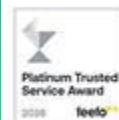




Compliance made simple

H1 2026 Results Investor Presentation

Skillcast Group PLC
30 September 2026



Presentation team



Vivek Dodd
CEO

- Co-founded Skillcast in 2001
- Ex-investment banker (JP Morgan)
- MS (MIT), BTech (IIT Delhi), former CFA Charterholder

 vdodd@skillcast.com



Richard Steele
CFO

- Joined Skillcast as CFO in May 2022
- 30 years commercial finance background
- Previously CFO at Mind Gym Plc

 rsteale@skillcast.com

H1 26 Financial highlights

+15% to £7.4m

Subscription revenue growth

+14% to £14.5m

ARR growth (H1 25: £12.8m)

+48% to £1.0m

EBITDA growth H125: £0.7m, FY 25: £1.5m

Rule of 40: 26%

H125: 32%, FY25: 28%



£8.2m

Total revenue
H1 25: £7.5m



+10%

Total revenue
growth
H1 25: +18%



+15%

Recurring subscription
revenue growth
H1 25: +23%



**+14% to
£14.5m**

ARR*
H1 25: £12.8m



90%

Recurring
revenue mix
H1 25: 85%



77.1%

Gross margin
H1 25: 75.5%



+£1.0m

EBITDA
H1 25: £0.7m



12%

EBITDA margin
H1 25: 9%



£13.6m

Cash 30 June 2026
30 June 2025: £11.5m



+£0.7m

Free cash flow
H1 25: £2.2m



0.232p

Interim dividend +15%
H1 25: 0.202 pence



26%

Rule of 40
H1 25: 32%

H1 26 ARR breakdown

Annualised recurring revenue (ARR)

up 14% to £14.5 million

ARR growth (30 Jun 2025: £12.8m)

(December 2025: £13.8 million) predominantly from new client acquisitions.

Total client numbers
(excluding Core Compliance)

**grew 6%
to 1,250**

(H1-25: 1,184).

Average ARR per
client increased

**7% to
£11,402**

(H1-25: £10,647).

Net retention of 100% in line
with last year (H125: 100%)

- higher 5% price rises (2025: 3%).
- higher churn of 9% (H1-25: 7%)
- supported by product upsells and additional licences

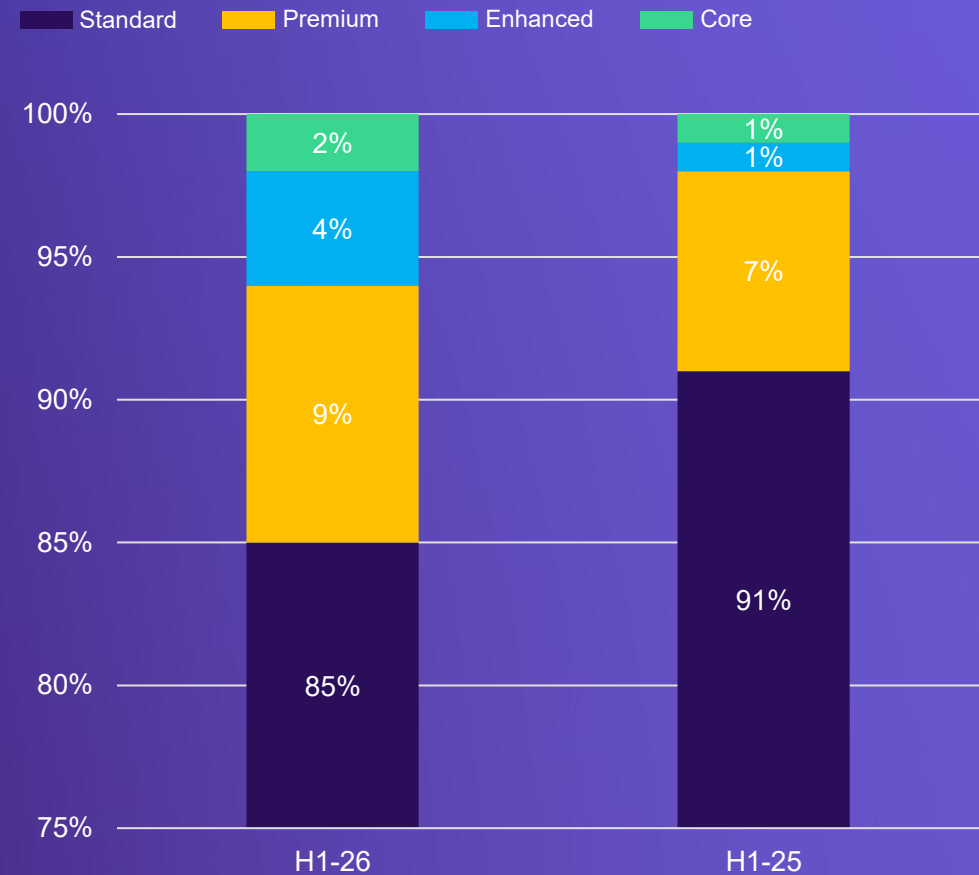
Non-standard plan
ARR increased

**+78% to
represent**

15% of total ARR

(H1-25: 10%).

ARR mix by plan



H1 26 strategic and operational progress

AI adoption in products

- In 2025 Ask Aida launched, our AI compliance assistant, that provides instant access to trusted compliance guidance.
- In July 2026 Edit with Aida was launched enabling clients to effortlessly customise trusted courses in minutes. Rapid adoption from 15% of all clients in 2 months.
- In Q3 26 Learn with Aida was launched: conversational learning to build understanding and confidence in a controlled environment.
- In Q4 2026 Translate with Aida launches.
- 2027: Create with Aida - build courses from scratch using secure sources
- 2027: Reporting with Aida - analytics and insights on learner reporting

"Using Edit with Aida meant we didn't have to start from scratch. We could take the Essentials library content and adapt it to what we already had in approved organisation wide policies, which made the process much easier and ultimately produced a better, more tailored result".

GRC Manager Global Charity



5/5 Feefo Platinum
Service Award
CSAT > 93%



Headcount increased by 1% to 126
at 30 June 2026 (31.12.25 and
30.6.25: 125)



Cost of sales and overhead
productivity improvements from AI
adoption.

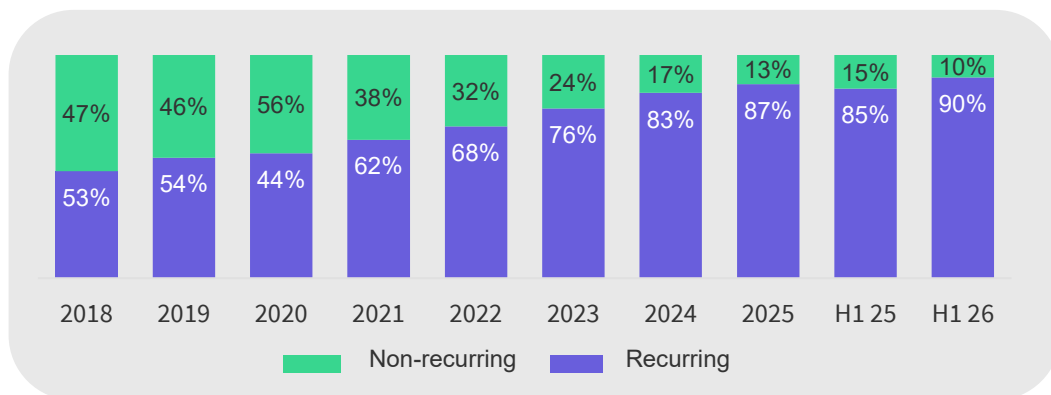


Progressing on multiple acquisition
opportunities.

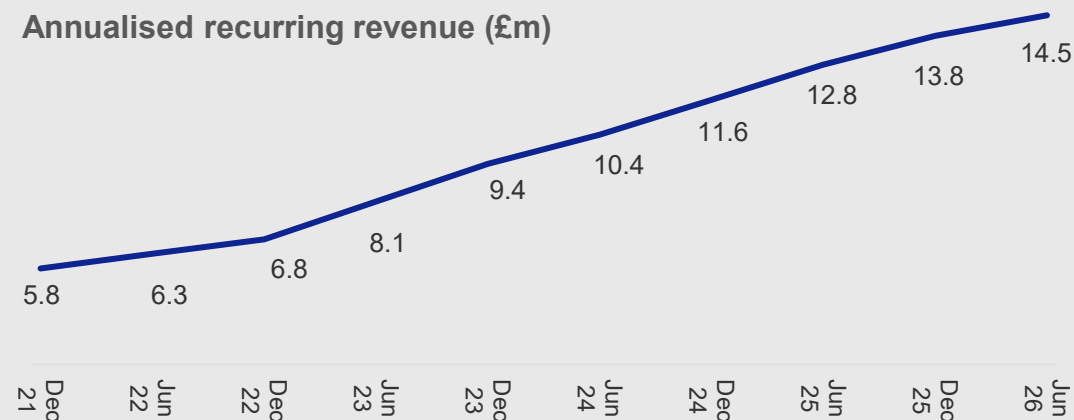
Financials – Income statement summary

Income Statement (£'000) 6 months ended 30 June	2026	Growth Rate	2025	Growth Rate
Subscriptions	7,372	15%	6,403	23%
Professional Services	860	-22%	1,099	-7%
Total Revenue	8,232	10%	7,502	18%
Gross Profit	6,344	+12%	5,662	+24%
Gross Profit %	77.1%	+1.6% pts	75.5%	+3.8% pts
Overheads	5,347	+7%	4,990	+10%
EBITDA	997	48%	672	+3437%
Profit Before Tax	1,077	+51.3%	712	+2193%
Dividends Declared	208		180	

- All revenue growth came from subscription revenues
- Non-strategic professional services revenues are impacted by clients being more hesitant to commit to bespoke projects
- GP margin increased 1.6% pts due a high mix of subscription sales at higher margins.
- Overheads of £5.3m increased £0.4m or 7% primarily from people costs and marketing activity.
- Average headcount increased 3% to 126 and average cost per head increased 5%.
- EBITDA increased by £0.3m or 48% to £1.0m, from 10% revenue growth and operational gearing in both cost of sales and overheads, increasing gross profit by 12%, ahead of overhead growth of 7%.
- Interim dividend of +15% to £208k/0.232 p per share to be paid 30.10.26



Annualised recurring revenue (£m)



Financials – balance sheet summary

- Non-current assets related to office F&F, IT equipment and the right-of-use assets of the 2 office leases. London office lease renewed in May 2026 for 5 years.
- All product and tech development is expensed
- Receivables include net trade debtors of £2.8m trade debtors at 30.6.26, 4% above 30.25 due to higher revenue growth at 31.12.25 supported by auto-renewal terms. Debtor days increased from 52 at 30.6.25 to 54 at 30.6.26.
- £0.2m of receivables relates to Maltese withholding tax rebate received in July26.
- Net cash at 30.6.26 £13.6m, +£2.1m on 30.6.25
- The Group has no bank debt
- Trade creditors and other payables at 30.6.26 were £0.3m lower than at 30.6.25 due to a £0.4m VAT correction in H2 25.
- Deferred income at 30.6.26 up 11% since 30.6.25 to £7.3m driven by 10% higher annual SaaS subscriptions and 27% higher professional services.
- Deferred income at 30.6.26 was materially the same as at 31.12.25 due to £0.2m higher uninvoiced contract renewals and £0.3m overages.

Statement of Financial Position (£'000)

Non-current Assets
Current Assets
Receivables
Cash & Cash Equivalents
Total Assets
Equity and Reserves
Non-current Liabilities
Current Liabilities
Current Lease Liabilities
Deferred income
Corporate Tax Liability
Total Equity & Liabilities

30.6.26	30.6.25	31.12.25
1,119	565	709
3,453	3,536	3,606
13,641	11,499	12,685
18,213	15,600	17,000
7,851	6,446	6,993
547	126	90
1,843	2,180	2,229
154	133	72
7,254	6,548	7,271
564	168	344
18,213	15,600	17,000

Cash flow statement

- Free cash flow of £0.7m in H1 26 (H1 25: £2.2m):
 - £1.1m profit before tax
 - £0.4m outflow from payables and deferred income
 - £0.2m inflow from improved receivables
- £0.2m of interest received from cash on deposit
- The Group's policy is to increase dividends broadly in line with subscription revenues
 - A 2025 £181k interim dividend was paid in October 2025
 - Final 2025 dividend of £375k (20% increase) paid July 26
 - An interim dividend of £208k is proposed for 2026, payable in October 2026, +15% on the prior year.
- FCF was £1.5m less in H1 26 than H1 25 due to:
 - £0.5m historic Maltese tax settlement received in H1 25
 - £0.8m lower increase in deferred revenue
 - £0.4m VAT correction in H2 25

Cash flow statement (£'000)		2026	2025	YE2025
6 MONTHS ENDED 30.6				
	PBT	1,077	712	1,632
	Depreciation/amortisation	130	115	241
	Share Option Reserve	41	39	89
	Finance income	(215)	(176)	(376)
	Movement in trade and other payables	(402)	837	1,615
	Movement in trade and other receivables	152	795	725
	Finance expense	6	6	9
	Cash generated from operations	789	2,328	3,936
	Income tax paid	0	(10)	(8)
	Net cash flow from operating activities	789	2,317	3,929
	Capital expenditure and principal paid on lease liabilities	(108)	(110)	(224)
	Interest received	215	176	376
	Dividends paid / proceeds from option exercises	113	-	-
	Interest paid on lease liabilities	(6)	(6)	(9)
	Movement in cash	1,003	2,378	4,071
	Cash at beginning of year	12,685	9,115	9,115
	Cash at end of year	13,641	11,499	12,685
	Free cash flow	675	2,202	3,689

Our Strategy

Our strategic goal is to continue to grow our ARR at c. 15-20% per annum primarily through a combination of new logos and upsell, supplemented by content acquisitions and with continued operational gearing to consistently achieve the Rule of 40 in the medium term.

Continue to organically grow New ARR

- Continue to attract new logos in the UK FS sector (currently 61% of revenues) and grow our ARR
- Increase presence in non-FS UK sectors (including public sector)
- Continue to develop and market our self-serve Core Compliance offer for small businesses
- Expand our EU presence with country-specific regulatory content

Maintain net retention over 100%

- Expand ARR from upsells to Enhanced or Premium to grow from 15% of ARR to 50% in the medium term
- Maintain churn below 10% through continued market-leading customer support

Innovate product and strengthen differentiation

- Develop agentic AI and non-AI tools to simplify compliance for our clients
- Create engaging, multiformat training content that clients can easily customise for their business

Maintain a PS presence

- Continue to provide bespoke services, particularly when supporting ARR

Deliver operational gearing benefits to further strengthen EBITDA margin

- Continue to invest in technology, our own and third-party, to drive further productivity improvements in product development, customer support and commercial/administration

Maintain a strong balance sheet and optionality (including M&A)

- Seek acquisitions in digital compliance training that could leverage our technology platform and operational infrastructure and provide cross-sell opportunities

Our business model

Make compliance simple:



Digitise



Automate



Consolidate

compliance processes on a single platform

- Large and resilient market with demand growing as companies seek to streamline and automate staff compliance
- Revenue growth through high net retention and new client acquisition

- C. 70% incremental ARR drops through to EBITDA
- Offer extensive content and GRC tools in 4 subscription plans – invoiced annually and paid up front
- Typical SaaS GTM sales funnel optimised for LLMs and AI overviews
- Market-leading client support and account management to drive upsells and minimise churn
- In-house content and technology teams driving innovation and AI adoption
- Established infrastructure and headcount in place to support growth
- AI and non-AI technology embracing culture to maximise productivity



2026 Current trading and outlook

ARR/subscription sales:

- GRC market remains strong.
- Encouraging early reaction and adoption from “Edit with Aida” launched in July with 15% client take-up
- “Learn with Aida” launching in H2 26
- ARR in H2 26 expected to grow at similar level to H1 26, with YOY growth rate slightly down on H1 26 due to stronger growth in H2 25.

Professional services business in line with expectations:

- Limited visibility

EBITDA expected continue to grow:

- Benefit from operational gearing
- Enhanced by productivity gains and AI adoption

Full year revenue and profit will be in line with expectations



Thank you



80 Leadenhall St
London
EC3A 3DH

skillcast.com

