

08 April 2025

Dillistone Group Plc
("Dillistone", the "Company" or the "Group")
Final Results
& Investor Presentation

Dillistone Group Plc, the AIM quoted supplier of software for the international recruitment industry, is pleased to announce its audited final results for the 12 months ended 31 December 2024 ("FY2024").

Highlights:

- Profit before tax of £0.013m (2023: loss £0.104m), first profit before tax since 2016.
- Operating cash before working capital adjustments margin at highest point since flotation at 26.8% (FY2023: 21.6%).
- Net cash from operating activities down 10% at £0.959m (2023: £1.065m).
- CBIL debt reduced by £0.300m in the year.
- Adjusted operating profit increased by 22% to £0.269m (2023: £0.220m).
- EBITDA margin increased to 26.2% (2023: 23.5%) despite EBITDA decreasing slightly by 2% to £1.286m (2023: £1.314m).
- Recurring revenues represented 90% (2023: 89%) of Group revenue. This equates to 121% of administration + cost of sales expenses (excluding depreciation / amortisation / exceptional costs). (2023: 116%).
- Revenue decreased by 12% to £4.903m (2023: £5.595m) reflecting challenging market conditions.

Commenting on the results and prospects, Giles Fearnley, Non-Executive Chairman, said:

" I am delighted to report a positive set of results in what has been, and continues to be, a challenging period for our primary markets."

"The underlying business is primed for when the market recovers, with EBITDA margins and operational cash margins (excluding working capital moves) at levels not seen in its recent history."

"The Group has made a solid start to the year with Q1 performance in line with management expectations. While new business opportunities continue to reflect the challenging market, our improving competitiveness allowed us to achieve our best quarter for new business contract wins since Q1 2023. With recurring revenues forecast to cover 103% of administrative costs, we remain confident in our ability to achieve further progress through 2025."

Investor Presentation: 15:00 BST on Tuesday 8 April 2025

Dillistone is pleased to announce that Jason Starr and Ian Mackin will provide a live presentation relating to the Full Year Results via the Investor Meet Company platform today at 15:00 BST.

The presentation will enable existing and prospective investors the opportunity to listen to management discuss the Group's financial results for the year ended 31 December 2024.

Questions can be submitted pre-event via your Investor Meet Company dashboard during the live presentation.

Investors can sign up to Investor Meet Company for free and can join the Dillistone presentation via the following link:

<https://www.investormeetcompany.com/dillistone-group-plc/register-investor>

Enquiries:

Dillistone Group Plc

Giles Fearnley
Jason Starr
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Chairman
Chief Executive Officer
Finance Director

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Zeus (Nominated adviser and Broker)

Mike Coe

Director,
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Notes to Editors:

Dillistone Group Plc is a leader in the supply and support of software and services to the recruitment industry. Dillistone operates through the Ikiru People (www.IkiruPeople.com) brand.

The Group develops, markets and supports the Talentis, FileFinder, Infinity, Mid-Office, ISV and GatedTalent products.

Dillistone was admitted to AIM, a market operated by the London Stock Exchange plc, in June 2006.

Learn about our products:

Talentis Software:

<https://www.talentis.global/recruitment-software/>

Voyager Software:

<https://www.voyagersoftware.com>

Online Timesheets:

<https://www.voyagersoftware.com/online-timesheets/>

CHAIRMAN'S STATEMENT

I am delighted to report a positive set of results in what has been, and continues to be, a challenging period for our primary markets.

In a tough market, the Group has delivered profit performance in line with expectations while improving operational cash margins, continuing to pay down the CBILS loan and releasing innovative new products.

The underlying business is primed for when the market recovers, with EBITDA margins and operational cash margins (excluding working capital movements at levels not seen in its recent history. We have delivered on our strategy.

For the purposes of obtaining true comparatives, we focus on measures which are adjusted to remove items of Government support, acquisition related or exceptional items, to better understand the underlying business.

The expected drop in revenues meant that while EBITDA fell slightly (£1.286m v £1,314m), adjusted EBITDA margin increased to 26.2% (FY2023: 23.5%) reflecting the investments made by the Group in increasing efficiencies.

The adjusted operating profit before acquisition related and other items improved by 22% to £0.269m (FY2023: (£0.220m)).

Operational cash margin (excluding working capital adjustments) reached 26.8% (FY2023: 21.6%) which is the highest level since flotation in 2006. This demonstrates the strides made in efficiency and how the Group is well positioned to take advantage of a market recovery.

Net cash from operating activities dipped to £0.959m (FY2023: £1.063m) on the reduced revenue base. However, when adjusted for the fundraising in the year, the net change in cash and cash equivalents improved 10% to (£0.397m) (FY2023: (£0.441m)).

During the year the Group paid down £300k of debt, whilst raising (£0.360m) through a combination of a convertible loan (£0.300m) and the issuance of new shares (£0.060m)

Dividends

The Group is not recommending a final dividend in respect of the year to 31 December 2024 (2023: nil).

Staff

We owe our progress to our incredible team. In a challenging year for our markets, achieving such a strong outcome is a testament to their skill and dedication. I want to personally thank everyone for their hard work, commitment, and determination in delivering first-class products and services to the industries we serve.

Corporate governance

It is the Board's duty to ensure that the Group is managed for the long-term benefit of all stakeholders.

Details of our governance processes and my role as Chairman of the Board are included in the corporate governance section that follows the Strategic Report.

Outlook

The majority of our Group's revenue is generated from recruitment firms, a sector that has faced significant challenges in recent years. In our January trading statement, we stated that market conditions had impacted the size and scale of our client base. These market conditions continue.

Despite this, the Group has made a solid start to the year with Q1 performance broadly in line with management expectations. While new business opportunities continue to reflect the challenging market, our improving competitiveness allowed us to achieve our best quarter for new business contract wins since Q1 2023. With recurring revenues forecast to cover 103% of administrative costs, we remain confident in our ability to achieve further progress through 2025.

Giles Fearnley
Non-Executive Chairman

CEO's Review

Dillistone Group Plc is a global leader in recruitment technology, serving executive search firms, contingency recruiters, and in-house staffing teams across more than 1,000 organizations worldwide.

Our product portfolio is divided into two key segments:

- **Solutions for contingency recruiters**, primarily serving agencies in the United Kingdom but also used internationally.
- **Solutions for executive search firms and in-house executive search teams**, with clients ranging from sole traders to boutique firms right up to globally recognised executive search brands.

Contingency Recruitment Products

Our solutions for contingency recruiters include:

- **Infinity** – A powerful recruitment CRM used primarily by agencies in the UK, but also by a number of international clients. Infinity enables recruitment businesses to manage prospects, clients, candidates, and jobs within a single platform and is one of the few UK solutions that support permanent, contract, and temporary placements in one system.
- **ISV.Online** – A widely adopted online skills testing platform used by recruitment agencies and corporate HR teams. ISV.Online provides an extensive library of pre-built assessments and allows users to create custom tests tailored to specific hiring needs. With a strong international footprint, it helps organisations make data-driven hiring decisions.
- **Mid-Office** – A comprehensive pay & bill solution that streamlines payroll processing and client invoicing for recruitment businesses and back-office service providers. It supports timesheet management and integrates seamlessly with Infinity and other recruitment systems, ensuring efficient financial operations.

Contingency review:

- Reflecting market conditions, this part of our business saw a decline in revenues with £3.187m in FY2024, (FY2023 £3.46m). A significant part of this loss was down to a reduction in the number and value of new business wins.

From an operational perspective, we continued to enhance our product offerings:

- We released the first phase of our Infinity Candidate Portal, a new supplementary module for our Infinity product in Q4 2024. Customer feedback and take-up exceeded our expectations and this trend has continued into the new year. During Q1 we have released the second phase of our Candidate Portal roadmap with a further phase due for release later in the year.
- 2024 also saw us produce our online timesheets solution which will initially be paired with our Mid-Office application. This product entered beta in February 2025 and is due for general release in Q2.

In addition to the aforementioned Candidate Portal, our Infinity users received a number of significant enhancements over the year via the monthly release cycle. These included, amongst others, our Infinity Data Services which combine data from our TalentGraph along with other data providers, major enhancements to our leads management functions, additional support for the rail recruitment sector and further additions to our in-app AI tools.

Executive Search Products

Our key solutions for the executive search sector include:

- Talentis – Our latest and most advanced platform designed for executive recruiters. Talentis serves as both a research and sourcing tool and a full executive search CRM, leveraging AI-driven technology to enhance talent identification and recruitment.
- FileFinder – A well-established executive search CRM with a global user base, trusted by search professionals worldwide for managing client and candidate relationships.
- GatedTalent – A unique service that allows executives to share confidential information with our search firm clients, while also offering additional career support services.

Executive search review:

Our executive search products have suffered a challenging few years. During 2024 revenue declined to £1.716m (2023: £2.135m).

However, we are encouraged by the positive momentum in the final months of 2024 for this part of our business. In November, we began actively promoting Talentis as a competitive replacement for established executive search software, leading to a significant increase in both the number and the value of incoming orders. These orders included migrations from FileFinder as well as firms switching from direct competitors.

Many of our executive search contracts are for 12 months or more and so the impact of decisions taken by executive search firms in 2024 will directly impact our recurring revenues realised in 2025 and so, while we believe that this part of our business is firmly on the path to recovery, this will not be immediately visible in our results.

Cost savings and EBITDA Margin step-change

During 2024, the benefit of the cost restructuring which took place during 2023 bore fruit. Combined cost of sales and administration costs were down by £0.806m.

This enabled a further improvement in EBITDA margin to 26.8% (2023: 23.5%). This consolidates the step change from the margins obtained between 2017 and 2022 when the average margin was 14.9% (Covid-19 support excluded). We have also seen significant improvement in our operational cash margin (excluding working capital adjustments) which reached 26.2% (FY2023: 21.6%) and is now at the highest level since flotation in 2006.

These improvements in our financial performance give us great confidence in our ability to return to profitable and cash generative growth as the market recovers.

KPIs and financial performance

The Group's operational performance has improved significantly in recent years, with FY2024 seeing an 80% increase in adjusted profit before tax. The success measure for each of the KPIs used by management is year on year improvement.

	FY24 £'000	FY23 £'000	% Move
Total revenue	4,903	5,595	(12%)
Recurring revenue	4,394	4,974	(12%)
Adjusted EBITDA *	1,286	1,314	(2%)
Cash from operating activities	959	1,064	(10%)
Adjusted profit /(loss) before tax **	117	65	80%

* EBITDA adjusted for exceptional items

** Adjusted profit before tax is statutory profit before acquisition related intangible amortisation, reorganisation and other costs. See note 2 and note 5.

Strategy

The Group's strategy is to grow the business organically. This strategy is made possible through our commitment to product development, which generates the future revenue of the business. In 2024, product development equated to 17.6% of revenues (2023: 17.2%) and we will continue to invest in our products going forward.

The Group's objectives are principally to:

- Ensure our products meets the needs of the recruitment sector through continual investment and development;
- Be a leading player in all the markets we serve;
- Develop our staff; and
- Increase our profitability and deliver increased shareholder value year on year.

Financial Review

Summary

The Group saw a return to operating profitability in the year. Highlights included:

- First profit before tax since 2016
- Improvement of 22% in operating profit before acquisition, reorganisation and other items results taking it to £0.269m from £0.220m in FY2023
- Adjusted EBITDA margin increased to 26.2% from 23.5% in FY2023

This was achieved whilst maintaining the level of investment in our products.

Revenue

Group revenue decreased by 12% to £4.903m from £5.595m in FY2023.

Revenue by type	FY 2024	FY 2023	% Change
	£'000	£'000	
Recurring revenue	4,394	4,974	(11.7%)
Non-recurring revenue	395	497	(20.5%)
Third party revenue	114	124	(8.1%)
	4,903	5,595	(12.4%)
Recurring revenue %	90%	89%	-

Gross profit margin

The gross margin increased to 90% from 89%. Going forward, the management team is focused on maintaining gross margin levels, particularly during challenging economic conditions.

Adjusted EBITDA*

The adjusted EBITDA* decreased by 2% to £1.286m from £1.314m in FY2023 but pleasingly EBITDA margin was higher at 26.2%, compared to 23.5% in FY2023. This was a result of the Group's agility in responding to market conditions, agility made possible as a result the investment we've made in systems over recent years.

* Refers to segment EBITDA in note 3

Operating profit/(loss) and profit/(loss) before tax

The operating position, before acquisition related, reorganisation and other items (Adjusted operating profit) continued the recent trend by improving 22% to stand at £0.269m from £0.220m in FY2023.

Inclusive of acquisition related, reorganisation and other items, the Group made an operating profit of £0.165m compared to an operating profit of £0.051m in FY2023.

The profit before tax moved to £0.013m from a loss of (£0.104m) in FY2023 representing the first such profit since 2016. This led to a profit after tax of £0.04m (FY2023: 0.003m), with the EPS moving to 0.2p from 0.01p

This set of profit figures consolidates the progress made in recent years.

Taxation

The net tax credit for the year £0.027m (FY2023: £0.107m).

Balance sheet

The Group's net assets increased to £3.315m (FY2023: £3.217m).

Trade and other receivables decreased to £0.430m (FY2023: £0.559m). Trade and other payables also decreased to £1.712m (FY2023: £2.189m).

R&D development

The Group capitalised £0.881m in development costs in the year (FY2023: £0.963m) as the business continued its commitment to developing its products. Amortisation of development costs was £0.968m (FY2023: £0.994m).

Financing

The Group continues to pay down its bank debt. Repayment of the Government CBIL loan received in June 2020 is now well underway. This loan of £1.5m is repayable over six years, with monthly repayments having commenced in July 2021.

As a result, bank borrowings at 31 December 2024 were £0.450m (FY2023: £0.750m).

During the year, the Group raised £0.300m in the form of convertible loans to current and former Directors. This lifts the level of convertible loans to £0.700m (FY2023: £0.400m), which will not be repaid until the CBIL loan has been repaid.

In addition, the Group also issued new shares to the value of £0.060m (FY2023: nil) to a new investor to the Group.

Cashflow

Net cash from normalised operating activities decreased 10% to £0.959m (FY2023: £1.063m).

Net change in cash decreased to (£0.37m) (FY2023: (£0.441m)). Factoring in the fundraising in year of £0.360m, the operational comparison is more fairly reflected with a figure of (£0.397m) for FY2024. This still represents a 10% improvement from FY2023.

The Group finished the year with a utilisation of the bank facility (£0.074m) (2023: utilisation of the bank facility (£0.019m)).

Summarised cashflow	FY 2024	FY 2023
	£'000	£'000
Adjusted net cash from normalised operating activities	959	1,063
Investing activities – net	(888)	(972)
Financial activities – net (excl fundraising)	(468)	(532)
Adjusted net change in cash and cash equivalents	(397)	(441)
Fundraising	360	-
Net change in cash and cash equivalents	(37)	(441)
Cash and cash equivalents at beginning of year	(19)	433
Effect of foreign exchange rate changes	(18)	(11)
Cash and cash equivalents at 31 st December	(74)	(19)

Going forward, the Board and management teams are focused on generating revenue streams whilst balancing the Group's profitability and cash generation.

Jason Starr
Chief Executive Officer

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	2024 £'000	2023 £'000
Revenue	5	4,903	5,595
Cost of sales		(503)	(601)
Gross profit		4,400	4,994
Administrative expenses		(4,235)	(4,943)
Operating profit	4	165	51
Adjusted operating profit before acquisition related, reorganisation and other items	4	269	220
Acquisition related, reorganisation and other items	4	(104)	(169)
Operating profit		165	51
Financial cost		(152)	(155)
Profit / (loss) before tax		13	(104)
Tax income	8	27	107
Profit for the year		40	3
Other comprehensive income/(loss)			
Items that will be reclassified subsequently to profit and loss:			
Currency translation differences		(4)	(3)
Total comprehensive profit for the year		36	-
Earnings per share			
Basic	9	0.20p	0.01p
Diluted	9	0.20p	0.01p

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Share capital £'000	Share premium £'000	Merger reserve £'000	Convertible loan reserve £'000	Retained earnings £'000	Share options £'000	Foreign exchange £'000	Total £'000
Balance at 1 January 2023	983	1,631	365	14	93	67	70	3,223
Comprehensive income								
Loss for the year	-	-	-	-	3	-	-	3
Other comprehensive income								
Exchange differences on translation of overseas operations	-	-	-	-	-	-	(3)	(3)
Total comprehensive profit	-	-	-	-	3	-	(3)	-
Transactions with owners								
Share option charge	-	-	-	-	4	(10)	-	(6)
<i>Total transactions with owners</i>	-	-	-	-	4	(10)	-	(6)
Balance at 31 December 2024	983	1,631	365	14	100	57	67	3,217
Comprehensive income								
Profit for the year	-	-	-	-	40	-	-	40
Other comprehensive income								
Exchange differences on translation of overseas operations	-	-	-	-	-	-	(4)	(4)
Total comprehensive profit	-	-	-	-	40	-	(4)	36
Transactions with owners								
Share option charge	-	-	-	-	30	(28)	-	2
Share issue	38	22	-	-	-	-	-	60
<i>Total transactions with owners</i>	38	22	-	-	30	(28)	-	62
Balance at 31 December 2024	1,021	1,653	365	14	170	29	63	3,315

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Notes	Group	
		2024	2023
		£'000	£'000
ASSETS			
Non-current assets			
Goodwill		3,415	3,415
Other intangible assets		2,618	2,822
Property, plant and equipment		14	20
Right of use assets		206	15
Investments		-	-
Total non-current assets		6,253	6,272
Current assets			
Trade and other receivables		430	559
Current tax receivable		1	-
Cash and cash equivalents		-	-
Total current assets		431	559
Total assets		6,684	6,831
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		1,021	983
Share premium		1,653	1,631
Merger reserve		365	365
Convertible loan reserve		14	14
Retained earnings		170	100
Share option reserve		29	57
Foreign exchange reserve		63	67
Total equity		3,315	3,217
Liabilities			
Non-current liabilities			
Trade and other payables		148	170
Lease liabilities		182	3
Borrowings		850	850
Deferred tax liability		223	244
Total non-current liabilities		1,403	1,267
Current liabilities			
Trade and other payables		1,564	2,019
Lease liabilities		28	5
Borrowings		374	319
Current tax payable		-	4
Total current liabilities		1,966	2,347
Total liabilities		3,369	3,614
Total liabilities and equity		6,684	6,831

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024**

	For the year ended 31 December 2024 £'000	For the year ended 31 December 2024 £'000	For the year ended 31 December 2023 £'000	For the year ended 31 December 2023 £'000
Operating activities				
Profit / (Loss) before tax	13		(104)	
Adjustment for				
financial cost	152		155	
Depreciation and amortisation	1,131		1,230	
Share option expense	2		(6)	
Lease termination	-		(77)	
Foreign exchange adjustments arising from operations	14		8	
Operating cash flows before movement in working capital	1,312		1,206	
Decrease in receivables	129		49	
Decrease in payables	(483)		(393)	
Taxation refunded	1		201	
Net cash generated from operating activities		959		1,063
Investing activities				
Purchases of property, plant and equipment	(8)		(9)	
Sale of fixed assets	1		-	
Investment in development costs	(881)		(963)	
Net cash used in investing activities		(888)		(972)
Financing activities				
Interest paid	(152)		(155)	
Proceeds from loan notes	300		-	
Issue of shares	60		-	
Bank loan repayments made	(300)		(300)	
Lease payments made	(16)		(77)	
Net cash (used in)/generated from financing activities		(108)		(532)
Net (decrease)/increase in cash and cash equivalents		(37)		(441)
Cash and cash equivalents at beginning of the year		(19)		433
Effect of foreign exchange rate changes		(18)		(11)
Cash and cash equivalents at end of year		(74)		(19)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Publication of non-statutory accounts

In accordance with section 435 of the Companies Act 2006, the Directors advise that the financial information set out in this announcement does not constitute the Group's statutory financial statements for the year ended 31 December 2023 or 2024, but is derived from these financial statements. The financial statements for the year ended 31 December 2023 have been audited and filed with the Registrar of Companies. The financial statements for the year ended 31 December 2024 have been prepared in accordance with UK-adopted international accounting standards, IFRIC Interpretations and the Companies Act 2006. The financial statements for the year ended 31 December 2023 have been audited and will be filed with the Registrar of Companies following the Company's Annual General Meeting. The Independent Auditors Report on the Group's statutory financial statements for the years ended 31 December 2024 and 2023 were unqualified and did not draw attention to any matters by way of emphasis and did not contain statements under Section 498(2) or (3) of the Companies Act 2006.

2. Basis of preparation

The preliminary announcement is extracted from the consolidated financial statements of the Group. The financial statements of the subsidiaries are prepared for the same reporting date as the parent company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets or liabilities are eliminated in full.

The Group's business activities and financial position, together with the factors likely to affect its future development, performance and position, are set out in the CEO's Review and Financial Review on pages 7 to 12. Together with the financial statements and notes which detail the results for the year, net current liability position and cash flows for the year ended 31 December 2024. The Group prepares 3 year budgets and cash flow forecasts to ensure that the Group can meet its liabilities as they fall due.

The company has experienced a decline in turnover over a number of years with a 12% drop in 2024 primarily as a result of the macro-economic environment in the recruitment industry.

This challenging environment has coincided with the launch of the firm's new executive search platform, Talentis. The Group has invested – and continues to invest heavily in this platform. Market research has indicated that the potential for this product is significant, and this can be seen in the sales pipeline which increased markedly in November 2024.

In addition to ongoing investment in Talentis, the Company has continued to invest in existing products and the combination of a challenging market and ongoing levels of development has placed stress on the group's cash flows.

To address these conditions, management implemented cost reduction plans which have been enacted since 2023 and resulted in annualised savings of over £1.3m.

The Group meets its day to day working capital requirements through its cash balance and overdraft. It has in place a £1.5m CBIL loan, secured in June 2020, repayable over 6 years with capital repayments commencing from July 2021. This loan will be fully repaid by June 2026, which will result in additional cash flow of £300,000 per year from capital payments plus associated interest before the repayment of any other debt.

There are two tranches of convertible loan debt, £400,000 and £300,000 for which repayment has been deferred by the holders of the convertible loans until the company attains a more favourable

cash position. The debt is with current and former Directors all of whom remain supportive of the business.

To enhance the cash flow position, the Group secured an overdraft facility in February 2025 to ensure it has enough liquidity for the business needs and can continue with development of software.

The cash flow forecasts have been stress tested from the date of signing the accounts reviewing assumptions around new business with an appropriate stress test being applied. A reverse stress test was also prepared to review what reduction in revenue would be necessary to breach the overdraft limits in 2025 and 2026. Various mitigations can be put in place should the need arise to implement this.

As at the date of this report, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

3. Accounting policies

This preliminary announcement has been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year to 31 December 2023.

4. Reconciliation of adjusted profits to consolidated statement of comprehensive income

Note	Adjusted profits 2024	Acquisition related, reorganisation and other costs 2024*	2024	Adjusted profits 2023	Acquisition related, reorganisation and other costs 2023*	2023
	£'000	£'000	£'000	£'000	£'000	£'000
Revenue	4,903	-	4,903	5,595	-	5,595
Cost of sales	(503)	-	(503)	(601)	-	(601)
Gross profit	4,400	-	4,400	4,994	-	4,994
Administrative expenses	(4,131)	(104)	(4,235)	(4,774)	(169)	(4,943)
Operating profit / (loss)	269	(104)	165	220	(169)	51
Financial income	-	-	-	-	-	-
Financial cost	(152)	-	(152)	(155)	-	(155)
Profit / (loss) before tax	117	(104)	13	65	(169)	(104)
Tax income	5	22	27	81	26	107
Profit/(loss) for the year	122	(82)	40	146	(143)	3
Other comprehensive loss net of tax:						
Currency translation differences	(4)	-	(4)	(3)	-	(3)
Total comprehensive (loss)/profit for the year net of tax	118	(82)	36	143	(143)	-

Earnings per share

Basic	10	0.61p	-	0.20p	0.74p	-	0.01p
Diluted	10	0.61p	-	0.20p	0.74p	-	0.01p

* See note 9

5. Segment reporting

Divisional segments	Ikiru People 2024 £'000	Central 2024 £'000	Total 2024 £'000	Ikiru People 2023 £'000	Central 2023 £'000	Total 2023 £'000
Segment revenue	4,903	-	4,903	5,595	-	5,595
Segment EBITDA	1,254	32	1,286	1,250	64	1,314
Depreciation and amortisation expense	(1,017)	-	(1,017)	(1,094)	-	(1,094)
Segment result before reorganisation and other costs	237	32	269	156	64	220
Reorganisation and other costs	12	-	12	(32)	-	(32)
Segment result	249	32	281	124	64	188
Acquisition related amortisation	-	(116)	(116)	-	(137)	(137)
Operating profit / (loss)	249	(84)	165	124	(73)	51
Loan interest/ lease interest	(24)	(128)	(152)	(26)	(129)	(155)
Profit / (Loss) before tax			13			(104)
Income tax income			27			107
Profit for the year			40			3
Additions of non-current assets	1,113		1,113	972	972	972

Revenue by business segment

The following table provides an analysis of the Group's revenue by product area for the 12 months of the financial year.

	2024 £'000	2023 £'000
Recurring income	4,394	4,974
Non-recurring income	395	497
Third party revenues	114	124
	4,903	5,595

In the table above 'Recurring income' represents all income recognised over time, whereas 'Non-recurring income' and 'Third party revenues' represent all income recognised at a point in time.

Recurring income includes all support services, SaaS and hosting income and revenue on perpetual licenses with mandatory support contracts deferred under IFRS 15. Non-recurring income includes sales of new licences which do not require a support contract, and income derived from installing licences including training, installation and data translation. Third party revenues arise from the sale of third party software.

It is not possible to allocate assets and additions between recurring, non-recurring income and third party revenue. No customer represented more than 10% of revenue of the Group in 2024 or 2023.

Revenue by business sector

The following table provides an analysis of the Group's revenue by market sector.

	2024 £'000	2023 £'000
Contingent	3,187	3,460
Executive search	1,716	2,135
	4,903	5,595

6. Geographical analysis

The following table provides an estimated of the Group's revenue by geographic market based on the Customers' country. This is provided for information only as the Board does not review the performance of the business from a geographical viewpoint.

Revenue

	2024 £'000	2023 £'000
UK	3,750	4,175
Europe	464	583
Americas	382	496
Australia	131	147
ROW	176	194
	4,903	5,595

Non-current assets by geographical location

	2024 £'000	2023 £'000
UK	6,253	6,271
US	-	-
Australia	-	1
	6,253	6,272

7. Acquisition related, reorganisation and other costs

	2024 £'000	2023 £'000
Included within administrative expenses:		
Reorganisation and other costs	-	168
Lease termination	-	(77)
US government grant (Employee Retention Program)	(12)	(59)
Amortisation of acquisition intangibles	116	137
	104	169

Reorganisation and other costs include severance payments and loss of office payments.

8. Tax income

	2024 £'000	2023 £'000
Current tax	(1)	(53)
Prior year adjustment – current tax	(5)	(72)
Total current tax	(6)	(125)
Deferred tax	(9)	(6)
Prior year adjustment – deferred tax	17	56
Deferred tax rate change	(7)	(6)
Deferred tax re acquisition intangibles	(22)	(26)
Total deferred tax	(21)	18
Tax (income) for the year	(27)	(107)

Factors affecting the tax credit for the year

Loss before tax	13	(104)
UK rate of taxation	19.0%	19.0%
Loss before tax multiplied by the UK rate of taxation	3	(20)
Effects of:		
Overseas tax rates	9	-
Impact of deferred tax not provided	18	(8)
Enhanced R&D relief	(72)	(110)
Disallowed expenses	3	6
Rate difference between CT rate and deferred tax rate	(1)	(8)
Rate difference between CT rate and rate of R&D repayment	1	49
Prior year adjustments	12	(16)
Tax (income)	(27)	(107)

9. Earnings per share

	2024 Using adjusted profit	2024	2023 Using adjusted profit	2023
Profit attributable to ordinary shareholders (note 2)	£122,000	£40,000	£146,000	£3,000
Weighted average number of shares	19,992,119	19,992,119	19,668,021	19,668,021
Basic profit/(loss) per share	0.61 p	0.20 p	0.74 p	0.01 p
Weighted average number of shares after dilution	19,992,119	19,992,119	19,668,021	19,668,021
Fully diluted profit/(loss) per share	0.61 p	0.20 p	0.74 p	0.01 p

Reconciliation of basic to diluted average number of shares:

	2024	2023
Weighted average number of shares (basic)	19,992,119	19,668,021
Effect of dilutive potential ordinary shares – employee share plans	-	-
Weighted average number of shares after dilution	19,992,119	19,668,021

There are 593,825 (2023: 1,646,500) share options not included in the above calculations, as they are underwater or have been forfeited.

The impact of the convertible loan notes in the period is not dilutive, as the EPS of the convertible loan notes is greater than the basic EPS, and therefore does not impact the calculation of the fully diluted earnings per share.