Easy to buy, easy to sell and easy to renew

Mind Gym plc
Annual Report
and Accounts
2025

Overview and introduction

What we do

We build the human advantage that delivers business performance. Using the best of behavioural science, we transform how people think, lead and perform in the world's most ambitious companies. From boosting productivity to leading through change and sparking innovation, we help companies tackle their biggest challenges.

Our programmes don't just teach skills; they change the behaviours that count. And it's not just theory. From award-winning programmes to measurable ROI, our results speak for themselves.

Products and services we offer

- Proven learning content:
  - Licensed
  - Facilitated in person or virtually
- 1:1 Coaching
- Diagnostics
- Digital behavioural change assets (eLearning, AI coaching)
- Design, advisory, and other

How we partner

- Ready-to-go learning journeys
- Content subscriptions
- Transformation solutions

Why invest in MindGym?

Compelling market

Highly disaggregated **$353bn* learning and development market** with huge growth opportunities.

Top notch clients

Repeatedly chosen by the world's best companies, having worked with: **64% of FTSE 100 & 53% of S&P 100.**

25-year library of innovative IP

Market leading IP on culture, leadership and performance. Using world's leading psychology and 25 years' experience.

Omnichannel

- In person
- Virtual
- Digital
- Diagnostic

Global live delivery with **over 500 MindGym-certified coaches.**

Behavioural-change partner

Uniquely positioned to be a **true behavioural-change partner**:

- Leadership development
- Performance management
- Diversity and inclusion
- Change and transformation
- Professional skills
- Culture

Data and diagnostics

Proprietary diagnostics product, informing research and client solutions.

*Source: Corporate Training Market (2024 edition)

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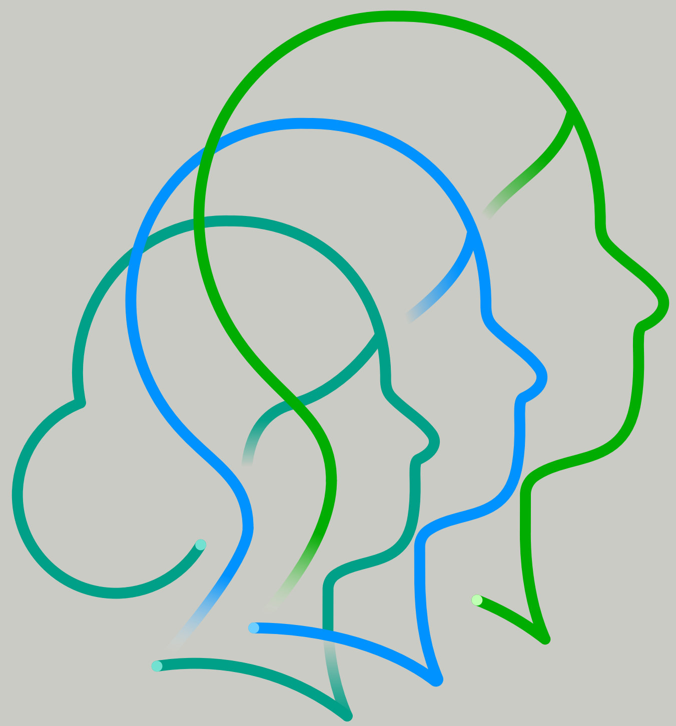

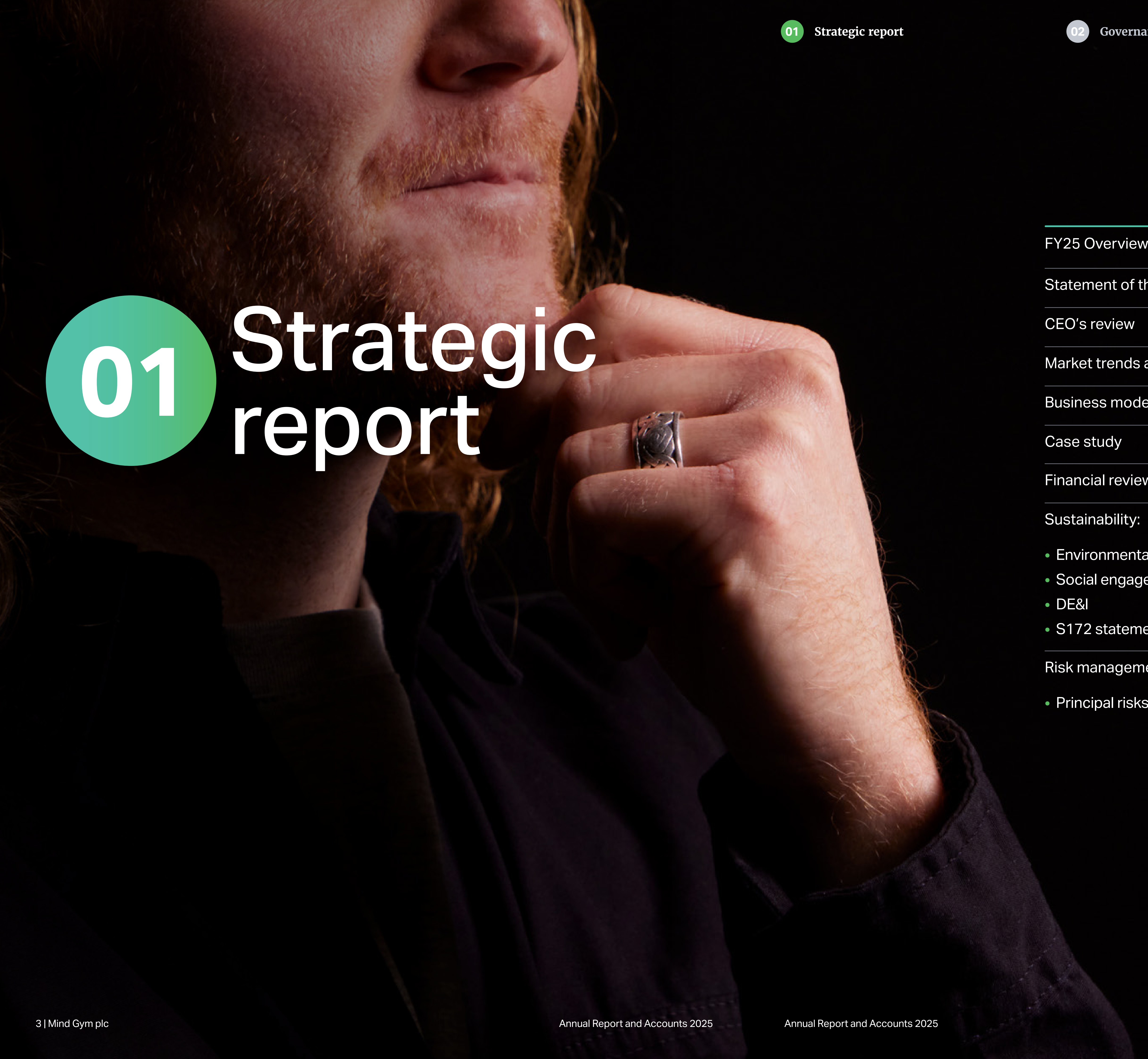

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FY25 Overview and highlights

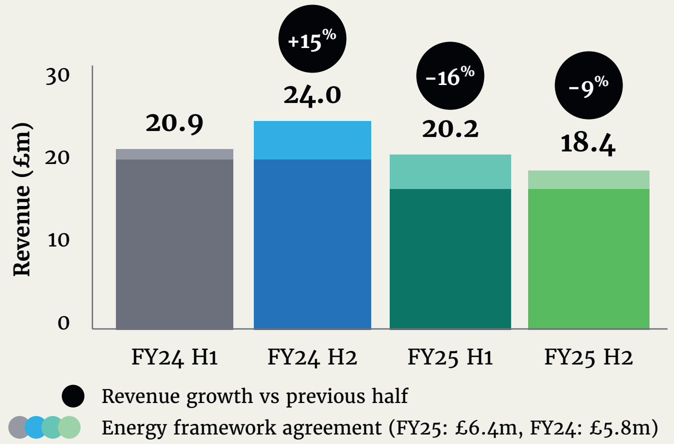
Financial and KPIs

Despite a continuation of market headwinds, MindGym delivered a return to adjusted EBITDA profitability driven by tightly managed expenditure and the prioritisation of investments in the strategic plan to make MindGym easier to buy, easier to sell and easier to renew.

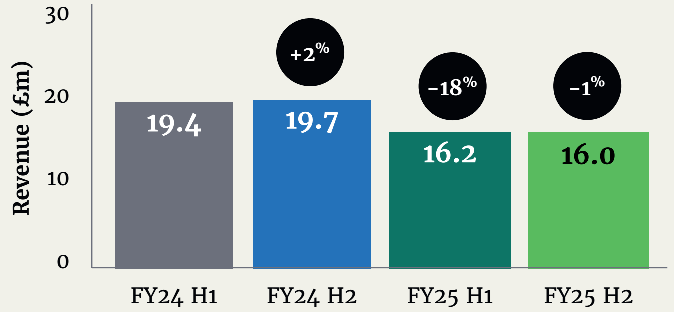
Christoffer Ellehuus
Chief Executive Officer

Revenue

Total revenue analysis



Underlying revenue analysis



Underlying revenue is group revenues excluding the impact of the energy framework agreement.

The professional-services environment remained challenging in FY25, with a continuation of market headwinds and an abundance of new Human Capital technology providers resulting in full year revenue of £38.6m, down 14% on FY24 (-13% in constant currency).

- The US market was most affected in FY25, declining 31% vs FY24, impacted by the uncertain political and economic environment. In H2, tariff and regulatory changes (e.g. the DEI Executive Order) led to budget restraint and slowed client decision-making.
- EMEA revenues were broadly flat (+1%) versus FY24 supported by the multi-year energy framework agreement, which has now concluded, having delivered the expected levels of revenue over its three-year term. Underlying performance was down, particularly in H2, as clients were cautious about the impending National Insurance changes and new employment rights legislation.
- There continues to be increased competition from heavily funded HR platforms and technologies, despite these delivering disappointing employee adoption.

Regional revenue analysis

Americas

£14.7m

-31%

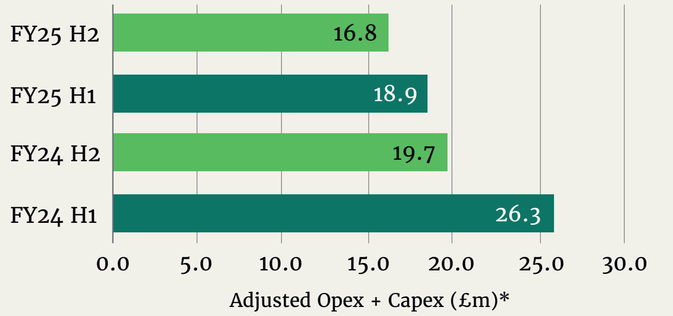
EMEA

£23.9m

+1%

FY25 represented a return to adjusted EBITDA profitability despite the challenging trading environment. Adjusted EBITDA was £1.9m (+£2.2m) a marked improvement on the adjusted EBITDA loss of £0.3m in FY24. Annualisation of cost reductions in FY24 and further cost reduction measures implemented in FY25 offset the headline reduction in revenue. Unadjusted EBITDA loss of £3.5m (FY24: £9.2m loss) includes exceptional charges of £5.4m related to the non-cash digital impairment and restructuring activities. Loss before tax was £6.2m, a 49% improvement on the prior year loss of £12.1m.

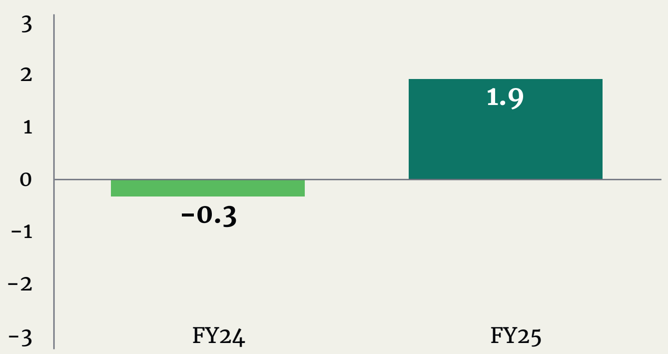
Expenditure reductions



FY25 saw the annualisation of the significant cost reduction programme implemented in FY24 and a continuation of cost rationalisation activities contributing annualised savings of £5.9m while protecting business critical investments.

* Adjusted Opex is Administrative expenses, less depreciation, amortisation and exceptional items

Adjusted EBITDA profitability (£m)



Statement of the Executive Chair

‘With clients seeking more commercial, results-driven HR, MindGym is well placed with our proven methodology that delivers measurable business outcomes’

The talent and HR landscape is undergoing a particularly rapid transformation due to an influx of private equity-backed HR tech platforms and digital solutions – from talent platforms to wellbeing apps – that have crowded the market. Nonetheless most L&D leaders concede that up to a quarter of their annual spend isn’t used or doesn’t deliver value and in response, we believe a more commercial, results-driven era for HR is emerging – one in which business leaders are demanding clear evidence of return on investment.

This is a trend that plays directly to MindGym’s strengths. We have always placed behavioural science and measurable impact at the heart of what we do. Our Galderma case study (page 24) illustrates the positive impact on top line and EBITDA growth MindGym leadership programmes can have.

I’m pleased that, with the realignment of our cost base and a refocus of investments, the Group has managed to navigate the market headwinds and returned to EBITDA profitability.

This provides a firm foundation as we enter the second year of our three-year transformation strategy to evolve the business from episodic training provider to behaviour change partner.

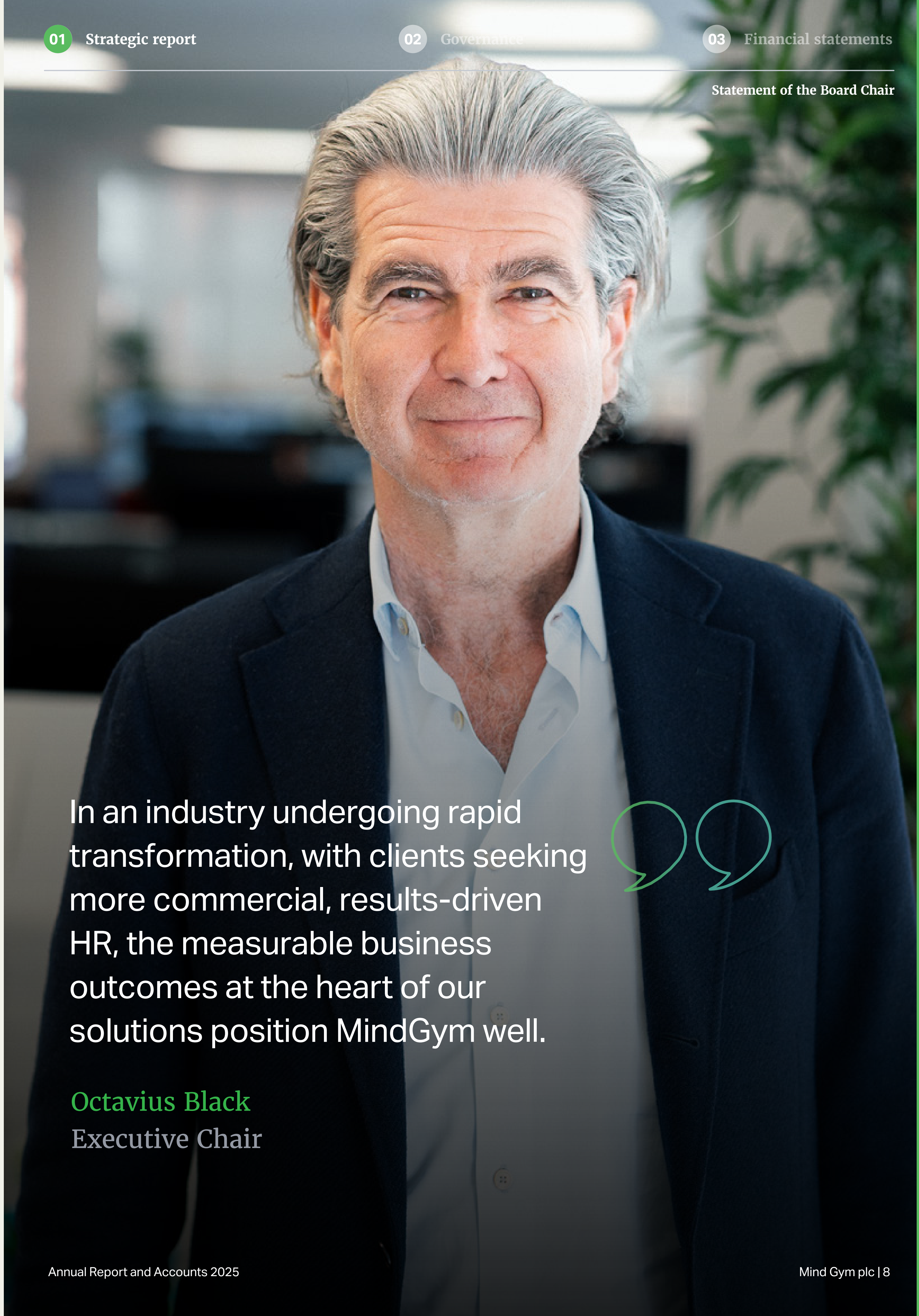
At the core of the strategy is licensing our market-leading IP to clients. IP licensing creates more SaaS style, repeatable revenue, and provides the basis for building a deeper and more sustainable relationship as clients buy additional services such as delivery through MindGym certified coaches, digital eWorkouts, Performa, our 1:1 coaching service and more (see page 19).

This will lead to a significant change in MindGym’s business model, moving to a much greater proportion of subscription revenues and opportunities to cross sell across the full range of leadership, performance and professional capabilities, creating deeper, multi-year relationships.

Looking ahead, we believe there is a significant and growing opportunity for organisations to rethink how they deliver talent development. Just as functions like Marketing have evolved by becoming more data-driven, so too will HR and, in particular, the talent market in which MindGym operates.

MindGym is well positioned to lead this change as we build the unified High Performance Behavioural Model, with our predictive diagnostic 10X at the heart of the model. This will enable us to provide data-driven, targeted, scalable and highly personalised development that will remove waste and deliver measurable business impact faster.

We are also seizing the benefits of AI. We have launched an AI Coach (Lio) for tricky conversations, where you choose the profile of your interlocutor (passive, aggressive, etc.) and practise live with a bot that talks back in the style you have chosen. Lio, who has been taught 25 years of MindGym’s unique IP about what really works, then gives you detailed feedback on everything from tone and language to messaging and manner.



In an industry undergoing rapid transformation, with clients seeking more commercial, results-driven HR, the measurable business outcomes at the heart of our solutions position MindGym well.

Octavius Black
Executive Chair

With the combination of diagnostics, live and virtual workshops, 1:1 coaching, AI coaching and digital learning across the full range of leadership and professional skills, MindGym will be able to offer clients a highly differentiated and powerful talent ecosystem. This will allow companies to cut costs and pinpoint investments which will deliver greater and more certain impact on business KPIs.

We believe that MindGym's new talent ecosystem will differentiate us in this highly fragmented market (the largest companies in L&D account for less than 1% of market share). As businesses increasingly recognise the value of deep partnerships with one or two best-in-class providers, there is a substantial opportunity for MindGym which we are very focused on capturing.

Founder and CEO transition

I'm delighted to say that the CEO succession has seen the smooth passing of the baton from me to Christoffer Ellehuus who took over as CEO at the start of the year.

Christoffer has built strong relationships with the team and now, increasingly, with clients and has been adept at nourishing MindGym's core strengths while also making the necessary changes to set the business up for sustainable growth.

As Executive Chair, along with my co-founder, MindGym President Dr Sebastian Bailey, my executive involvement is predominantly in those areas where founder contributions are still helpful, namely market presence, innovation and some key client relationships.

It is our intention to continue to reduce founder involvement at the pace which the business performance allows.

The Board

In October 2024 Dominic Neary stepped down as Chief Financial Officer to pursue a new opportunity. Emily Fyffe, formerly Group Finance Director, was appointed as his successor and joined the Board on 22 October 2024. This transition aligned with the Board's succession plans and I'm delighted with this appointment and Emily's progress in this role.

The search for a new Independent Non-Executive Director continues as we seek to diversify the skills and enhance the ratio of independent directors on the Board, and an update will be provided in due course.

Non-profit activities: ParentGym

In 2009, we launched ParentGym, a programme providing free training to parents of children aged 2–11. It has been shown by independent academic studies to have a significant impact on parenting self-confidence and mental health as well as childhood outcomes. In FY25, we ran sessions for over 900 parents with the aim of helping them to grow our next generation, and we certified 16 additional teachers and volunteers to deliver ParentGym. We will continue this in FY26 with the intention of making more primary schools self-sustaining ParentGym hubs. Many of our employees use their charity days to support ParentGym as well as their chosen charities.

Dividend

No dividend has been paid or proposed for the year ended 31 March 2025. The Board will continue to keep the appropriateness of dividend payments under periodic review.

Outlook

We are beginning the second year of a three-year transformation. In the first year we completed much of the infrastructure simplification and rationalisation of investments to provide the platform for growth. This year's focus is on commercial excellence.

The actions taken during FY24 and FY25 to realign the Group's cost base are expected to provide greater resilience and to ensure that MindGym is cash neutral in the current challenging Human Capital market conditions.

We are excited about the road ahead. With our strong foundations, differentiated capabilities and a growing demand for accountability in talent investments, MindGym's proposition is well placed for the future of people development. I want to extend my sincere thanks to our clients for their partnership, our exceptional team for their commitment and our shareholders for their continued support for Mind Gym plc.

Octavius Black
Executive Chair
11 June 2025

CEO's review

FY25

FY25 was a challenging year for the business as the Human Capital market continued to be impacted by economic headwinds and increased competition from PE-backed HR platforms and technologies.

The US market was most impacted, driven by the challenging political and economic environment. DEI spend continued to contract as businesses reacted to the executive orders coming from the new US administration. EMEA remained flat, supported by the multi-year energy framework agreement, which has now concluded having delivered the expected levels of revenue over its three-year term. The IP we developed to support this game-changing solution is expected to provide significant future benefits as it is leveraged for MindGym's core content.

Despite these challenging market conditions, we are pleased to deliver a return to adjusted EBITDA profitability, a significant improvement on the loss in FY24. This was driven by the annualised impact of the restructuring undertaken in FY24 and on-going activities to manage the cost base of the organisation.

In a year of recalibration, we made significant progress on our strategic priorities for FY25 to make MindGym easier to buy, easier to sell and easier to renew. We implemented several new platform partnerships to streamline and upgrade our client experience, such as our new AI speech coaching platform Lio. We also evolved our go-to-market strategy with the launch of a new packaged subscription solution and a new website to clarify our value proposition.

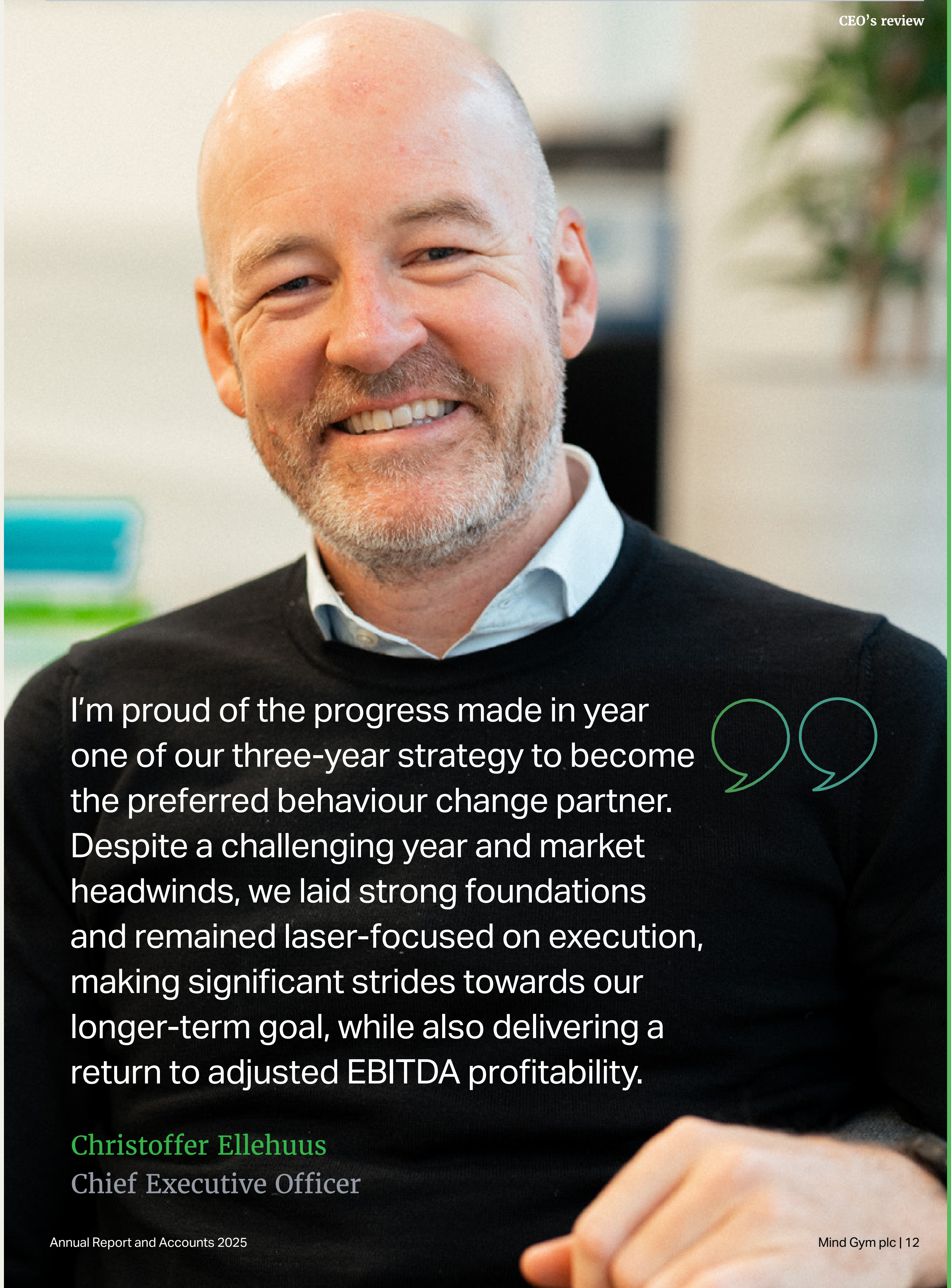
Market Opportunity

The Learning and Development (L&D) sector is vast and highly fragmented with the $353bn market forecasted to grow by 12% CAGR between 2025 and 2030.

Client budgets are typically allocated across large numbers of suppliers, often with overlapping concepts and messages. This can result in ineffective programmes with low utilisation and little data to provide visibility into the overall impact. Due to the increase in remote working, the market has also seen a significant increase in new HR tech platforms related to coaching, talent mobility and development, most of them backed by significant private equity investments.

In addition, challenging macroeconomic conditions are making businesses more cautious with their investment decisions. In response, MindGym is focusing on the most prominent talent management issues facing businesses: leadership, productivity and culture change and also by highlighting the Group's unique combination of IP, technology and diagnostics to deliver proven business impact.

MindGym is uniquely positioned as a true behaviour change partner: delivering data-driven diagnostics, actionable insights, world-class learning experiences, and measurable behaviour change at scale. Clients are seeking partners who move beyond basic skills training to deliver lasting behavioural change that directly impacts performance outcomes. They also want comprehensive global L&D solutions delivered both virtually and in person – especially in MindGym's core focus areas of leadership and interpersonal skills.



I'm proud of the progress made in year one of our three-year strategy to become the preferred behaviour change partner. Despite a challenging year and market headwinds, we laid strong foundations and remained laser-focused on execution, making significant strides towards our longer-term goal, while also delivering a return to adjusted EBITDA profitability.

Christoffer Ellehuus
Chief Executive Officer

Three-year transformation journey

Year one of our transformation journey focused on strengthening the operational foundations for growth, making MindGym easier to buy, easier to sell and easier to renew. We transitioned operationally from a 'build to partner' model, enabling greater scalability, reporting and insights and delivery capabilities. On the product side, we advanced our offering with the launch of content subscriptions and our new AI coaching tool, Lio. We sharpened our commercial and brand presence – introducing a refreshed website, evolving our tone of voice and grounding our marketing approach in data and client insights.

In FY26, we will continue to build on these foundations with an increased focus on commercial effectiveness. We have a globally aligned sales team under new global sales leadership with consistent expectations and performance standards. The focus will be increasingly geared towards new client acquisition, in part facilitated by new marketing-generated leads. We will continue to improve our go-to-market proposition by simplifying our pricing strategy and maturing our packaged subscription offering.

In FY27, we plan to evolve the MindGym offering through the digitisation of our content and solutions, which will in turn allow us to scale the business through strategic commercial partnerships and platforms.

MindGym's Behaviour Change Model

As we enter a new fiscal year, I am excited to launch our new integrated leadership model and client solutions to the market. This new offering will unify 25 years of MindGym IP and psychometric data under a new Behaviour Change Model linked to business performance outcomes. This will be powered by the world's most predicative diagnostic, 10X: and provides us with a 'Rosetta Stone' of behavioural change that in turn allows us to link MindGym's individual diagnostics, training content and coaching platform into a unified set of solutions that help drive client performance outcomes.

Outlook

Given the continuing macroeconomic uncertainty and unpredictability of client purchasing decisions, the Group is taking a more cautious view on expected revenue growth and therefore expects modest underlying revenue growth in FY26 (excluding the effect of the multi-year energy framework). Cash generated from operations will be reinvested as we continue to focus on strategic marketing, product priorities and rebuilding our sales team as we prioritise commercial execution.

In the medium term, the opportunity for MindGym in this highly fragmented market is significant. We remain confident of returning the business to revenue growth of >10% p.a. and >15% operating EBITDA margins. I joined MindGym for the exceptional IP, the talent of our team and the strength of our client relationships, and I'm excited to continue leveraging these on our journey to profitable, sustainable growth.

Christoffer Ellehuus
Chief Executive Officer
11 June 2025

Market trends and opportunity

Business transformation and productivity are top priorities for most businesses. 99% of CHROs believe that their leaders need to build new leadership capabilities in the next two years to adapt to evolving market demands. However, most talent programmes fall short of delivering the leadership changes and impact needed.

The global Corporate Training market is valued at $353bn and is expected to grow at 11.7% CAGR in the medium-to-long term. $80bn of this market is focused on leadership and interpersonal skills, which is MindGym's immediate addressable market opportunity. However, in the short-term, L&D departments face budget pressures due to continued uncertainty in the professional services economic environment.

Long-term market demand is driven by organisations needing to upskill their workforces to be fit for a new digital market reality, by the need to manage organisational changes due to political and economic uncertainty, and with the aim of building leaders who are able to grow businesses in a new and more volatile market environment.

The learning and development market remains highly fragmented, with client budgets allocated across large numbers of suppliers, often with overlapping concepts and messages. This can result in ineffective programmes with low utilisation and little data to provide visibility into the overall impact. The market has also seen a significant increase in new HR tech platforms related to coaching, talent mobility and development, most of them backed by significant private equity investments.

Macroeconomic conditions are making businesses more cautious in their investment decisions. In response, MindGym is focusing on the most prominent talent-management issues facing businesses: leadership, productivity and culture change, and on highlighting the group's unique combination of IP, technology and diagnostics to deliver proven business impact.

MindGym's Future of Talent Management 2025 survey revealed that organisations are primarily focused on talent issues that are most critical to performing in a more volatile and technology-enabled business environment; namely, productivity, culture change and leadership. At the same time, we also found that DEI initiatives have dropped in prominence given the shifting political environment.

While organisations are investing significant resources in digital transformations, it is increasingly evident that technology alone will not drive organisational transformation. By far the biggest cost for companies is tied up in human capital costs; the critical differentiator for companies will be their ability to get employees to embrace, adapt and behave differently in response to new demands. In this environment, the focus is shifting from technology implementation to building the interpersonal and leadership skills required to deliver strategic outcomes.

Despite 99% of HR leaders agreeing that leaders must develop new skills in the next two years to remain relevant, there is significant dissatisfaction with current leadership development investments: 37% of our clients said existing solutions do not effectively meet their needs.

In addition, many HR organisations are currently faced with declining talent-management budgets. 75% of HR leaders report either flat or declining talent budgets, intensifying the pressure to demonstrate a clear return on learning and development investments.

There are many providers in the market to tackle these talent challenges and new private equity-backed tech entrants continue to disrupt the market – especially in the coaching and talent mobility space. Yet cracks are also emerging: many HR technology platforms are struggling with employee adoption.

Against this backdrop, MindGym is uniquely positioned as a true behaviour change partner: delivering data-driven diagnostics, actionable insights, world-class learning experiences and measurable behaviour change at scale. Clients are seeking partners who move beyond basic skills training to deliver lasting behavioural change that directly links to performance outcomes. They also want comprehensive global L&D solutions delivered both virtually and in person – especially in MindGym's core focus areas of leadership and interpersonal skills.

Having delivered more than 25 years of proven success, we believe that MindGym holds a unique market position: trusted by 64% of the FTSE 100 and 53% of the S&P 100, offering the world's best human capital solutions and unmatched global delivery capability. In a market that demands real change, MindGym is ready to lead.

99%

of HR leaders agree leaders must develop new skills in the next two years to adapt to evolving market demands

72%

of HR leaders say enhancing workforce productivity is a top three priority for 2025

57%

of organisations are actively moving towards a skills-based talent strategy

MindGym market space

Siloed providers and digital disruption are overwhelming buyers

MindGym areas of differentiation:

- IP: Best-in-class model on behavioural change linked to performance.
- Behaviour Change Model: Training, coaching and assessments all unified under an integrated framework.

MindGym

Coaching
- BetterUp
- coaching.com
- CoachHub
- EZRA

Diagnostic, data & insights
- Culture Amp
- GALLUP
- KORN FERRY
- Perceptyx
- SHL.

Training
- CASS Business School
- CCL
- DDI
- FranklinCovey
- KORN FERRY
- Harvard Business School
- University of Oxford
- Saïd Business School

Digital
- cornerstone
- coursera
- degreed
- edcast
- LinkedIn

AI
- ATTENSI
- Valence
- yoodli

Technology entrants and platforms backed by significant private equity funding.

Business model and strategy

A three-year vision to move from an episodical L&D provider to a true behavioural-change partner.

Over the last 25 years, MindGym has laid down extraordinary foundations on which to build its position as the behavioural-change partner of choice to the world's leading businesses. Our unrivalled blend of proven data-driven solutions, coupled with an ability to deliver globally, in-person, virtually and digitally, means that MindGym boasts a client list that has encompassed more than 64% of the FTSE 100 and 53% of the S&P 100.

As communicated last year, we've embarked on a three-year transformation journey, taking the business from being a trusted partner for specific, but ad hoc, client L&D programmes to being a behavioural-change partner.

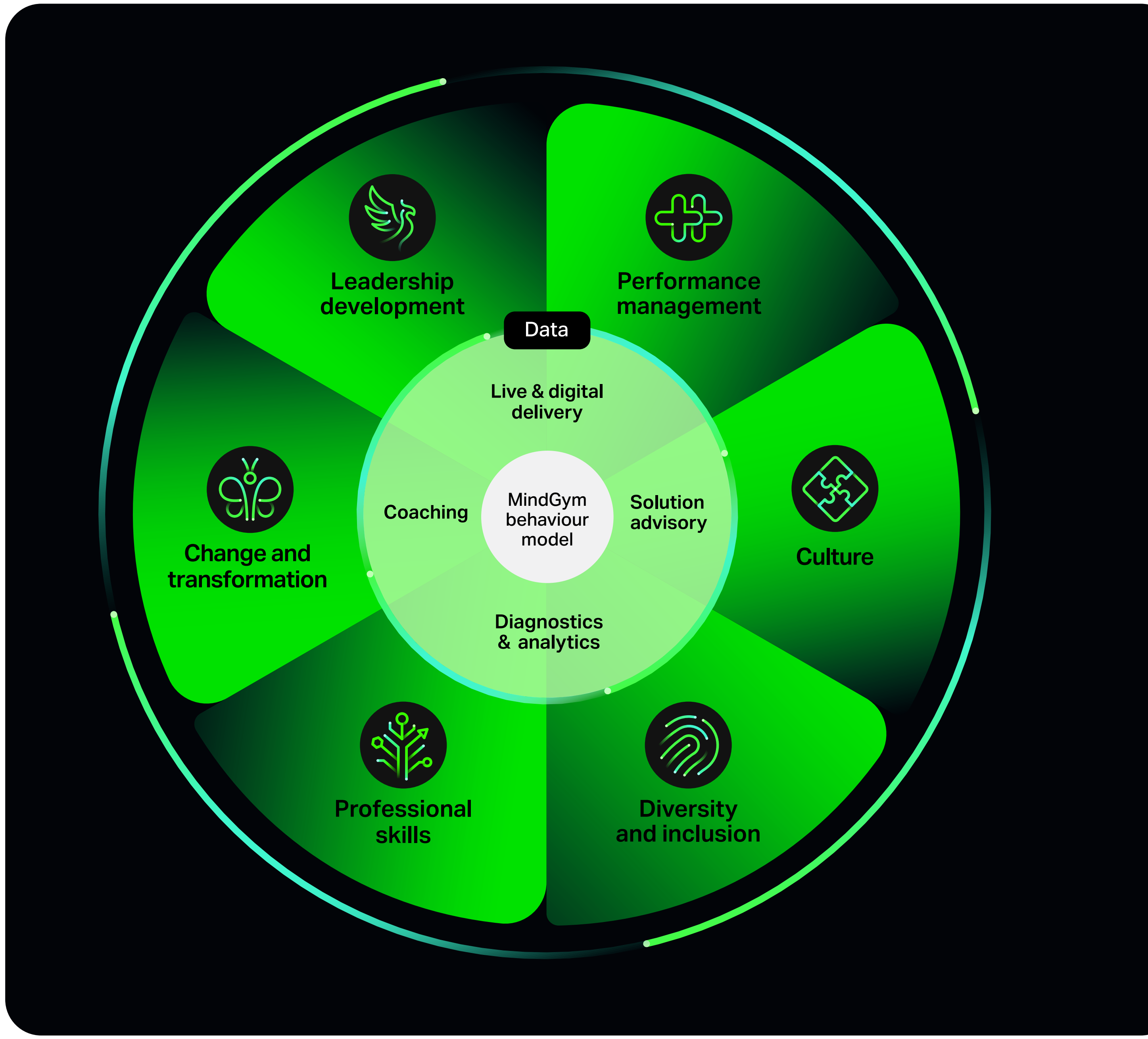
From provider of individual change programmes...

- Stand-alone research reports
- Individual products
- Third party data
- Direct delivery

... to behavioural-change partner

- Integrated behavioural-change model
- Packaged solutions
- Diagnostics and data
- Delivery integrated with partner ecosystems

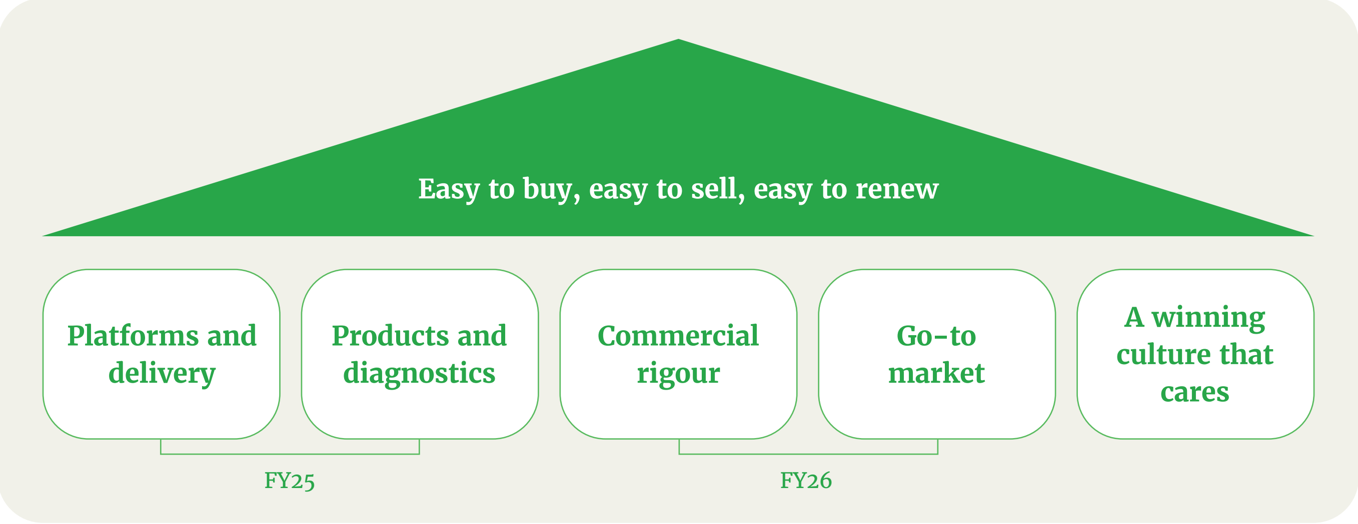
At the foundation of this journey is MindGym's High Performance Behaviour Change Model (the 'Rosetta Stone') which will be the anchor for our main product and service offering, i.e. training, coaching, diagnostics and advisory, enabling MindGym to engage and embed with clients on their ongoing behavioural change priorities and help target future product evolution and development.



At the heart of this model is the 10X IP, acquired in FY22, which is the world's most predictive diagnostic that not only reveals what someone is likely to be capable of but also identifies which traits and skills will have the greatest impact on critical organisational capabilities like 'agility' or 'customer orientation'. This world-leading IP links **key behaviours** to **business outcomes** and is being integrated across our core products.

This framework will underpin new solutions offerings, making it easier to build and deliver solutions to clients. When 10X is fully integrated across our product portfolio, we will be able to provide data-driven, targeted, scalable and highly personalised development that delivers measurable business impact. This will in turn lead to MindGym's content being embedded in clients' core training curricula and delivering stickier client relationships and sustainable recurring revenues.

To achieve our three-year plan, we launched our new strategy under the headline of 'Easier to Buy, Easier to Sell and Easier to Renew' to facilitate this transformation towards becoming a behavioural-change partner for the world's leading organisations.



In FY25 we focused on setting the foundations for scalable growth through:

Platforms and delivery

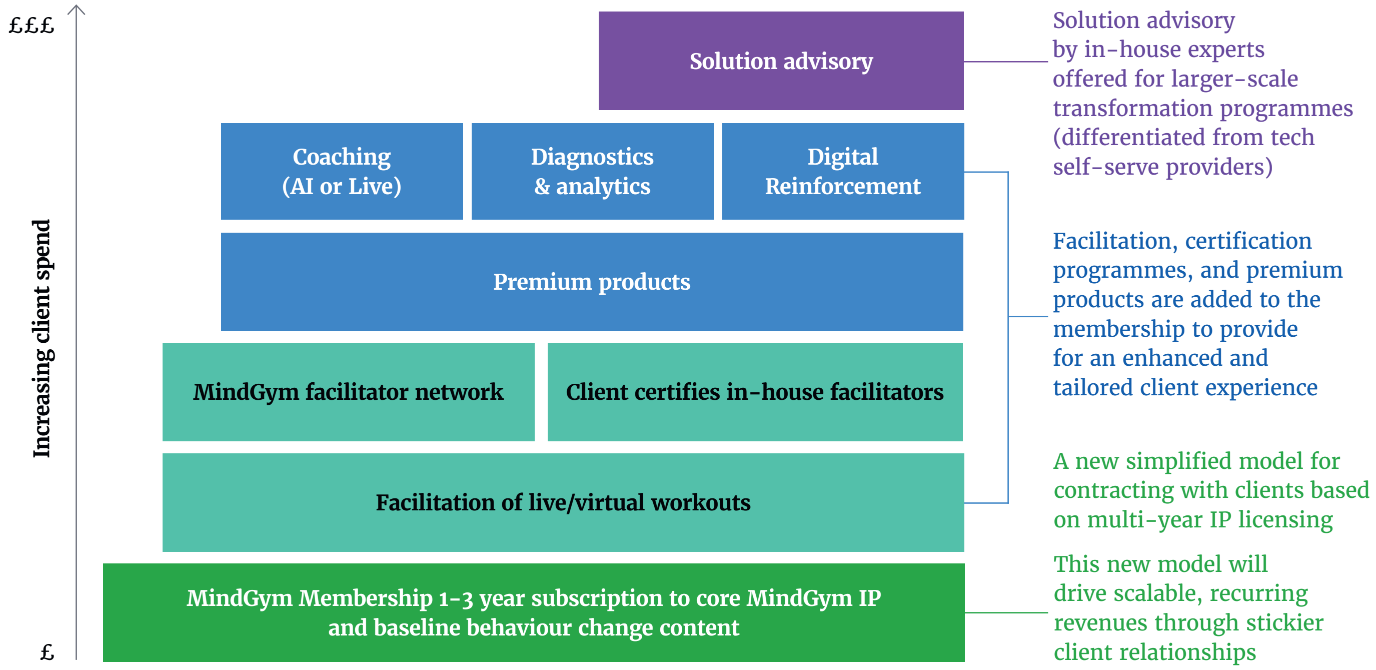
We globalised our Product, Design and Advisory teams, which will yield improved quality, productivity and efficiencies. We also launched a number of platform partnerships enabling us to deliver programmes in a more cost-effective and scalable way. We continue our activities in this area as we expand our flexible resourcing model.

Products and diagnostics

We launched the first of our packaged products combining proprietary diagnostics, digital self-directed modules, live deliveries and AI coaching. We also launched a new IP subscription package for clients who have, or want, their own in-house certified MindGym facilitators. This provides clients with more flexibility to leverage MindGym's content, driving stickier client relationships and improving predictability of revenues and customer lifetime value.

We will continue to expand and deepen our diagnostics suite, ensuring we provide greater insight into client needs and measurable outcomes. Diagnostics will increasingly act as the entry point to deeper client relationships and drive differentiated value across engagements.

Simplified go-to-market strategy to make it easier to buy from MindGym and drive recurring revenue



In FY26 we will be shifting the focus to market execution:

Commercial rigour

We have rebuilt the sales team, with new global sales leadership, and we've implemented clear expectations and higher performance-management standards. Global processes and methodologies have been implemented to accelerate execution and facilitate a global approach.

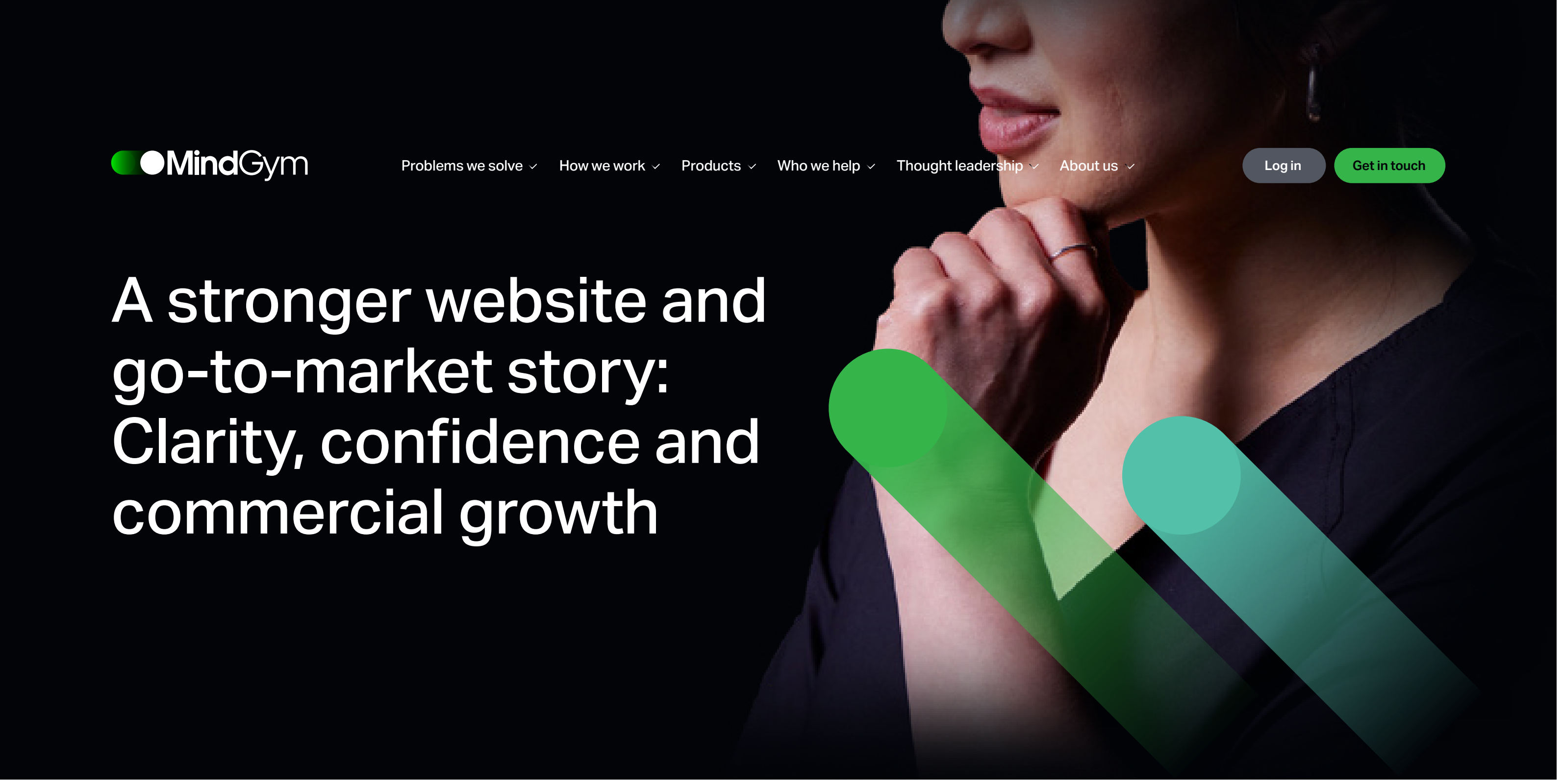
FY26 will see the commercial team increasingly focused on new logo acquisition, in part facilitated by new marketing-generated leads and by a new sales incentive plan oriented towards new business acquisition. We will introduce our simplified contracting model, grounded in subscriptions, driving recurring revenues. We will also begin to transition existing account management responsibilities to our delivery and operations team to free up the sales team for outbound sales activities.

Go-to market

We have launched our new website and are simplifying our product offering from individual products to pre-packaged learning journeys.

We have increased our focus on data and systemisation to accelerate lead generation which will support the FY26 priority of engaging new logos. We are continuing to mature our licensing subscription model and simplifying our pricing strategy.

As we look beyond 2026, a key focus will be accelerating the digitisation of our products and content to scale client delivery through tech platforms and enable integration into partner platform ecosystems. Our strategy is to build world class behaviour-change products, solutions and user experiences that can leverage existing HR Tech platforms, enhancing the content experience without the need to own the underlying infrastructure. In parallel, we are focused on developing a robust data asset derived from our diagnostics, tightly linked to our behavioural model. This will power more personalised experiences for clients and users that in turn will make our solutions stickier. The data asset will also drive new primary research, client benchmarking and targeted marketing. Together, these efforts will unlock scalable, recurring revenue opportunities through our own direct sales channel as well as platform and commercial partnerships.



A stronger website and go-to-market story: Clarity, confidence and commercial growth

In line with our strategy to make MindGym easier to buy, sell and renew, FY25 marked a fundamental repositioning of how we present ourselves in the market – starting with our most visible asset: our website.

This change was grounded in rigorous research, including client interviews, internal audits, competitor reviews and market analysis. The insight was clear: while clients valued our behavioural science and measurable outcomes, our story wasn't always told with the clarity they needed.

That feedback shaped more than just the website. It informed our go-to-market narrative, sales collateral and how we engage clients at every touchpoint.

And at its centre is a sharper value proposition: **MindGym builds the human advantage that delivers business performance.**

We now go to market with six clearly defined solution areas linked to commercial outcomes: leadership development, performance management, diversity and inclusion, change and transformation, culture, and professional skills. These are the strategic levers clients use to unlock performance at scale.

The new website brings this to life.

It's faster to navigate, clearer in message and built for conversion – replacing product listings with outcome-led storytelling, science-backed case studies and user journeys tailored to client needs. In FY26, it will serve as the hub for digital marketing, lead generation and sales activation.

Looking ahead, we'll lead a new conversation around the 'business performance arms race'. While many organisations invest heavily in AI and automation to gain marginal efficiencies, we'll challenge the idea that tech alone delivers. Human capital remains the largest – and often most under-leveraged – asset.

This is where MindGym leads. We help clients achieve performance gains by unlocking potential within their existing workforce. Not through headcount expansion or the next digital tool, but through targeted behaviour change at scale.

With a sharper story, stronger platform and scalable infrastructure in place, we're primed to deepen engagement with existing clients, convert more prospects and accelerate commercial growth. Impact data will follow in FY26, but the foundation is well underway to make MindGym **easier to buy, easier to sell and easier to renew.**

Behaviour change that drives results

In FY25, MindGym deepened its impact across sectors – scaling leadership, accelerating culture change and earning recognition for our distinctive use of behavioural science to drive measurable performance fast.

Case study: 'Leadership for Growth' at Galderma

The challenge

As the world's leading pure-play dermatology company, Galderma was aiming to extend its growth and prepare for an IPO. With operations in over 40 countries and net sales exceeding $4.4bn, Galderma wanted to grow leadership capability while sustaining commercial momentum. Focus: current General Managers (GMs) with full P&L accountability and NextGen leaders preparing to step into those roles.

The solution

Galderma partnered with MindGym to co-create Leadership for Growth, an 11-month development programme grounded in behavioural science. The goal: to equip current and future GMs with the skills and behaviours needed to lead through complexity and drive a high-performance culture.

'There are many companies out there,' said Allison Pinkham, Galderma's Chief Human Resources Officer. 'But what drove our decision was MindGym's proven ability to drive meaningful, impactful behaviour change that delivers business results.'

The programme centred on Liveable Leadership – a dynamic model focused on developing attunement: the ability to notice, decide and act effectively in high-stakes environments using MindGym's proprietary IP. A diagnostic and GM Growth Profile enabled participants to benchmark their strengths and create tailored development plans.

The blended experience combined 1:1 coaching, monthly workshops and learning labs, and a two-day immersive offsite where teams tackled live business challenges. Ideas were pitched to senior leaders at a Capstone event, with top solutions recognised as the winners. The journey followed MindGym's Engage, Participate, Activate framework, proven to generate lasting behaviour change.

The results

The impact was significant. All participating GMs achieved year-on-year (YoY) net sales growth and 100% delivered an increase in EBITDA in their markets. One of the winning case studies delivered a net 195% growth in new account development for a priority product, yielding an additional $7.4m.

Among NextGen leaders, 92% gained new leadership skills, 76% applied them regularly, and 78% achieved YoY net sales growth in their respective area since 2023 – averaging 31% YoY growth from 2023 to 2024. When asked three months later, participants attributed 56% of their improvement in performance to the programme.

The programme coincided with Galderma's successful IPO on the SIX Swiss Exchange in 2024 – the largest healthcare listing in Europe since 2017 – showing how targeted, evidence-based leadership development helps deliver big commercial impact. Galderma was awarded EMEA IPO of the year 2024 by International Financing Review.

Awards won this year

KPMG Public Sector Award: Making a Difference

Recognised for the third year running for our work across UK public services, supporting civil servants to lead, collaborate and deliver better under pressure.

atd Excellence IN PRACTICE

ATD Excellence in Practice Award: Leadership with Burberry

Our executive development programme at Burberry was awarded global best practice in leadership and management for helping their senior leaders build the skills to lead through change and deliver results.

Financial review

Revenue for the year of £38.6m represented a year-on-year reduction of 14% (FY24: £44.9m) reflecting challenging macroeconomic conditions in the professional services sector. Client decision-making slowed: in the US, budgets were held back driven by hesitancy over the political and regulatory changes, particularly in DEI, while the UK market was impacted by the impending National Insurance changes and new employment rights legislation. HR investments continue to face greater scrutiny by business leaders, with clients increasingly requiring ‘pilots’ before committing to extensive contracts. As a result, underlying performance excluding the impact of the energy framework agreement was £32.2m, down £6.9m (18%) versus FY24.

Due to the ongoing market headwinds, we continued to focus on realigning the cost base and implementing operational efficiencies to deliver a return to adjusted EBITDA profitability. This involved reducing annualised expenditure by over £5.9m.

These changes resulted in one-off exceptional charges in the period of £5.4m comprising of:

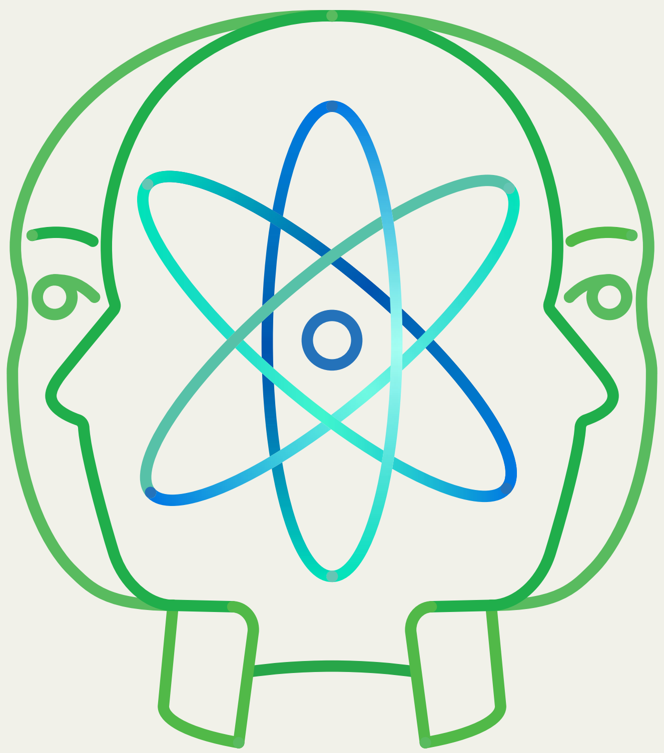
- £4.4m digital asset impairment
- £1.0m staff restructuring

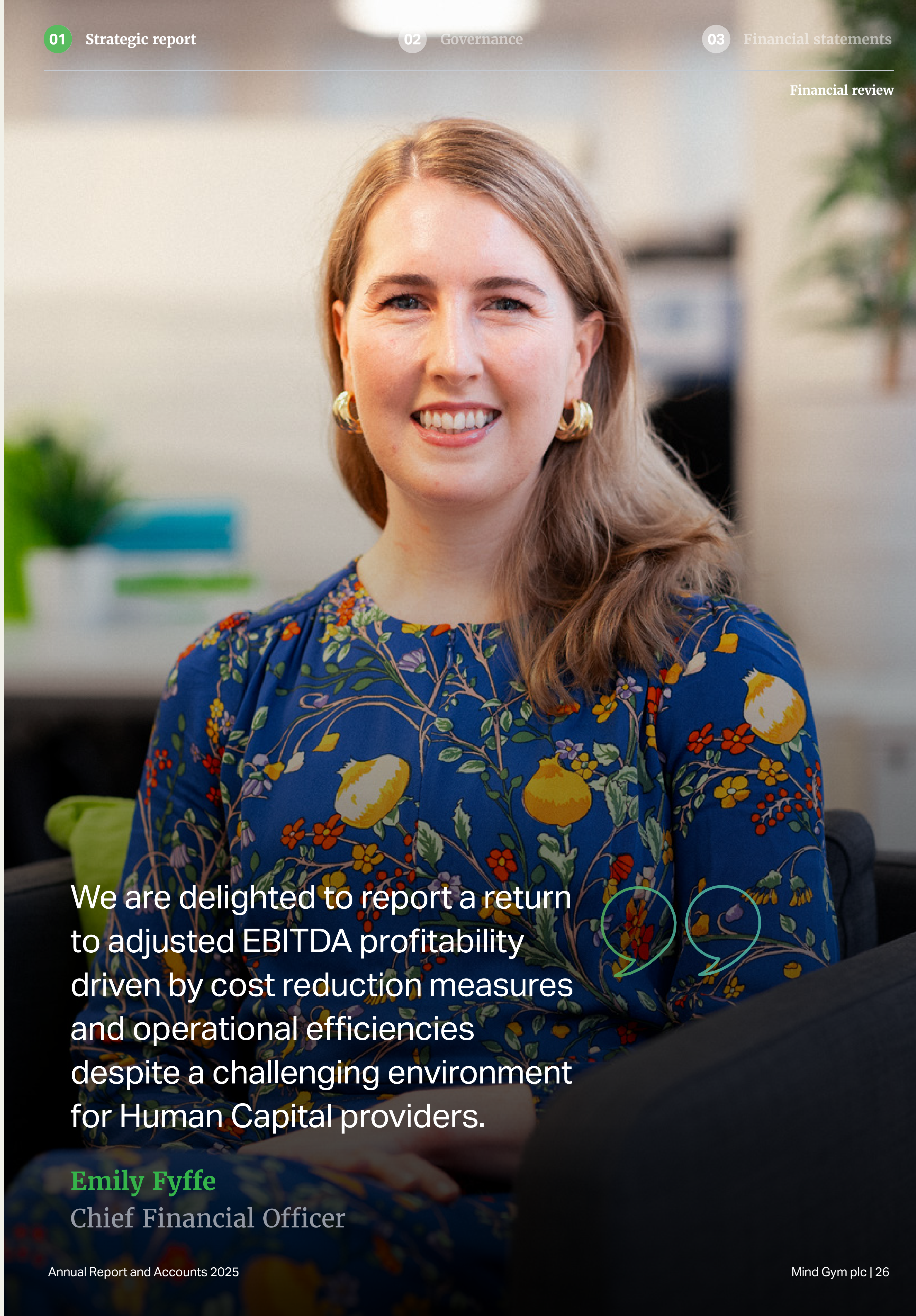
As a result of the cost-mitigating actions and increased vendor scrutiny, there was half-on-half improvement in profitability across the period, £0.8m adjusted EBITDA in H1 and £1.1m in H2. This resulted in an overall adjusted EBITDA for the year of £1.9m (FY24: £0.3m loss).

There was a loss before tax for the year of £6.2m, impacted by the exceptional charges for the period. This compared to a loss in FY24 of £12.1m.

This loss resulted in an adjusted diluted EPS of (4.16p) (FY24: 4.25p loss) and an unadjusted diluted EPS of (8.16p) (FY24: 10.86p loss).

As at 31 March 2025, the Group has sufficient liquidity with cash of £0.6m and access to a £4m bank overdraft facility. We expect to deliver a cash neutral position in FY26 as operating profits are reinvested in the business.





We are delighted to report a return to adjusted EBITDA profitability driven by cost reduction measures and operational efficiencies despite a challenging environment for Human Capital providers.

Emily Fyffe
Chief Financial Officer

Revenue

Economic headwinds constrict US market

The economic headwinds, which impacted performance in the period, were most pronounced in the US, particularly in the technology and healthcare sectors. As a result, revenue for the US region fell 31% YoY to £14.7m (FY24: £21.2m) or 29% in constant currency.

Revenue performance in EMEA was resilient during the first half of the year, as performance was boosted by the multi-year energy framework agreement, which has now concluded having delivered the expected levels of revenue. The second half saw a decline, in part due to the conclusion of the multi-year agreement and a slowdown in the services sector. On an underlying basis (excluding the impact of the energy framework agreement) revenue reduced £6.9m versus FY24 (18%).

	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000	Change %
Group Statutory View	38,606	44,914	-14%
EMEA	23,892	23,729	1%
US	14,714	21,185	-31%

Content subscriptions drive client stickiness and recurring revenues

Delivery revenue remained the primary driver, contributing 66.3% of total FY25 revenue (FY24: 67.4%), with 43% being delivered face-to-face as clients increasingly seek to connect colleagues in person.

Digital revenues decreased to 7.3% of total revenue (FY24: 10.2%), as client appetite for digital eLearning decreased, driven by low employee engagement and take-up. During the period, the Group contracted a new third-party coaching platform for one-to-one coaching that will provide improved features for clients. The AI coaching tool, Lio, was introduced to the market late in Q4 and enables clients to offer employees tailored coaching in a scalable and cost-effective way.

Design and Advisory (D&A) services saw a net 2.8% increase, underpinned by the successful acquisition of several large, multi-year programmes.

Licensing revenue increased by 1.9% year-on-year, driven by the launch of the Content Subscription packages, granting clients greater flexibility to leverage our content using their own in-house certified MindGym facilitators. This growth is expected to accelerate in FY26 with the continued improvement of the packages, designed to increase stickiness with clients and generate recurring revenue.

Revenue mix by type compared to previous year

	FY25	FY24	% change
Delivery	66.3%	67.4%	-1.1%
Design	16.4%	13.0%	3.4%
Advisory	0.9%	1.5%	-0.6%
Digital	7.3%	10.2%	-2.9%
Licensing and certification	6.9%	5.0%	+1.9%
Other services	2.2%	2.9%	-0.7%
Total	100%	100%	

Year ended 31 March 2025			
Revenue type	EMEA	US	Global
Delivery	69.7%	61.0%	66.3%
Design	16.3%	16.5%	16.4%
Advisory	1.1%	0.5%	0.9%
Digital	6.5%	8.8%	7.3%
Licensing and certification	3.7%	12.0%	6.9%
Other services	2.7%	1.2%	2.2%
Total	100%	100%	100%

Year ended 31 March 2024			
Revenue type	EMEA	US	Global
Delivery	67.1%	67.8%	67.4%
Design	15.0%	10.9%	13.0%
Advisory	2.1%	0.7%	1.5%
Digital	9.6%	10.7%	10.2%
Licensing and certification	2.2%	8.2%	5.0%
Other services	4.0%	1.7%	2.9%
Total	100%	100%	100%

Gross profit

Gross margin increased to 86.6% (FY24: 86.2%), up 0.4%, primarily reflecting a lower mix of delivery revenue and an increase in licensing.

Both regions saw an improvement in gross margin; EMEA gross margin of 85.9% represented an increase of 0.5% on FY24 (85.4%), and US gross margin of 87.8% represented an increase of 0.7% on FY24 (87.1%).

Operating expenditure and profitability

Adjusted administrative expenses, excluding depreciation, amortisation and exceptional costs, of £31.7m represented a year-on-year reduction of 19% (FY24: £39.1m), reflecting the annualised impact of the FY24 major cost reduction exercise, further rationalisation of the cost-base including annualised headcount reductions of £5.3m and annualised vendor savings of £0.6m.

This resulted in an adjusted EBITDA profit for the period of £1.9m (FY24: £0.3m loss), at a margin of 4.8% (FY24: -0.8%).

The loss before tax for the year was £6.2m (FY24: loss of £12.1m). This figure was impacted by £5.4m of exceptional costs, which included £1.0m in restructuring costs and £4.4m non-cash impairment of digital assets.

Capital expenditure

In FY24, a major review of digital product expenditure was undertaken, which resulted in a decision to focus investment on digital assets that were already revenue generating, principally Performa and Diagnostics. This contributed to a 62% year-on-year reduction in capital expenditure to £1.6m (FY24: £4.3m), with investment activities focused on building out Diagnostics.

In H2, in line with the Group's strategy to leverage digital partnerships to drive operational efficiencies and deliver scalable programmes, the Group signed two vendor agreements which replaced internally developed intangible assets that were in use, including the Performa platform. This resulted in a one-off non-cash £4.4m impairment charge, £3.6m of which related to Performa. MindGym's award winning Precision coaching methodology will continue to be delivered through the new vendor platform in a more scalable and cost-effective way.

Taxation

A net full year tax charge of £2m was booked in FY25 (FY24: -£1.3m).

The tax credit generated from the loss before tax was offset by a reduction in the deferred tax asset recognised.

The Group policy is to recognise deferred tax assets for carried forward losses expected to be used in a 3-4 year period following year end. At year end, the Group reassessed the recoverability of its deferred tax asset related to previously recognised tax losses and determined it is appropriate that a deferred tax asset on carried forward losses should be recognised up to the value of the existing deferred tax liability in the UK. As a result, a deferred tax asset of £0.5m has been recognised on carried forward losses of £2.0m.

The Board has full confidence in the strategy and generating future profits and will reassess the recognition of deferred tax assets in future reporting periods. The Group carries £14.2m of unrecognised tax losses (FY24: nil) resulting in an unrecognised deferred tax asset of £3.5m.

There is no time limit for utilising trade losses in the UK and the Board remains confident of fully utilising the tax losses in the future.

	FY25 Reported £'000	FY24 Reported £'000
Loss before tax	(6,189)	(12,147)
Tax credit/(charge)	(2,000)	1,259
LAT (earnings)	(8,189)	(10,888)
ETR %	-32.32%	10.36%

During the period, HMRC introduced a merged R&D scheme, which changes the method of obtaining relief for MindGym. Under the new scheme, an above-the-line credit is recorded in the P&L on qualifying expenditure. This resulted in £0.1m in other income being recognised. The new scheme results in a net benefit of 16.2% versus 18.6% under the previous regime.

Earnings per share

There was an adjusted diluted loss per share in the period of 4.16p (FY24: 4.25p loss). The unadjusted diluted loss per share was 8.16p (FY24: 10.86p loss).

On an undiluted basis the adjusted loss per share was 4.16p (FY24: 4.25p loss) and the unadjusted loss per share was 8.16p (FY24: 10.86p loss).

Dividends

No dividend has been paid or proposed for the year ended 31 March 2025. The Board will continue to keep the appropriateness of dividend payments under periodic review.

Cash flow and balance sheet

Cash and cash equivalents decreased from £1.4m in FY24 to £0.6m in FY25. This included the impact of £1.6m of capital expenditure in the period, reduced from £4.3m in FY24. The run rate on capital expenditure decreased significantly through the year, with £1m in H1, reducing to £0.7m in H2.

During the period, the Group negotiated a new £4m overdraft facility which replaces the existing RCF facility, reduces the ongoing finance costs and provides improved liquidity going forward. This facility was renewed in March and is effective until 31 March 2026.

Net trade receivables reduced by £0.7m from FY24, with the proportion of overdue receivables at 31 March 2025 reducing to 5%, reflecting a continued improvement down from 6% in FY24 and 7% in FY23.

Cash conversion	31 March 2025 £'000	31 March 2024 £'000
Cash generated from operations	1,471	-3,094
EBITDA	-3,530	-9,226
Add back non-cash exceptionals*	4,404	7,121
EBITDA excl non-cash exceptionals	874	-2,105
Cash conversion (Cash from operations / adjusted EBITDA)	168%	147%

*Adjusting for impact of non-cash exceptional charge in the period in respect of intangible asset (FY25 and FY24) and US office lease impairments (FY24).

Cash conversion	31 March 2025 £'000	31 March 2024 £'000
Overdue debtors %	5%	6%

Going concern

The Board has reviewed scenario analysis to help assess their forward-looking assessment of the viability of the Group. The Directors are confident that the Group has adequate resources to continue in operational existence for the foreseeable future. The Board has reviewed scenarios including a range of revenues and cost-reduction actions that could be taken to mitigate a downturn. This is supported by strong cash management, financial controls and reduced expenditure heading into FY26. The Group also has access to a £4m bank overdraft facility.

Financial risk management

The Group has a diverse portfolio in excess of 450 clients across many industrial sectors and countries. This year, the multi-year energy framework agreement concluded, having accounted for 17% of Group revenue in the year. The second largest client accounted for less than 3% of Group revenue in the year. In FY26 the commercial focus will be on engaging new logos, further diversifying MindGym's portfolio. The recently launched Content Subscription package is designed to embed MindGym's content into clients' learning journeys, leading to stickier relationships and sustainable, recurring revenues.

The Group has translational foreign currency exposure arising on the consolidation of overseas company results into Sterling. Where possible, the exposure is naturally hedged; for example, by matching US Dollar revenues with US Dollar costs in the US subsidiary. The Group does not currently use forward exchange contracts or currency options to hedge currency risk.

Forward-looking statements

Certain statements in this announcement constitute forward-looking statements. Any statement in this announcement that is not a statement of historical fact including, without limitation, those regarding the Company's future expectations, operations, financial performance, financial condition, and business is a forward-looking statement. Such forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially. These risks and uncertainties include, among other factors, changing economic, financial, business, or other market conditions. These and other factors could adversely affect the outcome and financial effects of the plans, and events described in this announcement and the Company undertakes no obligation to update its view of such risks and uncertainties or to update the forward-looking statements contained herein. Nothing in this announcement should be constructed as a profit forecast.

Emily Fyffe
Chief Financial Officer
11 June 2025

Sustainability

Environmental considerations

Climate change remains a critical environmental and business challenge. While the nature of our services means our carbon footprint has always been low, the return to in-person training across FY25 resulted in an increase in business travel emissions. Low emission services continue to be offered through virtual training and digital services.

Irrespective of our business model, we recognise our role in supporting the global transition to a sustainable low-carbon economy through our service offerings and we aim to lead by example in our own operations. Continuing to take a sustainable view of our business performance means integrating ESG principles across our operations, building our resilience to climate change and playing our part to help repair and sustain the planet.

We continue to report on our UK energy consumption and greenhouse gas emissions following the guidance on Streamlined Energy and Carbon Reporting (SECR). Our analysis outputs are included throughout this section. This analysis has then been used to calculate a baseline set in FY23 to facilitate target setting for the business.

01 Mandatory disclosures

Disclosure under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The Group continues to disclose its UK energy use and associated greenhouse gas (GHG) emissions under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

MindGym has calculated our FY25 carbon footprint to include the following data categories (split by Scope):

MindGym

Scope 01

Direct emissions from owned or controlled sources

- Gas consumption

Scope 02

Indirect emissions

- Electricity consumption

Scope 01/02

- Consumption across 3 global offices (London, New York, Gateshead)

Indirect emissions from purchased electricity have been calculated based on figures for emissions per kWh provided by our electricity supplier and so reflect the mix of fuels used in the electricity generation.

Scope 03

All other indirect emissions not included in Scope 01/02

Other consumption across 3 global offices:

- Water
- Waste
- Employee Commuting
- Business Travel
- Working From Home (WFH)
- Digital Footprint:
  - 3rd Party Web and Cloud Hosting
- Other Purchased Goods and Services:
  - IT Equipment
  - Office Equipment/ Stationery
  - Paper
  - Food and Drink
- Energy-related activities not included in Scope 01 and 02.

	FY25 Location-based	FY25 Market-based	FY24 Market-based
Total energy consumption	406,962 kWh	406,962 kWh	528,645 kWh
Direct emissions – natural gas (Scope 1)	0.87 tonnes of CO_2	0.87 tonnes of CO_2	0.69 tonnes of CO_2
Direct emissions from purchased electricity (Scope 2)	25.89 tonnes of CO_2	25.25 tonnes of CO_2	66.92 tonnes of CO_2
Other indirect emissions – Business travel (Scope 3)	591.09 tonnes of CO_2	591.09 tonnes of CO_2	607.02 tonnes of CO_2
Total tonnes CO2	931. 68 tonnes of CO_2	930.65 tonnes of CO_2	678.33 tonnes of CO_2
Tonnes of CO_2 per UK employee	3.77 tonnes of CO_2	3.77 tonnes of CO_2	4.21 tonnes of CO_2

The energy use and emissions for the year ended 31 March 2025 are set out in the table above:

- **Location-based:** Uses the average fuel mix in the given country/area to calculate the emissions associated with generating electricity that is consumed by the reporting organisation.
- **Market-based:** Uses the fuel mix of the specific supplier or electricity tariff purchased to calculate the emissions associated with generating electricity that is consumed by the reporting organisation.

02 Non-mandatory reporting

Task Force on Climate-related Financial Disclosures ('TCFD').

The Task Force's recommendations on climate-related financial disclosures are around four thematic areas that represent core elements of how companies, including MindGym, operate: governance, strategy, risk management, metrics and targets. Although not required, the Board will continue to review the requirements of these in respect of climate-related risks in accordance with the TCFD recommendations under the FCA Policy Statement 20/17 and listing rule LR 9.8.6R(8).

The Board will continue to integrate new, and refresh existing, processes into the Group's overall risk management framework to identify, assess and manage climate-related risks and opportunities over the short, medium and long term. Consideration will continue to be given to the impact of climate-related risks and opportunities on the Group's businesses, strategy and financial planning, and the resilience of the Group's strategy in different climate-related scenarios.

03 Carbon reduction plan

This year, the Group continued to review our Carbon reduction plan, focusing on policy and practice changes to reduce our carbon impact. We continued to engage Green Element, a leading provider of environmental consulting services, to conduct an assessment of the Group's material Scope 1, Scope 2 and Scope 3 emissions (the 'Assessment'). The results of the Assessment are reported below and verified annually through the Science-Based Targets initiative ('SBTi').

i. Activity hotspots

64% Business Travel

15% Employee Working Habits*

9% Postage

4% IT Equipment

3% Electricity (Market Based)

* This includes commuting and working from home, which have been grouped together to provide a full picture on how employees' working habits have changed over time.

a. The assessment

Following the GHG Protocol Corporate Accounting and Reporting Standard, the assessment concluded the following key analysis and recommendations in relation to MindGym's emissions hotspots:

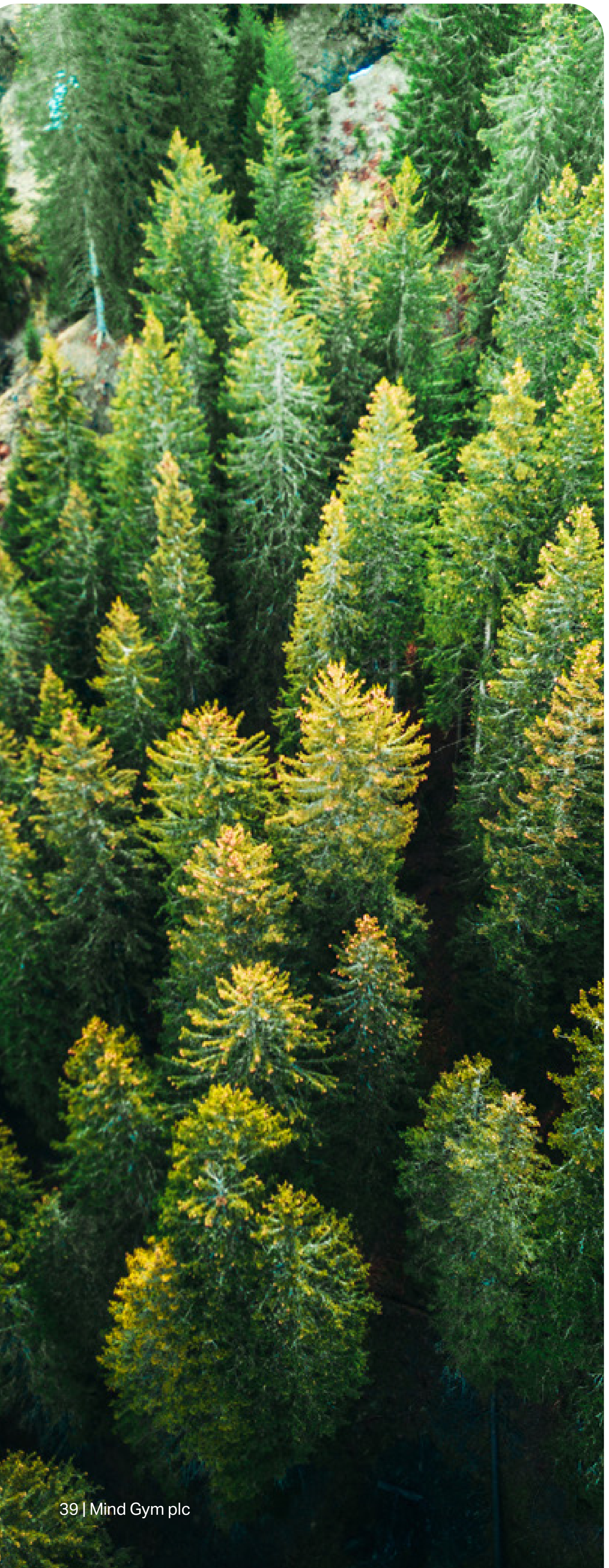
Summary by activity

Activity	FY25 Emissions (tCo_2e)	FY24 Emissions (tCo_2e)	YoY Change in Emissions	YoY % Change in Emissions*
Business Travel – Employees	190.07	220.70	-30.63	-14%
Business Travel – Facilitators	401.02	N/A	N/A	N/A
Work From Home	115.06	120.20	-5.14	-4%
Postage	79.13	146.16	-67.03	-46%
Electricity (Market-based)	31.55	68.73	-37.18	-54%
Electricity (Location-based)	32.58	87.22	-54.64	-63%
IT Purchases	40.30	25.74	14.56	57%
Subsistence**	32.18	23.14	9.04	39%
Office Purchases and Stationery	4.09	3.38	0.71	21%
Refrigerants	3.69	3.70	-0.01	0%
Commuting	26.19	48.96	-22.77	-47%
District Heating	5.09	14.56	-9.47	-65%
Waste	0.13	0.80	-0.67	-84%
Water	0.20	0.27	-0.07	-26%
Digital Emissions	0.95	1.18	-0.23	-19%
Gas	1.02	0.80	0.22	28%

Table 1 Emissions per activity, split between scopes 1,2 and 3.

*All values are a % of market- based emissions, except electricity (location-based).

**Subsistence consisted mostly of spend on food and drink.



Business travel

This year, the Group improved its data coverage and has included 'Business Travel – Facilitators' in its carbon footprint report for the first time. This key emissions source is the main driver in the increase in overall FY25 GHG Emissions. Employee travel fell by 14% since FY24, driven by a reduction in headcount.

Commuting and work from home

Employee commuting and home working related emissions have consistently reduced since FY23 (by 5% in FY24 and an additional 16% in FY25). In FY26, the Group's hybrid working policy will encourage employees to commute to the office more regularly, and we will continue to support employees with further initiatives to help reduce carbon usage when working from home.

b. Science-based targets

Scope 1 and Scope 2 emissions

In 2021/22, MindGym set unofficial (not validated by the Science-Based Targets Initiative, through SBTi's expedited SME process) near-term targets for all 3 scopes. Scope 1 and 2 have been combined into 1 target while Scope 3 has different criteria. In 2021/2022, initial targets were set while the Group remained in a pandemic state and, as in-person activity returned to a more stable base in 2022/2023, we revised our targets accordingly.

The SME process requires a reduction in Scope 1 and Scope 2 emissions. The following table demonstrates MindGym's reduction trajectory to ensure the Company will be aligned with the 1.5-degrees global warming target (with the majority of the reduction coming from switching energy plans in London and New York):

Scope	FY23	FY25	Target year (FY27-28)
Scope 1 Emissions (tCO_2e)	0.43	4.57	–
Scope 2 Emissions (tCO_2e)	92.90	29.33	–
Total Scope 1 + 2 Emissions	**93.33**	**33.90**	**73.73**

Scope 3 emissions

While it is not a requirement under the SBTi's SME process to set targets and reduce Scope 3 emissions, MindGym recognises that this is a significant area of challenge for businesses. MindGym has set itself a target of maintaining its Scope 3 Normalised Emissions between FY25 and FY28.

Scope	FY25	Target year (FY28)
Scope 3 Emissions (tCO2e)	897.15	897.15
Scope 3 Normalised Emissions (tCO2e/FTE)	3.97	3.97
Scope 3 Target (tCO2e/FTE)	**3.97**	**3.97**

Social engagement

ParentGym

Helping parents raise happy, confident children.

What we do

ParentGym provides free parenting programmes to schools and children's centres in the state sector, as well as in prisons, through our partnership with the Prison Advice and Care Trust. Our programme has been designed by leading psychologists and is suitable for parents of children aged 2–11. The sessions are highly interactive and participative. See the 'six-week' programme section overleaf for more detail on what is covered during the weekly sessions.

ParentGym programmes are facilitated by our ParentGym facilitators. Some facilitators are volunteers from the community; others are in-house staff members based in schools or children's centres.

Parenting makes such a big difference to children's lives, and our work has been proven to support families so their children are given the best start in life. We know that every parent faces challenges and times when they struggle, and also that every parent has the capacity to grow and reflect on the way they parent. All parents should have the support they need with their parenting; we believe that parenting programmes should be seen as an integral part of parenting, just as antenatal classes already are.

ParentGym has achieved tremendous impact over the past 15 years since its inception. We've been able to change the lives of 11,600+ families, deliver programmes in 600+ schools and children's centres, and we've trained 500+ volunteer facilitators in our specialised ISCAN delivery model. This financial year, we've run 85 programmes and reached over 900 parents.

Six-week programme

01 / WEEK — Chat
Talking and listening to your child in a positive way every day.

02 / WEEK — Love
Getting the right balance of closeness and independence.

03 / WEEK — Behave
Bring calm to your family with rules and routines that work.

04 / WEEK — Care
Keep yourself and your family healthy and happy.

05 / WEEK — Discover
Help develop healthy learning habits with your child.

06 / WEEK — Together
Keep your family feeling happy, supported and loved.

8
Certified PACT employees trained by MindGym

ParentGym new strategy in FY25

In FY25, we revisited our strategy to ensure that we are prioritising sustainability, scalability and internal engagement. Our commitment to sustainability focuses on creating accessible programmes that empower families while creating a streamlined, administratively light version of the programme. By creating a simplified model, we are equipping our facilitators to deliver sessions independently through self-service tools and resources, making it easier for communities to benefit from our services.

To support scalability, we are exploring new ways to expand our reach through collaborative partnerships. This includes developing innovative models that align with our mission and create long-term value for both participants and partners. By focusing on forming alliances with like-minded organisations and local councils, we aim to extend our impact and create shared opportunities for growth.

Internal colleague engagement is at the heart of our strategy. By embedding our programmes within MindGym's broader engagement initiatives, we are creating opportunities for employees to connect with our purpose. This includes running in-house programmes to support our parents, leveraging charity days to enhance our impact and building a community of internal advocates who champion our work.

Additionally, we are undergoing a comprehensive review of our content using insights from our facilitator network and MindGym behavioural scientists. This will ensure our programme remains aligned with the latest scientific research in the parenting field. The content update will focus on updating our 'Behave' session and will consider the impact of digital technology on our children and parenting. In addition, as the programme helps parents and children to be school ready, we will further emphasise this and actively look for increased opportunities to work with parents of pre-school age children.

Partnership with PACT

We have continued our partnership with the Prison Advice and Care Trust, PACT. PACT supports prisoners, people with convictions and their children and families by providing life-changing services at every stage of the criminal justice process: in court, in prison, on release and in the community. MindGym has partnered with Pact since 2021 to create and deliver a six-week programme that has been tailored to support parents in prison.

Research has shown that having strong family and community ties on release plays a key role in reducing reoffending. Our parenting programme gives parents in prison skills and confidence in their own parenting ability and helps them to create a calmer, happier home life when they are released. The programme was created by MindGym employees who volunteered their time, using paid charity days, to create the programme's structure and design.

We have certified eight PACT employees through an intensive training academy, enabling them to deliver this bespoke programme. Since 2021, we have reached more than 30 fathers across HMP Rochester, HMP Channings Wood and HMP Guys Marsh.

Our solutions

We develop and deliver solutions to address specific social challenges that impact the workforce. Through these offerings, we aim to build more inclusive workplaces, create safe environments where people can be their authentic selves and teach ways of working that actively enhance individual wellbeing.

Social connection

Strong relationships and a sense of belonging are essential to performance. Our approach to social connection focuses on creating an engaged workforce where employees feel connected, supported and able to enjoy their time at work – fuelling collaboration, motivation and productivity.

Inclusion

At MindGym, we take a pragmatic, science-led approach to inclusion. Our strategy helps organisations build cultures where people feel they belong and are safe to express diverse perspectives. We support this internally with capability-building and policies that make inclusion part of daily decision-making.

Wellbeing

While the market is saturated with programmes offering to treat the symptoms of illbeing, few truly target the root causes of stress and burnout. Wellworking equips individuals with the insights and skills to change their working habits in ways that reduce negative impact and enhance individual and collective wellbeing.

DE&I

At MindGym we take a pragmatic approach to DEI, with a focus on building an inclusive culture that avoids politicisation while always following the science and research.

While the broader conversation around DEI evolves, our priority remains clear: to create an inclusive environment that supports our business, clients and employees.

In an increasingly complex world, we have refined our approach to global events by introducing a MindGym Response Strategy, providing clarity on when and how we communicate with employees. This framework ensures a clear focus on business reasons when a response is needed, on who owns the messaging, and the expected timeline for sharing updates. Our communications maintain a non-political stance to foster an inclusive environment while ensuring a clear, consistent and business-first approach to global events.

As we continue to build a culture of inclusion, it's important to measure our progress and identify areas for growth. To do this, we launched our proprietary Inclusion Index internally to assess workplace culture and identify areas for growth. Our January 2025 results show high levels of overall inclusion. While employees feel a strong sense of belonging, we recognise the need to enhance uniqueness to ensure everyone can participate in healthy debates about the business.

A key component of building uniqueness is promoting psychological safety. To support this, we launched a bite-sized learning journey for individual contributors, managers and our senior leadership team – equipping them with the tools to create environments where diverse perspectives are welcomed and valued. By strengthening psychological safety, we empower our teams to take risks, share ideas and challenge perspectives to foster innovation and growth.

Early results are promising, with the majority of colleagues feeling safe to speak up, even against what might appear to be popular opinion. We remain committed to cultivating high psychological safety and high performance standards. However, fostering an inclusive culture goes beyond mindset and behaviours. It also requires tangible policies that remove barriers and support employees in balancing their personal and professional lives. Over the past three years, we've implemented key policy changes:

- Parental and Annual Leave: Standardised across the US and UK to promote equity.
- Public Holidays: Employees can swap public holidays for religious, spiritual or personal celebrations, allowing for a more inclusive and flexible approach to time off.
- Childcare Support: UK workplace nursery scheme, saving parents up to 40% on childcare.
- Flexible Work: Core office hours and reduced working hours to balance work and life.

Inclusion is not a one-time initiative but a continuous journey. By integrating inclusion into our culture, decision-making and daily interactions, we create an environment where all employees can thrive and the business can fulfil its potential.

Trevor Phillips
Independent Non-Executive Director, DEI Board Sponsor

Section 172 statement

In accordance with their duty to do so under Section 172(1) of the Companies Act 2006 (Section 172(1)), the Company's Directors, individually and collectively, have acted in a way that they consider, in good faith, is most likely to promote the success of the Company for the benefit of its members as a whole.

Examples of how they have done so, including having regard to the likely consequences of any decision in the long term, the interests of our employees, the need to foster relationships with key stakeholders and how the company maintains a reputation for high standards, appear throughout this Annual Report.

The following statement provides an overview of how the Board has performed its duties. As a dynamic Group, day-to-day decision-making and stakeholder engagement is often delegated to employees through our governance framework and therefore naturally occurs at an operational level. However, the Board regularly receives and discusses information from across the Group to help it understand the impact of the Group's operations, as well as the interests and views of key stakeholders.

Information is provided to the Board through reports and presentations at in-person or virtual meetings. Papers submitted to the Board concerning key matters include information on the impact of those matters on the Company's stakeholders. As a result of these activities, the Board has an overview of the outcomes of stakeholder engagement, and other factors, enabling the Directors to comply with their duties under s172 of the Companies Act 2006.

For more details on how the Board operates, including a summary of its key activities during the year, see pages 63-68.

Our people and culture

We're passionate about our people and dedicated to creating a work environment that inspires our employees to flourish and grow.

Listening to our employees is at the heart of our People strategy, and we've made it a priority to stay responsive to feedback. Through our engagement survey and pulse checks, we have gained valuable insights into employee sentiment, enabling us to identify key areas for improvement. This past year we've placed an increased focus on the following areas:

- **Performance management:** We recognise the importance of performance management in supporting our teams in a way that helps them perform better day to day as well as learning the skills they'll need to continue to perform well in the future. Our aim is to implement a new performance-management approach that drives alignment and enhances strategic rigour, so every individual is focused on (and rewarded for) delivering results that support our core objectives.

  To drive a shared vision and greater alignment with our company strategy, we have made organisational and departmental goals and KPIs visible to all, ensuring colleagues can see how their contributions support our broader strategy. We also introduced a Recognition Scheme to reward and value the top performers in our organisation. Each month these individuals are spotlighted at our Town Hall for their outstanding contributions. Additionally, as part of our commitment to equitable reward structures, we have invested in salary benchmarking data across all roles to guide our compensation review process.

  To further support career development, we have expanded our Learning & Development offer, with a particular focus on our UK apprenticeship scheme. This initiative provides structured learning programmes that enable employees to develop new skills while working, with 13 apprenticeships currently running across Project Management, Software Development, Data Science, and Data Analytics.

- **Wellworking:** We have taken significant steps to provide greater flexibility in how, where, and when our people work. We introduced reduced working hours and core office hours to help employees balance their professional and personal lives. We also gave additional paid time off over Christmas and New Year, as well as introducing a Wellbeing morning on Blue Monday, to allow our colleagues to rest and recharge. This focus on flexibility and wellbeing has contributed to improvements in engagement scores, particularly in relation to senior leadership support for wellbeing.

- **Diversity, equity & inclusion (DEI):** As the business landscape evolves, we remain committed to creating an inclusive environment where everyone feels welcomed, supported and valued. At MindGym, we take a pragmatic, evidence-based approach to DEI, embedding inclusivity into our ways of working. As part of our engagement survey, we introduced our Inclusion Index, measuring key areas such as belonging and uniqueness. Our scores show that inclusion and belonging remain high where people have meaningful relationships at work and strongly identify as a member of our team.

  A key focus this year has been in the area of uniqueness, particularly in relation to psychological safety and ensuring that we foster an environment where employees feel safe to take risks, speak up and be their authentic selves. To encourage this, we implemented learning journeys across all levels of the business, including with the Senior Leadership Team. We're pleased to see this work has had an impact, with psychological safety scores increasing in the organisation with work still ongoing.

  We know that investing in our people is not just the right thing to do; it's the smart thing to do. By supporting their growth, engagement and progression, we're creating a winning culture that cares.

Clients

We seek to grow our business dynamically and ambitiously, but we are also aware of the need to ensure that this is done sustainably. As we acquire new clients, and grow our relationship with existing ones, we seek to do this by delivering business impact. The Group has built exceptional business acumen over 20 years and is able to provide clients with a high-value service that yields significant value as the relationship matures.

Executive Directors meet with clients on a frequent basis. Existing and prospective clients have consistently highlighted the importance of live events to debate the topical issues of the day, such as leadership and manager development, navigating change and transformation and enhancing performance effectiveness with MindGym's experts. In FY25, we built on our marketing momentum by optimising ongoing campaigns to focus on generating a higher volume of better leads, particularly when launching our newest products. We refined our messaging with market research-driven positioning and built a new website to better showcase our value. Our investment in email optimisation resulted in stronger audience connections, while our structured event strategy, including the launch of our new and exclusive talent leaders' network, fostered deeper relationships with our core audiences in both EMEA and US. With a full year of marketing data now benchmarked, we are positioned to refine our approach and maximise commercial opportunities in the year ahead.

In addition, the Board receives regular updates on our quality metrics which are a reliable indicator of high client satisfaction.

Investors/shareholders

The Board believes that becoming listed on AIM in June 2018 has been of net benefit to the Group, and it values regular dialogue with investors to ensure their ongoing knowledge and understanding of the Group's strategy which is focused on achieving long-term sustainable growth both for the business and its shareholders.

We recognise that strong and ongoing shareholder communication is important, and the Board regularly receives updates from investors. The Board is committed to ensuring that shareholders are treated fairly regarding the level of disclosure provided, while being mindful of the commercially sensitive aspects of the business.

Investor relations and a review of the share register are standing items on the Board's agenda. Feedback from meetings with investors is shared with the Board. We continue to run a twice-annual investor roadshow. Non-Executive Directors are available to discuss any matters raised by shareholders.

For more information on how we engage with our shareholders and act in their interests, see page 67.

Suppliers

Our suppliers, and particularly our accredited facilitator network, play a key part in enabling us to deliver a leading level of service to our clients. We seek to choose the best products and services to meet our requirements and then develop long-term relationships with our suppliers.

Community and environment

As mentioned above under culture, the Group is very proud of the work it has done to support others through the ParentGym programme. This is an established part of the Group's commitment to social responsibility. The Board regularly receives updates on the activities of ParentGym, and this year we supported over 900 parents across the UK. In the 15 years since its inception, we've been able to change the lives of 11,600+ families, deliver programmes in 600+ schools and children's centres and train 500+ volunteer coaches in our specialised ISCAN delivery model.

The Company takes its environmental responsibility seriously. The trend of working from home continues for many and our virtual deliveries and digital portfolio enable MindGym to support our clients and employees, alongside having a positive impact on the Company's environmental footprint.

The Group is dedicated to creating meaningful societal and environmental benefits. During the past year, we continued our engagement with Ecovadis to assess our sustainability efforts and were awarded the Committed score.

Considering stakeholders

The Board considers the views of its stakeholders when making decisions on what would be most likely to promote the success of the Company for the benefit of its members as a whole. The principal considerations taken into account for certain strategic decisions made during the year ended 31 March 2025 are set out below.

Board decision	Considerations
The Board made a decision not to pay any bonus linked to Group results for FY25.	Maintaining the link between remuneration and the Group's financial performance.
The Board made a decision to pivot from a build to partner platform strategy for operations.	To improve operational efficiency, conserve cash and improve features for clients.
The Board made a decision to globalise functions and significantly reduce levels of operating and capital expenditure during FY25.	The need to manage financial risk and deliver returns for shareholders in an uncertain market.
The Board appointed a CFO Designate (transitioning to CFO and becoming a Board Director in October).	The appointment of a new Chief Financial Officer internally ensured a smooth transition of responsibilities and continued strong governance.

Long-term decision-making

As the world embraces AI and machine learning, we believe that companies which differentiate will be those that can harness their human advantage – their people. Behavioural-science companies can help with issues ranging from performance management to inclusion and diversity to embracing change. A focus on continued innovation and additions to our core product offering ensure that we retain our competitive edge.

Our investments in diagnostics and analytics products will differentiate the Group's proposition in the talent management market by diagnosing the problem, prescribing the solution and delivering and measuring impact. This will expand and deepen our customer relationships into the future and provide proprietary insights.

Consideration of the long-term consequences of decisions also forms the foundation of our approach to managing risks. More information on this can be found under the principal risks and risk-management section of our report on page 51.

We consider ourselves to be a long-term focused business and further details of this can be found in the following sections of our report:

- Market trends and opportunity page 15
- Our business model and strategy page 19
- Our sustainability section page 33

Principal risks and risk management

Risk-management process

The Group has an established process for the identification and management of risk. Risks are identified by both the Senior Leadership Team (SLT) and by the Board and are assessed and prioritised taking account of both their likelihood and impact. Each risk area is assigned to a member of the SLT, and appropriate mitigating actions are put in place. The risk assessment is reviewed by the Audit and Risk Committee.

During the year, the Board reviewed the nature and extent of the principal risks that the group is willing to accept to achieve its objectives. In determining its risk appetite, the Board recognises that the corporate learning and development market the Group operates in is a large, growing and changing market. It considers the risk appetite of the Group in the context of the regulatory environment and sectors where it operates.

This includes:

- Innovation of our proposition using the latest behavioural science research
- Developing and extending our product offer to encompass the latest technology
- Building awareness and quality lead generation through data-driven insights
- Improving systems and processes to scale cost effectively
- Attracting and retaining world-class talent
- Managing the impact of macroeconomic headwinds on the Group

The Group wants to be seen as best in class and highly respected across the industry. We focus on mitigating any negative impact on reputation with our key stakeholders, continuously evolving our controls and processes to adapt with the changing market.

Key risks

The principal risk areas identified are listed below.

01 Systems and processes not scalable

The Group continues to innovate and, in doing so, scale processes to drive efficiencies. There is a risk that legacy systems and processes cannot meet demands across the product suite. Across FY25, the Company invested in strategic partnerships to allow us to scale more efficiently, leverage specialist expertise and accelerate our ability to deliver value to our stakeholders. In parallel, we identified key areas across the business where our processes and systems can be strengthened. We're implementing targeted improvements to enable quote to cash within Salesforce, enhance the Performa experience through Coaching.com and streamline booking management.

02 Regulatory and political risks (including economic downturn)

Given the current levels of uncertainty in the global economic environment, management keeps up to date with broader regulatory and political changes and macroeconomic factors that could affect the Group, and engages the Board frequently to ensure major changes impacting the Group are responded to with speed and decisiveness. Recent US executive orders and the evolving legislative landscape could continue to reduce demand for stand-alone DEI programmes. Downsizing of clients' budgets, whether caused by these events or other factors, may impact the Group's future revenue. Deteriorating economic conditions could also impact clients' ability to pay on time.

The Group mitigates this risk by diversifying across products, industries and geographical markets. The Group has also implemented its recurring revenue product strategy and has implemented multi-year contracts with certain clients. The product offering also includes counter-cyclical products to assist with the challenges clients face during an economic downturn. DEI products can be integrated into existing leadership and talent development initiatives to avoid political exposure. To manage inflation risk and the impact on cost of living, the Group performs regular remuneration reviews and benchmarking to ensure we remain competitive within the market.

03 Digital investment

There is a risk that significant investment in digital products is ineffective, resulting in wasted resources, lost growth opportunities and increased cash consumption for the Group. However, there is also a risk of underinvestment in the digitisation of core MindGym assets.

The Board consistently receives updates on developments across MindGym's product roadmap, providing formal governance over the programme. Projects have been prioritised based on strategic importance, client appetite and readiness. Regular operational sub-committees are in place to ensure efficient and streamlined processes are adopted to meet the growing demand for products already launched.

04 Acquisition and retention of key staff

Our continued success is dependent on attracting and retaining talent with the necessary skills. The Group manages this by conducting regular benchmarking and pay reviews and by providing comprehensive benefits.

The Group actively encourages all employees to learn and develop, including seeking career opportunities internally. We continue to use a long-term incentive plan and employee share incentive plan to encourage retention, while also embedding our Human Resources practices. Further information is outlined within 'People and culture', part of the Sustainability section on page 47.

05 Insufficient cash generation

Failure to forecast revenues, control costs and working capital in a timely manner risks the Group experiencing cash constraints. To mitigate this, the Group conducts robust and frequent forecasting, performs consistent reviews and keeps senior management informed. The Group also maintains strict controls on recruitment. This is mitigated by the £4m bank overdraft facility secured with HSBC.

06 Reliance on key persons

Historically the Group has been heavily reliant on its founders and senior management team. With the additions to MindGym Executive (MGX) including the new CEO, CFO (internal promotion) and CCO, the business continues to take steps towards reducing the reliance on the founders. Succession planning and leadership delegation have also contributed to mitigating this risk.

Governance

02

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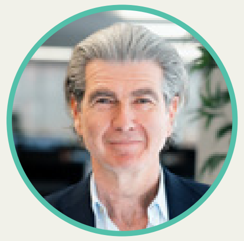
Board of Directors



Octavius Black

Octavius Black CBE is the Co-Founder and Executive Chair of MindGym, which he co-founded in 2000.

Octavius co-authored MindGym's four books and has written in The Times, Financial Times and The Sunday Telegraph.

Prior to founding MindGym, Octavius was a director of the organisational communications consultancy Smythe Dorward Lambert, and prior to that he was an analyst at Booz Allen Hamilton. Octavius read Philosophy, Politics and Economics at The Queen's College, Oxford University.

Octavius served as the Chief Executive Officer of MindGym until the appointment of Christoffer Ellehuus in April 2024.

Christoffer Ellehuus

Christoffer Ellehuus is the Chief Executive Officer at MindGym, joining the company as CEO Designate in January 2024, before being appointed as CEO and joining the board in April 2024.

He has spent his entire career helping organisations realise the potential of their people, teams, and cultures by combining research, data and technology in innovative solutions.

Prior to joining MindGym, Christoffer was President at Korn Ferry Digital, and before that he was the CEO of ESI – a leading provider of project management and leadership-development solutions (acquired by Korn Ferry in 2019). Earlier in his career, Christoffer spent more than 15 years with the research and advisory firm CEB (later acquired by Gartner). During his tenure with CEB, he served as a Global Sales Leader, Global Head of Product Development, Managing Director of CEB's EMEA business, and Practice Leader of the HR Advisory subscription business. Christoffer began his career as an economist for the Danish government in various roles related to EU trade and economic integration.

Sebastian Bailey

Dr Sebastian Bailey is the Co-Founder, President and Executive Director of MindGym.

Sebastian has led the development of MindGym's products since its inception, from the portfolio of 90-minute Workouts to the research at the foundation of MindGym's High Performance Behaviour Model.

He conducted the definitive academic research on how to maximise the transfer of learning, which underpins MindGym's proposition. Sebastian co-authored the four MindGym books. Sebastian gained a PhD from Bristol University with a thesis entitled 'Maximising transfer: How learning translates into action in organisations'. He is also a member of the board of trustees for Mary's Meals, a charity that provides one daily meal in a place of education in order to attract chronically hungry children into the classroom.

Emily Fyffe

Emily Fyffe is the Chief Financial Officer at MindGym, appointed as CFO Designate in August 2024, before being appointed as CFO and joining the board in October 2024.

Emily joined MindGym in 2016 and has held increasingly senior finance roles in the company, including Group Financial Controller and most recently Group Finance Director. Emily qualified as a Chartered Accountant at Grant Thornton, Australia in 2013.

Sally Tilleray

Sally Tilleray is the Senior Independent Non-Executive Director on the MindGym Board. Sally joined the Board in July 2018 and is Chair of the Audit and Risk Committee.

From 1999 to 2003, Sally held the role of CFO Europe for Predictive Inc., an IT network consulting business which undertook an IPO on Nasdaq in 2000. Sally then served as Group Chief Operating Officer and Chief Financial Officer at Huntsworth plc, the international public relations and healthcare communications group, from 2004 to 2014.

Sally is an experienced marketing services agency executive and became Non-Executive Chairman of digital agency UNRLVD during 2020. In 2019, she became a Non-Executive Director of NAHL plc, the AIM-listed consumer legal-focused marketing and services business. In 2021 she became a Non-Executive Director of AIM-listed Skillcast plc, the leading supplier of corporate compliance eLearning in the UK, and in 2023 she became the Senior Independent Non-Executive of Fadel plc, the AIM-listed brand compliance, rights management and royalty billing software provider. She is also the Senior Independent Non-Executive Director of Nominet.

Committee membership
Chair of the Audit and Risk Committee and member of the Remuneration and Nomination Committee.

Trevor Phillips

Trevor Phillips is an Independent Non-Executive Director on the MindGym Board.

Trevor joined the Board in October 2020 and is Chair of the Remuneration and Nomination Committee. Trevor is the co-founder of the data analytics consultancy Webber Phillips and occupies the position of Chairman at Green Park Interim and Executive Ltd. He is the Chairman of the global freedom of expression campaign charity Index on Censorship, a Senior Fellow at the Policy Exchange think tank and a Vice-President of the Royal Television Society. He is a Times columnist and a regular presenter for Sky News.

He was the President of the John Lewis Partnership Council until 2018 and founding chair of the Equality and Human Rights Commission.

Committee membership
Chair of the Remuneration and Nomination Committee and member of the Audit and Risk Committee.

David Nelson

David Nelson is a Non-Executive Director on the MindGym Board. David is an advisor to the controlling shareholders, and therefore not regarded as independent.

David qualified as a chartered accountant in 1987 and has been a partner at Dixon Wilson since 1990, serving as Senior Partner from 2008 to 2018.

David is a Non-Executive Director of a number of family-owned companies. He is an advisor to UK-based families and their businesses, advising on financial and tax matters in the UK and overseas.

He is also a trustee of a number of UK trusts. David is a Non-Executive Director on the board of Daily Mail and General Trust plc (LSE: DMGT).

Committee membership
Member of the Audit and Risk Committee and the Remuneration and Nomination Committee.

Governance report

Executive Chair's corporate governance statement

It's my pleasure to introduce the Corporate Governance report for the year ended 31 March 2025.

As Board Chair, I am responsible for leading the Board and ensuring that we maintain the highest standards of corporate governance throughout the Group's operations and particularly at Board level. As a Board, we recognise that applying sound governance principles is essential to the long-term success of the Group in delivering on its strategy and improving shareholder value. The Group has adopted the Quoted Company Alliance's Corporate Governance Code for small and mid-sized quoted companies (the 'QCA Code').

This Corporate Governance Statement summarises our approach to governance, provides information about how the Board and its Committees operate, and describes how we have complied with the principles of the QCA Code.

Compliance with the QCA Code

Each year the Company reports on compliance with the ten principles of the QCA Code. Across FY25, the Company has applied the principles where practical and in the manner that supports sound decision-making, in the interests of long-term success. There are some areas in which the Company's governance structures and practices differ from the expectations set by the QCA Code.

The Company is partially compliant with Principle 6. The Board has an appropriate balance of 4 executive and 3 non-executive directors; however, less than half of the Board is made up of independent non-executive directors. The Board considers that across all directors it has the necessary breadth, expertise and perspectives to make robust decisions, manage risk, and avoid groupthink. Shareholders are given the opportunity to vote annually on the (re-) election of directors to the Board, and the Chair conducts an annual review of each Board member. Additionally, the Senior Independent non-executive director chairs the Audit & Risk Committee, and the independent non-executive director chairs the Remuneration Committee.

The Company is also partially compliant with Principle 8. To date, Board reviews have been facilitated internally, rather than using an external party. The review criteria are objective and include opportunities for improvement with respect to the performance of the Chair, the operation of the Board and the Committees. The Company may consider having an externally facilitated review in the future.

The Board believes that the policies, procedures and systems we have implemented to date provide a firm foundation for our governance structure. The Board continues to keep the governance structure under review to ensure it develops in line with the growth and strategic development of the Group.

Deliver growth

The Board is responsible for setting the strategic aims and objectives of the Group, and our business model and strategy is articulated on pages 19 to 22 of this Annual Report. While implementing our strategy, the Board considers the expectations of our shareholders and wider stakeholders (principally our employees and customers). Given the size of the Group, key matters relating to customers and key employees are dealt with at Board level.

The Board also has responsibility for the Group's internal control and risk-management systems. We regularly review the risks and opportunities of the business and work with management to ensure that appropriate and effective mitigation strategies are adopted.

Dynamic management framework

Both the Board and the Board Chair's performance were positively evaluated during the year. The Board's review was conducted by the Chair, and the review of the Chair by Sally Tilleray in her role as Senior Independent Non-Executive Director, using anonymous feedback.

We have worked with management to ensure that the quality and timeliness of the information we receive supports effective Board debate, and that the Non-Executive Directors are able to develop their knowledge and understanding of the business through open access to senior management staff.

Board meetings are scheduled at regular intervals throughout the year, and the Directors receive reports from the Executive team on business performance and operational metrics. The Board is also regularly updated on governance and regulatory developments.

We are committed to ensuring that the Group operates according to the highest ethical standards, and the Board has primary responsibility for fostering and embedding this culture. The Board has responsibility for ensuring that individuals employed by the Group demonstrate the highest levels of integrity. The Board also seeks to lead by example in its own interactions and, as such, open and constructive debate is encouraged at Board meetings.

The Company has a unique culture informed by our people's passion for what we do. I regularly attend the Company's offices and Company events. The Board recognises the importance of promoting that culture and monitoring how it is embedded across the business. Trevor Phillips is the Board member responsible for overseeing the monitoring and promotion of culture and maintaining connection with the relevant staff groupings on behalf of the Board.

Build trust

We continue to monitor our application of the QCA Code and revise the Group's corporate governance framework, as appropriate. The following report describes the work of the Board and its Committees during the year.

We recognise the importance of communicating effectively with our shareholders and other stakeholders to demonstrate how the Company is governed and performing.

We will continue to monitor our application of the QCA Code, and revise our governance framework, as appropriate, as the Group evolves.

Octavius Black CBE
Executive Chair
11 June 2025

Composition of the Board

The composition of the Board has been structured to ensure that no one individual can dominate its decision-making processes.

The Board currently comprises the Executive Chair, three Executive Directors, two independent Non-Executive Directors, and one Non-Executive Director who is not considered by the Board to be independent. Its composition is therefore in line with the QCA Code.

As a provider of behaviour-change solutions to blue chip organisations across the globe, and an AIM-quoted company, Mind Gym plc requires a range of skills, capabilities and competencies to be represented on the Board, including experience in behavioural science, consultancy, public markets, governance and audit and business operations. The Board is confident that its members have the appropriate balance of experience, skills, personal qualities and capabilities to meet this requirement and to deliver the strategy of the Group for the benefit of the shareholders and other relevant stakeholders over the medium to long term. Biographical details for all Directors, including a summary of their relevant experience, is provided on pages 57 to 60.

The independent Non-Executive Directors collectively bring a balance of skills and experience which means they are able to provide constructive support and challenge to the Executive Directors. The Non-Executive Directors are expected to attend such external events and seminars as necessary, to ensure that their knowledge of relevant financial reporting and corporate governance requirements are up to date.

The Senior Independent Non-Executive Director (SID) acts as a sounding board for the Chair and serves as an intermediary for the other Directors when necessary. The SID is also available to shareholders should they wish to discuss matters they have been unable to resolve through the normal channels of Chair, Chief Executive Officer or Executive Directors or for which such contact is inappropriate.

The Company Secretary also ensures, through regular updates to the Board, that Directors are aware of developments in corporate governance practice as well as legislative and regulatory changes that may impact the Company.

How the Board operates

The Board is responsible for the proper management of the Company by formulating, reviewing and approving the Company's strategy and setting the Company's values and standards. Certain matters are specifically reserved for decision by the Board, and these are set out in a formal Schedule of Matters Reserved for the Board which is reviewed annually.

The matters reserved include without limitation decisions relating to:

01 Approval of the Group's strategic aims and objectives

02 The structure and capital of the Group

03 Financial reporting, financial controls, risk management, internal controls and dividend policy

04 Approval of significant contracts and expenditure above agreed delegated authority limits

05 Effective communication with shareholders

06 Any changes to Board and Committee membership or structure

Day-to-day management of the Group is the responsibility of the CEO and Executive Directors.

Board meetings

The Board will normally meet on at least six occasions each year, and has met formally on seven occasions during the year.

Individual Director attendance at Board and Committee meetings during the year is shown in the table below:

Activity	Board (out of 7 meetings)	Audit committee (out of 5 meetings)	Remuneration and Nomination Committee (out of 5 meetings)
Octavius Black	7	N/A	5
Sebastian Bailey	7	N/A	N/A
Christoffer Ellehuus	7	N/A	N/A
Emily Fyffe	3/3	N/A	N/A
David Nelson	7	5	5
Sally Tilleray	7	5	5
Trevor Phillips	7	3	5
Dominic Neary	3/4	N/A	N/A
Ruby McGregor-Smith	N/A	N/A	N/A
Joanne Cash	3/3	N/A	N/A

The Directors are expected to attend all meetings of the Board and the Committees on which they sit, and the Non-Executive Directors are expected to devote sufficient time to the Group to enable them to fulfil their duties as Directors. The time commitment required of all Non-Executive Directors is currently a minimum of two days per month. The Board is satisfied that the Chair and each of the Non-Executive Directors are able to devote sufficient time to the business, and they each maintain open communication with the Executive Directors and senior management between the formal Board meetings.

Board activity during the year

There are a number of standing and routine items included for review on each Board agenda. These include reports from the CEO and CFO, product and talent updates, corporate governance updates and consideration of reports from the Board committees.

In addition, key areas put to the Board for consideration and review during the year included:

2024-2025

- Review of Board composition changes
- Approval of the Annual Report and Accounts
- Approval of full- and half-year results
- Final and interim dividend approvals
- Full-year results investor roadshow feedback
- Review of the Company risk register and risk appetite
- Review of marketing and product strategies
- Review of commercial team effectiveness
- Review of commercial strategy
- Review of digital investment strategy and impairment of assets
- Review of the Group's budget & LT plans
- Review of bank finance arrangements
- Environmental, Social and Corporate Governance factors
- Review of forecast and updates to market guidance
- Review of Group policies
- Appointment of CFO designate

Board committees

The Board is supported in its work by two Board committees: the Audit and Risk Committee and the Remuneration and Nomination Committee. More information about the composition and activities of the Committees is set out in the Audit and Risk Committee report on page 69 and the Remuneration report on page 73.

Each Board committee has approved Terms of Reference setting out its responsibilities. The Terms of Reference are reviewed at least annually. The Terms of Reference are available on the Company's website: https://uk.themindgym.com/investors

The Committees are authorised to obtain, at the Company's expense, professional advice on any matter within their Terms of Reference and to have access to sufficient resources to carry out their duties.

External advisors

The Board seeks advice and guidance on various matters from Nomad (Liberum), its lawyers and Elemental Company Secretary Ltd. As Company Secretary, Elemental assists the Chair and Director of Governance in preparing for and running effective Board meetings, including the timely dissemination of appropriate information.

Board evaluation

Both the Board and the Board Chair's performance were positively evaluated during the year. The Board's review was conducted by the Chair and the review of the Chair by Sally Tilleray in her role as Senior Independent Director, using anonymous feedback.

Conflicts of interest

At each meeting of the Board or its committees, the Directors are required to declare any interests in the matters to be discussed and are regularly reminded of their duty to notify any actual or potential conflicts of interest. The Company's Articles of Association provide for the Board to authorise any actual or potential conflicts of interest if deemed appropriate to do so.

Internal controls

The Board has ultimate responsibility for the Group's system of internal controls, and for the ongoing review of their effectiveness. Internal control systems can only identify and manage risks and cannot eliminate them entirely. As a result, such controls cannot provide an absolute assurance against misstatement or loss. The Board considers that the internal controls that have been established and implemented are appropriate for the size, complexity and risk profile of the Company and Group.

The main elements of the Group's internal control system include:

- Close management of the day-to-day activities of the Group by the Executive Directors, and in particular of the financial controls by the CFO
- Specific financial controls, including with respect to purchasing and payments, payroll and expenses, and to ensure that appropriate accounting records are maintained
- A rolling programme of tests of key financial controls during the financial year to prevent control failure
- Review of key risks by finance areas as agreed with the Board
- Approval at Board level required for any significant decisions relating to the assets or investments of the Company
- An annual budgeting process requiring approval by the Board
- Board-approved Anti-Bribery, Whistleblowing and Anti-Corruption Polices, Modern Slavery Statement and Share Dealing and Conduct Codes
- Regular risk reviews

The Board continues to review the system of internal controls to ensure it is fit for purpose and appropriate for the size and nature of the Company's operations and resources.

Relations with shareholders and stakeholders

The Group maintains communication with institutional shareholders through individual meetings with Executive Directors, particularly following publication of the Group's financial results. The Group also communicates with the market generally using a Regulatory Information Service provider for regulatory news releases which are also made available on the Company's website in accordance with AIM Rule 26.

Shareholders and investors will have the opportunity to meet Board members at general meetings (including at the Annual General Meeting (see below)), investor meetings and webcasts at which shareholders and stakeholders will be able to ask questions of management.

The Board believes that, other than shareholders, the Group's key stakeholders are its staff and customers. Given the size of the Group, all matters relating to customers and key employees are dealt with at Board level. More information on the ways in which we engage with our key stakeholders is provided on pages 46 to 48 in the strategic report.

Annual General Meeting

The Company's 2025 Annual General Meeting ('AGM') is scheduled to take place on 16 July 2025 at the Company's registered office at 160 Kensington High Street, London, W8 7RG. The Notice of AGM (the 'Notice'), including the resolutions to be proposed, is set out on page 145 of this Annual Report. Shareholders will have an opportunity to raise questions with the Board at the AGM and to meet informally with Directors following the meeting.

Audit & Risk Committee report

Responsibilities and composition

The Audit and Risk Committee has the primary responsibility for monitoring the quality of internal controls to ensure that the financial performance of the Group is properly measured and reported on and to ensure the Group's key risks are identified and monitored. It receives and reviews reports from the Group's management and external auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit and Risk Committee meets not less than twice in each financial year and has unrestricted access to the Group's external auditors. The Audit and Risk Committee comprises at least two members of whom both shall be independent Non-Executive Directors. Where possible, one member will be a member of the Remuneration and Nomination Committee. The chair of the Audit and Risk Committee is appointed by the Board. The chair of the Audit and Risk Committee is Sally Tilleray and its other members are David Nelson and Trevor Phillips. Sally Tilleray and Trevor Phillips are independent Non-Executive Directors and David Nelson has recent and relevant financial experience with competence in accounting and auditing.

Activities during the year

The Committee met five times during the year and once following the year end to consider the financial statements. Meetings may be attended by the Executive Directors and the Group's external auditors. Time is allowed for the Committee to discuss issues with the external auditors without the Executive Directors being present.

The Committee operates under formal terms of reference and these are reviewed annually. The main work undertaken by the Committee during the past year is detailed below.

Financial reporting

The Committee reviewed the half-year and annual financial statements. As part of these reviews, the Committee discussed the financial statements with the external auditor and management and considered the appropriateness of the accounting principles, the reasonableness of significant financial reporting judgements, the clarity of disclosures in the financial statements and the effectiveness of internal control over financial reporting. The Committee reviewed and challenged the external auditor's report on these matters, and key areas for consideration were revenue recognition, going concern and the carrying value of the digital asset investments.

In fulfilling its responsibility for monitoring the integrity of financial reports to shareholders, the Committee considered and reviewed the accounting principles, policies and practices adopted in the preparation of public financial information and examined documentation relating to the Annual Report, Interim Report, preliminary announcements and other related reports. The Committee gave due consideration as to whether the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy, and can confirm that this is the case.

Significant issues considered in relation to the financial statements

Significant issues and accounting judgements are identified by the finance team and the external audit process and then reviewed by the Audit and Risk Committee. The significant issues considered by the Committee in respect of the year ended 31 March 2025 are set out below:

Significant issue/accounting judgement identified	How it was addressed
The Committee considered the extent to which software development costs should continue to be capitalised and the appropriate amortisation period in accordance with criteria in IAS 38 Intangible Assets.	The Committee reviewed and discussed with management and the external auditor as to whether: · Development costs continue to meet the capitalisation criteria under IAS 38 during the year · Costs capitalised were in relation to projects that were technically and commercially viable · Costs capitalised could be reliably measured · The carrying value of these intangible assets is supported by the recoverable amount based on management's discounted cash flow forecasts · The useful economic life of 5 years continues to be appropriate for these digital assets The Committee is satisfied with the judgements and estimates applied by management in determining the value of the costs capitalised.
The Committee considered the requirement for impairment of the carrying value of digital assets in accordance with the criteria in IAS 36 Impairment of Assets	The Committee reviewed and discussed with management: · The value of projected future revenues in respect of capitalised digital assets · Whether there were any indications of impairment of the respective assets · Related costs required to deliver the projected revenues · The length of time over which benefit would continue to be derived from the assets and hence the period over future cash flows should be considered · The appropriate discount factor to be applied, reflecting the risk attached to the relevant cash flows The Committee is satisfied that, following the impairment posted in H2, no further impairment charges are required.
The Committee considered whether it was appropriate to continue to prepare the Annual Report and Accounts on a going concern basis.	The Committee reviewed and discussed with management: · Management's budget for FY26 and medium-term plan · A range of downside scenarios modelled by management · Potential mitigating cost-saving actions · The risks and uncertainties facing the business · The Group's access to liquidity The Committee concluded that the Group has sufficient cash to enable it to continue to meet its liabilities for the foreseeable future even under a reasonable worst-case scenario, and therefore that it is appropriate to regard the Group as a going concern.
The Committee considered whether it was appropriate to recognise the deferred tax asset related to carry forward trade losses, predominantly created through R&D tax credits.	The Committee reviewed and discussed with management the budget for FY26 and medium-term plan for the UK entity. The Committee concluded that it is appropriate that a deferred tax asset on carried forward losses be recognised up to the value of the deferred tax liability. The Committee remains confident that the unrecognised deferred tax asset on further carried forward losses will be utilised; and will reassess the recognition of the deferred tax asset in future reporting periods.

External auditors

The Committee oversees the relationship with the external auditors and monitors all services they provide and fees payable to them to ensure that potential conflicts of interest are considered and that an objective and professional relationship is maintained. In particular, the Committee reviews and monitors the independence and objectivity of the external auditors and the effectiveness of the audit process. At the outset of the audit process, the Committee receives a detailed audit plan from the auditors, identifying their assessment of the key risks and their intended areas of focus. This is agreed with the Committee to ensure coverage is appropriately focused.

During the year, the external auditor undertook non-audit work in relation to a review of the interim financial statements and company secretarial services in Singapore. The fees for this work are detailed in Note 7 to the Group Financial Statements. During the year, the Committee continued to keep the nature, extent and cost of non-audit services under review.

Risk management and internal control

The Committee has oversight of the internal financial controls and the risk-management systems. During the year, the Committee reviewed the principal business risks to ensure that they are being adequately captured and reported to the Board. Details of these risks are set out in Principal risks and risk management on pages 51 to 54. The Committee also reviewed the Company's governance policies, including the whistleblowing policy which sets out the formal process by which an employee of the Group may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. During the year under review, there were no reported incidents.

During the year, the Committee reviewed the Risk Register, the risk appetite statement, the delegated authority framework, the Group's insurance arrangements and management's process in implementing and maintaining control systems during the year.

The Committee has considered whether the Group's internal controls processes would be significantly enhanced by an internal audit function and has taken the view that, given the size of the Group, the internal controls in place and the significant executive involvement in the Group's day-to-day business, an internal audit function is not required. The Group has implemented periodic testing of internal financial controls during the financial year to continue mitigation of potential risks. The Committee will, however, keep this under review. The Committee is satisfied that the internal control systems that have been established are operating effectively.

Sally Tilleray
Chair, Audit and Risk Committee
11 June 2025

Remuneration report

The report is split into three main areas:

Contents	Page
The statement from the Chair of the Remuneration Committee	73
The Directors' Remuneration Policy	77
The Annual Report on Remuneration	82

Membership

The members of the remuneration committee who served in the period and meetings attended were:

Director	Meetings Attended
Trevor Phillips (Chair)	5/5
Sally Tilleray	5/5
David Nelson	5/5

Statement from the Chair

On behalf of the Board, I am pleased to present the Directors' Remuneration Report for the year ended 31 March 2025.

FY25 saw a return to positive adjusted EBITDA as a direct result of the actions taken in the prior year to realign the cost base of the Group and build a more resilient and cash-generative business. Throughout this period of change and strategic realignment, I have been impressed by the approach exhibited by our team.

Looking ahead to FY26, the newly established Executive team, led by Christoffer Ellehuus, will help the Group as it continues to rebuild and return the business to growth in the years ahead.

MindGym listed on the Alternative Investment Market ('AIM') on 28 June 2018 and has adopted the requirements of the Quoted Companies Alliance (QCA) code as amended from time to time. To improve transparency with investors and alignment with best practice, the Remuneration Committee (the 'Committee') has presented a separate Remuneration Policy and Annual report on remuneration ('The Report').

The Report sets out the implementation of the Company's Directors' Remuneration Policy (the Remuneration Policy) and the remuneration paid to the Directors for the year in the context of the Remuneration Policy, which can be found on pages 77 to 81 of this report.

The aim of the Remuneration Committee

The Committee takes a disciplined approach to ensure that the remuneration package for Executive Directors rewards the delivery of both short- and long-term financial and strategic business goals that are consistent with the creation of shareholder value. The Committee is committed to structuring senior executive remuneration in a way that is competitive, that incentivises and rewards good performance, and supports the Group's growth and profitability ambitions. In addition, the Committee reviews and considers the remuneration of the wider workforce and monitors related policies, satisfying itself that incentives and rewards are aligned with the Group's strategy and culture. The Remuneration Committee is appointed by the Board and currently comprises two Independent Non-Executive Directors and one other Non-Executive Director who is not considered to be independent. The Executive Chair, CEO and CFO also attend the Committee meetings upon invitation.

Our approach to remuneration

The Remuneration policy is designed to:

- Include a competitive mix of base pay and both short- and long-term incentives, with an appropriate proportion of the package determined by stretching targets linked to the Group's performance.
- Promote the long-term success of the Group, in line with our strategy and focus on profitability and growth.
- Provide appropriate alignment between the interests of shareholders and executives and, where appropriate, the wider workforce.

Looking forward, while annual salary increases have been awarded across the Group, there are no salary changes for members of the Executive Leadership Team, save for where individuals have been recently promoted. As disclosed on page 84 of the report, Emily Fyffe's base salary will be reviewed again in October 2025. The annual bonus plan will continue to operate as normal, and employees will have the opportunity to participate in all-employee share plans (Sharesave (SAYE) in the UK and the Employee Stock Purchase Plan (ESPP) in the US) during the first half of the year.

Aligning remuneration to Group strategy

The Group's ongoing vision is to be the leading global provider of corporate human performance and business improvement solutions. Although the Group returned to positive adjusted EBITDA, FY25 was another challenging year for the business, with revenue of £38.6m, down on the prior year, impacted by macroeconomic headwinds resulting in client budgets being held back or postponed. Actions taken throughout FY24 and FY25 to realign the Group's cost base have provided greater resilience and ensure that MindGym is operationally cash generative in the current market conditions while continuing strategic investments in product and diagnostics.

For FY25, we carefully considered the most appropriate bonus targets for Executive Directors and other members of the Executive Team against a backdrop of political and economic uncertainty and continued under-performance in the US, continuing to measure performance against revenue, EBITDA and personal performance measures. Following another challenging year, we did not manage to meet the financial targets we set. As in the prior year, this is reflected in this year's annual bonus performance outcomes, with no bonus payment being made to Executive Directors or members of the wider Executive team and reduced bonus payments to the broader employee base.

While the market outlook remains uncertain, particularly in the US due to continued geopolitical tensions and a changing macroeconomic landscape, MindGym's revised cost base, coupled with an increased focus on quarterly revenues, profits and tight cash management, places us in a strong recovery position. Our remuneration arrangements are designed to support management with this strategy and to enable the Group to be flexible and agile in order to deliver against our plan.

Remuneration Policy during the year

Over the past twelve months, as well as supporting the Executive Chair and the CEO in setting the remuneration package for the new CFO, key activities that the Remuneration Committee has been involved in have been:

- Agreeing annual bonus targets for Executive Directors and members of the Executive team for the year ended 31 March 2025
- Determining the remuneration arrangements for new key hires within the Executive team
- Reviewing and approving the measures and targets for the FY25 LTIP awards
- Reviewing the key principles of the Annual Bonus Scheme for FY26

Annual bonus for the year ended 31 March 2025

For the year ended 31 March 2025, 50% of the Company performance element of the Annual Performance bonus was assessed against a revenue metric (with an EBITDA underpin of £3.5m).

The remaining 50% was assessed against personal performance for Christoffer Ellehuus, Emily Fyffe and other members of the Executive team. Dominic Neary forfeited his right to participate in the annual bonus on notifying the Company of his intention to resign from his role and from the Board on 28 August 2024.

As a result of the financial metrics being missed, it was determined that no bonus payment would be made to the eligible Executive Directors or to other members of the Company's Executive Team for the year.

Emily Fyffe will receive a pro-rated bonus payment covering the period prior to her appointment to the Executive team. Details are set out on page 83 of the report.

Board changes

Over the course of the year ended 31 March 2025, there have been a number of Board changes, which are detailed below.

As disclosed in last year's report, Ruby McGregor-Smith stepped down from the position of Board Chair on 22 April 2024, at which time Octavius Black assumed the position of Executive Chair on the same date. There was no change to the remuneration package of Octavius Black as a result of his appointment.

Christoffer Ellehuus was appointed as Chief Executive Officer during April 2024 and was appointed to the Board on 24 April 2024.

As disclosed in last year's report, Joanne Cash did not seek re-election to her role as Non-Executive Director at the July 2024 AGM and stepped down from the Board on 15 July 2024.

On 28 August 2024, Dominic Neary notified the Board of his intention to step down from the role of CFO from 25 October 2024 to pursue a new opportunity. On the same date, the Company announced that Emily Fyffe would be appointed as CFO Designate.

We welcome Emily's permanent appointment to the Board in the role of Chief Financial Officer on 22 October 2024. The terms of her remuneration arrangements are set out on page 84 of this report.

Shareholder Considerations

The Company is committed to ongoing shareholder dialogue and takes an active interest in feedback we receive from our shareholders and voting outcomes. The voting result from the Annual General Meeting held in July 2024 on the resolution to approve the Remuneration Report, including the Remuneration Policy, is set out below.

Implementing the Remuneration Policy for the year ending 31 March 2026

Approval of the 2024 Directors' Remuneration Report (including the Remuneration Policy)	
For	86.38%
Against	13.62%

This is summarised in the report below and contains the normal elements of fixed and variable pay. The bonus and long-term incentives are capped by reference to base salary, subject to malus and clawback, and Executive Directors have shareholding guidelines.

Base pay for Executive Directors is reviewed annually, taking increases for the wider workforce into consideration.

There is no base pay increase proposed for Octavius Black, Sebastian Bailey or Christoffer Ellehuus for the year ending 31 March 2025. Emily Fyffe's base pay was reviewed after six months in role and, as a result, increased to £220,000 from 1 April 2025. Commitment has been made to review Emily's base salary again in October 2025.

Annual bonus will continue to be key in incentivising in-year performance in line with financial goals shared externally, with targets being set for Revenue, EBITDA and personal performance.

The LTIP continues to focus on driving longer-term performance aligned to the financial goals shared externally.

The Remuneration Policy is set out on pages 77 to 81 and details of how this policy will be implemented for the financial year ahead are set out on pages 82 to 88.

I hope that you will find this report helpful and informative and agree that the determinations made by the Committee are appropriate and in the long-term interests of the Company, its employees and our shareholders.

I would also like to take this opportunity to thank our shareholders for your ongoing support and hope that you support the Directors' Remuneration Report for the year at the Company's Annual General Meeting to be held in July 2025. I will be happy to make myself available to answer any questions you may have regarding the work of the committee.

Trevor Phillips
Chair of the Remuneration Committee
11 June 2025

Key Messages for 2024-25

01 Appointment of new Chief Financial Officer

02 Retention of key talent

03 Review of remuneration policy in relation to QCA Code changes

Our Priorities for 2025-26

01 Awards under our Long-Term incentive plan to members of the Executive team (including Christoffer Ellehuus and Emily Fyffe) and other key members of the Executive and Senior Leadership Team

02 Review of Executive remuneration principles and metrics

Directors' Remuneration Policy

This section of the report sets out the Remuneration Policy (the 'Remuneration Policy') for Executive Directors.

The objective of this Remuneration Policy is to attract, motivate and retain high-quality individuals who will contribute fully to the success of the Group. To achieve this objective, the Group provides competitive pay for all employees.

Executive Directors' remuneration is set to create an appropriate balance between both fixed and performance-related elements. Remuneration is reviewed each year in light of the Group's business objectives and designed to support the growth strategy.

It is the Committee's intention that remuneration should reward the achievement of objectives and that these are aligned with shareholders' interests over the medium term.

Remuneration approach

The aim of the Remuneration Policy is to support the Group in:

- Aligning individual and business performance with the interests of shareholders through the delivery of clear and stretching targets
- Strengthening the link between employee output and the delivery of shareholder value
- Attracting, motivating and retaining high-quality talent
- Enabling the Group's remuneration strategy to be tailored to its changing circumstances

The Group passionately believes that remuneration should be structured in a fair and competitive way to incentivise individuals to achieve the highest levels of performance and, therefore, as much as practicably possible takes a consistent approach throughout the Group.

Packages are designed to be competitive with fixed remuneration set at market-aligned levels. Variable rewards, which are linked to objectives based on the performance of the Group, are designed to reward exceptional performance.

In addition, the Remuneration Policy is designed taking into account the principles of the QCA Code.

Remuneration components

We currently define our main fixed and performance-related elements of remuneration as follows:

- Base pay, benefits and pension contribution (fixed)
- Annual performance bonus (variable)
- Long-term incentive plan (variable)

Remuneration Policy table

Component	Aim and link to strategy	Operation, opportunity and performance measures	Further detail
Fixed Base Pay	To attract and retain talent by ensuring base pay is competitive in the market.	· Paid monthly in cash. · Base pay is normally reviewed annually. · Group and individual performance considered when setting Executive Director base pay. · Pay and conditions elsewhere in the Group.	· Any increase typically takes effect from 1 June annually.
Fixed Core benefits	Designed to be competitive in the market.	· Executive Directors receive core benefits in line with market practice, and these typically include but are not limited to: – Private medical insurance for Executive Directors and their immediate families – Uncapped holiday – Life assurance · Other benefits, such as relocation allowances, may be offered if considered appropriate and reasonable by the Committee. · Any reasonable business-related expenses can be reimbursed in accordance with the Company's expenses policy, including the tax thereon, if determined to be a taxable benefit. · Benefits may vary by role.	
Fixed Pension	Designed to be competitive in the market. To provide an appropriate level of retirement benefit to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Company's strategy.	· A defined contribution pension scheme, or a cash payment in lieu of pension contribution in certain circumstances. · The Group will make up to 5% base pay contribution. · Cash payments in lieu of pension contributions may be made to Executive Directors, but these will be subject to normal tax and NI deductions.	· Base pay is the only element of remuneration that is pensionable. · Group contributions for all participating employees are made at a minimum of 5% base pay, and all employees can join the Group's defined contribution pension scheme. · Group contributions will be reviewed over time, to ensure compliance with minimums set under auto-enrolment guidelines.
Variable Annual bonus	Designed to focus Executive Directors on the business priorities for the financial year ahead and to align the individual's remuneration with the delivery of shareholder value and the delivery of the strategic plan.	· Performance is measured on an annual basis for each financial year. · The bonus scheme is based on a combination of financial and non-financial measures which are reviewed annually to ensure they remain appropriate and align with the business strategy. Such measures include Revenue and EBITDA. · At the end of the year, the Committee determines the extent to which these were achieved. · Performance measures and their weightings may vary from one year to another. · Clawback, of any bonus paid, may be applied where the Committee deems it necessary to do so, including in the event of gross misconduct or a material misstatement.	· Payment typically made in cash in June each year. · The Remuneration Committee retains the ability to exercise discretion to adjust payments up or down in exceptional circumstances where they feel this course of action is appropriate. · The bonus scheme pays at the following levels: – Maximum awards for Executive Directors are equivalent to 50% of base pay under normal circumstances, but can be increased to up to 75% in instances of exceptional performance (as determined by the Committee). – The targets and performance against them will be disclosed in the relevant Annual Report and Accounts following the end of the performance period.
Variable Share-based incentive plans (LTIP)	Designed to reward Executives to maximise returns to shareholders by successfully delivering the Company's objectives over the longer term while aligning an individual's interests with those of shareholders.	· Awards of shares, priced or nil-cost options or cash may be made to participants. Award levels and performance conditions are reviewed before each award cycle to ensure they remain appropriate. · Malus (of any unvested LTIP) and clawback (of any vested LTIP) may be applied where the Committee determines it is necessary, including in the event of gross misconduct or a material misstatement. · A two-year holding period will normally apply to the vested awards such that the shares may not be sold by the Executive Director during this period other than to settle tax liabilities in relation to those shares.	· Vesting of LTIP awards is subject to performance conditions determined by the Committee. · Awards do not vest until at least the third anniversary of the date of grant and may have a deferral element. · If employment ceases during the vesting period, awards will by default lapse in full unless the Remuneration Committee exercises its discretion. · In line with the rules of the MindGym LTIP, the Remuneration Committee has discretion over all aspects of the plan, including but not limited to performance conditions, formulaic LTIP outcomes (both upwards and downwards) vesting conditions and cancellation of the scheme.

Malus and clawback

For up to three years following the payment of an annual bonus award (and two years after the vesting of an LTIP award), the Committee may require the repayment of all or some of the award if there is corporate failure, a material error or misstatement of the financial results, gross misconduct or if information comes to light which, had it been known, would have affected the decision as to the extent to which an award would have vested.

The Committee also has the right to reduce or cancel or impose further restrictions on unvested LTIP and deferred bonus shares in similar circumstances (including material failure of risk management).

Executive Director Shareholding Requirements

The Committee has adopted shareholding guidelines that encourage Executive Directors to build up and then subsequently hold a shareholding equivalent to a multiple of their base salary.

Executive Directors are required to build up and hold a shareholding equivalent to 200% of salary over a period of time and then to retain a holding of 100% of salary for the year after leaving. It is anticipated that this will be satisfied through the vesting of LTIPs which will take at least a 5-year period to take effect.

The Committee retains discretion with respect to the operation of the shareholding requirement.

Other share-based remuneration

MindGym Save-As-You-Earn (SAYE) scheme

The Group operates an all-employee SAYE scheme in the UK, which all eligible employees and Executive Directors can participate in. All eligible employees are invited to join the scheme on an annual basis, subject to maximum participation levels, currently £500 per month, or in line with HMRC limits if these are increased in the future. Details of current schemes can be found in the Annual Report on Remuneration section of this report.

MindGym Employee Stock Purchase Plan (ESPP)

The Group operates an all-employee, Employee Stock Purchase Plan for its US-based employees. The MindGym ESPP enables eligible employees to purchase market-priced shares by making regular payroll contributions over a defined 12-month offering period. Details of how the scheme operates can be found on page 86 of the Remuneration Report.

Recruitment policy for new hires

When hiring a new Executive Director, the Remuneration Committee will align the remuneration package with the Remuneration Policy stated previously, including the maximum limits for each remuneration component.

The Remuneration Committee will take all relevant factors into consideration when making a remuneration decision on a new Executive hire, to ensure that these decisions are being made in the best interests of the Group and its shareholders, including, but not limited to:

- Quantum
- Type of remuneration being offered
- The impact on existing remuneration arrangements for other Directors
- The remuneration package of any exiting equivalent Director
- The remuneration arrangements of the candidate in their previous role

In hiring a new Executive Director, the Remuneration Committee may also make a 'buy-out' award to an external candidate in compensation for any remuneration arrangements forfeited on leaving a previous employer. In making such an award, the Committee will take into consideration relevant performance conditions, vesting periods and the form in which the award was made. It is usual that any 'buy-out' awards will be made on a comparable basis. In exceptional circumstances, the Remuneration Committee may make an exceptional award under one of the Group's existing long-term incentive plans to compensate a candidate for any remuneration arrangements forfeited on leaving a previous employer.

The Remuneration Committee would only consider making such awards where the individual has lost an award because of joining the Group, and awards will be subject to continued employment and performance conditions as appropriate. Following the appointment of a new Executive Director, the shareholders will be informed of the details as soon as practicable. Where a variable or performance-related award is made under such circumstances, the Remuneration Committee confirms that the award will be within the limits specified in the Remuneration Policy table.

Service contracts for Executive Directors

Under the Executive Directors' service contracts, both parties are required to give six months' notice of termination of employment. At the Group's discretion they may terminate the contract immediately and not require the Director to work their notice and instead pay six months' contractual pay plus benefits. The Executive Directors' service contracts also include a six month non-compete period. These contracts are available for inspection at the Group's registered office.

Relocation packages

There may be occasions when hiring a new Executive Director when a relocation package is awarded, where a candidate and/or the candidate's immediate family relocate either on a temporary or permanent basis to fulfil their role in the best interests of the Group and its shareholders. In such instances, the Remuneration Committee retains the right to compensate for reasonable and appropriate relocation expenses.

Expatriate packages

On appointing a new Executive Director, the Remuneration Committee may offer assistance where a candidate and/or the candidate's immediate family is asked to relocate either on a temporary or permanent basis, from an overseas location to the UK or from the UK to an overseas location. In such instances, the Remuneration Committee retains the right to compensate for reasonable and appropriate relocation expenses.

Remuneration Policy for internal promotions

When an existing employee of the Group is promoted internally to the role of Executive Director, the Remuneration Committee will align the remuneration package with the Remuneration Policy stated previously, including the factors it considers for new hires. Any remuneration awarded prior to promotion to the role of Executive Director will be retained and will be subject to the previous payment terms. The shareholders will be informed of any such remuneration in the Directors' Remuneration report following promotion.

Exit payments

The Group operates the following policy in respect of exit payments:

- Executive Directors have a six-month notice period from the Group, and they in turn are asked to give the Group six months' notice.
- Exit payments in relation to the service contract are limited to no more than one year's contractual pay plus other benefits and any contractual notice pay, unless determined otherwise by the Board in exceptional circumstances, or unless otherwise dictated by law.
- The Remuneration Committee may use its discretion to determine appropriate bonus amounts and the vesting of any share-based award, taking into consideration the individual circumstances under which an Executive Director is leaving the Group.

The default position is for annual bonus amounts and the vesting of share-based awards for 'good leavers' to be pro-rated for time served from the start date of the scheme to the individual's exit date and will be subject to the applicable rules of the scheme. The Remuneration Committee will have sole discretion to determine the 'good leaver' status of an Executive Director. The Committee will determine on a case-by-case basis whether any vesting of a share-based award is appropriate.

Fees for the Non-Executive Directors

The remuneration for Non-Executive Directors comprises only fees and are approved by the Board on the recommendation of the Chair and CEO.

The Non-Executive Directors do not take part in discussions on their remuneration. Each of the Non-Executive Directors have a letter of appointment substantially in the form suggested by the Code, and each has a month's notice period with no compensation for loss of office.

The Group has no age limit for Directors. The dates of each contract are set out on page 88. The fees for the Non-Executive Directors are set out on page 87 of this report. These fees are reviewed (but not necessarily increased) on an annual basis, considering the responsibilities of the role and their participation in the various Governance Committees of the Group.

The Non-Executive Directors are not entitled to participate in any annual incentive plans or any pension arrangements.

Fees for the Chair

The Chair is currently an Executive Director and as such, the fee is set out on page 83 of the report.

Consideration of employment conditions elsewhere in the Group

The Committee considers the pay and conditions of employees throughout the Group when determining the remuneration arrangements for Executive Directors, although no direct comparison metrics are applied.

Remuneration arrangements are determined throughout the Group, where practicably possible, based on the same principle, that reward should be achieved for successful delivery of the business strategy and should be sufficient to attract, retain and motivate high-calibre employees.

Remuneration arrangements are simple and easy for employees to understand, and it is clear how they support and reinforce the Company's culture and promote the correct behaviours and decisions.

Consideration of shareholder views

The Committee is committed to ongoing dialogue with shareholders and welcomes feedback on directors' remuneration. The Committee will continue to monitor trends and developments in corporate governance, market practice and shareholder views to ensure the structure of the executive remuneration remains appropriate.

The Committee will seek to engage directly with major shareholders and their representative bodies should any material changes be made to the Directors' Remuneration Policy or should material changes be made to existing long-term incentive arrangements or the development of new long-term incentive arrangements.

Remuneration Committee Discretion

The Committee retains discretion to make any payments, notwithstanding that they are not in line with the policy set out above, where the terms of the payment were agreed (i) before the policy came into effect, or (ii) at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment was not in consideration of the individual becoming a Director of the Company.

The Committee will operate the variable pay plans (i.e. Group Annual Bonus Plan, Long-Term Incentive Plan & any other incentive plans) according to their respective rules. The Committee retains a certain discretion in respect of the operation and administration of these arrangements. In addition, the Committee retains the ability to adjust the targets and/or set different measures if events occur (e.g. a material acquisition and/ or divestment of a Group business) which cause it to determine that the conditions are no longer appropriate, and the amendment is required so that the conditions achieve their original purpose and are not materially less difficult to satisfy.

Annual Report on Remuneration

This section of the report provides details of how MindGym's Remuneration Policy was implemented in the year ended 31 March 2025 and how the Group plans to implement the policy for the year ending 31 March 2026.

Remuneration Committee activities in the year ended 31 March 2025

The Committee was formed on 28 June 2018 following the AIM listing of the Group. The Committee operates under the agreed Terms of Reference and is responsible for reviewing the framework for remuneration arrangements for Executive Directors and other senior executives on an annual basis.

The Committee also reviews information on pay outcomes and processes for the wider workforce to take account of wider workforce pay and conditions when setting executive remuneration and to consider alignment between pay structures.

The Committee met five times over the course of the year.

Remuneration Committee activities over the course of the year were as follows:

- Approval of the FY24 Directors' remuneration report
- Reviewing remuneration for members of the Executive leadership team
- Reviewing and approving the measures and targets for the FY25 LTIP awards
- Reviewing and approving the measures and targets for the FY25 Annual Bonus Scheme for Executive Directors and members of the Executive leadership team
- Determining the remuneration arrangements for new key hires within the Executive team
- Reviewing the key principles of the Annual Bonus Scheme for FY26

Single total figure of remuneration

The table below details the total remuneration earned by each Director in respect of the year ended 31 March 2025.

Executive Director	Year	Base Pay £'000	Taxable Benefits[1] £'000	Pension £'000	Bonus £'000	Share options £'000	Total £'000
Octavius Black [2]	**2025**	**458**	**8**	**–**	**–**	**–**	**466**
	2024	500	8	17	–	–	525
Sebastian Bailey [2,3]	**2025**	**254**	**5**	**13**	**–**	**–**	**272**
	2024	350	5	18	–	–	373
Christoffer Ellehuus [4,5]	**2025**	**400**	**18**	**20**	**–**	**–**	**438**
	2024	–	–	–	–	–	–
Dominic Neary [6]	**2025**	**158**	**5**	**8**	**–**	**–**	**171**
	2024	261	9	13	–	–	283
Emily Fyffe [7,8]	**2025**	**86**	**1**	**4**	**–**	**–**	**91**
	2024	–	–	–	–	–	–
Total emoluments	**2025**	**1,356**	**37**	**45**	**–**	**–**	**1,438**
	2024	1,111	22	48	–	–	1,181

[1] Octavius Black, Sebastian Bailey, Dominic Neary and Emily Fyffe were provided with Private Healthcare cover for themselves and their families for the period of the year in which they were members of the Board.

[2] Octavius Black and Sebastian Bailey reduced their base pay by 50% in the months of February and March 2025. Salaries reverted to 100% from 1 April 2025 onward.

[3] Sebastian Bailey reduced his hours from 1 July 2024 and his salary reduced from £350,000 to £250,000 accordingly.

[4] Christoffer Ellehuus was appointed to the Board on 24 April 2024.

[5] Benefits include relocation costs of £14,795 in addition to private medical cover.

[6] Dominic Neary stepped down from the Board on 22 October 2024 and left the Company on 25 October 2024.

[7] Emily Fyffe was appointed to the role of Chief Financial Officer and joined the Board on 22 October 2024.

[8] Emily Fyffe will receive a bonus payment of £6,742.50 in respect of the period of the financial year prior to her appointment to the Executive team, which has not been included in the single figure table.

Base pay

Year ended 31 March 2025

As disclosed in last year's report, the base pay for Christoffer Ellehuus was set at £400,000 on appointment. Dominic Neary's base pay was £275,000 for the period worked.

Emily Fyffe's base pay was set at £200,000 on her appointment to the role of Chief Financial Officer on 22 October 2024, with commitment to review after six months in the role. Base pay was set at 73% of that of her predecessor to reflect her comparative level of experience.

Octavius Black was paid £500,000 and Sebastian Bailey was paid £350,000 until 1 July when he reduced his hours and his base pay was adjusted to £250,000 accordingly, although both took a temporary reduction of 50% of their monthly pay during February and March 2025 which is reflected in the single-figure table above.

Year ending 31 March 2026

Emily Fyffe's base pay was reviewed after being in post for six months and, as a result, her base pay increased to £220,000 from 1 April 2025. Commitment has been made to review Emily's base pay again in October 2025.

There have been no other changes to base pay for Executive Directors.

Relocation expenses

Year ended 31 March 2025

Christoffer Ellehuus received relocation expenses of £43,444 because of relocating to the UK on appointment.

Year ended 31 March 2026

It is not expected that any relocation expenses will be paid to Executive Directors in the year ending 31 March 2026.

Pension contributions

Year ended 31 March 2025

During the year, Executive Directors received Group pension contributions in line with the Remuneration Policy. There were no Executive Directors who were members of a defined-benefit pension scheme during the year.

Pension contributions for Sebastian Bailey, Christoffer Ellehuus and Emily Fyffe were made by the Group at 5% of their total base pay. As disclosed in last year's report, Octavius Black requested that his pension payments be ceased, with his last Company contribution being made on 30 November 2023.

Dominic Neary took his pension contribution in the form of a cash-in-lieu-of-pension payment, equivalent to 5% of his total base pay.

Year ending 31 March 2026

There are no anticipated changes to pension arrangements for Executive Directors for the year ending 31 March 2026.

Pension contributions for all other employees of the Group are capped at 5% of their total base pay.

Annual Performance bonus

Year ended 31 March 2025

For the year ended 31 March 2025, 50% of the Company performance element of the annual performance bonus was assessed against a Revenue metric (with an EBITDA underpin of £3.5m). The remaining 50% was assessed against personal performance for Christoffer Ellehuus, Emily Fyffe and other members of the Executive team. Dominic Neary forfeited his right to participate in the annual bonus on notifying the Company of his intention to resign from his role and from the Board on 28 August 2024.

Neither Octavius Black nor Sebastian Bailey participated in the annual performance bonus.

Actual Revenue performance for the year was £38.6m and Adjusted EBITDA performance was £1.9m. As a result of the Adjusted EBITDA underpin threshold being missed, no payment was triggered under the Company element of the bonus.

As a result of the financial metrics being missed, it was determined that no bonus payment would be made to Executive Directors or to other members of the Company's Executive Team for the year.

Prior to her appointment to the Executive team in August 2024, Emily Fyffe was eligible to participate in an Annual Bonus Scheme for employees below the Executive team, entitling her to receive a maximum bonus of up to 30% of her base pay. Performance was measured against the same financial and personal metrics as contained in the Executive team bonus and, while financial targets were not met, the Company determined that the personal element of the bonus should be paid out to eligible employees below the Executive team. On a formulaic basis, Emily Fyffe would therefore have been eligible to receive a pro-rated bonus for the period of £9,300. On reflecting on the overall performance of the Group however, the Company determined that all personal bonus payouts should be scaled back to 72.5% achievement and, as such, Emily Fyffe will receive a pro-rated bonus payment of £6,742.50.

Annual bonus for the year ending 31 March 2026

The Board has determined that the disclosure of performance targets for the year ending 31 March 2026 is commercially sensitive and they are therefore not disclosed in this report. These targets are determined within the context of a longer-term business plan, and the disclosure of these targets could give information to MindGym's competitors to the detriment of business performance.

Both Christoffer Ellehuus and Emily Fyffe have a maximum bonus potential of up to 50% of their base pay, with performance being measured against a combination of financial metrics and personal performance.

As disclosed in previous years, neither Octavius Black nor Sebastian Bailey is eligible to participate in the Annual Bonus Scheme.

Share-based incentives

The Committee believes that long-term share awards incentivise and reward executives for the delivery of long-term business goals and that they align the interests and objectives of the senior management team with those of shareholders over the medium term.

In its review of share-based incentives, the Remuneration Committee considers several factors such as:

- The available headroom for new awards
- The price of previously granted options, and whether these continue to act as the intended incentive
- Share price movements as compared to the Group's performance

Scheme interests awarded in the year ended 31 March 2025

Awards were made under the Group's Long Term Incentive Plan (LTIP) on 28 August 2024 to Christoffer Ellehuus, Emily Fyffe and members of the senior leadership team.

A five-day average share price of 22.80p was used to calculate the award for Christoffer Ellehuus, resulting in an award of 1,754,385 nil priced options, with a face value of £400,000, which is equivalent to 100% of his base salary.

For all other participants, awards were granted over a fixed number of share options and, as a result, Emily Fyffe, who had not been appointed to the Board on the Award date, was awarded 345,398 nil priced options, with a face value of £78,751.

Vesting of these awards, three years from the date of grant, is subject to two financial performance conditions, with 35% of the award being based on a Revenue CAGR target and 15% based on an EBITDA target. FY25 has continued to be a period of significant change for the Group and with the recruitment of a new CEO at the start of the year, and the uncertainty that such a change brings, the Committee was keen to ensure that the retention of key talent was key. As a result, the remaining 50% of the award will vest subject to continued employment on the vesting date.

The Company considers the specific targets to be commercially sensitive and these will be disclosed on vesting.

Octavius Black and Sebastian Bailey did not participate in this award.

The Company's major shareholders were consulted ahead of these awards being made.

Scheme interests vesting in the year ended 31 March 2025

No awards under the Long-Term Incentive Plan vested in the year ending 31 March 2025.

Year ending 31 March 2026

The Committee believes in the importance of continuing to incentivise the most senior leaders of the Group to deliver against its transformational strategic plans and intends to continue to make awards under the Group's Long-Term Incentive Plan in the year ending 31 March 2026, in line with the Remuneration Policy.

It is anticipated that the CEO and CFO will be granted awards under the Group's Long Term Incentive Plan in the year ending 31 March 2026. As a result of the current depressed share price, awards are expected to be reduced and are expected be made with a face value of up to 75% of their base pay rather than the maximum set out in the Directors' Remuneration Policy.

Neither of the Founders, being Octavius Black and Sebastian Bailey, will participate in these awards.

Awards granted to Emily Fyffe, under the LTIP in July 2022 and prior to her appointment to the Board, are due to vest in July 2025, subject to her continued employment. Further details will be provided in next year's report.

All Employee share plans

MindGym Save-as-you-earn (SAYE) scheme

The SAYE scheme is administered by a duly authorised Committee of the Board. All UK Executive Directors and employees of MindGym are eligible to participate in the SAYE scheme if they have been employed for a qualifying period. To participate in the scheme, an eligible employee must enter into a Sharesave contract and agree to make monthly contributions of between £5 and £500 for a specified period of three or five years. Options granted to acquire MindGym shares under the scheme have an option price determined by the MindGym Board, which will be no less than the higher of 80% of the middle market quotation price or their nominal value.

Christoffer Ellehuus and Emily Fyffe participated in the 2024 invitation, subscribing to 35,577 and 56,923 shares respectively at a discounted option price of £0.2607. The 2024 SAYE scheme has a contract start date of 1 August 2024 and the scheme will reach maturity on, and shares will be exercisable from, 1 August 2027.

Further details of the features and operations of the SAYE scheme can be found in Note 23 to the consolidated financial statements.

MindGym Employee Stock Purchase Plan (ESPP)

The ESPP is administered by a duly authorised Committee of the Board. All US employees of MindGym are eligible to participate in the ESPP if they have been employed for a qualifying period. To participate in the Plan, an eligible employee must contribute between $10 and $550 over a 12-month offering period at the end of which shares in Mind Gym plc will be purchased on behalf of the employee.

No Executive Directors participated in this scheme.

MindGym Share Incentive Plan

Awards were made under the MindGym Share Incentive Plan (the 'SIP') on admission to the AIM Market on 25 June 2018.

Emily Fyffe holds 685 shares under the SIP which were awarded to her in 2018, prior to her appointment to the Board.

No other Executive Directors participate in the SIP.

Payments for loss of office and payments to past Directors made in the year ended 31 March 2025

There were no payments made to past Directors in the year.

Service contracts

Service contracts have been in place for Octavius Black and Sebastian Bailey since admission to AIM on 25 June 2018. Christoffer Ellehuus and Emily Fyffe signed service contracts on their appointment to the Board on 24 April 2024 and 22 October 2024 respectively.

These are not of fixed duration and are terminable by either party giving six months' written notice.

Directors' interests and shareholding

In line with the Quoted Companies Alliance Code for small and mid-sized quoted companies, Executive Directors are encouraged to build and retain a shareholding in the Group. Current shareholdings at 31 March 2025 are set out below for Executive Directors and associated persons:

	Ordinary shares of 0.1p	
Executive Director	Actual Holding	Actual ownership as a % of base pay[1,2]
Octavius Black[3]	55,712,055	2,396%
Sebastian Bailey	10,341,373	889%
Christoffer Ellehuus[4]	–	0%
Emily Fyffe[4]	685	0.07%

(1) Share price on 31 March 2025 of 21.50p used for calculation.
(2) There have been no share disposals by the Executive Directors in the year. Percentage share price reductions are as a result of the change in company share price only.
(3) Octavius Black and Joanne Cash hold their shareholding jointly.
(4) Christoffer Ellehuus and Emily Fyffe were appointed to the Board on 24 April 2024 and 22 October 2024 respectively and, in line with the Directors' Remuneration Policy, will build up their shareholding in the Company over a period of time.

Dominic Neary held 10,000 shares in the Company on 25 October 2024 when his employment with the Company ended.

There have been no changes to the shareholdings of Executive Directors between 31 March 2025 and 11 June 2025.

Fees for the Non-Executive Directors

Remuneration for the Non-Executive Directors is set by the Board, taking account of the commitments and responsibilities of the role and their participation in the various governance Committees of the Group.

The fees for the Non-Executive Directors along with their associated appointment dates are set out in the tables below. The Non-Executive Directors are not eligible to participate in annual bonus and pension arrangements.

Non-Executive Director	Year	Fees £'000	Benefits £'000	LTIP £'000	Total Fees and benefits £'000
Joanne Cash [1]	**2025**	**12**	**–**	**–**	**12**
	2024	40	–	–	40
Sally Tilleray	**2025**	**57**	**–**	**–**	**57**
	2024	57	–	–	57
David Nelson	**2025**	**43**	**–**	**–**	**43**
	2024	43	–	–	43
Trevor Phillips	**2025**	**53**	**–**	**–**	**53**
	2024	53	–	–	53
Ruby McGregor-Smith [2]	**2025**	**6**	**–**	**–**	**6**
	2024	100	–	–	100
Aggregate emoluments	**2025**	**171**	**–**	**–**	**171**
	2024	293	–	–	293

(1) Joanne Cash stepped down from the Board on 17 July 2024.
(2) Ruby McGregor-Smith stepped down from the Board on 22 April 2024.

The fee structure for the Non-Executive Directors in respect of FY25 is set out in the table below:

Non-Executive Director	Fee as at 31 March 2025	% increase
Base Fee		
Non-Executive Directors	43	0%
Additional Fees		
Committee Chair	10	0%
Senior Independent Director	5	0%

Letters of appointment – the Non-Executive Directors

The Non-Executive Directors signed letters of appointment with the Group for the provision of Non-Executive Directors' services, which may be terminated by either party giving one month's written notice.

Director	Committee Memberships	Date of appointment to the Board	Expiry date of current arrangement
Trevor Phillips	Nomination & Remuneration	16 October 2020	30 September 2025
Sally Tilleray	Nomination & Remuneration, Audit & Risk	14 June 2018	30 June 2027
David Nelson	Nomination & Remuneration	2 April 2014	30 June 2027

Interests and shareholding – the Chair and Non-Executive Directors

There are no shareholding requirements for the Chair or Non-Executive Directors. Octavius Black jointly holds 55,712,055 shares in the Group with Joanne Cash.

Advice and services provided to the Remuneration Committee

Except when matters concerning their own positions are being considered, the Chair is normally invited to attend the meetings of the Remuneration Committee.

Over the course of the year ended 31 March 2025, the Remuneration Committee was advised on matters relating to executive remuneration by Overwood People Consulting Limited 'OPC'. The Remuneration Committee deems the advisors to be independent from the Group and the advice it received during the year to be appropriate and objective.

The fees paid for services are set out below:

Group:	OPC
Nature of Service:	Remuneration Matters
FY25 (£'000):	8

Trevor Phillips
Chair of the Remuneration Committee
11 June 2025

Directors' report

The Directors present their report together with the audited financial statements for the year ended 31 March 2025. The corporate governance statement on pages 61 to 62 also forms part of this Directors' report.

Principal activity

Mind Gym plc (the 'Company') is a public limited Company incorporated in the United Kingdom, registered number 03833448. The Company's shares have been traded on the Alternative Investment Market ('AIM') of the London Stock Exchange since 28 June 2018. The group consists of Mind Gym plc and its subsidiaries, MindGym (USA) Inc., MindGym Performance PTE, MindGym (Canada) Inc. (together the 'Group').

The principal activity of the Group is to apply behavioural science to transform the performance of companies and the lives of the people who work in them. The Group does this primarily through research, diagnostics, strategic advice, management and employee development, employee communication, digital products and related services.

Review of business

The Chairman's statement on page 7 to 10 and the CEO's review on pages 11 to 14 provide a review of the business, the Group's trading for the year ended 31 March 2025, key performance indicators and an indication of future developments and risks, and form part of this Directors' report.

Financial results and dividends

The Group's loss before taxation for the year was £6.2m. More information about the Group's financial performance can be found in the financial review on pages 25 to 31 and in the financial statements on page 99.

The Board has not recommended the payment of a final dividend for the year. More information about dividends can be found in the Chair's statement on page 10.

Directors

The Directors of the Company during the year, and subsequently to the date of this report, were:

- **Ruby McGregor-Smith (resigned 22 April 2024)**
- **Octavius Black**
- **Sebastian Bailey**
- **Joanne Cash (resigned 15 July 2024)**
- **Dominic Neary (resigned 25 October 2024)**
- **David Nelson**
- **Sally Tilleray**
- **Trevor Phillips**
- **Christoffer Ellehuus**
- **Emily Fyffe**

The current Directors' biographies can be found on pages 57 to 60. Details of the Executive Directors' service contracts, the Non-Executive Directors' letters of appointment and the Directors' dates of appointment can be found in the Remuneration report on page 73.

Articles of Association

The rules governing the appointment and replacement of Directors are set out in the Company's Articles of Association. The Articles of Association may be amended by a special resolution of the Company's shareholders. A copy of the Articles of Association can be found on the Company's website: https://uk.themindgym.com/investors

Directors' interests

The Directors' interests in the Company's shares are set out in the Remuneration report on page 86.

Directors' indemnity provisions

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by s236 of the Companies Act 2006. The indemnity was in force throughout the financial period and at the date of approval of the financial statements. The Company has purchased directors' and officers' liability insurance during the period under review, as allowed by the Company's articles.

Share capital

As at 31 March 2025, the Company's issued share capital was £51,003.39 divided into 100,338,882 ordinary shares of 0.00001p each and 50,000 redeemable preference shares of £1.00 each. The holders of ordinary shares are entitled to one vote per share at the Company's general meetings. The redeemable preference shares carry no dividend or voting rights and are fully redeemable at the election of the Company or the holder of the redeemable preference shares (Octavius Black).

Significant shareholdings

As of 31 March 2025, the Company is aware of the following holdings of significant shareholders in the Company (as defined in the AIM Rules).

Shareholder	Number of shares	Percentage of issued share capital
Octavius Black and Joanne Cash (jointly)	55,712,055	55.52%
LIONTRUST	12,559,406	12.52%
Sebastian Bailey	10,341,373	10.31%
cg/ Wealth Management Canaccord Genuity	7,235,500	7.21%
J O Hambro Capital Management Group	4,500,000	4.48%

Restrictions on shares

The Directors are not aware of any agreements between the holders of the Company's shares that may result in the restriction of the transfer of securities or on voting rights. No shareholder holds securities carrying any special rights or controls over the Company's share capital.

Relationship agreement

On 25 June 2018, Octavius Black, Joanne Cash and Sebastian Bailey (the 'Substantial Shareholders') entered into the Relationship Agreement with the Company. The principal purpose of the Relationship Agreement is to ensure that the Company is capable at all times of carrying on its business independently of the Substantial Shareholders and their respective associates.

Under the Relationship Agreement, each of the Substantial Shareholders have undertaken that they will (and will procure that their respective associates will) among other things:

a. Ensure that the Group shall be managed for the benefit of the Shareholders as a whole and independently of themselves and their respective associates.

b. Ensure that all transactions and arrangements with the Company and any other member of the Group are on an arm's-length basis and on normal commercial terms.

c. Not exercise any of their respective voting or other rights and powers to prevent the Company or any other member of the Group from complying with its obligations under the AIM Rules for Companies or other applicable law.

d. Not exercise any of their respective voting or other rights and powers to cancel the Company's admission to trading on AIM.

For as long as Octavius Black and Joanne Cash (or their respective personal representatives or successors in title) hold, in aggregate, 20% or more of the total voting rights in the Company they shall be entitled to appoint one director to the Board, in place of either or both of them.

Financial instruments

The financial risk-management objectives of the Group, including credit risk and currency risk, are provided in Note 21 to the financial statements on pages 129 to 131.

Political donations

The Company made no political donations in the year.

Authority to purchase own shares

At the Company's AGM held on 15 July 2024, the Company was generally and unconditionally authorised by its shareholders to make market purchases (within the meaning of section 693 of the Companies Act 2006) of up to a maximum of 10,010,566 of its ordinary shares (10% of the Company's issued capital at the time). The Company has not repurchased any of its ordinary shares under this authority, which is due to expire at the 2025 AGM. A resolution will be proposed to renew the authority at the 2025 AGM.

Employees

Employees are encouraged to be involved in decision-making processes and are provided with information on the financial and economic factors affecting the Group's performance through team meetings, updates from the Chief Executive Officer and via an open and inclusive culture. More information on employee engagement is provided on page 47 of the strategic report.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of a member of staff becoming disabled, every effort is made to ensure that their employment within the Group continues and that workspace and other modifications are made as appropriate. It is the policy of the Group that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Stakeholder engagement and key decisions

Details of how we engage with our key stakeholders, key decisions and discussions of the Board during the year and the main stakeholder inputs into those decisions are set out on pages 46 to 50 of the strategic report.

Greenhouse gas emissions

Climate change has become a critical environmental and business challenge. While the nature of our services means our carbon footprint has always been low, our continued investment in and transition to a digital service provider means that we will continue to make improvements to the level of our emissions reductions (as further detailed within our Sustainability section on pages 33 to 40).

Post balance sheet events

There are no events that are material to the operations of the Group that have occurred since the reporting date.

Going concern

The Group meets its day-to-day working capital requirements from the cash flows generated by its trading activities and its available cash resources. As at 31 March 2025, the Group had £0.6 million of cash and £1.2m of lease liabilities. Cash conversion, adjusted for the impact of non-cash exceptional charges, in the year ended 31 March 2025 was 168% (FY24: 147%).

The Board has reviewed scenario analysis to help assess their forward-looking assessment of the viability of the Group. The Directors are confident that the Group has adequate resources to continue in operational existence for the foreseeable future. The Board has reviewed scenarios including a range of revenues and cost-reduction actions that could be taken to mitigate a downturn. This is supported by strong cash management and financial controls, reduced expenditure heading into FY26 and adequate current liquidity.

The Group prepares cash flow forecasts and re-forecasts regularly as part of the business planning process. The Directors have reviewed forecast cash flows for the forthcoming 12 months for the Group from the date of the approval of the financial statements and consider that the Group will have sufficient cash resources available to meet its liabilities as they fall due. These cash flow forecasts have been analysed in light of global macroeconomic factors. Given the expected medium-term economic impact, the cash flow forecasts are subject to stress testing, scenario modelling and sensitivity analysis, which the Directors consider sufficiently robust. The Directors note that in a downturn scenario the Group also has the option to further rationalise its cost base including cuts to discretionary capital and overhead expenditure. The Directors consider that the required level of change to the Group's forecast cash flows to give rise to a material risk over going concern are sufficiently remote.

During the period, the Group secured a £4m overdraft facility which replaced the RCF and reduced ongoing finance costs. This provides additional liquidity and flexibility to support the business. The facility was renewed for 12 months in March 2025. The Board anticipates using the facility in the ordinary course of business but does not anticipate that the facility will be in use at 31 March 2026 as it ends the year in a cash neutral position with cash generated from operations being reinvested in the business. The Board expects to renew the facility in the ordinary course of business and should this not be successful is confident of securing alternative financing arrangements. The Board are not reliant on this facility being renewed for the purposes of the going concern assessment.

As a result of these assessments performed, the Group's liquidity position and clients predominantly comprising blue-chip corporates, the Directors have a reasonable expectation that the Group has 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 Accounts.

The Directors believe that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business mode and strategy.

Independent auditors

BDO LLP has expressed its willingness to continue in office as Auditor and a resolution to appoint BDO LLP will be proposed at the forthcoming Annual General Meeting of the Company.

Disclosure of information to auditor

In the case of each Director in office at the date the Directors' report is approved, the following applies:

- The Director knows of no information, which would be relevant to the auditors for the purpose of their audit report, of which the auditors are not aware.
- The Director has taken all steps that he/she ought to have taken as a Director to make him/herself aware of any such information and to establish that the auditors are aware of it.

Annual General Meeting

The Annual General Meeting is scheduled to be held on 16 July 2025 at 160 Kensington High Street, London, W8 7RG. The ordinary business will include receipt of the Directors' report and audited financial statements for the year ended 31 March 2025, the re-election of Directors, the reappointment of BDO LLP as Auditor and authorisation of the Directors to determine the Auditor's remuneration.

The Notice of Annual General Meeting and the ordinary and special resolutions to be put to the meeting have been sent to shareholders separately and are available on the Company's website.

Statement of Directors' responsibilities

The Directors are responsible for preparing the strategic report, the Annual Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Group's Consolidated Financial Statements in accordance with UK adopted international accounting standards and the Company Financial Statements in accordance with 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 Company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business.

> The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange.
>
> Emily Fyffe
> Chief Financial Officer

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

Website publication

The Directors are responsible for ensuring that the Annual Report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Directors' report was approved by the Board and was signed on its behalf on 11 June 2025.

Emily Fyffe
Chief Financial Officer
11 June 2025

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Independent auditor’s report

Independent auditor’s report to the members of Mind Gym plc

Opinion on the financial statements

In our opinion:

- The financial statements give a true and fair view of the state of the Group’s and of the Parent Company’s affairs as at 31 March 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.

We have audited the financial statements of Mind Gym Plc (the ‘Parent Company’) and its subsidiaries (the ‘Group’) for the year ended 31 March 2025 which comprise 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 Parent Company statement of financial position, the Parent 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors’ assessment of the Group and the Parent Company’s ability to continue to adopt the going concern basis of accounting included:

- Understanding, challenging and corroborating the key assumptions included in their cash flow forecasts, by using our knowledge of the business and industry, and information obtained from other areas of the audit;
- Enquiring of the Directors and review of Board minutes and external resources for any future events that may have been omitted from the cash flow forecasts and assessing the impact these could have on future cash flows and cash reserves;

- Challenging whether other reasonably possible scenarios could occur and assessing stress test scenarios and the reasonableness of the assumptions used in the sensitised cashflow forecasts using our knowledge of the business and industry;
- Review of the post year-end cash position to assess any potentially significant deterioration in balances held; and
- Considering the adequacy of the disclosures relating to going concern included within the financial statements against the requirements of the accounting standards and checking the consistency of the disclosures against the forecasts and the Directors’ going concern assessment.

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 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.

Overview

		2025	2024
Key audit matters	Revenue recognition	✓	✓
	Impairment of capitalised development costs – unfinished assets	✗	✓
	Impairment of capitalised development costs – unfinished assets, is no longer considered to be a key audit matter because the value of unfinished assets as at 31 March 2025 is not material		
Materiality	Group financial statements as a whole £386,000 (2024: £450,000) based on 1% (2024: 1%) of revenue		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, the applicable financial reporting framework and the Group’s system of internal control. On the basis of this, we identified and assessed the risks of material misstatement of the Group financial statements including with respect to the consolidation process. We then applied professional judgement to focus our audit procedures on the areas that posed the greatest risks to the group financial statements. We continually assessed risks throughout our audit, revising the risks where necessary, with the aim of reducing the group risk of material misstatement to an acceptable level, in order to provide a basis for our opinion.

Components in scope

From our risk assessment and planning procedures, we determined which of the Group’s components were likely to include risks of material misstatement relevant to the Group’s financial statements. We then determined the type of procedures to be performed at these components, and the extent to which component auditors were required to be involved.

As part of performing our Group audit, we have determined the components in scope to be the Parent Company and the Group’s subsidiary in the USA.

For components in scope, we used a combination of risk assessment procedures and further audit procedures to obtain sufficient appropriate evidence. These further audit procedures included procedures on the entire financial information of the component, including performing substantive procedures.

Procedures performed at the component level

We performed procedures to respond to group risks of material misstatement at the component level that included the following. For the purpose of our group audit, the group consisted of four components in total. These were comprised of four legal entities.

Procedures were performed on the entire financial information of Mind Gym Plc (the Parent Company) and Mind Gym (USA) Inc.

Procedures performed centrally

We considered there to be a high degree of centralisation of financial reporting, commonality of controls, and similarity of the group's activities and business lines across all financial statement areas. We therefore designed and performed procedures centrally and the Group engagement team has performed all procedures directly, and has not involved component auditors in the Group audit.

Key audit matters

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

Key audit matter		How the scope of our audit addressed the key audit matter
Revenue Recognition (See note 4 and the accounting policy in note 2)	Revenue is generated from the provision of training courses and associated products. Certain elements of Group revenues are recognised with reference to the stage of delivery of a product or service as the performance obligations are fulfilled. Management undertake an exercise at each period end to determine whether performance obligations have been met. Delivery revenues are coach led face to face and virtual training sessions. Revenue is recognised at a point in time on the date of delivery of the session. For revenue streams other than Delivery revenue, there may be judgement over the point the performance obligations are satisfied and therefore the period in which revenue should be recognised. In view of the judgement involved, revenue recognition for non-delivery revenue streams, specifically cut off, was determined to be a key audit matter.	We tested a sample of non-delivery revenue recognised around the year end (pre and post), to source documentation. This included identification of performance obligations, and assessing the evidence of customer acceptance and satisfaction of performance obligation, including the payment of amounts due to determine whether the approach to recognising revenue was appropriate and whether the appropriate amount has been recognised as revenue in the appropriate period. **Key observations:** Based on the procedures performed, we consider the cut off of revenue recognition for non-delivery revenue to be reasonable.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements		Parent company financial statements	
	2025 £'000	2024 £'000	2025 £'000	2024 £'000
Materiality	386	450	347	355
Basis for determining materiality	1% of revenue		1.5% of revenue, capped at 90% of Group materiality	1.5% of revenue
Rationale for the benchmark applied	We considered revenue to be the most appropriate measure for the basis of materiality given the reduction in the Group's profitability as a result of the continued investment in new Digital offerings, the related increase in amortisation of the intangible assets, as well as the impairment charges recognised. Revenue therefore remains the focus of how the Group measures its performance.		We considered revenue to be the most appropriate measure of the basis of materiality for a trading entity. This was capped at 90% of Group materiality given the assessment of component aggregation risk (2024: no cap was required as 1.5% of revenue was already lower than 90% of group materiality).	
Performance materiality	290	337	261	267
Basis for determining performance materiality	75% of materiality			
Rationale for the percentage applied for performance materiality	We considered a number of factors including the expected total value of known and likely misstatements (based on past experience and other factors) and management's attitude towards proposed adjustments.			

Component performance materiality

For the purposes of our Group audit opinion, we set performance materiality for the component of the Group in scope for testing, apart from the Parent Company whose materiality and performance materiality are set out above, based on a percentage of 57% (2024: 70%) of Group performance materiality dependent on a number of factors including the size of the component and our assessment of the risk of material misstatement of those components. Component performance materiality was £162,500 (2024: £234,750).

Reporting threshold

We agreed with the Audit and Risk Committee that we would report to them all individual audit differences in excess of £15,440 (2024: £18,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the document entitled Annual Report and Accounts other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • The information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • The Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.
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 Statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management, the Audit and Risk Committee, and in-house legal counsel; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations

We considered the significant laws and regulations to be the Companies Act 2006, AIM rules, industry specific regulation and employment and taxation laws and regulations in the jurisdictions in which the Group operates.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be employment, health and safety, and tax legislation.

Our procedures in respect of the above included:

- Reviewing the adequacy and appropriateness of tax provisioning by agreeing the data used in the calculations to audited schedules and checking if the provisioning was calculated in line with relevant tax laws and regulations;
- Agreeing the financial statement disclosures to underlying supporting documentation; and
- Understanding how the Group is complying with the applicable legal and regulatory frameworks, by making enquires of management and those responsible for legal and compliance procedures. We corroborated our enquires through our review of board and audit and risk committee meeting minutes.

Fraud

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

- Enquiry with management, the Audit and Risk Committee, and in-house legal counsel regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance, including Board and Audit and Risk Committee meetings, for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue recognition.

Our procedures in respect of the above included:

- Obtaining an understanding of the processes and controls that the Group has established to address the fraud risks identified, or that otherwise prevent, deter and detect fraud, and how management monitors those processes and controls;
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, as well as testing a sample of randomly selected journals, by agreeing to supporting documentation; and
- Considering management's estimates and judgements applied in the preparation of the financial statements throughout the audit, individually and in aggregate, to evaluate whether there were any indications of bias in the application of these judgements. This included those set out in the key audit matters section of our report.

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

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

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

Use of our report

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

James Leigh
Senior Statutory Auditor
For and on behalf of BDO LLP,
Statutory Auditor
London, UK

11 June 2025

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

Company financial statements

Mind Gym plc Consolidated statement of comprehensive income

	Note	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Continuing operations			
Revenue	4	38,606	44,914
Cost of sales		(5,163)	(6,194)
Gross profit		**33,443**	**38,720**
Administrative expenses		(39,598)	(50,734)
Other income	4	107	–
Operating (loss)		**(6,048)**	**(12,014)**
Finance income	9	1	30
Finance costs	9	(142)	(163)
(Loss) before tax		**(6,189)**	**(12,147)**
Adjusted (loss) before tax		**(803)**	**(3,264)**
Total adjusting items	6	(5,386)	(8,883)
(Loss) before tax		**(6,189)**	**(12,147)**
Tax on (loss)/profit	10	(2,000)	1,259
(Loss) for the financial period from continuing operations attributable to owners of the parent		**(8,189)**	**(10,888)**
Items that may be reclassified subsequently to profit or loss			
Exchange translation differences on consolidation		(100)	(98)
Other comprehensive (loss) for the period attributable to the owners of the parent		**(100)**	**(98)**
Total comprehensive (loss) for the period attributable to the owners of the parent		**(8,289)**	**(10,986)**
(Loss) per share (pence)			
Basic	11	(8.16)	(10.86)
Diluted		(8.16)	(10.86)
Adjusted (loss) per share (pence)			
Basic	11	(4.16)	(4.25)
Diluted		(4.16)	(4.25)

Mind Gym plc Consolidated statement of financial position

	Note	31 March 2025 £'000	31 March 2024 £'000
Non-current assets			
Intangible assets	13	3,749	8,252
Property, plant and equipment	14	1,199	2,100
Deferred tax assets	10	303	2,281
		5,251	**12,633**
Current assets			
Inventories	15	25	40
Trade and other receivables	16	6,469	7,787
Current tax receivable		95	551
Cash and cash equivalents		570	1,369
		7,159	9,747
Total assets		**12,410**	**22,380**
Current liabilities			
Trade and other payables	17	7,647	8,474
Lease liability	18	518	980
Redeemable preference shares	19	50	50
Current tax payable		–	1
		8,215	**9,505**
Non-current liabilities			
Lease liability	18	646	1,038
Total liabilities		**8,861**	**10,543**
Net assets		**3,549**	**11,837**
Equity			
Share capital	22	1	1
Share premium		274	258
Share option reserve		441	481
Retained earnings		2,833	11,097
Equity attributable to owners of the parent company		**3,549**	**11,837**

The financial statements were approved and authorised for issue by the Board of Directors on 11 June 2025 and were signed on its behalf by:

Emily Fyffe
Chief Financial Officer

Mind Gym plc Consolidated statement of changes in equity

	Note	Share capital £'000	Share premium £'000	Share option reserve £'000	Retained earnings £'000	Total equity £'000
At 1 April 2023		**1**	**242**	**496**	**22,075**	**22,814**
Profit for the period		–	–	–	(10,888)	(10,888)
Other comprehensive income:						
Exchange translation differences on consolidation		–	–	–	(98)	(98)
Total comprehensive (loss) for the period		**–**	**–**	**–**	**(10,986)**	**(10,986)**
Exercise of options		–	16	(8)	8	16
Credit to equity for share-based payments	23	–	–	(7)	–	(7)
At 31 March 2024		**1**	**258**	**481**	**11,097**	**11,837**
(Loss) for the period		–	–	–	(8,189)	(8,189)
Other comprehensive loss:						
Exchange translation differences on consolidation		–	–	–	(100)	(100)
Total comprehensive (loss) for the period		**–**	**–**	**–**	**(8,289)**	**(8,289)**
Exercise of options		–	16	(22)	22	16
Credit to equity for share-based payments	23	–	–	(18)	–	(18)
Tax related to share based payments	10	–	–	–	3	3
At 31 March 2025		**1**	**274**	**441**	**2,833**	**3,549**

Mind Gym plc Consolidated statement of cash flows

	Note	Year to 31 March 2025 £'000	Year to 31 March 2024 £'000
Cash flows from operating activities			
(Loss)/Profit for the financial period		(8,189)	(10,888)
Adjustments for:			
Amortisation of intangible assets	13	1,531	1,615
Impairment of intangible asset	13	4,404	6,604
Depreciation of property, plant and equipment	14	987	1,173
Impairment of right of use asset	14	–	517
Loss/(profit) on disposal of intangible assets	13	26	–
Loss/(profit) on disposal of property, plant and equipment	14	83	–
Net finance costs	9	141	133
Taxation (credit)/charge	10	2,000	(1,259)
Decrease in inventories		15	13
Decrease in trade and other receivables		1,318	1,970
(Decrease) in trade and other payables		(827)	(2,965)
Share-based payment (credit)	23	(18)	(7)
Cash (used in)/generated from operations		**1,471**	**(3,094)**
Net tax received		165	1,363
R&D refund on account		295	1,066
Net cash (used in)/generated from operating activities		**1,931**	**(665)**
Cash flows from investing activities			
Purchase of intangible assets	13	(1,458)	(4,151)
Purchase of property, plant and equipment	14	(42)	(82)
Interest received	9	1	30
Net cash used in investing activities		**(1,499)**	**(4,203)**
Cash flows from financing activities			
Cash repayment of lease liabilities		(1,047)	(1,229)
Issuance of ordinary shares		16	16
Interest paid	9	(74)	(47)
Net cash used in financing activities		**(1,105)**	**(1,260)**
Net decrease in cash and cash equivalents		**(673)**	**(6,128)**
Cash and cash equivalents at beginning of period		1,369	7,587
Effect of foreign exchange rate changes		(126)	(90)
Cash and cash equivalents at the end of period		**570**	**1,369**
Cash and cash equivalents at the end of period comprise:			
Cash at bank and in hand		570	1,369

Mind Gym plc Notes to the group financial statements

01. General information

Mind Gym plc ('the Company') is a public limited company incorporated in England and Wales, and its ordinary shares are traded on the Alternative Investment Market of the London Stock Exchange ('AIM'). The address of the registered office is 160 Kensington High Street, London W8 7RG. The group consists of Mind Gym plc and its subsidiaries, Mind Gym (USA) Inc., Mind Gym Performance (Asia) Pte. Ltd, and Mind Gym (Canada) Inc. (together 'the Group').

The principal activity of the Group is to apply behavioural science to transform the performance of companies and the lives of the people who work in them. The Group does this primarily through research, strategic advice, management and employee development, employee communication, digital products, diagnostics and related services.

02. Summary of material accounting policies

Basis of preparation

These consolidated financial statements have been prepared in accordance with UK adopted international accounting standards and within the requirements of the Companies Act 2006 as applicable to companies reporting under those standards, including interpretations issued by the International Financial Reporting Interpretations Committee ('IFRIC'), and within the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared on a going concern basis under the historical cost convention.

The consolidated financial statements are presented in Pounds Sterling. All values are rounded to £1,000 except where otherwise indicated.

The principal accounting policies in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

Going concern

The Group meets its day-to-day working capital requirements from the cash flows generated by its trading activities and its available cash resources. As at 31 March 2025, the Group had £0.6m of cash, £6.5m of trade and other receivables, £7.6m of trade and other payables and £1.2m of lease liabilities. Trade and other payables included £2.2m of deferred income relating to client payments in advance and does not constitute a cash outflow.

In March 2025, the Group renewed the £4m overdraft facility (Note 20) which expires on 31 March 2026. The Board expects to renew this facility in the ordinary course of business and should this not be successful are confident of securing alternative financing arrangements.

The Board expects to use the facility in the ordinary course of business as it has done through the year ended 31 March 2025 as the Board anticipates ending FY26 in a cash neutral position. The Board do not anticipate utilising the facility in FY27 but will seek renewal as part of their risk mitigation strategy.

The Group prepares cash flow forecasts and re-forecasts regularly as part of the business planning process. The Directors have reviewed forecasted cash flows for a period of at least 12 months for the Group from the date of the approval of the financial statements and consider that the Group will have sufficient cash resources available to meet its liabilities as they fall due. These cash flow forecasts have been analysed in light of inflationary pressure and other medium-term macro-economic impacts and subjected to stress testing and scenario modelling which the Directors consider sufficiently robust. The scenario modelling has assessed the impact of various degrees of downturn in medium-term revenues generated. The Directors note that in a downturn scenario the Group also has the option to rationalise its cost base, including cuts to discretionary capital and overhead expenditure. The Directors consider that the required level of change to the Group's forecasted cash flows to give rise to a material risk over going concern is sufficiently remote. Furthermore, the Directors do not foresee exceeding the key performance indicator (KPI) within the going concern period under both the base scenario and sensitivity modelling.

As a result of these assessments, the Group's cash position and its clients predominantly comprising blue-chip corporates, the Directors have a reasonable expectation that the Group has 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 Accounts.

New standards and interpretations applied for the first time

New standards impacting the Group that have been adopted in the annual financial statements for the year ended 31 March 2025 are:

	Applicable for periods starting on or after
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to IFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024

The Group has considered the above new standards and amendments and has concluded that, they are either not relevant to the Group or they do not have a significant impact on the Group's consolidated financial statements.

New standards and interpretations not yet applied

At the date of authorisation of these financial statements the following standards and interpretations were in issue but not yet effective for the financial period and have not been applied. The Directors plan to adopt these standards in line with their effective dates.

	Applicable for periods starting on or after
IFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to IFRS 9 and IFRS 7: Classification and measurement of financial instruments	1 January 2026

The Group has considered the above new standards and amendments and has concluded that, they are either not relevant to the Group or they do not have a significant impact on the Group's consolidated financial statements.

Alternative performance measures

The Group has identified certain alternative performance measures ("APMs") that it believes will assist the understanding of the performance of the business. The terms are not defined terms under IFRS and may therefore not be comparable with similarly titled measures reported by other companies. They are not intended to be a substitute for, or superior to, IFRS measures. The Group believes that Adjusted Loss before Tax, adjusting items and Adjusted EBITDA (earnings before interest, tax, depreciation and amortisation excluding adjusting items), provide useful information to users of the financial statements.

Adjusting items

The Group has chosen to present an adjusted measure of (loss)/profit and earnings per share, which excludes certain items which are separately disclosed due to their size, nature or incidence, and are not considered to be part of the normal operating costs of the Group. These costs (refer to Note 6) include restructuring costs and impairment charges.

Basis of consolidation

The consolidated financial statements incorporate those of Mind Gym plc and its subsidiary undertakings (i.e. entities that the Group controls when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity). Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Where necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Foreign currency translation

The Group's presentation currency is Pound Sterling. The results and financial position of subsidiaries that have a functional currency different from Sterling are translated into Sterling as follows:

- Assets and liabilities are translated at the closing rate at the balance sheet date
- Income and expenses are translated at average rates of exchange prevailing during the year

All resulting exchange differences are recognised in equity.

Foreign currency transactions are initially recorded at the exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from settlement of such transactions, and from the translation at exchange rates at the balance sheet date of monetary assets or liabilities denominated in foreign currencies, are recognised in profit or loss.

Revenue recognition

Revenue is recognised when control over a product or service is transferred to a customer. Due to the short-term nature of the trade receivables, the Group measures them at the original transaction price invoiced without discounting.

The Group generates revenue from business-to-business customers by satisfying the following performance obligations:

- Delivering coach-led face-to-face and virtual training sessions. Revenue is recognised at a point in time on the date of delivery of the session.
- Developing training programmes customised to specific needs. Revenue is recognised at a point in time on the completion of all development work or at the end of a stage of work when the contract provides an enforceable right to payment on completion of a stage.
- Licensing digital training modules to clients. When non-cancellable digital modules are provided to the client and hosted on the client's servers, revenue is recognised at a point in time on the date the modules are provided to the client. Where non-cancellable digital modules are provided to the client with multi-year right of use and hosted on the client's servers, revenue is recognised, annually on the date the modules are provided to the client. Where the client has a right to cancel, revenue is recognized at the start of each committed period. When digital modules are hosted on the Group's servers, revenue is recognised over time across the life of the agreement.
- Training and certifying client staff to act as coaches. Revenue is recognised at a point in time on the date of delivery of the certification course.
- Digital coaching platform and coaching sessions. Revenue is recognised over time, across the life of the agreement and in line with expected customer usage levels.

Any advance consideration received from clients represents a contract liability and is disclosed in Note 17 under the heading deferred income. When the performance obligation has been satisfied but the income has not yet been invoiced, the amount represents a contract asset and is disclosed in Note 16 as accrued income.

The incremental costs of obtaining a contract principally consist of commissions paid to the Group's sales team. The sales team earn commission over time as the revenue they have generated is recognised. Commission costs are therefore not capitalised.

Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to the Consolidated Statement of Comprehensive Income over the vesting period. Non-market performance conditions are taken into account by adjusting the number of equity instruments expected to vest at each Statement of Financial Position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market performance conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market performance condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors that are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the Consolidated Statement of Comprehensive Income over the remaining vesting period.

Taxation

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

The current tax payable is based on taxable profit for the year. Taxable profit differs from accounting profit as reported in the Consolidated Statement of Comprehensive Income 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 at the period-end date.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax is measured on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or deferred tax liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available over the following 3-4 years against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities, and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Tax is charged or credited in the Consolidated Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also recognised in equity.

From 1 April 2024, the UK Research and Development tax regime changed such that small and medium sized businesses claim under the new merged scheme. Under the merged scheme, as the majority of the Group's qualifying expenditure is capitalised on the Balance Sheet, the Group has the option of recording the Research and Development Expenditure Credit ("RDEC") within the Digital Asset on the Statement of Financial Position or as a taxable credit within the Statement of Comprehensive Income. The Group has elected to book a taxable credit under Other Income within the Statement of Comprehensive Income (Note 4).

Intangible assets

Externally acquired intangible assets are initially recognised at cost. Expenditure on internally developed assets is capitalised if it can be demonstrated that it is technically feasible to develop the product for it to provide expected future economic benefits, adequate resources are available to complete the development, there is an intention to complete the project and expenditure on the project can be measured reliably.

After recognition, intangible assets are measured at cost less any accumulated amortisation and impairment losses. Amortisation is charged to administrative expenses on a straight-line basis from the date on which the asset is available for use. Intangible assets are amortised over their estimated useful lives as follows:

Internally developed software	Three to five years
Other intangible assets	One to five years
Trademarks	10 years

The assets' residual values, useful lives and amortisation methods are reviewed and adjusted prospectively if appropriate at each reporting date.

Property, plant and equipment

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

Assets are depreciated to their estimated residual value using the straight-line method over their estimated useful lives as follows:

Leasehold improvements	Over the period of the lease
Fixtures, fittings and equipment	Two to five years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate at each balance sheet date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

Impairment of property, plant and equipment, right of use assets and intangible assets

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

The 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.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Leases

Lease identification

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

Right-of-use asset

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset and the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

Lease liability

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

The lease liability is measured at amortised cost using the effective interest method.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to 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 low-value assets recognition exemption to leases of assets below £5,000. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Financial instruments

Financial instruments are recognised when the Group becomes party to the contractual provisions of the instrument. The Group only enters into basic financial instruments and does not have any hedging instruments.

Financial assets and liabilities are offset, with the net amounts presented in the Financial Statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets – loans and receivables

All of the Group's financial assets fall into the loans and receivables category. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets included in loans and receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost, using the effective interest rate method, less any impairment losses.

Financial assets are assessed for indicators of impairment at each reporting date.

A provision for impairment of trade receivables is made for expected lifetime credit losses based on past experience and general economic factors. Further provisions are made against specific trade and other receivables when there is objective evidence that one or more loss events that occurred after the initial recognition of the financial asset, have had an impact on the estimated future cash flows of the financial asset. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. Impaired debts are derecognised when they are assessed as uncollectible.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Financial liabilities – other financial liabilities

All of the Group's financial liabilities fall into the other financial liabilities category. Such financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

Cash and cash equivalents

In the Statement of Cash Flows, cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. In the Statement of Financial Position, bank overdrafts are shown within borrowings in current liabilities.

Dividends

Dividend income is recognised when the right to receive payment is established.

Dividends payable are recognised when paid, or as a liability in the period in which the dividends are approved by the shareholders of the Company.

03. Use of judgements and estimates

In preparing these consolidated Financial Statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Judgements

Judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are:

Going concern

As noted in Note 2, the financial statements have been prepared on a going concern basis, following detailed scenario testing and review. The going concern assessment is based on management's judgement of expected future profitability over the subsequent 12 months from sign off date.

Capitalisation of internally developed intangibles

Costs of £1.5m incurred on developing software and new digital products have been capitalised in the year (see Note 13). Initial capitalisation is based on management's judgement on which costs meet the definition of development costs. Costs capitalised include directly attributable labour costs and purchases of directly attributable products and services. No overheads have been capitalised. Initial capitalisation and any subsequent impairment is also based on management's judgement that technological and economic feasibility is demonstrated and assumptions regarding the expected future cash generation of the projects and the expected period of benefits.

Assumptions and estimation uncertainties

Assumptions and estimation uncertainties at 31 March 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year are:

Impairment of intangible assets

IFRS requires management to undertake a test for impairment of intangible assets, with a finite life, only when an indicator of impairment arises. All assets available for use are assessed and tested for impairment where an indicator of impairment has been identified. In FY25, the Group implemented a new strategy to leverage digital partnerships to drive operational efficiencies and deliver scalable programmes. The Group signed two vendor agreements which have replaced internally developed intangibles assets in use. This was deemed to be a potential indicator of impairment and triggered a review of all intangible digital assets. This resulted in an impairment expense of £4.4m being recognised relating to the carrying value of assets replaced by digital partnerships.

Separately, management considered if any indicators of impairment relating to the diagnostics assets existed and concluded that no indicators could be identified. Accordingly, in line with the accounting standards, no detailed review was required.

Useful economic life of intangible assets

The useful economic lives of capitalised development costs, which are key estimates, are assessed by management. In assessing the useful economic lives of Diagnostics, management took factors into account such as the speed of change in technology used across these types of Digital products. The useful economic lives have been benchmarked against the market and are deemed reasonable.

Recognition of deferred tax asset

The availability of future taxable profits against which tax losses carried forward can be used includes estimation uncertainty.

In assessing the probability of utilising the deferred tax asset, management looks at the Group's ability to utilise the losses over a 3-4 year period and have historically concluded that the losses would be utilised in full during that period.

At year end, the Group reassessed the recoverability of its deferred tax asset related to previously recognised tax losses. Management have determined it is appropriate that a deferred tax asset on carried forward losses should be recognised up to the value of the existing deferred tax liability in the UK. As a result, a deferred tax asset of £0.5m has been recognised on carried forward losses of £2.0m. A further deferred tax asset of £0.1m on carried forward losses has been recognised in the US.

The Group has not recognised a deferred tax asset of £3.5m in respect of previously recognised unused tax losses of £14.2m. This resulted in a deferred tax expense of £2.9m being recognised in the statement of profit or loss for the period. The Board has full confidence in the strategy and generating future profits.

The Group continues to monitor future taxable profit projections and will reassess the recognition of deferred tax assets in future reporting periods.

04. Segmental analysis

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing performance of the business. The chief operating decision-maker has been identified as the Board. The Group has two operating segments: EMEA (comprising the United Kingdom and Singapore) and America (comprising the United States and Canada).

Both segments derive their revenue from a single business activity, the provision of human capital and business improvement solutions.

The Group's business is not highly seasonal, and the Group's customer base is diversified. During the year ended 31 March 2025, the Group generated £6.4m of revenue from a single customer (2024: £5.7m), which accounts for 16.5% (2024: 12.7%) of total revenue. This revenue is reported within the EMEA delivery segment. No other customer individually accounted for 10% or more of the Group's revenue during the year.

Segment results for the year ended 31 March 2025

Segment result	EMEA £'000	US £'000	Total £'000
Revenue	23,892	14,714	38,606
Cost of sales	(3,365)	(1,798)	(5,163)
Administrative expenses	(27,275)	(12,323)	(39,598)
(Loss)/profit before inter-segment charges	(6,748)	593	(6,155)
Inter-segment charges	532	(532)	-
Other Income	107	-	107
Operating (loss)/profit – segment result	(6,109)	61	(6,048)
Finance income			1
Finance costs			(142)
Loss before taxation			**(6,189)**

Adjusted (loss)/profit before tax

Segment result	EMEA £'000	US £'000	Total £'000
Operating (loss)/profit – segment result	(6,109)	61	(6,048)
Adjusting items	4,681	705	5,386
Adjusted LBIT/EBIT	(1,428)	766	(662)
Finance income			1
Finance costs			(142)
Loss before taxation			**(803)**

Management does not report segmental assets and liabilities internally and as such an analysis is not reported.

The mix of revenue for the year ended 31 March 2025 is set out below.

	EMEA	US	Group
Delivery	69.7%	61.0%	66.3%
Design	16.3%	16.5%	16.4%
Digital	6.5%	8.8%	7.3%
Licensing and certification	3.7%	12.0%	6.9%
Other	2.7%	1.2%	2.2%
Advisory	1.1%	0.5%	0.9%

The vast majority of the Group's contracts are for the delivery of services within the next 12 months. The Group has therefore taken advantage of the practical expedient in paragraph 121(a) of IFRS 15 not to disclose information about remaining performance obligations.

Segment results for the year ended 31 March 2024

Segment result	EMEA £'000	US £'000	Total £'000
Revenue	23,729	21,185	44,914
Cost of sales	(3,465)	(2,729)	(6,194)
Administrative expenses	(32,453)	(18,281)	(50,734)
(Loss)/profit before inter-segment charges	(12,189)	175	(12,014)
Inter-segment charges	75	(75)	–
Operating profit – segment result	(12,114)	100	(12,014)
Finance income			30
Finance costs			(163)
Profit before taxation			**(12,147)**

Adjusted profit before tax

Segment result	EMEA £'000	US £'000	Total £'000
Operating profit – segment result	(12,114)	100	(12,014)
Adjusting items	7,693	1,190	8,883
Adjusted EBIT	(4,421)	1,290	(3,131)
Finance income			30
Finance costs			(163)
Profit before taxation			**(3,264)**

Management does not report segmental assets and liabilities internally and as such an analysis is not reported.

The mix of revenue for the year ended 31 March 2024 is set out below.

	EMEA	US	Group
Delivery	67.1%	67.8%	67.4%
Design	15.0%	10.9%	13.0%
Digital	9.6%	10.7%	10.2%
Licensing and certification	2.2%	8.2%	5.0%
Other	4.0%	1.7%	2.9%
Advisory	2.1%	0.7%	1.5%

The vast majority of the Group's contracts are for the delivery of services within the next 12 months. The Group has therefore taken advantage of the practical expedient in paragraph 121(a) of IFRS 15 not to disclose information about remaining performance obligations.

05. Operating (loss)/profit

Operating (loss)/profit is stated after charging/(crediting):

	31 March 2025 £'000	31 March 2024 £'000
External coach costs	3,778	4,573
Staff costs (Note 8)	25,919	31,789
Payroll restructuring costs included in adjusted items	654	1,722
Other restructuring costs included in adjusted items	328	40
Amortisation of intangible assets	1,531	1,615
Impairment – Digital Asset	4,404	6,604
Depreciation of property, plant and equipment	987	1,173
Impairment – Lease	–	517
Short-term and low-value lease expense	7	14
Impairment/(Write-back) of trade receivables	(20)	11
Other income – Research and Development Expenditure Credit	107	–

06. Adjusting items

	31 March 2025 £'000	31 March 2024 £'000
Restructuring costs	982	1,762
Impairment of right of use asset	–	517
Impairment of intangibles	4,404	6,604
	5,386	8,883

Restructuring costs in the year ended 31 March 2025 include redundancy costs and associated legal costs related to the headcount reduction exercise undertaken to reduce the cost base.

Impairment of intangible assets are excluded from the adjusted results of the Group since the costs are one-off charges. These relate to digital assets not in use that are no longer being developed.

07. Auditor remuneration

	31 March 2025 £'000	31 March 2024 £'000
Fees for audit of the Company and consolidated financial statements	165	150
Fees for audit of the Company's subsidiaries pursuant to legislation	27	26
Total audit fees	192	176
Other services	18	18
Total fees payable to the auditor	**210**	**194**

08. Employees

Staff costs were as follows:

	31 March 2025 £'000	31 March 2024 £'000
Wages and salaries	22,779	28,059
Social security costs	2,307	2,678
Pension costs – defined contribution plans	851	1,059
Share-based payments	(18)	(7)
	25,919	**31,789**
Restructuring payroll costs included in adjusted items	654	1,722
	26,573	**33,511**

The average number of the Group's employees by function was:

	31 March 2025	31 March 2024
Delivery	151	211
Support	86	79
Digital	10	41
	247	**331**

The year-end number of the Group's employees by function was:

	31 March 2025	31 March 2024
Delivery	135	175
Support	80	79
Digital	8	16
	223	**270**

Key management personnel include all Directors and a number of senior managers across the Group who together have responsibility and authority for planning, directing and controlling the activities of the Group. The compensation paid to key management personnel for services provided to the Group was:

	31 March 2025 £'000	31 March 2024 £'000
Salaries, bonuses and other short-term employee benefits	2,319	2,823
Post-employment benefits	72	84
Termination benefits	–	20
Share-based payments	(57)	(3)
Total compensation	**2,334**	**2,924**

Details of Directors' remuneration and share options are set out in the Annual Report on Remuneration on pages 60 to 63.

09. Net finance costs

	31 March 2025 £'000	31 March 2024 £'000
Finance income		
Bank interest receivable	1	30
	1	**30**
Finance costs		
Bank interest payable	(44)	(47)
Other borrowing costs	(30)	-
Lease interest	(68)	(116)
	(142)	**(163)**
	(141)	**(133)**

10. Tax

The tax (credit)/charge for the year comprises:

	31 March 2025 £'000	31 March 2024 £'000
UK current tax	27	(463)
UK adjustment in respect of prior periods	(61)	(1,864)
Withholding tax	27	2
Foreign current tax	24	16
Foreign adjustment in respect of prior periods	6	105
Total current tax (credit)/charge	**23**	**(2,204)**
Deferred tax – current year	2,035	(2,350)
Deferred tax – adjustment in respect of prior periods	(131)	3,295
Effect of changes in tax rates	73	-
Total deferred tax charge/(credit)	**1,977**	**945**
Total tax (credit)/charge	**2,000**	**(1,259)**

Deferred tax totalling £3k in relation to share based payments has been recognised in Equity in the year ended 31 March 2025 (2024: £nil).

The tax charge/(credit) for the year can be reconciled to accounting (loss)/profit as follows:

	31 March 2025 £'000	31 March 2024 £'000
(Loss)/profit before tax	(6,189)	(12,147)
Expected tax (credit)/charge based on the standard rate of tax in the UK of 25% (2024: 25%)	(1,547)	(3,037)
Differences in overseas tax rates	5	7
Expenses not deductible for tax purposes	(11)	23
Adjustments to tax in respect of prior periods	(186)	1,536
Enhanced R&D deduction	–	(535)
Tax rate changes	73	–
Tax losses for which no deferred income tax asset was recognised	3,544	–
Losses surrendered under SME regime	–	694
Other tax adjustments	122	53
Total tax charge/(credit)	**2,000**	**(1,259)**

The main categories of deferred tax assets and liabilities recognised by the Group are:

	Tax losses £'000	Intangible assets £'000	Other £'000	Total £'000
At 1 April 2023	**5,254**	**(2,374)**	**349**	**3,229**
Charged to income	(1,704)	924	(166)	(946)
Exchange differences	–	–	(2)	(2)
At 31 March 2024	**3,550**	**(1,450)**	**181**	**2,281**
Credited to income	(2,939)	933	29	(1,977)
Charged to equity	–	–	3	3
Exchange differences	(2)	–	(2)	(4)
At 31 March 2025	**609**	**(517)**	**211**	**303**

The Group has recognised £0.6m of deferred tax assets relating to carried forward tax losses. In the UK, the deferred tax asset on carried forward losses of £0.5m has been recognised up to the value of the existing deferred tax liability of £0.5m, relating to timing differences on intangible assets.

Losses for which no deferred tax asset has been recognised amount to £14.2m (2024: £nil), resulting in an unrecognised deferred tax asset of £3.5m. There is no time limit for utilising trade losses in the UK.

The entity continues to perform an evaluation of its deferred tax asset valuation on an annual basis to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. The Board remains confident of full utilisation of tax losses in the future.

Other deferred tax assets include deferred tax on shared based payments in the UK and other temporary timing differences.

11. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the earnings attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year. The Company has potentially dilutive shares in respect of the share-based payment plans (see Note 23), however, as the Company is loss making in the current period, these have not been included in the calculation of earnings per share on the basis that a loss cannot be diluted.

	31 March 2025	31 March 2024
Weighted average number of shares in issue	100,273,688	100,186,450
Potentially dilutive shares (weighted average)	6,965,965	7,921,037
Diluted number of shares (weighted average)	**107,239,653**	**108,107,487**

	31 March 2025			31 March 2024		
	£'000	Basic EPS pence	Diluted EPS pence	£'000	Basic EPS pence	Diluted EPS pence
Net (loss)/profit attributable to shareholders	(8,189)	(8.16)	(8.16)	(10,888)	(10.86)	(10.86)
Adjusted (loss)/profit attributable to shareholders	(4,171)	(4.16)	(4.16)	(4,262)	(4.25)	(4.25)

12. Dividends

No dividends have been paid or proposed for the year ended 31 March 2025 (FY24: nil).

13. Intangible assets

	Patents £'000	Development costs £'000	Total £'000
Cost			
At 1 April 2023	121	15,173	15,294
Additions	23	4,128	4,151
Disposals [1]	–	(1,660)	(1,660)
At 31 March 2024 (restated)	**144**	**17,641**	**17,785**
Additions	28	1,430	1,458
Disposals	–	(185)	(185)
At 31 March 2025	**172**	**18,886**	**19,058**
Amortisation			
At 1 April 2023	66	2,908	2,974
Amortisation charge	7	1,608	1,615
Impairment	–	6,604	6,604
Disposals [1]	–	(1,660)	(1,660)
At 31 March 2024 (restated)	**73**	**9,460**	**9,533**
Amortisation charge	10	1,521	1,531
Impairment	–	4,404	4,404
Disposals	–	(159)	(159)
At 31 March 2025	**83**	**15,226**	**15,309**
Net book value			
At 31 March 2024	71	8,181	8,252
At 31 March 2025	89	3,660	3,749

Development cost additions in the year to 31 March 2025 include software development costs directly incurred in the creation of new digital assets.

In October 2024, the Group secured significant partnerships to drive operational efficiencies and improve the scalability of the MindGym offering. This decision led to a potential indicator of impairment and triggered an impairment review of the intangible digital assets. As a result of this review an impairment charge of £4.4m was recognised in the Consolidated Statement of Comprehensive Income.

At 31 March 2025, all digital assets were reviewed for indicators of impairment. No indicators of impairment were identified and therefore no detailed review was required in line with the accounting standards and as such the Directors determined that no further impairment should be recognised.

[1] The gross cost and gross accumulated amortisation at 31 March 2024 included fully amortised development costs relating to assets that are no longer in use. The group has restated the opening gross cost and gross accumulated amortisation to correct the opening gross positions. The impact is a reduction of £1.7m to the gross costs and gross accumulated depreciation at 31 March 2024. There is no impact to the net book value or amortisation expense in the current or prior periods.

14. Property, plant and equipment

	Right-of-use asset £'000	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 April 2023	6,189	538	1,793	8,520
Additions	36	–	82	118
Disposals	–	–	(517)	(517)
Exchange differences	(57)	(6)	(17)	(80)
At 31 March 2024	**6,168**	**532**	**1,341**	**8,041**
Additions	136	–	42	178
Disposals	(3,045)	(300)	(716)	(4,061)
Exchange differences	(45)	(3)	(13)	(61)
At 31 March 2025	**3,214**	**229**	**654**	**4,097**
Depreciation				
At 1 April 2023	3,235	374	1,220	4,829
Depreciation charge	772	83	318	1,173
Impairment	517	–	–	517
Disposals	–	–	(517)	(517)
Exchange differences	(47)	(1)	(13)	(61)
At 31 March 2024	**4,477**	**456**	**1,008**	**5,941**
Depreciation charge	730	69	188	987
Disposals	(3,045)	(294)	(639)	(3,978)
Exchange differences	(43)	(2)	(7)	(52)
At 31 March 2025	**2,119**	**229**	**550**	**2,898**
Net book value				
At 31 March 2024	1,691	76	333	2,100
At 31 March 2025	1,095	–	104	1,199

15. Inventories

	31 March 2025 £'000	31 March 2024 £'000
Finished goods	25	40

Write-down of inventory amounted to £nil (2024: £1,000).

The cost of inventories recognised as an expense and included in cost of sales amounted to £540,000 (FY24: £558,000).

16. Trade and other receivables

	31 March 2025 £'000	31 March 2024 £'000
Current		
Trade receivables	5,331	6,005
Less provision for impairment	(91)	(113)
Net trade receivables	5,240	5,892
Other receivables	43	27
Prepayments in respect of property deposits	11	226
Prepayments	583	796
Accrued income	592	846
	6,469	**7,787**

Trade receivables have been aged with respect to the payment terms as follows:

	31 March 2025 £'000	31 March 2024 £'000
Not past due	5,045	5,617
Past due 0–30 days	227	313
Past due 31–60 days	46	39
Past due 61–90 days	5	35
Past due more than 90 days	8	1
	5,331	**6,005**

The movement in the allowance for impairment losses was:

	31 March 2025 £'000	31 March 2024 £'000
At the beginning of the period	113	102
Addition/(Write-back)	(20)	11
Utilisation of provision	–	–
Foreign exchange adjustment	(2)	–
At the end of the period	**91**	**113**

The Group has applied the simplified approach to measuring expected credit losses, as permitted by IFRS 9, and recognises a loss allowance based on the lifetime expected credit loss.

17. Trade and other payables

	31 March 2025 £'000	31 March 2024 £'000
Trade payables	1,016	1,172
Other taxation and social security	668	1,525
Other payables	356	323
Accruals	3,448	3,055
Deferred income	2,159	2,399
	7,647	**8,474**

18. Lease liability

The lease liabilities included in the statement of financial position are:

	31 March 2025 £'000	31 March 2024 £'000
Current	518	980
Non-current	646	1,038
	1,164	**2,018**

The related right-of-use asset is disclosed in Note 14.

The movements in the lease liability were as follows:

	31 March 2025 £'000	31 March 2024 £'000
At the beginning of the year	2,018	3,109
Additions	138	41
Finance cost	69	116
Lease payments	(1,047)	(1,229)
Exchange differences	(14)	(19)
At the end of the year	**1,164**	**2,018**

The maturity analysis of the contractual undiscounted cash flows is:

	31 March 2025 £'000	31 March 2024 £'000
Less than one year	558	1,045
Between one and five years	669	1,098
Total future lease payments	1,227	2,143
Total future interest payments	(63)	(125)
Total lease liability	**1,164**	**2,018**

19. Redeemable preference shares

The Company allotted and issued 50,000 redeemable preference shares of £1.00 each to Octavius Black in June 2018. The shares are fully paid up. Under the Articles of Association, the Company may redeem the preference shares at their nominal amount at any time specified by either the Directors or the preference share holder. The preference share capital, however, counts towards the £50,000 minimum share capital required under the Companies Act 2006 and cannot therefore be redeemed unless the Company increases its other share capital. The preference shares are non-voting, give no rights to dividends or interest and entitle the holder to the return of the nominal value on a winding up.

20. Borrowings

The Group entered into a £10m debt facility (£6m RCF, £4m accordion) on 30 September 2021. This was replaced by a £4m overdraft facility in the period. The facility was successfully renewed for 12 months in March 2025 until March 2026.

The facility has been utilised in the ordinary course of business and was repaid in full by the year ended 31 March 2025.

The facility agreement includes a key performance indicator (KPI) stating that the amount drawn on the facility should not be greater than 120% of trade debtors. The Group has met this key KPI at all times when drawing down on the facility.

21. Financial instruments and financial risk management

Financial instruments by category

Trade and other receivables (excluding prepayments), cash and cash equivalents and trade and other payables are initially measured at fair value and subsequently held at amortised cost.

	31 March 2025 £'000	31 March 2024 £'000
Net trade receivables	5,240	5,892
Other receivables	43	27
Cash and cash equivalents	570	1,369
Financial assets at amortised cost	**5,853**	**7,288**
Trade payables	1,016	1,172
Other payables	356	323
Lease liabilities	1,164	2,018
Financial liabilities at amortised cost	**2,536**	**3,513**

The Group holds no assets or liabilities that are held at fair value through income statement or OCI.

As the trade and other receivables and trade and other payables have a maturity of less than one year, the notional amount is deemed to reflect the fair value.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

The Group's sources of funding currently comprise cash flows generated from operations, and equity contributed by shareholders. The Group has no borrowings and is not subject to any externally imposed capital requirements.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders to the extent allowed by the Company's articles or issue new shares.

Financial risk management

The Group's risk management is overseen by the Audit and Risk Committee. The Group is exposed to a variety of financial risks that result from its operations, including credit risk, liquidity risk and foreign currency risk. Since the Group has no debt it is not significantly exposed to interest rate risk. The Group has not entered into any derivative transactions, such as interest rate swaps or forward foreign exchange contracts.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks, or the methods used to measure them from previous periods unless otherwise stated in this note.

Credit risk

Credit risk arises principally from the Group's trade receivables from customers and monies on deposit with financial institutions.

Credit risk on trade receivables is considered to be relatively low as the Group's customers mainly consist of large credit-worthy organisations. Credit exposure is spread over a large number of customers and so there is no significant concentration of credit risk. Outstanding and overdue balances are regularly reviewed and resulting actions are put in place on a timely basis. The Group establishes an allowance for impairment. This is based on a review of individual balances taking into account the results of credit control communications and our knowledge about the customer relationship. See Note 16 Trade and other receivables for further information on ageing and impairment of trade receivables.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties are accepted, and management maintain a close relationship with the Group's banks.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31 March 2025 £'000	31 March 2024 £'000
Trade receivables	5,240	5,892
Other receivables	43	27
Cash and cash equivalents	570	1,369
At the end of the period	**5,853**	**7,288**

Liquidity risk

The Group ensures, as far as possible, that it has sufficient funds to meet foreseeable operational expenses. Cash flow forecasting is performed by Group Finance who monitor rolling forecasts of the Group's liquidity requirements. Such forecasting takes into consideration expected cash receipts, regular spending and payment of taxes such as VAT, payroll and corporate income tax.

Currently, the Group's liquidity risk is low as it is has a surplus of cash in all entities and the £4m overdraft facility available (set out in Note 20). All Group liabilities in the current and prior year are due within three months of the reporting date, apart from lease liabilities. The maturity of the lease liability is set out in Note 18.

Foreign currency risk

The Group operates internationally and is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than Sterling. The currencies giving rise to this risk are primarily the US Dollar and the Euro. Where possible the exposure is mitigated by a natural hedge. For example, US Dollar revenues are partially matched by US Dollar costs in the US subsidiary.

The Group holds cash in the UK in Sterling, Euro and US Dollar bank accounts and in the USA in US Dollar and Canadian Dollar bank accounts.

Trade receivables and cash and cash equivalents are analysed by currency as follows:

	GBP £'000	USD £'000	EUR £'000	Other £'000	Total £'000
At 31 March 2025					
Net trade receivables	3,222	1,563	381	74	5,240
Cash and cash equivalents	35	413	72	50	570
At 31 March 2024					
Net trade receivables	2,884	2,324	658	26	5,892
Cash and cash equivalents	306	793	241	29	1,369

The Group does not currently use forward foreign exchange contracts or currency options to hedge currency risk.

22. Share capital

	31 March 2025 Number	31 March 2025 Cost £'000	31 March 2024 Number	31 March 2024 Cost £'000
Ordinary shares of £0.00001 at 1 April	100,198,464	1	100,167,584	1
Issue of shares to satisfy options	140,418	–	30,880	–
Ordinary shares of £0.00001 at 31 March	**100,338,882**	**1**	**100,198,464**	**1**

An Employee Benefit Trust ('EBT') has been established in connection with the Group's Share Incentive Plan. The movements in own shares held by the Employee Benefit Trust and the market value of the shares held at the year-end are shown below.

	31 March 2025 Number	31 March 2025 Cost £'000	31 March 2024 Number	31 March 2024 Cost £'000
As at 1 April	90,351	–	111,655	–
Issue of new shares to EBT	–	–	–	–
Removed from the Trust	(43,086)	–	(21,304)	–
Ordinary shares of £0.00001 at 31 March	47,265	–	90,351	–
Market value at 31 March		**10**		**62**

23. Share-based payments

The Group awards options to selected employees under a Long-Term Incentive Share Option Plan ('LTIP'). The options granted to date vest subject only to remaining employed up to the vesting date. Unexercised options do not entitle the holder to dividends or to voting rights.

The Group operates the Mind Gym plc Share Incentive Plan (SIP). An initial award of £1,000 of free shares was granted in October 2018 to all employees at the IPO price of 146 pence. The shares are held in an employee benefit trust and vested after three years subject only to remaining employed up to the vesting date. The holder was entitled to dividends over the vesting period. Many employees elected to leave their shares in the trust for a further two years for tax purposes. A number of shares continue to be held in trust after this date on behalf of employees.

On 30 September 2019, the Group launched a Save As You Earn scheme ('SAYE') and an Employee Share Purchase Plan ('ESPP') for all eligible employees in the UK and USA respectively. New schemes have been launched annually since 2019.

The total share-based payments expense was:

	31 March 2025 £'000	31 March 2024 £'000
Equity settled share-based payments	(18)	(7)

The movements in the number of share awards and share options and the weighted average exercise price of awards are:

	31 March 2025 Number	31 March 2025 Weighted average exercise price £	31 March 2024 Number	31 March 2024 Weighted average exercise price £
Outstanding at the beginning of the period	6,169,557	0.17	3,591,566	0.36
Granted during the period	6,545,056	0.05	5,946,010	0.07
Forfeited during the period	(5,717,329)	0.04	(3,337,139)	0.18
Exercised during the period	(140,418)	0.34	(30,880)	1.02
Outstanding at the end of the period	**6,856,866**	**0.17**	**6,169,557**	**0.17**
Exercisable at the end of the period	–		–	
Weighted average fair value of awards granted (£)	**0.21**		**0.49**	

The range of exercise prices and weighted average remaining contractual life of share awards and share options outstanding at 31 March were:

	31 March 2025 £'000	31 March 2024 £'000
£ nil	690,413	752,913
£0.00001	4,387,984	4,244,094
£0.25500	44,246	–
£0.26070	942,786	–
£0.50575	–	32,397
£0.52130	294,627	643,343
£1.46000	496,810	496,810
	6,856,866	**6,169,557**
Weighted average remaining contractual life (years)	**1.9**	**2.0**

Simple share options awarded under the LTIP, SAYE and ESPP are valued using the Black-Scholes model. Complex share options awarded under the LTIP are valued using the Monte Carlo model. Shares awarded under the SIP are valued directly by reference to the share price at date of grant. The principal assumptions used in these valuations were:

	Date of grant	Share price at grant £	Exercise price £	Expected life years	Expected volatility %	Dividend yield %	Risk-free rate %	Fair value £
LTIP (4-year vesting)	14 Jul 21*	1.90	Nil	4	36%	0%	0.23%	1.90
LTIP (4-year vesting)	14 Jul 21*	1.90	Nil	4	36%	0%	0.23%	1.70
LTIP (5-year vesting)	14 Jul 21*	1.90	Nil	5	36%	0%	0.31%	1.90
LTIP (5-year vesting)	14 Jul 21*	1.90	Nil	5	36%	0%	0.31%	1.73
LTIP (4-year vesting)	3 Dec 21	1.675	Nil	4	36%	0%	0.23%	1.675
LTIP (5-year vesting)	3 Dec 21	1.675	Nil	5	36%	0%	0.31%	1.675
LTIP (3-year vesting)	21 July 22	1.20	Nil	3	36%	0%	0.15%	1.20
LTIP (4-year vesting)	21 July 22	1.20	Nil	4	36%	0%	0.23%	1.20
LTIP (5-year vesting)	21 July 22	1.20	Nil	5	36%	0%	0.31%	1.20
LTIP	26 July 23	0.54	Nil	3	36%	0%	0.15%	0.54
SAYE	1 Oct 23	0.57	0.48	3	36%	0%	0.31%	0.13
LTIP	28 Aug 24	0.24	Nil	3	36%	0%	0.15%	0.24
ESPP	1 Aug 24	0.30	0.255	1	34%	0%	0.15%	0.06
SAYE	1 Aug 24	0.30	0.2607	3	36%	0%	0.31%	0.09

* Includes further options granted on 3 Dec 2021 on the same terms and with the same valuation assumptions.

24. Controlling party

The Group was controlled by O. Black and J. Cash by virtue of their joint shareholding in the Company throughout the period.

There were the following related party transactions during the year and balances at the end of the year:

- Key management compensation as disclosed in Note 8.

25. Events after the reporting period

There were no post-balance sheet events.

Mind Gym plc parent company statement of financial position

	Note	31 March 2025 £'000	31 March 2024 £'000
Non-current assets			
Intangible assets	5	3,749	8,252
Property, plant and equipment	6	1,103	1,488
Investments in subsidiaries		50	50
Deferred tax assets	8	46	2,178
		4,948	**11,968**
Current assets			
Inventories	9	8	19
Trade and other receivables	10	5,235	5,342
Current tax receivable		80	459
Cash and cash equivalents		163	579
		5,486	6,399
Total assets		**10,434**	**18,367**
Current liabilities			
Trade and other payables	11	10,375	9,734
Lease liability	12	440	263
Redeemable preference shares		50	50
		10,865	**10,047**
Non-current liabilities			
Lease liability	12	646	1,038
Total liabilities		**11,511**	**11,085**
Net assets		**(1,077)**	**7,282**
Equity			
Share capital		1	1
Share premium		274	258
Share option reserve		441	481
Retained earnings		(1,793)	6,542
Equity attributable to owners of the parent Company		**(1,077)**	**7,282**

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Company's Income Statement and Statement of Comprehensive Income. The Company's loss for the financial year was £8,360,000 (2024: loss of £10,799,000). Adjusted loss for the financial year was £3,679,000 (2024: loss of £3,105,000). Please refer to Note 3 for further details.

The Accounting Policies and Notes on pages 109 to 136 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 11 June 2025 and signed on its behalf by:

Emily Fyffe
Chief Financial Officer

Mind Gym plc parent company statement of changes in equity

	Share capital £'000	Share premium £'000	Share option reserve £'000	Retained earnings £'000	Total equity £'000
At 1 April 2023	**1**	**242**	**496**	**17,333**	**18,072**
(Loss) for the period	–	–	–	(10,799)	(10,799)
Total comprehensive (loss) for the period	**–**	**–**	**–**	**(10,799)**	**(10,799)**
Credit to equity for share-based payments	–	–	(7)	–	(7)
Exercise of options	–	16	(8)	8	16
At 31 March 2024	**1**	**258**	**481**	**6,542**	**7,282**
(Loss) for the period	–	–	–	(8,360)	(8,360)
Total comprehensive (loss) for the period	**–**	**–**	**–**	**(8,360)**	**(8,360)**
Credit to equity for share-based payments	–	–	(18)	–	(18)
Tax relating to share-based payments	–	–	–	3	3
Exercise of options	–	16	(22)	22	16
At 31 March 2025	**1**	**274**	**441**	**(1,793)**	**(1,077)**

Mind Gym plc notes to the parent company financial statements

01. Summary of material accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, see Note 2 of the Group Financial Statements, and under the historical cost convention in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) as issued by the FRC and with the Companies Act 2006.

The Company has taken advantage of the disclosure exemptions available under FRS 101 in relation to:

- Presentation of a cash flow statement and related notes
- Comparative period reconciliations for intangible assets and property, plant and equipment
- Related party transactions with wholly owned subsidiaries
- Financial instruments
- Capital management
- Share-based payments
- Compensation of key management personnel
- Standards not yet effective

Where required, equivalent disclosures are given in the Group Financial Statements.

Note 7 (Auditor remuneration), Note 12 (Dividends), Note 19 (Redeemable preference shares), Note 22 (Share capital) and Note 23 (Share-based payments) of the Group Financial Statements form part of these financial statements.

The Company applies the Group accounting policies in the preparation of these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

Any significant estimates and judgements in relation to the Company are set out in the notes to the Group Financial Statements.

02. Employees and auditor's remuneration

Staff costs were as follows:

	31 March 2025 £'000	31 March 2024 £'000
Wages and salaries	13,561	14,291
Social security costs	1,611	1,771
Pension costs – defined contribution plans	504	556
Share-based payments	(18)	(7)
Restructuring payroll costs included in adjusted items	221	1,061
	15,879	**17,672**

The average number of the Company's employees by function was:

	31 March 2025	31 March 2024
Delivery	89	109
Support	71	67
Digital	9	40
	169	**216**

Details of Directors' remuneration and share options are set out in the Annual Report on Remuneration on pages 82 to 88.

Fees payable to the auditor for the audit of the Company's Financial Statements are set out in Note 7 of the Group Financial Statements.

03. Adjusting items

	31 March 2025 £'000	31 March 2024 £'000
Restructuring costs	277	1,090
Impairment of intangibles	4,404	6,604
	4,681	**7,694**

Restructuring costs in the year ended 31 March 2025 include redundancy costs related to the headcount reduction exercise undertaken to reduce the cost base.

Impairment of intangible assets are excluded from the adjusted results of the Group since the costs are one-off charges. These relate to digital assets not in use that are no longer being developed.

04. Dividends

Details of the Company's dividends are set out in Note 12 of the Group Financial Statements.

05. Intangible assets

	Patents £'000	Development costs £'000	Total £'000
Cost			
At 1 April 2024 (restated) [1]	144	17,641	17,785
Additions	28	1,430	1,458
Disposals	–	(185)	(185)
At 31 March 2025	**172**	**18,886**	**19,058**
Amortisation			
At 1 April 2024 (restated) [1]	73	9,460	9,533
Amortisation charge	10	1,521	1,531
Impairment	–	4,404	4,404
Disposals	–	(159)	(159)
At 31 March 2025	**83**	**15,226**	**15,309**
Net book value			
At 31 March 2024	71	8,181	8,252
At 31 March 2025	89	3,660	3,749

In October 2024, the Group decided to reduce the amount invested in internally developed projects and rather leverage digital partnerships. This decision led to a potential indicator of impairment and triggered an impairment review of the intangible digital assets. As a result of this review an impairment charge of £4.4 million was recognised in the Consolidated Statement of Comprehensive Income.

At 31 March 2025, diagnostics assets were reviewed for indicators of impairment. No indicators of impairment were identified and therefore no detailed review was required in line with the accounting policy as such the Directors determined that no further impairment should be recognised.

1 The gross cost and gross accumulated amortisation at 31 March 2024 included fully amortised development costs relating to assets that are no longer in use. The Group has therefore restated the opening gross cost and gross accumulated amortisation to correct the opening gross positions. The impact of the restatement is a reduction of £1.7 million to the gross costs and gross accumulated depreciation at 31 March 2024. There is no impact to the net book value or amortisation expense in the current or prior periods.

06. Property, plant and equipment

	Right-of-use asset £'000	Leasehold improvements £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 April 2024	3,074	228	548	3,850
Additions	53	–	35	88
At 31 March 2025	**3,127**	**228**	**583**	**3,938**
Depreciation				
At 1 April 2024	1,711	228	423	2,362
Depreciation charge	394	–	79	473
At 31 March 2025	**2,105**	**228**	**502**	**2,835**
Net book value				
At 31 March 2024	1,363	–	125	1,488
At 31 March 2025	**1,022**	**–**	**81**	**1,103**

07. Investments in subsidiaries

The Directors believe that the carrying amount of the investments is supported by their underlying net assets.

The investments consist of a 100% interest in the following subsidiaries, all of which had the principal activity of providing management and development training.

Name	Country of incorporation	Registered office
Mind Gym (USA) Inc	USA	776A 6th Avenue, Suite 208, New York, NY 10001, USA
Mind Gym Performance (Asia) Pte. Ltd	Singapore	PWC Building, #28-63, 8 Cross Street, Singapore 048424
Mind Gym (Canada) Inc	Canada	145 King Street West, Toronto, Ontario, Canada, M5H 4G2

08. Deferred tax assets and liabilities

The main categories of deferred tax assets recognised by the Company are:

	Tax losses £'000	Intangible assets £'000	Other £'000	Total £'000
At 1 April 2023	5,254	(2,375)	222	3,101
Credited/(charged) to income	(1,770)	925	(78)	(923)
At 31 March 2024	**3,484**	**(1,450)**	**144**	**2,178**
Credited/(charged) to income	(2,967)	933	(100)	(2,134)
Credited/(charged) to equity	–	–	3	3
At 31 March 2025	**517**	**(517)**	**47**	**47**

In the UK, the deferred tax asset on carried forward losses of £0.5m has been recognised up to the value of the existing deferred tax liability of £0.5m, relating to timing differences on intangible assets.

Losses for which no deferred tax asset has been recognised amount to £14.2m (2024: £nil), resulting in an unrecognised deferred tax asset of £3.5m. There is no time limit for utilising trade losses in the UK.

The entity continues to perform an evaluation of its deferred tax asset valuation on an annual basis to estimate whether sufficient future taxable income will be generated to permit use of the existing deferred tax assets. The Board remains confident of full utilisation of tax losses in the future.

Other deferred tax assets include deferred tax on shared based payments in the UK and other temporary timing differences.

09. Inventories

	31 March 2025 £'000	31 March 2024 £'000
Finished goods	8	19

Write-off of inventory amounted to nil. (2024: £nil).

10. Trade and other receivables

	31 March 2025 £'000	31 March 2024 £'000
Trade receivables	3,662	3,733
Less provision for impairment	(50)	(62)
Net trade receivables	3,612	3,671
Amounts owed by group undertakings	717	419
Other receivables	28	21
Prepayments	534	636
Accrued income	344	595
	5,235	**5,342**

The Company has applied the simplified approach to measuring expected credit losses, as permitted by IFRS 9, and recognises a loss allowance based on the lifetime expected credit loss.

Balances due from fellow group companies are repayable on demand and interest free. The Company has applied a probability-based approach to measuring expected credit losses based on the expected manner of recovery and recovery period. Based on this assessment no credit loss provision was required at 31 March 2025 or 31 March 2024.

11. Trade and other payables

	31 March 2025 £'000	31 March 2024 £'000
Trade payables	877	928
Amounts owed to group undertakings	5,301	4,122
Other taxation and social security	658	1,509
Other payables	191	190
Accruals	2,586	2,060
Deferred income	762	925
	10,375	**9,734**

Amounts owed to group undertakings relates to recharges and intercompany adjustments.

12. Leases

The lease liabilities included in the statement of financial position are:

	31 March 2025 £'000	31 March 2024 £'000
Current	440	263
Non-current	646	1,038
	1,086	**1,301**

The related right-of-use asset is disclosed in Note 6.

The movements in the lease liability were as follows:

	31 March 2025 £'000	31 March 2024 £'000
At the beginning of the year	1,301	1,625
Additions	53	52
Lease payments	(320)	(441)
Finance cost	52	65
At the end of the year	**1,086**	**1,301**

The maturity analysis of the contractual undiscounted cash flows is:

	31 March 2025 £'000	31 March 2024 £'000
Less than one year	477	313
Between one and five years	670	1,096
Total future lease payments	1,147	1,409
Total future interest payments	(61)	(108)
Total lease liability	**1,086**	**1,301**

13. Share capital and redeemable preference shares

Details of the Company's redeemable preference shares and share capital are set out in Notes 19 and 22 to the Group Financial Statements.

14. Share-based payments

Details of the Company's share-based payment plans are set out in Note 23 to the Group Financial Statements.

15. Controlling party

The Company was controlled by O. Black and J. Cash by virtue of their joint shareholding in the Company throughout the period.

There were the following related party transactions during the year and balances at the end of the year:

- Key management compensation as disclosed in Note 8 of the Group Financial Statements.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (the 'AGM') of Mind Gym plc (the 'Company') will be held at the office of the Company at 160 Kensington High Street, London, W8 7RG on 16 July 2025 commencing at 9.00am.

The AGM will be held for the following purposes:

Ordinary Resolutions

To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

Report and Accounts

01. To receive the Company's financial statements for the year ended 31 March 2025 together with the reports of the Directors and auditor thereon.

Directors' Remuneration Report

02. To receive and approve, on an advisory basis only, the Directors' Remuneration Report (excluding the remuneration policy) for the year ended 31 March 2025.

03. To approve, on an advisory basis only, the directors' remuneration policy.

Directors

04. To re-elect Octavius Black as a Director of the Company.

05. To re-elect Sebastian Bailey as a Director of the Company.

06. To re-elect David Nelson as a Director of the Company.

07. To re-elect Sally-Ann Tilleray as a Director of the Company.

08. To re-elect Trevor Phillips as a Director of the Company.

09. To re-elect Christoffer Ellehuus as a Director of the Company.

10. To re-elect Emily Fyffe as a Director of the Company.

Auditors

11. To re-appoint BDO LLP as the Company's auditor to hold office until the conclusion of the next Annual General Meeting of the Company at which accounts are laid.

Remuneration of Auditors

12. To authorise the Audit & Risk Committee to agree the remuneration of the auditor of the Company.

Directors' authority to allot shares

13. To generally and unconditionally authorise the Directors, pursuant to and in accordance with Section 551 of the Companies Act 2006 (the 'Act'), in substitution for all previous authorities to the extent unused, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company:

    a. up to an aggregate nominal amount of £334.46 (representing approximately one-third of the total ordinary share capital in issue at 11 June 2025, being the latest practicable date prior to publication of this notice of meeting); and

    b. comprising equity securities (as defined by Section 560 (1) of the Act) up to a further aggregate nominal value of £334.46 in connection with an offer by way of rights issue;

such authorities to expire at the conclusion of the next Annual General Meeting, or if earlier, at close of business on 30 September 2026, save that the Company may, before such expiry make an offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert any security into shares to be granted after the authority ends.

For the purposes of this resolution, 'rights issue' means an offer to:

a. shareholders in proportion (as nearly as may be practicable) to their existing holdings; and

b. holders of other equity securities if this is required by the rights of those securities or, if the Directors consider it necessary, as permitted by the rights of those securities;

to subscribe for further securities by means of the issue of a renounceable letter (or other negotiable document) which may be traded for a period before payment for the securities is due, but subject in both cases to such exclusions or other arrangements as the Directors consider necessary or appropriate in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory.

Special Resolutions

To consider and, if thought fit, pass the following resolutions as Special Resolutions:

Disapplication of pre-emption rights

14. To authorise the Board, provided that resolution 13 is passed, to allot equity securities (as defined in the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if Section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be limited:

    a. to allotments for rights issues and other pre-emptive issues; and

    b. to the allotment of equity securities or sale of treasury shares (otherwise than in paragraph (a) above) up to a total nominal amount of £100.34 being 10% of the total ordinary share capital in issue at 11 June 2025, being the latest practicable date prior to publication of this notice of meeting, such authority to expire at the end of the next Annual General Meeting of the Company (or, if earlier, at the close of business on 30 September 2026) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

15. To authorise the Board, provided that resolution 13 is passed, and in addition to any authority granted under resolution 14, to allot equity securities (as defined under the Companies Act 2006) for cash under the authority given by resolution 13 and/or to sell ordinary shares held by the Company as treasury shares for cash as if Section 561 of the Companies Act 2006 did not apply to any such allotment of sale, such authority to be:

    a. limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £100.34; and

    b. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Board of the Company determines to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Dis-applying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, such authority to expire at the end of the next Annual General Meeting of the Company (or, if earlier, at the close of business on 30 September 2026) save that, in each case, the Company may before such expiry make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

Authority to purchase own shares

16. To authorise the Company, generally and unconditionally, for the purpose of Section 701 of the Companies Act 2006 (the 'Act'), to make market purchases (as defined in Section 693 of the Act) of ordinary shares of 0.00001 pence each in the capital of the Company ('ordinary shares') provided that:

a. the maximum number of ordinary shares hereby authorised to be purchased is 10,033,888;

b. the minimum price (exclusive of expenses) which may be paid for such ordinary shares is 0.00001 pence per share, being the nominal amount thereof;

c. the maximum price (exclusive of expenses) which may be paid for such ordinary shares shall be an amount equal to the higher of: (i) 5% above the average of the middle market quotations for such shares as taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the purchase is made; and (ii) the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share as derived from the London Stock Exchange Trading System (SETS); and

d. the authority hereby conferred shall (unless previously renewed or revoked) expire at the end of the next Annual General Meeting (or, if earlier, at the close of business on 30 September 2026), save that the Company may before such expiry make a contract or agreement to make a market purchase of its own ordinary shares which will or may be executed wholly or partly after the expiry of such authority and the Company may purchase such shares as if the authority conferred hereby had not expired.

By order of the Board

Elemental Company Secretary
Company Secretary
11 June 2025

Registered Office:
160 Kensington High Street,
London, W8 7RG

Registered in England and Wales
Number: 03833448

Explanatory notes to the resolutions

Resolutions 1 to 13 are ordinary resolutions; resolutions 14 to 16 are special resolutions. To be passed, ordinary resolutions require more than 50% of the votes cast to be in favour of the resolution, while special resolutions require at least 75% of the votes cast to be in favour of the resolution.

Ordinary Resolutions

To receive the Annual Report and Accounts for the year ended 31 March 2025.

Resolution 1 is a standard resolution. The Companies Act 2006 requires Directors to lay the annual accounts before a general meeting of the Company, together with the Directors' reports and auditors' report on the accounts. The Annual Report and Accounts for the financial year ended 31 March 2025 are available on the Company's website **www.themindgym.com**.

Directors' remuneration report

As an AIM-listed company, the Company is not required to seek approval of its Directors' remuneration report. However, in accordance with the recently updated QCA Code, the Company has decided to follow best practice and seek shareholders' approval of the Directors' remuneration report via **Resolution 2**.

As an AIM-listed company, the Company is not required to seek approval of its Directors' remuneration policy. However, in accordance with the recently updated QCA Code, the Company has decided to follow best practice and seek shareholders' approval of the Directors' remuneration policy via **Resolution 3**.

The votes on the report and policy are advisory, which means that they are not binding on the Company and the Directors' entitlement to remuneration is not conditional on them.

The Directors' remuneration report can be found on pages 73 to 76 of the Annual Report and Accounts and the Directors' remuneration policy on pages 77 to 88.

Re-election of Directors

Resolution 4 seeks approval for the re-election of Octavius Black as a Director of the Company.

Resolution 5 seeks approval for the re-election of Sebastian Bailey as a Director of the Company.

Resolution 6 seeks approval for the re-election of David Nelson as a Director of the Company.

Resolution 7 seeks approval for the re-election of Sally-Ann Tilleray as a Director of the Company.

Resolution 8 seeks approval for the re-election of Trevor Phillips as a Director of the Company.

Resolution 9 seeks approval for the re-election of Christoffer Ellehuus as a Director of the Company.

Resolution 10 seeks approval for the re-election of Emily Fyffe as a Director of the Company.

Under the Company's articles of association, Directors that have been appointed by the Board since the last Annual General Meeting are obliged to retire and offer themselves for election. Furthermore, in accordance with best practice, all of the other Directors will retire and submit themselves for re-election at this Annual General Meeting.

Biographies of each of the Directors can be found in the Governance section of the Annual Report for the year ended 31 March 2025 and on the Company's website www.themindgym.com. The Board has no hesitation in recommending the election and re-election of these Directors to shareholders. In making these recommendations, the Board confirms that it has given careful consideration to the Board's balance of skills, knowledge and experience and is satisfied that each of the Directors putting themselves forward for election or re-election has sufficient time to discharge their duties effectively, taking into account their other commitments.

Reappointment of auditors

The auditors of the Company must be appointed or re-appointed at each general meeting at which the accounts are laid. **Resolution 11** seeks approval to appoint BDO LLP as the Company's auditors until the conclusion of the next general meeting of the Company at which the accounts are laid.

Remuneration of auditors

In accordance with standard practice, **Resolution 12** seeks consent for the Audit & Risk Committee to determine the remuneration of the auditors.

Directors' authority to allot shares

Resolution 13 seeks authority for the Directors to allot shares.

The authority granted in paragraph (a) will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares up to approximately one-third of the issued ordinary share capital of the Company which at 11 June 2025 being the latest practicable date prior to the publication of this notice of meeting is equivalent to a nominal value of £334.46.

The authority granted in paragraph (b) will allow the Directors to allot new shares and grant rights to subscribe for, or convert other securities into, shares only in connection with a rights issue up to a further nominal value of £334.46 which is equivalent to approximately one-third of the total issued ordinary share capital of the Company at 11 June 2025.

There are no present plans to undertake a rights issue or to allot new shares other than in connection with employee share incentive plans. The Directors consider it desirable to have the maximum flexibility permitted by corporate governance guidelines to respond to market developments and to enable allotments to take place to finance business opportunities as they arise. The authorities will expire at the next Annual General Meeting of the Company or, if earlier, at close of business on 30 September 2026.

Special Resolutions

Disapplication of pre-emption rights

Resolutions 14 and **15** will be proposed as special resolutions. If the Directors wish to allot new shares and other equity securities, or sell treasury shares, for cash (other than in connection with an employee share incentive plan), company law requires that these shares are offered first to shareholders in proportion to their existing holdings.

Resolution 14 deals with the authority of the Directors to allot new shares or other equity securities pursuant to the authority given by **Resolution 13**, or sell treasury shares, for cash without the shares or other equity securities first being offered to shareholders in proportion to their existing holdings. Such authority shall only be used in connection with a pre-emptive offer, or otherwise, up to an aggregate nominal amount of £100.34, being approximately 10% of the total issued ordinary share capital of the Company as at 11 June 2025.

In addition, the Pre-Emption Group's Statement of Principles supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities (and sales of treasury shares for cash) representing no more than a further 10% of issued share capital (exclusive of treasury shares), to be used only in connection with an acquisition or specified capital investment. The Pre-Emption Group's Statement of Principles defines 'specified capital investment' as meaning one or more specific capital investment-related uses for the proceeds of an issuance of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-Emption Group, **Resolution 15** seeks to authorise the Directors to allot new shares and other equity securities pursuant to the authority given by **Resolution 13**, or sell treasury shares, for cash up to a further nominal amount of £100.34, being approximately 10% of the issued ordinary capital of the Company as at 11 June 2025, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding six-month period and is disclosed in the announcement of the issue. If the authority given in **Resolution 15** is used, the Company will publish details of the placing in its next Annual Report. If these resolutions are passed, the authorities will expire at the end of the next Annual General Meeting or on 30 September 2026, whichever is the earlier.

The Board considers the authorities in **Resolutions 14** and **15** to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a rights issue or other pre-emptive offer without the need to comply with the strict requirements of the statutory pre-emption provisions.

Authority to purchase own shares

Resolution 16 is a special resolution and seeks authority for the Company to make market purchases of its own ordinary shares up to a maximum number of 10,033,888 ordinary shares, representing approximately 10% of the issued ordinary share capital at 11 June 2025. The authority requested would expire at the end of the next Annual General Meeting, or if earlier, 30 September 2026.

In reaching a decision to purchase ordinary shares, the Directors will take account of the Company's cash resources and capital and the general effect of such purchase on the Company's business. The authority would only be exercised by the Directors if they consider it to be in the best interests of the shareholders generally and if the purchase could be expected to result in an increase in earnings per ordinary share.

Notes relating to the Notice

The following notes explain your general rights as a shareholder and your right to vote at this Meeting or to appoint someone else to vote on your behalf.

i. The right to vote at the meeting is determined by reference to the register of members. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended) and Section 360B of Companies Act 2006 (the 'Act'), only those persons entered in the register of members of the Company (the 'Register') as at 6.30pm on 14 July 2025 (the 'Specified Time') shall be entitled to vote at the Annual General Meeting in respect of the number of shares registered in their name at such time. Changes to entries on the Register for certificated and uncertificated shares of the Company after the Specified Time shall be disregarded in determining the rights of any person to vote at the Annual General Meeting. Should the Annual General Meeting be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purposes of determining the entitlement of members to vote (and for the purpose of determining the number of votes they may cast) at the adjourned Annual General Meeting. Should the Annual General Meeting be adjourned for a longer period, to be so entitled, members must have been entered on the Register by 6.30pm on the day which is two working days prior to the adjourned Annual General Meeting, or, if the Company gives notice of the adjourned Annual General Meeting, at the time specified in such notice.

ii. A shareholder entitled to attend and vote at the Annual General Meeting convened by the above Notice is entitled to appoint a proxy to exercise all or any of his or her rights to attend and to speak and vote at the meeting. A proxy need not be a shareholder of the Company. The right to appoint a proxy does not apply to any person to whom this notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "Nominated Person"). A shareholder may appoint more than one proxy in relation to the Annual General Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of shares held by the shareholder may result in the proxy appointment being invalid. A proxy may only be appointed in accordance with the procedures set out in notes iii and iv below and the notes to the proxy form. The appointment of a proxy will not preclude a shareholder from attending and voting in person at the meeting.

iii. A form of proxy is enclosed. When appointing more than one proxy, complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by contacting the Company's registrar Equiniti Limited, by calling +44 (0)371 384 2030. Lines are open from 8.30am to 5.30pm UK time Monday to Friday excluding public holidays in England and Wales) or the proxy form may be photocopied. State clearly on each proxy form the number of shares in relation to which the proxy is appointed. To be valid, the proxy form (together with the power of attorney or other authority (if any) under which it is signed or certified by a notary or office copy of the same) must be received by post or (during normal business hours only) by hand at the offices of the Company's registrar, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, by no later than 9.00am on 14 July 2025 (or, if the meeting is adjourned, no later than 48 hours (excluding non-business days) before the time of any adjourned meeting).

iv. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournment(s) thereof by utilising the procedures described in the CREST Manual which can be viewed at www.euroclear.com. CREST personal members or other CREST-sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Equiniti Limited (ID RA19) no later than 9.00am on 14 July 2025 (or if the

Annual General Meeting is adjourned, no later than 48 hours (excluding non-business days) before the time of any adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Equiniti Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

v. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 9am on 14 July 2025 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

vi. A shareholder which is a corporation may authorise one or more persons to act as its representative(s) at the meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares. Corporate shareholders are encouraged to complete and return a form of proxy appointing the Chairman of the meeting to ensure their votes are included in the poll.

vii. In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.

viii. Copies of the service contracts of the Executive Directors and all letters of appointment between the Company and its Non-Executive Directors are available for inspection at the registered office of the Company during normal business hours and at least 15 minutes prior to the commencement of, and during the continuance of, the Annual General Meeting.

ix. The information required to be published by Section 311(A) of the Act (information about the contents of this notice and numbers of shares in the company and voting rights exercisable at the meeting and details of any members' statements, members' resolutions and members' items of business received after the date of this notice) may be found at www.themindgym.com.

x. A Nominated Person may under an agreement between him/her and the member who nominated him/her, have a right to be appointed (or to have someone else appointed) as a proxy entitled to attend and vote at the Annual General Meeting. Nominated Persons are advised to contact the member who nominated them for further information on this and the procedure for appointing any such proxy.

xi. If a Nominated Person does not have a right to be appointed, or to have someone else appointed, as a proxy for the Annual General Meeting, or does not wish to exercise such a right, he/she may still have the right under an agreement between himself/herself and the member who nominated him/her to give instructions to the member as to the exercise of voting rights at the Annual General Meeting. Such Nominated Persons are advised to contact the members who nominated them for further information on this.

xii. To facilitate entry to the meeting, shareholders are requested to bring with them suitable evidence of their identity. Persons who are not shareholders of the Company (or their appointed proxy) will not be admitted to the Annual General Meeting unless prior arrangements have been made with the Company. For security reasons, all hand luggage may be subject to examination prior to entry to the Annual General Meeting. Cameras, tape recorders, laptop computers and similar equipment may not be taken into the Annual General Meeting. We ask all those present at the Annual General Meeting to facilitate the orderly conduct of the meeting and reserve the right, if orderly conduct is threatened by a person's behaviour, to require that person to leave.

xiii. As at 11 June 2025 (being the last practicable date before the publication of this notice), the Company's issued share capital consists of 100,338,882 ordinary shares of 0.00001 pence each, carrying one vote each and 50,000 redeemable preference shares of £1.00 each which do not carry any rights to vote on the resolutions proposed at the AGM. As the Company does not hold any shares in treasury, in respect of which it cannot exercise any votes. The total voting rights in the Company as at 11 June 2025 are 100,338,882.

xiv. You may not use any electronic address provided either in this notice of general meeting or any related documents to communicate with the Company for any purposes other than those expressly stated.

Directors and advisors

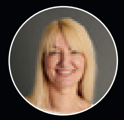
Directors

Octavius Black
Executive Chair

Christoffer Ellehuus
Chief Executive Officer

Sebastian Bailey
Executive Director

Emily Fyffe
Chief Financial Officer



Sally Tilleray
Non-Executive Director

David Nelson
Non-Executive Director

Trevor Phillips
Non-Executive Director

Advisors

Company registration
Registered in England and Wales No. 03833448

Registered office
160 Kensington High Street,
London, W8 7RG, UK

UK Company secretary
Elemental Cosec Limited,
27 Old Gloucester Street,
London, WC1N 3AX, UK

Auditors
BDO LLP
55 Baker Street,
London, W1U 7EU, UK

UK Nominated advisor and broker
Panmure Liberum Limited
25 Ropemaker Street,
London, EC2Y 9LY, UK

Registrars
Equinti Limited
Highdown House, Yeoman Way, Worthing,
West Sussex, BN99 3HH, UK

Financial PR
MHP Group Ltd
4th Floor, 60 Great Portland Street,
London, W1W 7RT, UK

Solicitors
Kennedy Cater LLP
c/o Pennine Way Ltd
2A Charing Cross Road,
London, WC2H 0HF, UK

Bankers
HSBC Bank Plc
3rd Floor, EQ,
111 Victoria Street,
Bristol, BS1 6AX, UK

MindGym