisitions in different geographies continue to be identified and managed in a fast-paced changing regulatory landscape.

Mitigation:

- In FY26, we will streamline the integration of new acquisitions into our central GRC programme leveraging specialists' geographical and technical expertise.
- We review and maintain a record of all applicable laws, regulations, and policies centrally to maintain a single source of truth. We are reviewing engagement practices across the Group to enhance support and to ensure we are best placed to stay compliant and maintain oversight.
- We continue developing the geographical mapping of third parties to maintain sufficient oversight.

Governance, certifications and subscriptions

Risk: Misalignment of our certification's strategy with compliance obligations.

Current Position: We use our certifications to support growth and demonstrate the high compliance standards within the Group.

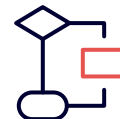
Mitigation:

- Our certifications strategy is vital as we continue to enhance our compliance posture and maintain a competitive edge. Throughout the period, we have analysed the markets to identify which certifications are the best fit for our group.
- We have defined a clear roadmap with a clear mandate from the Executive.



Strategic Report Risk and Opportunities (continued)

Operational



Data governance

Risk: Potential failure to manage data assets comprehensively throughout their lifecycle.

Current Position: Zellis Group is undertaking a data governance exercise to future proof and scale our data governance practices.

Mitigation:

- Across our brands we have established multiple projects to facilitate effective data governance, and more recently, have streamlined to clarify scope and expected outcome.
- In line with specialist advice on data governance practices, we are ensuring operations across the business units lead on data governance with support provided by central services in IT, GRC and information security.

Information Technology

Risk: Adverse impacts due to a failure to deliver and leverage a centralised IT infrastructure within the Group.

Current Position: We are focused on coordinating and synchronising workflows as we centralise our IT strategy.

Mitigation:

- Towards the end of the reporting period, we decided to centralise corporate IT arrangements. We will be defining our IT strategy in FY26 and are appointing a Group Chief Information Technology Officer to lead the change.
- Centralisation of core support functions in IT, information security, governance, risk and compliance, and procurement will evolve throughout FY26, creating scalable and coordinated workflows to support business units effectively.

Information security

Risk: Potential exposure, loss, compromise or unavailability of information due to cyber-attacks and other information security threats.

Current Position: There were no cyber-attacks to report in this period.

Mitigation:

- We have maintained our certifications to ISO27001, Cyber Essentials and Cyber Essentials Plus. Benifex has also maintained additional certifications for cloud-based security and our Bitsight scores remain strong.
- Throughout the reporting period we have continued to expand information security resources to enhance our security posture. With information security being a permanent external threat in our landscape, we remain focused and diligent in keep our corporate and customer data secure.



Strategic Report Risk and Opportunities (continued)

Operational (continued)

Third party risk

Risk: Adverse impacts from our supply chain causing disruption to our products, services and customers.

Current Position: Our supply chain rapidly expands as we develop products and absorb new supply chains through acquisitions.

Mitigation:

- The expansion of our supply chain has increased significantly during this reporting period. In FY26 we shall be considering a more strategic approach to our procurement practices and applying tactical solutions to manage acquisitions to control our carbon footprint and third-party risk footprint.
- We have segregated our third-party risk management from procurement practices enabling independent supplier assurance.
- We continue to prioritise suppliers critical to the provision of our products and services, ensuring we have sufficient oversight of our upstream compliance obligations.
- In FY26 we will further develop the supplier management journey to deliver optimisation across procurement and third-party risk management.



Strategic Report

Corporate Governance

The Role of the Board

Following the change in ownership, we have successfully completed the formation of the new Board. This transition has enabled us to focus on guiding the business through a period of rapid expansion driven by acquisitions. The Board has been instrumental in steering strategic decisions, ensuring that our growth aligns with our long-term objectives and maintaining robust governance standards.

Throughout this period, the Board has remained committed to its role, meeting regularly to address challenges and opportunities. The Board has also played a crucial role in enhancing the flow of management information through the reporting structure which has improved transparency and decision-making across the group. By integrating enterprise risk management into our decision-making processes, we have also ensured the Board receives improved management information.

Statutory Directors' & Company Secretary's Biographies

John Petter*

Group Chief Executive Officer

John drives Zellis Group's vision and purpose while ensuring that we deliver on our customer commitments with consistency and integrity. John joined Zellis Group from BT, where he was the CEO of the Consumer division, helping to transform customer experience at the business.



Alan Kinch*

President & Chief Financial Officer

Alan leads all aspects of financial and commercial management within the Zellis Group. Alan joined Zellis from the Global Enterprise Division of Vodafone, where he was Chief Financial Officer. He now brings global, multi-industry expertise to his role at Zellis.



Chris Fox*

Chief Legal Officer and Company Secretary

Chris brings over 20 years' experience as a lawyer and strategy consultant to Zellis. Chris ensures the group maintains the highest compliance and governance standards, while providing legal support to the Commercial function, and helping to shape strategy.



*John Petter, Alan Kinch, and Chris Fox are also part of Our Executive Team.

Strategic Report

Corporate Governance (continued)

Our Executive Team

Caroline Rowland Chief People Officer

Caroline is dedicated to ensuring that every member of the Zellis family enjoys an exceptional colleague experience, with our core values embedded in everything we do. Caroline brings extensive cross-sector experience, most recently as Chief People Officer for Exscientia Ltd, an AI-driven pharimatech company. Prior to that Caroline held several People and Talent leadership roles at Arm Ltd, a hardware and software semiconductor company that have fuelled the global growth in lower power, high spec computing, operating in 50+ locations worldwide, and before that at Diageo plc and Deloitte.



George Dunnett Chief Growth Officer

George is responsible for accelerating and realising Zellis Group's growth and innovation ambitions. He initially joined the business as Chief Transformation and Strategy Officer in 2019 and then moved to the role of Chief Product Officer in 2021 where he drove the Zellis HCM Cloud and HCM AIR programmes and key partnerships. He took up his current position in late 2024. Prior to Zellis, George led global transformation, strategy, and digital programmes at Bain & Co for private equity portfolio companies with a focus on technology. His prior experience includes advising on high-profile deals across multiple sectors, notably at global legal firm Allen & Overy.



Abigail Vaughan Chief Operating Officer - Zellis

Abigail was appointed as Chief Executive Officer, Zellis in November 2024. Prior to this Abigail was the Chief Operating Officer, Zellis, leading our Managed Services and Customer Solutions divisions, focusing on delivering industry-leading payroll, HR, implementation and consultancy services to our customers. Abigail joined Zellis from BT and Accenture, where she held numerous leadership roles in Transformation and Operations. Her transformational mindset will ensure Zellis meets rising expectations.



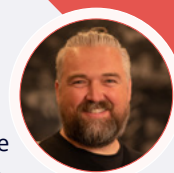
Anthony Vollmer Chief Executive Officer, Moorepay

Anthony joined Moorepay as Managing Director in February 2019 and is responsible for the overall service we provide to our Moorepay customers, the wellbeing of our colleagues and the performance of the business.



Matt Macri-Waller Founder and Chief Executive Officer, Benifex

Matt is a global thought leader in the employee experience space, specialising in how technology can help bridge the gap between companies and its employees. He is the Founder and CEO of Benifex, the award-winning global employee experience provider.



Strategic Report

Corporate Governance (continued)

Board Composition

1. Zorro Topco Limited

The Supervisory Board

Zorro Topco Limited is the highest governing body and meets monthly. Board membership is comprised of Executive Directors and Non-Executive Directors. Other executive leaders and investor representatives attend board meetings when specialist expertise is needed to improve fair challenge and oversight on specific matters.

Membership of the outgoing board for Zellis TopCo Limited ceased on 13 August 2024.

- Christophe Jacobs Van Merlen, Bain Capital, Executive Director
- William Stevens, Bain Capital, Executive Director
- Jacqueline Summons, Independent Non-Executive Director
- Charles Megaw, Bain Capital
- John Petter, Zellis Group Chief Executive Officer
- Alan Kinch, Zellis Group Chief Financial Officer
- Chris Fox, Group General Counsel and Company Secretary

Incoming board for Zorro Topco Ltd during this period

- Adam Garson, Investor Director, appointed 7 Aug 2024
- Aztec Financial Services (Guernsey) Limited, Company Secretary, appointed 7 Aug 2024
- Chris Fox, Chief Legal Officer and Zellis Group Company Secretary
- Michael Carajohn, Investor Director, appointed 13 Aug 2024
- Roy Mackenzie, Investor Director, appointed 13 Aug 2024
- John Petter, Zellis Group Chief Executive Officer, appointed 13 Aug 2024
- Alan Kinch, President and Zellis Group Chief Financial Officer, appointed 13 Aug 2024
- Marc Henckel, Investor Director, appointed 17 Oct 2024
- Pierre De Lhoneux, Investor Director, appointed 10 Feb 2025
- Jussi Wuoristo, Investor Director, appointed 10 Feb 2025
- Andrew Waidhofer, Investor Director, resigned 17 Oct 2024
- Samuel Cohen, Investor Director, resigned 24 Jan 2025

The Audit and Risk Committee (ARC)

The Audit and Risk Sub-Committee (ARC), which first convened under new membership in February 2025, ensures the integrity and effectiveness of our financial reporting and enterprise risk management. The ARC oversees financial statement accuracy, compliance with standards, and assesses internal control effectiveness. It monitors key risks, ensures regulatory adherence, and addresses compliance issues. The committee receives reports from senior leads from finance and internal control, governance, risk and compliance and information security. It liaises with external auditors for independent reviews and implements audit recommendations. Committed to transparency, accountability, and integrity, the ARC supports the Group's long-term success through regular meetings and comprehensive reviews.

Outgoing Membership ceased on 13 August 2024

- John Petter, Group Chief Executive Officer
- Alan Kinch, Group Chief Financial Officer
- Chris Fox, Group General Counsel and Company Secretary
- William Stevens, Bain Capital, Executive Director (Chair)

Incoming membership appointed 13 August 2024

- Adam Garson, Investor Director (Apax)
- Roy Mackenzie, Investor Director (Apax)
- Michael Carajohn, Investor Director (Apax)
- Jussi Wuoristo, Investor Director (Vitruvian Partners)
- John Petter, Zellis Group Chief Executive Officer
- Alan Kinch, Zellis Group President and Group Chief Financial Officer
- Derek Shillman, (Apax)
- Jonathan Ahearn, (Apax)
- Malcolm Volk, (Apax)
- Petter Roald, (Vitruvian Partners)
- Chris Fox, Zellis Group Chief Legal Officer and Company Secretary

Senior Leadership Reporting

- Neville Cotton, Group Risk & Compliance Integration Director and MLRO
- Russ Fray, Group Chief Information Security Officer
- David Ainsworth, Zellis Group Finance Director



Strategic Report

Corporate Governance (continued)

2. Zellis Holdings Limited Board

Zellis Holdings Limited has continued to integrate and align the strategic objectives of our brands with focus on sustaining Group performance while ensuring the interests of all stakeholders are represented in our discussions and decision-making processes. The Holdings Board, comprising two Executive Directors and the Chief Legal Officer and Company Secretary has diligently overseen the consolidation of all group filings, regulatory reports, and disclosures. This collective effort ensures transparency, compliance, and the highest standards of corporate governance.

We are committed to fostering a collaborative environment that drives innovation and growth across our brands. Our strategic discussions have been pivotal in achieving growth. We extend our gratitude to our investors for their continued support and trust in our leadership. Together, we look forward to another year of progress and success.

Executive and NED Membership

- John Petter, Group Chief Executive Officer
- Alan Kinch, Group Chief Financial Officer
- Chris Fox, Group General Counsel and Company Secretary
- William Stevens, Non-Executive Director resigned 13 August 2024

GRC Executive Sub Committee

The Group Governance, Risk, and Compliance (GRC) Sub-Committee of Zellis Holdings Limited has fulfilled its mandate to oversee the identification, assessment, and management of enterprise risks across the Group. Our commitment to robust enterprise risk management practices ensures safeguarding the interests of our stakeholders whilst maintaining operational resiliency. The Committee convened to review and address key risk areas. Our focus has been on:

- **Risk Identification and Assessment:** Continuously identifying and evaluating potential risks that could impact our business operations and strategic objectives.
- **Risk Mitigation Strategies:** Developing and implementing effective risk mitigation strategies to minimise potential adverse effects on the Group.
- **Compliance and Regulatory Adherence:** Ensuring compliance with all relevant regulatory requirements and maintaining the highest standards of corporate governance.
- **Stakeholder Communication:** Providing transparent and timely communication on our enterprise risk management practices including any of significance.

Throughout the year, we have enhanced our enterprise risk management framework to better anticipate and respond to emerging risks. Our proactive approach enables us to navigate a dynamic and challenging business environment effectively. We extend our gratitude to the Board, Executive Leadership, and all employees for their unwavering support and collaboration in our enterprise risk management efforts. Together, we remain committed to fostering a culture of risk awareness and resilience.

Executive Membership

- John Petter, Group Chief Executive Officer
- Alan Kinch, President and Chief Financial Officer
- Abigail Vaughan, Zellis Chief Executive Officer
- Anthony Vollmer, Moorepay Chief Executive Officer
- Matt Macri-Waller, Benifex Chief Executive Officer
- Chris Fox, Group Chief Legal Officer and Company Secretary
- George Dunnett, Chief Growth Officer

Senior Leadership Membership

- Neville Cotton, Group Risk & Compliance Integration Director and MLRO
- James Gupwell, Interim Chief Information Officer
- Russ Fray, Group Chief Information Security Officer



Strategic Report

Corporate Governance (continued)

Information Security Executive Sub Committee

The Information Security Sub-Committee of Zellis Holdings Limited has remained steadfast in its commitment to safeguarding our digital assets and ensuring the integrity, confidentiality, and availability of our information systems. The Sub-Committee has met monthly at each business unit overseeing and enhancing our information security framework. Our key focus areas have included:

- **Threat identification and mitigation:** Working closely with the information technology function, we have continuously monitored and identified potential cyber threats and vulnerabilities and managing them to protect our systems and data.
- **Policy and compliance:** Ensuring adherence to all relevant information security policies, standards, and working with Group GRC on adherence with regulatory requirements.
- **Incident response and recovery:** Strengthening our incident response capabilities to swiftly and effectively address any information security breaches ensuring operational continuity and engaging with Group GRC and the Group DPO on data protection and data privacy matters.
- **Stakeholder engagement:** Providing transparent communication and regular updates to stakeholders on our information security initiatives and reporting any significant incidents or information security risks to the group enterprise risk management framework.

Throughout the year, we have invested in our information security solutions and conducted comprehensive training programmes enhancing the security awareness and capabilities of our employees. Our proactive approach has enabled us to stay ahead of emerging threats and maintain a resilient security posture. We extend our gratitude to the Board, Executive Leadership and all employees for their support and collaboration in our information security

efforts. Together, we are committed to protecting our digital assets and ensuring the trust and confidence of our stakeholders.

Executive Membership

- John Petter, Group Chief Executive Officer
- Chris Fox, Chief Legal Officer and Company Secretary
- Abigail Vaughan, Zellis CEO (Zellis Information Security Sub-Committee)
- Anthony Vollmer, Moorepay CEO (Moorepay Information Security Sub-Committee)
- Matt Macri-Waller, Benifex CEO (Benifex Information Security Sub-Committee)

Senior Leadership Membership

- David Woodward, Chief Product and Technology Officer
- Russ Fray, Chief Information Security Officer
- Neville Cotton, Group Risk & Compliance Integration Director and MLRO
- Business unit senior leads

Specialists

- Dave Gibson, Principal Security Operations Specialist
- Gary Dolby, Security Assurance Specialist
- Stuart Walker, Senior Product and Technology Compliance Partner



Zellis Holdings Limited has remained steadfast in its commitment to safeguarding our digital assets and ensuring the integrity, confidentiality, and availability of our information systems. "

John Petter, Chief Executive Officer, Zellis Group

Strategic Report

Corporate Governance (continued)

Corporate Governance Framework

We have established a robust corporate governance framework aligned with Wates Corporate Governance Principles for Large Companies that supports effective decision-making and enterprise risk management. The Board regularly reviews and updates our governance practices to ensure they remain fit for purpose and aligned with best practices. Within this framework directors' roles and responsibilities are clearly defined. The Directors are committed to promoting the success of the company for the benefit of its members while having due regard to the interests of stakeholders and the broader community. The Board recognises the importance of engaging with our stakeholders, including employees, customers, suppliers and partners. We actively seek their views and consider their interests in our decision-making processes. This engagement helps us to understand their needs and expectations, ensuring our actions align with their interests.

Our strategic decisions are made with a long-term view, aiming to create sustainable value for our shareholders. We carefully consider the impacts from our decisions on the company's future performance, ensuring we maintain a balance between short-term and long-term goals and objectives. We believe that investing in our people is key to our long-term success because our employees are our most important asset, and we are committed to their wellbeing and career development. We provide a safe and inclusive working environment, offer opportunities for professional growth, and encourage continual improvement in line with our values.

We are committed to operating in an environmentally and socially responsible manner and have continued to develop our sustainability strategy which focuses on reducing our environmental footprint, supporting community initiatives, and promoting ethical business practices. This forms an integral part of our overall approach to corporate governance. More information about our environmental and social responsibility can be found in our sustainability impact report.

Matters reserved for the Board

Health and safety

Zellis Group upholds a health and safety policy which is a directive driven by our Executive Leadership. We collaborate with specialists, committee members, and the wider community to manage physical and mental health provisions and monitor and measure performance outcomes. Our initiatives include a mental health first aider community and an Employee Assistance Programme (EAP) accessible to all.

Human rights

We adhere to all relevant labour laws and regulations, and voluntary subscriptions ensuring fair wages, reasonable working hours, and safe working conditions. We are dedicated to upholding the highest standards of human rights across all our operations and ensure we do not contravene ILO conventions whilst leveraging UN Global Compact Principles. Our commitment is reflected in our policies and practices, which are designed to ensure that we respect and protect the rights of all individuals associated with the group. We believe in fair treatment and non-discrimination. We are committed to providing a safe, inclusive, and respectful working environment for all our employees. We do not tolerate any form of discrimination, harassment, or abuse, and we actively promote diversity and inclusion within our workforce.

Modern slavery, human trafficking, forced and bonded labour

Our modern slavery statement is prominently published on the front page of our website, ensuring transparency and accessibility for all stakeholders. We are driven by a commitment to continual improvement, and report on our progress in our public disclosures to the Home Office. Each reporting period, we outline our objectives and commitments, demonstrating our proactive approach and contribution towards the global goal to making modern slavery an activity of the past.



Strategic Report Corporate Governance (continued)

Bribery and corruption

The Board oversees the implementation and effectiveness of our anti-bribery and corruption measures and is committed to ensuring our business is conducted with integrity and transparency. We have a zero-tolerance policy towards bribery and corruption of any kind. Our anti-bribery and corruption measures are designed to prevent, detect, and address any unethical practices within our operations and supply chains. We ensure that all employees, partners, and suppliers adhere to the highest standards of ethical conduct and declare any potential or existing conflicts of interest. Regular training and awareness programs are conducted to reinforce our commitment and educate our stakeholders on the importance of compliance.

This report was approved by the board of directors on 17 September 2025 and signed on its behalf by:

Alan Kinch

Alan Kinch
Director
17 September 2025



The Directors are committed to promoting the success of the company for the benefit of its members while having due regard to the interests of stakeholders and the broader community.

Alan Kinch, Group President and Group CFO
Zellis Group



Directors' Report

The Directors present their annual report on the affairs of the Group together with the financial statements and auditor's report for the year to 30 April 2025.



Directors' Report

Overview

The Directors present their annual report on the affairs of the Group together with the financial statements and auditor's report for the year to 30 April 2025.

In accordance with s414I (11) of the Companies Act, included in the Strategic Report is information relating to future developments which would otherwise be required by Schedule 7 of the 'Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008' to be contained in a Directors' Report.

Information included in the Strategic Report

The Directors' Report, together with the Strategic Report on pages 4 to 53, represent the management report for the purpose of compliance with legislation. As permitted by legislation, some of the matters required to be included in the Directors' Report have been considered in the Strategic Report as the Board considers them to be of strategic importance. Specifically, these are:

Subject Matter	Reference
Financial risk management objectives and policies	Risk Management section in the Strategic Report (page 40).
Greenhouse gas emissions, energy consumption and energy-efficiency action	Our Environment section in the Strategic Report (page 34).
Stakeholders	s172 section in the Strategic Report (page 23).
Human Rights / Modern slavery, human trafficking, forced and bonded labour / Bribery and Corruption	See Corporate Governance section in the Strategic Report (page 47).

Events after the reporting date

Details of significant events since the reporting date are contained in note 28 to the Group financial statements.

Dividends

No dividends were declared during the year under review (2024: nil).

Research and development

The research and development performed by the Group is documented within the Strategic Report on [page 22](#).

Directors

The following Directors held office during the year, and to the date of signing this report, except as noted:

John Petter
 Alan Kinch
 William Stevens (resigned 13 August 2024)

Directors' and Officers' indemnities

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors and Officers during the year; these remain in force at the date of this report.

Identity of private equity firm

On 30 April 2025, the Group was a wholly owned subsidiary of Zorro TopCo Limited which is ultimately owned by a combination of funds advised by Apax and funds advised by Vitruvian Partners LLP. A small number of shares are held for Management through an Employee Benefit Trust, in addition to two small minority investors brought across from the Benify acquisition.

Apax Partners LLP is a leading global private equity advisory firm. For over 50 years, Apax has worked to inspire growth and transform businesses. The firm has raised and advised funds with aggregate commitments of c.\$80 billion. Apax Funds invest in companies across three global sectors: Tech, Services, and Internet/Consumer. These funds provide long-term equity financing to build and strengthen world-class companies.

The Apax Funds made their investment in the Group on 13 August 2024 through the funds comprising the Apax XI fund.

Vitruvian Partners was founded in 2006 and is a leading international investment firm that supports the most ambitious and talented entrepreneurs and higher growth companies to achieve their goals. Vitruvian focuses on dynamic situations characterised by rapid growth and change across industries, and are committed to supporting their investment companies in achieving their highest ambitions. A world class team of senior executives with deep operational functional expertise is available on demand to help management teams navigate through rapid growth. Vitruvian has a total of €20bn assets under management across 90+ investments.

Vitruvian funds made their investment in the Group on 11 February 2025 through Flip Lux S.C.Sp (Luxembourg) and Flip Software S.à.r.l (Luxembourg).

Directors' Report

Overview (continued)

From 31 January 2018 to 13 August 2024 the Group was a wholly owned subsidiary of Zellis TopCo Limited which was ultimately owned by Bain Capital Europe Fund IV LP. Bain Capital made its investment in the Group on 31 January 2018 through one of its twelve global private equity funds, namely its Europe Fund IV.

Prior to the Bain acquisition, the Group was part of Northgate Information Solutions Limited, parented by Northgate Luxembourg GP S.à.r.l., a company who was registered in Luxembourg and who was ultimately controlled at the time by The Goldman Sachs Group, Inc.

Statement of compliance with the Guidelines for Disclosure and Transparency in Private Equity

For the year ended 30 April 2025, the Directors consider the annual report and financial statements to comply with all aspects of the Guidelines for Disclosure and Transparency in Private Equity.

Going concern

The Directors have a reasonable expectation that the Group and the company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements as detailed in note 2 on [page 72](#) of the financial statements.

Details of the future developments of the Group are explained on [page 11](#) in the Strategic Report.

Disclosure of information to the auditors

Each of the persons who are a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

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

Auditor

The auditor, Grant Thornton UK LLP, has indicated their willingness to continue in office as auditor. The reappointment of the auditor will be approved by the Annual General Meeting.

Approval

This report is made in accordance with a resolution of directors.

On behalf of the directors.

Alan Kinch

Alan Kinch
Director
17 September 2025

Directors' Report

Directors' Responsibilities Statement

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

Company law requires the directors to prepare Group and parent company financial statements for each financial year. Under that law they have elected to prepare the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law and have elected to prepare the parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent company and of their profit or loss for that year. In preparing each of the Group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable, and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006;
- for the parent company financial statements, state whether they have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, subject to any material departures disclosed and explained in the financial statements;

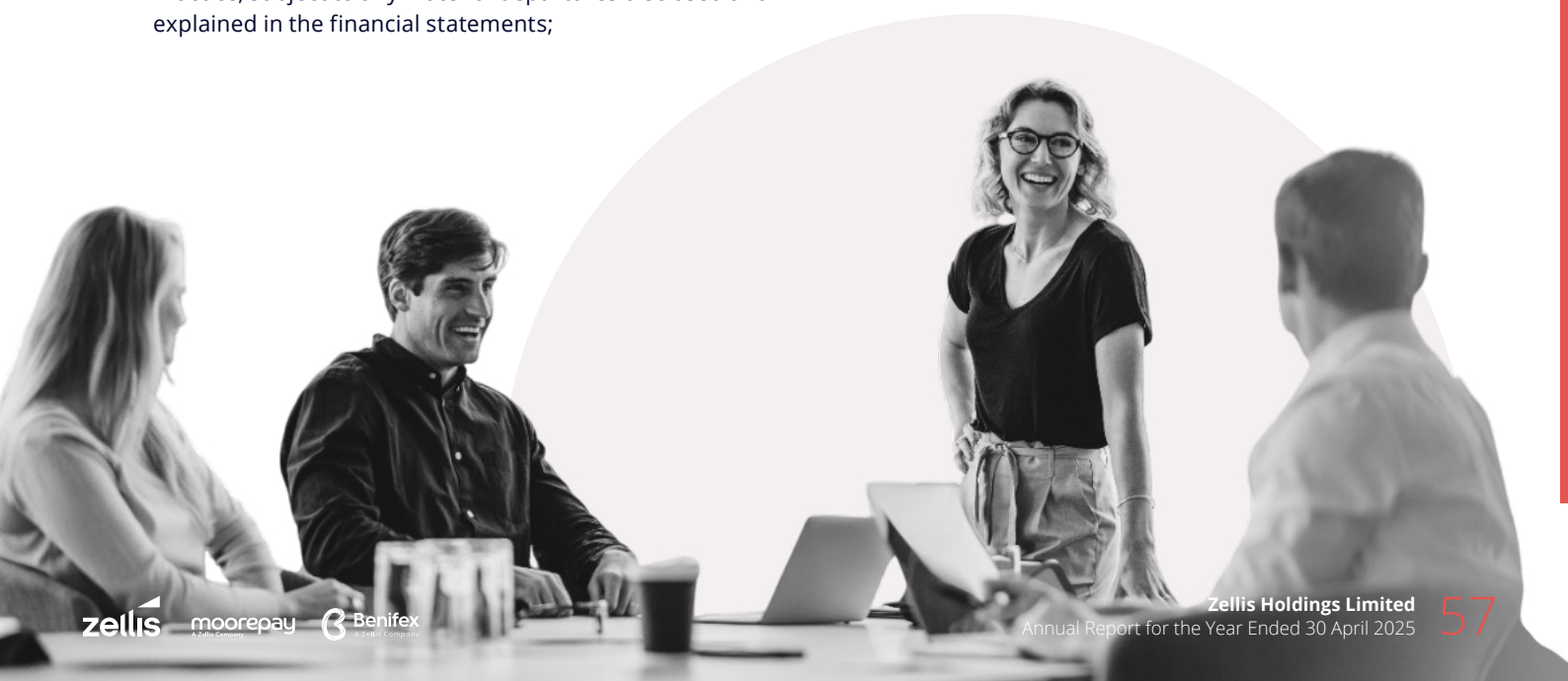
- assess the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

By order of the Board of Directors and signed on behalf of the Board:

Alan Kinch

Alan Kinch
Director
17 September 2025



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Independent Auditor's Report to the Members of Zellis Holdings Limited

The following section contains the Independent Auditor's Report, providing an objective opinion on the Group's financial statements for the year ended 30 April 2025. This report has been prepared to give shareholders assurance that the financial statements present a true and fair view in accordance with applicable law and regulations.



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."

Tim Lincoln, Senior Statutory Auditor
Grant Thornton



Independent Auditor's Report to the Members of Zellis Holdings Limited

Opinion

We have audited the financial statements of Zellis Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2025, which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows, the company statement of financial position, the company statement of changes in equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2025 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

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

Independent Auditor's Report Opinion (continued)

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on [page 57](#), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are

Independent Auditor's Report

Opinion (continued)

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- The Group and Parent Company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified international accounting standards and Companies Act 2006, along with legal legislation relating to employment, health & safety, data protection, environmental issues and FCA regulations as those most likely to have a material affect if non-compliance were to occur;
- We obtained an understanding of how the Group and Parent Company is complying with significant legal and regulatory frameworks through inquiries of management, those charged with governance and discussions with in-house legal. We corroborated the results of our inquiries to board minutes and other supporting documentation;
- We communicated relevant laws and potential fraud risks to all engagement team members and remained alert to any indicators of fraud or non-compliance with laws and regulations throughout the audit;
- We assessed the susceptibility of the Group's and Parent Company's financial statements to material misstatement, including how fraud may occur.
- We considered the opportunity and incentives for management to perpetrate fraud, and the potential impact on the financial statements;
 - > In assessing the potential risks of material misstatement, we obtained an understanding of;
 - > the Group's and Parent Company's operations, including the nature of its revenue sources and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in the risks that may result in risks of material misstatement;
 - > the Group's and Parent Company's key performance indicators and their propensity to influence efforts made by management to manage earnings;
 - > the Group's and Parent Company's control environment including the finance system and controls which includes controls over journal postings, that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud, and how senior management monitor the finance system and controls;
 - > where the risk was considered to be higher, we perform audit procedures to address each identified fraud risk. Our audit procedures involved journal entry testing and undertaking substantive procedures within revenue.
 - > In addition, we completed audit procedures to conclude on the compliance of disclosures within the annual report and financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's;
 - > understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;
 - > knowledge of the industry in which the Group and Parent Company operates;
 - > and of understanding of the legal and regulatory requirements specific to the Group and Parent Company.
- 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.

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

Independent Auditor's Report Opinion (continued)

Use of our report

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

Tim Lincoln

Tim Lincoln
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants
Bristol

17 September 2025



Consolidated Financial Statements

The following section presents the Consolidated Financial Statements of the Group for the year ended 30 April 2025, prepared in accordance with applicable accounting standards. These statements provide a detailed view of the Group's financial position and performance, forming the basis for assessing progress and long-term value creation.



Across all business units, we are now better aligned, better positioned and better equipped to capture opportunities and outperform in our chosen markets. FY25 laid the groundwork; FY26 will be a year of execution and momentum."

Alan Kinch, Group President and Group CFO
Zellis Group



Year ended 30th April 2025

Consolidated Income Statement

	Note	2025 £'000	2024 £'000
Revenue	4	261,068	226,584
Operating costs	5	(245,564)	(203,838)
Operating profit		15,504	22,746
Operating profit before significant separately disclosed items, amortisation of acquired intangibles and fair value adjustments		73,074	60,898
Amortisation of acquired intangibles	13	(29,384)	(28,727)
Fair value adjustments		469	(839)
Significant separately disclosed items	6	(28,655)	(8,586)
Operating profit		15,504	22,746
Interest income		237	172
Finance income	10	-	19,495
Finance costs	11	(48,495)	(53,919)
Loss before income tax		(32,754)	(11,506)
Tax benefit/(expense)	12	9,360	(1,624)
Loss for the year attributable to owners of the Group		(23,394)	(13,130)

The notes on pages 72 to 111 are an integral part of these consolidated financial statements. All operations relate to continuing operations.

Year ended 30th April 2025

Consolidated Statement of Comprehensive Income

	2025 £'000	2024 £'000
Loss after income tax for the year	(23,394)	(13,130)
Items that will not be reclassified subsequently to profit or loss		
Remeasurement of net defined benefit liability	4,865	391
Deferred tax arising on the actuarial (loss) / gain recognised in the pension scheme	(1,245)	(98)
	3,620	293
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	10,603	(251)
Cash flow hedges transferred to profit or loss, net of tax	-	(2,341)
Other comprehensive income / (expense) for the year, net of tax	14,223	(2,299)
Total comprehensive loss for the year	(9,171)	(15,429)
Total comprehensive loss attributable to: Owners of the Company	(9,171)	(15,429)

Year ended 30th April 2025

Consolidated Statement of Financial Position

	Note	2025 £'000	2024 £'000
Non-current assets			
Intangibles	13	823,926	449,902
Property, plant and equipment	14	4,429	4,192
Leases	15	11,505	5,892
Contract assets	4	19,075	17,871
Deferred tax	18	24,870	26,586
Total non-current assets		883,805	504,443
Current assets			
Trade and other receivables	16	109,881	68,693
Contract assets	4	14,486	10,231
Current tax receivables		3,295	39
Cash and cash equivalents	17	71,391	61,787
Total current assets		199,053	140,750
Total assets		1,082,858	645,193
Current liabilities			
Borrowings	26	1,405	14,437
Lease liabilities	15	5,679	2,520
Provisions	21	2,317	4,676
Trade and other payables	19	80,179	44,852
Contract liabilities	4	103,888	79,867
Total current liabilities		193,468	146,352
Net current assets/(liabilities)		5,585	(5,602)
Non-current liabilities			
Borrowings	26	727,856	364,047
Lease liabilities	15	5,946	3,723
Retirement benefit obligations	20	2,717	19,587
Provisions	21	1,275	1,580
Deferred tax liability	18	30,490	12,712
Contract liabilities	4	15,663	15,994
Total non-current liabilities		783,947	417,643
Total liabilities		977,415	563,995
Net assets		105,443	81,198

Year ended 30th April 2025**Consolidated Statement of Financial Position (continued...)**

	Note	2025 £'000	2024 £'000
Equity			
Share capital	22	19	0
Share premium	23	251,336	249,497
Common control reserve		(35,283)	-
Capital contribution reserve		66,841	-
Retained earnings		(177,470)	(168,299)
Total equity		105,443	81,198

The notes on pages 72 to 111 are an integral part of these consolidated financial statements.

The financial statements of Zellis Holdings Limited (company registration number: 10975623) were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

Alan Kinch

Alan Kinch
Director
17 September 2025

Year ended 30th April 2025

Consolidated Statement of Changes in Equity

	Share capital	Share premium	Retained earnings	Cost of cashflow hedge	Cashflow hedge reserve	Common control reserve	Capital contribution reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 May 2023	0	249,497	(155,210)	(309)	2,650	-	-	96,628
Loss for the year	-	-	(13,130)	-	-	-	-	(13,130)
Other comprehensive income for the year:								
Remeasurement of net defined benefit liability	-	-	391	-	-	-	-	391
Deferred tax arising on the actuarial loss recognised in the pension scheme	-	-	(98)	-	-	-	-	(98)
Exchange differences on translation of foreign operations	-	-	(252)	-	-	-	-	(252)
Net gain on cashflow hedges	-	-	-	309	(2,650)	-	-	(2,341)
Balance at 30 April 2024	0	249,497	(168,299)	-	-	-	-	81,198
Loss for the year	-	-	(23,394)	-	-	-	-	(23,394)
Other comprehensive income for the year:								
Remeasurement of net defined benefit liability	-	-	4,865	-	-	-	-	4,865
Deferred tax arising on the actuarial loss recognised in the pension scheme	-	-	(1,245)	-	-	-	-	(1,245)
Exchange differences on translation of foreign operations	-	-	10,603	-	-	-	-	10,603
Arising on common control business combinations	-	-	-	-	-	(35,283)	66,841	31,558
Share issue	19	1,839	-	-	-	-	-	1,858
Balance at 30 April 2025	19	251,336	(177,470)	-	-	(35,283)	66,841	105,443

Year ended 30th April 2025

Consolidated Statement of Cash Flows

	2025 £'000	2024 £'000
Cash flows from operating activities		
Loss before Income Tax	(32,754)	(11,506)
Adjustments for:		
Amortisation of acquired intangibles	29,384	28,727
Amortisation of other intangibles	16,874	14,261
Depreciation	5,882	5,419
Net financing costs	48,495	34,424
Tax Paid	(5,200)	(174)
Net cash from operating activities before changes in working capital and provisions	62,681	71,151
Change in operating assets and liabilities:		
Change in contract fulfilment assets, trade, and other receivables	7,214	(2,731)
Change in contract liabilities, trade, and other payables	(1,497)	3,833
Change in provisions and employee benefits	(14,694)	(5,883)
Net cash from operating activities	53,704	66,370
Cash flows from investing activities		
Payment for purchase of subsidiary, net of cash acquired	(128,744)	(1,072)
Payments for property, plant and equipment	(1,643)	(1,952)
Payments for intangibles	(21,791)	(17,999)
Net cash used in investing activities	(152,178)	(21,023)
Cash flows from financing activities		
Proceeds from issue of shares	66,767	-
Proceeds from borrowings - group undertaking loans	405,489	-
Proceeds from borrowings - bank loans	80,648	365,000
Proceeds from borrowings - RCF	-	3,000
Transaction costs paid	(806)	(12,671)
Interest and other finance costs paid	(38,518)	(22,339)
Repayment of borrowings - bank loans	(400,182)	(320,584)
Repayment of borrowings - RCF	-	(11,000)
Repayment of lease liabilities	(4,461)	(4,345)
Net cash from/(used in) financing activities	108,937	(2,939)
Net increase in cash and cash equivalents	10,463	42,408
Cash and cash equivalents at the beginning of the financial year	61,787	19,379
Effects of exchange rate changes on cash and cash equivalents	(859)	-
Cash and cash equivalents at the end of the financial year	71,391	61,787

Year ended 30th April 2025

Consolidated Statement of Cash Flows (continued)

Reconciliation of liabilities arising from financing activities

	Long-term borrowings £'000	Short-term borrowings £'000	Lease liabilities £'000	Total £'000
As at 1 May 2023	329,379	17,553	9,054	355,986
Cash-flows:				
- Repayment	-	(30,339)	(4,345)	(34,684)
- Proceeds	44,416	-	-	44,416
Non-cash:				
- Additions	-	-	881	881
- Gain on refinancing	(19,495)	-	-	(19,495)
- Borrowing costs	4,063	-	-	4,063
- Accretion of interest	5,684	27,223	653	33,560
As at 30 April 2024	364,047	14,437	6,243	384,727
Cash-flows:				
- Repayment	(377,336)	(26,032)	(4,461)	(407,829)
- Proceeds from loans from group	653,205	-	-	653,205
Non-cash:				
- Additions	82,991	-	5,268	88,259
- Disposals	-	-	(272)	(272)
- Accretion of interest	31,353	13,172	627	45,152
- Fair value adjustment	(26,404)	-	-	(26,404)
- Assumed through business combinations	-	-	4,194	4,194
- FX Translation	-	(172)	26	(146)
As at 30 April 2025	727,856	1,405	11,625	740,886

Year ended 30th April 2025

Notes to the Consolidated Financial Statements

1. General information

Zellis Holdings Limited ("the Company") is a private company limited by shares incorporated and domiciled in the United Kingdom under the Companies Act 2006 and is registered in England and Wales under the registration number 10975623. The company was incorporated on 21 September 2017. The address of the Company's registered office is 740 Waterside Drive, Aztec West, Almondsbury, Bristol, BS32 4UF.

The principal activities of the Company and its subsidiaries (together, "the Group") and the nature of the Group's operations is set out in the strategic report on pages 4 to 53.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates. Foreign operations are included in accordance with the policies set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements have been prepared on the historical cost basis with the exception of the net assets acquired on business combinations and derivative financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The principal accounting policies adopted are set out below.

2.2 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 Strategic Report. In addition, note 27 to the financial statements include the Group's exposures to interest and liquidity risk.

The financial statements have been prepared on a going concern basis for the following reasons:

The group has made an operating profit for the year of £15.5m (2024: £22.7m) and generated operating profit before significant separately disclosed items, amortisation of acquired intangibles and fair value adjustments of £73.1m (2024: £60.9m). Significant separately disclosed items have increased by £20.1m due to the acquisitions that have occurred during the year (2025: £28.7m, 2024: £8.6m). The negative impact on operating profit of these one-off/non-cash items is further highlighted by the positive net cash generated from operating activities of £53.7m (2024: £66.4m). The impact of macro-economic headwinds to the group has been discussed in the Strategic Report.

The directors of the intermediate parent company, Zorro Topco Limited have undertaken a comprehensive going concern review over the fourteen month period to 31 October 2026, considering the forecast cash flows of the Zorro Group and the liquidity headroom available over the corresponding period, taking into account the Zorro group's principal risks and uncertainties. This assessment includes the Zellis Holdings Group.

The Zorro Group has modelled various forecasts in its assessment of going concern which have been considered by the Directors, along with a likelihood assessment of these forecasts, being:

- a base case, which reflects the Directors' current expectations of future trading, and;
- severe but plausible downside forecasts, based on reasonable sensitivities on key cashflow items.

This review of forecasts indicates that the Zorro Group will be able to settle its liabilities as they fall due and have the ability to maintain compliance with debt covenants for the foreseeable future.

The up-to-date forecast cashflow indicates closing liquidity of £132.2m as of 31 October 2026 with significant headroom over covenant leverage ratio. In addition, a series of mitigating actions identified could be put in place to further reduce the risk to Going Concern should they be required.

After due consideration, the Directors have a reasonable expectation that the Zorro Group has adequate liquidity to continue as going concern for the foreseeable future. The Directors of the Zellis Holdings Group have reviewed this assessment and deemed it sufficient to support the going concern basis of accounting at the Zellis Holdings level. Therefore, these accounts have been prepared on a going concern basis.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

2.3 Non-GAAP performance measures

The board have presented 'Management EBITDA' and 'Management EBITDAC' as adjusted profit measures in the Strategic report. They believe that these measures provide additional useful information for the shareholders on the underlying performance of the business. These measures are consistent with how the business performance is monitored internally and is in line with the debt covenant compliance calculations. Management EBITDA / Management EBITDAC are not recognised performance measures under adopted IFRS and may not be directly comparable with measures used by other companies. The adjustments made to operating profits / losses have the effect of excluding significant separately disclosed items. These predominantly relate to M&A activity and therefore fall outside of normal business as usual ('BAU') activities and distort the understanding of the underlying performance for the year and comparability between periods.

2.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) for the year ended 30 April 2025. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments, when applicable, the costs on initial recognition of an investment in an associate or a joint venture.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

2.5 Business combinations

Acquisitions of subsidiaries and businesses not under common control are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When a business combination is achieved in stages, the Group's previously held interests in the acquired entity is remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts

for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Business combinations involving entities under common control are outside the scope of IFRS 3 Business Combinations. Accordingly, such transactions are accounted for using the predecessor accounting method. The assets and liabilities of the acquired entity are recognized at their carrying amounts from the controlling party's consolidated financial statements at the date of the combination. No adjustments are made to reflect fair values, nor are new goodwill or other intangible assets recognised. The difference between the consideration transferred (if any) and the carrying value of net assets acquired is recognized directly in equity. During the year, one such combination took place. Bruin Bidco acquired the Benify Group on 10 February 2025. On the date of acquisition, Bruin Bidco was owned by Zorro Bidco but was then transferred to Benifex Holdings Limited on 11 February 2025. See Note 29 for more detail.



Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

2.6 Revenue recognition

The Group generates revenue from the following types of services:

- Provision of software as a service ('SaaS'), including regulatory updates and associated maintenance;
- Transactional services;
- Provision of business processes as a service ('BPaaS');
- Implementation.

The Group recognises revenue based on 5 basic principles described in IFRS15:

2.6.1 Identify the contract with a customer

The Group enters into written contracts with its customers, and work does not commence until both parties have approved the contract and therefore have committed to the terms and conditions therein.

Within these contracts the payment terms and conditions for the services being performed are explicitly noted as well as each party's rights with regards to these services. The contract will also note down billing requirements under the contract, such as milestone billing, annual billing in advance, etc.

2.6.2 Identify all the individual performance obligations within the contract

A performance obligation is a contractual agreement to transfer agreed goods or services to a customer. An obligation is deemed fulfilled when the customer can utilise the delivered goods or services. Fulfilment is typically at the point when supplied technology can be utilised for its intended purpose or when a service has been completed (e.g., running an outsource payroll).

A single customer contract may contain multiple separately identifiable performance obligations. Where such obligations are defined, they will be dealt with as a separate delivery event, and the associated transaction price will be apportioned appropriately.

The Group also enters into contracts with customers for installation, customisation, maintenance or other technical services or consultancy on third party software. Each promise under these contracts is a separate performance obligation and revenue is recognised for such contracts on time and material basis. Timing of payments tends to be similar to timing of revenue.

Where the separate obligations are not defined, then unless deemed to be material, the contract will be treated as one performance obligation.

2.6.3 Determine the transaction price

The transaction price for the contract is determined as the sum of fixed consideration, other variable items, less an estimate of volume discounts if any. Other variable items such as higher/lower employee numbers for PEPM charge (per employee per month amount charged to customer), credits for service level, third party penalties or inflationary increases are taken from the month incurred. Termination fees are taken at a point in time when the termination is complete.

There are no financing components, non-cash considerations or any considerations payable to the customer within the Group's customer contracts.

2.6.4 Allocate the price to the performance obligations

Our contracts include a quoted price for many different elements within the contracts.

The Group's process for pricing elements within the contracts is generally based on either the standalone selling price of specific service offerings or is based on an estimate of the price of those services, and therefore the contractual prices are indicative of the standalone selling prices.

2.6.5 Recognise revenue as the performance obligations are fulfilled

- **Implementation (Not a distinct performance obligation):** Where the software/service implementation activity does not deliver a distinct performance obligation to the customer, all customer payments/receivables and corresponding internal operational costs related to implementations are deferred to the Statement of financial position until delivery. The release of deferred implementation revenue and costs will be recognised on a straight-line basis over the life of the contract (from delivery). The adjusted monthly revenue from the provision of services will be recognised each month that we provide the service for a performance obligation.
- **Implementation (Is a distinct performance obligation):** Where the software/service implementation activity does deliver a distinct performance obligation to the customer, all customer payments/receivables and corresponding internal operational costs related to implementations are recognised at a point in time, as the service is provided to the customer, in line with delivery of the work. This treatment has been applied to Benify and to the elementsuite Everyday product.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

- **Professional Services; Consultancy, Training, Enhancements, Migrations:** Revenue is recognised at a point in time, as the service is provided to the customer, in line with delivery of the work.
- **Third Party Licenses:** A net commission is recognised at the point in time where benefits of ownership transfer to our customer.
- **On-Prem licenses:** Recognised on a straight-line basis over the life of the contract (from delivery).
- **On-Prem read only licenses:** Recognised at contract date, as the performance obligation is met on 'delivery' of the licence.
- **SaaS License and Hosting:** Recognised on a straight-line basis over the life of the contract (from delivery).
- **SaaS read only licenses:** Recognised over contract term, as the performance obligation will include on-going access to hosted services.
- **BPaaS:** Recognised over the contract term as the performance obligation is received by the customer evenly over the contract term.
- **Benefits and recognition software and brokering services:** Recognised over the time the customer benefits from the service.
- **HR Analytics and Services/Background Checking:** Revenue is recognised at a point in time, as the service is provided to the customer, in line with delivery of the work.

If a customer makes payment (or the Group has an unconditional right to receive consideration) before the performance obligation is fulfilled, then the associated revenue is not recognised, and a contract liability is recorded.

If the Group fulfils a performance obligation prior to customer payment or before consideration is due, the associated revenue is recognised by way of accrued income.

Where the timing of revenue and profit recognition has changed the future estimated losses on any individual contract, the difference will be adjusted through provisions.

2.7 Costs on contracts with customers

An asset is recognised for incremental costs to obtain a contract, where the Group expects to recover the costs. These include direct paid sales commissions which, where significant, are deferred and released over the life of the contract.

An asset is recognised for costs to fulfil contracts if the following criteria are met:

- the costs are directly related to a contract;
- the costs generate or enhance the Group's resources used in satisfying performance obligations in the future; and
- the costs are expected to be recovered.

The nature of costs that are eligible include direct labour and associated cost, sub-contractor costs, contract management and materials. Other costs such as general & administration, wasted resources and expenses that relate to satisfied performance obligations are all recognised as expenses.

The asset is amortised over the period that the benefit will be transferred to the customer. Contract asset balances are reviewed on a monthly basis in order to assess their recoverability. Any balances that are deemed unrecoverable are written off.

2.8 Provisions

2.8.1 Contract Losses

A provision for contract losses is recognised on onerous contracts that are expected to make net losses for the remainder of the contract term, after taking into consideration impairment of contract assets.

2.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

2.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

The Group has considered Pillar II legislation, however this applies to Multinational Groups with global consolidated revenue of €750m or more. As these thresholds are not met, the Group is outside of scope of Pillar II and therefore not subject to the top up tax or the related deferred tax accounting under IAS 12.

2.9.2 Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

2.11 Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. They are initially measured at fair value, plus (for financial instruments not measured at fair value through profit or loss) transaction costs directly attributable to the acquisition or issue of the instrument.

Financial assets and liabilities are classified at initial recognition as either:

- measured at amortised cost;
- measured at fair value through other comprehensive income (FVOCI); or
- measured at fair value through profit or loss (FVTPL)

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. A financial liability is derecognised when it is extinguished, i.e., when the contractual obligation is discharged, cancelled, or expires.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to set off and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

2.12 Loans and receivables

Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

The Group has a non-recourse factoring agreement in place. The Factor bears the credit default risk of the approved receivables. Zellis continues to service and collect payments into a designated account which is automatically swept to the Factor daily. The trade receivable is derecognised in its entirety as soon as they are transferred to the Factor.

2.13 Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

2.13.1 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised as the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments.

2.13.2 Bank borrowings

Interest-bearing bank loans and overdrafts are initially recorded at fair value, which is the proceeds received, net of direct issue costs. Subsequent to initial recognition, interest-bearing bank loans and overdrafts are stated net of issue costs, which are amortised over the period of the debt.

Finance charges are accounted for on an accruals basis to the income statement using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

2.14 Property, plant, and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses. Depreciation is recognised so as to write off the cost of assets over their useful lives, using the straight-line method, on the following bases:

Leasehold improvements	Life of the lease
Fixtures, fittings and office equipment	2-15 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

2.15 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.15.1 Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short term leases and leases of low value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

2.15.2 Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Building	2-15 years
Equipment	1-3 years
Other	1-3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

2.15.3 Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

2.15.4 Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease; therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

2.15.5 Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of

12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.16 Intangible assets

2.16.1 Goodwill

Goodwill is initially recognised and measured as set out in the Business Combinations section above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.16.2 Other intangible assets excluding goodwill

Acquired intangibles and purchased software are stated at cost less accumulated amortisation and impairment losses.

New intangibles recognised under IFRS 3 relating to customer contracts and relationships, existing technologies and trade names are amortised straight-line over a useful economic life of 3 – 8 years.

Amounts capitalised under purchased software are amortised straight-line over 3 years.

2.17 Research and development expenditure

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if all of the following conditions have been demonstrated:

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the year in which it is incurred. These internally generated assets are amortised straight-line over 5 years, with the exception of assets created in Benifex Limited which are amortised over 4 years and elementsuite Limited where a period of 10 years is used.

2.17.1 Subsequent measurement

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

2.18 Impairment excluding deferred tax assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. If the recoverable amount of an asset (cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the

risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount.

2.19 Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash-generating unit is the smallest group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. EBITDA and revenue multiples from these transactions are analysed to derive an appropriate value for the relevant transaction.

The value in use calculation is based on a Discounted Cash Flow ('DCF') model. The cash flows are derived from the budget and the most recent forecasts and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

For fair value less costs of disposal calculations, the key assumptions are:

- EBITDA and revenue multiples that are applied to historic and forecast results in order to produce a value.

For value in use calculations, the key assumptions are:

- Long term average growth rates that are used to extrapolate cash flows beyond the forecast period. Growth rates are determined with reference to internal approved budgets and forecasts;
- Discount rates are specific to the CGU and reflect the individual nature and specific risks relating to the market in which it operates;

The Directors review the goodwill at least annually for impairment of the carrying value as compared to the recoverable amount.

2.20 Finance costs

Finance costs comprise interest payable, interest on the defined benefit pension plan obligations and expected return on pension scheme assets (together referred to as net pension finance expense), and amortisation of issue costs on borrowings by adjusting the effective interest rate ('EIR') of the borrowings.

Interest payable is recognised in the income statement as it accrues, using the effective interest method.

2.21 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received if the entity settles the obligation, and the amount of the receivable can be measured reliably.

2.22 Retirement benefit costs

The Group operates various defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The amounts charged to the income statement represent the contributions payable to the schemes in respect of the accounting period.

The Group also operates two defined benefit pension schemes. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of the future benefit that employees have earned in the current and prior periods, discounting that amount, and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of the economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments.

Net interest expense and other expenses related to the defined benefit plans are recognised in the profit and loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

2.23 Share capital

2.23.1 Ordinary shares

Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

3. Critical accounting judgements

In the application of the Group's accounting policies, which are described above, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following sets out the key assumptions concerning the future and key sources of estimation and uncertainty at the reporting date that may cause material adjustment to the carrying amounts of assets or liabilities within the next financial year.

3.1 Revenue recognition

The measurement of revenue and resulting profit recognition – due to the size and complexity of some of the Group's contracts – requires significant judgements to be applied, including the measurement and timing of revenue recognition and the recognition of related statement of financial position items (such as contract fulfilment assets, accrued revenue and contract liabilities that result from the performance of the contract).

The implementation phase for HR and payroll Admin services takes between zero to 18 months, during which time the related performance obligation is not being delivered to the customer. Under the contracts, Zellis is entitled to bill the customer during the implementation phase and hence contract liabilities are created. Correspondingly, costs incurred during this phase are assessed and, where they create a contract fulfilment asset, are capitalised.

For the majority of its contracts, the Group considers the services provided to the customers including the initial implementation, subsequent licencing and/or managed payroll, to be a combined single performance obligation. This is because these elements are not distinct and are interdependent. As a result, the Group recognise revenue accordingly, which is spread over the contract period

(from delivery). Where separate performance obligations have been identified, the revenue recognition for each deliverable is assessed and recognised independently.

3.2 Recognition of internally generated intangible assets from development

Under IFRS, internally generated intangible assets from the development phase are recognised if certain conditions are met. These conditions include the technical feasibility, intention to complete, the ability to use or sell the asset under development and the demonstration of how the asset will generate probable future economic benefits. The cost of a recognised internally generated intangible asset comprises all directly attributable cost necessary to make the asset capable of being used as intended by management. In contrast, all expenditures arising from the research phase are expensed as incurred.

We believe that the determination whether internally generated intangible assets from development are to be recognised as intangible assets requires significant judgement, particularly in the following areas:

- The determination whether activities should be considered research activities or development activities;
- The determination whether the conditions for recognising an intangible asset are met requires assumptions about future market conditions, customer demand and other developments;
- The term 'technical feasibility' is not defined in IFRS, and therefore the determination whether completing an asset is technically feasible requires a company-specific and necessary judgemental approach;
- The determination of the future ability to use or sell the intangible asset arising from the development and the determination of probability of future benefits from sale or use, and
- The determination whether a cost is directly or indirectly attributable to an intangible asset and whether a cost is necessary for completing a development.

3.3 Key sources of estimation uncertainty

3.3.1 Pension

Details of the principal actuarial assumptions used in calculating the recognised liability for the defined benefit plans are given in note 20. Changes to the discount rate, mortality rates, fair value and actual return on plan assets may necessitate material adjustments to this liability in the future.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

3.3.2 Fair value measurement on acquisition of subsidiary

Management applies judgement in accounting for acquisitions, including identifying assets arising from the application of IFRS 3 Business combinations, undertaking purchase price allocation exercises to allocate value between assets acquired, including the allocation between intangible assets and goodwill, and where relevant valuing contingent consideration. Key judgements are made in respect of discount rates, growth rates, royalty rates and the estimated life of intangibles. See note 29 for further detail.

3.3.3 Expected Credit Losses on Trade Receivables:

IFRS 9 introduced an Expected Credit Loss ('ECL') model. This requires an entity to consider historic, current and forward-looking information while assessing trade receivables impairment.

Trade receivables in the Company arise from revenue transactions in accordance with IFRS 15 with no existing significant financing arrangement. Therefore, the simplified approach under IFRS 9 is adopted and lifetime ECL is applied.

Based on analysis of actual write offs, a provision matrix is applied for the trade receivables as follows (the percentages vary by entity, with the example below for the Zellis business unit):

Not yet due	0%
0-89 days overdue	5%
90-179 days overdue	10%
180-269 days overdue	20%
270-359 days overdue	20%
Over 360 days overdue	100%

In addition to these principles, we provide for additional expected credit losses on a case-by-case basis where the risk would not fall under these general provision rates.

Management hold regular reviews concerning debt and collections management and thus we have a clear view of the circumstances that may require additional provision.

Management also review at least annually the provision rates to ensure they are providing coverage of the potential credit risk.



Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

4. Revenue

An analysis of the Company's revenue is as follows:

	2025 £'000	2024 £'000
Continuing operations		
Core Software	157,871	127,232
Other Software	1,828	3,520
Total Software	159,699	130,752
BPaaS	51,448	51,047
Transactional Implementation	36,096	29,164
	13,825	15,621
Total Revenue	261,068	226,584

An analysis of the Company's revenue by geography is as follows:

	2025 £'000	2024 £'000
United Kingdom	224,132	204,106
Ireland	9,874	10,392
Sweden	8,993	496
Rest of Europe	6,161	3,099
United States	6,565	4,112
Rest of World	5,343	4,379
Total Revenue	261,068	226,584

	2025 £'000	2024 £'000
Deferred income / costs to contract fulfilment assets & liabilities		
Contract fulfilment assets – current	14,486	10,231
Contract fulfilment assets – non-current	19,075	17,871
Contract liabilities – current	(103,888)	(79,867)
Contract liabilities – non-current	(15,663)	(15,994)
Net contract liabilities	(85,990)	(67,759)

Significant judgements in relation to revenue recognition have been disclosed in Note 3.

Contract fulfilment assets are costs to fulfil contracts. The nature of costs that are eligible include direct labour and associated costs, sub-contractor costs, contract management and materials. Other costs such as general & administration, wasted resources and expenses that relate to satisfied performance obligations are all recognised as expenses.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

Under the contracts, Zellis is entitled to bill the customer during the implementation phase, but revenue is not recognised until performance obligation is satisfied (at go live); hence contract liabilities are recognised for amounts billed during the implementation phase.

	2025 £'000	2024 £'000
Revenue recognised in relation to contract liabilities		
Revenue recognised that was included in the contract liability balance at the beginning of the periods	79,867	56,895

No revenue has been recognised from performance obligations satisfied in previous periods.

	2025 £'000	2024 £'000
Unsatisfied long-term contracts		
Aggregate amount of contracts partially or fully unsatisfied as at 30 April	401,261	363,425

Management expects that of the transaction price allocated to the unsatisfied contracts as of 30 April 2025 that £401.3m (2024: £363.4m) will be recognised as revenue in the next reporting periods. £175.1m, £105.6m, £65.0m and £31.6m will be recognised as revenue in reporting periods ending 30 April 2026, 30 April 2027, 30 April 2028, and 30 April 2029 respectively; with £24.0m in reporting periods thereafter.

	2025 £'000	2024 £'000
Assets recognised from costs to fulfil a contract		
Asset recognised from costs incurred to fulfil contracts at 30 April	33,561	28,102
Amortisation recognised as cost of providing services during the period	11,190	11,487

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

5. Operating costs

	2025 £'000	2024 £'000
Operating profit for the year is stated after charging:		
Staff costs	136,488	122,418
Amortisation of acquired intangibles	29,384	28,727
Amortisation of other intangibles	16,874	14,261
Depreciation of property, plant and equipment	1,677	1,583
Depreciation of Leased assets / ROU	4,205	3,836
Research and development costs	2,349	2,724
Significant separately disclosed items	28,655	8,586
Management Fees	450	1,559
Professional fees	5,809	5,073
IT Costs	20,778	18,713
Property costs	3,480	3,468
Capitalised employee and related costs	(21,642)	(17,805)
Other operating charges	17,057	10,695
	245,564	203,838

6. Significant separately disclosed items

The Group incurred the following significant costs in the year which are separately disclosed:

	2025 £'000	2024 £'000
Strategy and acquisition	23,547	5,571
Business transformation and integration	3,850	1,521
Other	1,258	1,494
	28,655	8,586

During FY24 the Group prepared for and progressed through an exit process that culminated with the announcement of the sale of the Zellis Group to funds advised by Apax in August 2024. This process in itself generated new significant and separately identified costs and in the aftermath of the change of ownership, new transformational projects have been initiated alongside a further increase in acquisition activity.

Such costs are not reflective of underlying trading. As a consequence these have been separately identified and reported, to enable the shareholders and management to better understand the performance for the year and comparability between periods.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

The costs outlined above have been categorised into three areas:

Strategy and acquisition

Costs relating to the sale of Zellis Group to funds advised by Apax Partners in August 2024, including due diligence costs and transactional bonuses have been reported here; alongside those relating to three further acquisitions, completed in FY25 and outlined in Note 29. Costs incurred in connection to these transactions have been significant and are by nature one off.

Business transformation and integration

A number of business transformational projects initiated in prior years continued into FY24 and entered their final phases. Then, in view of the recent growth of the business - including through acquisitions - further transformation has followed in FY25. Activities have included reviewing people structures and the property portfolio. Costs incurred as a direct result of these activities have been reported as significant separately disclosed items.

Other

Other costs include restructuring costs and costs incurred in response to significant external events.

7. Auditor's remuneration

The analysis of the auditor's remuneration is as follows:

	2025 £'000	2024 £'000
Fees payable to the company's auditor and their associates for the audit of the company's annual accounts	146	93
Fees payable to the company's auditor and their associates for other services to the group		
- The audit of the company's subsidiaries	358	278
- The audit of the company's subsidiaries payable to the auditor's associates	170	39
Total audit fees	674	410
Other services (loan covenants review)	-	10
Other services (accounting, tax and payroll to overseas subsidiary)	30	21
Total non-audit fees	30	31

8. Directors' remuneration

	2025 £'000	2024 £'000
Directors' emoluments	1,456	1,366

The emoluments relate to two directors paid by the Group. From 13 August 2024 the directors were remunerated through Zorro Bidco Limited, an intermediate parent company, but this remuneration was recharged down to the Group headed by Zellis Holdings Limited. The aggregate emoluments of the highest paid director were £780k (2024: £783k).

During the year, no directors accrued benefits under the money purchase scheme.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

9. Employees

The average monthly number of employees (including executive directors) employed by the Company during the year was:

	2025 £'000	2024 £'000
Sales and Marketing	273	238
BPaaS	945	978
Product Support	624	549
Implementation Services	148	142
Technology Support and Product Development	419	336
Administration	246	234
	2,655	2,477

Their aggregate remuneration comprised:

	2025 £'000	2024 £'000
Wages and salaries	116,200	105,991
Social security costs	13,731	11,034
Other pension costs	6,557	5,393
	136,488	122,418

'Other pension costs' include only those defined benefit scheme costs included within operating costs and the defined contribution scheme charge.



Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

10. Finance income

	2025 £'000	2024 £'000
Gain on refinancing	-	19,495
	-	19,495

11. Finance costs

	2025 £'000	2024 £'000
Interest on bank overdrafts and loans	15,031	34,379
Amortisation of transaction costs on bank loans	161	4,063
Transaction costs on refinancing	-	12,971
Unwind of dilapidation provision	111	80
Net pension finance expense	694	1,047
Interest on obligations under leases	564	611
Foreign exchange loss	581	768
Interest payable to group undertakings	31,353	-
	48,495	53,919

12. Income tax

The tax charged to the income statement is as follows:

	2025 £'000	2024 £'000
Corporation tax		
Current period	479	1,364
Adjustments in respect of prior periods	852	(20)
Overseas tax charge	(1,310)	529
Total current tax charge	21	1,873
Deferred tax		
Origination and reversal of temporary differences	(7,628)	(2,583)
Adjustment in respect of prior periods	(1,753)	2,334
Total Deferred tax credit	(9,381)	(249)
Tax (credit)/expense on Income Statement	(9,360)	1,624

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

The tax expense for the year can be reconciled to the loss in the income statement as follows:

	2025 £'000	2024 £'000
Tax (credit)/expense for the year		
Loss before tax on continuing operations	(32,754)	(11,506)
Tax at the UK corporation tax rate of 25% (2024: 25%)	(8,188)	(2,877)
Deferred tax not provided	398	-
Tax effect of expenses that are not deductible in determining taxable profit (net of reversal)	4,472	1,853
Tax effect of income not taxable in determining taxable profit	(348)	(390)
Tax adjustments in relation to prior periods	(3,063)	2,315
Corporate interest restriction	(3,297)	979
Effect of overseas tax rates	666	(256)
	(9,360)	1,624

In addition to the amount charged to the Income Statement, the following amounts relating to tax have been recognised in other comprehensive income:

	2025 £'000	2024 £'000
Deferred tax credit:		
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of net defined benefit liability	1,245	98



Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

13. Intangibles

	Goodwill £'000	Purchased software £'000	Customer relations £'000	Existing tech £'000	Trade name £'000	Dev costs £'000	Total £'000
Cost:							
At 1 May 2023	369,715	2,833	127,418	68,014	8,157	63,357	639,494
Additions	-	96	-	-	-	17,817	17,913
Acquired through business combinations	544	-	80	1,110	78	-	1,812
Adjustment	-	-	8	-	-	-	8
At 30 April 2024	370,259	2,929	127,506	69,124	8,235	81,174	659,227
Additions	-	151	-	-	-	21,640	21,791
Acquired through business combinations	250,301	-	82,828	49,709	-	-	382,838
Net exchange differences	9,808	(146)	3,703	1,807	-	347	15,519
At 30 April 2025	630,368	2,934	214,037	120,640	8,235	103,161	1,079,375
Amortisation:							
At 1 May 2023	-	(2,538)	(82,939)	(46,502)	(5,869)	(28,479)	(166,327)
Charge for the year	-	(16)	(16,322)	(11,236)	(1,169)	(14,245)	(42,988)
Adjustment	-	-	(7)	-	-	(3)	(10)
At 30 April 2024	-	(2,554)	(99,268)	(57,738)	(7,038)	(42,727)	(209,325)
Charge for the year	-	(171)	(18,092)	(10,436)	(857)	(16,702)	(46,258)
Write off	-	134	-	-	-	-	134
At 30 April 2025	-	(2,591)	(117,360)	(68,174)	(7,895)	(59,429)	(255,449)
Net book value:							
At 30 April 2025	630,368	343	96,677	52,466	340	43,732	823,926
At 30 April 2024	370,259	375	28,238	11,386	1,197	38,447	449,902

Acquired intangibles have been created from the trade and assets acquired during previous acquisitions and include customer contracts and relationships, existing technologies, and trade names. Notable additions were created in FY25 from the acquisitions of Benify, elementsuite and Vebnet and in particular, the acquisition of Benify has resulted in the creation of an additional CGU.

Impairment assessment on goodwill is performed on an annual basis. Goodwill for each Cash Generating Unit ('CGU') is £348.6m (Zellis), £27.2m (Moorepay), £27.2m (Benifex) and £230.6m (Benify) respectively.

No indications of impairment were identified. For the Benify CGU, the assessment applies the fair value less costs of disposals method to calculate an indicative value. This value is calculated by applying a multiple to revenue and EBITDA before removing costs of disposal. The assessment for all other CGUs applies a discounted cashflow model with financial forecasts to a five-year forecast for the Group, with the first year as per the current budget agreed by the Board.

Fair Value Less Costs of Disposal

The multiples applied to revenue and EBITDA to calculate the fair value of the Benify CGU were compiled by a third party specialist. These were sourced from a range of publicly available market data including details of comparable

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

transactions. The Benify multiples were selected from the higher end of the ranges identified due to the high growth nature of the underlying entity.

Sensitivities performed showed that a 10% reduction in both the revenue and EBITDA multiples would lead to an impairment of £11m. This represents a 4% reduction in the carrying value of the Benify CGU.

Value in Use

The pre-tax discount rates (12.0% for Zellis, 14.1% for Moorepay and 13.9% for Benifex) were obtained during the year from third party specialists upon the acquisitions of Zellis Group by funds advised by Apax. A terminal growth rate of 3% was applied for each CGU (Zellis, Moorepay, Benifex)

Headroom is £298.2m (Zellis), £137.0m (Moorepay) and £207.7m (Benifex) respectively.

14. Property, plant and equipment

	Leasehold improvements	Fixtures & fittings and office Equipment	Total
	£'000	£'000	£'000
Cost:			
At 1 May 2023	1,345	9,942	11,287
Additions	450	1,502	1,952
Write offs	(145)	(56)	(201)
At 30 April 2024	1,650	11,388	13,038
Acquired through business combination	-	742	742
Additions	56	1,587	1,643
Write offs	(21)	(2,312)	(2,333)
Exchange differences	-	39	39
At 30 April 2025	1,685	11,444	13,129
Accumulated depreciation and impairment:			
At 1 May 2023	(707)	(6,679)	(7,386)
Charge for the year	(470)	(1,113)	(1,583)
Write offs	113	10	123
At 30 April 2024	(1,064)	(7,782)	(8,846)
Charge for the year	(121)	(1,556)	(1,677)
Write offs	-	1,855	1,855
Exchange differences	(32)	-	(32)
At 30 April 2025	(1,217)	(7,483)	(8,700)
Net book value:			
At 30 April 2025	468	3,961	4,429
At 30 April 2024	586	3,606	4,192

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

15. Leases

This note provides information for leases where the Group is a lessee. The Group has lease contracts for various buildings and other equipment used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The statement of financial position shows the following amounts relating to leases:

	Building £'000	Equipment £'000	Total £'000
As at 1 May 2023	8,206	1,370	9,576
Additions	452	167	619
Dilapidation adjustment	(466)	(1)	(467)
Depreciation	(1,970)	(1,866)	(3,836)
Opening balance reclass	(901)	901	-
As at 30 April 2024	5,321	571	5,892
Acquired through business combination	4,389	-	4,389
Additions	368	5,211	5,579
Disposals	(194)	-	(194)
Depreciation	(2,743)	(1,462)	(4,205)
Write offs	-	44	44
As at 30 April 2025	7,141	4,364	11,505

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	2025 £'000	2024 £'000
At 1 May	6,243	9,054
Acquired through business combination	4,194	-
Additions	5,268	881
Accretion of interest	627	653
Payments	(4,461)	(4,345)
Disposal	(272)	-
Write off	26	-
At 30 April	11,625	6,243
Lease Liabilities		
Current	5,679	2,520
Non-current	5,946	3,723
At 30 April	11,625	6,243

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

The following are the amounts recognised in profit or loss:

	2025 £'000	2024 £'000
Depreciation charge of right-of-use asset		
Building	2,743	1,970
Equipment	1,462	1,866
	4,205	3,836
Interest expense	564	611
Total recognised in the profit and loss	4,769	4,447

The total cash outflow for leases was £4,461k (2024: £4,345k). Lease assets acquired through additions were £5,268k (2024: £619k) in the year. Acquired through business combination during the year were £4,389k.

16. Trade and other receivables

	2025 £'000	2024 £'000
Debt instruments at amortised costs		
Trade receivables	56,651	40,129
Less allowance for expected credit losses	(1,502)	(1,748)
Less receivables paid under factoring	(4,462)	(2,497)
Net trade receivables	50,687	35,884
Accrued income	14,756	10,760
Prepayment and other receivables	44,438	22,049
Total trade and other receivables	109,881	68,693

Allowance for expected credit losses from trade receivables can be analysed as follows:

Movement in the allowance for expected credit losses:

	£'000
At 1 May 2023	1,227
Provision for expected credit losses	1,071
Utilised in period	(550)
At 30 April 2024	1,748
Increase in provision for expected credit losses	334
Utilised in period	(580)
At 30 April 2025	1,502

Year ended 30th April 2025**Notes to the Consolidated Financial Statements (continued)****17. Cash and cash equivalents**

	2025 £'000	2024 £'000
Cash at bank	71,391	61,787

The fair value of cash and cash equivalents which corresponds to its carrying value is £71,391k (2024: £61,787k).

The variation in cash and cash equivalents recorded during the year is reported in the consolidated statement of cash flows.

At the year end, the group held £4.4m (2024: £3.2m) of separately segregated funds for the purpose of operating the employee reward product functionality on behalf of customers. This is not reported within the cash and cash equivalents balance at the year end.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

18. Deferred tax

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current reporting period.

	Accelerated Capital allowances £'000	Deferred development costs £'000	Other £'000	Retirement benefit obligations £'000	Tax losses £'000	Total £'000
At 1 May 2023	3,649	(18,890)	2,834	6,081	20,416	14,090
Amounts arising on acquisition of business	-	(367)	-	-	-	(367)
Adjustments in respect of prior years	962	(1,029)	(1,568)	-	(699)	(2,334)
(Charge)/credit to profit or loss	(1,052)	7,574	(245)	(1,080)	(2,614)	2,583
Charge to other comprehensive income	-	-	-	(98)	-	(98)
At 30 April 2024	3,559	(12,712)	1,021	4,903	17,103	13,874
Amounts arising on acquisition of business	-	(25,925)	(1,698)	-	-	(27,623)
Adjustments in respect of prior years	(109)	(287)	3,111	(3,160)	2,191	1,746
(Charge)/credit to profit or loss	(604)	8,438	(1,206)	157	843	7,628
Charge credit to other comprehensive income	-	-	(29)	(1,216)	-	(1,245)
At 30 April 2025	2,846	(30,486)	1,199	684	20,137	(5,620)

Deferred tax assets and liabilities are offset where the Group has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2025 £'000	2024 £'000
Deferred tax assets	24,870	26,586
Deferred tax liabilities	(30,490)	(12,712)
	(5,620)	13,874

Deferred tax liabilities have been recognised on intangible assets arising on acquired businesses and also on timing differences generated by Research and Development Expenditure Credit (RDEC) qualifying intangibles. The deferred tax liability is reduced each year as annual amortisation of the intangibles is recognised.

Deferred taxes have been measured using the enacted tax rates as at 30 April 2025 which was 25%

As at 30 April 2025, the Group has unused tax losses of £80.5m (2024: tax losses of £68.6m) available for offset against future profits. A deferred tax asset has been recognised in respect of these losses.

As at 30 April 2025, the Group has deductible temporary differences, correlating to a deferred tax of £13.4m (2024: £15.9m) that has not been recognised.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

19. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	6,516	4,115
Accruals	29,264	25,392
Other payables	13,013	3,330
Amounts due to group undertakings – payable on demand	11,862	327
Other taxation and social security	19,524	11,688
Total trade and other payables	80,179	44,852

Trade and other payables are valued at amortised cost. The directors consider that the carrying amount of trade payables approximates to their fair value.

Amounts due to group undertakings are repayable on demand subject to agreement by the borrower and lender and carry an interest of 8% per annum.

20. Retirement benefit obligations

For details on the related employee benefit expenses see note 9.

The Group contributes to the following post-employment defined benefit plans: Northgate HR Pension Scheme ('the Northgate Scheme') and the Rebus Group Pension Scheme ('the Rebus Scheme'). The schemes are closed to new employees, who are instead eligible to join another defined contribution scheme.

Benefits are related to salary close to retirement or leaving service (if earlier) and also to years of pensionable service. Assets are held in separate, trustee administered funds. Employer contributions to the schemes are determined on the basis of regular valuations undertaken by independent, qualified actuaries.

These defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Funding

Both Defined Benefit Schemes are funded by the Group's subsidiaries. Post the payment of the exit-triggered deficit contributions in August 2024 (£6,394k to Rebus and £3,135k to Northgate), the schemes returned to surplus on a technical provisions basis. In terms of future deficit contributions, a funding test is required every calendar quarter.

Assuming the surplus continues, and no further deficit contributions are due (and to date, all funding tests have been in surplus since the exit event), over the next year the Group will pay estimated contributions of £1.3m to the defined benefit schemes.

Contributions to the defined contribution schemes are in addition to the contributions to the UK defined benefit schemes.

The Company is aware of the UK High Court judgement in Virgin Media Limited v NTL Pension Trustees II Limited. This suggests that certain historical amendments to rules for contracted-out defined benefit pension schemes may be invalid if the process under Section 37 of the Pensions Schemes Act 1993 was not followed. UK companies with defined benefit schemes are waiting to hear what action the Government may take as it works with the UK pensions industry to address this, and the Government has now promised to clarify the position. The Trustees and the Group will be monitoring the developments and will consider if there are any implications for the schemes. It is currently not clear what action, if any, will be required so a reasonable estimate of the impact (if any) on the defined benefit obligation cannot be made at the reporting date.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

Movements in the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit and its components.

	Defined benefit obligation £'000	Fair value of plan assets £'000	Asset ceiling £'000	Net defined benefit liability £'000
At 1 May 2023	190,904	(167,433)	827	24,298
Included in Income statement:				
Current service cost	182	520	-	702
Interest expense	9,127	(8,120)	40	1,047
	9,309	(7,600)	40	1,749
Included in statement of comprehensive income:				
Financial assumptions	(8,174)	-	-	(8,174)
Demographic	(2,335)	-	-	(2,335)
Experience adjustment	406	-	-	406
Change in asset ceiling	-	-	624	624
Return on plan assets excluding interest income	-	9,088	-	9,088
	(10,103)	9,088	624	(391)
Other:				
Contribution paid by the employer	-	(6,069)	-	(6,069)
Benefits paid	(8,285)	8,285	-	-
	(8,285)	2,216	-	(6,069)
Net book value at 30 April 2024	181,825	(163,729)	1,491	19,587
At 1 May 2024	181,825	(163,729)	1,491	19,587
Included in Income statement:				
Current service cost	163	666	-	829
Interest expense	9,991	(9,376)	79	694
	10,154	(8,710)	79	1,523
Included in statement of comprehensive income:				
Financial assumptions	(10,529)	-	-	(10,529)
Experience adjustment	198	-	-	198
Change in asset ceiling	-	-	(1,570)	(1,570)
Return on plan assets excluding interest income	-	7,036	-	7,036
	(10,331)	7,036	(1,570)	(4,865)
Other:				
Contribution paid by the employer	-	(13,528)	-	(13,528)
Benefits paid	(8,526)	8,526	-	-
	(8,526)	(5,002)	-	(13,528)
Net book value at 30 April 2025	173,122	(170,405)	-	2,717

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

Fair value of plan assets

The plan assets are all in investment funds which do not have quoted prices, although the majority of assets held within those funds will have quoted prices. The assets with the funds are split as follows:

	2025 £'000	2024 £'000
Equities	35,115	39,346
LDI Funds	50,544	50,619
Multi-asset credit	15,116	24,601
Private credit	1,702	2,983
Property	15,478	15,249
Corporate bonds	15,117	14,142
Cash and current assets	37,333	17,203
	170,405	164,143

The expected rate of return on pension plan assets is determined as the Group's best estimate of the long-term return of the major asset classes - equities, bonds, LDI, and diversified growth funds - weighted by the current strategic allocation at the measurement date less expenses.

Actuarial assumptions

The principal actuarial assumptions at the balance sheet date were:

	2025		2024	
	Northgate HR scheme pa	Rebus scheme pa	Northgate HR scheme pa	Rebus scheme pa
Discount rate	5.6%	5.7%	5.3%	5.3%
Future salary increases	1.0%	1.0%	1.0%	1.0%
Retail price inflation	3.0%	3.0%	3.3%	3.4%
Consumer price inflation	2.3%	2.4%	2.6%	2.8%
Future pension increases (2.5% LPI)	2.0%	1.7%	2.1%	1.9%
Future pension increases (5% LPI)	2.9%	2.4%	3.1%	2.7%

The weighted average duration of the expected benefit payments is about 11 years for the Northgate Scheme and 13 years for the Rebus Scheme. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows:

	Northgate HR scheme pa	Rebus scheme pa
Life expectancy at age 65 now		
Males	21.4	21.4
Females	24.0	24.0
Life expectancy at age 65 in 20 years		
Males	22.4	22.4
Females	25.1	25.1

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

Sensitivity analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding the other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	2025 £'000	2024 £'000
Discount rate (0.1% movement)	(1,992)	(2,241)
Inflation and related future pension growth (0.1% movement)	771	854
Life expectancy (1 year movement)	5,213	5,469

Although the analysis does not take account of the full distribution of cash flows expected under the plans, it does provide an approximation of the sensitivity of the assumptions shown.

21. Provisions

	2025 £'000	2024 £'000
At 1 May	6,256	7,277
Additions	250	642
Utilisation	(2,388)	(1,173)
Reversals	(644)	(894)
Discount unwind	118	404
At 30 April	3,592	6,256
Analysed as:		
Current	2,317	4,676
Non-current	1,275	1,580
At 30 April	3,592	6,256

The opening provision relates to legal fees on disputes, claims provision, dilapidation provisions and provisions for contingent consideration relating to the acquisition of Wrkit in 2022 and Natural HR in 2023. During the year, the contingent consideration provision for Wrkit was settled and the remaining provisions for both contingent consideration and legal claims reduced.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

22. Share Capital

The share capital of the Company consists only of fully paid ordinary shares with a nominal (par) value of £0.01 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

	2025 £'000	2024 £'000
Shares issued, and fully paid:		
Beginning of the period	0	0
Shares issue	19	-
Total at end of period	19	0

The Company issued 1,858,000 shares on 5 February 2025 at a par value of £0.01. £1,858,000 was paid for these shares, generating a total share premium of £1,839,420. Each share has the same right to receive dividends and the repayment of capital and represents one vote at shareholders' meetings of the Company.

Date	Shares issued	Amount paid £
21 September 2017	100	1
31 January 2018	100	176,718,604
14 September 2018	200	12,778,364
21 June 2019	100	9,800,000
25 July 2019	100	2,700,000
14 August 2019	100	7,300,000
29 August 2019	100	200,000
26 November 2020	100	40,000,000
5 February 2025	1,858,000	1,858,000

23. Share premium

Proceeds received in addition to the nominal value of the shares issued during the year (Note 22) have been included in share premium.

	£'000
At 1 May 2024	249,497
Premium arising on issue of equity shares	1,839
At 30 April 2025	251,336

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

24. Commitments and contingencies

The Group and its subsidiaries are contingently liable with respect to lawsuits and other matters that arise in the normal course of business. The Group has assessed any potential liability and have provided for these where appropriate, and the potential liability will continue to be monitored.

25. Related party disclosures

Prior to the sales of the Group to funds advised by Apax, management fees and related expenses amounting to £202k (2024: £1,546k) were charged to the Group by Bain Capital, nothing was outstanding as at 30 April 2025 (2024 : nil).

The total remuneration of key management personnel (deemed to be the executive team alongside the directors and company secretary), is shown below:

	2025 £'000	2024 £'000
Key management personnel:		
Paid through Company and subsidiaries	2,552	4,483
Company contributions to money purchase pension schemes paid through Company and subsidiaries	29	37
Paid through parent companies and recharged to Company via management fees	1,915	-
Company contributions to money purchase pension schemes paid through parent companies	13	-
	4,509	4,520

This includes directors' emoluments disclosed in note 8 to these accounts.

The Group is exempt from the requirement to disclose related party transactions with other wholly-owned subsidiaries of the Zorro Topco Limited group, as the consolidated financial statements of Zorro Topco Limited are publicly available and prepared in accordance with International Financial Reporting Standards.

During the year, loans made to shareholders of £349k were repaid as a result of the completion of a qualifying sale. These loans were interest bearing and had been recognised in trade and other receivables and were valued at £348k at the end of FY24.

On an annual basis the Group undertakes a full review of related party relationships with companies controlled by its private equity owners:

- From the start of FY25 until 13 August 2024 the Group provided HR, payroll and benefit related services with a value of £237k to customers (FY24 full year: £1,426k); and received no services from suppliers (FY24 full year: £102k), that are controlled by Bain Capital.
- Subsequently, from 13 August 2024 the Group provided HR, payroll and benefit related services with a value of £14k to customers, that are controlled by funds advised by Apax and included within trade receivables at the balance sheet date were invoices amounting to £1k. The Group also received services with a value of £14k from suppliers, that are controlled by funds advised by Apax and included within trade payables at the balance sheet date were invoices amounting to £5k.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

26. Borrowings

	2025 £'000	2024 £'000
At amortised cost:		
Bank loans	82,992	364,047
Accrued interest on bank loans	1,405	14,437
Loans from group undertakings	625,847	-
Accrued interest on loans from group undertakings	19,017	-
Total borrowings	729,261	378,484
Amount due for settlement within 12 months	1,405	14,437
Amount due for settlement after 12 months	727,856	364,047
	729,261	378,484

At the beginning of the period the Group had the following loans:

a. A bank loan of £365 million with a repayment date of 31st January 2028. The loan was secured by a fixed and floating charge over the assets of Zellis Holdings Limited and its material subsidiaries. The loan carried a variable rate of SONIA plus a margin ranging between 5.25 – 5.75% depending on the Senior Secured Net Leverage Ratio. On 13th August 2024, this loan was fully repaid.

b. A revolving credit facility of £40 million of which nothing was drawn down during the period. The loan carried a variable interest rate of SONIA, plus a margin ranging between 3.25% - 4.25% determined by the Senior Secured Net Leverage Ratio. The RCF also carried a Commitment Fee, calculated as 35% of margin that is payable quarterly.

At the end of the period the Group had the following loans:

a. A bank loan of SEK 1,082.5m (£83.8m as at 30 April 2025) drawn down by Bruin Bidco AB on 6th February 2025. The repayment date is 13th August 2031. The loan carries a variable rate of STIBOR plus a margin ranging between 3.0% – 3.5% depending on the Senior Secured Leverage Ratio of the Zorro group.

b. A loan from group undertakings of £368.3m owed by Zellis Holdings Limited to Zorro Bidco Limited. This was drawn on 13th August 2024 with a repayment date of 13th August 2034. The loan carries a variable interest rate of SONIA plus a margin of 5%.

c. A loan from group undertakings of £37.2m owed by Zellis UK Limited to Zorro Bidco Limited. This was drawn on 6th February 2025 with a repayment date of 6th February 2035. The loan carries a variable interest rate of SONIA plus a margin of 5.25%.

d. A loan from group undertakings of £247.7m owed by Benifex Holdings Limited to Zorro Bidco Limited. This was drawn on 11th February 2025 with a repayment date of 11th February 2035. The loan carries a variable interest rate of SONIA plus a margin of 5%.

On the Loans from group undertakings listed above, periodic payments of interest are optional with any unpaid interest being settled on the maturity date of the loan. Hence, any unpaid interest as at the period end has been treated as non-current.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

27. Financial instruments

The Group's financial assets and liabilities mainly comprise bank borrowings, cash, liquid resources, and various items, such as trade and other receivables and trade and other payables that arise directly from operations.

The main financial market risks arising from the Group's operations are credit risk, interest rate risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

a) Interest rate risk

Interest rate risk is the risk of increased net financing costs due to increases in market interest rates. The Group finances its operations and acquisitions through a mixture of retained profits, bank borrowings, borrowings from group undertakings and equity; the Group's main interest rate risk therefore comes from both bank and group undertaking borrowings, which are made up of a mixture of GBP and SEK loans.

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Management is of the view that the key interest rate risk is the variability of SONIA and STIBOR.

The Company is partially funded using floating rate GBP loans that expose the Company to potential variability in interest rates.

The Company's risk management strategy includes the consideration of derivatives to protect the Company against adverse fluctuations in interest rates to reduce its exposure to variability in cash flows on the Company's floating-rate debt to the extent that it is practicable and cost effective to do so. The Company has previously utilised both interest rate swaps, and interest rate caps. However, at the balance sheet date, no active derivatives were held, although the consideration of these continues to be a part of the ongoing risk management strategy.

b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial commitments as they fall due.

The Group's objective is to ensure that adequate facilities are available through use of bank and group undertaking loans and finance leases. The Group manages liquidity risk through regular cash flow forecasting and monitoring of cash flows, management review and regular review of working capital and costs.

	less than 1 year	1-2 years	2 - 3 years	3-4 years	4-5 years	greater than 5 years	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
30 April 2025							
Lease liability and estimated interest	5,679	4,481	1,097	306	62	-	11,625
Bank loan and estimated interest	4,959	5,740	5,812	5,812	5,812	109,992	138,127
Group undertaking loans and estimated interest	46,866	54,930	55,714	57,012	58,033	952,634	1,225,189
Trade and other payables	80,179	-	-	-	-	-	80,179
	137,683	65,151	62,623	63,130	63,907	1,062,626	1,455,120

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

The variable interest rate is determined by SONIA or STIBOR and a variable margin as detailed in note 26.

The table below analyses financial instruments, into a fair value hierarchy based on the valuation technique used to determine fair value.

- Level 1: quoted prices (unadjusted) 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).

c) Fair values of financial assets and financial liabilities

	Carrying amount £'000	Fair value £'000
Contingent consideration (level 3)	1,577	1,577

Including the above, the directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate to their fair values.

d) Capital management

The Group's objectives when managing capital (bank borrowings) are to safeguard the Group's ability to continue as a going concern, support the growth of the business and to maintain an optimal capital structure to reduce the cost of borrowing. The Group finances its operations through a combination of equity, bank borrowings and intercompany borrowings.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

e) Credit risk

The Group provides for expected credit losses on debt using a provision matrix based on historical default rates for the segments based on geographical location and market sector.

Entity/Aging	Not yet due	0-89 days overdue	90-179 days overdue	180-269 days overdue	270-359 days overdue	Greater than 360 days overdue
Zellis UK and Zellis Ireland	-	5.0%	10.0%	20.0%	20.0%	100.0%
elementsuite Limited	-	5.0%	10.0%	20.0%	20.0%	100.0%
Moorepay Limited, Moorepay Compliance and Natural HR	-	10.0%	65.0%	100.0%	100.0%	100.0%
Pro IV	-	-	-	-	-	100.0%
Benifex Limited, Benifex Financial Solutions	1.0%	5.0%	10.0%	20.0%	20.0%	100.0%
Wrkit Group	1.0%	1.0%	25.0%	50.0%	75.0%	100.0%
Benify Group	0.1%	0.5%	1.3%	5.3%	20.3%	100.0%

The trade receivables and accrued income have been analysed as follows:

	Not yet due	0-89 days overdue	90-179 days overdue	180-269 days overdue	270-359 days overdue	Greater than 360 days overdue	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Trade Receivables	46,261	7,573	1,143	898	557	219	56,651
Accrued income	14,756	-	-	-	-	-	14,756
Total as at 30 April 2025	61,017	7,573	1,143	898	557	219	71,407
Trade Receivables	28,748	7,978	1,649	903	346	505	40,129
Accrued income	10,760	-	-	-	-	-	10,760
Total as at 30 April 2024	39,508	7,978	1,649	903	346	505	50,889

In addition to these principles, we provide for additional expected credit losses on a case-by-case basis where the risk would not fall under these general provision rates.

Management holds regular reviews concerning debt and collections management and thus we have a clear view of the circumstances that may require additional provision.

Management also reviews at least annually, the provision rates to ensure they are providing coverage of the potential credit risk.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

f) Factoring

The Group has a non-recourse factoring agreement in place. As at 30 April 2025, the amount representing the group's continuing involvement is £5.4m (2024: £2.8m), being the amount that is factored and due to be collected from customers. There is no exposure to the group on the approved receivables because of the non-recourse arrangement in place as well as the insurance placed by the factor on the customer balances. £114k (2024: £93k) of factoring commission has been charged for the year.

The £5.4m can be analysed as follows:

Factored amount to be collected	Not yet due £'000	0-89 days overdue £'000	> 90 days overdue £'000	Total £'000
As at 30 April 2025	4,287	814	304	5,405
As at 30 April 2024	1,681	975	95	2,751

28. Non-adjusting post balance sheet events

On 16 June 2025, the Zellis Group acquired Hastee, a leading financial wellbeing platform, specialising in earned wage access and financial education. This strategic acquisition enhances the Group's ability to support its clients' employees with comprehensive financial wellbeing solutions, through its HR, pay and benefits platforms across the Group. The acquisition was made by Zellis Holdings Limited and at the date of signing the acquisition accounting is not yet completed.

29. Business Combinations

Acquisition of elementsuite

On 6th February 2025, Zellis UK Limited acquired 100% of the issued share capital of elementsuite Limited, which will allow Zellis to broaden its product range by offering a comprehensive HCM suite.

Consideration transferred	Consideration £'000
Cash paid in period	37,222
Cash paid in subsequent period	412
Issuance of shares	1,858
Total consideration	39,492

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

Recognised amounts of identifiable net assets

	Fair Value £'000
Tangible Assets	
- Other Tangible Assets	367
Intangible Assets	
- Customer Relationships	2,514
- Technology	9,096
Cash and cash equivalents	945
Trade and other receivables	1,698
Contract assets	1,575
Trade and other payables	(950)
Deferred Revenue	(5,541)
Lease Liabilities	(347)
Deferred tax liabilities	(2,508)
Fair value of identifiable assets and liabilities acquired	6,849

Goodwill

	£'000
Total Consideration	39,492
Fair value of identifiable assets	(6,849)
Goodwill	32,643

	£'000
Cash Consideration paid in period	37,222
Cash Acquired	(945)
Net business combination cashflow	36,277

Consideration transferred

The acquisition was partly settled in cash amounting to £37.6m. £37.2m was paid in the period with an additional £0.4m being paid in May-25. Loan Notes of £1.9m were also issued which were subsequently capitalised within share capital and premium (See Note 22).

Identifiable net assets

The fair value of acquired trade receivables is £1.2m. The gross contractual amount for trade receivables due is £1.3m, with a loss allowance of £0.1m recognised on acquisition.

Goodwill

The goodwill is attributable mainly to the synergies expected to be achieved from integrating the company into the Group's existing HCM offering business. None of the goodwill recognised is expected to be deductible for tax purposes.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

Contribution to Group results

During the period from 6th February 2025 to 30th April 2025, elementsuite contributed £2.3m of revenue and £0.1m of profit before tax to the consolidated loss before tax for the year.

Transfer of Bruin Bidco AB

On 10 February 2025, Bruin Bidco AB acquired 100% of the issued share capital of Flip Lyksamm AB. Flip Lyksamm is a Swedish Holding Company who own 100% of the issued share capital in the Benify Group.

On the acquisition date, Bruin Bidco AB was owned by an intermediate parent company, Zorro Bidco Limited. On 11 February 2025 Bruin Bidco AB was then transferred from Zorro Bidco Limited to Benifex Holdings Limited. Under IFRS3, this is deemed to be a common control business combination and management have elected to utilise the predecessor method to account for the transfer. As such, the assets and liabilities of Bruin Bidco AB have been transferred at their carrying value, no additional goodwill has been recognised and the pre-acquisition profit and loss in Bruin Bidco has been included in the consolidation.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

The details of the business combination are as follows:

Fair Value of Consideration Transferred

	Consideration £'000
Intercompany Loan	220,359
Cash paid	104,832
Total consideration	325,191

Carrying value of assets transferred

	Fair Value £'000
Tangible Assets	
- Other tangible assets	4,782
Intangible Assets	
- Goodwill	217,961
- Customer relationships	80,130
- Technology	40,613
Other financial assets	670
Contract assets	3,044
Trade and other receivables	46,851
Cash	12,464
Borrowings	(34,625)
Deferred tax	(25,018)
Trade and other payables	(42,038)
Deferred income	(11,113)
Lease Liabilities	(3,813)
Carrying value of net assets	289,908

Other Reserves

	£'000
Consideration	325,191
Carrying value of net assets	(289,908)
Impact to common control reserve	35,283

Contribution to group results

From 10th February 2025 to 30th April 2025, Benify contributed £13.1m of revenue and £1.1m of loss before tax to the consolidated loss before tax for the year.

Year ended 30th April 2025

Notes to the Consolidated Financial Statements (continued)

Acquisition of Vebnet

On 3rd March 2025, Benifex Limited acquired 100% of the issued share capital of Vebnet Limited, which will allow Benifex to expand its customer portfolio.

The details of the business combination are as follows:

	Consideration £'000
Cash paid in period	619
Cash paid in subsequent period	240
Total consideration	859

Recognised amounts of identifiable net assets

	Fair Value £'000
Intangible Assets	
- Customer Relationships	184
Cash and cash equivalents	520
Trade and other receivables	693
Trade and other payables	(102)
Deferred Revenue	(770)
Deferred tax assets	1
Fair value of identifiable assets and liabilities acquired:	526

Goodwill

	£'000
Total Consideration	859
Fair value of identifiable assets	(526)
Goodwill	333

Contribution to group results

For the period from 3rd March 2025 to 30th April 2025, Vebnet contributed £0.3m of revenue and £0.1m of loss before tax to the consolidated loss before tax for the year.

Company Financial Statements

This final section presents the Company Statement of Financial Position as at 30 April 2025, providing a clear view of the Company's year-end standing.



Year ended 30th April 2025

Company Statement of Financial Position

	Note	2025 £'000	2024 £'000
Non-current assets			
Investments	4	481,375	479,517
Deferred tax		10,229	8,745
Total non-current assets		491,604	488,262
Current assets			
Trade and other receivables	5	57,222	57,271
Cash and cash equivalents		4,777	16,057
Current tax receivables		12,962	-
Total current assets		74,961	73,328
Total assets		566,565	561,590
Current liabilities			
Trade and other payables	6	136,198	106,164
Borrowings	7	-	14,286
Total current liabilities		136,198	120,450
Net current liabilities		(61,237)	(47,122)
Non-current liabilities			
Borrowings	7	381,393	364,047
Total non-current liabilities		381,393	364,047
Total liabilities		517,591	484,497
Net assets		48,974	77,093
Equity			
Share Capital	8	19	0
Share premium	9	251,336	249,497
Retained earnings		(202,381)	(172,404)
Total equity		48,974	77,093

As permitted by section 408 of the Companies Act 2006, the income statement of the company has not been presented in the financial statements. The loss for the financial year was £30.0m (2024: £33.5m).

The financial statements of Zellis Holdings Limited (company registration number: 10975623) were approved and authorised for issue by the Board of Directors and were signed on its behalf by:

Alan Kinch

Alan Kinch
Director
17 September 2025

Year ended 30th April 2025

Company Statement of Changes in Equity

	Share capital	Share premium	Cash flow hedge reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 May 2023	0	249,497	2,341	(138,908)	112,930
Loss for the year	-	-	-	(33,496)	(33,496)
Net gain on cashflow hedges	-	-	(2,341)	-	(2,341)
Balance at 30 April 2024	0	249,497	-	(172,404)	77,093
Loss for the year	-	-	-	(29,977)	(29,977)
Issued Shares	19	1,839	-	-	1,858
Balance at 30 April 2025	19	251,336	-	(202,381)	48,974

Year ended 30th April 2025

Notes to the Company Financial Statement

1. General information

Zellis Holdings Limited (“the Company”) is a private company limited by shares incorporated and domiciled in the United Kingdom under the Companies Act and is registered in England and Wales. The address of the Company’s registered office is 740 Waterside Drive, Aztec West, Almondsbury, Bristol, BS32 4UF.

The nature of Zellis Holdings Limited’s operations and its principal activities are set out in the strategic report within the consolidated financials.

The financial statements cover Zellis Holdings Limited as an individual entity. The financial statements are presented in Pound sterling, which is Zellis Holdings Limited’s functional and presentation currency.

2. Accounting policies basis of preparation

The accounting policies that are material to the Company are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

The Company meets the definition of a qualifying entity under FRS 100 ‘Application of Financial Reporting Requirements’ issued by the FRC. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 ‘Reduced Disclosure Framework’.

In preparing these financial statements, the Company applies the recognition, measurement, and disclosure requirements of international accounting standards in conformity with the Companies Act 2006 but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Under section s408 of the Companies Act 2006 the company is exempt from the requirement to present its own profit and loss account.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Business Combinations;
- Financial instruments;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies are consistent with those given in note 2 and note 3 of the notes to the consolidated financial statements above.

Fees payable to the Group’s auditor and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements are required to disclose such fees on a consolidated basis.

The Company started the year with eight employees; two of which were Directors, with the other six being members of the Executive team of Zellis Group. At the close of the year the Company had three employees, all of whom are members of the Executive team of Zellis Group. The directors of the Company are now employed by a parent company.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

3. Critical accounting judgements, estimates and assumptions

Critical accounting judgements and key sources of estimation uncertainty

The only critical accounting judgements and key sources of estimation uncertainty relates to the impairment assessment for the non-financial assets generated through business combinations and subsidiary acquisitions. Please refer to note 3 in the notes to the consolidated financial statements above.

Year ended 30th April 2025**Notes to the Company Financial Statement (continued)****4. Investments**

Investments in subsidiaries:

	Subsidiary undertakings £'000
Cost:	
At 1 May 2024	479,517
Additions	1,858
At 30 April 2025	481,375
Impairment	
At 1 May 2024 and 30 April 2025	-
Net book value	
At 30 April 2025	481,375
At 30 April 2024	479,517

In February 2025 Zellis Holdings increased the investment in Zellis UK Limited with the purchase of an additional 1,858,000 shares.

The subsidiary undertakings at 30 April 2025 and the ordinary share capital, of all of which are wholly owned and consolidated can be shown on the next page.



Year ended 30th April 2025

Notes to the Company Financial Statement (continued)

Entity	Country of incorporation	% shareholding	Entity	Country of incorporation	% shareholding
Held directly:			Held Indirectly (continued):		
Zellis India Holdco Limited	UK	100%	Vebnet Limited ¹¹	UK	100%
Zellis UK Limited	UK	100%	Wrkit Limited ⁴	Ireland	100%
Moorepay Group Limited	UK	100%	Benifex Ireland Limited ⁴	Ireland	100%
Benifex Holdings Limited ⁵	UK	100%	Affinity Financial Network UK Limited ⁵	UK	100%
Colour Bidco (US) Inc ³	US	100%	Benifex Payments Limited ⁵	UK	100%
Zellis HR India Private Limited ²	India	99.99%	PES (Bristol) Limited ⁵	UK	100%
Held Indirectly:			Benefit Administration Centre Limited ⁵	UK	100%
Moorepay Limited	UK	100%	Bruin Bidco AB ⁹	Sweden	100%
Moorepay Ireland Limited ¹	Ireland	100%	Flip Lyskamm AB ⁸	Sweden	100%
Moorepay Compliance Limited	UK	100%	Kisokoma AB ⁸	Sweden	100%
Jamy Investments limited ⁷	UK	100%	Bidco Bennevis AB ⁸	Sweden	100%
Natural HR Limited	UK	100%	Benify AB ⁸	Sweden	100%
Zellis Dormco Limited	UK	100%	Benify B.V ¹²	Netherlands	100%
Zellis Information Solutions Company	Ireland	100%	Benify A/S ¹³	Denmark	100%
Elementsuite Limited	UK	100%	Benify AS ¹⁴	Norway	100%
Zellis Ireland Limited ¹	Ireland	100%	Benify OY ⁸	Finland	100%
Zellis Services Ireland Limited ¹	Ireland	100%	Benify Deutschland GmbH ¹⁵	Germany	100%
Engage Technologies Limited ¹	Ireland	100%	Benify France SARL ¹⁶	France	100%
Engage Technologies Support Limited ¹	Ireland	100%	Benify UK Limited ¹⁷	UK	100%
PRO-IV Technology LLC ³	US	100%	UAB Benify Operations ¹⁸	Lithuania	100%
Benifex Limited ⁵	UK	100%	Lifeplan AB ¹⁰	Sweden	100%
Cloud 8 Limited ⁵	UK	100%	Waizer AB ⁸	Sweden	100%
Benifex Financial Solutions Limited ⁵	UK	100%	Expenses Benify AB ⁸	Sweden	100%
BFX Incorporated ³	US	100%			

Notes

¹ The registered office for these companies is 26 Pembroke Street upper, Dublin 2, Ireland

² The registered office for this company is 4th floor Kakkanad, Kochi 682042, Kerala, India. This company is 0.01% owned by Zellis India Holdco Limited

³ The registered office for these companies is 4001 Kennett Pike, Suite 302, Wilmington, New Castle, Delaware, 19807

⁴ The registered office for these companies is 3rd floor, 1 Custom House Plaza, I.F.S.C Dublin 1 D01C2C5, Ireland. Note that Affinity Financial Network Limited changed its name to Benifex Ireland Limited.

⁵ The registered office for these companies is Mountbatten House, Grosvenor Square, Southampton, Hampshire, SO15 2JU

⁶ The registered office for this company is 17th Floor Skyrise 4B, West Geonzon St. Apas Cebu City, Cebu. Of the 1,000 issued shares in Benifex Philippines, Inc., 2 shares are held by individual directors, pursuant to a requirement of Philippine law that a company's director must hold at least share. Both of these shares are held on trust for Benifex Limited, which also holds the remaining 998 shares directly.

⁷ The subsidiary undertaking Jamy Investments Limited also holds 100% of the redeemable preference shares in a cell ("FBS34") of a protected cell company registered in Guernsey – Artex Axcel (Guernsey) PCC Limited.

⁸ The registered office for these companies is c/o Benify AB, Box 7812, 103 96 Stockholm, Sweden

⁹ The registered office for this company is C/O GotYourBack Corporate Services AB, Linnégatan 18, 114 47, Stockholm, Sweden

¹⁰ The registered office for this company is Masthamngatan 5, 413 29 GÖTEBORG

¹¹ The registered office for this company is c/o Pinsent Masons LLP, 13 Queen's Road, Aberdeen, Aberdeenshire, Scotland, AB15 4YL

¹² The registered office for this company is Prins Hendrikkade 21 E, 1012 TL Amsterdam, Noord-Holland, Netherlands

¹³ The registered office for this company is Nyhavn 63D, sal 2, 1051 København K, Hovedstaden, Denmark

¹⁴ The registered office for this company is c/o Mgi Regnskap AS, Torvveien 1, 1383 Asker, Norway

¹⁵ The registered office for this company is Ganghoferstraße 68 b, 80339 München, Germany

¹⁶ The registered office for this company is 43 Rue de Liège, 75008 Paris, France

¹⁷ The registered office for this company is Sweden House, 5 Upper Montagu Street, London, W1H 2AG

¹⁸ The registered office for this company is Vilnius, Ukmergės g. 120-2, LT-08126, Lithuania

Year ended 30th April 2025

Notes to the Company Financial Statement (continued)

Companies incorporated in the United Kingdom, other than indicated above, have the same registered address as Zellis Holdings Limited, shown in note 1 of the notes to the consolidated financial statements on previous page.

The Directors have considered the value in use of the investments and have concluded that an impairment in investment value is not applicable.

5. Trade and other receivables

	2025 £'000	2024 £'000
Debt instruments at amortised costs		
Amounts due from group undertakings	56,699	53,180
Less allowance for expected credit losses	(115)	(648)
Net trade receivables	56,584	52,532
Prepayment and other receivables	638	4,739
Total trade and other receivables	57,222	57,271

6. Trade and other payables

	2025 £'000	2024 £'000
Trade payables	164	391
Amounts due to group undertakings – payable on demand	134,633	99,405
Accruals	911	6,304
Other payables	490	64
Total trade and other payables	136,198	106,164

7. Borrowings

The details of the loans are disclosed within note 26 of the consolidated financial statements and should be regarded as an integral part of the financial statements.

	2025 £'000	2024 £'000
Borrowing at amortised cost		
Bank loans	-	364,047
Loans from group undertakings	368,267	-
Interest accrued on bank loans	-	14,286
Interest accrued on loans from group undertakings	13,126	-
Total borrowings	381,393	378,333

At the beginning of the period the Group had two principal bank loans:

a. A loan of £365 million with a repayment date of 31st January 2028. The loan was secured by a fixed and floating charge over the assets of Zellis Holdings Limited and its material subsidiaries. The loan carried a variable rate of SONIA plus a margin ranging between 5.25 – 5.75% depending on the Senior Secured Net Leverage Ratio.

b. A revolving credit facility of £40 million of which nothing was drawn down during the period. The loan carried a variable interest rate of SONIA, plus a margin ranging between 3.25% - 4.25% determined by the Senior Secured Net Leverage Ratio. The RCF also carried a Commitment Fee, calculated as 35% of margin that is payable quarterly.

At the end of the period the Group had the a loan from group undertakings of £368.3m owed by Zellis Holdings Limited to Zorro Bidco Limited. This was drawn on 13th August 2024 with a repayment date of 13th August 2034. The loan carries a variable interest rate of SONIA plus a margin of 5%.

On this loan, periodic payments of interest are optional with any unpaid interest being settled on the maturity date of the loan. Hence, any unpaid interest as at the period end has been treated as non-current.



Year ended 30th April 2025

Notes to the Company Financial Statement (continued)

8. Share Capital

	2025 £	2024 £
Authorised, issued, and fully paid:		
1,858,900 ordinary shares of £0.01 each (2024: 900)	18,589	9

The Company has one class of ordinary shares which carry no right to fixed income.

The Company issued 1,858,000 shares on 5 February 2025 at a par value of £0.01. £1,858,000 was paid for these shares, generating a total share premium of £1,839,420. Each share has the same right to receive dividends and the repayment of capital and represents one vote at shareholders' meetings of the Company.

Date	Shares issued	Amount paid £
21 September 2017	100	1
31 January 2018	100	176,718,604
14 September 2018	200	12,778,364
21 June 2019	100	9,800,000
25 July 2019	100	2,700,000
14 August 2019	100	7,300,000
29 August 2019	100	200,000
26 November 2020	100	40,000,000
5 February 2025	1,858,000	1,858,000

9. Share premium

	£'000
At 1 May 2023	249,497
Premium arising on issue of equity shares	-
At 30 April 2024	249,497
Premium arising on issue of equity shares	1,839
At 30 April 2025	251,336

Proceeds received in addition to the nominal value of the shares issued during the year (Note 8) have been included in share premium.

10. Controlling parties

The immediate parent company is Zellis Midco Limited, a company registered in England and Wales. During the prior year, and up until 13 August 2024 (when the Group headed by Zellis Topco was acquired by funds advised by Apax), the ultimate parent company was Zellis Holdco S.à.r.l, a company registered in Luxembourg and ultimately controlled by Bain Capital Fund IV LP. Subsequently, and at the balance sheet date, the ultimate parent company was Zorro EquityCo S.à.r.l, a company registered in Luxembourg and ultimately controlled by Apax Fund XI.

The smallest undertaking for which the Company is a member and for which group financial statements are prepared is Zellis Holdings Limited. During the prior year, and up until 13 August 2024, the largest undertaking for which the company was a member and for which group financial statements were prepared was Zellis Holdco S.à.r.l. Subsequently, and at the balance sheet date, the largest undertaking for which the company is a member was Zorro EquityCo S.a.r.l. and the largest undertaking for which group financial statements are prepared was Zorro Topco Limited.

Copies of accounts can be obtained from a 740 Waterside Drive, Aztec West, Almondsbury, Bristol England BS32 4UF.

**ZELLIS HOLDINGS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 APRIL 2025**

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