CPPGroup Plc

("CPP Group"; "the Group"; or "the Company")

FULL YEAR RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

CPP Group (AIM: CPP), provider of real-time, digitally delivered assistance products which reduce disruptions to everyday life for millions of people across the world is pleased to announce its full year results for the 12 months ended 31 December 2024.

Financial Highlights:

- Group revenue from continuing operations of £156.4 million (2023 restated: £173.4 million).
- EBITDA from continuing operations at £1.4 million (2023 restated: £1.3 million).
- Core business revenues[4] of £155.1 million (2023 restated: £166.5 million).
- EBITDA from Core business[4] at £1.8 million (2023 restated: £0.5 million).
- Loss before tax from continuing operations of £2.7 million (2023 restated: £5.7 million loss).
- Cash balance of £9.7 million at 31 December 2024 (31 December 2023: £19.0 million).

Operational Highlights:

- Group focused on three Core businesses (Blink Parametric ("Blink"); CPP India, and CPP Turkey).
- Core business performing well.
  - Blink added 11 new clients and increased Annualised Recurring Revenues ("ARR") by +62%.
  - CPP India and CPP Turkey, despite currency headwinds, performed well.
  - Central costs, before recharges to business units, decreased to £6.9 million (2023: £10.1 million).
- Change Management Programme ("CMP") completed.
- Exit from legacy businesses complete, with UK back book in active run-off.
- Divestment of Globiva Services Private Ltd ("Globiva") for £3.8 million completed in September 2024.
- Disposal of minority interest in KYND Limited ("KYND") for £2.6 million completed in February 2024.

Simon Pyper, CEO of CPP Group, commented:

"The past year has been pivotal for the Group, as we completed our Change Management Programme, exited from non-core businesses, and continued our investment in and development of Blink. We ended the year as the business we set out to be in October 2022 - a digitally focused business led by Blink and supported by CPP India and CPP Turkey.

We have also pursued initiatives to enhance our offering, strengthen our business partnerships and streamline our operations. While not all of our actions will deliver immediate results, all are designed to increase long-term shareholder value, be it growth in Blink, new products in CPP Turkey, or renewed contractual arrangements between CPP India and its largest business partner Bajaj Finance Limited.

With Blink having increased its ARR by 62% to £1.6 million and added 11 new clients in 2024, we remain confident, with some further investment, the business will continue to make strong progress. We remain focused on converting Blink's exciting pipeline into commercial contracts, extending contracts with existing partners into additional geographies, and with our Insurance Partners, finding additional audiences, such as banks, airlines and credit card providers for our Travel Disruption and Cyber Solution services."

Financial and non-financial highlights – continuing operations

£ millions	31 December 2024	31 December 2023 (Restated[1])	Change
Financial highlights:			
Group			
Revenue	156.4	173.4	(10)%
EBITDA[2]	1.4	1.3	7%
Operating loss			
- Reported	(2.8)	(6.1)	54%
- Underlying[3]	(1.0)	(0.1)	(938)%
(Loss)/profit before tax			
- Reported	(2.7)	(5.7)	52%
- Underlying[3]	(0.9)	0.3	(426)%
Loss for the year			
- Reported	(4.7)	(7.8)	40%
- Underlying[3]	(2.9)	(1.9)	(50)%
Basic loss per share (pence)			
- Reported	(51.90)	(88.67)	42%
- Underlying[3]	(32.07)	(21.70)	(48)%
Cash and cash equivalents	9.7	19.0	(49)%
Segmental			
Revenue			
- Core[4]	155.1	166.5	(7)%
- Legacy[5]	1.3	6.9	(81)%
EBITDA[2]			
- Core[4]	1.8	0.5	235%
- Legacy[5]	(0.4)	0.8	(146)%

1. Restated to reflect Globiva, Italy and Spain as discontinued operations (note 2).
2. EBITDA represents earnings before interest, taxation, depreciation, amortisation, and exceptional items.
3. Underlying operating profit and underlying profit before tax excludes exceptional items of £1.8 million (2023 restated: £6.0 million). The tax effect of the exceptional items is £nil (2023 restated: £0.1 million). Further detail of exceptional items is provided in note 5 of the condensed consolidated financial statements.
4. Core business revenue and EBITDA from CPP India, CPP Turkey, Blink and central costs (EBITDA only).
5. Legacy reflects the UK business which is in run-off and is principally Card Protection policies.

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About CPP Group:
CPP Group is a technology-driven assistance company that creates embedded and ancillary real-time assistance products and resolution services that reduce disruption to everyday life for millions of people across the world, at the time and place they are needed, CPP Group is listed on AIM, operated by the London Stock Exchange.

For more information on CPP visit https://corporate.cppgroup.com/

Chairman's Statement

The last year has witnessed the conclusion of the CMP and the divestment of non-core assets, such as the shareholding in Globiva in India. This leaves the Group with its businesses in India, Turkey and Blink, on which I comment below, and the residual UK back book, which is now in run-off.

Operationally our business is now streamlined and efficient, with each of the Group's Core businesses having their own independent management teams, operational processes and IT infrastructure. The role of the centre has also been re-focused, with annual central costs, before recharges to business units, reducing from over £10 million in 2023 to £7 million for 2024 with further reductions expected in 2025 to below £5 million.

A great deal has been achieved in the last two years and I would like to acknowledge the role of the management team, from top to bottom, ably led by Simon Pyper, in performing the necessary surgery to position your company for a new period of growth, which will be led by Blink.

Strategy for growth, and our focus on Blink

Blink's growth strategy is simple: provide innovative parametric solutions to a growing roster of large global and regional insurance companies who, in partnership, deploy its solutions across multiple geographies, multiple platforms, and multiple customer audiences (consumers, banks, airlines).

There is additional information on Blink later in this report, but it is worthy of note that, in the last year, Blink has:

- moved beyond "proof of concept" to become a business which, with some further investment, is well placed to exploit the global and regional opportunities for its Travel Disruption and Cyber Solution services;

- increased its customer base, providing travel disruption and cyber solutions to 28 partners (2023: 17) across 22 geographies, with its digitally delivered solution included in over 1.5 million customer policies; and

- continued to deliver real and measurable benefits for its business partners, which is reflected in Blink's 100% renewal rate from existing partners, and growth in total ARR of 62% to £1.6 million (2023: £1.0 million).

CPP India and CPP Turkey

Our Indian and Turkish businesses performed in line with expectations set at the start of the financial year and, despite currency headwinds, both of them contributed positively to the Group's overall results and delivered improved year-on-year operational metrics. The solid performance of the Turkish business was impressive in the light of the continuing unfavourable macroeconomic environment in Turkey, which effectively precludes further sterling investment and which inevitably depresses the sterling value of the company.

CPP India, in contrast, benefits from the growth of the Indian economy, but it is heavily dependent on a single, long-standing contractual relationship with Bajaj, from which the vast majority of its revenues derive. Nevertheless, both it and our Turkish business generate surplus funds, which have facilitated further investment in Blink in the past year.

Financial Results

The Group's trading performance for the year was robust notwithstanding adverse currency headwinds, the partial transfer of Bajaj's LivCare business to locally based (Indian) insurers and the continued, but wholly anticipated, losses in Blink. Revenues and EBITDA from continuing operations (Blink, CPP India, CPP Turkey and the UK Legacy business which is in run-off) were in line with expectations with revenues at £156.4 million (2023: £173.4 million) and EBITDA at £1.4 million (2023 restated: £1.3 million).

Board Changes

In November of last year, Alice Glenister was invited to join the Board as a Non-Executive Director, and Eleanor Sykes our Group Chief Operating Officer, became an Executive Director. Their appointments reflect the increasing focus of the Group on the development of Blink, in which Eleanor has been playing an important role. Alice brings to the Board extensive knowledge of the rapid developments taking place in the wider world of parametric insurance and we will benefit from her sector knowledge and experience.

Outlook

Whilst it might seem counter-intuitive to focus on Blink as the core driver of growth for the Group, its development in the last year with limited resources gives us cause for considerable optimism. Our Indian and Turkish businesses have both made a solid contribution, but their ability to deliver long-term value to shareholders is, to some degree, determined by local economic and contractual shackles dating from several years ago.

The Group's ability to invest further in Blink, or for that matter any of its businesses, is inevitably constrained by its limited resources. The UK back book, which previously provided surplus capital for investment, is now in run-off and until such time as we can wind up its activities entirely, will be loss making and cashflow negative. Consequently, we must be both focused and diligent in our capital allocation and early indications suggest, that Blink will over the medium to long-term provide the best return on capital, and, as importantly, provide the best long-term outcomes for shareholders.

David Morrison
Non-Executive Chairman
24 March 2025

Chief Executive Officer Statement

Introduction

The past year has been pivotal for the Group, as we completed our CMP, exited from non-core business such as Globiva, and continued our investment and development of Blink. We ended the year as the business we set out to be in October 2022, a digitally focused business led by Blink and supported by CPP India and CPP Turkey.

But why our focus on Blink? In simple terms, Blink represents the best opportunity for the Group to deliver long-term value growth, as valuation multiples for businesses such as Blink, are significantly ahead of those for traditional insurers and sister businesses such as CPP India and Turkey. In addition, Blink unlike its sister businesses, operates in two global markets (Travel Disruption & Cyber Security) both of which are growing, and both of which are absent either a dominant player or reliance on a single key partner. If we are successful in our endeavours, Blink will not need to achieve a significant level of market share to become a highly profitable, highly cash generative, and highly valued business.

Our confidence is not unfounded, over the past year Blink has moved beyond “proof of concept” with its products and services now providing clear and measurable benefits to a growing number of business partners (increased revenues and retention rates) and end consumers.

We start the new financial year with optimism, we have made good progress, but there remains much to do before Blink reaches its full potential.

Financial Performance

Blink performed well during the year, increasing ARR by 62% to £1.6 million, adding 11 new clients, and achieving a 100% renewal rate of its existing contract base. CPP India and CPP Turkey, despite currency headwinds and the partial transfer of Bajaj's LivCare business to locally based (Indian) insurers, both delivered a good set of trading results for 2024.

Three key factors which impacted our 2024 results:

1. Blink investment: Blink is the Group’s only global product, currently focused on delivering parametric solutions to the worldwide travel insurance (flight delay and lost luggage) and consumer cyber security markets. It forms a key part of the Group’s strategy and needs sustained investment over the medium term if it is to realise its full potential. During the year Blink’s headcount increased by ten to 36 with total costs increasing by 39% to £3.5 million. Blink reported an EBITDA loss of £2.7 million compared to the £1.8 million loss in the prior year.

2. CPP India: the transfer by Bajaj of part of the LivCare portfolio to locally based insurers reduced full year revenues by circa £16.0 million, which adversely impacted EBITDA by circa £0.5 million.

3. Currency headwinds: the Group derives 98% of its revenues in Indian rupees and Turkish lira which have seen a further weakening against sterling, the Group’s reporting currency. On a constant currency basis, the Group would have reported an additional £0.4 million of EBITDA.

Of the three key factors which subdued EBITDA growth, only the increased investment in Blink was known and forecast, whilst the loss of part of the LivCare book and the currency headwinds, particularly in India were unknown.

The operating loss of £2.8 million (2023 restated: £6.1 million loss) includes depreciation charges of £2.4 million (2023 restated: £1.4 million) and exceptional items of £1.8 million (2023 restated: £6.0 million). The majority of the 2024 exceptional charge relates to costs associated with the CMP.

Key Performance Metrics:

£ millions	REVENUE			EBITDA[1]		
	2024	2023[2]	CHANGE	2024	2023[2]	CHANGE
CPP India	**145.4**	161.0	(10)%	**6.6**	5.8	13%
CPP Turkey	**8.6**	4.7	84%	**1.4**	1.2	22%
Blink	**1.1**	0.8	31%	**(2.7)**	(1.8)	(51)%
Core business units	155.1	166.5	(7)%	5.3	5.2	2%
Central Functions	**-**	-	n/a	**(3.5)**	(4.7)	24%
Core total	155.1	166.5	(7)%	1.8	0.5	235%
Legacy[3]	**1.3**	6.9	(81)%	**(0.4)**	0.8	(146)%
Group total	156.4	173.4	(10)%	1.4	1.3	7%

1. EBITDA represents earnings before interest, taxation, depreciation, amortisation and exceptional items.
2. Restated to reflect Globiva, Italy and Spain as discontinued operations.
3. Legacy comprises the UK which is in active run-off.

Business Unit Performance

Blink: EBITDA loss of £2.7 million (2023: £1.8 million loss)
Blink provides real-time, data driven, white-label assistance solutions that are designed to be embedded into insurance provider products, which on an "event" being triggered, provides immediate, digitally delivered, support to their (the insurers') customers.

The Group has made significant progress scaling Blink throughout 2024, and the business is now in a substantially stronger position against this time last year, enabled by focused investments in technology and people during the period.

Working with a number of the world's leading global and regional insurers, Blink now operates in 22 geographies (2023: 12) with 28 partners (2023: 17). There is a healthy pipeline of opportunity ahead, and our enhancements in the year provides a strong foundation for further growth with new and existing customers.

Blink's current product set falls into two broad categories, Travel Disruption and Cyber Security.

Travel Disruption

The global travel disruption insurance market (travel and lost luggage insurance premiums) is estimated at $25 billion for 2025, growing to $62 billion in 2028. Blink's strategy is to provide innovative parametric solutions for this global market by growing its roster of large global and regional insurance companies who, in partnership, deploy Blink's solutions across multiple geographies, multiple platforms and multiple customer audiences (consumers, banks, airlines etc).

Blink's products and services provide clear and measurable benefits for our partners and their customers (the end consumer), with a recent case study from one partner suggesting that the inclusion of a Blink solution into the insurer's core offer, increases policy sales (new and renewals) and price points and reduces claims processing times and costs.

Key contract highlights for 2024:

- Partnership with AXA Partners (part of the AXA Group and one of the largest travel insurers) to provide Blink's flight delay solution, initially in nine geographies, to Hong Kong Express (a leading airline in Asia)

- Contract extensions with Zurich in Asia Pacific and MAWDY (part of the Mapfre Group) in Europe and Africa

- 100% renewal rate for existing partner base

Cyber Security

The global consumer cyber security market (identity theft and fraud prevention) is estimated at $14 billion for 2025, growing to $40 billion in 2028. Blink's strategy is to partner with large US and non-US cyber security and credit reporting businesses who can embed Blink solutions into their core product across multiple platforms and geographies.

Blink's "CyberScan" solution, provides our partners with an innovative technology platform, which is adaptable and deployable globally, which helps improve the digital lives of their end customer. We expect that once our products and services are embedded within our partner's core proposition, they will secure real and measurable economic benefits from having done so, similar to our travel model.

Key contract highlights for 2024:

- In December, Blink signed a global framework agreement with a major US-based cyber security and credit reporting business, for the inclusion of its dark web monitoring solution, "Blink CyberScan", into their suite of cyber services. The agreement will initially see Blink's services being offered into four of our partner's key European markets, with the agreement allowing for further roll-out across their global network.

Blink has in 2024 moved well beyond "proof of concept" and is, with some additional investment, well placed to deliver long-term growth and shareholder value.

CPP India: EBITDA of £6.6 million (2023: £5.8 million). EBITDA margin 4.6% (2023: 3.6%)
CPP India works closely with its business partners to drive value by growing customer loyalty through the design and delivery of simple and innovative products, which fit seamlessly into the everyday life of consumers. The overall outcome for the year, given the partial transfer of the Bajaj LivCare business (to locally based insurers) and currency headwinds, is satisfactory.

The transfer of part of the LivCare portfolio reduced full year revenues by circa £16.0 million, which adversely impacted EBITDA by circa £0.5 million. On an annualised basis, the impact to revenue and EBITDA is circa £19.0 million and £0.6 million respectively. However, due to the benefits of the CMP this shortfall in EBITDA was more than offset in 2024 by lower operational costs.

Administrative expenses reduced by 6% following the full deployment in Q2 of the new cloud-based IT platform which along with the partial transfer of the LivCare business, which is a low margin product, led to a 1.0 percentage point improvement to EBITDA margin.

During 2024, Bajaj, which accounts for circa 85% of CPP India revenues extended their contract to 31 December 2027.

CPP Turkey: EBITDA of £1.4 million (2023: £1.2 million), EBITDA margin 16.3% (2023: 24.6%)

CPP Turkey performed well during the year with EBITDA increasing by 22% (66% on a constant currency basis). That the business has been able to deliver real growth in difficult economic circumstances (high inflation and currency volatility) is a clear indication of the quality of our management team and business partner relationships.

During the year, CPP Turkey has extended and improved its Health service contract with Turkey Insurance which has led to a £2.3 million year-on-year revenue increase.

Legacy business: EBITDA loss of £0.4 million (2023 restated: £0.8 million profit)
All of the Group's legacy businesses, save for the UK renewal book, which is now in active run-off, have either been closed or disposed of. As the UK business entered run-off at the start of 2024, there have been no renewals in the year which led to a revenue decline of 81% and due to a relatively fixed cost base to service the remaining policies, the UK shifted to an EBITDA loss of £0.4 million (2023: £0.8 million profit). The UK run-off will see the final policies expire on 31 December 2026.

Central costs: £3.5 million (2023 restated: £4.7 million)
Central overheads before appropriate recharge to business units are £6.9 million (2023: £10.1 million) with the reduction being led by the benefits of the CMP, with lower IT costs following decommissioning of the legacy platform in May 2024 and right-sizing of the central headcount required to manage a simplified Group. The UK-based central IT cost reduced by 40% to £2.0 million (2023: £3.3 million) and will reduce further in 2025 as the full year benefit of the IT reductions come through.

Although the gross cost base has reduced by £3.2 million year-on-year, net of recharges, our reported central costs have reduced by £1.2 million (24%). The lower net level is due to reduced recharges to India following the full deployment of its new IT platform, which is managed locally.

Operational Highlights

With the completion of the CMP each of the Group's business units and the central functions have their own, independent IT platforms. The independent platforms allow each business unit to adapt their processes and solutions to the changing needs of their business partners, more quickly and at a lower cost.

Blink

Blink, with some further investment, will look to increase and improve operational capacity and efficiency in three phases:

Investment Area	Stage 1 – Driving Sales Growth	Stage 2 – Embedding Growth	Stage 3 – High Renewal Business
Sales & Account Management	• Growing partner and revenue opportunity through investment into Sales & Customer Success roles. • Targeting largest global markets with resources deployed into USA and APAC.	• Additional sales and customer success resource brought into key markets to support pipeline and partners as they launch. • Introduction of Cyber product account team to drive sales.	• Focus moves to scaling existing partners and managing growth sustainably. • Due to scale of Key Partners an additional Account team are introduced.
Technology & Operations	• Recruitment of additional resource allows for dedicated teams to be created within Pods. • Pod model allows for increasing capacity, speed and quality of execution.	• Pod structure becomes fully operational with teams fully recruited for. • Technology and operational Infrastructure brought into the business to handle growth from stage 1	• Specialist skills brought in to manage a larger scaling business – data management, IT Security, Database management
Product	• First New product Development team recruited to create new product lines outside Travel and Cyber	• First products launched outside of Travel and Cyber • Additional Travel & Cyber solutions developed within Pods and launched. • Additional Product Development team recruited to create new products outside of Travel / Cyber and Stage 1 Focus area.	• Second new product category products launch in market. • 4 Product Categories are live with multiple products within each category in market.

The investment programme is over a three-to-four-year period and is designed to support Blink's long-term growth ambitions.

CPP India
Post implementation of the new IT platform for India, the business is in maintenance mode, adjusting its processes and operations at pace and at a lower cost for the changing needs and requirements of its business partners.

CPP Turkey
Post implementation of the new IT platform for Turkey, the business is in maintenance mode and there are no immediate plans for further near-term development.

Our colleagues
As we reflect on the past year, it is clear that none of our achievements would have been possible without the dedication, hard work, and talent of our employees. Each one of them has played a pivotal role in helping the Group navigate challenges, seize opportunities, and deliver on our mission to provide innovative assistance solutions to customers worldwide.

Their resilience, adaptability, and commitment to excellence has been instrumental in driving the growth and transformation of the business. Whether contributing to groundbreaking innovations, building strong relationships with our partners, or delivering exceptional service to our customers, their efforts have made all the difference.

Outlook
The outlook for the Group is positive and focused on growth. Growth in the number of business partners we work with, growth in the number of geographies we operate in, and supported by our business partners, growth in audience (airlines, banks and credit card companies et al) for our innovative, digitally delivered solutions.

Simon Pyper
Chief Executive Officer
24 March 2025

Chief Financial Officer Statement

Overview

The Group made sound progress in the year as it transforms to a digitally focused business led by Blink. The CMP was completed earlier than planned and non-core operations have been sold or closed. The Core business has made important strides as the foundations have been built for future acceleration, with the new Indian IT platform fully deployed, central costs reducing through right-sizing as the business simplifies and the decommissioning of expensive legacy IT systems and, importantly, Blink continues to grow.

The withdrawal from the Legacy UK business and ongoing investment to scale Blink to its potential will see cash continue to reduce in the medium-term, a position which can be managed through the Group's existing resources.

Group revenue decreased by 10% (6% constant currency) to £156.4 million (2023 restated: £173.4 million). The reduction in revenue followed the decision by Bajaj to transfer a portion of the LivCare book of business to locally based insurers. The impact of this loss was reduced by strong growth in Mobile sales in India and an excellent performance in Turkey. EBITDA was broadly flat at £1.4 million (2023 restated: £1.3 million) with a substantial reduction in central costs, as the UK-based legacy IT platform was decommissioned, being offset by the expected reduction in the Legacy UK business as it entered run-off and continued investment into Blink.

Continuing Operations	**2024**	2023 (Restated[1])
Revenue (£ millions)	**156.4**	173.4
Gross profit (£ millions)	**20.8**	24.0
EBITDA (£ millions)[2]	**1.4**	1.3
Operating loss (£ millions)	**(2.8)**	(6.1)
Loss before tax (£ millions)	**(2.7)**	(5.7)
Taxation (£ millions)	**(1.9)**	(2.2)
Loss for the year (£ millions)	**(4.7)**	(7.8)
Basic loss per share (pence)	**(51.90)**	(88.67)
Cash (used in)/generated by operations (£ millions)	**(6.7)**	5.5

1. Restated to reflect Globiva, Italy and Spain as discontinued operations.
2. Excluding depreciation, amortisation and exceptional items.

Gross profit reduced to £20.8 million (2023 restated: £24.0 million) as the UK Legacy business entered run-off. However, Core gross profit increased by 6% to £19.6 million (2023 restated: £18.6 million) at an improved margin of 12.6% (2023 restated: 11.1%) reflecting the mix benefit of our growing Turkish and Blink operations, along with a higher margin in India following the reduction in contribution from LivCare (CPP's lowest margin product). The Group's gross profit margin is expected to continue its improvement as Turkey and Blink progress.

EBITDA was broadly flat at £1.4 million (2023 restated: £1.3 million), however on a constant currency basis it would have been a further £0.4 million higher, as the Indian rupee and Turkish lira have continued to weaken against Sterling. As expected, following the decommissioning of Legacy IT platforms in the first half of the year and the wind-down of the Legacy UK business, administrative expenses, before depreciation and exceptional items, have reduced by 15%. As part of this, central costs before recharges, have reduced by 32% to £6.9 million (2023: £10.1 million) which has been partly offset by increased IT costs in India to run the new Indian IT platform and operational scaling in Blink. The Group's central costs will reduce further in 2025 as the full year benefit of restructuring activities and decommissioning of the legacy IT system work through.

Depreciation and amortisation charges have increased to £2.4 million (2023 restated: £1.4 million). The increase reflects the full deployment of the Group's new technology platform in India.

Exceptional items

The CMP has been a major undertaking for the Group and led to substantial exceptional costs of £6.0 million last year. There have been further exceptional costs in 2024 of £1.8 million as the CMP reached its conclusion. These charges comprised £1.2 million restructuring costs in the UK and Centre; and £0.6 million Deferred Bonus Plan charges; a share-based retention measure.

The depreciation and exceptional costs, result in an operating loss of £2.8 million (2023 restated: £6.1 million loss). Consequently, the Group is reporting a loss before tax of £2.7 million (2023 restated: £5.7 million loss), and a loss after tax of £4.7 million (2023 restated: £7.8 million loss).

Tax

The tax charge for the year is £1.9 million (2023 restated: £2.2 million), which is an effective tax rate (ETR) of negative 70% (2023 restated: negative 38%). The tax charge includes £1.7 million (2023 restated: £1.8 million) relating to India and £0.2 million (2023: £0.4 million) relating to Turkey.

The Group continues to generate losses through Blink and its UK-based central costs which more than offset the taxable profits generated in India and Turkey. The Group cannot currently recognise deferred tax assets against its loss-making entities which leads to the negative ETR as tax is charged in India and Turkey.

The high and volatile ETR is expected to decrease in the medium- to long-term as central costs reduce and Blink moves towards profitability.

Discontinued operations

In the year, the Group completed the disposal of its Legacy Italian business and its 51% interest in Globiva. These businesses, along with Spain have been classified as discontinued in the current year. The total profit after tax from discontinued operations of £1.1 million comprises £0.5 million profit on Italy, £1.3 million profit on Spain and £0.7 million loss on Globiva.

	2024 £'m	2023 £'m
Revenue	**11.5**	19.6
EBITDA	**1.2**	3.4
Operating result/(loss)[1]	**—**	(0.3)
Profit/(loss) after tax[1]	**1.2**	(0.3)
Loss on disposal	**(0.1)**	—
Profit/(loss) for the year	**1.1**	(0.3)
Net assets held for sale	**—**	2.6

1. Stated before the impacts of loss on disposal.

Further details of the discontinued operations by business are included in note 8.

In addition to the discontinued operations, the Group also completed the disposal of its equity investment in KYND for a cash consideration of £2.6 million.

Net Assets

The Group's balance sheet has moved to a marginal net liabilities position of £nil (2023: £7.5 million net assets) reflecting the losses for the year and the derecognition of the non-controlling interest following the disposal of Globiva.

Dividend

Due to the required investment in Blink the dividend remains suspended until further notice. If circumstances change, the Board will review and update shareholders when appropriate to do so.

Foreign exchange

The general weakening against sterling of the Group's main trading currencies, the Indian rupee and Turkish lira, has led to an adverse exchange rate movement in the Group's results. The Indian rupee has depreciated by 4% (2023: 6%) whilst the Turkish lira has continued to weaken with a further 40% reduction in 2023 (2023: 48% reduction).

The reported results compared to 2023 include the following adverse foreign exchange movements: £7.2 million (2023 restated: £9.4 million) within revenue; and £0.4 million (2023 restated: £0.5 million) at an EBITDA level.

Cash flow and net funds

	2024 **£'m**	2023 £'m
EBITDA	**2.6**	4.8
Exceptional items[1]	**(1.7)**	(7.2)
Non-cash items	**0.1**	0.1
Working capital movements[2]	**(7.7)**	7.8
Cash (used in)/generated by operations	**(6.7)**	5.5
Tax	**(3.0)**	(1.9)
Operating cash flow	**(9.7)**	3.6
Capital expenditure (including intangibles)	**(2.1)**	(3.9)
Lease repayments	**(1.0)**	(1.4)
Disposal of discontinued operations & equity investment	**3.5**	—
Net finance revenues	**0.4**	0.7
Costs of refinancing the bank facility	**—**	(0.1)
Purchase of own shares	**(0.2)**	—
Net movement in cash[3]	**(9.1)**	(1.1)
Net funds[4]	**8.7**	15.3

1. Cash-based exceptional items are restructuring and closure costs. The prior year included onerous contracts. The other exceptional items in the year were non-cash.
2. Working capital out flow includes £2.4 million relating to payment of exceptional items. There are £3.6 million remaining exceptional items unpaid (2023: £5.9 million).
3. Excluding the effect of exchange rates.
4. Net funds comprise cash and cash equivalents of £9.7 million (2023: £19.0 million) and a borrowing asset of £nil (2023: £0.1 million) less lease liabilities of £1.0 million (2023: £3.8 million).

The net funds position has decreased to £8.7 million (2023: £15.3 million), which includes cash of £9.7 million (2023: £19.0 million). Although the Group's cash flow has benefitted from the disposal of Globiva, CPP Italy and our investment in KYND, the Group had a net cash outflow for the year of £9.1 million (2023: £1.1 million) due to working capital payments and IT development costs in India. In addition, there have been costs to run-off the UK legacy book with cash collections ceasing in 2023, and redundancy costs paid in Spain, to UK-based staff in the Centre, including the IT team, and the UK Legacy business. The ongoing scaling of the Blink business to capitalise on its market opportunities has required cash investment through the year. The Group remains confident the investment in Blink will drive substantial returns in the medium- to long-term.

The Group had cash balances of £9.7 million with cash generation coming from the Group's profitable operations in India and Turkey. Consequently, whilst cash is routinely repatriated to the UK, increasingly the Group's cash is held in India. Elements of this cash were previously considered 'restricted', however there is a mechanism available to the Group through which it can access its surplus Indian cash in the UK which will reduce the Group's future reliance on its £5.0 million revolving credit facility (RCF). The RCF was undrawn at the balance sheet date.

David Bowling
Chief Financial Officer
24 March 2025

Consolidated income statement

For the year ended 31 December 2024

		2024			2023 (restated*)		
		Core	Legacy	Total	Core	Legacy	Total
	Note	£'000	£'000	£'000	£'000	£'000	£'000
Continuing operations							
Revenue	4	155,076	1,350	156,426	166,463	6,970	173,433
Cost of sales		(135,488)	(130)	(135,618)	(147,904)	(1,499)	(149,403)
Gross profit		19,588	1,220	20,808	18,559	5,471	24,030
Administrative expenses		(21,773)	(1,834)	(23,607)	(20,649)	(9,458)	(30,107)
Operating loss		(2,185)	(614)	(2,799)	(2,090)	(3,987)	(6,077)
Analysed as:							
EBITDA	4	1,796	(368)	1,428	536	804	1,340
Depreciation and amortisation		(2,434)	(1)	(2,435)	(1,261)	(176)	(1,437)
Exceptional items	5	(1,547)	(245)	(1,792)	(1,365)	(4,615)	(5,980)
Investment revenues		159	171	330	272	228	500
Finance costs		(130)	(147)	(277)	(109)	(1)	(110)
Loss before taxation		(2,156)	(590)	(2,746)	(1,927)	(3,760)	(5,687)
Taxation	6	(1,462)	(466)	(1,928)	(2,049)	(108)	(2,157)
Loss for the year from continuing operations		(3,618)	(1,056)	(4,674)	(3,976)	(3,868)	(7,844)
Discontinued operations							
Profit/(loss) for the year from discontinued operations	8	(723)	1,785	1,062	1,233	(1,488)	(255)
(Loss)/profit for the year		(4,341)	729	(3,612)	(2,743)	(5,356)	(8,099)
Attributable to:							
Equity holders of the Company		(4,319)	729	(3,590)	(3,299)	(5,356)	(8,655)
Non-controlling interests		(22)	—	(22)	556	—	556
		(4,341)	729	(3,612)	(2,743)	(5,356)	(8,099)

Basic and diluted (loss)/earnings per share		Core pence	Legacy pence	Total pence	Core pence	Legacy pence	Total pence
Continuing operations	7	(40.18)	(11.72)	(51.90)	(44.95)	(43.72)	(88.67)
Discontinued operations	7	(7.78)	19.82	12.04	7.65	(16.82)	(9.17)
		(47.96)	8.10	(39.86)	(37.30)	(60.54)	(97.84)

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

Consolidated statement of comprehensive income

For the year ended 31 December 2024

	2024 £'000	2023 £'000
Loss for the year	(3,612)	(8,099)
Items that may be reclassified subsequently to profit or loss:		
Fair value gain on equity investment	—	610
Exchange differences on translation of foreign operations	(425)	(696)
Exchange differences reclassified on disposal or closure of foreign operations	(1,626)	68
Other comprehensive expense for the year net of taxation	(2,051)	(18)
Total comprehensive expense for the year	(5,663)	(8,117)
Attributable to:		
Equity holders of the Company	(5,540)	(8,571)
Non-controlling interests	(123)	454
	(5,663)	(8,117)

Consolidated balance sheet

As at 31 December 2024

	Note	2024 £'000	2023 £'000
Non-current assets			
Goodwill		—	513
Other intangible assets		6,031	6,619
Property, plant and equipment		372	932
Right-of-use assets		1,062	3,122
Deferred tax assets		586	693
Contract assets		206	208
		8,257	12,087
Current assets			
Contract assets		5,567	6,716
Trade and other receivables		5,422	13,770
Cash and cash equivalents		9,650	19,001
		20,639	39,487
Assets classified as held for sale		—	2,631
		20,639	42,118
Total assets		28,896	54,205
Current liabilities			
Income tax liabilities		(1,128)	(1,004)
Trade and other payables		(14,703)	(25,696)
Provisions		(1,211)	(1,877)
Lease liabilities		(277)	(907)
Contract liabilities		(9,436)	(11,581)
		(26,755)	(41,065)
Net current (liabilities)/assets		(6,116)	1,053
Non-current liabilities			
Borrowings		66	105
Deferred tax liabilities		(398)	(646)
Provisions		(574)	(1,588)
Lease liabilities		(751)	(2,892)
Contract liabilities		(510)	(604)
		(2,167)	(5,625)
Total liabilities		(28,922)	(46,690)
Net (liabilities)/assets		(26)	7,515
Equity			
Share capital	9	24,574	24,257
Share premium account		45,225	45,225
Merger reserve		(100,399)	(100,399)
Translation reserve		(3,301)	(1,351)
ESOP reserve		18,735	18,334
Retained earnings		15,140	19,192
Equity attributable to equity holders of the Company		(26)	5,258
Non-controlling interests		—	2,257
Total equity		(26)	7,515

Consolidated statement of changes in equity

For the year ended 31 December 2024

	Note	Share capital £'000	Share premium account £'000	Merger reserve £'000	Translation reserve £'000	ESOP reserve £'000	Retained earnings £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
At 1 January 2023		24,256	45,225	(100,399)	(825)	17,212	27,201	12,670	1,803	14,473
(Loss)/profit for the year		—	—	—	—	—	(8,655)	(8,655)	556	(8,099)
Other comprehensive (expense)/income for the year		—	—	—	(526)	—	610	84	(102)	(18)
Total comprehensive (expense)/income for the year		—	—	—	(526)	—	(8,045)	(8,571)	454	(8,117)
Equity-settled share-based payment charge		—	—	—	—	1,122	—	1,122	—	1,122
Exercise of share options	9	1	—	—	—	—	(1)	—	—	—
Effects of hyperinflation		—	—	—	—	—	37	37	—	37
At 31 December 2023		24,257	45,225	(100,399)	(1,351)	18,334	19,192	5,258	2,257	7,515
Loss for the year		—	—	—	—	—	(3,590)	(3,590)	(22)	(3,612)
Other comprehensive expense for the year		—	—	—	(1,950)	—	—	(1,950)	(101)	(2,051)
Total comprehensive expense for the year		—	—	—	(1,950)	—	(3,590)	(5,540)	(123)	(5,663)
Disposal of non-controlling interests		—	—	—	—	—	—	—	(2,134)	(2,134)
Equity-settled share-based payment charge		—	—	—	—	649	—	649	—	649
Exercise of share options	9	317	—	—	—	—	(317)	—	—	—
Purchase of own shares		—	—	—	—	(248)	—	(248)	—	(248)
Effects of hyperinflation		—	—	—	—	—	(145)	(145)	—	(145)
At 31 December 2024		24,574	45,225	(100,399)	(3,301)	18,735	15,140	(26)	—	(26)

Consolidated cash flow statement

For the year ended 31 December 2024

	Note	2024 £'000	2023 £'000
Net cash (used in)/from operating activities	10	(9,738)	3,610
Investing activities			
Interest received		447	749
Purchases of property, plant and equipment		(270)	(335)
Purchases of intangible assets		(1,769)	(3,551)
Sale of equity investment		2,651	—
Cash consideration in respect of sale of discontinued operations		4,237	—
Costs associated with disposal of discontinued operations		(92)	—
Cash disposed of with discontinued operations		(3,275)	—
Net cash from/(used in) investing activities		1,929	(3,137)
Financing activities			
Costs of refinancing the bank facility		—	(128)
Repayment of the lease liabilities		(966)	(1,396)
Interest paid		(77)	(69)
Purchase of own shares		(248)	—
Net cash used in financing activities		(1,291)	(1,593)
Net decrease in cash and cash equivalents		(9,100)	(1,120)
Effect of foreign exchange rate changes		(251)	(863)
Cash and cash equivalents at 1 January		19,001	20,984
Cash and cash equivalents at 31 December		9,650	19,001

Notes to condensed financial statements

1. General information

While the financial information included in this annual results announcement has been computed in accordance with the recognition and measurement criteria in conformity with UK-adopted International Accounting Standards ('UK IAS') and with those parts of the Companies Act 2006 applicable to companies reporting under UK IAS, this announcement does not itself contain sufficient information to comply with UK IAS. The Company will publish full financial statements that comply with UK IAS in April 2025.

The financial information set out above does not constitute the Company's statutory financial statements for the years ended 31 December 2024 or 31 December 2023 but is derived from the 2024 financial statements. Statutory financial statements for 2023 for the Company prepared under UK IAS have been delivered to the Registrar of Companies and those for 2024 for the Company will be delivered following the Company's Annual General Meeting. The Auditor, PKF Littlejohn LLP, has reported on these financial statements; their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain statements under s498 (2) or (3) of the Companies Act 2006. These 2024 financial statements were approved by the Board of Directors on 24 March 2025.

2. Accounting policies

The same accounting policies, presentation and methods of computation are followed in the condensed financial statements as were applied in the Group's audited financial statements for the year ended 31 December 2023. The following Standards and Interpretations have become effective and have been adopted in these condensed financial statements. No Standards or Interpretations have been adopted early in these condensed financial statements.

Standard/Interpretation	Subject
IAS 1	Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants
IFRS 16	Lease Liability in a Sale and Leaseback
IAS 7 and IFRS 7	Disclosures: Supplier Finance Arrangements

Amendments to IAS 1, IAS 16, IAS 7 and IFRS 7 have not had a material impact to the Group on adoption.

Restatement of disclosures

During the financial year, the Group completed the sale of its wholly owned subsidiary CPP Italia Srl (Italy) and its 51% holding in Globiva Services Private Limited (Globiva). The Group wound up the operations of its wholly owned subsidiaries CPP Proteccion Y Servicios de Asistencia SAU (Spain), CPP Mediacion Y Proteccion SL (Portugal), CPP Malaysia Sdn. Bhd (Malaysia) and CPP Global Assistance Bangladesh Limited (Bangladesh). In accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, these companies have been classified as discontinued within these financial statements. Accordingly, the comparative consolidated income statement information and appropriate disclosure notes have been restated. Portugal, Malaysia and Bangladesh were not material subsidiaries and have been grouped and disclosed in the notes as 'other'.

Going concern

In reaching their view on the preparation of the Group's financial statements on a going concern basis, the Directors are required to consider whether the Group can continue in operational existence for a period of at least 12 months from the date of this report.

The Group, which is in a net liabilities position, has a formalised process of budgeting, reporting and review along with procedures to forecast its profitability and cash flows. The plans provide information to the Directors which are used to ensure the adequacy of resources available for the Group to meet its business objectives, both in the short-term and in relation to its strategic priorities. The Group's revenue, profit and cash flow forecasts are subject to robust downside stress testing which involves modelling the impact of a combination of plausible adverse scenarios focused on crystallisation of the Group's key operational risks. The analysis also considers the availability of cash held around the Group where our Indian and Turkish operations are cash generative whilst our operations in the UK, Centre and Blink currently consume cash. This is done to identify risks to liquidity and covenant compliance and enable management to formulate appropriate and timely mitigation strategies.

Taking the analysis into consideration, the Directors are satisfied that the Group has the necessary resources to continue in operational existence for a period of at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

3. Critical accounting judgements and key sources of estimation uncertainty

Critical judgements

Revenue recognition

The Group recognises revenue either immediately on inception of a policy or over the duration of a policy where there are ongoing obligations to fulfil to a customer. Certain of the Group's contractual structures relating to product features require judgement in determining whether the Group carries an obligation to the customer over the term of the policy or if the exposure to that obligation has been transferred to a third party on inception. This judgement determines when the Group has completed the performance obligation to the customer and can recognise revenue.

The Group allocates revenue on a cost plus margin basis. The cost base may vary over time as product features are enhanced, suppliers changed, or underlying costs move. Judgement is applied in determining if the resulting changes to the cost base represent a temporary or permanent adjustment in the allocation of revenue to performance obligations. If a change is considered temporary, or within a materiality threshold, revenue recognition principles are not amended to aid consistency.

Classification of exceptional items

Exceptional items are those items that are required to be separately disclosed by virtue of their size or incidence or have been separately disclosed on the income statement in order to improve a reader's understanding of the financial statements. Consideration of what should be included as exceptional requires judgement to be applied. Exceptional items are considered to be ones which are material and outside of the normal operating practice of the Group. Items which are in other gains or losses and exceptional from their size or nature are identified in the exceptional note.

Assumptions and estimation uncertainties

Current tax

The Group operates in countries with complex tax regulations, where filed tax positions may remain open to challenge by local tax authorities for several years. Corporation taxes are recognised by assessment of the specific tax law and likelihood of settlement. Where the Group has uncertain tax treatments it has recognised appropriate provisions reflecting the expected value calculated by the sum of the probability-weighted amounts in a range of possible outcomes.

Changes to the Group's assessment of uncertain tax treatments are reflected through the consolidated income statement.

Onerous contract provisions

The Group recognised substantial provisions for onerous contracts in the prior year which are still to be utilised in full. These represent a best estimate as at the balance sheet date of the costs to deliver contractual commitments over the remaining term of these contracts, which is up to 24 months from the balance sheet date. These estimates are reviewed at every reporting date; however, there are a number of factors which could influence the amount required for these provisions, including policy cancellations and staff costs.

4. Segmental analysis

IFRS 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of Directors to allocate resources to the segments and to assess their performance.

The Group is managed on the basis of five broad business units:

- India[1];
- Turkey;
- Blink;
- Central functions – central cost base required to provide expertise and operate a listed group. Central functions is stated after the recharge of certain central costs that are appropriate to transfer to the relevant geographies for statutory purposes; and
- Legacy (UK MGA and UK Legacy)[2].

1. Previously this segment included Globiva. Following its disposal this has been reclassified as discontinued and the prior year restated.
2. Previously this segment included Spain and Italy. On abandonment and sale respectively they were reclassified as discontinued and the prior year restated.

Segment revenue and performance for the current and comparative periods are presented below:

Year ended 31 December 2024	India £'000	Turkey £'000	Blink £'000	Central functions £'000	Legacy £'000	Total £'000
Continuing operations						
Revenue – external sales	145,401	8,610	1,065	—	1,350	156,426
Cost of sales	(130,198)	(5,037)	(253)	—	(130)	(135,618)
Gross profit	15,203	3,573	812	—	1,220	20,808
Administrative expenses excluding depreciation, amortisation and exceptional items	(8,573)	(2,167)	(3,518)	(3,534)	(1,588)	(19,380)
EBITDA	6,630	1,406	(2,706)	(3,534)	(368)	1,428
Depreciation and amortisation	(1,883)	(215)	(145)	(191)	(1)	(2,435)
Exceptional items (note 5)	—	—	(78)	(1,469)	(245)	(1,792)
Operating profit/(loss)	4,747	1,191	(2,929)	(5,194)	(614)	(2,799)
Investment revenues						330
Finance costs						(277)
Loss before taxation						(2,746)
Taxation						(1,928)
Loss for the year from continuing operations						(4,674)
Discontinued operations						
Profit for the year from discontinued operations						1,062
Loss for the year						(3,612)

Year ended 31 December 2023 (restated*)	India £'000	Turkey £'000	Blink £'000	Central Functions £'000	Legacy £'000	Total £'000
Continuing operations						
Revenue – external sales	160,972	4,675	816	—	6,970	173,433
Cost of sales	(145,991)	(1,834)	(79)	—	(1,499)	(149,403)
Gross profit	14,981	2,841	737	—	5,471	24,030
Administrative expenses excluding depreciation, amortisation and exceptional items	(9,133)	(1,689)	(2,529)	(4,672)	(4,667)	(22,690)
EBITDA	5,848	1,152	(1,792)	(4,672)	804	1,340
Depreciation and amortisation	(705)	(139)	(162)	(255)	(176)	(1,437)
Exceptional items (note 5)	—	(223)	—	(1,142)	(4,615)	(5,980)
Operating profit/(loss)	5,143	790	(1,954)	(6,069)	(3,987)	(6,077)
Investment revenues						500
Finance costs						(110)
Loss before taxation						(5,687)
Taxation						(2,157)
Loss for the year from continuing operations						(7,844)
Discontinued operations						
Loss for the year from discontinued operations						(255)
Loss for the year						(8,099)

Revenues from major products

Major product streams are disclosed on the basis monitored by senior management.

	2024 £'000	2023 (restated*) £'000
Continuing operations		
My Finances	**34,777**	39,393
My Tech	**56,420**	49,837
My Health	**43,295**	59,225
My Home	**16,170**	18,567
My Digital	**4,880**	5,852
My Travel	**884**	559
Revenue from continuing operations	**156,426**	173,433
Revenue from discontinued operations	**11,530**	19,603
Total revenue	**167,956**	193,036

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

The Group derives its revenue from contracts with customers for the transfer of goods and services which is consistent with the revenue information that is disclosed for each reportable segment under IFRS 8.

Geographical information

The Group operates across a number of territories, of which India and Turkey are considered individually material. Revenue from external customers and non-current assets (excluding deferred tax) by geographical location are detailed below:

	External revenues		Non-current assets	
	2024 £'000	2023 (restated*) £'000	2024 £'000	2023 (restated*) £'000
India	**145,401**	160,972	**5,671**	6,380
Turkey	**8,610**	4,675	**1,084**	584
Other	**2,415**	7,786	**916**	419
	156,426	173,433	**7,671**	7,383
Discontinued operations	**11,530**	19,603	—	4,011
	167,956	193,036	**7,671**	11,394

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

Information about major customers

Revenue from the customers of one business partner in the Group's Indian segment represented approximately £122,988,000 (2023: £134,637,000) of the Group's total revenue.

5. Exceptional items

Exceptional items included in the table below details all exceptional items, which are included in operating profit and discontinued operations, as well as the associated taxation.

		2024			2023 (restated*)		
	Note	Core £'000	Legacy £'000	Total £'000	Core £'000	Legacy £'000	Total £'000
Continuing operations							
Restructuring and closure costs		973	270	1,243	299	1,197	1,496
Onerous contract provision		—	(25)	(25)	—	3,240	3,240
DBP charges	10	574	—	574	1,066	—	1,066
IT asset impairment		—	—	—	—	178	178
Exceptional charge included in loss before tax		1,547	245	1,792	1,365	4,615	5,980
Tax on exceptional items		(6)	—	(6)	(56)	—	(56)
Exceptional charge after tax for continuing operations	7	1,541	245	1,786	1,309	4,615	5,924
Discontinued operations							
Exceptional charge/(gain) from discontinued operations	7	861	(1,895)	(1,034)	—	2,240	2,240
		2,402	(1,650)	752	1,309	6,855	8,164

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

Exceptional costs in the year relate to the Group's strategy to exit its Legacy markets, focus on its Core operations and simplify its Central Functions.

Restructuring and closure costs total £1,243,000 (2023 restated: £1,496,000) and relate to Legacy closure activities and Group restructuring, including simplification of Central Functions. Redundancy and associated costs have been recognised in UK Legacy, UK MGA and Central Functions. Restructuring costs include necessary retention provisions as part of the closure process.

The onerous contract provisions credit of £25,000 (2023 restated: £3,240,000 charge) reflects a reassessment of onerous contract provisions, based on latest cost and revenue estimates for UK Legacy and UK MGA. These provisions were initially recognised in the prior year or earlier. All onerous contract provisions recognised relate to the costs required to fulfil and exit contractual commitments above the associated revenue receivable. This includes costs to 2027 and is held as a provision at the balance sheet date.

DBP charges of £574,000 (2023: £1,066,000) relate to a share-based retention plan for the EMC whereby participants agreed to defer a portion of their 2022 annual bonus in return for share options. The plan was established to recognise the importance of having a settled and aligned EMC that is engaged and retained for the duration of the CMP.

6. Taxation

	2024 £'000	2023 (restated*) £'000
Continuing operations		
Current tax charge:		
UK corporation tax	**—**	—
Foreign tax	**2,322**	2,396
Adjustments in respect of prior years	**24**	26
Current tax relating to continuing operations	**2,346**	2,422
Deferred tax credit:		
Origination and reversal of timing differences	**(376)**	(70)
Impact of change in tax rates	**—**	(35)
Adjustments in respect of prior years	**(42)**	(160)
Deferred tax relating to continuing operations	**(418)**	(265)
Tax charge relating to continuing operations	**1,928**	2,157
Discontinued operations		
Tax charge/(credit) relating to discontinued operations	**707**	(197)
Total tax charge	**2,635**	1,960

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

The following is a segmental review of the tax charge, in which withholding taxes arising on distributions are attributed to the country paying the distribution:

	2024 £'000	2023 (restated*) £'000
Continuing operations		
Core:		
India	**1,750**	1,773
Turkey	**195**	370
Blink	**41**	(94)
Central Functions	**—**	—
Total Core	**1,986**	2,049
Legacy	**(58)**	108
Tax charge for continuing operations	**1,928**	2,157
Discontinued operations		
Tax charge/(credit) for discontinued operations	**707**	(197)
	2,635	1,960

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

Overall, UK profits chargeable to corporation tax are offset by Group relief surrendered from fellow UK entities.

UK corporation tax is calculated at 25.0% (2023: 23.5%) of the estimated assessable profit for the year. Deferred tax is provided at the rate at which it is expected to reverse.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions – India 25.2% inclusive of surcharges (2023: 25.2%) and Turkey 25.0% (2023: 25.0%). Non-UK deferred tax is provided at the local prevailing tax rate which is expected to apply to the reversal of the timing difference.

The charge for the year can be reconciled to the loss per the consolidated income statement as follows:

	2024 £'000	2023 (restated*) £'000
Loss before tax from continuing operations	(2,746)	(5,687)
Effects of:		
Tax at the UK corporation tax rate of 25.0% (2023: 23.5%)	(686)	(1,336)
Unprovided deferred tax arising on losses[1]	2,046	2,470
Recurring expenses not deductible for tax	(14)	76
Provision for withholding tax on future distributions[2]	489	655
Other expense not chargeable for tax purposes	—	(85)
Higher tax rates on overseas earnings[3]	223	81
Adjustments in respect of prior years	23	64
Impact of change in future tax rates on deferred tax	—	(35)
Deficit of share option charge compared to tax allowable amount	51	267
Tax on disposal of operations	(204)	—
Tax charged to income statement for continuing operations	1,928	2,157
Tax charged/(credited) to the income statement for discontinued operations	707	(197)
	2,635	1,960

***** Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

Effective tax charge

The net tax charge of £1,928,000 on a loss before tax of £2,746,000 gives an effective tax rate (ETR) of negative 70% (2023: negative 38%), which is lower than the standard rate of 25%. The loss-making Legacy, Central functions and Blink businesses have contributed to an overall loss before tax; however, tax is still payable in our profitable Indian and Turkish markets, resulting in a negative ETR.

Additional information is provided below:

1. Deferred tax has not been recognised on the losses arising in the Legacy UK market, Blink or Central functions, as the short-term profit expectations do not support the recognition of deferred tax assets in these areas.
2. There is a withholding tax burden arising on repatriation of funds from overseas countries which is included in the tax charge.
3. Tax is chargeable at the local statutory rates in our profitable countries, which are higher or in line with the UK corporate income tax rate of 25%.

The Group's ETR is expected to be higher than the UK statutory tax rate in future years as withholding taxes are provided on overseas distributions and deferred tax credits are not taken on losses in markets that are not profitable. The withdrawal from the Legacy markets, the simplification of Central Functions and Blink moving into profitability is expected to improve the ETR in the medium term. The Group maintains appropriate provisions in respect of tax uncertainties arising from operating in multiple overseas jurisdictions.

There was no income tax charged to reserves during the current or prior year.

7. (Loss)/earnings per share

Basic and diluted (loss)/earnings per share have been calculated in accordance with IAS 33 *Earnings per Share*. Underlying (loss)/earnings per share have also been presented in order to provide a better understanding of the performance of the business. In accordance with IAS 33, potential ordinary shares are only considered dilutive when their conversion would decrease the earnings per share or increase the loss per share attributable to equity holders.

(Loss)/profit

	Continuing operations		Discontinued operations		Total	
	2024 £'000	2023 (restated*) £'000	**2024 £'000**	2023 (restated*) £'000	**2024 £'000**	2023 £'000
(Loss)/profit for the purposes of basic and diluted (loss)/earnings per share	**(4,674)**	(7,844)	**1,084**	(811)	**(3,590)**	(8,655)
Exceptional items (net of tax)	**1,786**	5,924	**(1,034)**	2,240	**2,820**	8,164
(Loss)/profit for the purposes of underlying basic and diluted (loss)/earnings per share	**(2,888)**	(1,920)	**50**	1,429	**(2,838)**	(491)

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

(Loss)/profit attributable to Core and Legacy

	2024			2023 (restated*)		
	Core £'000	**Legacy £'000**	**Continuing operations £'000**	Core £'000	Legacy £'000	Continuing operations £'000
(Loss)/profit for the purposes of basic and diluted (loss)/earnings per share	**(3,618)**	**(1,056)**	**(4,674)**	(3,976)	(3,868)	(7,844)
Exceptional items (net of tax)	**1,541**	**245**	**1,786**	1,309	4,615	5,924
(Loss)/profit for the purposes of underlying basic and diluted (loss)/earnings per share	**(2,077)**	**(811)**	**(2,888)**	(2,667)	747	(1,920)

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

The table above does not include discontinued operations.

Number of shares

	2024 Number (thousands)	2023 Number (thousands)
Weighted average number of ordinary shares for the purposes of basic (loss)/earnings per share and basic underlying (loss)/earnings per share	**9,005**	8,846
Effect of dilutive ordinary shares: share options	**1,369**	295
Weighted average number of ordinary shares for the purposes of diluted (loss)/earnings per share and diluted underlying (loss)/earnings per share	**10,374**	9,141

	Continuing operations		Discontinued operations		Total	
	2024 pence	2023 (restated*) pence	**2024 pence**	2023 (restated*) pence	**2024 pence**	2023 pence
Basic and diluted (loss)/earnings per share	**(51.90)**	(88.67)	**12.04**	(9.17)	**(39.86)**	(97.84)
Basic and diluted underlying (loss)/earnings per share	**(32.07)**	(21.70)	**0.56**	16.14	**(31.51)**	(5.56)

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

	2024			2023 (restated*)		
	Core pence	Legacy pence	Continuing operations pence	Core pence	Legacy pence	Continuing operations pence
Basic and diluted (loss)/earnings per share	(40.18)	(11.72)	(51.90)	(44.95)	(43.72)	(88.67)
Basic and diluted underlying (loss)/earnings per share	(23.06)	(9.01)	(32.07)	(30.15)	8.45	(21.70)

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

The Group has 171,650,000 (2022: 171,650,000) deferred shares which have no rights to receive dividends and only very limited rights on a return of capital. The deferred shares have not been admitted to trading on AIM or any other stock exchange. Accordingly, these shares have not been considered in the calculation of loss/earnings per share.

8. Discontinued operations

On 14 June 2024, the Group completed the sale of its 100% shareholding in CPP Italia Srl (Italy). Consideration on disposal was £433,000 (€512,000).

On 15 July 2024, the Group wound up the operations of its 100% shareholding in CPP Proteccion Y Servicios de Asistencia SAU (Spain).

On 21 August 2024, there was a share buy back by Globiva Services Private Limited reducing the Group's holding in the company from 51% to 35% which re-classified the holding to a fair value equity investment from a consolidated joint venture. The equity investment was sold on 9 September 2024. Total consideration for both parts of the disposal was £3,804,000 (INR 415.4 million).

Operating results for the year ended 31 December 2024 reflect the trading performance of Spain, Italy and Globiva up to the respective dates of disposal or closure. The comparative information reflects a full year for the companies. Spain and Italy were part of the Legacy segment, while Globiva was part of the Core segment.

Other discontinued operations includes Portugal, Malaysia and Bangladesh which have all been wound up and were part of the Legacy segment.

(i) Income statement

	2024				
	Globiva £'000	Italy £'000	Spain £'000	Other £'000	Total £'000
Revenue	10,790	687	53	—	11,530
Cost of sales	(8,446)	(309)	(2)	—	(8,757)
Gross profit	2,344	378	51	—	2,773
Administrative expenses	(2,305)	63	(653)	—	(2,895)
Operating profit/(loss)	39	441	(602)	—	(122)
Analysed as:					
EBITDA	1,211	98	(135)	—	1,174
Depreciation and amortisation	(661)	(37)	—		(698)
Exceptional items	(511)	380	(467)	—	(598)
Investment revenues	117	—	—	—	117
Finance costs	(205)	—	(3)	—	(208)
Other gains and losses	—	—	1,949	33	1,982
Profit/(loss) before taxation	(49)	441	1,344	33	1,769
Taxation	(674)	—	(33)	—	(707)
Profit/(loss) for the year	(723)	441	1,311	33	1,062

	2023 (restated*)				
	Globiva £'000	Italy £'000	Spain £'000	Other £'000	Total £'000
Revenue	14,547	1,806	3,117	133	19,603
Cost of sales	(11,127)	(798)	(708)	(55)	(12,688)
Gross profit	3,420	1,008	2,409	78	6,915
Administrative expenses	(2,362)	(752)	(4,012)	(98)	(7,224)
Operating profit/(loss)	1,058	256	(1,603)	(20)	(309)
Analysed as:					
EBITDA	2,205	322	933	(16)	3,444
Depreciation and amortisation	(1,147)	(66)	(116)	(4)	(1,333)
Exceptional items	—	—	(2,420)	—	(2,420)
Investment revenues	249	—	—	—	249
Finance costs	(362)	(3)	(11)	—	(376)
Other gains and losses	—	—	—	(16)	(16)
Profit/(loss) before taxation	945	253	(1,614)	(36)	(452)
Taxation	288	(45)	(46)	—	197
Profit/(loss) for the year	1,233	208	(1,660)	(36)	(255)

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

(ii) Exceptional items

	2024				
	Globiva £'000	Italy £'000	Spain £'000	Other £'000	Total £'000
Loss/(profit) on disposal	511	(380)	—	—	131
Write down of assets on wind up of discontinued operation	—	—	414	—	414
Restructuring costs	—	—	53	—	53
Exceptional items included in operating (profit)/loss	511	(380)	467	—	598
Other gains and losses	—	—	(1,949)	(33)	(1,982)
Tax on exceptional items	350	—	—	—	350
Total exceptional items after tax	861	(380)	(1,482)	(33)	(1,034)

	2023 (restated*)				
	Globiva £'000	Italy £'000	Spain £'000	Other £'000	Total £'000
Restructuring costs	—	—	2,420	—	2,420
Exceptional items included in operating (profit)/loss	—	—	2,420	—	2,420
Other gains and losses				16	16
Tax on exceptional items	—	—	(196)	—	(196)
Total exceptional items after tax	—	—	2,224	16	2,240

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

(iii) (Loss)/profit on disposal

The Group has recognised a (loss)/profit on disposal as follows:

	2024		
	Globiva £'000	Italy £'000	Total £'000
Proceeds	3,804	433	4,237
Net (assets)/liabilities sold	(6,103)	(5)	(6,108)
Non-controlling interests differences on disposal	2,134	—	2,134
Costs associated with disposal	—	(72)	(72)
Currency translation differences on disposal	(346)	24	(322)
(Loss)/profit on disposal	(511)	380	(131)

There were no disposals in 2023.

(iv) Summary of cash flows

	2024			
	Globiva £'000	Italy £'000	Spain £'000	Total £'000
Net cash flows from operating activity	952	(48)	(742)	162
Net cash flows from investing activity	(1,009)	228	(5)	(786)
Net cash flows from financing activity	(625)	—	—	(625)
Net cash (outflow)/inflow	(682)	180	(747)	(1,249)

	2023 (restated*)			
	Globiva £'000	Italy £'000	Spain £'000	Total £'000
Net cash flows from operating activity	2,124	173	(118)	2,179
Net cash flows from investing activity	7	(184)	—	(177)
Net cash flows from financing activity	(974)	—	—	(974)
Net cash inflow/(outflow)	1,157	(11)	(118)	1,028

* Restated to reclassify Globiva, Italy and Spain as discontinued on sale or closure of operations.

9. Share capital

	Ordinary shares of £1 each (thousands)	Deferred shares of 9 pence each (thousands)	Total (thousands)
Called-up and allotted			
At 1 January 2024	8,847	171,650	180,497
Issue of shares in connection with:			
Exercise of share options	317	—	317
At 31 December 2024	**9,164**	**171,650**	**180,814**

	Ordinary shares of £1 each £'000	Deferred shares of 9 pence each £'000	Total £'000
Called-up and allotted			
At 1 January 2024	8,844	15,413	24,257
Issue of shares in connection with:			
Exercise of share options	317	—	317
At 31 December 2024	**9,161**	**15,413**	**24,574**

Share capital at 31 December 2024 is £24,574,000 (2023: £24,257,000).

Of the 9,164,804 (2023: 8,847,145) ordinary shares in issue at 31 December 2024, 9,159,804 are fully paid (2023: 8,842,145) and 5,000 (2023: 5,000) are partly paid.

On 2 July 2024, the CPP Employee Benefit Trust (EBT) purchased 149,405 shares for a total cash consideration of £248,000. The total amount paid to acquire the shares has been deducted from the ESOP reserve. As at 31 December 2024, the total number of shares held by the EBT was 149,405 (2023: nil).

During the year, the Company issued 317,659 shares to option holders for total consideration of £nil.

The ordinary shares are entitled to the profits of the Company which it may from time to time determine to distribute in respect of any financial year or period.

All holders of ordinary shares shall have the right to attend and vote at all general meetings of the Company. On a return of assets on liquidation, the assets (if any) remaining, after the debts and liabilities of the Company and the costs of winding up have been paid or allowed for, shall belong to, and be distributed amongst, the holders of all the ordinary shares in proportion to the number of such ordinary shares held by them respectively.

Deferred shares have no voting rights, no rights to receive dividends and only very limited rights on a return of capital. The deferred shares have not been listed for trading in any market and are not freely transferable.

10. Reconciliation of operating cash flows

	2024 £'000	2023 £'000
Loss for the year	(3,612)	(8,099)
Adjustments for:		
Depreciation and amortisation	3,133	2,770
Share-based payment charge	709	1,134
Impairment loss on intangible assets	—	178
Impairment loss on property, plant and equipment	—	40
Loss on disposal of property, plant and equipment	54	24
Loss on disposal of intangible assets	—	31
Loss on disposal of discontinued operations	131	—
Other gains and losses	(1,982)	—
Effects of hyperinflation	(70)	(82)
Investment revenues	(447)	(749)
Finance costs	485	486
Income tax charge	2,635	1,960
Operating cash flows before movements in working capital	1,036	(2,307)
(Increase)/decrease in inventories	(3)	78
Decrease/(increase) in contract assets	1,044	(1,259)
Decrease in receivables	3,232	4,270
(Decrease)/increase in payables	(8,157)	832
(Decrease)/increase in contract liabilities	(1,974)	833
Decrease in insurance liabilities	(62)	(6)
(Decrease)/increase in provisions	(1,824)	3,096
Cash from operations	(6,708)	5,537
Income taxes paid	(3,030)	(1,927)
Net cash (used in)/from operating activities	(9,738)	3,610

Reconciliation of net funds

	At 1 January 2024 £'000	Cash flow £'000	Foreign exchange and other non-cash movements £'000	At 31 December 2024 £'000
Net cash per cash flow statement	19,001	(9,100)	(251)	9,650
Financing activities:				
Lease liabilities	(3,799)	966	1,805	(1,028)
Borrowings due outside of one year:				
- Unamortised issue costs	105	—	(39)	66
Total movement from financing activities	(3,694)	966	1,766	(962)
Total net funds	15,307	(8,134)	1,515	8,688

11. Related party transactions

Transactions with associated parties

In the year, up to the date of disposal, the Group incurred fees of £1,000 plus VAT (2023: £10,000) for services rendered from KYND, which were payable under 14-day credit terms.

Transactions with related parties

There have been no transactions with related parties in the current year which have not already been disclosed.

Remuneration of key management personnel

The remuneration of the Directors and senior management team, who are the key management personnel of the Group and Company, is set out below:

	2024 £'000	2023 £'000
Short-term employee benefits	1,275	1,412
Post-employment benefits	22	20
Share-based payments	399	593
	1,696	2,025

Cautionary statement