

MHA plc
Now, for tomorrow

Initial Public Offering on AIM

Cavendish
Nominated Adviser and Broker

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bakertilly
INTERNATIONAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) (“FSMA”), who specialises in advising on the acquisition of shares and other securities if you are resident in the UK or, if not, from another appropriately authorised independent adviser under applicable laws, if you are located in any other jurisdiction.

This document is an AIM admission document prepared in accordance with the AIM Rules and has been issued in connection with the application for admission of the entire issued, and to be issued, ordinary share capital of the Company to trading on AIM. This document contains no offer or any part of an offer of transferable securities to the public within the meaning of sections 85 and 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Regulation Rules or approved by, or filed with, the FCA or any other competent authority.

Application will be made for the Ordinary Shares to be admitted to trading on AIM. No application has been, or is currently intended to be, made for the Ordinary Shares to be admitted to listing or trading on any other stock exchange. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares on 15 April 2025.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on Admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.

Prospective investors should read this document in its entirety and should be aware that an investment in the Company includes a significant degree of risk. Prospective investors should consider carefully the Risk Factors set out in Part III of this document.

MHA PLC

*(a company incorporated in England and Wales under the Companies Act 2006
with registered number 16268837)*

Placing of 95,800,000 new Ordinary Shares at 100 pence per share Retail Offer of up to 6,000,000 new Ordinary Shares at 100 pence per share and Admission to trading on AIM

Nominated Adviser, Broker and Bookrunner

Cavendish

Share capital immediately following Admission

	<i>Issued and fully paid</i>	
	<i>Amount</i>	<i>Number</i>
Ordinary Shares of £0.01 each	£2,689,999.9	268,999,985

**Excludes any new Ordinary Shares to be issued pursuant to the Retail Offer*

The new Ordinary Shares to be issued pursuant to the Fundraising will, on issue, rank in full for all dividends and other distributions declared, paid or made in respect of the Ordinary Shares following Admission and will otherwise rank *pari passu* in all other respects with the Existing Ordinary Shares.

The Company (whose registered office appears on page 13 of this document) and the Directors (whose names appear on page 13 of this document) accept responsibility, both individually and collectively, for the information contained in this document. To the best of the knowledge and belief of the Directors and the Company, who have taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Cavendish, which is authorised and regulated in the UK by the FCA, is acting as nominated adviser and broker to the Company in connection with the proposed Fundraising and Admission and will not be responsible to any person (including any recipient of this document) other than the Company for providing the protections afforded to its clients or for advising any other person on the proposed Fundraising and Admission or the contents of this document or any transaction or arrangement referred to herein. Cavendish has authorised the contents of this document as a financial promotion for the purposes of the FSMA only in connection with the Retail Offer. The responsibilities of Cavendish as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or any Director, Shareholder or any other person in respect of such person's decision to acquire shares in the Company in reliance on any part of this document. Apart from the responsibilities and liabilities, if any, which may be imposed on Cavendish by the FSMA or the regulatory regime established thereunder or under the regulatory regime of any other

jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Cavendish does not accept any responsibility whatsoever for the contents of this document, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares, the Fundraising and/or Admission. Cavendish accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of this document or any such statement.

Cavendish has been appointed as the Retail Offer coordinator. Cavendish, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no one else in connection with the Retail Offer and will not regard any other person (whether or not a recipient of this document) as a client in relation to the Retail Offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Retail Offer or any transaction or arrangement referred to in this document. This document amounts to a financial promotion for the purposes of section 21 of FSMA and has been approved by Cavendish for the purposes of the Retail Offer only. Apart from the responsibilities and liabilities, if any, that may be imposed on Cavendish by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Cavendish accepts no responsibility whatsoever for, and makes no representation or warranty, express or implied, as to the contents of, this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Ordinary Shares or the Retail Offer and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Cavendish accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this document or any such statement. Cavendish has given and not withdrawn its consent to the issue of this document with the inclusion of the references to its name in the form and context to which they are included.

The Company consents to the use of this document by the Intermediaries in connection with the Retail Offer to persons located in the United Kingdom (i) in respect of Intermediaries who have been appointed prior to the date of this document, from the date of this document and (ii) in respect of Intermediaries who are appointed after the date of this document, from the date on which they are approved to participate in the Retail Offer and agree to adhere to and be bound by the terms and conditions agreed between Cavendish and BookBuild in relation to the Retail Offer, in each case, until the closing of the Retail Offer. Any Intermediary that uses this document must state on its website that it uses this document in accordance with the Company's consent and the conditions attached thereto. Intermediaries are required to provide the terms and conditions of the Retail Offer to any prospective investor who has expressed an interest in participating in the Retail Offer to such Intermediary at the time the offer by such Intermediary is made. Any application made by investors to any Intermediary is subject to the terms and conditions imposed by each Intermediary. The Company accepts responsibility for the content of this document with respect to the subsequent resale or final placement of Retail Offer Shares in connection with the Retail Offer by any Intermediary given consent to use this document by the Company. The offer period within which any subsequent resale or final placement of Retail Offer Shares by Intermediaries can be made shall commence immediately following the publication of this document and close at 4.30 p.m. on 14 April 2025, unless closed prior to that date (any such prior closure to be announced via a regulatory information service). Prospective investors interested in participating in the Retail Offer should apply for Retail Offer Shares through the Intermediaries by following their relevant application procedures by no later than 4.30 p.m. on 14 April 2025, or such other date and time notified to them by the respective Intermediary. Investors should note that financial intermediaries may have earlier closing times. The Retail Offer may close early if it is oversubscribed.

The contents of this document are not to be construed as legal, financial, business, investment or tax advice. Investors should consult their own legal adviser, financial adviser or tax adviser for legal, financial, business, investment or tax advice. Investors must inform themselves as to:

- (a) the legal requirements within their own countries for the purchase, holding, transfer or other disposal of Ordinary Shares;
- (b) any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of Ordinary Shares which they might encounter; and
- (c) the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of, or subscription for Ordinary Shares.

Investors must rely on their own representatives, including their own legal advisers and accountants, as to legal, financial, business, investment, tax, or any other related matters concerning the Company and an investment therein. None of the Company, Cavendish nor any of their respective directors, officers, partners, employees, agents, affiliates, representatives or advisers is making any representation to any offeree or purchaser of Ordinary Shares regarding the legality of an investment in the Ordinary Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

A copy of this document will be available to view, subject to certain restrictions relating to persons resident in certain overseas jurisdictions, at the Company's website at www.mha.co.uk.

Dated: 10 April 2025

IMPORTANT INFORMATION

General

This document should be read in its entirety before making any decision to subscribe for or purchase Ordinary Shares. Prospective investors should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Cavendish or any of their respective affiliates, officers, directors, employees, advisers or agents. Without prejudice to the Company's obligations under the Prospectus Regulation, the Prospectus Regulation Rules, the AIM Rules, the DTRs and MAR, neither the delivery of this document nor any acquisition of Ordinary Shares made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Group since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

Prospective investors in the Company must not treat the contents of this document or any subsequent communications from the Company, Cavendish or any of their respective directors, officers, partners, employees, agents, affiliates, representatives or advisers as advice relating to legal, taxation, accounting, regulatory, investment or any other matters. Each prospective investor should consult with their own advisers as needed to make its investment decision and to determine whether it is legally permitted to hold Ordinary Shares under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of an investment in Ordinary Shares for an indefinite period of time.

The Company will update the information provided in this document by means of a supplement to it if a significant new factor, material mistake or inaccuracy arises or is noted relating to the information included in this document before Admission. Any supplementary admission document will be made public in accordance with the AIM Rules.

Investing in and holding the Ordinary Shares involves financial risk. There can be no assurance that the Company's strategy will be achieved and investment results may vary substantially over time. An investment in the Company is not intended to be a complete investment programme for any investor. The price of the Ordinary Shares and any income from Ordinary Shares can go down as well as up and Shareholders may not realise the value of their initial investment. Prior to investing in the Ordinary Shares, investors should carefully consider all of the information contained in this document, paying particular attention to the Risk Factors in Part III of this document. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in light of the information contained in this document and their personal circumstances. Potential shareholders contemplating an investment in the Ordinary Shares should recognise that their market value can fluctuate and may not always reflect their underlying value. Returns achieved are reliant upon the performance of the Company. No assurance is given, express or implied, that Shareholders will receive back the amount of their investment in the Ordinary Shares.

In connection with the Placing, Cavendish and any of its affiliates, acting as investors for their own accounts, may acquire Ordinary Shares, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its own account in such Ordinary Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references in this document to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt with should be read as including any offer to, or subscription, acquisition, dealing or placing by, Cavendish and any of its affiliates acting as investors for its own account. Cavendish does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Cavendish and its affiliates may have in the past engaged, and may in the future, from time to time, engage in transactions with, and provide various investment banking, financial advisory and other ancillary activities in the ordinary course of their business with the Company, in respect of which they have received, and may in the future receive, customary fees and commissions. As a result of these transactions, these parties may have interests that may not be aligned, or could possibly conflict, with the interests of investors.

Notice to prospective investors in the United States

The securities described herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended. In the United States, the securities will only be offered and sold to qualified institutional buyers, or QIBs, as defined in Rule 144A under the U.S. Securities Act of 1933, as amended. Outside the United States, the offering is being made in reliance on Regulation S under the Securities Act.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this document is truthful or complete. Any representation to the contrary is a criminal offence.

The securities are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under the Securities Act pursuant to registration or an exemption therefrom.

Notice to overseas persons

The distribution of this document and the offer and sale of Ordinary Shares in certain jurisdictions may be restricted by law. No action has been taken or will be taken to permit the possession or distribution of this document (or any other offering or publicity materials relating to Ordinary Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this document, nor any advertisement or any other offering material may be distributed or published in or from any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document may not be used for the purpose of and does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe for, securities in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised and, in particular, is not for publication or distribution in or into Canada, Australia, the Republic of South Africa or Japan. The Ordinary Shares have not been, and will not be, registered under the applicable securities laws of any province or territory of Canada, Australia, the Republic of South Africa or Japan, or to any national, resident or citizen of Canada, Australia, the Republic of South Africa or Japan. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdictions. Furthermore, no actions have been or will be taken to allow any offering of Ordinary Shares under the applicable securities laws of any jurisdiction where action for that purpose may be required or doing so is restricted by law.

Notice to prospective investors in the European Economic Area

In relation to each member state of the European Economic Area (each a “**Member State**”), no Ordinary Shares have been offered or will be offered pursuant to the Placing to the public in that Member State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Member State, all in accordance with the EU Prospectus Regulation, except that offers of Ordinary Shares to the public may be made at any time under the following exemptions under the EU Prospectus Regulation, if they have been implemented in that Member State:

- (1) to any legal entity which is a qualified investor as defined under Article 2 of the EU Prospectus Regulation;
- (2) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the EU Prospectus Regulation) in such relevant Member State; or
- (3) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation, provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the EU Prospectus Regulation and each person who initially acquires any Ordinary Shares or to whom any offer is made pursuant to the Placing will be deemed to have represented, acknowledged and agreed that it is a “qualified investor”

within the meaning of the law of the Member State implementing Article 2(e) of the EU Prospectus Regulation.

For these purposes, the expression “**an offer to the public**” in relation to any offer of Ordinary Shares in any Member State means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression the “**EU Prospectus Regulation**” means Regulation (EU) 2017/1129 (as amended).

Neither the Company, Cavendish nor any other person has authorised, nor do they authorise, the making of any offer of Ordinary Shares in circumstances in which an obligation arises for the Company to publish a prospectus or a supplemental prospectus for such offer.

Notice to prospective investors in the United Kingdom

No Ordinary Shares have been offered or will be offered pursuant to the Fundraising to the public in the United Kingdom prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the FCA, except that Ordinary Shares may be offered to the public at any time:

- (1) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (2) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation); or
- (3) in any other circumstances falling within section 86 of FSMA,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication of a prospectus pursuant to section 85 of FSMA and each person (other than any subscriber under the Retail Offer) who initially acquires any Ordinary Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed that it is a “qualified investor” within the meaning of Article 2 of the Prospectus Regulation.

In the case of any Ordinary Shares being offered to a “financial intermediary”, as that term is used in Article 5(1) of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Ordinary Shares subscribed for by it have not been subscribed for on a non- discretionary basis on behalf of, nor have they been subscribed for with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Ordinary Shares to the public, other than their offer or resale to qualified investors in the United Kingdom or a Member State. The Company, the Directors and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

The Company has not authorised, nor does it authorise, the making of any offer of Ordinary Shares in circumstances in which an obligation arises for the Company to publish a prospectus or a supplemental prospectus for such offer.

For these purposes, the expression “**an offer to the public**” in relation to any offer of Ordinary Shares in the United Kingdom means a communication in any form and by any means presenting sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Ordinary Shares.

This document is being distributed to, and is only directed towards persons in the United Kingdom who are (i) participants in the Retail Offer; or (ii) “qualified investors” (within the meaning of Article 2 of the Prospectus Regulation) and (a) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**FPO**”); and/or (b) who are high-net-worth entities falling within Article 49(2)(a) to (d) of the FPO; and/or (iii) other persons to whom it may otherwise be lawfully distributed (each a “**Relevant Person**”). Any investment or investment activity to which this document relates is available only to Relevant Persons and will be engaged in only with such persons. Persons who are not Relevant Persons should not rely on or act upon this document. This document has been approved by Cavendish for the purposes of section 21 of FSMA and the terms

of such approval limit the use of this document as so approved for the purposes of the Retail Offer only.

Forward-looking statements

This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Group’s intentions, beliefs or current expectations concerning, among other things, the Group’s results of operations, financial position, liquidity, prospects, growth, strategies and expectations of the industry in which the Group operates.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the development of the markets and the industry in which the Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the development of the markets and the industry in which the Group operates are consistent with the forward-looking statements contained in this document, those developments may not be indicative of developments in subsequent periods. A number of factors could cause developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, commodity prices, changes in regulation, currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors discussed in Part I and Part III of this document.

Any forward-looking statements in this document reflect the Group’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations and growth strategy. Investors should specifically consider the factors identified in this document which could cause results to differ before making an investment decision. Subject to the requirements of applicable law or regulation (including MAR and the AIM Rules), the Group undertakes no obligation publicly to release the result of any revisions to any forward-looking statements in this document that may occur due to any change in the Company’s expectations or to reflect events or circumstances after the date of this document unless required to do so by law or any appropriate regulatory authority.

Any forward looking statement in this document based on past or current trends and/or activities of the Group should not be taken as a representation or assurance that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or estimate or to imply that the earnings of the Group for the current year or future years will match or exceed the historical or published earnings of the Group.

Presentation of financial information

Unless otherwise indicated, financial information set out in this document has been prepared in accordance with the International Financial Reporting Standards as adopted by the United Kingdom (“IFRS”). Any unaudited financial information set out in this document has been extracted without material adjustment from the Group’s accounting records. Certain non-IFRS measures such as operating profit and losses before exceptional items have been included in the financial information, as the Directors believe that these provide important alternative measures with which to assess the Group’s performance. Prospective investors should not consider these as an alternative for revenue or operating profit which are IFRS measures. Additionally, the Company’s calculations of non-IFRS measures may be different from the calculation used by other companies and therefore comparability may be limited.

Non-IFRS information

In relation to the reporting of certain financial information within this document, the Board has adopted various alternative performance measures (“**Alternative Performance Measures**”).

Alternative Performance Measures are financial measures of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in IFRS, being the applicable financial reporting framework in respect of the Company. The Board believes that the Alternative Performance Measures contained within this document assist in providing additional useful information on the underlying trends, performance and financial position of the Company. The Alternative Performance Measures contained within this document are unaudited.

The Alternative Performance Measures contained within this document may not be directly comparable with other companies’ Alternative Performance Measures, including those in the Company’s industry. In order to make a proper assessment of the financial performance of the Group’s business, prospective investors should read the document as a whole and not rely solely on the Alternative Performance Measures, which should be considered in addition to, and are not intended to be a substitute for, or superior to, IFRS measurements. Certain of the Alternative Performance Measures used within this document relate to past performance. Past performance is not an indication of future results.

This document contains Alternative Performance Measures including EBITDA. EBITDA results from the Group’s operating profit adjusted for depreciation and amortisation. Information regarding EBITDA or similar measures is sometimes used by investors to evaluate the efficiency of a company’s operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements. There are no generally accepted principles governing the calculation of EBITDA or similar measures and the criteria upon which EBITDA or similar measures are based can vary from company to company. EBITDA, alone, does not provide a sufficient basis to compare the Group’s performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity.

Presentation of currencies

Unless otherwise indicated, all references in this document to “sterling”, “pounds sterling”, “GBP”, “£”, “penny”, “pence” or “p” are to the lawful currency of the United Kingdom. Unless otherwise indicated, the financial information set out in this document has been expressed in pounds sterling.

Roundings

The information contained in this document, including financial information presented in a number of tables, has been rounded to the nearest whole number or the nearest decimal place. Therefore, the actual arithmetic total of the numbers in a column or row in a certain table may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Available information

For so long as any of the company’s securities are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act of 1933, as amended, the Company will, during any period in which it is not subject to Section 13 or 15(d) under the U.S. Securities Exchange Act of 1934, as amended, nor exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such restricted securities, or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, upon request the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Enforceability of civil liabilities

The Company is organised as a public limited company incorporated under the laws of England and Wales. None of the Company's directors or officers are citizens or residents of the United States. In addition, the majority of the Company's assets and all the assets of our directors and officers are located outside the United States. As a result, it may not be possible for U.S. investors to effect service of process within the United States upon the Company or the directors and officers located outside the United States or to enforce in the U.S. courts or outside the United States judgments obtained against them in U.S. courts or in courts outside the United States, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws or the securities laws of any state or territory within the United States. There is doubt as to the enforceability in England and Wales, whether by original actions or by seeking to enforce judgments of U.S. courts, of claims based on the federal securities laws of the United States. In addition, punitive damages in actions brought in the United States or elsewhere may be unenforceable in England and Wales.

Transfer restrictions

Each purchaser of the Company's securities in the United States will be subject to the following transfer restrictions. The securities may not be offered, sold, pledged or otherwise transferred, except (a) to a person that the seller and any person acting on its behalf reasonably believe is a QIB, purchasing for its own account or for the account of another QIB or (b) outside the United States in accordance with Regulation S under the U.S. Securities Act 1933, as amended, or (c) pursuant to an exemption from registration under the Securities Act or (d) pursuant to an effective registration statement under the Securities Act.

Market, economic and industry data

This document includes market share and industry data and forecasts that were obtained by the Group from industry publications and surveys and from the Group's knowledge of its industry. Where information has been sourced from a third party, the Company confirms that the information has been accurately reproduced and, as far as the Company is aware and has been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used in this document, the source of such information has been identified in the immediately preceding paragraph. Certain market share information and other statements in this document regarding the industry in which the Group operates and the Group's position relative to its competitors are not based on published statistical data or information obtained from independent third parties. Rather, such information and statements reflect the Directors' best estimates based upon information obtained from trade and business organisations and associations and other contacts within the industry in which it competes, as well as information published by its competitors.

No incorporation of websites

The contents of the Company's website (or any other website) do not form part of this document.

Notice to Distributors

Solely for the purposes of the product governance requirements contained within Chapter 3 of the FCA Handbook Production Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and/or any equivalent requirements elsewhere to the extent determined to be applicable, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in paragraph 3 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, distributors (for the purposes of the UK Product Governance Requirements) should note that: (i) the price of the Ordinary Shares may decline and

investors could lose all or part of their investment; (ii) the Ordinary Shares offer no guaranteed income and no capital protection; and (iii) an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Fundraising. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Cavendish will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapter 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Ordinary Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	10 April 2025
Launch of the Retail Offer	7.00 a.m. on 10 April 2025
Completion of the Reorganisation	on or before 13 April 2025
Latest time and date for receipt of bids for the Retail Offer on BookBuild	2.00 p.m. on 14 April 2025
Announcement of the results of the Retail Offer	15 April 2025
Admission effective and dealings commence in the Ordinary Shares on AIM	15 April 2025
Date for settlement within CREST of the Placing Shares and Retail Offer Shares (where applicable)	15 April 2025
Despatch of definitive share certificates for Placing Shares (where applicable)	within 10 Business Days of Admission

Note:

All times are references to times in London, UK. Each of the times and dates in the table above and mentioned elsewhere in this document are indicative only and may be subject to change at the absolute discretion of the Company and Cavendish.

FUNDRAISING STATISTICS

Placing Price	100 pence
Number of Existing Ordinary Shares immediately prior to Admission	173,199,985
Number of Placing Shares	95,800,000
Enlarged Share Capital immediately following Admission*	268,999,985
Percentage of Enlarged Share Capital represented by Existing Ordinary Shares*	64.39%
Percentage of Enlarged Share Capital represented by Placing Shares*	35.61%
Number of Ordinary Shares held by the EBT immediately following Admission	26,000,000
Gross proceeds of the Placing receivable by the Company	£95.8 million
Repayment amount of MHA Partner Loan Notes and Retiree Capital Partner Loan Notes from gross proceeds of the Placing	£76.8 million
Estimated net proceeds of the Placing receivable by the Company ¹	approximately £12.6 million
Expected market capitalisation of the Company at the Placing Price immediately following Admission ^{2*}	£269 million
AIM TIDM	MHA
ISIN	GB00BV0VHK88
SEDOL	BV0VHK8
LEI	6488GWOR8UO490L88275
Number of Retail Offer Shares (maximum)	6,000,000
Gross proceeds of the Retail Offer Shares receivable by the Company (maximum)	£6.0 million

* the Company intends to launch the Retail Offer following the publication of this document. Consequently, share numbers, proceeds, ownership percentages and any other related statistics in this document are calculated without the impact of the Retail Offer. The results of the Retail Offer will be announced via a regulatory information service prior to Admission.

1 after deduction of the estimated commissions, fees and expenses payable by the Company in connection with Admission (excluding VAT).

2 the market capitalisation of the Company at any given time will depend on the market price of the Ordinary Shares at that time. There can be no assurance that the market price of an Ordinary Share will at any given time equal or exceed the Placing Price.

DIRECTORS, SECRETARY AND ADVISERS

Directors	Geoffrey Barnes, <i>Non-Executive Chairman</i> Rakesh Shaunak, <i>Chief Executive Officer</i> Steven Moore, <i>Chief Financial Officer</i> Linda Main, <i>Independent Non-Executive Director</i> Sir Robert Neill KC, <i>Independent Non-Executive Director</i>
Company Secretary	One Advisory Limited
Registered Office	The Pinnacle 150 Midsummer Boulevard Milton Keynes Buckinghamshire MK9 1LZ
Company's website	www.mha.co.uk
Nominated Adviser and Broker	Cavendish Capital Markets Limited One Bartholomew Close London EC1A 7BL
Reporting Accountant and Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Solicitors to the Company	Freeths LLP 1 Vine Street London W1J 0AH
Solicitors to Cavendish	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH
U.S. Legal Advisers to Company	Proskauer Rose (London) LLP 8 Bishopsgate London EC2N 4BQ
U.S. Legal Advisers to Cavendish	Fried, Frank, Harris, Shriver & Jacobson (London) LLP 100 Bishopsgate London EC2N 4AG
Financial Public Relations	Alma Strategic Communications 71-73 Carter Lane London EC4V 5EQ
Registrars	MUFG Corporate Markets (UK) Limited Central Square 29 Wellington Street Leeds LS1 4DL

DEFINITIONS AND GLOSSARY

The following definitions apply throughout this document, unless the context otherwise requires:

“Act” or “Companies Act”	the Companies Act 2006 (as amended);
“Admission”	the admission of the Existing Ordinary Shares, Placing Shares and Retail Offer Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
“AIM”	AIM, a market of that name operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies, including the guidance notes thereto published by the London Stock Exchange governing, <i>inter alia</i> , admission to AIM and the continuing obligations of an AIM company, as in effect from time to time;
“AIM Rules for Nominated Advisers”	the AIM Rules for Nominated Advisers published by the London Stock Exchange and as amended and updated from time to time;
“Articles”	the articles of association of the Company, a summary of which is set out in paragraph 7 of Part V of this document;
“Associate Partner”	an associate partner of the New LLP;
“Audit Business Transfer Agreement”	the business transfer agreement dated 8 April 2025 entered into between (1) MHA LLP and (2) MHA Audit Services by which the business and assets of the audit business of MHA LLP was transferred to MHA Audit Services;
“Audit Services Agreement”	the agreement dated 8 April 2025 between: (1) MHA Advisory; and (2) MHA Audit Services pursuant to which MHA Advisory provides business support services to MHA Audit Services;
“Big Four”	the world’s largest professional services networks, comprising Deloitte, EY, KPMG and PwC;
“Beech Hill”	Beech Hill Securities, Inc., acting as US placing agent to the Company in respect of the US Placing;
“Board” or “Directors”	the directors of the Company, whose names are set out on page 13 of this document, or any duly authorised committee thereof;
“BookBuild”	BB Technology Limited (company number 13508012) whose registered office is at Kinetic Business Centre, Theobald Street, Elstree, Hertfordshire, WD6 4PJ, England;
“BookBuild Platform”	the online capital markets platform developed by BookBuild;
“BTI Network”	Baker Tilly International, a global top 10 professional services network of independent accountancy and business advisory firms;
“Business Transfer Agreement”	the business transfer agreement to be entered into after the date of this document but prior to Admission between (1) MHA LLP, (2) MHA Advisory and (3) MHT by which the entirety of the trade and assets of MHA LLP will be transferred to MHA Advisory;
“CAGR”	compound annual growth rate;
“Capital Partner”	a partner awarded Capital Points in MHA LLP;
“Capital Points”	the points awarded to Capital Partners allowing them to share in the capital of MHA LLP;
“certificated” or “in certificated form”	in relation to an Ordinary Share, title to which is recorded in the register of Shareholders as being held in certificated form (that is, not in CREST);

“Combined Group”	MacIntyre Hudson LLP and its subsidiaries and MacIntyre Hudson Holdings Limited and its subsidiaries;
“Company”	MHA plc;
“Concert Party”	for the purposes of the Takeover Code, means all Partners who become shareholders of the Company on Admission, who are deemed to be acting in concert, as defined in paragraph 23.3 of Part V of this document;
“CREST”	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form, in respect of which Euroclear is the operator (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No.3755) (as amended from time to time), including (i) any enactment or subordinate legislation which amends or supersedes those regulations; and (ii) any applicable rules made under those regulations or any such enactment or subordinate legislation for the time being in force;
“DTRs”	the Disclosure Guidance and Transparency Rules issued by the FCA pursuant to section 73A of the FSMA, as amended from time to time;
“EBIT”	earnings before interest and tax;
“EBITDA”	earnings before interest, tax, depreciation and amortisation;
“EBT”	the Group’s Employee Benefit Trust established by the Company;
“Enlarged Share Capital”	the Existing Ordinary Shares and the Placing Shares;
“Euroclear”	Euroclear UK & International Limited, the operator of CREST;
“EUWA”	the European Union (Withdrawal) Act 2018 (as amended);
“Executive Directors”	Rakesh Shaunak and Steven Moore;
“Existing Ordinary Shares”	the 173,199,985 Ordinary Shares in issue immediately prior Admission, excluding the Placing Shares and the Retail Offer Shares;
“FCA”	the UK Financial Conduct Authority;
“FCA Handbook”	the FCA’s handbook of rules and guidance published by the FCA from time to time;
“FRC”	Financial Reporting Council;
“FSMA”	the Financial Services and Markets Act 2000 (as amended from time to time);
“Fundraising”	the Placing and the Retail Offer;
“FY22”	the financial year of the Company ended 31 March 2022;
“FY23”	the financial year of the Company ended 31 March 2023;
“FY24”	the financial year of the Company ended 31 March 2024;
“FY25”	the financial year of the Company ending 31 March 2025;
“FY26”	the financial year of the Company ending 31 March 2026;
“Group” or “MHA”	MHA plc and its subsidiary undertakings;
“H124”	the six month period ended 30 September 2024;
“H125”	the six month period ended 30 September 2025;
“HMRC”	His Majesty’s Revenue and Customs;

“IAS”	International Accounting Standards;
“IASB”	the International Accounting Standards Board;
“ICAEW”	Institute of Chartered Accountants in England and Wales;
“IFRS”	International Financial Reporting Standards, as issued by the IASB as adopted by the United Kingdom;
“Income Partner”	a partner in MHA LLP awarded Income Points;
“Income Points”	points awarded to Income Partners allowing them to share in the net profits of MHA LLP;
“Intermediaries”	an intermediary appointed by Cavendish in its capacity as retail offer coordinator in connection with the Retail Offer, and “Intermediary” shall mean any one of them;
“ISIN”	international security identification number;
“KPI”	key performance indicator;
“Loan Notes”	the loan notes issued by the Company to the Selling Partners pursuant to the Reorganisation in return for the purchase of existing capital in the Group;
“London Stock Exchange” or “LSE”	London Stock Exchange plc;
“LTIP”	the MHA Long Term Incentive Plan 2025, adopted on 9 April 2025, details of which are set out in paragraph 6 of Part V of this document;
“Market Abuse Regulation” or “MAR”	the UK version of the Market Abuse Regulation (Regulation 596/2014), as it forms part of English law by virtue of EUWA (as amended);
“Master Services Agreement”	the agreement dated 8 April 2025 between: (1) MHA Advisory and (2) certain non-audit related entities within the Group pursuant to which MHA Advisory provides business support services;
“MHA Advisory”	MHA Advisory Ltd, a private company limited by shares incorporated in England and Wales with registered number 16233746;
“MHA Audit Holdings”	MHA Audit Holdings Limited, a private company limited by shares incorporated in England and Wales with registered number 16256523;
“MHA Audit Services”	MHA Audit Services LLP, a limited liability partnership incorporated in England and Wales with registered number OC455542;
“MHA LLP”	MacIntyre Hudson LLP, a limited liability partnership incorporated in England and Wales with registered number OC312313;
“MHA LLP Capital Points Purchase Agreement”	the agreement dated 8 April 2025 and entered into between (1) each of the Retiree Capital Partners; (2) MHT (as trustee for the Retiree Capital Partners); (3) MHHL; and (4) MHA LLP;
“MHA LLP Partnership Agreement”	the MHA LLP partnership agreement with an effective date of 1 March 2024 made between (1) the partners of MHA LLP and (2) MHA LLP regulating the conduct of MHA LLP;
“MHA MacIntyre Hudson Cayman Ltd”	MHA MacIntyre Hudson Cayman Ltd, a company incorporated in Cayman Islands with registered number 327355;
“MHA Partner” or “MHA Partners”	a partner or the partners in MHA LLP prior to Admission, where relevant;

“MHA Partner Company Loan Note Instrument”	the loan note instrument entered into by the Company in relation to the Reorganisation pursuant to which loan notes are issued to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) by the Company in exchange for the loan notes issued to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) pursuant to the MHA Partner MHA Advisory Loan Note Instrument, a summary of which is set out at paragraph 16.17 of Part V of this document;
“MHA Partner Loan Notes”	the loan notes issued to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) pursuant to the MHA Partner MHA Advisory Loan Note Instrument and the MHA Partner Company Loan Note Instrument;
“MHA Partner MHA Advisory Loan Note Instrument”	the loan note instrument entered into by MHA Advisory in relation to the Reorganisation pursuant to which loan notes are issued to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) by MHA Advisory in consideration for the business and assets transferred to MHA Advisory pursuant to the Business Transfer Agreement described at paragraph 16.13 of Part V of this document, a summary of this loan instrument is set out at paragraph 16.14 of Part V of this document;
“MHA RI Control Co Trust”	the trust known as the MHA RI Control Co Trust;
“MHC Ltd”	MHC Ltd, a company incorporated in Cayman Islands with registered number 319349;
“MHHL”	MacIntyre Hudson Holdings Limited, a private company limited by shares incorporated in England and Wales with registered number 03717255;
“MHHL 2022 Settlement Trust”	a bare trust known as the MHHL 2022 Settlement Trust the trustee of which is MHT and the beneficiaries of which are the MH Capital Partners (as defined therein) as amended and restated from time to time;
“MHT”	MacIntyre Hudson Treasury Limited, a private company limited by shares incorporated in England and Wales with company number 08678770;
“Moore and Smalley Group”	Moore and Smalley LLP and its subsidiaries;
“Moore and Smalley LLP”	Moore and Smalley LLP, a limited liability partnership registered in England and Wales with registered number OC313896;
“New Income Points”	points awarded to Partners allowing them to share in the net profits of New LLP;
“New LLP”	MHA Member LLP, a limited liability partnership registered in England and Wales with registered number OC455634;
“Nominated Adviser” or “Cavendish”	Cavendish Capital Markets Limited, in its capacity as the Company’s nominated adviser;
“Official List”	the Official List maintained by the FCA;
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company;
“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers;
“Partner” or “Partners”	a partner or the partners in New LLP as at Admission, as relevant;
“Partner Services Agreement”	the agreement dated 10 April 2025 and made between (1) the Company; (2) the New LLP; and (3) certain other members of the Group pursuant to which the New LLP will provide services to the Group;

“PIE”	public interest entities;
“Placees”	those persons who have conditionally agreed to subscribe for or purchase Placing Shares at the Placing Price pursuant to the Placing;
“Placing”	the UK Placing and the US Placing;
“Placing Agreement”	the conditional agreement dated 10 April 2025 and made between the (1) the Company; (2) the Directors; (3) Cavendish and (4) Beech Hill relating to the Placing, further details of which are set out in paragraph 16.37 of Part V of this document;
“Placing Price”	100 pence per Placing Share;
“Placing Shares”	the UK Placing Shares and the US Placing Shares;
“Prospectus Regulation”	Regulation (EU) No 2017/1129 of the European Parliament as it forms part of domestic law by virtue of the EUWA;
“Prospectus Regulation Rules”	the Prospectus Regulation Rules published by the FCA under section 73A of FSMA (as amended from time to time);
“QCA”	the Quoted Companies Alliance;
“QCA Code”	the Corporate Governance Code for Small and Mid-Size Quoted Companies, issued from time to time by the QCA;
“Registrar”	MUFG Corporate Markets (UK) Limited;
“Reorganisation”	the Group reorganisation as described in paragraph 3 of Part V of this document;
“Retail Offer”	the placing of the Retail Offer Shares at the Placing Price through Intermediaries to be made using the BookBuild Platform;
“Retail Offer Shares”	up to 6,000,000 new Ordinary Shares to be issued pursuant to the Retail Offer;
“Retiree Capital Partner”	members of MHA LLP that hold Retiree Capital Partner Membership Interests and who are retiring as members of MHA LLP prior to, or at, Admission;
“Retiree Capital Partner Loan Notes”	the loan notes issued to MHT (as trustee on behalf of the Retiree Capital Partners) pursuant to the Retiree MHHL Loan Note Instrument, the Retiree MHA Advisory Loan Note Instrument, and the Retiree Company Loan Note Instrument;
“Retiree Capital Partner Loan Notes Trust”	a trust known as the Retiree Capital Partner Loan Notes Trust the trustee of which is MHT and the beneficiaries of which are the Retiree Capital Partners (as defined therein);
“Retiree Capital Partner Membership Interest”	a Retiree Capital Partners’ entire legal and beneficial interest and share of any nature in MHA LLP, including in respect of capital, income and profits of MHA LLP which shall be represented by the Allocated Capital Points (as defined in the MHA LLP Partnership Agreement), and all of the Retiree Capital Partners’ financial, administrative and other rights and obligations in relation to or in connection with MHA LLP as set out in the MHA LLP Partnership Agreement or otherwise;
“Retiree Company Loan Note Instrument”	the loan note instrument entered into by the Company in relation to the Reorganisation pursuant to which loan notes are issued to MHT (as trustee on behalf of the Retiree Capital Partners) by the Company in exchange for the loan notes issued to MHT (as trustee on behalf of the Retiree Capital Partners) pursuant to the Retiree MHA Advisory Loan Note Instrument, a summary of which is set out at paragraph 16.19 of Part V of this document;

“Retiree MHA Advisory Loan Note Instrument”	the loan note instrument entered into by MHA Advisory in relation to the Reorganisation pursuant to which loan notes are issued to MHT (as trustee on behalf of the Retiree Capital Partners) by MHA Advisory in exchange for the loan notes issued to MHT (as trustee on behalf of the Retiree Capital Partners) pursuant to the Retiree MHHL Loan Note Instrument, a summary of which is set out at paragraph 16.9 of Part V of this document;
“Retiree MHHL Loan Note Instrument”	the loan note instrument entered into by MHHL in relation to the Reorganisation pursuant to which loan notes are issued to MHT (as trustee on behalf of the Retiree Capital Partners) by MHHL in return for the Retiree Capital Partner Membership Interest of each Retiree Capital Partner, a summary of which is set out at paragraph 16.7 of Part V of this document;
“SDRT”	UK stamp duty reserve tax;
“Selling Partners”	certain of the Capital Partners, together with certain Retiree Capital Partners who are releasing capital by way of repayment of their Loan Notes from the Placing proceeds;
“Share Dealing Code”	the code to be operated by the Company from Admission which governs the restrictions imposed on persons discharging managerial responsibility and the persons closely associated with them (as defined in MAR) in relation to dealings in the Company’s securities;
“Securities Act”	the United States Securities Act of 1933 (as amended);
“Shareholder” or “Shareholders”	holder or holders of Ordinary Shares in the Company;
“subsidiary” or “subsidiary undertaking”	have the meanings given to them by the Act;
“Takeover Code”	the City Code on Takeovers and Mergers issued and administered by the Panel, as amended, modified or supplemented from time to time;
“Takeover Panel”	the Panel on Takeovers and Mergers, in the UK;
“Terms and Conditions”	the terms and conditions which apply to persons making an offer to acquire UK Placing Shares under the UK Placing, as set out in Part VI of this document;
“TUPE”	the Transfer of Undertakings (Protection of Employment) Regulations 2006;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Placing”	the conditional placing of UK Placing Shares to Placees outside of the US by Cavendish as agent for and on behalf of the Company pursuant to the terms of the Placing Agreement;
“UK Placing Shares”	the new Ordinary Shares to be issued and allotted at the Placing Price, pursuant to the UK Placing;
“uncertificated” or “in uncertificated form”	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST;
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
“US Placing”	the conditional placing of US Placing Shares by Beech Hill as agent for and on behalf of the Company pursuant to the terms of the Placing Agreement;

“US Placing Shares”	the new Ordinary Shares to be issued and allotted at the Placing Price, pursuant to the US Placing;
“VAT”	UK value added tax; and
“£”, “GBP” or “pounds sterling”	United Kingdom pounds sterling, the official currency of the United Kingdom.

PART I

INFORMATION ON THE GROUP

The following information should be read in conjunction with the information appearing elsewhere in this document including (i) the Combined Group's audited combined consolidated historical financial information for each of the three years ended 31 March 2024; and (ii) the Moore and Smalley Group's audited historical financial information for each of the three years ended 31 March 2024 and the unaudited interim condensed combined historical financial information for the Combined Group for the six months ended 30 September 2024 and the six months ended 30 September 2023.

1. Introduction

Founded in 1869, MHA is a leading professional services provider of audit and assurance, tax, accountancy and advisory services, based in the UK with an international presence. MHA considers itself as a "trusted advisor" to its clients, offering skills and services across multiple disciplines and sectors.

The Group is led by its Managing Partner and Group Chairman, Rakesh Shaunak, who is also a member of the Baker Tilly International Board, a Chartered Accountant and a member of the Chartered Institute of Taxation.

MHA employs more than 1,800 people and has 160 Partners (including 10 retiree Partners), across its network of 23 offices, mostly in the UK as well as in Ireland and the Cayman Islands.

Market position and growth

The Combined Group has grown organically and through acquisitions to become the UK's 13th largest accountancy firm by revenue in 2023 and was also the joint fastest growing UK accountancy firm that year out of the top 20 largest firms (www.accountancytoday.co.uk/top-30-accountancy-firms-uk-2023-2024).

The Group has experienced strong growth, generating revenue CAGR of 13.7% during the ten-year period to FY24.

Over the past five years, MHA's average fees from its top 10 clients have increased by approximately 224%, with particularly high growth in its Audit and Assurance division. Since 2016, revenue per Partner has increased by a multiple of over 2.5x from £0.6 million to £1.6 million in 2024. In FY24, the Group had recurring revenue of 87%.

MHA has a medium-term aspiration to become a top 10 UK accounting and professional services business, generating in excess of £500 million annualised revenue.

Regulatory tailwinds

MHA's growth has been assisted by favourable regulatory factors, such as the increasing complexity of financial reporting and auditing standards and the volume of regulation facing MHA's clients, which has supported the significant increase in MHA's average client fees. The Directors believe that the rising levels of regulation designed to improve audit quality, the impact of strengthening controls over independence and the provision of non-audit services, and the withdrawal of many audit firms from the public company audit market, present greater opportunities for MHA to increase market share and achieve growth.

BTI Network membership

MHA has been an independent member of the BTI Network since 2014. The BTI Network is a major global network of independent accountancy and business advisory firms, comprising 43,500 people across 143 territories and generating approximately \$5.62 billion in revenue. Whilst the Group trades under the MHA brand in the UK, it benefits from being the UK and Ireland's representative of the BTI Network, enabling it to leverage the Baker Tilly brand and access internationally recognised experts for new business referrals and cross-border projects. The Directors believe that MHA's membership of the BTI Network presents further growth opportunities for the Group.

Strategic acquisitions

The Company has completed multiple strategic acquisitions to expand and diversify its services and additional targeted acquisitions will continue to be a key component of MHA's growth strategy following Admission. In April 2024, the Company completed its largest acquisition to date, Moore and Smalley, a UK-based firm of chartered accountants and business advisors, previously part of the MHA network. Moore and Smalley generated £30.4 million in revenue in FY24 and its acquisition added approximately 400 employees to the Group. The UK accountancy market remains fragmented and presents further opportunities for MHA to undertake further selective "bolt-on" acquisitions. MHA is also exploring cross-border acquisition opportunities, which may include other existing members of the BTI Network that are already known to MHA and which may share similar operating models.

Competitive advantage and approach

The Directors believe that MHA has established a competitive advantage through its partner-led, sector-specialised approach to new business. The Group's 'go-to market' strategy centres on sector specialisms, supported by national and global services delivered through and sourced in part from the BTI Network. MHA has a diversified service offering, working with a large and diverse client base across multiple sectors and low customer and sector concentration risk.

Historical financial performance

The Combined Group's audited combined consolidated historical financial information for each of the three years ended 31 March 2024 and unaudited results for the six months ended 30 September 2024 are set out below.

	FY22	FY23	FY24	H125
	£ million	£ million	£ million	£ million
Revenue	90.8	112.8	154.0	107.2
EBITDA*	37.1	48.9	61.6	41.0
PAT*	32.5	44.0	56.3	44.4

* Prior to Admission, MHA was a partnership and therefore historical EBITDA and PAT figures are reported prior to distribution of profits to its Partners

IPO rationale

The Company is seeking Admission to facilitate its next stage of growth by raising £95.8 million (before expenses) on Admission through the issue of the Placing Shares at the Placing Price. The Directors believe that an IPO on AIM will provide a strong platform for the Company to continue to attract, incentivise and retain staff across the business, strengthen its market position as a fast-growing accountancy firm and enhance its profile with existing clients, target clients, introducers of new business and potential acquisition targets.

Use of proceeds

The net Placing proceeds will be used, *inter alia*, to invest in technology to accelerate growth, including AI, driving efficiencies within data collection and analysis and support further bolt-on acquisition opportunities. Furthermore, £76.8 million of the net proceeds of the Placing will be used to repay the Loan Notes to effect the release of capital by 19 Retiree Capital Partners, as well as certain continuing Partners (the "Selling Partners"). The net proceeds of the Retail Offer will also be used for technology investment and to facilitate bolt-on acquisition opportunities.

2. Key strengths

The Directors believe that the key strengths of the Group include its:

- *Large and diverse client base* – the Group services a large client base across multiple sectors. During the three years to FY24, MHA's total number of clients ranged between 14,000 and 17,000, with the top 10 clients representing between only 6% and 8% of total Group revenue during the same period.
- *Diversified services* – MHA provides multiple professional services enabling it to expand existing client relationships and generate additional revenue through cross-selling to existing clients.

- *M&A track record* – the Group is an experienced acquirer and integrator of businesses, having completed numerous acquisitions since inception and seven over the past three years. The Group will continue to pursue strategic bolt-on acquisitions with an initial focus on new regions across the UK and new service lines to support cross-selling efforts. The Company is also exploring cross-border M&A opportunities, including other existing members of the BTI Network which are already well-known to MHA.
- *High recurring revenue* – MHA's services are recurring in nature with much of its business linked to clients' regulatory and reporting requirements. These include ongoing annual audits for public and private company clients or monthly and annual services for processing tax returns and accounts preparation for smaller owner-managed businesses or high net worth individuals.
- *Financial performance* – the Group has demonstrated strong historical revenue growth, generating a CAGR of approximately 13.7% over the past 10 years. The Group has typically high cash conversion, with approximately 90% of profit before tax converted to operating cash flow over the last three years, and benefits from low capital expenditure requirements. Average lock-up days, which is a KPI measuring the period of time between the Group starting work to receiving payment, were 77 during FY24.
- *BTI Network membership* – as the UK representative of the BTI Network, the Group has access to a global network of professional services providers across Africa, Asia Pacific, Caribbean, Europe, Latin America, Middle East and North America. The BTI Network comprises approximately 43,500 staff across 700 offices and 143 territories. The BTI Network facilitates growth opportunities through referrals from global members, where the Group's services are required and by being a secure referral route for MHA clients expanding overseas.
- *Sector specialist approach to new business* – the Group engages with the market and new business opportunities primarily through sector-focused teams, supported by national and global services delivered through the BTI Network. The Directors believe that this has been a key driver of the Group's growth.
- *Culture* – MHA has established a culture focused on providing exceptional client service, empowering its partners and employees to set the highest standards and to take responsibility and ownership for the quality of services delivered. MHA has high Partner retention (98% over the past two years, excluding retirements).

3. History and development

The original firm that became MacIntyre Hudson was established in 1869 and was a founding member of the Institute of Chartered Accountants in England and Wales. MHA and its predecessor firms have since expanded across the UK both organically and through strategic acquisitions. The past 15 years in particular have seen a significant period of corporate activity for the Group.

In 2005, Rakesh Shaunak, Managing Partner and Group Chairman, joined the partnership and in 2010, established the MHA brand through the foundation of the Group's member network, MHA UK, a national association of independent accountancy firms. The establishment of MHA UK provided the Group with wider geographical reach and collaboration opportunities to other accounting practices.

In 2014, MHA became a UK member of the BTI Network, a global top 10 professional services network of independent accountancy and business advisory firms. Joining the BTI Network has proven to be an important milestone for the Group, accelerating new business wins through client referrals and access to resources in over 140 countries through a well-recognised and established brand with a strong reputation. As well as the UK, MHA also has the rights to use the Baker Tilly brand in Ireland and the Directors believe that MHA has become an integral and closely engaged member of the BTI Network at every level. This membership provides a scalable international conduit to market, to share sector initiatives and the ability to develop new clients together.

Since joining the BTI Network, MHA has continued to expand its presence and diversify its services. In 2014, new offices were established in Thames Valley and in 2015, MHA acquired Bloomer Heaven, a Birmingham based accountancy business which enhanced MHA's offerings in

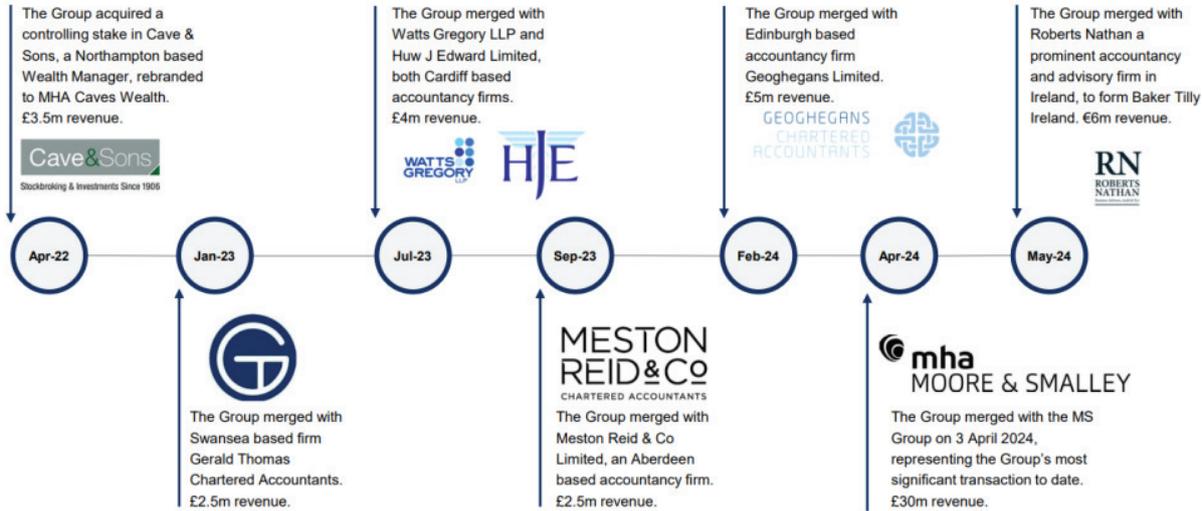
the UK's second largest city and in key industries such as manufacturing, engineering and construction.

Between 2022 and 2024, MHA completed a further seven acquisitions. The purchase of a controlling stake in Cave & Sons Limited ("Cave & Sons") (now wholly owned) and subsequent acquisition of Gerald Thomas Wealth Management Limited in 2022 established the Group's new wealth management division. In April 2024, the Group completed the acquisition of Moore and Smalley, which provides accountancy and other financial advisory services, generating £30.4m of revenue in FY24. This acquisition added approximately 400 additional employees to the Group and has significantly strengthened MHA's presence in the North-West of England.

MHA's first Irish offices were launched in 2024 following the acquisition of Roberts Nathan, an accountancy and advisory firm, which now trades as Baker Tilly Ireland, enabling leverage of the brand in Ireland.

In 2023, MHA was listed as the UK's 13th largest accountancy firm by revenue (*source: www.accountancytoday.co.uk/top-30-accountancy-firms-uk-2023-2024/*). The Group currently employs over 1,800 employees and has 160 Partners (including 10 retiree Partners).

MHA's recent M&A activity:



4. Business overview

The Group's services are described below within four divisions:

1) Audit and Assurance Division

Audit and Assurance is the Group's primary service line. Core services within this division include external audit, financial reporting, governance, risk and compliance and grant and royalty audit. Clients comprise mostly private SME businesses as well as listed companies across multiple sectors. In FY24, the Audit and Assurance division contributed approximately 52% of the Group's total revenue, with the majority derived from audit services. The key components of the audit work carried out by MHA involve auditing of financial statements, evaluation of the effectiveness of a client's reporting framework, testing of a client's compliance with relevant rules and regulations, risk analysis and provision of audit opinions. The Group's assurance services include ESG assurance, where a client's ESG disclosures and practices are reviewed and validated, and grant audit, which involves verification that grantor funds have been appropriately applied.

The Audit and Assurance division has been MHA's largest growth driver in recent years, achieved through winning larger clients and higher value PIE audits. MHA's entry into the PIE audit market, which includes international banks and other listed companies helped drive an increase of approximately 224% of the Group's average fees from its top 10 clients over the past five years, with the number of audit reports issued for PIE audit clients increasing from 19 in FY22 to 38 in FY24.

Contracts within the Audit and Assurance division are typically structured as annual contracts, subject to renewal by the client.

2) Tax Division

The Group offers a range of tax services for businesses and individuals, with expertise in both domestic and international tax compliance and advice. In FY24, the Tax division contributed approximately 19% of the Group's total revenue. The Group's core tax services are as follows:

- *Corporate tax* – MHA assists corporate clients in remaining compliant with relevant tax regulations and advises on optimal tax structures, including for M&A and other corporate transactions.
- *Private client tax* – MHA provides a variety of tax advice services to individuals including tax efficient structuring of assets and investments, inheritance tax planning and international tax advice.
- *VAT* – MHA advises businesses on compliance with VAT legislation and other indirect taxes (e.g. excise and customs duties); multi-territory VAT compliance and disputes and investigations with HMRC.
- *Research and development* – MHA assists businesses to better understand their qualifying R&D activities, maximise cost recovery and reduce corporation tax.
- *Fee protection service and tax disputes* – MHA receives a retainer fee from certain corporate and individual clients to cover the cost of tax enquiries which may be made by HMRC into the client's tax affairs. MHA provides separate mandates for tax dispute services where clients may wish to engage with HMRC enquiries.

The Group's tax services are commonly used as an initial point of engagement with new and prospective clients and can lead to longer term revenue opportunities. For example, personal tax services may be offered to individuals who manage private companies for which MHA currently acts.

Contracts within the Tax division are typically structured as an annual contract, subject to annual renewals by the client.

3) Accounting and Business Advisory Division

The Group provides a range of accountancy, business advisory and outsourcing services including corporate finance, restructure and recovery, corporate forensic accounting, HR solutions, payroll, bookkeeping and cloud accounting. In FY24, the Accounting and Business Advisory division contributed approximately 27% of the Group's total revenue. The core services provided within this division are as follows:

- *Accountancy* – MHA's assists businesses, typically companies or international groups setting up in the UK for the first time, with the preparation of their management and company statutory accounts where they may not have the requisite internal resources.
- *Business advisory* – MHA offers forensic accounting services to assist with fraud investigations or asset recovery. More recently, MHA offers clients ESG advisory services to assist corporations with the creation and implementation of their ESG policies and frameworks.
- *Corporate finance* – MHA provides lead advisory M&A, financial due diligence, capital markets and valuation services including investor-ready advice for companies seeking a public listing.
- *Outsourcing* – MHA provides outsourced services to assist companies with their back-office functions. These include payroll services, employee benefits administration; workforce administration services such as TUPE transfers and redundancy matters, company secretarial services, and outsourced finance functions.
- *Restructure and recovery* – MHA assists companies and partnerships in financial difficulty, providing advice on insolvency processes including administrations, company voluntary arrangements and other restructurings.

Contracts within the Accounting and Business Advisory division comprise a mix of transaction-specific mandates (such as for capital markets transactions) as well as annual contracts such as for ongoing accountancy services.

4) Wealth Management Division

Wealth management is a more recently established service line and was introduced in its current form through the acquisition of Cave & Sons, a Northampton based financial adviser, in April 2022. In FY24, the Wealth Management division contributed approximately 2% of the Group's total revenue.

Principally, the Group's wealth management clients comprise high-net-worth individuals. The Group provides a variety of wealth management services including financial planning, inheritance tax planning and pension advice.

The Group generates fees through charging a percentage of its funds under management ("FUM") across its discretionary and advisory accounts.

Whilst this division currently represents a small portion of the Group's revenues, the Company plans to increase its size through cross-selling across its existing client base, which has proven a successful strategy within MHA's tax division. The acquisition of Moore and Smalley, which also provides wealth management services, has contributed to growth within this division and the Company expects total FUM to exceed £1 billion during 2025.

5. Clients and sectors

MHA has a large and diverse client base ranging from large public and private companies to individual wealth management clients. The majority of revenue is derived from small and medium sized private companies, which are typically owner-managed. Between FY22 and FY24, MHA's clients ranged between 14,000 and 17,000 in number with its top 10 clients representing between approximately 6% and 8.0% of the Group's total revenue, demonstrating its low customer concentration risk. MHA has predictable revenue streams with a high level of recurring revenue (approximately 87% in FY24), assisted by ongoing regulatory requirements such as the need for periodic audits for private and public company clients. The Group also benefits from cross selling opportunities across its multiple divisions and services.

The Group has benefited from strategically targeting an increase in the number of PIE clients, which are typically larger companies subject to more stringent regulatory oversight. Between FY22 and FY24, the number of PIE clients increased from 19 to 38. This client trend has been an important factor in the Group's recent revenue growth and MHA will continue to focus on winning more PIE audits, as well as retaining existing PIE clients for further audits.

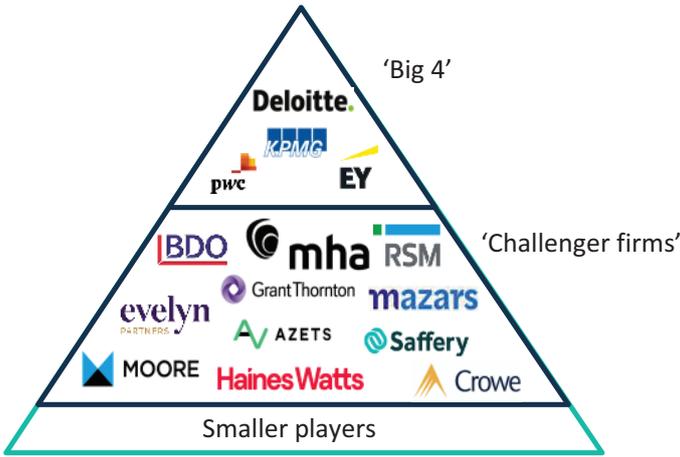
MHA services companies across multiple industries and has no reliance on any particular sector. The largest revenue contributors during FY24 were construction and real estate, financial services, consumer products, professional services and manufacturing & engineering. MHA has seen particularly strong growth in revenue from clients in the financial services sector, driven in part by a consolidation of financial service firms across the UK. The Group is also able to cross-sell its additional services to existing clients which will continue to be a key focus of the Company's growth strategy, particularly in wealth management.

MHA targets new clients and new business through a partner-led, sector-specialised, approach. The Partners are typically assigned a sector specialism and encouraged to focus efforts on new client targets within that sector. The Directors believe that this approach to winning new business provides MHA with a competitive advantage, with MHA better able to demonstrate its understanding of the businesses and requirements of its clients. This sector-specific approach is assisted through MHA's membership of the BTI Network, where Partners can actively utilise cross border sector expertise and resources from the BTI Network, as well as receive and provide referrals for new potential clients working with other sector-specialists across the BTI Network. In addition, MHA also has a dedicated business development team of six, supported by a marketing team of 30 employees working with new business generators across all regions.

6. Market overview, drivers and competition

MHA operates predominantly within the UK audit and accounting market. The UK accounting and audit market overall is estimated to generate revenue of £8.8 billion in FY25 and has increased at a CAGR of approximately 5.0% since FY20. This is currently dominated by the Big Four who represented approximately 59.0% of this market in FY24 by revenue, although this share is forecast to reduce to approximately 58.5% in FY25 (IBISWorld: September 2024). The remainder of the

market is comprised of a small number of mid-market firms, including MHA, with a larger number of smaller firms:



Expansion of the UK audit and accounting market and the anticipated reduction in the Big Four's market share has been driven by regulatory pressures providing opportunities for accounting firms such as MHA. In the UK, the Financial Reporting Council (“FRC”) serves as the disciplinary body for the accounting and actuary profession. The FRC has continued to investigate audit firms in response to high-profile unexpected corporate failures with the aim to improve audit quality. As a result, there has been heightened regulatory demand for higher quality audits. Accountancy firms have also been impacted by skill shortages driven by Brexit, COVID-19 and inflationary pressures. Furthermore, certain audit firms have withdrawn from the PIE audit market altogether because of the associated cost of compliance. As a result, audit firms remaining in the PIE market, including MHA, have increased audit fees to reflect the additional work required. The Group's average fee growth from its top 200 clients overall, between FY20 and FY24, is summarised below:

Top clients by fees	Average fees in FY20*	Average fees in FY24*	% increase*
Top 10	£262k	£850k	+224%
Top 11 – 20	£124k	£448k	+261%
Top 21 – 100	£77k	£221k	+187%
Top 100 – 200	£49k	£116k	+137%

* Approximate figures

The 2016 audit reforms, introduced through the EU Audit Regulation and Directive, mandated auditor rotation and imposed restrictions on non-audit services provided to PIEs. These changes aimed to enhance audit quality and promote auditor independence, indirectly addressing market concentration concerns related to the dominance of the Big Four.

Consequently, the number of audit reports issued by the Group for PIE audit clients increased from 19 in FY22, to 38 in FY24 and in H125 increased further to 45. The Group generated £12.9 million of revenue from PIE audits in FY24 (FY22: £4.2 million; and FY23: £4.7 million) and the average audit fee per PIE client increased from £222k in FY22 to £339k in FY24.

The UK audit and accounting market is experiencing heightened corporate activity, increased M&A activity and rising third-party investment, driven by factors such as the retirement of ageing partners, evolving regulatory demands, and increasing client expectations for specialist services. Increased M&A within the accountancy industry is facilitating firms to scale quickly and diversify their offering. The market remains fragmented with many smaller accounting businesses and MHA has been an attractive consolidator for such businesses and strengthened its competitive position. The Directors believe that client demand for trusted advisers who can offer multiple services and assist clients within an increasingly complex regulatory environment, will continue to increase.

7. Business locations

The Group operates through its network of 23 offices, located across the UK, including London, the Southeast, the Midlands, the Northwest, Wales and Scotland. Additionally, the Group has operations in Ireland and the Cayman Islands. The Group’s administrative headquarters are in Milton Keynes.

The Group’s locations:



For FY24, the Group’s highest revenue generating locations as a percentage of total Group revenue were London (and national services run from London) (approximately 56%), Central (Milton Keynes and Peterborough) (approximately 17%), Thames Valley (approximately 8%) and the Midlands (approximately 7%).

8. Growth Strategy

Organic growth

Following Admission, the Group expects to focus on driving organic growth through; winning new and larger PIE clients; winning new owner-managed business and high-net-worth clients; expanding and diversifying its range of services; increasing cross selling between divisions; investing in technology to enhance efficiencies; improving output and increasing lateral partner and employee hires.

Securing new PIE clients within the Audit and Assurance division remains a strategic priority for organic growth, given that this audit work typically generates larger fees and provides the potential for longer term revenue from repeat audits. Furthermore, noting the high cross-selling opportunities and long-term revenue potential from owner managed businesses and high net worth individual clients, MHA will target further client wins in these areas. The Company will continue its sector-focused marketing approach utilising the BTI Network, where required, to win new clients.

Whilst MHA already provides multiple services to non-PIE clients within audit, accounting, business advisory and outsourcing, it intends to expand its services and deepen expertise where it currently has no, or limited, operations. This includes adding new services such as digital consultancy and building on its relatively small ESG consultancy services, which the Directors believe present attractive growth markets. MHA also plans to build its nascent Wealth Management division to represent a larger portion of Group revenues, targeting approximately 10%.

The Group continues to exploit cross selling opportunities across its divisions. Currently, more than half of MHA's clients pay for more than one service. Cross selling activity is currently the most prevalent across the Company's audit, accounting and taxation services, where MHA is able to offer separate taxation advice to existing individual and corporate clients. MHA will seek to enhance its cross-selling activity, in part through incentivising Partners and future Partners by including a measure of this activity as a KPI in their appraisal processes.

The Group plans to invest further in technology to increase output and efficiencies. Technological innovations are transforming the industry and the Directors believe that those able to make the necessary investments will benefit significantly. For example, additional technology investment could enable the automation of certain back-office processes, such as client onboarding and anti-money laundering procedures. MHA also plans to invest in analytics to improve data extraction and better identify cross selling opportunities, such as between the Wealth Management and Tax divisions. Technology investment can also assist in client project work, such as with sample selections required on audit or the use of generative Artificial Intelligence ("AI") to aid research and basic report writing.

Alongside the investment in the growth strategy described above, the Directors believe that Admission and the Group's longer-term equity incentive structure will attract and retain more high-quality partners and employees, and facilitate further acquisitions, to augment longer term growth.

Inorganic growth – acquisition strategy

M&A activity has been a significant driver of the Group's revenue growth and this will remain a key strategic focus going forward.

The accountancy market remains fragmented with a large number of small firms in operation, offering opportunities for further consolidation by MHA. Having completed multiple M&A transactions since the business was founded, the Directors believe that MHA has a proven ability to successfully acquire and integrate smaller competitors.

In the UK, the Group plans to increase its presence through selective "bolt-on" M&A of smaller accounting and other professional services businesses with an initial focus on Scotland, the North-East and the South-West. MHA's priority is to maximise revenue per office as opposed to opening a large number of new offices. In that regard, the Company will seek to integrate partners and employees of newly acquired business into the Group's existing offices in the relevant region, where there is capacity to do so. The Directors are proud of the culture of the Group and believe that this will continue to be an attraction for lateral hire partners or further "bolt-on" acquisition targets.

Furthermore, the Group plans to undertake selective cross border M&A. Whilst the Group has international access through the BTI Network, it has just three offices outside of the UK, located in Ireland and in the Cayman Islands. MHA's near-term acquisition opportunities continue to include existing members of the BTI Network in Europe. BTI Network members present attractive acquisition targets to MHA, given that many are well known to the Group, share common practices and have similar cultures. Transactions of this type would accelerate integration and reduce integration risk.

Acquisition strategy and key target characteristics:

The Group is in regular dialogue with potential targets and the Directors believe that MHA is an attractive acquirer for vendors. MHA prioritises the following criteria and methodology when seeking a new acquisition/merger:

- Target culture must be aligned with that of MHA's and should there be any concerns regarding cultural fit, MHA will not proceed with the acquisition.
- Target must be a strategic fit based on a combination of services, sector, geography and people.
- Target should have a strong financial track record and growth potential.
- MHA must have identified a clear route to an effective integration plan based on operational synergies and a commercial appraisal of each target's client base, financial profile and growth potential. Integration processes are typically completed between 12 and 24 months and determined case by case on the firm concerned, its clients and senior team, and the local market opportunities.

As at the date of this document, the Company has identified several attractive acquisition targets of varying sizes, offering the potential for new strategic locations.

The Directors are mindful of the requirement to maintain such level of independent shareholders so as to enable the Company to always be regarded as an independent public company. Following Admission, MHA will structure acquisitions with a combination of cash and Ordinary Shares to ensure an appropriate ongoing level of free float.

9. Environmental Social and Governance (ESG)

The Group is conscious of its ESG responsibilities and has put in place measures to achieve appropriate ESG standards for a business of its nature and size and these are continually developed.

Environmental

MHA supports the UK Government's plans to reduce greenhouse gas emissions to net zero carbon ('Net Zero') by 2050 by ensuring it performs all reasonable procedures to be a Net Zero organisation by 2030. To achieve this, MHA raises awareness within the firm via climate change workshops, implements an internal training certification, and creates climate transition plans with emissions targets.

MHA is committed to providing its people, clients, and suppliers with the support necessary to enable them to contribute meaningfully to achieving the Group's 'Sustainability Promise'. The Group is committed to the Science Based Targets Initiative and setting reduction targets in line with globally recognised high standards.

Social

The Group is guided by its purpose and values. MHA strives to support local communities and is committed to contributing meaningfully to a sustainable society. The Directors believe that creating a sustainable and responsible firm is of utmost importance to the individuals throughout MHA.

The Group's positioning statement 'Global Expertise, National Experience, Local Excellence' is reflected in the structure of the Company's ESG policy which seeks to ensure MHA's operations have an external positive impact. From protecting the wider environment, to supporting national and local communities with specific projects, MHA demonstrates commitment to communities in a number of ways. MHA is dedicated to investing in its people and ensuring an inclusive workplace to help them thrive, personally and professionally.

Governance

The Board recognises the value and importance of high standards of corporate governance and, with effect from Admission, intends to observe the requirements of the QCA Code. The Group is confident of the integrity of internal controls and robust financial reporting procedures and is committed to stakeholder engagement with active communication and investor reviews. Further details as to the Company's approach to governance are set out below and in Part II of this document.

10. Corporate Governance

The Company will, to the extent practicable for a company of its size and nature, follow the QCA Code, and will establish, with effect from Admission, Audit & Risk, Remuneration and Nomination committees, each with their own terms of reference, the members of which comprise the non-executive Directors as set out in paragraph 15 of Part V of this document.

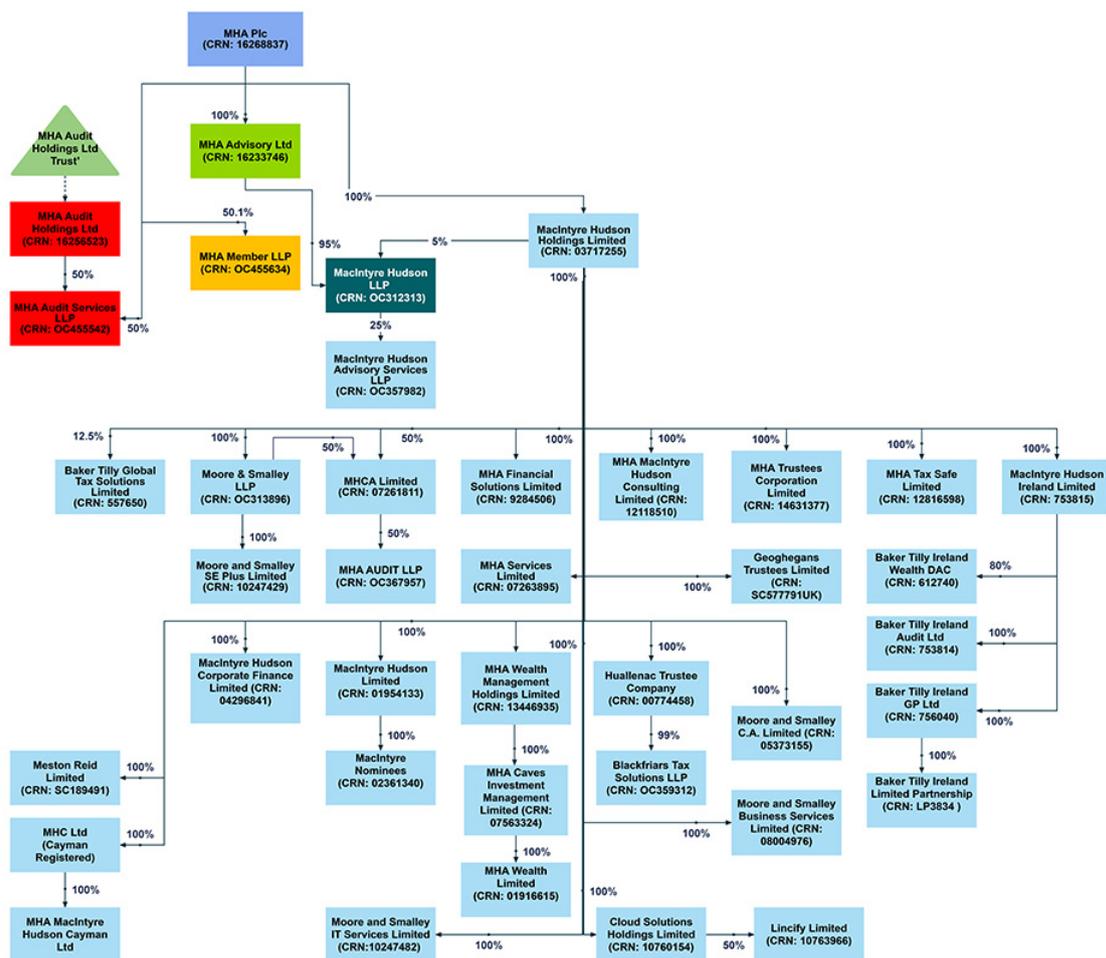
With effect from Admission, the Board will review the effectiveness of the Company's system of internal controls in line with the requirements of the QCA Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliance and risk management, for which the Company has the necessary procedures in place. The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company.

Further details of how the Group intends to comply with the QCA Code are set out in Part II of this document and on its website. The Board will review this information annually in accordance with the requirements of Rule 26 of the AIM Rules.

11. Reorganisation

The Group intends to complete the Reorganisation in order to make the Company the holding company of the Group and to change the governance and Partner remuneration structures of the Group so as to be suitable for an AIM company and in order to align Partners' interests with Shareholders. As at the date of this document, the Reorganisation has been partially finalised with steps 5-12 (inclusive) identified in paragraph 3.1 of Part V of this document outstanding. These steps are intended to be completed after the date of this document but prior to Admission. Admission will not occur if the Reorganisation does not complete in its entirety.

The structure of the Group following completion of the Reorganisation is set out below:



Note: (1) percentage holdings shown detail the beneficial interest held by MHA in each entity as at the date of this document. (2) where such interest shown is less than 100%, the remaining interest(s) are held by third parties (not shown). (3) in respect of certain entities transferred intra-group pursuant to the Reorganisation, registration of the transfer of legal title may still be outstanding pending certain formalities e.g. settlement of stamp duty or adjudication of nil duty payable. (4) the ownership of MHA Audit Services LLP is structured in this way in order to allow appropriate independence and control of the audit function within the Group by certain responsible individuals (RIs) in line with applicable regulatory requirements including without limitation the UK Audit Firm Governance Code.

Further details of the Reorganisation and the material contracts associated with it can be found in paragraphs 3 and 16 of Part V of this document.

12. Current trading and prospects

Since the six month period ended 30 September 2024, the Group has continued to trade in line with the Directors' expectations both as regards revenue growth and operating margins. During this time, the Group has also actively progressed the integration of the acquisitions made in H125 and continues to assess new acquisition opportunities.

The last quarter of each financial year is traditionally the most active for the Group, as many corporate clients move into their annual audit cycle and tax clients filing and payment deadlines arise. These revenues are expected to have built on the Group's strong operational performance in the first nine months of the year.

Given the positive trading performance to date and their assessment of the strength of the Group's growth strategy, transaction pipeline and proven business model, based on organic and selective acquisitive growth, the Directors have confidence in the Group's results for the financial year ended 31 March 2025, and for its prospects beyond.

13. Directors and Senior Management

A brief biography of each Director is set out below. Details of the terms on which each Director is engaged by the Company are set out in paragraph 11 of Part V of this document.

Executive Directors

Rakesh Shaunak (aged 69) – Chief Executive Officer

Rakesh currently serves as the Managing Partner and Chairman of MHA and will become Chief Executive Officer of MHA from Admission. He is also a Senior Director at Baker Tilly International, where MHA is a UK member. Rakesh is a qualified Chartered Accountant, having trained with a top five firm, and is a member of the Chartered Institute of Taxation. His expertise includes business advisory services, with a significant portfolio of corporate clients. As an Audit Partner, he oversees several of MHA's PIE audits, including those of international banks and listed companies. Additionally, Rakesh is a non-executive director of Glenstone REIT plc and was formerly Chairman of the Audit and Risk Committee at the Chartered Institute of Taxation. Rakesh was appointed as statutory director of the Company on 21 February 2025.

Steven Moore (aged 62) – Chief Financial Officer

Steven qualified with MHA and became a partner in 1989. He has been a member of the Board since 2011 with responsibility for the Group's finances and will continue as Chief Financial Officer from Admission. He has worked closely with Rakesh on the Board for the past 13 years and leads on the mergers and acquisitions across the Group. He is Regional Chair of the Central, Midlands and Welsh regions. Steven has a client facing role specialising in the professional practices sector. He is a qualified Chartered Accountant and an audit Registered Individual. His experience includes providing business advisory services to mid to large privately owned businesses and subsidiaries of foreign parents. Steven was appointed as statutory director of the Company on 21 February 2025.

Non-executive Directors

Geoffrey Barnes (aged 79) – Non-executive Chairman

Geoff formerly served as the executive Chairman of Casson Beckman, a leading mid-tier accountancy and professional services business, and was instrumental in the firm's merger with Baker Tilly in 1997. He later led Baker Tilly International's global growth as CEO, expanding the network and growing revenues to \$3.8 billion by the time of his retirement in 2016. He was also previously Chairman of the International Advisory Panel at the Institute of Chartered Accountants in England and Wales ("ICAEW"), as well as a former member of the ICAEW governing council. Geoff currently serves as the non-executive Chairman of the Supervisory Board at Baker Tilly South East Europe Ltd (a non-statutory position) and as the senior non-executive director and Chairman of the Audit Committee at AIM-quoted CML Microsystems Plc. Geoffrey was appointed as statutory director of the Company on 9 April 2025.

Linda Main (aged 62) – Independent Non-executive Director

Linda is an experienced non-executive Director with considerable board experience and expertise in corporate governance structures and risk across a diverse range of businesses. Linda was

previously a partner of KPMG LLP, where she led its equity capital markets advisory group. She was a board member of KPMG between 2018 to 2023, as well as chair of its risk committee. Since 2024, she has been a board member of the Quoted Companies Alliance as well as non-executive Director of an AIM quoted company in the energy sector. She is also currently a partner at Gara Strategic Advisory, an advisory firm focused on supporting companies considering an IPO. Linda was appointed as statutory director of the Company on 9 April 2025.

Sir Robert (“Bob”) Neill KC (aged 72) – Independent Non-executive Director

Sir Bob is an experienced leader, Chairman, and policy expert with a track record in governance, law, and public affairs and was a practising British criminal law barrister, specialising in criminal and complex fraud cases with a regulatory focus, from 1975 to 2008. In 2006, Sir Bob was elected as the Member of Parliament for Bromley and Chislehurst, serving until 2024. During his tenure, he held several significant positions, including Parliamentary Under-Secretary of State for London, Local Government, and Planning at the Department for Communities and Local Government from May 2010 to September 2012 and Chair of the Justice Select Committee for the House of Commons from June 2015 to May 2024, where he was an advocate for the criminal justice system and legal aid. From 2002 to 2006, Sir Bob was a non-executive Director for the Northeast London Strategic Health Authority and a Member of the London Assembly from 2000 to 2008. In recognition of his public service, Sir Bob was knighted in the 2020 New Year Honours and was appointed an Honorary King’s Counsel in January 2024 for his contribution to political service. As well as having a track record of supporting and building teams from diverse backgrounds to deliver exceptional results, Sir Bob has a law degree from the London School of Economics and Political Science and is a Fellow of the Royal Society of Arts. Sir Bob was appointed as statutory director of the Company on 9 April 2025.

Senior Management

In addition to the executive Directors named above, the Company’s senior management team comprises the following:

Andrew Moyser (Partner, Head of Audit), aged 43

Andrew has worked at MHA since 2005 and is currently Head of Audit. He works closely with the Managing Partner and Group Chairman to oversee audits of the Group’s PIEs, listed companies, and some of its largest clients. Andrew is responsible for managing the Group’s relationship with the Financial Reporting Council (“FRC”), leading the Audit Quality Board and the Audit Council. He also serves as Chairman of the Baker Tilly Audit and Assurance Strategy Panel, contributing to the strategic direction of BTI’s audit services. Andrew ensures the firm’s audit quality as he reviews the firm’s high-profile clients and complex audits. Andrew leads the firm’s audit innovation project and is responsible for bringing Data Analytics and Artificial Intelligence into MHA’s audit procedures.

Martin Herron (Partner, Chief Risk Officer), aged 56

Martin is the Group’s Chief Risk Officer and has been a partner since 2005. He joined the Group Board in 2023 and is responsible for professional indemnity insurance and broader risk management. Martin has extensive experience in providing audit, accounting and business advisory services to mid to large privately owned businesses, subsidiaries of foreign parents and AIM quoted entities. He has been acting as an assurance partner with MHA LLP since 2002 and during this time has acted as MHA’s Audit Compliance Partner.

Graham Gordon (Partner, Head of Wealth Management), aged 57

Graham is the Head of Wealth Management for the Group and became a member of the Group Board in 2024 after the merger with Moore and Smalley. He also serves as the regional chair for MHA in the Northwest. Graham advises on retirement, investment, estate and protection planning, and tax matters. His expertise includes working with high-net-worth individuals, trusts, corporate entities, healthcare professionals, and clients requiring long-term care or equity release planning.

Katherine Simon (known as Kate Arnott) (Partner, Head of Professional Services, Ethics Partner), aged 47

Kate assumed the role of the Group’s Ethics Partner in May 2024 and continues in the role of Head of Professional Services sector. Kate was appointed to the Group Board in June 2021, having

previously held other management roles within MHA, including Regional Ethics Partner and Regional Chief Operating Officer (Thames Valley office). Kate has a varied portfolio of clients, based largely in London and the South-East and Chicago.

14. Reasons for Admission and use of proceeds

The Company is seeking Admission, *inter alia*, to raise its profile and facilitate its next stage of growth by raising £95.8 million (before expenses) on Admission through the issue of the Placing Shares at the Placing Price. The net Placing proceeds, expected to be approximately £89.4 million will be used as follows:

- £3 million to further invest in technology, including AI, driving efficiencies within data collection and analysis.
- £34.2 million to release the capital of 19 retired MHA Partners by way of re-payment of the Retiree Capital Partner Loan Notes issued pursuant to the Retiree Company Loan Note Instrument.
- £42.6 million to partially release capital from certain continuing Partners, by way of repayment of the MHA Partner Loan Notes issued pursuant to the MHA Partner Company Loan Note Instrument.
- £9.6 million to support further bolt-on acquisition opportunities.

15. Dividend policy

The Directors expect the Group to continue to be highly cash-generative following Admission and believe that the Group will be well placed to pay a regular and progressive dividend to Shareholders. The Directors intend to adopt a dividend policy that reflects the long-term earnings and cashflow potential of the Group. Following Admission, the Directors anticipate that the Group will initially adopt a payout ratio of 50 per cent. of the Group's net profit after tax. The Directors intend to pay quarterly dividends, with the first payment expected in December 2025 (i.e. during the third quarter of FY26).

16. Incentive arrangements and employee share schemes

The Directors believe that the success of the Group will depend to a significant degree on the future performance of its management team, current and future Partners. The Directors also recognise the importance of ensuring that all employees are well motivated and identify closely with the success of the Group.

Remuneration structure following Admission

Prior to the implementation of the Reorganisation, the businesses of MHA were structured through a partnership with annual profits being distributed to the MHA Partners. The MHA Partners' remuneration was variable, with MHA LLP's profit distributed amongst MHA Partners based on their share of the firm's 'Income Points' and 'Capital Points', or in the case of an Associate Partner, a fixed amount of profit. Upon being promoted to, or joining as, an Income Partner, individuals were awarded Income Points, which entitled them to receive a proportion of the Group's annual profits, with their share determined by their number of Income Points relative to the total number of points in issuance. Income Partners were awarded more points over time based on performance and increasing seniority.

As part of the Reorganisation, the Company has implemented a remuneration structure more suitable for a public company, focused on ensuring that Partners and employees remain well-incentivised whilst also prioritising returns for the Group's shareholders as a whole. A new limited liability partnership in the form of the New LLP will still exist within the Group to maintain its partnership culture and provide the services of the Partners to the Group, and the Group will seek to retain certain principles of the existing incentivisation model. Following Admission, Partners will receive a base salary, a share of an annual bonus pool, and dividends on their respective shareholdings:

Base Salary

Following Admission, Partners' base salaries will be tiered based on Partners' seniority by way of position, with a range between approximately £100,000 and £350,000.

Partner Bonus

Current Income Partners will retain their Income Points upon IPO derived from MHA LLP. The annual total Partner bonus pool will be set at 25-30% of the Group's adjusted EBIT after Partner base salaries, payable in proportion to Income Partners' share of total New Income Points. Following Admission, individual bonuses will depend on the number of New Income Points with additional income points awarded to Partners for hitting KPIs e.g. cross-selling metrics or winning new business.

Equity

All Partners will receive a share of MHA's equity through the issue of Existing Ordinary Shares pursuant to the Reorganisation. The EBT has been established to award equity in future to newly promoted Partners, as well as rewarding increasing seniority of Partners who have delivered against individual performance criteria, by way of a share option plan, further details of which are described below.

As detailed below, the Company has also established an unapproved share option plan to incentivise current and future Partners.

Dividends

MHA is expected to adopt a progressive dividend policy, with payments made quarterly.

Option plans

The Company has established an unapproved share option plan to incentivise newly promoted Partners as well as existing Partners as they increase in seniority. Following Admission, awards of share options pursuant to this scheme will be made from time to time to newly promoted Partners further details of which are set out in paragraph 6.4 of Part V of this document. Options may also be awarded to existing Partners as they increase in seniority making significant contributions to the Group. The issue of Ordinary Shares pursuant to vested options shall be satisfied from existing Ordinary Shares held within the EBT from Admission, detailed below.

Furthermore, the Company has implemented an LTIP whereby unapproved share options will be issued to incentivise the Executive Directors to deliver growth and further align them with Group's wider shareholder base following Admission. The options granted under the LTIP will be subject to financial performance conditions and a three-year vesting period. The LTIP options will be satisfied by newly issued Ordinary Shares once the options vest and the performance conditions are met. Further details of the LTIP are set out in paragraph 6.3 of Part V of this document.

After Admission, the Company intends to implement share plans for certain groups of senior employees via either a tax-favoured Company Share Option Plan ("**CSOP**") or an unapproved share option plan and a share plan for all employees which will be either a Save as You Earn ("**SAYE**") share option plan or an unapproved share option plan.

The Company has established the EBT as a discretionary trust, for the benefit of current and future employees of the Group. The EBT will hold Ordinary Shares representing approximately 15% of the Company's issued share capital immediately before the Placing and Retail Offer (and will be diluted by the Placing and Retail Offer). Up to 10% of the Company's issued share capital will be held by the EBT post Admission, from time to time.

Partner progression equity incentivisation

The EBT will be unallocated on Admission, details of which are set out in paragraphs 6.2 of Part V of this document, and it is expected to be utilised to make non-dilutive equity awards as follows:

- Promotion to an Associate Partner – granted nil cost options over £250k of options, which vest over five years.
- Promotion of an Associate Partner to Partner – granted nil cost options over a further £200k of options, which vest over five years. They will also be awarded New Income Points, entitling them to receive a share of the annual bonus pool.
- Increasing seniority of Partners – as Partners rise in seniority and experience and make greater contributions to the firm, they will be awarded: (i) additional New Income Points, and (ii) additional £20,000 of share options per each New Income Point.

- The above options will be granted to reward the high levels of performance by individuals to achieve promotion and further Income Points.

The Directors will consider the implementation of additional new incentive arrangements for the Group's management and employees, suitable for a Company admitted to trading on AIM, in due course, following Admission and the establishment of the Company's Remuneration Committee.

17. Lock-in, orderly market and clawback arrangements

The Partners have each undertaken to Cavendish and the Company that they shall not, except in certain specified circumstances, directly or indirectly mortgage, pledge, charge, assign, sell, transfer, or otherwise dispose of any other interest in any Ordinary Shares held by them immediately following Admission (the "Restricted Shares") at any time prior to the fourth anniversary of Admission (the "Lock-In Period") without the prior written consent of Cavendish.

During the final 24 months of the Lock-In-Period, the shareholders holding Restricted Shares may in certain specified circumstances undertake dealings in their Ordinary Shares but only with the written consent of Cavendish in its reasonable discretion based on investor demand from time to time.

To the extent that any dealings in Ordinary Shares are undertaken during the Lock-In Period, the Partners agree to effect such disposals only through Cavendish in such manner as Cavendish shall reasonably require so as to ensure an orderly market in the Ordinary Shares.

In addition to the lock-in arrangements with Cavendish, the Partners are subject to additional clawback and forfeiture arrangements with the Company, details of which are set out in paragraphs 16.13, 16.16 and 16.20 of Part V of this document whereby if a Partner becomes a leaver (otherwise than as a "good leaver") during the five-year period following Admission, he or she will forfeit for all or part of his or her Ordinary Shares either (i) to the trustee of the EBT, subject to the trustee of the EBT first agreeing to the Company's prior written request that the trustee of the EBT acquires such Ordinary Shares, or (ii) in such manner as the Company shall otherwise require, as follows:

Date on which a Partner becomes a leaver	% forfeited
Before the first anniversary of Admission	100%
Between the first and second anniversaries of Admission	90%
Between the second and third anniversaries of Admission	80%
Between the third and fourth anniversaries of Admission	70%
Between the fourth and fifth anniversaries of Admission	60%

18. The Placing and Retail Offer

The Placing

The Company intends to issue up to 95,800,000 Placing Shares at 100 pence per share pursuant to the Placing to raise gross proceeds of £95.8 million (before estimated expenses of approximately £6.4 million). Cavendish has agreed, pursuant to the Placing Agreement and conditional, *inter alia*, on Admission, to use its reasonable endeavours to procure institutional and other investors for the UK Placing Shares and Beech Hill, as US placing agent, has agreed to use its reasonable endeavours to procure institutional and other investors for the US Placing Shares to be issued by the Company. The Placing Shares represent approximately 35.6 per cent. of the Enlarged Share Capital.

The Placing, which is not being underwritten, is conditional, *inter alia*, upon:

- the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms prior to Admission;
- completion of the Reorganisation in all material respects; and
- Admission becoming effective not later than 8.00 a.m. on 15 April 2025, or such later date as Cavendish and the Company may agree, being not later than 8.00 a.m. on 29 April 2025.

The Placing Agreement contains provisions entitling Cavendish to terminate the Placing in certain customary circumstances prior to Admission becoming effective. If this right is exercised, the Placing will lapse and Admission will not occur. Cavendish may elect to allow the transaction to proceed if any of the customary circumstances giving rise to the right to terminate arise.

The Placing Shares will be issued fully paid. On Admission, the Placing Shares will rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, paid or made after the date of issue.

None of the Placing Shares have been marketed to or will be made available in whole or in part to the public in conjunction with the application for Admission.

Further details of the Placing Agreement are set out in paragraph 16.37 of Part V of this document.

The Retail Offer

A maximum of 6,000,000 Retail Offer Shares will be issued through the Retail Offer at the Placing Price to raise gross proceeds of up to a maximum of £6.0 million (before expenses). If fully subscribed, the Retail Offer Shares would represent approximately 2.18 per cent. of the then further enlarged share capital of the Company.

Completion of the Retail Offer is conditional upon, *inter alia*, completion of the Placing. However, completion of the Placing is not conditional on the completion of the Retail Offer and there is no minimum fundraising for the Retail Offer.

The Retail Offer Shares will be credited as fully paid and will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares and Placing Shares, including the right to receive all dividends and other distributions declared paid or made after issue.

The Company intends to launch the Retail Offer following the publication of this document. Consequently, share numbers, proceeds, ownership percentages and any other related statistics in this document are calculated without the impact of the Retail Offer. The results of the Retail Offer will be announced via a regulatory information service prior to Admission.

19. The Takeover Code

The Takeover Code is issued and administered by the Takeover Panel. At the date of this document, the Company, as a public limited company, is subject to the Takeover Code and therefore its Shareholders will be entitled to the protections afforded by the Takeover Code.

Under Rule 9 of the Takeover Code, any person who acquires an interest in shares of the Company carrying voting rights which, taken together with shares of the Company carrying voting rights in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code is normally required to make an offer to all the remaining shareholders to acquire their shares of the Company carrying voting rights.

Similarly, when any person, together with persons acting in concert with that person, is interested in shares of the Company carrying voting rights which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares of the Company carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if any further interests in shares of the Company carrying voting rights are acquired by such person or any person acting in concert with that person.

An offer under Rule 9 must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in shares of the Company carrying voting rights during the 12 months prior to the announcement of the offer.

The Takeover Code defines persons “acting in concert” to comprise “persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate an offer for a company”. The Takeover Code defines “control” to mean “an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interest give *de facto* control”. “Voting rights” for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting.

Under paragraph (10) of the definition of “acting in concert” in the Takeover Code, it is presumed (unless the contrary can be established) that a concert party arises in relation to members of a partnership who sell their shares in that company in consideration for the issue of new shares in a company to which the Takeover Code applies, or who, following the re-registration of that company

as a public company in connection with an initial public offering or otherwise, become shareholders in a company to which the Takeover Code applies.

The Company has agreed with the Takeover Panel that all Partners who become shareholders of the Company on Admission are regarded as acting in concert with each other (the “**Concert Party**”) in relation to the Company for the purposes of paragraph (10) of the definition of “acting in concert” in the Takeover Code. Further details of the Concert Party and the implications for Shareholders are set out in paragraph 23 of Part V of this document.

20. Admission, dealings and CREST

Application will be made to the London Stock Exchange for the Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings will commence in the Ordinary Shares at 8.00 a.m. on 15 April 2025.

No temporary documents of title will be issued. Pending the despatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company. The Company has applied for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted and accordingly enabled for settlement in CREST on the date of Admission. Accordingly, settlement of transactions in Ordinary Shares following Admission may take place within the CREST system if any individual Shareholder so wishes, provided such person is a “system member” (as defined in the CREST Regulations) in relation to CREST. Dealings in advance of crediting of the relevant CREST account(s) shall be at the sole risk of the persons concerned.

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Articles permit the holding of Ordinary Shares in uncertificated form in accordance with the CREST Regulations. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

For more information concerning CREST, Shareholders should contact their brokers or Euroclear.

21. Taxation

The attention of investors is drawn to the information regarding taxation which is set out in paragraph 25 of Part V of this document. These details are, however, only intended as a guide to the current taxation law position in the UK. **Investors who are in any doubt as to their tax position, or who are subject to tax in jurisdictions other than the UK, are strongly advised to consult their professional advisers.**

22. Risk Factors

Prospective investors should consider carefully the risk factors described in the section headed “Risk Factors” set out in Part III of this document, in addition to the other information set out in this document and their own circumstances, before deciding to invest in Ordinary Shares.

23. Notification of major interest in Ordinary Shares

Chapter 5 of the DTRs makes provisions regarding notification of certain shareholdings and holdings of financial instruments. Where a person holds voting rights in the Company as a shareholder through direct or indirect holdings of financial instruments, then that person typically has an obligation to make a notification to the Company of the percentage of voting rights held where that percentage reaches, exceeds or falls below 3 per cent. or any whole percentage point above 3 per cent. The requirement to notify also applies where a person is an indirect shareholder and can acquire, dispose of or exercise voting rights in certain cases.

24. Further Information

You should read the whole of this document which provides additional information on the Company and the Fundraising and not rely on summaries or individual parts only. Your attention is drawn, in particular, to the financial information in Part IV of this document, the additional information set out in Part V of this document and to Part VI of this document which sets out the Terms and Conditions of the UK Placing.

PART II

CORPORATE GOVERNANCE

As a company whose shares will be admitted to trading on AIM, the Company is not required to adopt a specific corporate governance code. However, it is required to provide details of the corporate governance code it has decided to adopt, state how it complies with that code and provide an explanation where it departs from compliance with that code.

The Board is committed to effective corporate governance and has decided to comply with the QCA Code. The Directors are fully aware of their duties and responsibilities and believe that the QCA Code provides the Company with the framework to help ensure that a strong level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all of its stakeholders.

It is the role of the Board, led by the chairperson, to ensure that the Company and its Group is managed in a way that nurtures and protects the medium to long-term benefit of all Shareholders, supported by effective and efficient decision-making. Applying the QCA Code forms an important part of this process, which serves to mitigate and minimise risk and add value to the Company and Group's business.

The QCA Code is based on ten principles that focus on the pursuit of medium to long term value for shareholders. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. The Board has considered how it applies each principle to the extent that the Board judges these to be appropriate given the Group's size, strategy, resources and stage of development, and below is set out an explanation of the approach taken in relation to each. The Board members have a range of skills covering industry specific matters as well as financial experience.

The Company will comply with the ten principles of the QCA Code on a "comply or explain basis", with effect from Admission, as detailed below.

Like all aspects of the QCA Code, addressing the disclosure requirements is not approached as a compliance exercise; rather it is approached with the mindset of explaining and demonstrating the Company's good governance to external stakeholders.

Set out below is a description of each of the principles of the QCA Code, together with an explanation of how these are applied by the Company, or how the Company intends to apply each of the principles from Admission, and of any departures from the QCA Code.

Principle 1: Establish a purpose, strategy and business model which promotes long-term value for shareholders

The Group's business model and strategy is set out in Part I of this document. The Directors believe that the Group's model and growth strategy will help to promote long-term value for Shareholders.

An update on strategy will be given from time to time in the strategic report that is included in the annual report and accounts of the Company. The principal risks facing the Group are set out in Part III of this document. The Directors will continue to take appropriate steps to identify risks and undertake a mitigation strategy to manage these risks following Admission, including implementing a risk management framework.

Principle 2: Promote a corporate culture that is based on ethical values and behaviours

The Directors recognise that their decisions regarding strategy and risk will impact the corporate culture of the Group, influencing its overall performance. The culture is set by the Directors and is considered and discussed at meetings involving the Directors and the Board is aware that the tone and culture it sets impacts all aspects of the Group and the way that its employees behave.

The Directors will promote a culture of integrity, honesty, trust and respect and all employees of the Group are expected to operate in an ethical manner in all of their internal and external dealings. The employee handbook and policies reinforce this culture, covering matters such as whistleblowing, social media usage, anti-bribery and corruption, and general conduct of employees.

The Directors take responsibility for fostering ethical values and behaviours throughout the Group, ensuring that such values and behaviours guide the objectives and strategy of the Group. With effect from Admission, the Company has implemented a share dealing code for directors' and employees' dealings in its securities, aligning with Rule 21 of the AIM Rules and complying with MAR.

The Group fully endorses the aims of the Modern Slavery Act 2015 and adopts a zero-tolerance approach to slavery and human trafficking within the Group and its supply chain.

Principle 3: Seek to understand and meet shareholder needs and expectations

Prior to Admission, the Company's executive management team undertook a roadshow which has informed the Company as to its Shareholders' expectations following Admission.

The Board acknowledges the significance of effective communication with stakeholders and is dedicated to fostering positive relationships with prospective and existing investors. This commitment aims to enhance the Board's understanding of Shareholders' perspectives.

An ongoing and interactive dialogue will be maintained with Shareholders. Regular updates, including material announcements and financial information, will be disseminated through a regulatory information service. Any anticipated significant deviations from market expectations will be promptly communicated through the same service, aligning with the Company's obligations under the AIM Rules and MAR. The Company has implemented appropriate policies to ensure compliance.

Following Admission, the Company's annual report and notice of annual general meeting ("AGM") will be distributed to all Shareholders and made available for download on the Company's website. Shareholders are encouraged to attend the AGM to express their views on the Group and its business activities. Opportunities to ask questions will be provided during the formal proceedings or in informal sessions following the AGM.

To address the importance of Shareholder voting decisions, the Directors plan to review and monitor these decisions. The Company intends to engage with Shareholders who do not vote in favour of resolutions at AGMs, with the Company Secretary serving as the primary point of contact for such matters.

Furthermore, the Directors are committed to organising various events throughout the year, including presentations, seminars, and webinars, to provide both existing and potential Shareholders with a deeper understanding of the Company and its Group's strategy, services, and markets.

There is also a designated email address for investor relations and all contact details are included on the Company's website.

Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for long-term success

The Company places significant emphasis on its corporate social responsibilities and is dedicated to cultivating effective relationships with a diverse range of stakeholders, including Shareholders, employees, and customers, as an integral part of its business strategy. The Directors are committed to sustaining an ongoing and collaborative dialogue with these stakeholders, valuing and incorporating all feedback into the decision-making process and daily operations of the business of the Group.

To ensure effective communication with staff, the Directors will engage in regular interactions, including both formal and informal staff meetings. These sessions provide valuable opportunities to gather feedback on issues that impact the Group. Additionally, the Group actively seeks input from suppliers, fostering frequent communication channels to encourage feedback from this important stakeholder group.

Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The primary risks confronting the Group are set out in Part III of this document. The Directors are committed to proactively identifying these risks and implementing a comprehensive mitigation strategy following Admission to effectively manage them, including the establishment of an Audit &

Risk Committee (further details of which are set out in paragraph 15.7 of Part V of this document). The outcomes will be integrated into the Company's annual report and accounts in subsequent years.

The risks involved and the specific uncertainties for the Group will be regularly monitored, and the Board will formally and regularly review such risks at Board meetings. All proposals reviewed by the Board will include a consideration of the issues and risks of the proposal. Where necessary, the Board will draw on the expertise of appropriate external consultants or advisers to assist in dealing with or mitigating risk.

Principle 6: Establish and maintain the Board as a well-functioning, balanced team led by the chair

On Admission, the Board will comprise the following persons:

- the chairperson;
- two independent Non-Executive Directors; and
- two Executive Directors.

The biographies of the Directors are set out in paragraph 13 of Part I of this document. Following the principles of the QCA Code, the Board aims for a balanced mix of executive and non-executive directors, with at least two non-executive directors being independent. Linda Main and Sir Robert Neill are the two non-executive directors who are considered by the Board to be independent. The chairperson and the other two Non-Executive Directors were selected with the objective of bringing additional lines of experience and independent judgement to the Board.

The Board has been strategically assembled, bringing together a mix of sector and market expertise, supported by an effective executive management team and diligent oversight from independent Non-Executive Directors. The Directors are confident that the Board's skill set and experience align well with the challenges and opportunities facing the Company and its Group post Admission.

Following Admission, the Board will continue to consider the construct of the Board, including a focus on succession planning and diversity. In particular, the Board intends to appoint an additional independent non-executive director with a background in the technology sector to assist with the Group's technology investment growth strategy.

The Board is not dominated by one individual and all Directors have the ability to democratically challenge proposals put forward at each meeting. Additionally, the governance architecture has been designed to empower the independent members of the Board through the various committee structures.

Regular meetings of the Board are scheduled, and robust processes are in place to ensure that each Director is consistently provided with the necessary information to fulfil their duties.

The Board benefits from the guidance of the Audit & Risk Committee and the Remuneration Committee. A majority of the members of the Audit & Risk and Remuneration Committees (whose names are set out in paragraphs 15.7 and 15.9 of Part V of this document) are independent Non-Executive Directors.

Principle 7: Maintain appropriate governance structures and ensure that, individually and collectively, the Directors have the necessary up-to-date experience, skills, and capabilities

The chairperson leads the Board of Directors and is responsible for its governance structures, performance, and effectiveness. The Board retains ultimate accountability for approving the Group's strategy and policies, for safeguarding the assets of the Group, and is the ultimate decision-making body of the Group in all matters except those that are reserved for specific Shareholder approval.

The Board will meet at least 6 times each year in accordance with its scheduled meeting calendar and will maintain regular dialogue between Board members, in particular between the Chief Executive Officer, the chairperson and the non-executive Board members. The Board and its Committees will receive appropriate and timely information prior to each meeting, with a formal agenda being produced for each meeting, and Board and committee papers distributed several days before meetings take place.

There is a clear division of responsibility at the head of the Group between the chairperson and the Chief Executive Officer. The Board is supported by the Audit & Risk Committee, the Nomination Committee, and the Remuneration Committee, further details of which are set out in paragraphs 15.7, 15.8 and 15.9 of Part V of this document.

As the Group grows and develops, the Board will periodically review its corporate governance framework on an annual basis to ensure it remains appropriate for the size, complexity and risk profile of the Group as it stands at that time.

The skills and experience of the Directors are summarised in their biographies set out in paragraph 13 of Part I of this document. The Directors between them cover a broad range of skills and experience including extensive experience in the professional services and audit market as well as financial, accounting, legal and public market expertise.

The Directors believe that the Board is equipped with the necessary skills and experience to effectively implement the Group's strategy and business plan while ensuring the fulfilment of each Director's fiduciary duties. The diverse range of experience within the Board contributes to maintaining a balanced composition, fostering the requisite skill set to enable the Group's growth.

Where new Board appointments are considered, the search for candidates will be conducted and appointments will be made on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender.

The Group retains the services of independent advisors including financial, legal, and public relations advisers that are available to the Directors and who provide support and guidance to the Directors and complement the Group's internal expertise.

The Directors will carry out an evaluation of the Board's performance annually, taking into account the Financial Reporting Council's Guidance on Board Effectiveness. The Company Secretary collaborates with the chairperson to address the training and development needs of the Directors, ensuring a continual focus on enhancing the Board's effectiveness.

Principle 8: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Directors will consider seriously the effectiveness of the Board, the Audit & Risk Committee and the Remuneration Committee, as well as evaluate the individual performance of each Director. The outcomes of these performance evaluations will be detailed in the annual report and accounts of the Company.

All Directors will undergo a performance evaluation before being proposed for re-election to ensure that their performance is, and continues to be, effective, that, where appropriate, they maintain their independence and that they are demonstrating continued commitment to the role.

Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture

The Board is responsible for establishing an effective remuneration policy which is aligned with the Group's purpose, strategy and culture, as well as its stage of development. The Board acknowledges that a remuneration policy should motivate management and promote the long-term growth of shareholder value. Remuneration practices across the Group, in particular for senior management, should support and reinforce the desired corporate culture and promote the right behaviours and decisions.

The Board has established the Remuneration Committee (further details of which are set out in paragraph 15.9 of Part V of this document) which is responsible for all elements of the remuneration of the chairperson of the Board, the Executive Directors and such other senior executives of the Group as it is designated to consider (together the "Executives") and is responsible, *inter alia*, for determining and agreeing with the Board the framework or broad policy for the remuneration of the Executives, with such remuneration being aligned to the Company's purpose and values, and for advising on and determining all performance-related formulae and targets relevant to the remuneration of the Executives.

The Remuneration Committee also has the responsibility of producing an annual report of the Company's remuneration policy and practices which will form part of the Company's annual report which is put to Shareholders for approval at the AGM.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company places great emphasis on providing Shareholders with clear and transparent information on the Group's activities, strategy, and financial position through the annual report and accounts, as well as full-year and half-year announcements, the AGM, and individual meetings with major existing or potential new Shareholders following Admission. Responses to the principles of the QCA Code and the information contained in this document, annual report and accounts, provide details to all stakeholders on how the Company and its Group is governed.

The Board views the annual report and accounts as well as its half year report as key communication channels through which progress in meeting the Group's objectives and updates on its strategic targets can be given to the Shareholders following Admission. Principal communications with all shareholders on key business developments are also conducted through regulatory information service announcements.

The Board intends to be well informed about Shareholders' perspectives through regular updates provided by the Chief Executive Officer and the Group's brokers. The Company will maintain frequent communication with institutional investors through management briefings. Additionally, a comprehensive understanding of investors' views can be attained by reviewing analysts' notes and brokers' briefings.

All contact details for investor relations and the Company's key advisors are included on its website.

PART III

RISK FACTORS

AN INVESTMENT IN ORDINARY SHARES IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE SPECIFIC RISKS SET OUT BELOW IN ADDITION TO ALL OTHER INFORMATION SET OUT IN THIS DOCUMENT BEFORE INVESTING IN THE ORDINARY SHARES. THE INVESTMENT OFFERED IN THIS DOCUMENT MAY NOT BE SUITABLE FOR ALL OF ITS RECIPIENTS. POTENTIAL INVESTORS ARE ACCORDINGLY ADVISED TO CONSULT A PROFESSIONAL ADVISER AUTHORISED UNDER FSMA IF YOU ARE IN THE UNITED KINGDOM, OR, IF OUTSIDE THE UNITED KINGDOM, FROM ANOTHER APPROPRIATELY AUTHORISED INDEPENDENT ADVISER, WHO SPECIALISES IN ADVISING ON THE ACQUISITION OF SHARES AND OTHER SECURITIES, BEFORE MAKING ANY INVESTMENT DECISION. A PROSPECTIVE INVESTOR SHOULD CONSIDER CAREFULLY WHETHER AN INVESTMENT IN THE COMPANY IS SUITABLE IN LIGHT OF THEIR PERSONAL CIRCUMSTANCES AND THE FINANCIAL RESOURCES AVAILABLE TO THEM.

In addition to the usual risks associated with an investment in a company, the Directors believe that the factors and risks described below are the most significant in relation to an investment in the Company and should be carefully considered, together with all the information contained in this document, prior to making any investment decision in respect of the Ordinary Shares. However, the risks listed do not necessarily comprise all of those associated with an investment in the Company and are not set out in any particular order of priority. Additional risks and uncertainties not currently known to the Directors, or which the Directors currently deem immaterial, may also have an adverse effect on the Company and its Group and the information set out below does not purport to be an exhaustive summary of the risks affecting the Company and its Group. In particular, the Group's performance may be affected by changes in market or economic conditions and in legal, regulatory and tax requirements.

If any of the following risks were to materialise, the Group's business, financial condition, results or future operations could be materially adversely affected. In such cases, the market price of the Ordinary Shares could decline, and an investor may lose part or all of their investment. The Group's performance may be affected by changes in legal, regulatory and tax requirements in any of the jurisdictions in which it operates or intends to operate as well as overall global financial conditions.

RISK RELATING TO THE GROUP AND THE INDUSTRY IN WHICH IT OPERATES

Damage to the Group's reputation could have a material adverse effect on the Group's business.

The Group relies upon maintaining a strong brand and reputation with its existing clients and is exposed to significant reputational risk stemming from the quality of its work, including audit work. In the circumstances of poor performance, deficient work, the Group failing to meet the expectations of its existing clients or negative reviews or press coverage, the reputation of the Group could be significantly impacted. The consequences of such circumstances could also extend to the Group being made subject to penalties, fines, and sanctions imposed by regulatory authorities. Furthermore, the Group may incur expenses in defending itself against such negative coverage and/or claims and failure to adhere to regulatory standards and guidelines can result in costly legal procedures and financial repercussions. Such outcomes can also severely damage the Group's reputation, leading to a loss of client trust and confidence. This, in turn, could result in the loss of existing clients, difficulty in attracting new clients, and adverse media coverage. The long-term impact on the Group's market position and financial performance could be substantial and could have a material adverse effect on the Group's business, results or operations, financial condition and prospects.

The loss of or failure to attract key personnel could have a material adverse effect on the Group's business.

The Group is highly dependent on its Partners in the locations in which it operates, who are integral to the leadership and management of the business. The Partners possess specialised knowledge, extensive industry experience, and established client relationships that are critical to the Group's

success. The loss of any key Partner or group of Partners, whether due to retirement, resignation, illness or other unforeseen reasons, could have a significant adverse impact on the Group's operations and client relationships. Key Partners bring skills and expertise that are not easily replaceable. Their departure could result in a knowledge gap that may affect the quality of services provided to clients. The sudden departure of a key Partner or group of Partners could also disrupt ongoing projects and engagements, leading to delays and potential financial losses. Partners often have long-standing relationships with clients, built on trust and personal rapport. The loss of a key Partner could lead to client dissatisfaction and potential loss of business if clients choose to follow the departing Partner to a competitor.

The ability of the Group to attract, retain and develop key personnel and, in particular Partners, is dependent on a number of factors including prevailing market conditions, the Group's values and culture, working environment, and its ability to offer a competitive compensation package. Whilst the Company believes that its compensation model following Admission, including share incentive arrangements for the benefit of Partners and staff across the Group, should assist with the retention and recruitment of key personnel, including current and prospective Partners, other fee earners and other key personnel, the compensation model remains relatively untested and it may not work as effectively as expected or it may prove unattractive compared to potential offerings from competitors.

There can be no assurance that key personnel will not elect to sell their Ordinary Shares and subsequently resign from their employment with the Group following the expiry of the lock-in and clawback arrangements applicable to them, details of which are set out in paragraphs 16.13, 16.16, 16.20 and 16.38 of Part V of this document. As these restrictions will begin at the same time and run for the same length of time, the expiry of these restriction periods on the same date could result in the resignation of multiple key personnel within a short period of time.

The departure of a significant numbers of Partners or other key personnel or the failure to attract Partners and key personnel could have a material adverse effect on the Group's business, results or operations, financial condition and prospects.

Failure to attract, retain and develop the employees and workforce of the Group could have a material adverse effect on the Group's business.

As a professional services business, one of the Group's most important resources is its employees. The success of the Group relies heavily on the expertise and experience of its workforce and it is necessary that the Group attracts, recruits, and retains qualified employees. Challenges in maintaining a sufficient number of skilled professionals can adversely affect the Group's operations and growth prospects.

The industry in which the Group operates is highly competitive, with numerous firms competing for a limited pool of qualified professionals. This competition can make it challenging to attract top talent, particularly in the specialised areas of accounting and auditing. Changes in workforce demographics, such as an ageing population or shifts in career preferences among younger professionals, can impact the availability of qualified candidates. Additionally, the increasing demand for work-life balance and flexible working arrangements can influence employee retention.

Retaining skilled employees is crucial for maintaining service quality and client relationships. High turnover rates can lead to disruptions in service delivery, increased recruitment and training costs, and loss of institutional knowledge.

The departure of a significant numbers of employees or the failure to attract employees could have a material adverse effect on the Group's business, results or operations, financial condition and prospects.

The Group engages consultants/contractors who may, as a result of their engagement terms, have employment or worker status.

The Group engages contractors/consultants as part of its business structure. The employment status and worker status of the Group's consultants are based on a number of factors, including contractual arrangements and how those arrangements operate in practice. Many of these individuals are engaged through corporate entities/personal service companies. There is a risk that some of these individuals may be deemed to be workers, instead of self-employed consultants and, as such, they may gain additional rights including, but not limited to, paid annual leave, entitlement to the national minimum wage and sick pay. If these consultants are deemed to be employees, then

in addition to the rights for workers, they may gain unfair dismissal rights. Moreover, if consultants are deemed to be employees, then the tax treatment may differ to the tax treatment for consultants and workers, and the Group may be liable for tax for those deemed to be employees. If there is a change in that classification, due to a change in employment law and/or tax law, then there is a risk that some or all of these consultants may be classified as workers or employees. Such a change could result in material liabilities including tax liabilities, which may have a material adverse effect on the Group's financial performance and position. In addition, if consultants are incorrectly categorised and this results in claims and/or external investigations in the public domain, there is likely to be material adverse consequences on the Group's reputation and client confidence.

Bonus scheme and commission payments have not been included when calculating some employees' holiday pay, which could result in claims for underpayments and consequential underpayment of tax by the Group.

One member of the Group operates a bonus scheme that is linked to performance, and there is a risk that any bonus payments should be included when calculating these employees' holiday pay. Separately, a small number of employees of the Group receive regular commission payments, which should be included in calculations for their holiday pay. In both cases, these payments were not included in previous holiday pay calculations. If the Group has underpaid holiday pay, the Group may be at risk from claims from employees for the unlawful deduction from wages in respect of unpaid holiday pay. If an employee is able to establish that holiday pay has not been calculated correctly, (i) the Group will have to repay the employee any underpayments in respect of their holiday pay capped to the previous two years of employment (or up to six years, if pursued in the civil courts), and (ii) this will also lead to underpayments in respect of that employee's pension contributions, which will also need to be rectified. The underpayment of holiday pay will also mean that there has been a consequential underpayment of tax by the Group. This could have an adverse effect on the Group's business, financial condition and financial results, or otherwise cause harm to its reputation and client confidence.

The Group's business is subject to extensive regulation, and the Group faces risks and costs associated with compliance with these regulations and any changes to them.

As with any business that conducts business in regulated environments, potential changes in regulatory requirements, for example modifications to the size of companies that need to be audited or additional requirements as regards the independence of the Group's audit business or structure could have material implications for the Group. Governmental and regulatory bodies periodically review and update regulations to enhance transparency, improve financial reporting, and protect stakeholders' interests. If these entities make any changes in regulations such as increasing the threshold for mandatory audits this could reduce the number of clients requiring audit services, while a simplification of the tax regulatory structure could reduce demand for tax advice services. This could lead to a decrease in revenue and market share. A reduction in the number of clients requiring audits could lead to decreased revenue and profitability for the Group.

Adapting to new regulatory requirements may involve the Group in significant costs, including updating internal processes, training staff, and investing in new technologies to ensure compliance. Compliance with new regulations may result in higher operational costs, affecting the Group's financial performance. Regulatory changes can also disrupt existing workflows and require the reallocation of resources to address new compliance obligations. This can impact the efficiency and effectiveness of the Group's operations.

The impact of such changes could have a material adverse effect on the Group's business, results or operations, financial condition and prospects.

The Group is involved in legal and regulatory proceedings/investigations and may continue to be involved in more in the future.

The Group, like other professional services businesses, has in the past been, is currently and may continue to be, subject to actual or threatened claims, legal proceedings, investigations and general litigation (together, "proceedings"). Depending on the context, these may be initiated by regulators, clients, employees or other third parties and arise in the normal course of the Group's business, including matters alleging auditing or procedural errors or challenging the appropriateness or accuracy of the tax, consulting or advisory services provided. Any of these proceedings may seek, among other things, damages for alleged losses, civil penalties or injunctive or declaratory relief.

Proceedings alleging that the Group performed below its agreed standard of care or breached any other obligations or professional duties to a client or other parties could expose the Group to significant liabilities and, regardless of the merit of any claims brought or the outcome, could damage the Group's reputation, distract the Group's management and incur costs to defend. If any such proceedings are ultimately resolved unfavourably, and the Group's professional indemnity insurance policy does not cover the claim for any reason (including insolvency of the insurer or an exclusion or otherwise) or if the Group is required to bear all or a portion of the costs arising from such proceedings, the outcome could cause significant reputational harm and/or financial cost to the Group, which could have a material adverse effect on the Group's business, reputation, financial condition, results, operations or prospects.

The Group is subject to routine visits from its regulators including the ICAEW and the FRC, during which gaps and non-compliance with regulatory requirements have in the past been, and may in the future be, identified. While the Group has followed, and will in the future obtain, comfort from independent advice and apply robust processes to comply with, regulators' recommendations by taking steps to implement new procedures to address compliance gaps, the relevant regulator may still find that compliance gaps have not been adequately addressed. The regulators of the Group's business may take enforcement action against the Group for any such breach, which may result in fines, penalties, restrictions on the use of the authorisations which the Group holds from the regulators or other regulatory actions or reputational damage either as a result of any alleged breach of regulations or due to any delay in the Group taking remedial steps in the event that a breach is ultimately determined to have occurred. Any such regulatory actions may have a material adverse effect on the Group's distribution of dividends, business, reputation, results of operations, financial condition or prospects.

The Group's performance may be adversely affected by the mistakes and misconduct of personnel.

The Group may be adversely affected by mistakes or misconduct by its personnel, including non-compliance with regulatory procedures. The Group's personnel or agents may inadvertently make mistakes or breach applicable laws or regulations in the course of their duties or engage in other improper acts. The Group has systems in place designed to prevent and/or mitigate these risks; however, such systems may fail to detect or prevent such acts. Such acts by the Group's personnel could lead to reputational damage, regulatory action and financial costs where such costs are not covered by insurance or to other regulatory censures or restrictions both of the Group and the individual concerned, including the suspension or withdrawal of any authorisations that the relevant employee may require in order to perform his or her duties. This could have an adverse effect on the Group's business, results of operations, financial condition or prospects.

Referrer relationships are key to the Group's business and the loss of existing relationships may have an adverse effect.

The Group's ability to maintain existing referrer relationships and develop new ones, as well as build and sustain professional networks, including with the Baker Tilly International Network, is a core element to its business generation strategy. Effective management of these relationships is essential for the Group's continued growth and market position. The accountancy industry is highly competitive, with numerous firms vying for the same referral sources. Competitors may offer more attractive incentives or superior collaboration experiences, making it challenging to maintain and develop these relationships. The quality of services provided by the Group directly impacts its reputation among referrers. Any decline in service quality, responsiveness, or perceived value can lead to a deterioration of referrer relationships. Building and maintaining strong professional networks requires ongoing engagement and collaboration. Failure to actively participate in industry events, professional organisations, and collaborative projects can limit the Group's ability to develop new relationships. If the Group ceased to be a member of the Baker Tilly International Network, it would lose some of the possible work and referrals from within it, as well as access to its overseas members.

The Group operates in a highly competitive environment and if it is not successful in retaining its existing relationships or securing new engagements, it could have a material adverse effect on the Group's business.

The Group's business depends in part on maintaining its existing client and business introducer relationships and establishing new client relationships. Although the Group has longstanding relationships with many of its clients, these clients usually do not enter into long-term contracts with the Group. If a number of these larger clients were lost, or were to significantly reduce their demand for services from the Group, its future revenue would be adversely affected.

The Group operates across a wide range of business sectors in the United Kingdom, Republic of Ireland and the Cayman Islands through the provision of professional services to small and medium-sized enterprises and to multinational corporations. As a result, the Group faces significant competition from other companies that offer similar professional services within the UK, Irish and Cayman markets. The Directors consider the Big Four, the middle-tier accountancy firms and in some cases strong regional practices to be the Group's main competitors across the large and medium business sectors. In addition, other professional services providers may develop their operations or extend their service lines which could subsequently impact the ability of the Group to secure new engagements. This could adversely affect the Group's future financial performance and share price, which may have an adverse effect on the financial position and prospects of the Group.

The Group's work in respect of public interest entities is subject to extensive regulation, and the Group faces risks associated with compliance with these regulations.

The Group considers that public interest entities ("PIE's") are a specific growth area for the business. However, potential changes in and the application of regulatory requirements imposed by governmental and regulatory bodies could inhibit this growth. The Group is subject to routine visits from its regulators including the ICAEW and the FRC, during which gaps and non-compliance with regulatory requirements for PIE clients have in the past been, and may in the future be, identified. While the Group has followed, and will in the future obtain, comfort from independent advice and apply robust processes to comply with, regulators' recommendations in respect of PIE clients by taking steps to implement new procedures to address compliance gaps, the relevant regulator may still find that compliance gaps have not been adequately addressed. The regulators of the Group's business may take enforcement action against the Group for any such breach, which may result in fines, penalties, restrictions on the use of the authorisations which the Group holds from the regulators or other regulatory actions or reputational damage either as a result of any alleged breach of regulations or due to any delay in the Group taking remedial steps in the event that a breach is ultimately determined to have occurred. Any such regulatory actions may have a material adverse effect on the Group's distribution of dividends, business, reputation, results of operations, financial condition or prospects.

Non-compliance with regulations governing the holding of client monies could result in fines and penalties against the Group.

The Group includes wealth management businesses that hold client money to the order of its clients or their advisors. The Group considers that wealth management businesses are a specific growth area for the business. These businesses must comply with the rules set out in the Client Asset Sourcebook published by the FCA. If these businesses handle client money in a manner that has not been correctly authorised – for instance, as a result of an administrative error or fraud – the FCA may impose fines or penalties on the Group, and in the case of significant breaches, members of the Group may be prosecuted or individuals barred from handling client monies in the future. Clients can also claim for lost monies, which would typically be covered by the Group's insurance policies. While the Group has systems and processes in place to prevent mishandling of client monies, any breach of regulations could adversely affect the Group's future financial performance, which may have an adverse effect on the financial position and prospects of the Group.

The Group's growth strategy has in the past included and is expected to continue to include acquisitions and other strategic transactions, which involve numerous risks and uncertainties.

In addition to growing its existing operations, the Group's growth strategy has involved the acquisition of smaller practices (which often have less developed compliance and regulatory processes) to expand service offerings, client base, and geographic presence, which have been successfully executed. The Group is focused on continuing its expansion through strategic

acquisitions to enhance its competitive position and drive growth. However, successfully integrating acquired businesses into existing operations can be complex and time-consuming. Potential challenges include aligning corporate cultures, integrating financial and technological systems, consolidating operations, maintaining compliance controls, and retaining key personnel. Failure to effectively integrate acquisitions could disrupt business and negatively impact the Group's financial performance. Acquisitions may also not achieve the expected strategic objectives or synergies due to changes in market conditions, increased competition, or other external factors. This could result in lower-than-expected returns on investment and negatively impact the Group's market position.

Moreover, while the Group has undertaken due diligence and has followed established processes and procedures in its previous strategic transactions, there can be no assurance that the Group identified or uncovered all historic material risks or that it will do so on any future strategic transactions. The Group's previous strategic transactions pose, and any future strategic transactions will pose, a number of risks, including exposure to unforeseen liabilities or other issues of the acquired businesses or teams, including previously unidentified professional indemnity claims for acts that occurred prior to any strategic transaction, but which the Group must report against its insurance policy. Furthermore, the Group has completed and will seek to complete further strategic transactions on the basis of certain assumptions regarding the sectors that it serves and the growth opportunities within these sectors, which could prove to be incorrect and result in the Group not realising the anticipated benefits of the strategic transactions. The Group may be unable to realise expected strategic benefits, growth, synergies and other financial benefits or efficiency gains from its recent or future strategic transactions in the timeframe it anticipates or at all, which could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group's contracts contain change of control clauses.

Certain of the Group's contracts contain provisions which enable the counterparty to terminate the contract on limited notice (including in case of a change of control of the Company or other members of the Group) and without cause. The Reorganisation will result in the change of control of certain members of the Group, which may allow counterparties to exercise the termination rights in those contracts. If the Group's contracts were to be terminated, in particular those which are material to the Group's business, such termination could have a material adverse effect on the financial results, financial condition and prospects of the Group.

The Group's properties are leased, exposing the Group to financial risks and the ability of landlords to terminate the leases.

The Group's offices are leased from third parties and therefore the Group is subject to risks associated with the negotiation or re-negotiation of lease terms. When the Group renews expiring leases, it may have to compete over desirable property sites with other businesses, some of which are considerably larger than the Group and have greater economic and financial influence. The Group's ability to maintain its existing rental rates or to renew any lease on favourable terms will depend on many factors which are outside of the Group's control, including the local real estate market and relationships with current and prospective landlords. Although leases are for fixed terms, the Directors believe that they should be able to renew the Group's existing leases where they believe it is commercially desirable to do so, but there can be no assurances that the Group will succeed in obtaining extensions to lease terms, or that any such extensions will be on reasonable terms. In addition, lengthy lease terms, restrictive alienation clauses and potential liability for dilapidation costs at the end of a lease may hinder the Group's operational flexibility and have a negative effect on its business. Each lease also typically provides that the landlord may terminate the lease by exercising the usual landlord right to forfeiture in the event of non-payment of rent, tenant insolvency or breach of the tenant covenants in the lease. Termination of any of the Group's leases could disrupt, and harm the results of, the Group's operations. There are substantial costs associated with office moves, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Data privacy compliance breaches or failure to protect confidential information could harm the Group's reputation and expose the Group to litigation or other legal or regulatory actions.

In the ordinary course of business, the Group receives, stores, hosts, analyses, transmits and secures the Group's and its clients' sensitive, confidential or proprietary information, including, but

not limited to, personally identifiable information and commercial, financial and consumer data. A data breach could result in unauthorised access, loss, or disclosure of this sensitive information. A data breach could severely damage the Group's reputation, leading to loss of client trust, potential loss of business and have a material adverse effect on the success of the Group's business.

Like other professional services businesses, the Group is aware that there has been improper access of the Group's information or breaches of confidentiality in the past and may be subject to further such breaches in the future. The Group's industry is prone to cyberattacks by third parties seeking unauthorised access to its information or its clients' information or seeking to disrupt its ability to provide a service. Computer malware, viruses, social engineering (predominantly spear phishing attacks) and general hacking have become more prevalent in the accounting industry in recent years leading to certain high-profile security breaches in the industry. Cybersecurity attacks, such as phishing emails, have been attempted on the Group's systems in the past, and are expected to be attempted on its systems in the future. Furthermore, the Group's personnel could improperly use or disclose confidential information provided by its clients or otherwise allow or participate in a security breach. Moreover, the Group only has limited physical security at certain of its sites which means that individuals may be able to access the Group's building and physically confront some of the Group's personnel without the Group's permission or consent and could result in physical security breaches in the future. Although the Group has developed systems and processes that are designed to protect its information and its clients' information to prevent information loss and to prevent or detect security breaches, there can be no assurance that such measures will provide absolute security. As cyber threats continue to multiply, become more sophisticated and threaten additional aspects of the Group's business, it may also be required to expend additional resources on information security and compliance costs in order to continue to modify or enhance its protective measures or to investigate and remediate any information security vulnerabilities or other exposures.

Furthermore, in the course of providing services, the Group provides limited information to certain third parties, based on their scope of services, which such third parties may process or store. If these third parties fail to adopt or adhere to adequate data security practices, or in the event of a breach of their networks, the Group's information or its clients' information could be improperly accessed, used or disclosed.

Addressing a data breach can cause significant operational disruptions, including the need for extensive investigations, remediation efforts, and potential legal actions. Non-compliance with GDPR can lead to substantial fines, up to 4% of the annual global turnover or €20 million, whichever is higher. Whilst the Information Commissioner's Office has not taken any action against the Group in respect of historical breaches caused by third parties, the limitation period for affected individuals to bring a claim against the Group runs for a period of six years post breach, so there is still a possibility that such relevant individuals may bring claims for damages. Any such security breach could significantly impact the Group's ability to operate its business and could result in reputational damage, legal liability, the loss of clients or business opportunities and financial losses to the extent that such losses are either not insured against or not fully covered through any insurance maintained by the Group. Any of these events could have a material adverse effect on the Group's business, reputation, financial condition, results of operations or prospects.

Certain claims may not be fully satisfied by insurance.

In the ordinary course of business, the Group periodically receives claims from clients and/or third parties in respect of, for example, negligence and breach of contract. The Group seeks to insure business liabilities and assets adequately, and while it has not occurred before, the Group cannot guarantee in the case of all claims that the insurer will cover all the costs of the claim and make good all of the damage. The Group cannot guarantee that insurance will be available in the future for all risks that the Group is exposed to, on terms that are deemed acceptable to the Board, when evaluating the risk.

The Group's internal controls, policies and procedures may fail to prevent and the Group's insurance coverage may fail to cover all of the risks to which the Group may be exposed and the cost of insurance could increase significantly.

The Group's business entails the risk of liability resulting from litigation, including malpractice litigation, actions taken by regulatory authorities, damage or business interruption from power loss, systems or telecommunication failure, labour issues, material employee errors, omissions and

misconduct, extreme weather conditions, fire, terrorist or other violent or criminal activity, or other natural or man-made disasters. The Group's operations, information systems and processes may also be subject to sabotage, computer hacking, vandalism, theft and similar misconduct. While the Group has developed and implemented certain internal controls, policies and procedures designed to prevent or mitigate the risks it assesses to be material, such policies and procedures may not be effective in all instances. For example, it is not always possible to identify and deter misconduct or errors by the Group's personnel and the precautions the Group takes to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses, which often do not come to light until several years after they are made, if at all.

Furthermore, while the Group has various disaster recovery and business continuity plans in place, and maintains various types of insurance, including professional indemnity, employer liability, public liability, directors and officers liability and asset protection insurance, there can be no assurance that a claim or claims will be covered by insurance or, if covered, will not exceed the limits of available insurance coverage, or that any insurer will remain solvent and will meet its obligations to provide the Group with coverage. Furthermore, there is no guarantee that insurance coverage will continue to be available at sufficient limits at a reasonable cost.

If the Group or the Partners become subject to any high-value future claims, the Group's insurance premiums could increase significantly. The future costs of maintaining insurance coverage or meeting liabilities not covered by insurance could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Transactional exchange rate risk exposes the Group to financial risks associated with fluctuations in exchange rates.

By accepting payment in different currencies, the Group is exposed to risks associated with fluctuations in exchange rates. This risk will increase materially if the Group expands substantially internationally. The Group's exposure to transactional exchange risks as a result of exchange rate fluctuations could have a material adverse effect on the price competitiveness of the Group's services. The depreciation of the British pounds sterling exchange rate due primarily to uncertainty over the outlook for the United Kingdom's international trading position has made the international accountancy services of British accountancy firms and other related services more competitively priced compared to accountancy firms and businesses in certain international jurisdictions. Conversely, if the British pounds sterling exchange rate were to appreciate compared to other currencies, this trend could reverse, making British accountancy services less competitively priced. The Group cannot predict the effect of exchange rate fluctuations upon future operations, and the Group may not be able to compensate for, or hedge against, adverse effects of exchange rate movements, which could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group's financial targets are based on estimates and assumptions that are subject to uncertainties and contingencies, and the actual results may be materially lower than the targets.

The Group has various medium-term revenue growth targets across its business lines, in addition to other financial and operational targets. Although the Group evaluated its historical performance and its strategy in setting its targets, no assurance can be given that the Group will achieve its targets. The Group's strategy, evaluation and financial targets are based on estimates and assumptions that may prove to be inaccurate, including, without limitation, revenue generated by existing or new client engagements, the net growth of its Partners (which are key to the Group's business development and revenue generation), recoverable hourly rate increases for the Group's services, costs associated with its premises, its fee earner to support staff ratios and efficiencies to be gained from the growth, appreciation of its share price and further implementation of connected and managed services, which are all subject to significant business, economic, market and operational uncertainties and contingencies, all of which are beyond the Group's control and which may adversely affect the Group's ability to achieve its targets. The Group may not be able to implement its strategy in a manner that generates revenue growth or achieves its other targets. In addition, the Group has also estimated its effective tax rate and any change or incorrect assumption in the tax treatment of the Group's profits may reduce the level of dividends received by Shareholders if any. Accordingly, the actual financial performance achieved by the Group may be materially lower than the targets, or the Group may experience a decline in revenue, which could have a material adverse effect on the Group's profitability and the price of the Ordinary Shares. The Group's

medium-term targets should not be taken as an indication or forecast of the Group's expected future performance or results over any period.

The Group will incur additional costs as a newly quoted public company and its management will be required to devote substantial time to new compliance matters.

As a newly quoted public company, the Company will incur significant legal, accounting and other expenses, including those resulting from public company reporting obligations and compliance with corporate governance-related rules, including the admission requirements of the London Stock Exchange. There can be no assurance that in an environment where the Group is subject to greater scrutiny and disclosure requirements, it will be able to manage its operations in the same manner as it has done as a professional services business before Admission as a private business under the ownership of the equity partners and not in a public company environment. In particular, the Group will be subject to increased regulatory obligations as a result of being quoted, and management, as well as other employees, will need to devote a substantial amount of time to ensure that the Group's business complies with all of these requirements. In addition, the reporting requirements, rules and regulations will increase the Group's legal and financial compliance costs and make some activities more time-consuming and costly, which may have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The application for stamp duty relief in respect of share transfers that are part of the Reorganisation will be outstanding at the time of Admission, and there is no assurance that the relief will be granted.

At the time of Admission, the stamp duty position in relation to the transfers of shares as part of the Reorganisation will be outstanding. Part of the Reorganisation involves moving assets around a commonly owned group. The Company considers that this will attract stamp duty relief in the normal way. However, as at the date of this document, stamp duty relief has not been granted by HMRC and therefore there is the possibility that stamp duty relief is not granted to the Group. While the Group expects that stamp duty relief will be granted by HMRC, there can be no assurance that the Group will receive the relief. If stamp duty relief is not granted to the Group in relation to the transfers that are part of the Reorganisation, the stamp duty will be due to be paid by the Group to HMRC, the payment of which may have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

RISKS RELATING TO THE PLACING AND THE ORDINARY SHARES

Admission to trading on AIM may result in liquidity and price volatility.

Following Admission, the market price of the Ordinary Shares may be subject to significant fluctuations in response to many factors, including variations in the Group's results, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic conditions, legislative changes in the Group's sector and other events and factors outside of the Group's control.

In addition, share prices may be volatile and may go down as well as up. The price at which investors may dispose of their Ordinary Shares in the Company may be influenced by a number of factors, some of which may pertain to the Group and others which are extraneous. These factors could include the performance of the Group's business, changes in the values of its investments, changes in the amount of distributions or dividends, changes in the Group's operating expenses, variations in and the timing of the recognition of realised and unrealised gains or losses, the degree to which the Group encounters competition, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, legislative or regulatory or taxation changes and general economic conditions. On any disposal of their Ordinary Shares, investors may realise less than the original amount invested.

Adverse changes in the general economic climate may negatively affect the Group.

Factors such as inflation, currency fluctuation, interest rates, supply and demand of capital and industrial disruption have an impact on business costs and commodity prices and stock market prices. The Group's operations, business and profitability can be affected by these factors, which are beyond the control of the Group.

Adverse changes in political, judicial, administrative, taxation or other regulatory matters may negatively affect the Group.

In addition to the impact of the downturn of the world's economies, the Group may be adversely affected by other changes in economic, political, judicial, administrative, taxation or other regulatory or other unforeseen matters. The Group may not have been and may not be at all times in complete compliance with laws, regulations and permits, and the nature of the Group's operations expose it to the risk of liabilities or claims with respect to proper compliance with the audit and accounting framework to which it is subject. If the Group violates or fails to comply with any applicable laws, regulations and permits, it could be subject to penalties, fines, public notices or censures, restrictions on operations or other sanctions, and the Group's operations could be interrupted or suspended.

This document, the Ordinary Shares and the Group are subject to legislative and tax status changes.

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in tax status or tax residence of the Group or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Company.

The Ordinary Shares will not be admitted to the Official List.

The Ordinary Shares are expected to be traded on AIM and will not be admitted to the Official List. The contents of this document has not been examined or approved by the FCA or the London Stock Exchange. The AIM Rules are generally less demanding as compared to the rules which apply to an entity admitted to the Official List, and investing in shares on AIM may entail higher risks than investing in shares admitted to the Official List.

While the Company is seeking the admission of its Ordinary Shares to trading on AIM, there is no guarantee of an active trading market developing for the Ordinary Shares, and even if it does, there is no assurance of its maintenance. The Ordinary Shares trading on AIM may experience limited liquidity, potentially making it more challenging for investors to realise their investments compared to shares admitted to the Official List. Investors should be mindful that the market price of the Ordinary Shares could be more volatile than shares admitted to the Official List, and it may not accurately reflect the underlying value of the Group's net assets. Due to these factors and others, investors may face difficulties in selling at a price that allows them to recover their initial investment.

The Ordinary Shares may not be a suitable investment for all investors.

Investing in Ordinary Shares is suitable only for investors who possess the capability to assess the associated risks, including the risk of capital loss, and understand the merits of such an investment. Additionally, investors should have adequate resources to withstand a complete loss of their investment. Consideration of Ordinary Shares as a long-term investment is essential, and it should complement other financial assets within a diversified investment portfolio.

As a result, the Company anticipates that typical investors will include institutional investors, private client fund managers, private client brokers, and private individuals. These individuals should either have received advice from their professional advisers regarding the investment in Ordinary Shares or possess sufficient experience to independently evaluate the risks and merits of such an investment.

Changing market perception may affect the pricing of Ordinary Shares.

Market perception of the Group may change, potentially affecting the value of investors' holdings of Ordinary Shares and the ability of the Company to raise further funds by the issue of further Ordinary Shares or otherwise. Negative perceptions of the Group's competitors may result in negative market perception of the sectors in which the Group operates, which would have an adverse effect on price of the Ordinary Shares as well as the Group's ability to raise further funds either publicly or privately.

The price of the Ordinary Shares is subject to volatility and liquidity risk.

Publicly traded securities occasionally undergo notable fluctuations in both price and volume, which may not necessarily correlate with the operational performance of the issuing companies. Moreover, the market value of Ordinary Shares can exhibit significant volatility. Several factors, some beyond the Group's influence, contribute to this volatility, including variations in the Group's financial results during reporting periods, alterations in financial assessments made by securities analysts, adverse stock market conditions impacting companies within the same sector, changes in key personnel, any failure to meet turnover or net profit expectations or an increase in losses compared to analyst projections, and the issuance or sale of Ordinary Shares in the future. These events, individually or collectively, have the potential to lead to a substantial decline in the price of Ordinary Shares, irrespective of the Group's overall performance.

Investors may perceive the Concert Party's influence negatively, which may adversely affect the market value of the Ordinary Shares.

On Admission, the Concert Party will hold approximately 54.72 per cent. of the Enlarged Share Capital. Investors may perceive this level and concentration of share ownership negatively due to the influence that the Concert Party may resultantly exert, which may adversely affect the market value of the Ordinary Shares.

In addition, for so long as the Concert Party's aggregate interest remains above 50 per cent., its members will be able to increase their individual, and the Concert Party's, aggregate shareholding without incurring any obligation under Rule 9 of the Takeover Code to make a general offer to Shareholders, and Shareholders will not benefit from any specific minority shareholder protection other than to the extent prescribed under relevant law.

There are regulatory restrictions on holdings of 10 per cent. or more of the Ordinary Shares.

Prior approval of the FCA under section 178 of FSMA is required of any person proposing to acquire or increase "control" or a "qualifying holding" (respectively) of an FCA authorised person (being holdings of 10 per cent., 20 per cent. and 50 per cent.) and accordingly would apply in the case of any person acquiring Ordinary Shares as a result of which such person's holding increased through the applicable threshold. For FCA regulated entities, the FCA has 60 working days from the day on which it acknowledges the receipt of a completed change of control notice to determine whether to approve the new controller or object to the transaction. However, this period may be extended by a further 30 working days where the FCA is awaiting the provision of further information that it may request from an applicant during the approval process. If approval is given, it may be given unconditionally or subject to such conditions as the FCA considers appropriate. These laws may change and may, in their current or any future form, discourage potential future acquisition proposals and may delay, deter or prevent potential acquirers of Ordinary Shares which may, in turn, reduce the value of the Ordinary Shares.

There are restrictions on holdings of 30 per cent. or more of the Ordinary Shares held by individual shareholders or their concert parties, imposed by the Group's regulators without their consent.

Prior approval of the Audit Registration Committee of the ICAEW, the ICAEW and the FRC is required for any person and/or any of their related parties (including those persons acting in concert as defined by the Takeover Code) ("Proposed Acquirer") to acquire 30 per cent. or more of the Ordinary Shares. Members of MHA Audit Services (from time to time) and members of New LLP (from time to time) are exempt from this requirement. The Audit Committee of the ICAEW, the ICAEW and the FRC typically meet once a month in their capacities as regulators of the Group and may request such information as they consider appropriate in considering whether to approve the proposed acquisition by the Proposed Acquirer.

Any approval given may be given unconditionally or subject to such further conditions as are considered appropriate by the Audit Registration Committee of the ICAEW, the ICAEW and the FRC.

The need to seek such regulatory approval may discourage potential future acquisition proposals and may delay, deter or prevent potential acquirers of Ordinary Shares which may, in turn, reduce the value of the Ordinary Shares.

Shareholders in the United States or other jurisdictions may not be able to participate in future equity offerings.

Securities laws of certain jurisdictions may restrict the Company's ability to allow participation by Shareholders in future offerings. In particular, Shareholders in the United States may not be entitled to exercise these rights unless either the rights and Ordinary Shares are registered under the Securities Act, or the rights and Ordinary Shares are offered pursuant to an exemption from the registration requirements of the Securities Act. Any exemption from such overseas securities law requirements might not be available to enable US or other Shareholders to exercise their pre-emption rights or, if available, the Company might not rely on any such exemption.

Overseas shareholders may have only limited ability to bring actions or enforce judgements against the Company or its Directors.

The ability of an overseas Shareholder to bring an action against the Group may be limited under law. The rights of holders of Ordinary Shares are and will be governed by English law, the Takeover Code, the AIM Rules and by the Articles. These rights differ in certain respects from the rights of shareholders in comparable US corporations and some other non-UK entities. Consequently, it may not be possible for an overseas Shareholder to effect service of process upon the Group or its Directors and executive officers within the overseas Shareholder's country of residence or to enforce against the Company or its Directors or executive officers judgements of courts of the overseas Shareholder's country of residence based on civil liabilities under that country's securities laws. An overseas Shareholder may not be able to enforce any judgements in civil and commercial matters or any judgements under the securities laws of countries other than the United Kingdom against the Directors or executive officers of the Company who are residents of the United Kingdom or countries other than those in which such judgement is made. In addition, English or other courts may not impose civil liability on the Directors or executive officers in any original action based solely on foreign securities laws brought against the Company or its Directors or executive officers in a court of competent jurisdiction in England or other countries.

Directors and Shareholders may sell their Ordinary Shares following expiry of the lock-in and clawback arrangements, resulting in price volatility.

There can be no assurance that certain Directors and Shareholders will not elect to sell their Ordinary Shares following the expiry of the lock-in and orderly market and clawback arrangements applicable to them, details of which are set out in paragraphs 16.13, 16.16, 16.20 and 16.38 of Part V of this document. The market price of Ordinary Shares could decline as a result of any such sales of Ordinary Shares or as a result of the expectation or belief that any such sale of Ordinary Shares may occur. In addition, if these or any other sales were to occur, the Company may in the future have difficulty in offering Ordinary Shares at a time or at a price it deems appropriate.

There is no guarantee that the Ordinary Shares will continue to be traded on AIM.

The Company cannot assure investors that the Ordinary Shares will always continue to be traded on AIM or on any other exchange. If such trading were to cease, certain investors may decide to sell their Ordinary Shares, which could have an adverse impact on the price of the Ordinary Shares. Additionally, if in the future the Company decides to obtain a listing on another exchange in addition or as an alternative to AIM, the level of liquidity of the Ordinary Shares traded on AIM could decline.

Further issuances of Ordinary Shares may be dilutive to existing Shareholders.

It is possible that the Company may decide to issue, pursuant to a public offer, as consideration shares to the owners of potential target companies/businesses or otherwise, additional Ordinary Shares in the future at a price or prices higher or lower than the Placing Price. An additional issue of Ordinary Shares by the Company, or the public perception that an issue may occur, could have an adverse effect on the market price of Ordinary Shares and could dilute the proportionate ownership interest and the proportionate voting interest of Shareholders if, and to the extent that, such an issue of Ordinary Shares is not effected on a pre-emptive basis, or Shareholders do not take up their rights to subscribe for further Ordinary Shares under a pre-emptive offer. Shareholders may also experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares.

The payment of dividends by the Company is dependent upon the performance of the business.

The payment of dividends by the Company to Shareholders in the future will be highly dependent upon underlying growth in the Group's business. In particular, the dividend policy mentioned in Part I of this document should not be construed as a dividend forecast. The Company cannot guarantee that it will always have sufficient cash resources or distributable reserves to pay dividends. Any determination to pay dividends in the future will be a decision for the Board (and will be subject to applicable laws and generally accepted accounting principles from time to time, and other factors the Board deems relevant). Any change in the tax treatment of dividends by the Company may reduce the level of yield received by Shareholders.

Forward-looking statements are based upon estimates and assumptions which may not be accurate or materialise.

All statements other than statements of historical fact included in this document, including, without limitation, those regarding the Group's financial position, business strategy, plans and objectives of management for future operations or statements relating to expectations in relation to Shareholder returns, dividends or any statements preceded by, followed by or that include the words "targets", "estimates", "envisages", "believes", "expects", "aims", "intends", "plans", "will", "may", "anticipates", "would", "could" or similar expressions or the negative thereof, are forward-looking statements.

Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group's control that could cause the actual results and performance to be materially different from future results and performance expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future.

These forward-looking statements speak only as of the date of this document. The Group expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto, any new information or any change in events, conditions or circumstances on which any such statements are based, unless required to do so by law or any appropriate regulatory authority.

It should be noted that the risk factors listed above are not intended to be exhaustive and do not necessarily comprise all of the risks to which the Group is, or may be, exposed to or all those associated with an investment in Ordinary Shares in the Company. There may be additional risks and uncertainties that the Directors do not currently consider to be material or of which they are currently unaware, which may also have an adverse effect on the Company and its Group.

PART IV
HISTORICAL FINANCIAL INFORMATION

**SECTION A: ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION
OF THE COMBINED GROUP**



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10 April 2025

The Directors
MHA plc
The Pinnacle
150 Midsummer Boulevard
Milton Keynes
Buckinghamshire, MK9 1LZ

The Directors
Cavendish Capital Markets Limited
1 Bartholomew Close
London, EC1A 7BL

Dear Directors,

Introduction

We report on the audited combined historical financial information of MacIntyre Hudson LLP and its subsidiaries ("**MHA LLP**") and MacIntyre Hudson Holdings Limited and its subsidiaries ("**MHHL**") (together, the "**Combined Group**") as set out in Section B of Part IV of the Company's admission document dated 10 April 2025 (the "**Admission Document**") for the three years ended 31 March 2024 (the "**Historical Financial Information of the Combined Group**")

Opinion

In our opinion, the Historical Financial Information of the Combined Group gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Combined Group as at 31 March 2022, 31 March 2023 and 31 March 2024 and of the results, cash flows and changes in equity for the periods then ended in accordance with UK-adopted international accounting standards ("**IFRS**").

Responsibilities

The directors of the Company are responsible for preparing the Historical Financial Information of the Combined Group on the basis of preparation set out in note 2 a. to the Historical Financial Information of the Combined Group. It is our responsibility to form an opinion on the Historical Financial Information of the Combined Group and to report our opinion to you.

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the Admission Document.

Basis of preparation

This Historical Financial Information of the Combined Group has been prepared for inclusion in the Admission Document on the basis of the accounting policies set out in note 2 to the Historical Financial Information of the Combined Group. This report is required by Paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

Basis of Opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. We are independent of the Combined Group in accordance with relevant ethical requirements. In the United Kingdom this is the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Historical Financial Information of the Combined Group. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Historical Financial Information of the Combined Group and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Historical Financial Information of the Combined Group is free from material misstatement, whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions relating to going concern

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of the Combined Group to continue as a going concern for a period of at least twelve months from the date of the Admission Document. Accordingly, the use by the Directors of the going concern basis of accounting in the preparation of the financial information is appropriate.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules for Companies, we are responsible for this report as part of the Admission Document and declare that we have taken the information contained in this report is, to the best of our knowledge, in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Paragraph (a) of Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

**SECTION B: HISTORICAL FINANCIAL INFORMATION OF THE COMBINED
GROUP FOR THE THREE YEARS ENDED 31 MARCH 2024**

Combined consolidated statements of profit or loss and other comprehensive income

	Note	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Revenue	4	90,846	112,833	154,037
Client expenses and disbursements		(3,082)	(2,018)	(4,625)
Net revenue		87,764	110,815	149,412
Other operating income	5	236	—	536
Administrative expenses	9	(54,699)	(65,090)	(91,841)
Profit from operations		33,301	45,725	58,107
Finance income	10	129	306	1,042
Finance expense	11	(1,144)	(1,140)	(963)
Other gains/(losses)		26	(25)	(6)
Profit before tax		32,312	44,866	58,180
Taxation	12	(623)	(875)	(1,855)
Profit for the period		31,689	43,991	56,325
Other comprehensive income:				
<i>Other comprehensive income</i>				
Exchange difference on retranslation of foreign operations		55	37	(21)
Total comprehensive income		31,744	44,028	56,304

Combined consolidated statements of financial position

	Note	As at 31 March 2022 £'000	As at 31 March 2023 £'000	As at 31 March 2024 £'000
Assets				
Current assets				
Trade and other receivables	15	36,733	44,744	50,683
Lease receivable	19	315	328	341
Cash and cash equivalents	16	17,481	28,332	25,956
Total current assets		54,529	73,404	76,980
Non-current assets				
Property, plant and equipment	13	3,375	2,867	2,593
Right-of-use assets	19	16,987	14,781	15,093
Intangible assets	14	7,023	8,991	16,306
Investments		9	9	9
Lease receivable	19	2,787	2,460	2,120
Deferred tax assets	20	—	—	5
Total non-current assets		30,181	29,108	36,126
Total assets		84,710	102,512	113,106
Liabilities				
Current liabilities				
Trade and other payables	17	22,676	24,668	24,217
Lease liabilities	19	2,245	2,442	2,886
Borrowings	18	730	2,305	20
Current tax liabilities	12	661	773	1,394
Total current liabilities		26,312	30,188	28,517
Non-current liabilities				
Borrowings	18	3,276	970	90
Lease liabilities	19	17,572	15,293	14,785
Other provisions	24	4,455	4,323	4,252
Other payables	17	634	845	2,045
Deferred tax liabilities	20	74	37	—
Total non-current liabilities		26,011	21,468	21,172
Total liabilities		52,323	51,656	49,689
Net assets		32,387	50,856	63,417
Members' interests				
Members capital classified as a liability		7,243	8,711	13,359
Other amounts classified as debt		14,137	29,110	34,706
Invested capital		11,007	13,035	15,352
Total members' interests		32,387	50,856	63,417

Combined consolidated statements of changes in members' interests

	Members capital classified as a liability £'000	Other amounts classified as debt £'000	Invested capital £'000	Members' interests £'000
Balance at 1 April 2021	5,416	7,621	8,012	21,049
Profit for the year	—	29,180	2,509	31,689
Other comprehensive income	—	55	—	55
Amounts introduced by members	2,027	—	—	2,027
Repayment of capital to members	(200)	—	—	(200)
Profits distributed to members	—	(22,395)	—	(22,395)
Movement in capital points between Combined Group entities	—	(324)	—	(324)
Acquisition of subsidiaries with non-controlling interests ¹	—	—	1,454	1,454
Issue of dividends ²	—	—	(968)	(968)
Balance at 31 March 2022	7,243	14,137	11,007	32,387
Balance at 1 April 2022	7,243	14,137	11,007	32,387
Profit for the year	—	39,530	4,461	43,991
Other comprehensive income	—	37	—	37
Amounts introduced by members	1,940	—	—	1,940
Repayment of capital	(472)	—	—	(472)
Profits distributed to members	—	(24,418)	—	(24,418)
Movement in capital points between Combined Group entities	—	(176)	—	(176)
Purchase of own shares	—	—	(124)	(124)
Issue of dividends ²	—	—	(2,309)	(2,309)
Balance at 31 March 2023	8,711	29,110	13,035	50,856
Balance at 1 April 2023	8,711	29,110	13,035	50,856
Profit for the year	—	50,865	5,460	56,325
Other comprehensive loss	—	(21)	—	(21)
Amounts introduced by members	6,042	—	—	6,042
Repayment of capital	(1,394)	—	—	(1,394)
Profits distributed to members	—	(44,718)	—	(44,718)
Movement in capital points between Combined Group entities	—	(530)	—	(530)
Issue of dividends ²	—	—	(3,143)	(3,143)
Balance at 31 March 2024	13,359	34,706	15,352	63,417

¹This movement is in relation to the acquisition of MHA Caves Investment Management Limited (see note 22 for further details).

²Dividends were issued by MacIntyre Hudson Holdings Limited which is part of the Combined Group.

Combined consolidated statements of cash flows

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Cash flows from operating activities			
Profit before taxation	32,312	44,866	58,180
Adjustments for:			
Depreciation of property, plant and equipment	609	641	641
Amortisation of intangible assets	30	49	195
Amortisation of right of use assets	2,388	2,441	2,692
Loss on disposal of property, plant and equipment	10	62	1
(Profit)/loss on disposal of right of use assets	(26)	25	6
Movement in provisions	2,975	1,980	1,560
Finance income	(129)	(306)	(1,042)
Finance costs	1,144	1,140	963
Net cash generated from operating activities before changes in working capital	39,313	50,898	63,196
Increase in contract assets	(3,898)	(43)	(213)
Increase in trade and other receivables	(5,187)	(9,663)	(10,101)
Increase in trade and other payables	3,963	1,599	235
Cash generated from operations	34,191	42,791	53,117
Tax paid	(421)	(799)	(1,276)
Net cash inflow from operating activities	33,770	41,992	51,841
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	(1,618)	(1,373)	(3,875)
Purchase of intangible assets	(22)	—	(1)
Purchase of property, plant and equipment	(787)	(195)	(368)
Investments in associates	(385)	(2,100)	(630)
Disposals of associates	—	1,800	—
Principal received from rental income	99	314	327
Interest received from rental income	129	120	107
Interest received	—	186	935
Net cash outflow from investing activities	(2,584)	(1,248)	(3,505)
Cash flows from financing activities			
Payments to members	(22,900)	(24,939)	(45,515)
Capital invested by members	2,027	1,940	6,042
Capital withdrawn by members	(200)	(472)	(1,394)
Equity dividends paid	(968)	(2,309)	(3,143)
Repayments of borrowings	(710)	(731)	(3,165)
Interest paid	(239)	(274)	(121)
Principal paid on lease liability	(1,509)	(2,342)	(2,626)
Interest paid on lease liability	(840)	(803)	(771)
Net cash outflow from financing activities	(25,339)	(29,930)	(50,693)
Net increase/(decrease) in cash and cash equivalents	5,847	10,814	(2,357)
Cash and cash equivalents at beginning of the year	11,577	17,481	28,332
Effects of exchange rates on cash and cash equivalents	57	37	(19)
Cash and cash equivalents at end of year	17,481	28,332	25,956

The principal non-cash transactions comprise additions of right-of-use assets, as detailed in note 19.

Notes to the combined historical financial information

1. General information

MacIntyre Hudson LLP (“MHA”) is a Limited Liability Partnership (“Partnership”) registered in England and Wales, its registered number is OC312313. MacIntyre Hudson Holdings Limited (“MHHL”) is a private company incorporated in England and Wales, its registered numbers is 03717255. The registered address of both companies is The Pinnacle, 150 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1LZ, United Kingdom.

This historical financial information has been prepared solely for the purposes of admission of the ordinary shares of MHA plc to the AIM Market of the London Stock Exchange. The information for the years covered by the historical financial information does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the audited statutory accounts of both MHA and MHHL, for the three years ended 31 March 2024, 31 March 2023, and 31 March 2022, has been delivered to the Registrar of Companies.

The auditors reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The principal activity of the Partnership and its subsidiaries, and MHHL and its subsidiaries (together, the “Combined Group”) is the provision of professional services to clients.

2. Material accounting policy information

a. Basis of preparation

This historical financial information provided for the Combined Group is for the following entities in respect of the years ended 31 March 2022, 31 March 2023 and 31 March 2024 (or where acquired during the period from a third party, from the date of acquisition):

MacIntyre Hudson LLP	MacIntyre Hudson Holdings Limited
MacIntyre Hudson Service Limited	MHA Financial Solutions Limited
Blackfriars Tax Solutions LLP	MacIntyre Hudson Limited
Cell MHA	MHA Trustees Corporation
Meston Reid Limited	MHA Tax Safe Limited
MHA Wealth Management Holdings Limited	MacIntyre Hudson Corporate Finance Limited
MHA Caves Investment Management Limited	MHA MacIntyre Consulting Limited
MHA Caves Wealth Limited	MHA Limited
MHC Limited	MHA MacIntyre Hudson Cayman Limited

The historical financial information has been prepared in accordance with UK-adopted international accounting standards (“IFRS”), except as detailed below, on a going concern basis and under the historical cost convention. The historical financial information has been prepared in Pounds Sterling and rounded to the nearest thousand.

In preparing the historical financial information of the Combined Group, the Combined Group have applied IFRS for the first time from 1 April 2021. The principles and requirements for first time adoption of IFRS are set out in IFRS 1. IFRS 1 allows certain exemptions in the application of particular standards to prior periods in order to assist companies with first time adoption. No transition notes under IFRS 1 are required given the Combined Group has not prepared financial statements previously. The Combined Group have taken the exemption to not apply IFRS 3 Business Combinations to acquisitions made prior to 1 April 2021.

The principal accounting policies adopted in the preparation of the historical financial information are set out below. These policies have been consistently applied to all the periods presented.

Departures from IFRS

IFRS does not provide for the preparation of combined historical financial information, and accordingly in preparing the combined historical financial information there have been some departures from IFRS, as detailed below:

- i) The historical financial information is prepared on a combined basis and therefore does not constitute a set of general-purpose financial statements under paragraph 2 of IAS 1 and consequently the Combined Group does not make an explicit and unreserved statement of compliance with IFRS as contemplated by paragraph 16 of IAS 1; and
- ii) The combined historical information has not been prepared in accordance with IAS 1 'Presentation of Financial Statements'. As the financial information is prepared on a combined basis all capital and reserve balances, including equity and debt, are merged into "members interests". This is further detailed in the policies below.

In all other respects, IFRS has been applied.

b. Financial information layout and aggregation

The entities comprising the Combined Group do not include a single overall holding company for the three years ended 31 March 2022, 31 March 2023 and 31 March 2024 and therefore do not form a legal group for accounting purposes. However, all entities have been controlled by common members throughout the period covered by the financial information and have therefore been aggregated in the financial information as throughout the period they had senior decision-making management in common and the key decisions for each Combined Group impacted the other. Entities which have been acquired by those entities during the period from third parties have been treated as acquired and have been consolidated in the financial information of the acquirer from the date of acquisition.

c. New and amended standards and interpretations

The historical financial information has been prepared in accordance with IFRSs that are expected to be effective in the Combined Group's first annual financial statements post Admission. Therefore, the following IFRSs (including amendments thereto) and IFRIC interpretations have been adopted early:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current;
- Amendments to IAS 1 Non-Current Liabilities with Covenants;
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback; and
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements.

There are certain new standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Combined Group has decided not to adopt early. These standards, amendments or interpretations are not expected to have a material impact on the Combined Group.

d. Basis of consolidation

Entities under common control

The entities comprising the Combined Group do not form a legal group for accounting purposes throughout the historical financial information period. However, all entities have been controlled by common members throughout the period covered by the historical financial information and have therefore been treated as a combination of entities under common control, with transactions between the entities treated as if they were subsidiaries part of a legal group as detailed below.

Subsidiaries

Subsidiaries are all entities over which MHA has control. Control is achieved when MHA is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when MHA has less than a majority of the voting or similar rights of an investee, MHA considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Combined Group's voting rights and potential voting rights.

MHA re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to MHA. They are deconsolidated from the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the historical financial information from the date MHA gains control until the date MHA ceases to control the subsidiary.

Where necessary, adjustments are made to the historical financial information of subsidiaries to bring the accounting policies used in line with those used by other members of the Combined Group.

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

Business combinations

The combined historical financial information incorporates the results of business combinations using the acquisition method of accounting in accordance with IFRS 3 Business Combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the consideration transferred over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. All transaction related costs are expensed in the period they are incurred as operating expenses. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in the income statement. The results of acquired operations are included in the combined statement of comprehensive income from the date on which control is obtained.

e. Revenue recognition

IFRS 15 "Revenue from Contracts with Customers" is a principle-based model of recognising revenue from contracts with customers. It has a five-step model that requires revenue to be recognised when control over goods and services are transferred to the customer.

Revenue is measured as the fair value of consideration received or receivable for satisfying performance obligations in the contract. There is one single performance obligation being the provision of professional services in relation to a particular matter and the transaction price is therefore allocated to this single performance obligation. Variable consideration is included in revenue only to the extent that it is highly probable that a significant reversal will not be required when the uncertainty associated with the variable consideration is subsequently resolved.

This occurs as follows for the Combined Group's contract types:

- Time and materials contracts are recognised over time in the accounting period when services are rendered as the Combined Group has an enforceable right to payment for work performed to date under its client terms of engagement.
- Fixed-fee contracts are recognised over time, based on the actual service provided to the end of the reporting period relative to total services to be provided, generally assessed by reference to actual inputs of time and expenses as a proportion of the total expected inputs, where the Combined Group has an enforceable right to payment for performance completed to date under its client terms of engagement. and there is an inability to redirect the related contract asset for another purpose.

- Contingent fee contracts, over and above an agreed minimum fee, are recognised at the point in time that the contingent event occurs, and the Combined Group has become entitled to the revenue.
- Commissions and fees are earned for facilitating client transactions. Commissions and fees are recognised at a point in time the associated service has been completed which is generally the trade date of the transaction.

Revenue from contracts for the provision of professional services is recognised by reference to stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the Statement of Comprehensive Income in the period in which the circumstances that give rise to the revision become known by management.

Revenue includes appropriate amounts in respect of unbilled revenue to the extent that the outcome of these contracts can be assessed with reasonable certainty, which is included in contract assets. Contract assets are reclassified as trade receivables when billed and the consideration has become unconditional because only the passage of time is required before payment is due. A contract liability is defined by an obligation to transfer goods or services to a customer for which receipt of consideration has already occurred, as the amount billed by the Combined Group never exceeds the revenue recognised, therefore no contract liabilities are recognised.

The Combined Group does not adjust the transaction price for the time value of money as it does not expect to have any contracts where the period between the transfer of the promised services to the client and the payment by the client exceeds one year.

f. Foreign currencies

The functional currency for each entity in the Combined Group is the currency of the primary economic environment in which the entity operates. The historical financial information is presented in Pounds Sterling, which is the Combined Group's presentational currency.

Transactions in currencies other than the functional currency of each entity are recorded at the exchange rate on the date the transaction occurred. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised in profit or loss.

For the purposes of preparing the combined financial statements, the assets and liabilities of the Combined Group are expressed in Pounds Sterling using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as other comprehensive income and are transferred to the Combined Group's translation reserve.

g. Other operating income

Other operating income represents all other income received by the Combined Group. This primarily relates to commissions and compensation payments received for historic business relationships which are not considered ongoing.

h. Employee benefits: pension obligations

The Combined Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Combined Group pays fixed contributions into a separate entity. Once the contributions have been paid the Combined Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

i. Net finance expense

Finance income

Finance income comprises of interest received on bank balances and rental income and is recognised in profit or loss when it is earned.

Finance costs

Finance costs comprise of interest payable on leases and other financial liabilities which are expensed in the period in which they are incurred.

j. Taxation

The taxation payable on profits of MHA is the personal liability of the Members during the year and accordingly, no provision is made in the financial statements. Tax on profit or loss for the year comprises current tax for subsidiary company undertakings of MHA and other companies within the Combined Group.

Current tax

Current tax payable is based on the taxable profit for the year calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases and is accounted for using the balance sheet liability method.

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

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Judgement is applied in making assumptions about future taxable income, recognition of deferred tax assets, as well as the anticipated timing of the utilisation of the losses of the Combined Group.

k. Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Land is not depreciated. Assets under construction are not depreciated until they become available for use.

Depreciation is provided on the following basis:

- | | |
|------------------------------------|--|
| – Leasehold improvements | Underlying lease up to maximum of 10 years |
| – Fixtures, fittings and equipment | 3 to 5 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

I. Intangible assets

Goodwill

Goodwill represents the excess of consideration transferred and non-controlling interest acquired over the fair value of identifiable net assets acquired in a business combination. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 6).

Other intangible assets

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset under IAS 38 Intangible Assets. Such assets are only recognised if either:

- They are capable of being separated or divided from the company and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the company intends to do so; or
- They arise from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.

The cost of such intangible assets is the fair value at the acquisition date. All intangible assets acquired through business combinations are amortised over their estimated useful lives. The significant intangibles recognised by the Group acquired in business combinations are customer relationships which have been valued using the multiple period excess earnings method.

Intangible assets comprise customer relationships and software. Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

- | | |
|--------------------------|----------|
| – Customer relationships | 10 years |
| – Software | 3 years |

The estimated useful lives are based upon management's best estimate of the expected life of the asset. Useful lives are reconsidered if circumstances relating to the asset change or if there is an indication that the initial estimate requires revision.

m. Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset or cash-generating unit ("CGU") to which the asset has been allocated is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

n. Leases

The Combined Group as a lessee

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

To assess whether a contract conveys the right to control the use of an identified asset, the Combined Group assesses whether: an identified physically distinct asset can be identified; and the Combined Group has the right to obtain substantially all of the economic benefits from the asset throughout the period of use and has the ability to direct the use of the asset over the lease term being able to restrict the usage of third parties as applicable.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the incremental borrowing rate on commencement of the lease is used. The incremental borrowing rate is an appropriate measurement because it provides a practical, reliable, and company specific estimate of the lease liability's present value. It ensures compliance with IFRS 16 while allowing lessees to apply a consistent approach across various lease agreements.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Combined Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. When the Combined Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement, in line with IFRS 16. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

The Combined Group as a lessor

As a lessor the Combined Group classifies its leases as either operating or finance leases.

The Combined Group assesses whether it transfers substantially all the risks and rewards of ownership. Those assets that transfer substantially all the risks and rewards are classified as finance leases. All of the Combined Group's leases are classified as finance leases.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Combined Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Combined Group's net investment in the lease.

o. Cash and cash equivalents

Cash and cash equivalents are financial assets and include cash at bank and in hand and short term highly liquid deposits which are subject to an insignificant risk of changes in value.

p. Financial assets

Financial assets comprise trade and other receivables and cash and cash equivalents and are all held at amortised cost.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold their assets in order to collect contractual cash flows and the contractual cash flows are solely payments of the principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade and other receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses (“ECL”) method. During this process the probability of the non-payment of the receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the receivables. For trade and other receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade or other receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

q. Financial liabilities

All financial liabilities are recognised in the statement of financial position when the Combined Group becomes a party to the contractual provision of the instrument.

Financial liabilities measured at amortised cost

The Combined Group’s financial liabilities measured at amortised cost comprise trade payables and other payables, lease liabilities and bank and other borrowings.

These financial liabilities are initially measured at fair value net of any transaction costs directly attributable to the issue of the instrument and are subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability to the amortised cost of a financial liability.

r. Members’ interests

Members’ interests contains both elements of equity, being invested capital, and liabilities, being members’ interests detailed as members capital classified as a liability and other amounts classified as debt, due to the combination of the two separate Groups, as detailed in Note 2a, being a departure from IFRS.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of a company after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received net of direct issue costs.

Members’ capital and other liabilities

Non-designated members receive an agreed percentage profit share with the remaining profits for each period being allocated between members in accordance with the rights set out in the partnership agreement. It is therefore considered that a contractual liability exists under IAS 32

'Financial Instruments: Presentation' in respect of the Group's profits, and these amounts are recognised as a liability in the statement of financial position. These amounts are included within the total profit or loss in each year presented and are not shown as an expense due to the profit or loss being for a combination of entities.

A monthly amount is paid to members during the year based upon an estimate of profit for the year with additional distributions dependent on the availability of funds. Amounts are typically retained in respect of members' estimated tax liabilities and released to members when the liability falls due.

Fixed capital is maintained which designated members contribute to in proportion to their investment. Capital can only be withdrawn with a reduction in investment or upon ceasing to be a member except where there is a return of capital to all members in proportion to their investment in the LLP. There is no opportunity for appreciation of the capital contributed.

s. Provisions

A provision is recognised in the statement of financial position when the Combined Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

3. Critical accounting estimates and judgements

In the application of the accounting policies, which are described in note 2, the designated members of MHA are required to make judgements, estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the revision is made.

Key sources of estimation uncertainty

The fair value and impairment of intangible assets acquired in a business combination

The fair value of intangible assets acquired through business combinations involves the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. The estimation of the fair values requires the combination of assumptions including revenue growth, customer attrition rate and discount rates.

Impairment of goodwill and other intangibles

The Combined Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount of goodwill and other intangibles is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

Discount rates

IFRS 16 states that the lease payments shall be discounted using the lessee's incremental borrowing rate where the rate implicit in the lease cannot be readily determined. Accordingly, all lease payments have been discounted using the incremental borrowing rate ("IBR"). The IBR has been determined by management using a range of data including current economic and market conditions, review of current debt and capital within the Combined Group, lease length and comparisons against seasoned corporate bond rates and other relevant data points. A range between 3.40% – 8.55% has been adopted.

Estimation of trade receivable provisions

The estimation of the recoverability of the trade receivables has a significant impact throughout the historical financial information. The Combined Group measures any impairment of the trade receivables using an expected credit loss model and recognises the lifetime expected losses on all trade receivables.

Unbilled revenue

Time recorded for chargeable professional services work is regularly reviewed to ensure that only that which the designated members believe to be recoverable from the client is recognised as unbilled revenue within contract assets.

Estimates are made with allocating revenue to the performance obligation and the valuation of contract assets. The Combined Group estimates the contract completion point, costs yet to be incurred and the potential outcome of the contract.

Management base their assumptions on historical experience, market insights and rational estimates of future events. Estimates are made in each part of the business by engagement teams with experience of the service being delivered and are subject to review and challenge by management.

4. Revenue

The Combined Group generates revenue primarily from professional services provided to clients. There are no customers that make up more than 10% of revenue in the three years ended 31 March 2022, 2023, and 2024.

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Geographical reporting			
United Kingdom	87,795	109,337	149,448
Cayman Islands	3,051	3,496	4,589
	<u>90,846</u>	<u>112,833</u>	<u>154,037</u>

5. Other operating income

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Government grants	9	—	—
Other income	227	—	536
	<u>236</u>	<u>—</u>	<u>536</u>

Other income includes commissions and compensation payments received.

6. Segmental reporting

The Chief Operating Decision Maker (“CODM”) has been identified as the Board of MHA and that of MHHL, which comprise the same individuals. The CODM reviews the Combined Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined that there is one operating segment being the provision of professional services. Information about geographical revenue is disclosed in note 4.

7. Employee benefit expenses

Employee benefit expenses (excluding members) comprise:

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Wages and salaries	31,533	37,788	47,846
Social security costs	2,710	3,390	3,994
Other pension costs	2,607	2,912	3,931
	<u>36,850</u>	<u>44,090</u>	<u>55,771</u>

8. Members' share of profits

Profits are shared amongst members in accordance with profit sharing arrangements. Members are required to make their own provision for pensions from their profit shares.

	Year ended 31 March 2022 No.	Year ended 31 March 2023 No.	Year ended 31 March 2024 No.
Average number of members	<u>85</u>	<u>96</u>	<u>97</u>

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Remuneration of highest paid member	<u>752</u>	<u>1,309</u>	<u>2,004</u>
Average profit per member	<u>373</u>	<u>458</u>	<u>581</u>

9. Operating profit

Operating profit is stated after charging:

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Depreciation of property, plant and equipment	609	641	641
Amortisation of intangibles	30	49	195
Amortisation of right-of-use assets	2,388	2,441	2,692
Loss on disposal of property, plant and equipment	10	62	1
(Profit)/ loss on disposal of right-of-use assets	(26)	25	6
Expected credit losses	(343)	428	623
Exchange (gains)/losses	(8)	(113)	68
	<u></u>	<u></u>	<u></u>

10. Finance income

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Lease receivable interest	129	120	107
Bank interest receivable	—	186	935
	<u>129</u>	<u>306</u>	<u>1,042</u>

11. Finance expense

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Interest on bank loans	239	274	121
Interest on lease liabilities	840	803	771
Interest on lease dilapidations	65	63	71
	<u>1,144</u>	<u>1,140</u>	<u>963</u>

12. Taxation

Income tax payable on the profits of MHA and other partnerships consolidated within the Combined Group is solely the personal liability of the individual members of those partnerships and consequently is not dealt with in the historical financial information. Corporation tax is charged on the profits of the companies within the Combined Group.

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Analysis of credit in the year			
UK tax for the current year	568	912	1,883
Adjustments in respect of previous periods	—	—	13
Total current tax	<u>568</u>	<u>912</u>	<u>1,896</u>
Deferred tax			
Origination and reversal of temporary differences	55	(37)	(41)
Total deferred tax	<u>55</u>	<u>(37)</u>	<u>(41)</u>
Total taxation expense	<u>623</u>	<u>875</u>	<u>1,855</u>

Factors affecting tax charge for the year

The standard rate of corporation tax in the UK as at 31 March 2024 was 25% (2023: 19%; 2022: 19%). The UK rate of corporation tax increased to 25% from the first of April 2023 on profits over £250,000. The differences are explained below:

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Profit before tax	33,112	44,866	58,180
Tax at the Combined Group's weighted average tax rate of 25% (2023: 19%, 2022: 19%)	6,291	8,525	14,545
Adjustment for profits taxed outside of Combined Group	(5,692)	(7,561)	(12,779)
Expenses not deductible for tax purposes	16	54	94
Adjustments in respect of prior periods	—	—	13
Short term timing differences	55	(37)	(41)
Tax effect of income not taxable in determining taxable profit	—	(114)	—
Utilisation of tax losses	(46)	9	21
Fixed asset temporary differences	(1)	(1)	2
Total taxation	623	875	1,855
	661	773	1,394
Corporation tax liability	661	773	1,394
	661	773	1,394

13. Property, plant and equipment

	Leasehold improvements £'000	Fixtures and fittings £'000	IT equipment £'000	Assets under construction £'000	Total £'000
Cost					
At 1 April 2021	3,865	2,199	14	14	6,092
Additions	—	16	—	771	787
Additions – acquisitions	—	11	—	—	11
Transfers	322	214	—	(536)	—
Disposals	(134)	(325)	(9)	—	(468)
At 31 March 2022	4,053	2,115	5	249	6,422
Depreciation					
At 1 April 2021	1,314	1,568	14	—	2,896
Charge for the year	363	246	—	—	609
Disposals	(134)	(315)	(9)	—	(458)
At 31 March 2022	1,543	1,499	5	—	3,047
Net book value					
At 31 March 2022	2,510	616	—	249	3,375
Cost					
1 April 2022	4,053	2,115	5	249	6,422
Additions	41	154	—	—	195
Transfers	172	77	—	(249)	—
Disposals	(252)	(167)	—	—	(419)
At 31 March 2023	4,014	2,179	5	—	6,198
Depreciation					
1 April 2022	1,543	1,499	5	—	3,047
Charge for the year	384	257	—	—	641
Disposals	(197)	(160)	—	—	(357)
At 31 March 2023	1,730	1,596	5	—	3,331
Net book value					
At 31 March 2023	2,284	583	—	—	2,867
Cost					
1 April 2023	4,014	2,179	5	—	6,198
Additions	158	85	—	8	251
Additions – acquisitions	—	117	—	—	117
Disposals	(192)	(542)	—	—	(734)
At 31 March 2024	3,980	1,839	5	8	5,832
Depreciation					
1 April 2023	1,730	1,596	5	—	3,331
Charge for the year	402	239	—	—	641
Disposals	(192)	(541)	—	—	(733)
At 31 March 2024	1,940	1,294	5	—	3,239
Net book value					
At 31 March 2024	2,040	545	—	8	2,593

Depreciation charge is recognised in administrative expenses in profit or loss.

14. Intangible assets

	Goodwill £'000	Customer relationships £'000	Software £'000	Total £'000
Cost				
At 1 April 2021	4,476	—	234	4,710
Additions	—	—	22	22
Additions – acquisitions	2,323	199	—	2,522
At 31 March 2022	6,799	199	256	7,254
Amortisation				
At 1 April 2021	—	—	201	201
Charge for the year	—	—	30	30
At 31 March 2022	—	—	231	231
Net book value				
At 31 March 2022	6,799	199	25	7,023
Cost				
1 April 2022	6,799	199	256	7,254
Additions – acquisitions	1,508	509	—	2,017
At 31 March 2023	8,307	708	256	9,271
Amortisation				
1 April 2022	—	—	231	231
Charge for the year	—	36	13	49
At 31 March 2023	—	36	244	280
Net book value				
At 31 March 2023	8,307	672	12	8,991
Cost				
1 April 2023	8,307	708	256	9,271
Additions	—	—	1	1
Additions – acquisitions	3,985	3,524	—	7,509
At 31 March 2024	12,292	4,232	257	16,781
Amortisation				
1 April 2023	—	36	244	280
Charge for the year	—	187	8	195
At 31 March 2024	—	223	252	475
Net book value				
At 31 March 2024	12,292	4,009	5	16,306

Amortisation charge on software is recognised in administrative expenses in the profit or loss.

Goodwill

Goodwill arising on the acquisition of a business in the historical financial information period relates to the acquisitions of MHA Caves Investment Management Limited, Gerald Thomas, Watts Gregory, Meston Reid and Geoghegans and was calculated as the fair value of initial consideration paid less the fair value of identifiable assets at the date of acquisition (see note 22).

Goodwill impairment review

Goodwill is allocated to one single cash-generating unit (“CGU”) throughout the historical financial information period, being Professional Services.

Following initial recognition, goodwill is subject to impairment reviews, at least annually, and measurement at cost less accumulated impairment losses. Any impairment is recognised immediately in the consolidated statement of comprehensive income and is not subsequently reversed.

Key assumptions used in value in use calculation

The key assumptions for the value in use calculation are those regarding:

- number of years of cash flows used and forecast growth rate;
- discount rate; and
- terminal growth rate.

No impairment is indicated for the CGU using the value in use calculation.

Number of years of cash flows used and forecast growth rate

The recoverable amount of the CGU is based on a value in use calculation using specific cash flow projections over a five-year period and a terminal growth rate thereafter. The budget for the following financial year forms the basis for the cash flow projections for the CGU. The cashflow projections for the four years subsequent to the forecast year reflect a modest growth rate of 2%.

Discount rate

The Combined Group's pre-tax weighted average cost of capital has been used to calculate a discount rate of 14.51% for Professional Services. This reflects current market assessments of the time value of money for the period under review and the risks specific to the Combined Group and company acquired.

Terminal growth rate

An appropriate terminal growth rate is selected, based on the designated members expectations of growth beyond the five-year period. The terminal growth rate used is 2%.

Sensitivity to changes in assumptions

With regard to the value in use assumptions, the designated members believe that reasonable possible changes in any of the above key assumptions would not cause the carrying value of the unit to exceed its recoverable amount.

15. Trade and other receivables

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Trade receivables	23,127	28,236	36,744
Contract assets	7,281	10,349	7,435
Other receivables	3,138	2,566	2,173
Prepayments	3,181	3,587	4,325
Current tax assets	6	6	6
	36,733	44,744	50,683

Other receivables include amounts receivable from insurers in relation to professional indemnity claims.

Information about the Combined Group's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 23.

16. Cash and cash equivalents

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Cash at bank	17,481	28,332	25,956
	<u>17,481</u>	<u>28,332</u>	<u>25,956</u>

17. Trade and other payables

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Amounts falling due within one year			
Trade payables	2,189	2,354	3,645
Other payables	12,894	13,814	7,519
Social security and other taxation	3,124	4,062	4,879
Accruals	3,749	3,713	5,046
Deferred consideration	720	725	3,128
	<u>22,676</u>	<u>24,668</u>	<u>24,217</u>
Amounts falling due after one year			
Deferred consideration	634	845	2,045
	<u>634</u>	<u>845</u>	<u>2,045</u>

Discounting the deferred consideration for the time value of money is deemed to be immaterial.

18. Borrowings

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Current			
Bank loans	730	2,305	20
	<u>730</u>	<u>2,305</u>	<u>20</u>
Non-current			
Bank loans	3,276	970	90
	<u>3,276</u>	<u>970</u>	<u>90</u>
Total borrowings	<u>4,006</u>	<u>3,275</u>	<u>110</u>

A maturity analysis of the Combined Group's borrowings is shown below:

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Less than 1 year	730	2,305	20
Later than 1 year and less than 5 years	3,216	950	90
Later than 5 years	60	20	—
	<u>4,006</u>	<u>3,275</u>	<u>110</u>

Bank loans include a loan with an interest rate of 1% above the UK base rate and is repayable on the date of retirement of certain partners of MHA. In the absence of any contrary information the anticipated retirement date for partners of MHA is 65.

Bank loans also include loans with an interest rate of between 2.25% and 2.5% over the UK base rate, which were repayable in 2024. At 31 March 2024, the outstanding balance of these loans was £Nil.

Bank loans are measured at amortised cost using the effective interest rate method.

19. Leases

The Combined Group as a lessee

Nature of leasing activities

	31 March 2022 No.	31 March 2023 No.	31 March 2024 No.
Number of active leases	19	19	25

Extension, termination, and break options

The Combined Group negotiates extension, termination, or break clauses in its leases. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. A lease includes all non-cancellable periods and periods covered by options to extend or terminate the lease if it is reasonably certain that these options will be exercised. On a case-by-case basis, the Combined Group will consider whether the absence of a break clause would expose the Combined Group to excessive risk. Typically, factors considered in deciding to negotiate a break clause include:

- the length of the lease term;
- the economic stability of the environment in which the property is located; and
- whether the location represents a new area of operations for the Combined Group.

As at 31 March 2024, materially all leases were reasonably certain to end on the exit date of the lease, with no extension or termination clauses being executed. As such there are no additional future cash outflows to which the Combined Group is potentially exposed that are not reflected in the measurement of lease liabilities, as detailed in this Note.

Incremental borrowing rate

The Combined Group has adopted a rate with a range of 3.40% – 8.55% as its incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. This rate is used to reflect the risk premium over the borrowing cost of the Combined Group measured by reference to the Combined Group's facilities.

Short term or low value lease expense

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Short-term and low value lease expense	169	246	385

Right-of-use assets

	Leasehold property £'000	Equipment £'000	Total £'000
Cost			
At 1 April 2021	15,434	325	15,759
Additions	3,848	120	3,968
Disposals	(433)	—	(433)
At 31 March 2022	<u>18,849</u>	<u>445</u>	<u>19,294</u>
Amortisation			
At 1 April 2021	—	—	—
Charge for the year	2,301	87	2,388
Disposals	(81)	—	(81)
At 31 March 2022	<u>2,220</u>	<u>87</u>	<u>2,307</u>
Net book value			
At 31 March 2022	<u>16,629</u>	<u>358</u>	<u>16,987</u>
Cost			
1 April 2022	18,849	445	19,294
Additions	114	326	440
Remeasurement	(20)	—	(20)
Disposals	(590)	—	(590)
At 31 March 2023	<u>18,353</u>	<u>771</u>	<u>19,124</u>
Depreciation			
1 April 2022	2,220	87	2,307
Charge for the year	2,295	146	2,441
Remeasurement	(97)	—	(97)
Disposals	(308)	—	(308)
At 31 March 2023	<u>4,110</u>	<u>233</u>	<u>4,343</u>
Net book value			
At 31 March 2023	<u>14,243</u>	<u>538</u>	<u>14,781</u>
Cost			
1 April 2023	18,353	771	19,124
Additions	3,049	23	3,072
Disposals	(550)	—	(550)
At 31 March 2024	<u>20,852</u>	<u>794</u>	<u>21,646</u>
Amortisation			
1 April 2023	4,110	233	4,343
Charge for the year	2,500	192	2,692
Disposals	(482)	—	(482)
At 31 March 2024	<u>6,128</u>	<u>425</u>	<u>6,553</u>
Net book value			
At 31 March 2024	<u>14,724</u>	<u>369</u>	<u>15,093</u>

Lease liabilities

	Leasehold property £'000	Equipment £'000	Total £'000
At 1 April 2021	17,438	515	17,953
Additions	3,509	120	3,629
Interest expense	828	12	840
Lease payments	(2,052)	(297)	(2,349)
Disposals	(256)	—	(256)
At 31 March 2022	<u>19,467</u>	<u>350</u>	<u>19,817</u>
1 April 2022	19,467	350	19,817
Additions	114	326	440
Remeasurement	77	—	77
Interest expense	783	20	803
Lease payments	(2,976)	(169)	(3,145)
Disposals	(257)	—	(257)
At 31 March 2023	<u>17,208</u>	<u>527</u>	<u>17,735</u>
1 April 2023	17,208	527	17,735
Additions	2,600	23	2,623
Interest expense	750	21	771
Lease payments	(3,190)	(206)	(3,396)
Disposals	(62)	—	(62)
At 31 March 2024	<u>17,306</u>	<u>365</u>	<u>17,671</u>

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Current	2,245	2,442	2,886
Non-current	17,572	15,293	14,785
Total lease liabilities	<u>19,817</u>	<u>17,735</u>	<u>17,671</u>

Reconciliation of minimum lease payments and present value

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Within 1 year	2,987	3,144	3,599
Later than 1 year and less than 5 years	11,621	11,133	12,176
After 5 years	8,553	6,308	4,478
Total including interest cash flows	23,161	20,585	20,253
Less: interest cash flows	(3,344)	(2,850)	(2,582)
Total principal cash flows	<u>19,817</u>	<u>17,735</u>	<u>17,671</u>

The Combined Group as a lessor

The Combined Group sublets leased properties which are accounted for as finance leases.

Lease receivable

	Leasehold property £'000
At 1 April 2021	3,201
Interest income	129
Lease payments received	(228)
At 31 March 2022	<u>3,102</u>
1 April 2022	3,102
Interest income	120
Lease payments received	(434)
At 31 March 2023	<u>2,788</u>
1 April 2023	2,788
Interest income	107
Lease payments received	(434)
At 31 March 2024	<u>2,461</u>

Reconciliation of minimum lease payments and present value

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Within 1 year	434	434	434
Later than 1 year and less than 5 years	1,735	1,735	1,735
After 5 years	1,505	1,071	637
Total including interest cash flows	3,674	3,240	2,806
Less: interest cash flows	(572)	(452)	(345)
Total principal cash flows	<u>3,102</u>	<u>2,788</u>	<u>2,461</u>

20. Deferred tax

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Deferred tax			
Opening balance	(21)	(74)	(37)
Credited/(charged) to income statement	(3)	37	42
Deferred tax arising on business combinations	(50)	—	—
Net deferred tax (liabilities)/ asset	<u>(74)</u>	<u>(37)</u>	<u>5</u>

Deferred tax liabilities comprise accelerated capital allowances on property plant and equipment and deferred tax on customer relationships acquired on acquisition.

Deferred tax assets relate to short-term timing differences.

Deferred tax assets and liabilities are presented separately when there is no legally enforceable right to offset balances.

21. Investment in subsidiaries and associates

MHA directly owns the entire issued and fully paid ordinary share capital of its subsidiary undertakings.

The subsidiary undertakings are presented below:

Subsidiaries and partnerships linked to the Combined Group	Country of incorporation	Principal activity	Holding	Proportion of ordinary shares held at each year end	
				Direct	Indirect
MacIntyre Hudson Service Limited	England & Wales	Dormant	Ordinary shares	100%	
Blackfriars Tax Solutions LLP	England & Wales	Provision of tax services	Capital	99%	
Cell MHA	Guernsey	Provision of insurance services	Insurance shares		100%*
Meston Reid Limited	Scotland	Dormant	Ordinary shares	100%	

* MacIntyre Hudson LLP owns 100 insurance shares in White Rock Insurance Company PCC Limited which entitles it to 100% ownership and control of "Cell MHA" that is managed by trustees on behalf of MacIntyre Hudson LLP.

Associates and partnerships linked to the Combined Group	Country of incorporation	Principal activity	Holding	Proportion of ordinary shares held at each year end	
				Direct	Indirect
MacIntyre Hudson Holdings Limited ¹	England & Wales	Holding company	A Ordinary shares	Nil	
Baker Tilly Global Tax Solutions Limited	Ireland	Development of multinational client opportunities	Ordinary shares	12.5%	
MacIntyre Hudson Advisory Services LLP	England & Wales	Provision of training services	Capital	25%	

MacIntyre Hudson Holdings Limited ("MHHL") is an associate of MHA throughout the historical financial information period as MHA's shareholding does not give it control over MHHL, however, MHHL is under common control by MHA's capital members and therefore the historical financial information consolidates the results of MHA and subsidiaries and MHHL and subsidiaries on a combined basis.

The additional entities listed below are subsidiaries of MHHL whereby MHA does not directly own any of the share capital throughout the periods presented:

MHHL subsidiaries under common control of the Combined Group	Country of incorporation	Principal activity
MacIntyre Hudson Corporate Finance Limited	England & Wales	Corporate finance
MHA Financial Solutions Limited	England & Wales	Asset financing
MacIntyre Hudson Limited	England & Wales	Provision of debt factoring services
MHA MacIntyre Hudson Consulting Limited	England & Wales	Consultancy
MHA Tax Safe Limited	England & Wales	Provision of tax services
MHA Wealth Management Holdings Limited	England & Wales	Holding company
MHA Caves Investment Management Limited	England & Wales	Holding company
MHA Caves Wealth Limited	England & Wales	Provision of financial services
MHA Trustees Corporation Limited	England & Wales	Non trading

The registered office of the above entities is The Pinnacle, 150 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1LZ, United Kingdom.

22. Business combinations

The Combined Group made a number of acquisitions throughout the historical financial information period, as detailed below.

MHA Caves Investment Management Limited

On 31 March 2022, MHA Wealth Management Holding Limited, a subsidiary of MacIntyre Hudson Holdings Limited ("MHHL") acquired 51% of MHA Caves Investment Management Limited (formerly Cave & Sons Investment Management Limited) ("Caves"), for cash consideration of £3,852,248.

The acquisition of 51% of Caves indirectly by MHHL was primarily to strengthen MHA's suite of tax, advisory and wealth services for high net-worth clients.

Given the acquisition of Caves occurred on the last day of the year ended 31 March 2022, the acquired business contributed £Nil to the Combined Group's revenues and a profit of £Nil to the Combined Group's comprehensive profit. If the acquisition had occurred on 1 April 2021, Caves would have contributed £3,073k to the Combined Group's revenues revenue and £676k to the Combined Group's profit.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date:

	Fair value £'000
Intangible asset – Customer relationships	199
Property, plant and equipment	11
Cash	2,234
Loan receivable from MHA	922
Trade and other receivables	227
Trade and other payables	(545)
Deferred tax liabilities	(50)
Total fair value	2,998
NCI @ 49%	(1,469)
Consideration	3,852
Goodwill	2,323

The fair values include recognition of intangible assets related to Caves customer relationships of £199k, which will be amortised over 10 years on a straight-line basis. The goodwill of £2,323k comprises the significant potential value of new customers, given most of Caves's revenue is non-recurring, as well as the value of the workforce in place, which are not separately recognised. MHA has elected to measure the non-controlling interest of 49% using the partial goodwill method. Acquisition costs of £19k are disclosed within the statement of comprehensive income within administrative expenses.

Purchase consideration	£'000
Cash	3,852
Total consideration	3,852

The net cash sum expended on acquisition in the year ended 31 March 2022 is as follows:

Analysis of cash flows on acquisition	£'000
Cash paid as consideration on acquisition	(3,852)
Cash acquired at acquisition	2,234
Net cash outflow on acquisition	(1,618)

Gerald Thomas

On 5 December 2022, MHA completed the acquisition of the trade and assets of Gerald Thomas Chartered Accountants ("Gerald Thomas"), an unincorporated partnership, for total consideration of £2,345k.

The principal reason for the acquisition was to enhance the services offered to existing clients, while expanding MHA's offering in the UK in line the Combined Group's growth strategy, enabling the Combined Group to service a broader client base in South Wales.

Given the trade and assets of Gerald Thomas were hived up to MHA on acquisition and the information on Gerald Thomas as a standalone business is not available, disclosure of the contribution of the acquired business to the Combined Group's revenues and profit in the period from 5 December 2022 to 31 March 2023 and disclosure of the revenue and profit by Gerald Thomas would have contributed if the acquisition had occurred on 1 April 2022 have been deemed impractical by management.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date:

	Fair value
	£'000
Intangible asset – Customer relationships	509
Trade and other receivables	26
Work in progress	325
Trade and other payables	(23)
Total fair value	837
Consideration	2,345
Goodwill	1,508

The fair values include recognition of intangible assets related to Gerald Thomas customer relationships of £509k, which will be amortised over 10 years and 4 months on a straight-line basis. The amortisation period is 10 years from the end of the financial year the acquisition occurred. The goodwill of £1,508k comprises the potential value of new customers as well as the value of the workforce in place, which are not separately recognised. Acquisition costs of £18k are disclosed within the statement of comprehensive income within administrative expenses.

Purchase consideration	£'000
Cash	1,373
Deferred consideration – cash	635
Net asset payment	12
Work in progress payment	325
Total consideration	2,345

The net cash sum expended on acquisition in the year ended 31 March 2023 is as follows:

Analysis of cash flows on acquisition	£'000
Cash paid as consideration on acquisition	(1,373)
Cash acquired at acquisition	—
Net cash outflow on acquisition	(1,373)

The net assets and work in progress payments were not paid at the time of the acquisition.

Watts Gregory

On 1 July 2023, MHA completed the acquisition of the trade and assets of Watts Gregory LLP, WG Financial Outsourcing Solutions Limited and Huw J Edmund Limited (together, “Watts Gregory”) for total consideration of £2,178k.

The principal reason for the acquisition was to enhance the services offered to existing clients, while expanding MHA's offering in the UK in line the Combined Group's growth strategy, enabling the Combined Group to service a broader client base in South Wales.

Given the trade and assets of Watts Gregory were hived up to MHA on acquisition, disclosure of the contribution of the acquired business to the Combined Group's revenues and profit in the period from 1 July 2023 to 31 March 2024 and disclosure of the revenue and profit by Watts Gregory would have contributed if the acquisition had occurred on 1 April 2023 have been deemed impractical by management.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date:

	Fair value
	£'000
Intangible asset – Customer relationships	1,133
Property, plant and equipment	48
Trade and other receivables	42
Work in progress	274
Trade and other payables	(11)
Total fair value	1,486
Consideration	2,179
Goodwill	693

The fair values include recognition of intangible assets related to Watts Gregory customer relationships of £1,133k, which will be amortised over 10 years and 9 months on a straight-line basis. The amortisation period is 10 years from the end of the financial year the acquisition occurred. The goodwill of £693k comprises the potential value of new customers as well as the value of the workforce in place, which are not separately recognised. Acquisition costs of £33k are included within the statement of comprehensive income within administrative expenses.

Purchase consideration	£'000
Cash	1,075
Members' interests classified as liabilities	122
Deferred consideration – cash	628
Net asset payment	79
Work in progress payment	275
Total consideration	2,179

The net cash sum expended on acquisition in the year ended 31 March 2024 is as follows:

Analysis of cash flows on acquisition	£'000
Cash paid as consideration on acquisition	(1,075)
Cash acquired at acquisition	—
Net cash outflow on acquisition	(1,075)

The net assets and work in progress payments were not paid at the time of the acquisition.

Meston Reid

On 1 October 2023, MHA completed the acquisition of the trade and assets of Meston Reid & Co (“Meston Reid”), an unincorporated partnership, for total consideration of £1,733k.

The principal reason for the acquisition was to enhance the services offered to existing clients, while expanding MHA's offering in the UK in line the Combined Group's growth strategy and is MHA's first move into Scotland.

Given the trade and assets of Meston Reid were hived up to MHA on acquisition and the information on Meston Reid a standalone business is not available, disclosure of the contribution of the acquired business to the Combined Group's revenues and profit in the period from 1 October 2023 to 31 March 2024 and disclosure of the revenue and profit by Meston Reid would have contributed if the acquisition had occurred on 1 April 2023 have been deemed impractical by management.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date:

	Fair value £'000
Intangible asset – Customer relationships	281
Property, plant and equipment	39
Trade and other receivables	102
Work in progress	725
Trade and other payables	(72)
Total fair value	1,075
Consideration	1,733
Goodwill	658

The fair values include recognition of intangible assets related to Meston Reid customer relationships of £281k, which will be amortised over 10 years and 6 months on a straight-line basis. The goodwill of £658k comprises the potential value of new customers as well as the value of the workforce in place, which are not separately recognised. Acquisition costs totalling £25k and are disclosed within the statement of comprehensive income within administrative expenses.

Purchase consideration	£'000
Cash	200
Members' interests classified as liabilities	739
Net asset payment	69
Work in progress payment	725
Total consideration	1,733

The net cash sum expended on acquisition in the year ended 31 March 2024 is as follows:

Analysis of cash flows on acquisition	£'000
Cash paid as consideration on acquisition	(200)
Cash acquired at acquisition	—
Net cash outflow on acquisition	(200)

The net assets and work in progress payments were not paid at the time of the acquisition.

Geoghegans

On 31 January 2024, MHA completed the acquisition of the trade and assets of Geoghegans, an unincorporated partnership, for total consideration of £5,517k.

The principal reason for the acquisition was to enhance the services offered to existing clients, while expanding MHA's offering in the UK in line the Combined Group's growth strategy, enabling the Combined Group to service a broader client base in Scotland.

Given the trade and assets of Geoghegans were hived up to MHA on acquisition and the information on Geoghegans as a standalone business is not available, disclosure of the contribution of the acquired business to the Combined Group's revenues and profit in the period from 1 January 2024 to 31 March 2024 and disclosure of the revenue and profit by Geoghegans would have contributed if the acquisition had occurred on 1 April 2023 have been deemed impractical by management.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date:

	Fair value £'000
Intangible asset – Customer relationships	2,110
Property, plant and equipment	30
Trade and other receivables	76
Work in progress	665
Total fair value	2,881
Consideration	5,517
Goodwill	2,636

The fair values include recognition of intangible assets related to Geoghegans customer relationships of £2,110k, which will be amortised over 10 years and 3 months on a straight-line basis. The goodwill of £2,636k comprises the potential value of new customers as well as the value of the workforce in place, which are not separately recognised. Acquisition costs totalled £153k and are disclosed within the statement of comprehensive income within administrative expenses.

Purchase consideration	£'000
Cash	2,600
Deferred consideration – cash	2,146
Net asset payment	106
Work in progress payment	665
Total consideration	5,517

The net cash sum expended on acquisition in the year ended 31 March 2024 is as follows:

Analysis of cash flows on acquisition	£'000
Cash paid as consideration on acquisition	(2,600)
Cash acquired at acquisition	—
Net cash outflow on acquisition	(2,600)

The net assets and work in progress payments were not paid at the time of the acquisition.

23. Financial instruments

Financial assets

Financial assets measured at amortised cost comprise trade receivables, other receivables and cash. It does not include contract assets or prepayments.

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Trade receivables	23,127	28,236	36,744
Other receivables	3,138	2,566	2,173
Cash and cash equivalents	17,481	28,332	25,956
	43,746	59,134	64,873

Financial liabilities

Financial liabilities measured at amortised cost comprise trade and other payables, and borrowings. It does not include taxation and social security.

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Trade payables	2,189	2,354	3,645
Other payables	12,894	13,814	7,519
Accruals	3,749	3,713	5,046
Deferred consideration	1,354	1,570	5,173
Bank loans	4,006	3,275	110
	24,192	24,726	21,493

Fair value of financial assets and liabilities approximates to their carrying value.

The above excludes member's capital and other member's interest classified as liabilities. The below table reconciles members interests, whereby the members capital is due after more than one year, and all other members interest are due within one year:

Members liabilities	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Current			
Other amounts classified as debt	14,937	29,910	35,506
	<u>14,937</u>	<u>29,910</u>	<u>35,506</u>
Non-current			
Members capital classified as a liability	7,243	8,711	13,359
	<u>7,243</u>	<u>8,711</u>	<u>13,359</u>
	<u>22,180</u>	<u>38,621</u>	<u>48,865</u>

Financial risk management

The Combined Group is exposed through its operation to the following financial risks: credit risk, liquidity risk and market risk. MHA's designated members have overall responsibility for the establishment and oversight of the Combined Group's risk management framework. The Combined Group's risk management policies are established to identify and analyse the risks faced by the Combined Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Combined Group's activities. The Combined Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Combined Group finances its operations through a mixture of debt finance, cash and liquid resources and various items such as trade debtors and trade payables which arise directly from the Combined Group's operations.

Credit risk

Credit risk is the risk of financial loss to the Combined Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, of which the risk is assessed and managed in accordance with IFRS 9. Credit risk arises principally from the Combined Group's receivables from customers and from cash balances held at banks. To minimise the Combined Group's credit risk on receivables from customers, the Combined Group endeavours only to deal with clients which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The process for monitoring creditworthiness includes a thorough assessment of credit risk, incorporating historical and forward-looking information. The Combined Group mitigates credit risk arising on cash balances held at banks by using only reputable financial institutions with a high credit rating, in line with IFRS 9 requirements. The maximum exposure to credit risk is the carrying value of its financial receivables, trade and other receivables and cash and cash equivalents as disclosed in the notes to the historical financial information.

The receivables' age analysis is evaluated on a regular basis for potential doubtful debts, considering historic, current and forward-looking information, to estimate ECLs accurately. Impairments to trade receivables have been made in each of the periods detailed in the historical financial information.

The exposure to credit risk for trade receivables by geographic region was as follows:

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
United Kingdom	22,398	27,557	36,144
Cayman Islands	729	679	600
	<u>23,127</u>	<u>28,236</u>	<u>36,744</u>

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets from individual customers for the historical financial information.

	< 30 days £'000	30-60 days £'000	61-90 days £'000	91-180 days £'000	>180 days £'000	Total £'000
As at 31 March 2022						
Expected credit loss rate	0.1%	0.6%	2.4%	8.8%	85.8%	2.4%
Total gross carrying amount	16,206	4,375	1,348	1,327	450	23,706
Expected credit loss	(17)	(27)	(32)	(117)	(386)	(579)
Total	<u>16,189</u>	<u>4,348</u>	<u>1,316</u>	<u>1,210</u>	<u>64</u>	<u>23,127</u>

	< 30 days £'000	30-60 days £'000	61-90 days £'000	91-180 days £'000	>180 days £'000	Total £'000
As at 31 March 2023						
Expected credit loss rate	0.4%	0.8%	0.5%	3.1%	88.6%	3.4%
Total gross carrying amount	20,102	4,708	1,767	1,723	944	29,244
Expected credit loss	(72)	(38)	(8)	(54)	(836)	(1,008)
Total	<u>20,030</u>	<u>4,670</u>	<u>1,759</u>	<u>1,669</u>	<u>108</u>	<u>28,236</u>

	< 30 days £'000	30-60 days £'000	61-90 days £'000	91-180 days £'000	>180 days £'000	Total £'000
As at 31 March 2024						
Expected credit loss rate	0.1%	0.3%	2.5%	16.4%	91.7%	4.2%
Total gross carrying amount	24,852	7,993	2,303	1,894	1,332	38,374
Expected credit loss	(19)	(22)	(58)	(310)	(1,221)	(1,630)
Total	<u>24,833</u>	<u>7,971</u>	<u>2,245</u>	<u>1,584</u>	<u>111</u>	<u>36,744</u>

The Combined Group applies the IFRS 9 simplified approach to measuring expected credit losses (“ECL”) which uses a lifetime expected loss allowance for all trade receivables. The Combined Group do not provide credit terms on sales, all invoices issued by the Combined Group are payable upon presentation. However, per management’s assessment it is assumed that invoices will be settled within 30 to 60 days. Given the preference for immediate payment, a credit risk exposure at each period end, as a result of a significant change in economic conditions, is unlikely. Therefore, management have determined forward-looking economic scenarios are less significant in determining an estimate of expected future losses. However, the Combined Group still incorporates reasonable and supportable forward-looking information alongside historical data and management knowledge in calculating the ECL balance.

Liquidity risk

The Combined Group seeks to maintain sufficient cash balances. Management reviews cash flow forecasts on a regular basis to determine whether the Combined Group has sufficient cash reserves to meet future working capital requirements and to take advantage of business opportunities.

A maturity analysis of the Combined Group's undiscounted cash flows arising from financial liabilities is shown below:

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
<i>Less than one year:</i>			
Trade and other payables	18,832	19,881	16,210
Bank loans	895	2,438	23
Deferred consideration	720	725	3,128
	<u>20,447</u>	<u>23,044</u>	<u>19,361</u>
<i>Later than 1 year and less than 5 years:</i>			
Bank loans	3,353	953	90
Deferred consideration	634	845	2,045
	<u>3,987</u>	<u>1,798</u>	<u>2,135</u>
<i>Later than 5 years:</i>			
Bank loans	60	20	—
Total including interest cash flows	<u>24,494</u>	<u>24,862</u>	<u>21,496</u>
Less: interest cash flows	<u>(302)</u>	<u>(136)</u>	<u>(3)</u>
Total principal cash flows	<u><u>24,192</u></u>	<u><u>24,726</u></u>	<u><u>21,493</u></u>

A maturity analysis of lease liabilities is included in note 19.

Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Combined Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign exchange risk

The Combined Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated and the respective functional currencies of Combined Group companies. The functional currencies of the Combined Group companies are primarily Pounds Sterling (GBP) and US Dollars (USD). The currencies in which these transactions are primarily denominated are GBP, EUR and USD.

The Combined Group focuses on implementing natural hedging instruments by matching the currencies of its sales and related purchases. So far, the Combined Group does not make use of any financial hedging instruments.

The carrying amounts of the Combined Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Net foreign currency financial assets/(liabilities):			
EUR	17	179	431
USD	1,842	1,683	2,377
Other	5	3	(27)
	<u>1,864</u>	<u>1,865</u>	<u>2,781</u>

A reasonably possible strengthening/(weakening) GBP against the Combined Group's primary currencies at 31 March 2024, 2023, and 2022 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss. Management assesses the impact of the movement in foreign exchange to be immaterial to the Combined Group given the net foreign currency assets and liabilities are immaterial.

Interest rate risk

The Combined Group aims to mitigate interest rate risk by entering into fixed-rate instruments. The Combined Group does not use any financial hedging instruments.

As at 31 March 2024, the Combined Group's current borrowings include a bank loan with an interest rate of 1% over the Bank of England Base Rate, the balance of borrowings being £110,000 as at 31 March 2024, this amount represents the principal and accrued interest. No sensitivity analysis has been performed as management assess the impact to be immaterial.

Capital Disclosures

The capital structure of the business consists of cash and cash equivalents, debt and equity. Equity comprises members' interests and accumulated profits and is equal to the amount shown as 'Invested capital' in the statement of financial position. As at 31 March 2024, debt comprised £110,000 which is set out in further detail in note 18.

The Combined Group's current objectives when maintaining capital are to:

- safeguard the Combined Group's ability as a going concern so that it can continue to pursue its growth plans;
- provide a reasonable expectation of future returns to shareholders; and
- maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term.

The Combined Group sets the amount of capital it requires in proportion to risk. The Combined Group manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of underlying assets. To maintain or adjust the capital structure, the Combined Group may issue new shares or sell assets to reduce debt.

During the periods ended covered within the historical financial information, the Combined Group's business strategy remained unchanged.

24. Other provisions

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Non-current			
Lease liability dilapidations	1,480	1,373	1,777
Professional liability claims	2,975	2,950	2,475
	<u>4,455</u>	<u>4,323</u>	<u>4,252</u>

The professional liability claims represent the estimated cost of defending and concluding claims. The vast majority of cases are estimated to be settled within three years and therefore discounting is not deemed to be material.

	Lease dilapidation provisions £'000	Professional liability claims £'000	Total £'000
At 1 April 2021	1,197	—	1,197
Additions	339	2,975	3,314
Interest expense	65	—	65
Disposals	(121)	—	(121)
At 31 March 2022	<u>1,480</u>	<u>2,975</u>	<u>4,455</u>
At 1 April 2022	1,480	2,975	4,455
	—	975	975
Interest expense	63	—	63
Payments	(170)	—	(170)
Disposals	—	(1,000)	(1,000)
At 31 March 2023	<u>1,373</u>	<u>2,950</u>	<u>4,323</u>
At 1 April 2023	1,373	2,950	4,323
Additions	448	525	973
Interest expense	71	—	71
Payments	(115)	—	(115)
Disposals	—	(1,000)	(1,000)
At 31 March 2024	<u>1,777</u>	<u>2,475</u>	<u>4,252</u>

As part of the Combined Group's property leasing arrangements there is an obligation to repair damages which occur during the life of the lease, such as wear and tear. These costs have been charged in line with IFRS 16 Leases and are included in the right-of-use assets. The provision is shown separately to the lease obligation liability. The provision is expected to be utilised between 2025 and 2039 when the leases terminate. Due to the significant number of leased properties and the difficulties in predicting expenditure that will be required on return of a property to the landlord many years into the future, the dilapidations provision is considered an estimate. The provision has been calculated using historical experience of actual expenditure incurred on dilapidations and estimated lease termination dates.

25. Capital and contingencies

Capital and financial commitments

The Combined Group held no capital, financial and or other commitments at 31 March 2024: (2023: none, 2022: none).

26. Related party transactions

Key management personnel

The Management Board of MHA are considered to be key management personnel in the historical financial information period. Total compensation paid to key management personnel in the year ended 31 March 2024 was £7,703,000 (2023: £5,080,000, 2022: £2,861,000)

27. Ultimate controlling party

No one entity or individual has control over MHA.

28. Changes in liabilities from financing activities

	1 April 2021 £'000	Financing cash flows £'000	Interest expense £'000	Other adjustments £'000	31 March 2022 £'000
Bank loans	4,716	(949)	239	—	4,006
Lease liabilities	17,953	(2,349)	840	3,373	19,817
Total liabilities from financing activities	22,669	(3,298)	1,079	3,373	23,823

	1 April 2022 £'000	Financing cash flows £'000	Interest expense £'000	Other adjustments £'000	31 March 2023 £'000
Bank loans	4,006	(1,005)	274	—	3,275
Lease liabilities	19,817	(3,145)	803	260	17,735
Total liabilities from financing activities	23,823	(4,150)	1,077	260	21,010

	1 April 2023 £'000	Financing cash flows £'000	Interest expense £'000	Other adjustments £'000	31 March 2024 £'000
Bank loans	3,275	(3,286)	121	—	110
Lease liabilities	17,735	(3,397)	771	2,562	17,671
Total liabilities from financing activities	21,010	(6,683)	892	2,562	17,781

29. Events after the reporting period

On 3 April 2024, a merger agreement was entered into between MHA LLP, MacIntyre Hudson Corporate Finance Limited, and Moore and Smalley LLP.

On 1 July 2024, MHA acquired Roberts Nathan LP.

On 1 September 2024, MHA acquired Roberts Nathan Financial Services Limited.

Details of each of the combinations are included in the unaudited interims to 30 September 2024.

The Combined Group intends to complete the Reorganisation in order to make the Company the holding company of the Combined Group and to change the governance and Partner remuneration structures of the Combined Group so as to be suitable for an AIM company and in order to align Partners' interests with Shareholders. As at the date of this document the Reorganisation has been partially finalised with steps 5-12 (inclusive) identified in paragraph 3.1 of Part V of this document outstanding. These steps are intended to be completed after the date of this document but prior to Admission. Admission will not occur if the Reorganisation does not complete in entirety.

SECTION C: ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE MOORE AND SMALLEY GROUP



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10 April 2025

The Directors
MHA plc
The Pinnacle
150 Midsummer Boulevard
Milton Keynes
Buckinghamshire, MK9 1LZ

The Directors
Cavendish Capital Markets Limited
1 Bartholomew Close
London, EC1A 7BL

Dear Directors,

Introduction

We report on the audited historical financial information of Moore and Smalley LLP and its subsidiaries (the “**Moore and Smalley Group**”), as set out in Section B of Part IV of the Company’s admission document dated 10 April 2025 (the “**Admission Document**”) for the three years ended 31 March 2024 (the “**Historical Financial Information of the Moore and Smalley Group**”)

Opinion

In our opinion, the Historical Financial Information of the Moore and Smalley Group gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Moore and Smalley Group as at 31 March 2022, 31 March 2023 and 31 March 2024 and of the results, cash flows and changes in equity for the periods then ended in accordance with UK-adopted international accounting standards (“**IFRS**”).

Responsibilities

The directors of the Company are responsible for preparing the Historical Financial Information of the Moore and Smalley Group on the basis of preparation set out in note 2 to the Historical Financial Information of the Moore and Smalley Group. It is our responsibility to form an opinion on the Historical Financial Information of the Moore and Smalley Group and to report our opinion to you.

Save for any responsibility arising under paragraph (a) of Schedule Two of the AIM Rules for Companies to any person as and to the extent there provided, to the fullest extent permitted by the law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Schedule Two of the AIM Rules for Companies, consenting to its inclusion in the Admission Document.

Basis of preparation

This Historical Financial Information of the Moore and Smalley Group has been prepared for inclusion in the Admission Document on the basis of the accounting policies set out in note 2 a. to the Historical Financial Information of the Moore and Smalley Group. This report is required by

Paragraph (a) of Schedule Two of the AIM Rules for Companies and is given for the purpose of complying with that paragraph and for no other purpose.

Basis of Opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. We are independent of the Moore and Smalley Group in accordance with relevant ethical requirements. In the United Kingdom this is the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Historical Financial Information of the Moore and Smalley Group. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Historical Financial Information of the Moore and Smalley Group and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Historical Financial Information of the Moore and Smalley Group is free from material misstatement, whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions relating to going concern

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of the Moore and Smalley Group to continue as a going concern for a period of at least twelve months from the date of the Admission Document. Accordingly, the use by the Directors of the going concern basis of accounting in the preparation of the financial information is appropriate.

Declaration

For the purposes of paragraph (a) of Schedule Two of the AIM Rules for Companies, we are responsible for this report as part of the Admission Document and declare that we have taken the information contained in this report is, to the best of our knowledge, in accordance with the facts and makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Paragraph (a) of Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

**SECTION D: HISTORICAL FINANCIAL INFORMATION OF THE MOORE AND SMALLEY GROUP
FOR THE THREE YEARS ENDED 31 MARCH 2024**

Consolidated statements of profit or loss and other comprehensive income

	Note	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Revenue	4	23,902	27,225	30,414
Administrative expenses		(15,485)	(18,377)	(20,976)
Other operating income	5	19	19	19
Profit from operations	9	8,436	8,867	9,457
Finance expense	10	(84)	(159)	(183)
Profit before tax		8,352	8,708	9,274
Taxation	11	—	—	—
Profit for the period before members' remuneration		8,352	8,708	9,274
Members' remuneration charged as an expense		(8,352)	(8,708)	(9,274)
Profit for the period available for discretionary division among members		—	—	—
Total comprehensive income		—	—	—

Consolidated statements of financial position

	Note	As at 31 March 2022 £'000	As at 31 March 2023 £'000	As at 31 March 2024 £'000
Assets				
Current assets				
Trade and other receivables	14	7,645	8,656	9,258
Cash and cash equivalents	15	3,641	3,427	1,195
Total current assets		<u>11,286</u>	<u>12,083</u>	<u>10,453</u>
Non-current assets				
Property, plant and equipment	12	324	398	719
Right-of-use assets	18	1,107	1,724	2,024
Intangible assets	13	253	253	253
Total non-current assets		<u>1,684</u>	<u>2,375</u>	<u>2,996</u>
Total assets		<u><u>12,970</u></u>	<u><u>14,458</u></u>	<u><u>13,449</u></u>
Liabilities				
Current liabilities				
Trade and other payables	16	2,814	3,333	3,143
Lease liabilities	18	344	297	275
Borrowings	17	400	400	—
Total current liabilities		<u>3,558</u>	<u>4,030</u>	<u>3,418</u>
Non-current liabilities				
Borrowings	17	1,300	900	—
Lease liabilities	18	707	1,237	1,509
Other provisions	21	85	276	282
Total non-current liabilities		<u>2,092</u>	<u>2,413</u>	<u>1,791</u>
Total liabilities		<u>5,650</u>	<u>6,443</u>	<u>5,209</u>
NET ASSETS		<u><u>7,320</u></u>	<u><u>8,015</u></u>	<u><u>8,240</u></u>
Loans and other debts due to members				
Members' capital classified as a liability		910	898	881
Amounts loaned by members		1,915	2,044	2,155
Amounts owed to members		4,495	5,073	5,204
TOTAL MEMBERS' INTERESTS		<u><u>7,320</u></u>	<u><u>8,015</u></u>	<u><u>8,240</u></u>

Consolidated statements of changes in members' interests

	Members' capital (classified as a liability) £'000	Amounts loaned by members £'000	Amounts owed to members in respect of profits £'000	Total members' interests £'000
Balance at 1 April 2021	1,005	2,315	3,856	7,176
Members' remuneration charged as an expense	—	—	8,352	8,352
Other comprehensive income	—	—	—	—
Amounts introduced by members	—	420	—	420
Repayment of debt	(95)	(111)	95	(111)
Members' drawings	—	(709)	(7,808)	(8,517)
Balance at 31 March 2022	<u>910</u>	<u>1,915</u>	<u>4,495</u>	<u>7,320</u>
Balance at 1 April 2022	910	1,915	4,495	7,320
Members' remuneration charged as an expense	—	—	8,708	8,708
Other comprehensive income	—	—	—	—
Amounts introduced by members	—	165	—	165
Repayment of debt	(12)	—	12	—
Members' drawings	—	(36)	(8,142)	(8,178)
Balance at 31 March 2023	<u>898</u>	<u>2,044</u>	<u>5,073</u>	<u>8,015</u>
Balance at 1 April 2023	898	2,044	5,073	8,015
Members' remuneration charged as an expense	—	—	9,274	9,274
Other comprehensive income	—	—	—	—
Amounts introduced by members	25	390	—	415
Repayment of debt	(42)	(213)	255	—
Members' drawings	—	(66)	(9,398)	(9,464)
Balance at 31 March 2024	<u>881</u>	<u>2,155</u>	<u>5,204</u>	<u>8,240</u>

Consolidated statements of cash flows

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Cash flows from operating activities			
Profit before taxation	8,352	8,708	9,274
Adjustments for:			
Depreciation of property, plant and equipment	216	250	441
Amortisation of right of use assets	254	407	374
(Profit)/loss on disposal of property, plant and equipment	(18)	—	226
Profit on disposal of lease liabilities	—	—	(67)
Finance costs	84	159	183
Cash paid through members' profit share charged as an expense	(7,808)	(8,142)	(9,398)
Net cash generated from operating activities before changes in working capital	1,080	1,382	1,033
Decrease in inventories	8	—	—
Increase in trade and other receivables	(492)	(1,010)	(602)
(Decrease)/increase in trade and other payables	(1,160)	579	(274)
Cash (used)/ generated from operations	(564)	951	157
Tax paid	(2)	—	—
Net cash (outflow)/ inflow from operating activities	(566)	951	157
Cash flows from investing activities			
Purchase of property, plant and equipment	(158)	(324)	(1,035)
Proceeds on disposal of property, plant and equipment	30	—	47
Net cash outflow from investing activities	(128)	(324)	(988)
Cash flows from financing activities			
Repayments to members	(709)	(36)	(66)
Capital invested by members	420	165	415
Capital withdrawn by members	(111)	—	—
Payment to minority interest	(4)	—	—
Repayments of borrowings	(1,310)	(400)	(1,300)
Interest paid	(51)	(75)	(92)
Principal paid on lease liability	(308)	(423)	(282)
Interest paid on lease liability	(31)	(72)	(76)
Net cash outflow from financing activities	(2,104)	(841)	(1,401)
Net decrease in cash and cash equivalents	(2,798)	(214)	(2,232)
Cash and cash equivalents at beginning of the year	6,439	3,641	3,427
Cash and cash equivalents at end of year	3,641	3,427	1,195

Notes to the consolidated historical financial information

1. General information

Moore and Smalley LLP (“Moore and Smalley”) is a Limited Liability Partnership domiciled and incorporated in England and Wales. Its registered address is Richard House, Winckley Square, Preston, PR1 3HP and its registered number is OC313896.

This historical financial information of the Moore and Smalley Group has been prepared solely for the purposes of admission of the ordinary shares of MHA plc, the ultimate controlling party of Moore and Smalley, to the AIM market of the London Stock Exchange. The information for the years covered by the HFI does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the audited statutory accounts for the three years ended 31 March 2024, 31 March 2023, and 31 March 2022 has been delivered to the Registrar of Companies. The auditors reported on those accounts: their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The historical financial information consolidates that of Moore and Smalley and its subsidiaries (together, the “Moore and Smalley Group”).

The principal activity of the Moore and Smalley Group is the provision of professional services to clients.

2. Material accounting policy information

a. Basis of preparation

The historical financial information has been prepared in accordance with UK-adopted international accounting standards (“IFRS”), on a going concern basis and under the historical cost convention. The HFI has been prepared in Pounds Sterling and rounded to the nearest thousand.

In preparing the historical financial information of the Moore and Smalley Group, the Moore and Smalley Group have applied IFRS for the first time from 1 April 2021. The principles and requirements for first time adoption of IFRS are set out in IFRS 1. IFRS 1 allows certain exemptions in the application of particular standards to prior periods in order to assist companies with the transition process. The Moore and Smalley Group have taken the exemption to not apply IFRS 3 to business combinations prior to 1 April 2021.

The principal accounting policies adopted in the preparation of the HFI are set out below. These policies have been consistently applied to all the periods presented.

b. New and amended standards and interpretations

The International Accounting Standards (“IAS”) Board and IFRS Interpretation Committee have issued the following new standards, amendments to standards, and interpretations with an effective date for financial periods ending on or after the dates disclosed below:

	UK effective date periods beginning on or after:
Amendments to IFRS 16 – Leases on sale and leaseback	1 January 2024
Amendments to IAS 1 – Non-current liabilities with covenants	1 January 2024
Amendments to IAS 1 – Classification of liabilities as current and non-current	1 January 2024
Amendments to IAS 7 and IFRS 7 – Supplier finance	1 January 2024
Amendments to IAS 21 – Lack of exchangeability	1 January 2025

The Members do not expect that the adoption of these standards will have a material impact on the financial information of the Moore and Smalley Group in future periods.

c. Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Moore and Smalley Group has control. Control is achieved when the Moore and Smalley Group is exposed, or has rights, to variable returns from its

involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when Moore and Smalley LLP has less than a majority of the voting or similar rights of an investee, Moore and Smalley LLP considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Moore and Smalley Group's voting rights and potential voting rights.

Moore and Smalley re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Moore and Smalley Group. They are deconsolidated from the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the HFI from the date the Moore and Smalley Group gains control until the date the Moore and Smalley Group ceases to control the subsidiary.

Where necessary, adjustments are made to the HFI of subsidiaries to bring the accounting policies used in line with those used by other members of the Moore and Smalley Group.

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

The consolidated HFI incorporates the results of business combinations using the acquisition method. In the statement of consolidated financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained.

d. Foreign currencies

The functional currency for each entity in the Moore and Smalley Group is the currency of the primary economic environment in which the entity operates. The HFI is presented in Pounds Sterling, which is the Moore and Smalley Group's presentational currency.

Transactions in currencies other than the functional currency of each entity are recorded at the exchange rate on the date the transaction occurred. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised in profit or loss.

e. Revenue recognition

IFRS 15 "Revenue from Contracts with Customers" is a principle-based model of recognising revenue from contracts with customers. It has a five-step model that requires revenue to be recognised when control over goods and services are transferred to the customer.

Revenue is measured as the fair value of consideration received or receivable for satisfying performance obligations in the contract. There is one single performance obligation being the provision of professional services in relation to a particular matter and the transaction price is therefore allocated to this single performance obligation. Variable consideration is included in revenue only to the extent that it is highly probable that a significant reversal will not be required when the uncertainty associated with the variable consideration is subsequently resolved.

This occurs as follows for the Moore and Smalley Group's contract types:

- Time and materials contracts are recognised over time in the accounting period when services are rendered as the Moore and Smalley Group has an enforceable right to payment for work performed to date under its client terms of engagement.
- Fixed-fee contracts are recognised over time, whereby the customer receives and simultaneously consumes the benefits of the services performed, in the accounting period

when services are rendered, as the Moore and Smalley Group has an enforceable right to payment for work performed to date under its client terms of engagement.

- Contingent fee contracts, over and above an agreed minimum fee, are recognised at the point in time that the contingent event occurs, and the Moore and Smalley Group has become entitled to the revenue.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete, can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the Statement of Comprehensive Income in the period in which the circumstances that give rise to the revision become known by management.

Revenue includes appropriate amounts in respect of unbilled revenue to the extent that the outcome of these contracts can be assessed with reasonable certainty, which is included in contract assets. Contract assets are reclassified as trade receivables when billed and the consideration has become unconditional because only the passage of time is required before payment is due. A contract liability is defined by an obligation to transfer goods or services to a customer for which receipt of consideration has already occurred, as the amount billed by the Moore and Smalley Group never exceeds the revenue recognised, there are no contract liabilities recognised.

The Moore and Smalley Group does not adjust the transaction price for the time value of money as it does not expect to have any contracts where the period between the transfer of the promised services to the client and the payment by the client exceeds one year.

f. Employee benefits: pension obligations

The Moore and Smalley Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Moore and Smalley Group pays fixed contributions into a separate entity. Once the contributions have been paid, the Moore and Smalley Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

g. Finance expense

Finance expense

Finance expense comprises of interest payable on leases, lease dilapidations and bank loans which are expensed in the period in which they are incurred.

h. Taxation

The taxation payable on the profits of Moore and Smalley and other partnerships consolidated within the Moore and Smalley Group is solely the personal liability of the individual members of those partnerships and accordingly, no provision is made in the financial statements.

Tax on profit or loss for the year comprises current tax for subsidiary company undertakings of Moore and Smalley. Current tax payable is based on the taxable profit for the year calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

i. Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in profit or loss. Land is not depreciated.

Depreciation is provided on a straight-line basis over the following periods:

- | | |
|-------------------------|---------|
| – Fixtures and fittings | 7 years |
| – Motor vehicles | 4 years |
| – IT equipment | 4 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

j. Intangible assets

Goodwill

Goodwill represents the excess of consideration transferred and non-controlling interest acquired over the fair value of identifiable net assets acquired in a business combination. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (Note 6).

k. Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset or cash generating unit ("CGU") to which the asset has been allocated is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

l. Leases

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

To assess whether a contract conveys the right to control the use of an identified asset, the Moore and Smalley Group assesses whether: an identified physically distinct asset can be identified; and the Moore and Smalley Group has the right to obtain substantially all of the economic benefits from the asset throughout the period of use and has the ability to direct the use of the asset over the lease term being able to restrict the usage of third parties as applicable.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- leases of low value assets; and
- leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the incremental borrowing rate on commencement of the lease is used. The incremental borrowing rate is an appropriate measurement because it provides a practical, reliable, and company specific estimate of the lease liability's present value. It ensures compliance with IFRS 16 while allowing lessees to apply a consistent approach across various lease agreements.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the Moore and Smalley Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. When the Moore and Smalley Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the same discount rate that applied on lease commencement, in line with IFRS 16. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term.

m. Cash and cash equivalents

Cash and cash equivalents are financial assets and include cash at bank and in hand and short term highly liquid deposits which are subject to an insignificant risk of changes in value.

n. Financial assets

Financial assets comprise trade and other receivables and cash and cash equivalents and are all held at amortised cost.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables) but also incorporate other types of financial assets where the objective is to hold their assets in order to collect contractual cash flows and the contractual cash flows are solely payments of the principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade and other receivables are recognised based on the simplified approach within IFRS 9 using the lifetime expected credit losses ("ECL") method. During this process the probability of the non-payment of the receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime ECL for the receivables. For trade and other receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within administrative expenses in the statement of comprehensive income. On confirmation that the trade or other receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

o. Financial liabilities

All financial liabilities are recognised in the statement of financial position when the Moore and Smalley Group becomes a party to the contractual provision of the instrument.

Financial liabilities measured at amortised cost

The Moore and Smalley Group's financial liabilities measured at amortised cost comprise trade payables and other payables, lease liabilities and bank and other borrowings.

These financial liabilities are initially measured at fair value net of any transaction costs directly attributable to the issue of the instrument and are subsequently measured at amortised cost using the effective interest rate method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability to the amortised cost of a financial liability.

p. Members' participation rights

Non-designated members receive an agreed percentage profit share with the remaining profits for each period being allocated between members in accordance with the rights set out in the partnership agreement. It is therefore considered that a contractual liability exists under IAS 32 'Financial Instruments: Presentation' in respect of the Group's profits, and these amounts are charged as an expense in the statement of profit or loss and recognised as a liability in the statement of financial position.

A monthly amount is paid to members during the year based upon an estimate of profit for the year with additional drawings dependent on the availability of funds. Amounts are typically retained in respect of members' estimated tax liabilities and released to members when the liability falls due.

Fixed capital is maintained which designated members contribute to in proportion to their investment. Capital can only be withdrawn with a reduction in investment or upon ceasing to be a member except where there is a return of capital to all members in proportion to their investment in the LLP. There is no opportunity for appreciation of the capital contributed.

3. Critical accounting estimates and judgements

In the application of the accounting policies, which are described in Note 2, the designated members of the Group are required to make judgements, estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The estimates and associated assumptions are based on historical experience, expectations of future events and other factors that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the revision is made.

Key sources of estimation uncertainty

Discount rates

IFRS 16 states that the lease payments shall be discounted using the lessee's incremental borrowing rate where the rate implicit in the lease cannot be readily determined. Accordingly, all lease payments have been discounted using the incremental borrowing rate ("IBR"). The IBR has been determined by management using a range of data including current economic and market conditions, review of current debt and capital within the Moore and Smalley Group, lease length and comparisons against seasoned corporate bond rates and other relevant data points. A range between 3.4% – 8.6% has been adopted.

Estimation of trade receivable provisions

The estimation of the recoverability of the trade receivables has a significant impact throughout the HFI. The Moore and Smalley Group measures any impairment of the trade receivables using an expected credit loss model and recognises the lifetime expected losses on all trade receivables.

Unbilled revenue

The value of amounts recoverable on contracts recognised in contract assets is based on the previous 12 months average recovery rates, comparing amounts billed to work in progress recorded for each department. The value of work in progress is further reduced on a sliding scale from when it was first recorded. Work in progress is valued at nil if it is more than one year old.

4. Revenue

The Moore and Smalley Group generates revenue primarily from professional services provided to clients in the UK. Management considers there to be one operating segment. There were no customers that made up over 10% of revenue.

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Geographical reporting			
United Kingdom	23,902	27,225	30,414
	<u>23,902</u>	<u>27,225</u>	<u>30,414</u>

5. Other operating income

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Rental income	19	19	19
	<u>19</u>	<u>19</u>	<u>19</u>

6. Segmental reporting

The Chief Operating Decision Maker ("CODM") has been identified as the Board of Moore and Smalley LLP. The CODM reviews the Moore and Smalley Group's internal reporting in order to assess performance and allocate resources. The CODM has determined that there is one operating segment being the provision of professional services.

7. Employee benefit expenses

Employee benefit expenses (excluding members) comprise:

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Wages and salaries	9,971	11,776	13,093
Social security costs	859	1,127	1,193
Other pension costs	808	945	942
	<u>11,638</u>	<u>13,848</u>	<u>15,228</u>

8. Members' share of profits

Profits are shared amongst members in accordance with profit sharing arrangements. Members are required to make their own provision for pensions from their profit shares.

	Year ended 31 March 2022 No.	Year ended 31 March 2023 No.	Year ended 31 March 2024 No.
Average number of members	<u>27</u>	<u>26</u>	<u>30</u>

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Remuneration of highest paid member	<u>596</u>	<u>603</u>	<u>671</u>

9. Profit from operations

Profit from operations is stated after charging:

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Depreciation of property, plant and equipment	216	250	441
Amortisation of right-of-use assets	254	407	374
(Profit)/loss on disposal of property, plant and equipment	(18)	—	226
Profit on disposal of lease liabilities	—	—	(67)
Auditor's remuneration	20	23	25
Movements in expected credit losses	478	(5)	(240)
	<u>478</u>	<u>(5)</u>	<u>(240)</u>

10. Finance expense

	Year ended 31 March 2022 £'000	Year ended 31 March 2023 £'000	Year ended 31 March 2024 £'000
Interest on bank loans	51	75	92
Interest on lease liabilities	31	72	76
Interest on lease dilapidations	2	12	15
	<u>84</u>	<u>159</u>	<u>183</u>

11. Taxation

Income tax payable on the profits of Moore and Smalley and other partnerships consolidated within the Moore and Smalley Group is solely the personal liability of the individual members of those partnerships and consequently is not dealt with in the HFI. Corporation tax is charged on the profits of the companies within the Moore and Smalley Group. The total current tax charge for the year ended 31 March 2024, 2023, and 2022 was £Nil.

12. Property, plant and equipment

	Fixtures and fittings £'000	Motor vehicles £'000	IT equipment £'000	Total £'000
Cost				
At 1 April 2021	213	338	589	1,140
Additions	6	25	127	158
Disposals	(11)	(61)	(103)	(175)
At 31 March 2022	<u>208</u>	<u>302</u>	<u>613</u>	<u>1,123</u>
Depreciation				
At 1 April 2021	118	228	401	747
Charge for the year	30	53	133	216
Disposals	(11)	(50)	(103)	(164)
At 31 March 2022	<u>137</u>	<u>231</u>	<u>431</u>	<u>799</u>
Net book value				
At 31 March 2022	<u>71</u>	<u>71</u>	<u>182</u>	<u>324</u>
Cost				
1 April 2022	208	302	613	1,123
Additions	3	121	200	324
Disposals	(52)	—	(144)	(196)
At 31 March 2023	<u>159</u>	<u>423</u>	<u>669</u>	<u>1,251</u>
Depreciation				
1 April 2022	137	231	431	799
Charge for the year	23	80	147	250
Disposals	(52)	—	(144)	(196)
At 31 March 2023	<u>108</u>	<u>311</u>	<u>434</u>	<u>853</u>
Net book value				
At 31 March 2023	<u>51</u>	<u>112</u>	<u>235</u>	<u>398</u>
Cost				
1 April 2023	159	423	669	1,251
Additions	561	310	164	1,035
Disposals	—	(683)	(78)	(761)

	Fixtures and fittings £'000	Motor vehicles £'000	IT equipment £'000	Total £'000
At 31 March 2024	720	50	755	1,525
Depreciation				
1 April 2023	108	311	434	853
Charge for the year	99	200	142	441
Disposals	—	(461)	(27)	(488)
At 31 March 2024	207	50	549	806
Net book value				
At 31 March 2024	513	—	206	719

Depreciation charge is recognised in administrative expenses in profit or loss.

13. Intangible assets

	Goodwill £'000	Total £'000
Cost		
At 1 April 2021	253	253
At 31 March 2022	253	253
Amortisation		
At 1 April 2021	—	—
At 31 March 2022	—	—
Net book value		
At 31 March 2022	253	253
Cost		
1 April 2022	253	253
At 31 March 2023	253	253
Amortisation		
1 April 2022	—	—
At 31 March 2023	—	—
Net book value		
At 31 March 2023	253	253
Cost		
1 April 2023	253	253
At 31 March 2024	253	253
Amortisation		
1 April 2023	—	—
At 31 March 2024	—	—
Net book value		
At 31 March 2024	253	253

14. Trade and other receivables

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Trade receivables	6,338	6,828	8,146
Other receivables	5	5	5
Contract assets	715	1,014	331
Prepayments	587	809	776
	7,645	8,656	9,258

Information about the Moore and Smalley Group's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 20.

15. Cash and cash equivalents

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Cash at bank	3,641	3,427	1,195
	<u>3,641</u>	<u>3,427</u>	<u>1,195</u>

16. Trade and other payables

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Amounts falling due within one year			
Trade payables	345	636	256
Social security and other taxation	872	1,044	1,435
Accruals	1,597	1,653	1,452
	<u>2,814</u>	<u>3,333</u>	<u>3,143</u>

17. Borrowings

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Current			
Bank loans	400	400	—
	<u>400</u>	<u>400</u>	<u>—</u>
Non-current			
Bank loans	1,300	900	—
	<u>1,300</u>	<u>900</u>	<u>—</u>
Total borrowings	<u>1,700</u>	<u>1,300</u>	<u>—</u>

A maturity analysis of the Moore and Smalley Group's borrowings is shown below:

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Less than 1 year	400	400	—
Later than 1 year and less than 5 years	1,300	900	—
	<u>1,700</u>	<u>1,300</u>	<u>—</u>

Bank loans are secured via a debenture over the assets of the borrowing entity and via a cross guarantee between Moore and Smalley and its subsidiary companies. The loans incurred interest of between 1.5% – 3.0% above the bank base rate.

The total of bank loans includes £nil (2023: £1.3m, 2022: £1.7m) Coronavirus Business Interruption Loan Scheme (“CBILS”) loan taken out during the year ended 31 March 2021. The UK Government has provided a guarantee for 80% of the loan and also paid the interest arising during the first 12 months of the loan. The remainder of the loan balance was repaid in full during the year ended 31 March 2024.

18. Leases

Nature of leasing activities

	<u>31 March 2022</u>	<u>31 March 2023</u>	<u>31 March 2024</u>
Number of active leases	10	11	15

Extension, termination, and break options

The Moore and Smalley Group negotiates extension, termination, or break clauses in its leases. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). On a case-by-case basis, the Moore and Smalley Group will consider whether the absence of a break clause would expose the Moore and Smalley Group to excessive risk. Typically, factors considered in deciding to negotiate a break clause include:

- the length of the lease term;
- the economic stability of the environment in which the property is located; and
- whether the location represents a new area of operations for the Moore and Smalley Group.

As at 31 March 2024, all leases were reasonably certain to end on the exit date of the lease, with no extension or termination clauses being executed. As such there are no additional future cash outflows to which the Moore and Smalley Group is potentially exposed that are not reflected in the measurement of lease liabilities, as detailed in this Note.

Incremental borrowing rate

The Moore and Smalley Group has adopted a rate with a range of 3.40% – 8.55% as its incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. This rate is used to reflect the risk premium over the borrowing cost of the Moore and Smalley Group measured by reference to the Moore and Smalley Group's facilities.

Right-of-use assets

	Leasehold property £'000	Equipment £'000	Total £'000
Cost			
At 1 April 2021	666	70	736
Additions	603	22	625
Disposals	(72)	—	(72)
At 31 March 2022	<u>1,197</u>	<u>92</u>	<u>1,289</u>
Depreciation			
At 1 April 2021	—	—	—
Charge for the year	223	31	254
Disposals	(72)	—	(72)
At 31 March 2022	<u>151</u>	<u>31</u>	<u>182</u>
Net book value			
At 31 March 2022	<u><u>1,046</u></u>	<u><u>61</u></u>	<u><u>1,107</u></u>
Cost			
At 1 April 2022	1,197	92	1,289
Additions	1,024	—	1,024
Disposals	(34)	—	(34)
At 31 March 2023	<u>2,187</u>	<u>92</u>	<u>2,279</u>
Depreciation			
At 1 April 2022	151	31	182
Charge for the year	373	34	407
Disposals	(34)	—	(34)
At 31 March 2023	<u>490</u>	<u>65</u>	<u>555</u>
Net book value			
At 31 March 2023	<u><u>1,697</u></u>	<u><u>27</u></u>	<u><u>1,724</u></u>
Cost			
At 1 April 2023	2,187	92	2,279
Additions	605	56	661
Remeasurement	13	—	13
Disposals	(173)	(70)	(243)
At 31 March 2024	<u>2,632</u>	<u>78</u>	<u>2,710</u>
Depreciation			
At 1 April 2023	490	65	555
Additions	345	29	374
Disposals	(173)	(70)	(243)
At 31 March 2024	<u>662</u>	<u>24</u>	<u>686</u>
Net book value			
At 31 March 2024	<u><u>1,970</u></u>	<u><u>54</u></u>	<u><u>2,024</u></u>

Lease liabilities

	Leasehold property £'000	Equipment £'000	Total £'000
At 1 April 2021	621	150	771
Additions	566	22	588
Interest expense	28	3	31
Lease payments	(282)	(57)	(339)
At 31 March 2022	<u>933</u>	<u>118</u>	<u>1,051</u>
At 1 April 2022	933	118	1,051
Additions	845	61	906
Interest expense	71	1	72
Lease payments	(422)	(73)	(495)
At 31 March 2023	<u>1,427</u>	<u>107</u>	<u>1,534</u>
At 1 April 2023	1,427	107	1,534
Additions	527	55	582
Remeasurement	17	—	17
Interest expense	73	3	76
Lease payments	(307)	(51)	(358)
Disposals	—	(67)	(67)
At 31 March 2024	<u>1,737</u>	<u>47</u>	<u>1,784</u>

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Current	344	297	275
Non-current	707	1,237	1,509
Total lease liabilities	<u>1,051</u>	<u>1,534</u>	<u>1,784</u>

Reconciliation of minimum lease payments and present value

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Within 1 year	351	343	364
Later than 1 year and less than 5 years	679	970	1,225
After 5 years	133	472	551
Total including interest cash flows	1,163	1,785	2,140
Less: interest cash flows	(112)	(251)	(356)
Total principal cash flows	<u>1,051</u>	<u>1,534</u>	<u>1,784</u>

19. Investment in subsidiaries

Moore and Smalley LLP directly owns the entire issued and fully paid ordinary share capital of its subsidiary undertakings.

The subsidiary undertakings are presented below:

Subsidiaries and partnerships linked to the Moore and Smalley Group	Country of incorporation	Principal activity	Proportion of ordinary shares held at each year end
			Direct
Moore and Smalley C.A. Limited	England and Wales	Chartered accountants and business advisers	100%
Moore and Smalley Business Services Limited	England and Wales	Provision of personnel to group	100%
Moore and Smalley IT Services Limited	England and Wales	Provision of information technology services	100%
Moore and Smalley Holdings Limited	England and Wales	Dormant	100%
Moore and Smalley SE Plus Limited	England and Wales	Dormant	100%
Cloud Solutions Holdings Limited	England and Wales	Dormant	100%
Fenton Street Financial Services Limited	England and Wales	Dormant	50%*

* Moore and Smalley owned 50% of Fenton Street Financial Services Limited, a dormant company, which was dissolved on 5 March 2024.

20. Financial instruments

Financial assets

Financial assets measured at amortised cost comprise trade receivables and cash and cash equivalents. It does not include contract assets and prepayments.

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Trade and other receivables	6,343	6,833	8,151
Cash and cash equivalents	3,641	3,427	1,195
	<u>9,984</u>	<u>10,260</u>	<u>9,346</u>

Financial liabilities

Financial liabilities measured at amortised cost comprise trade payables, accruals and borrowings. It does not include taxation and social security.

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
Trade payables	345	636	256
Accruals	1,597	1,653	1,452
Borrowings	1,700	1,300	—
	<u>3,642</u>	<u>3,589</u>	<u>1,708</u>

Fair value of financial assets and liabilities approximates to their carrying value.

Financial risk management

The Moore and Smalley Group is exposed through its operation to the following financial risks: credit risk, liquidity risk and market risk. The Moore and Smalley Group's designated members have overall responsibility for the establishment and oversight of the Moore and Smalley Group's risk management framework during the HFI period, with the members of MacIntyre Hudson LLP taking on the overall responsibility from the date they acquired Moore and Smalley in April 2024, as detailed in Note 26.

The Moore and Smalley Group's risk management policies are established to identify and analyse the risks faced by the Moore and Smalley Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Moore and Smalley Group's activities. The Moore and Smalley Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Moore and Smalley Group finances its operations through a mixture of debt finance, cash and liquid resources and various items such as trade debtors and trade payables which arise directly from the Moore and Smalley Group's operations.

Credit risk

Credit risk is the risk of financial loss to the Moore and Smalley Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, of which the risk is assessed and managed in accordance with IFRS 9. Credit risk arises principally from the Moore and Smalley Group's receivables from customers and from cash balances held at banks. In order to minimise the Moore and Smalley Group's credit risk on receivables from customers, the Moore and Smalley Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The process for monitoring creditworthiness includes a thorough assessment of credit risk, incorporating historical and forward-looking information. The Moore and Smalley Group mitigates credit risk arising on cash balances held at banks by using only reputable financial institutions, in line with IFRS 9 requirements, with a high credit rating. The maximum exposure to credit risk is the carrying value of its financial receivables, trade and other receivables and cash and cash equivalents as disclosed in the notes to the HFI.

The receivables' age analysis is evaluated on a regular basis for potential doubtful debts, considering historic, current, and forward-looking information to estimate ECLs accurately. Impairments are made to trade receivables when management consider the debt unlikely to be received. Impairments to trade receivables have been made in each of the periods detailed in the HFI.

The following tables provide information about the exposure to credit risk and ECLs for trade receivables and contract assets from individual customers for the HFI.

	<30 days £'000	30-60 days £'000	61-90 days £'000	91-180 days £'000	>180 days £'000	Total £'000
As at 31 March 2022						
Expected credit loss rate	1.4%	1.0%	4.1%	14.8%	77.7%	8.7%
Total gross carrying amount	4,970	715	304	360	593	6,942
Expected credit loss	(70)	(7)	(12)	(54)	(461)	(604)
Total	4,900	708	292	306	132	6,338

	<30 days £'000	30-60 days £'000	61-90 days £'000	91-180 days £'000	>180 days £'000	Total £'000
As at 31 March 2023						
Expected credit loss rate	0.0%	0.1%	3.8%	82.5%	54.8%	8.1%
Total gross carrying amount	5,320	902	270	265	670	7,427
Expected credit loss	(3)	(1)	(10)	(218)	(367)	(599)
Total	5,317	901	260	47	303	6,828

	<30 days £'000	30-60 days £'000	61-90 days £'000	91-180 days £'000	>180 days £'000	Total £'000
As at 31 March 2024						
Expected credit loss rate	4.4%	1.1%	0.3%	0.9%	18.8%	4.2%
Total gross carrying amount	6,627	1,083	135	380	281	8,506
Expected credit loss	(291)	(12)	—	(3)	(53)	(359)
Total	6,336	1,071	135	377	228	8,147

The Moore and Smalley Group applies the IFRS 9 simplified approach to measuring expected credit losses (“ECL”) which uses a lifetime expected loss allowance for all trade receivables. Given that the credit terms offered to its customers tend to be within 45 days, a significant credit risk exposure due to changes in economic conditions within this period is unlikely. Therefore, the Moore and Smalley Group has determined that forward-looking economic scenarios are less significant in estimating future losses. However, the Group still incorporates reasonable and supportable forward-looking information alongside historical data and management knowledge in calculating the ECL balance.

Liquidity risk

The Moore and Smalley Group seeks to maintain sufficient cash balances. Management reviews cash flow forecasts on a regular basis to determine whether the Moore and Smalley Group has sufficient cash reserves to meet future working capital requirements and to take advantage of business opportunities.

A maturity analysis of the Moore and Smalley Group's undiscounted cash flows arising from financial liabilities is shown below:

	31 March 2022 £'000	31 March 2023 £'000	31 March 2024 £'000
<i>Less than one year:</i>			
Trade and other payables	2,814	3,333	3,143
Bank loans	400	400	—
	<u>3,214</u>	<u>3,733</u>	<u>3,143</u>
<i>Later than 1 year and less than 5 years:</i>			
Bank loans	1,300	900	—
	<u>1,300</u>	<u>900</u>	<u>—</u>
Total including interest cash flows	<u>4,514</u>	<u>4,633</u>	<u>3,143</u>
Less: interest cash flows	<u>—</u>	<u>—</u>	<u>—</u>
Total principal cash flows	<u><u>4,514</u></u>	<u><u>4,633</u></u>	<u><u>3,143</u></u>

A maturity analysis of lease liabilities is included in Note 18.

Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Moore and Smalley Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

The Moore and Smalley Group aims to mitigate interest rate risk by entering into fixed-rate instruments, such as bank loans, as detailed in Note 17. The Moore and Smalley Group does not use any financial hedging instruments.

As at 31 March 2024, the Moore and Smalley Group's borrowings were £nil.

Capital Disclosures

The capital structure of the business consists of cash and cash equivalents, debt and equity. Equity comprises members' accumulated profits and is equal to the amounts shown as within the statement of changes in members' interests. As at 31 March 2024, debt comprised £Nil which is set out in further detail in Note 17.

The Moore and Smalley Group's current objectives when maintaining capital are to:

- safeguard the Moore and Smalley Group's ability as a going concern so that it can continue to pursue its growth plans;
- provide a reasonable expectation of future returns to shareholders; and
- maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term.

The Moore and Smalley Group sets the amount of capital it requires in proportion to risk. The Moore and Smalley Group manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust

the capital structure, the Moore and Smalley Group may issue new shares or sell assets to reduce debt.

During the periods ended covered within the HFI, the Moore and Smalley Group's business strategy remained unchanged.

21. Other provisions

	Lease dilapidation provisions £'000
At 1 April 2021	46
Additions	37
Interest expense	2
	<hr/>
At 31 March 2022	85
	<hr/> <hr/>
At 1 April 2022	85
Additions	179
Interest expense	12
	<hr/>
At 31 March 2023	276
	<hr/> <hr/>
At 1 April 2023	276
Additions	78
Interest expense	15
Payments	(83)
Remeasurement	(4)
	<hr/>
At 31 March 2024	282
	<hr/> <hr/>

As part of the Moore and Smalley Group's property leasing arrangements there is an obligation to repair damages which occur during the life of the lease, such as wear and tear. These costs have been charged in line with IFRS 16 Leases and shown separately to the lease obligation liability. The provision is expected to be utilised between 2027 and 2033 when the leases terminate. Due to the significant number of leased properties and the difficulties in predicting expenditure that will be required on return of a property to the landlord many years into the future, the dilapidations provision is considered an estimate. The provision has been calculated using historical experience of actual expenditure incurred on dilapidations and estimated lease termination dates.

22. Capital and contingencies

Capital and financial commitments

The Moore and Smalley Group held no capital, financial and or other commitments at 31 March 2024: (2023: Nil, 2022: Nil).

23. Related party transactions

Designated members are considered key management personnel in the historical financial information period. Total compensation paid to key management personnel in the year ended 31 March 2024 was £4,584,836 (2023: £4,277,585, 2022: £4,223,898).

24. Ultimate controlling party

No one entity or individual has control over Moore and Smalley.

25. Changes in liabilities from financing activities

	1 April 2021 £'000	Financing cash flows £'000	Interest expense £'000	Other adjustments £'000	31 March 2022 £'000
Bank and other borrowings	3,010	(1,361)	51	—	1,700
Lease liabilities	771	(339)	31	588	1,051
Total liabilities from financing activities	3,781	(1,700)	82	588	2,751

	1 April 2022 £'000	Financing cash flows £'000	Interest expense £'000	Other adjustments £'000	31 March 2023 £'000
Bank and other borrowings	1,700	(475)	75	—	1,300
Lease liabilities	1,051	(495)	72	906	1,534
Total liabilities from financing activities	2,751	(970)	147	906	2,834

	1 April 2023 £'000	Financing cash flows £'000	Interest expense £'000	Other adjustments £'000	31 March 2024 £'000
Bank and other borrowings	1,300	(1,392)	92	—	—
Lease liabilities	1,534	(358)	76	532	1,784
Total liabilities from financing activities	2,834	(1,750)	168	532	1,784

26. Post balance sheet events

On 3 April 2024, a merger agreement was entered into between MHA LLP, MacIntyre Hudson Corporate Finance Limited, and Moore and Smalley LLP.

**SECTION E: UNAUDITED INTERIM FINANCIAL INFORMATION OF THE COMBINED GROUP
FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

Interim condensed combined statements of profit or loss and other comprehensive income

	Note	Period ended 30 September 2023 (Unaudited) £'000	Period ended 30 September 2024 (Unaudited) £'000
Revenue	5	70,684	107,196
Client expenses and disbursements		(2,943)	(3,901)
Net revenue		67,741	103,295
Other operating income		334	1,525
Administrative expenses		(48,848)	(66,212)
Profit from operations		19,227	38,608
Finance income		572	634
Finance expense		(553)	(671)
Other gains	9	—	6,929
Profit before tax		19,246	45,500
Taxation		(871)	(958)
Profit for the period		18,375	44,542
Other comprehensive income:			
<i>Other comprehensive loss</i>			
Exchange difference on retranslation of foreign operations		36	(194)
Total comprehensive income		18,411	44,348

Interim condensed combined statements of financial position

	Note	As at 31 March 2024 (Audited) £'000	As at 30 September 2024 (Unaudited) £'000
Assets			
Current assets			
Trade and other receivables		50,683	63,297
Lease receivable		341	349
Cash and cash equivalents		25,956	25,977
Total current assets		<u>76,980</u>	<u>89,623</u>
Non-current assets			
Property, plant and equipment		2,593	4,055
Right-of-use assets		15,093	16,883
Intangible assets	7	16,306	24,303
Investments		9	9
Lease receivable		2,120	1,944
Deferred tax assets		5	20
Total non-current assets		<u>36,126</u>	<u>47,214</u>
Total assets		<u><u>113,106</u></u>	<u><u>136,837</u></u>
Liabilities			
Current liabilities			
Trade and other payables		24,217	25,818
Lease liabilities		2,886	3,555
Borrowings		20	144
Current tax liabilities		1,394	1,486
Total current liabilities		<u>28,517</u>	<u>31,003</u>
Non-current liabilities			
Borrowings		90	1,156
Lease liabilities		14,785	15,587
Other provisions		4,252	4,146
Deferred consideration		2,045	2,627
Total non-current liabilities		<u>21,172</u>	<u>23,516</u>
Total liabilities		<u>49,689</u>	<u>54,519</u>
Net assets		<u><u>63,417</u></u>	<u><u>82,318</u></u>
Members' interests			
Members capital classified as a liability		13,359	21,451
Other amounts classified as debt		34,706	43,827
Invested capital		15,352	17,040
TOTAL MEMBERS' INTERESTS		<u><u>63,417</u></u>	<u><u>82,318</u></u>

Interim statements of changes in members' interests

	Members capital classified as a liability £'000	Other amounts classified as debt £'000	Invested capital £'000	Members' interests £'000
Balance at 1 April 2023	8,711	29,110	13,035	50,856
Profit for the period	—	14,856	3,519	18,375
Other comprehensive income	—	36	—	36
Amounts introduced by members	3,676	—	—	3,676
Repayment of capital	(356)	—	—	(356)
Members' drawings	—	(22,289)	—	(22,289)
Group reorganisation	—	(530)	—	(530)
Issue of dividends*	—	—	(1,202)	(1,202)
Balance at 30 September 2023	12,031	21,183	15,352	48,566
Balance at 1 April 2024	13,359	34,706	15,352	63,417
Profit for the period	—	40,650	3,892	44,542
Other comprehensive loss	—	(194)	—	(194)
Acquisition of Moore and Smalley	—	6,003	—	6,003
Amounts introduced by members	8,377	—	—	8,377
Repayment of capital	(285)	—	—	(285)
Members' drawings	—	(39,425)	—	(39,425)
Group reorganisation	—	2,087	—	2,087
Issue of dividends*	—	—	(2,204)	(2,204)
Balance at 30 September 2024	21,451	43,827	17,040	82,318

* Dividends were issued by MacIntyre Hudson Holdings Limited which is part of the Combined Group.

Interim statements of cash flows

	Note	Period ended 30 September 2023 (Unaudited) £'000	Period ended 30 September 2024 (Unaudited) £'000
Cash flows from operating activities			
Profit before taxation		19,246	45,500
Adjustments for:			
Depreciation of property, plant and equipment		306	413
Amortisation of intangible assets	7	63	561
Amortisation of right of use assets		1,354	1,643
Gain on bargain purchase		—	(6,828)
Movement in provisions		(115)	(637)
Finance income		(572)	(634)
Finance costs		553	671
		<hr/>	<hr/>
Net cash generated from operating activities before changes in working capital		20,835	40,689
Increase/ (decrease) in trade and other receivables		4,223	(3,294)
Increase in trade and other payables		(1,412)	(3,484)
		<hr/>	<hr/>
Cash generated from operations		23,646	33,911
Tax paid		(228)	(881)
		<hr/>	<hr/>
Net cash inflow from operating activities		23,418	33,030
		<hr/>	<hr/>
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired		(1,428)	(336)
Purchase of property, plant and equipment		(189)	(718)
Principal received from rental income		162	168
Interest received from rental income		55	49
Interest received		517	585
		<hr/>	<hr/>
Net cash outflow from investing activities		(883)	(252)
		<hr/>	<hr/>
Cash flows from financing activities			
Payments to members		(22,941)	(37,338)
Capital invested by members		3,676	8,377
Capital withdrawn by members		(356)	(285)
Equity dividends paid		(1,202)	(2,204)
Proceeds from borrowings		—	1,505
Repayments of borrowings		(1,977)	(370)
Interest paid		(141)	(179)
Principal paid on lease liability		(1,239)	(1,631)
Interest paid on lease liability		(380)	(438)
		<hr/>	<hr/>
Net cash outflow from financing activities		(24,560)	(32,563)
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents		(2,025)	215
		<hr/>	<hr/>
Cash and cash equivalents at beginning of the period		28,332	25,956
Effects of exchange rates on cash and cash equivalents		36	(194)
		<hr/>	<hr/>
Cash and cash equivalents at end of period		26,343	25,977
		<hr/> <hr/>	<hr/> <hr/>

Notes to the interim condensed combined financial information

1. General information

MacIntyre Hudson LLP (“MHA”) is a Limited Liability Partnership (“Partnership”) registered in England and Wales; its registered number is OC312313. MacIntyre Hudson Holdings Limited (“MHHL”) is a private company incorporated in England and Wales; its registered number is 03717255. The registered address of both companies is The Pinnacle, 150 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1LZ, United Kingdom.

The unaudited interim condensed financial information for MHA comprises the results of MacIntyre Hudson LLP, its subsidiary undertakings and MacIntyre Hudson Holdings Limited and its subsidiary undertakings (together, the “Combined Group”) for the six months ended 30 September 2024, and the comparative six-month period ended 30 September 2023. This interim condensed financial information has been prepared solely for the purposes of admission of the ordinary shares of MHA plc to the AIM market of the London Stock Exchange.

The principal activity of the Combined Group is the provision of professional services to clients.

2. Basis of preparation

The unaudited interim condensed combined financial information for the six months ended 30 September 2024 (the “Interim Financial Information”) has been prepared in accordance with UK-adopted international accounting standards (“IFRS”), specifically for the purpose of this Admission Document. The Interim Financial Information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Historical Financial Information for the three years ended 31 March 2024. The Interim Financial Information does not constitute statutory accounts within the meaning of the section 434 of Companies Act 2006.

This Interim Financial Information provided for the Combined Group is for the following entities in respect all periods presented (or when acquired during the period from a third party, from the date of acquisition):

MacIntyre Hudson LLP	MacIntyre Hudson Holdings Limited
MacIntyre Hudson Service Limited	MHA Financial Solutions Limited
Blackfriars Tax Solutions LLP	MacIntyre Hudson Limited
Cell MHA	MHA Trustees Corporation
Meston Reid Limited	MHA Tax Safe Limited
MHA Wealth Management Holdings Limited	MacIntyre Hudson Corporate Finance Limited
MHA Caves Investment Management Limited	MHA MacIntyre Consulting Limited
MHA Caves Wealth Limited	MHA Limited
MHC Limited	MHA MacIntyre Hudson Cayman Limited
Moore and Smalley LLP	MacIntyre Hudson Ireland Limited
Baker Tilly Ireland GP Limited	Baker Tilly Ireland Audit Limited
Baker Tilly Ireland Limited Partnership	

The Interim Financial Information has been prepared in accordance with UK-adopted IFRS, except as detailed below.

Departures from IFRS

IFRS does not provide for the preparation of combined Interim Financial Information, and accordingly in preparing the combined Interim Financial Information, there have been some departures from IFRS, as detailed below:

- i) The combined Interim Financial Information does not constitute a set of general-purpose financial statements under paragraph 2 of IAS 1 and consequently the Combined Group does not make an explicit and unreserved statement of compliance with IFRS as contemplated by paragraph 16 of IAS 1; and

- ii) The combined Interim Financial Information has not been prepared in accordance with IAS 1 'Presentation of Financial Statements'. As the financial information is prepared on a combined basis, all capital and reserve balances are merged into "members capital classified as debt" and "other debt and invested capital".

This Interim Financial Information has been prepared on a going concern basis, under the historical cost convention. The Interim Financial Information is presented in Pounds Sterling (£), and all values are rounded to the nearest thousand (£'000), except when otherwise indicated.

The principal accounting policies adopted in the preparation of the Interim Financial Information are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

3. Accounting policies

The accounting policies adopted in the preparation of the Interim Financial Information are consistent with those followed in the preparation of the Historical Financial Information for the three years ended 31 March 2024 as set out in Note 2 of the Historical Financial Information. The Combined Group has not adopted any IFRS standards, interpretations or amendments in the six months ended 30 September 2024. Certain amendments apply for the first time in the period ended 30 September 2024, but do not have an impact on the Interim Financial Information of the Combined Group.

4. Critical accounting judgements and estimates

The preparation of the Interim Financial Information requires the designated members to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Significant estimates and judgements

For both the six-month period ended 30 September 2024 and the comparative period, the designated members consider all significant estimates and judgements are consistent with those followed in the preparation of the Historical Financial Information for the three years ended 31 March 2024 as set out in Note 3 of the Historical Financial Information, other than the fair value of capital points and gain on bargain purchase relating to the acquisition of Moore and Smalley LLP.

Fair value of capital points and gain on bargain purchase

The fair value of the financial liabilities for capital points and the beneficial interest is consistent with, and only trivially different, from the nominal amounts payable. That is because the liabilities have no contractual interest rate applicable and are also contractually repayable within a period of about 6 months or less.

The element of the allocated capital points relating to post-retirement payments of capital value and profit-related payments per capital point, which may crystallise for good leavers, is conditional on future service by the former owners/partners and hence is not part of the business combination transactions as per IFRS 3:52. This has resulted in a gain on bargain purchase on the acquisition of Moore and Smalley LLP on 1 April 2025 as detailed in note 9.

5. Revenue

The Combined Group generates revenue primarily from professional services provided to clients. There are no customers that make up more than 10% of revenue in the period ended 30 September 2024 (2023: None).

Geographical reporting

	Period ended 30 September 2023 (Unaudited) £'000	Period ended 30 September 2024 (Unaudited) £'000
United Kingdom	68,503	104,433
Cayman Islands	2,181	2,763
	<u>70,684</u>	<u>107,196</u>

6. Segmental reporting

The Chief Operating Decision Maker (“CODM”) has been identified as the Board of MHA and that of MHHL, which comprise the same individuals. The CODM reviews the Combined Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined that there is one operating segment: the provision of professional services to clients. Information about geographical revenue is disclosed in Note 5.

7. Intangible assets

	Goodwill £'000	Customer relationships £'000	Software £'000	Total £'000
Cost				
1 April 2023	8,307	708	256	9,271
Additions	—	—	1	1
Additions – acquisitions	3,985	3,524	—	7,509
At 31 March 2024	<u>12,292</u>	<u>4,232</u>	<u>257</u>	<u>16,781</u>
Amortisation				
1 April 2023	—	36	244	280
Charge for the period	—	187	8	195
At 31 March 2024	<u>—</u>	<u>223</u>	<u>252</u>	<u>475</u>
Net book value				
At 31 March 2024	<u>12,292</u>	<u>4,009</u>	<u>5</u>	<u>16,306</u>
Cost				
1 April 2024	12,292	4,232	257	16,781
Additions – acquisitions	1,263	7,295	—	8,558
At 30 September 2024	<u>13,555</u>	<u>11,527</u>	<u>257</u>	<u>25,339</u>
Amortisation				
1 April 2024	—	223	252	475
Charge for the period	—	558	3	561
At 30 September 2024	<u>—</u>	<u>781</u>	<u>255</u>	<u>1,036</u>
Net book value				
At 30 September 2024	<u>13,555</u>	<u>10,746</u>	<u>2</u>	<u>24,303</u>

Goodwill

Goodwill arising on the acquisition of a business in the period relates to the acquisition of Roberts Nathan LP and was calculated as the fair value of initial consideration paid less the fair value of identifiable assets at the date of acquisition (see Note 9).

8. Investment in subsidiaries and associates

MHA owns directly the whole of the issued and fully paid ordinary share capital of its subsidiary undertakings.

The subsidiary undertakings are presented below:

Subsidiaries and partnerships linked to the Combined Group	Country of incorporation	Principal activity	Holding	Proportion of ordinary shares held at each period end	
				Direct	Indirect
MacIntyre Hudson Service Limited	England & Wales	Dormant	Ordinary shares	100%	
Blackfriars Tax Solutions LLP	England & Wales	Provision of tax services	Capital	99%	
Cell MHA	Guernsey	Provision of insurance services	Insurance shares		100%*
Meston Reid Limited	Scotland	Dormant	Ordinary shares	100%	
Moore and Smalley LLP	England & Wales	Provision of professional services	Ordinary shares	100%**	
MacIntyre Hudson Ireland Limited	Ireland	Provision of professional services	Ordinary shares	100%**	
Baker Tilly Ireland GP Limited	Ireland	Provision of professional services	Ordinary shares		100%**

* MacIntyre Hudson LLP owns 100 insurance shares in White Rock Insurance Company PCC Limited which entitles it to 100% ownership and control of "Cell MHA" that is managed by trustees on behalf of MacIntyre Hudson LLP.

** These entities were acquired during the period ended 30 September 2024.

Associates and partnerships linked to the Combined Group	Country of incorporation	Principal activity	Holding	Proportion of ordinary shares held at each period end	
				Direct	Indirect
MacIntyre Hudson Holdings Limited ¹	England & Wales	Holding company	A Ordinary shares	Nil	
Baker Tilly Global Tax Solutions Limited	Ireland	Development of multinational client opportunities	Ordinary shares	12.5%	
MacIntyre Hudson Advisory Services LLP	England & Wales	Provision of training services	Capital	25%	

¹ MacIntyre Hudson Holdings Limited ("MHHL") is an associate of MHA throughout the periods presented as MHA's shareholding does not give it control over MHHL, however, MHHL is under common control by MHA's capital members and therefore the historical financial information consolidates the results of MHA and subsidiaries and MHHL and subsidiaries on a combined basis.

The additional entities listed below are subsidiaries of MHLH whereby MHA does not directly own any of the share capital throughout the periods presented:

MHLH subsidiaries under common control of the Combined Group	Country of incorporation	Principal activity
MacIntyre Hudson Corporate Finance Limited	England & Wales	Corporate finance
MHA Financial Solutions Limited	England & Wales	Asset financing
MacIntyre Hudson Limited	England & Wales	Provision of debt factoring services
MHA MacIntyre Hudson Consulting Limited	England & Wales	Consultancy
MHA Tax Safe Limited	England & Wales	Provision of tax services
MHA Wealth Management Holdings Limited	England & Wales	Holding company
MHA Caves Investment Management Limited	England & Wales	Holding company
MHA Caves Wealth Limited	England & Wales	Provision of financial services
MHA Trustees Corporation Limited	England & Wales	Non trading

The registered office of the above entities is The Pinnacle, 150 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1LZ, United Kingdom.

9. Business combinations

The Combined Group made three acquisitions throughout the period ended 30 September 2024, as detailed below.

Moore and Smalley LLP

On 1 April 2024, MacIntyre Hudson LLP completed the acquisition of the trade and assets of Moore and Smalley LLP for total consideration of £6,003k.

The principal reason for the acquisition was to enhance the services offered to existing clients of both firms, while expanding MHA's offering in the UK in line with the Group's growth strategy.

Given that following the acquisition, certain Moore and Smalley LLP operations were merged with MacIntyre Hudson LLP operations, disclosure of the contribution of the acquired business to the Group's revenues and profit in the period from 1 April 2024 to 30 September 2024 has been deemed impractical by management, as those revenue streams and customers cannot be disaggregated specifically to Moore and Smalley LLP and or identified since the date they merged with MacIntyre Hudson LLP, and were billed as MacIntyre Hudson LLP from this date.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date:

	Fair value £'000
<u>Assets</u>	
Intangible asset – customer relationships	6,921
Property, plant and equipment	719
Right of use assets	2,024
Work in progress	331
Cash	1,175
Trade and other receivables	8,944
<u>Liabilities</u>	
Trade and other payables	(5,129)
Lease liabilities and provisions	(2,151)
Total fair value	12,834
Consideration	6,003
Gain on bargain purchase	(6,813)

The fair values include recognition of intangible assets related to Moore and Smalley LLP customer relationships of £6,921k, which will be amortised over 10 years on a straight-line basis. The gain on bargain purchase of £6,813k is primarily as a result of the consideration being equal to that of the financial net assets acquired. The gain on bargain purchase of £6,813k is disclosed within the statement of comprehensive income.

Purchase consideration	£'000
Equity	6,003
Total consideration	6,003

The net cash sum expended on acquisition in the period ended 30 September 2024 is as follows:

Analysis of cash flows on acquisition	£'000
Cash acquired at acquisition	1,175
Net cash outflow on acquisition	1,175

On 3 April 2024 MHA LLP advanced loans to the former designated members of the Moore and Smalley Group of £1,504,000. The transactions are recognised separately from the business combination as they were agreed in separate negotiations and included in separate legal arrangements. The loans are repayable in quarterly instalments over a term of 10 years and are measured at amortised cost. Note 11 provides additional information on one of the constituent loans to a related party of the Combined Group.

Roberts Nathan LP

On 1 July 2024, MacIntyre Hudson LLP completed the acquisition of the trade and assets of Roberts Nathan LP for total consideration of £1,968k.

The principal reason for the acquisition was to combine Roberts Nathan LP's extensive local expertise with a strong international presence, significantly enhancing the firm's capability to offer a more comprehensive range of services and sector expertise and serve a broader client base in Ireland and globally.

Given the assets of Roberts Nathan LP were transferred to MHA on acquisition and the information on Roberts Nathan LP as a standalone business is not available, disclosure of the contribution of

the acquired business to the Group's revenues and profit in the period from 1 April 2024 to 30 September 2024 has been deemed impractical by management.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date, the presentation is detailed in both €'s and £'s reflecting both the transactions' original currency and the Combined Group's reporting currency:

	<u>Fair value</u> <u>£'000</u>	<u>Fair value</u> <u>€'000</u>
<u>Assets</u>		
Intangible asset – Customer relationships	374	450
Property, plant and equipment	408	490
Trade and other receivables	10	12
<u>Liabilities</u>		
Work in progress	(2)	(3)
Trade and other payables	(87)	(104)
Total fair value	<u>703</u>	<u>845</u>
Consideration	<u>1,968</u>	<u>2,363</u>
Goodwill	<u>1,265</u>	<u>1,518</u>

The fair values include recognition of intangible assets related to Roberts Nathan LP customer relationships of £374k, which will be amortised over 10 years and 9 months on a straight-line basis. The goodwill of £1,265k comprises the potential value of new customers as well as the value of the workforce in place, which are not separately recognised. Acquisition costs totalled £77k and are accounted for within the statement of comprehensive income.

Purchase consideration	<u>£'000</u>	<u>€'000</u>
Cash	1,179	1,418
Deferred consideration – cash	460	550
Net asset payment	331	398
Work in progress payment	(2)	(3)
Total consideration	<u>1,968</u>	<u>2,363</u>

The net cash sum expended on acquisition in the period ended 30 September 2024 is as follows:

Analysis of cash flows on acquisition	<u>£'000</u>	<u>€'000</u>
Cash paid as consideration on acquisition	<u>(1,179)</u>	<u>(1,418)</u>
Net cash outflow on acquisition	<u>(1,179)</u>	<u>(1,418)</u>

Roberts Nathan Financial Services Limited

On 1 September 2024, MacIntyre Hudson LLP completed the acquisition of 80% of the trade and assets of Roberts Nathan Financial Services Limited for total consideration of £(12)k.

The principal reason for the acquisition was to enhance the services offered to existing clients, while expanding MHA's offering in Ireland in line with the Group's growth strategy.

Given the assets of Roberts Nathan Financial Services Limited were transferred to MHA on acquisition and the information on Roberts Nathan Financial Services Limited as a standalone business is not available, disclosure of the contribution of the acquired business to the Group's revenues and profit in the period from 1 September 2024 to 30 September 2024 has been deemed impractical by management. Similarly, disclosure of the revenue and profit of Roberts Nathan Financial Services Limited would have contributed if the acquisition had occurred on 1 April 2024 is also deemed impractical.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date, the presentation is detailed in both €'s and £'s reflecting both the transactions' original currency and the Combined Group's reporting currency:

	Fair value £'000	Fair value €'000
Assets		
Property, plant and equipment	31	36
Trade and other receivables	37	44
Cash	1	1
Liabilities		
Trade and other payables	(13)	(16)
Borrowings	(56)	(65)
Total fair value	—	—
NCI – 20%	(3)	(4)
Consideration	(12)	(15)
Gain on bargain purchase	(15)	(19)

The fair values include recognition of intangible assets related to Roberts Nathan Financial Services Limited customer relationships of £Nil. The negative goodwill of £15k is primarily as a result of the negative consideration calculated. MHA has elected to measure the non-controlling interest of 20% using the partial goodwill method. The negative goodwill of £15k is disclosed within the statement of comprehensive income.

	£'000	€'000
Purchase consideration		
Cash	21	25
Net asset payment	(33)	(40)
Total consideration	(12)	(15)

The net cash sum expended on acquisition in the period ended 30 September 2024 is as follows:

	£'000	€'000
Analysis of cash flows on acquisition		
Cash consideration received due to net negative consideration	12	15
Cash acquired at acquisition	1	1
Net cash inflow on acquisition	13	16

10. Capital and contingencies

The Combined Group held no material capital, financial and or other commitments at 30 September 2024 (2023: None).

11. Related party transactions

There were no material changes in key management personnel terms or related party transactions, except for a loan of £195k advanced to a member of MHA's Board in April 2024. The loan is unsecured, bears interest at a rate of 1.75% plus Bank of England base rate and is repayable quarterly over a term of 10 years. The amount outstanding as at 30 September 2024 was £187k.

12. Ultimate controlling party

No one entity or individual has control over MHA.

13. Events after the reporting period

The Combined Group intends to complete the Reorganisation in order to make the Company the holding company of the Combined Group and to change the governance and Partner remuneration structures of the Combined Group so as to be suitable for an AIM company and in order to align Partners' interests with Shareholders. As at the date of this document the Reorganisation has been partially finalised with steps 5-12 (inclusive) identified in paragraph 3.1 of Part V of this document outstanding. These steps are intended to be completed after the date of this document but prior to Admission. Admission will not occur if the Reorganisation does not complete in entirety.

SECTION F: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP



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10 April 2025

The Directors
MHA plc
The Pinnacle
150 Midsummer Boulevard
Milton Keynes
Buckinghamshire, MK9 1LZ

The Directors
Cavendish Capital Markets Limited
1 Bartholomew Close
London, EC1A 7BL

Dear Directors,

Introduction

We report on the unaudited pro forma statement of net assets of MHA plc (the “**Company**”) and its subsidiaries, including MacIntyre Hudson LLP (“**MHA LLP**”) and MacIntyre Hudson Holding Limited (“**MHHL**”) (together, the “**Combined Group**”) (together with the Company, the “**Group**”) (the “**Pro Forma Financial Information**”) set out in this section of Part IV of the Company’s AIM admission document dated 10 April 2025 (the “**Admission Document**”).

The Pro Forma Financial Information has been prepared on the basis of the notes thereto, for illustrative purposes only, to provide information about how the corporate reorganisation and the receipt of net proceeds from the Placing might have affected the financial information presented on the basis of the accounting policies adopted by the Group in preparing its historical financial information as at 30 September 2024. This report is required by Schedule Two of the AIM Rules for Companies (the “**AIM Rules**”) and is given for the purpose of complying with that schedule and for no other purpose.

Terms not otherwise defined in this report shall have the meaning given to them in the Admission Document.

Responsibilities

It is the responsibility of the directors of the Company (the “**Directors**”) to prepare the Pro Forma Financial Information. It is our responsibility to form an opinion on the Pro Forma Financial Information as to the proper compilation of the Pro Forma Financial Information and to report our opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such previous reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting 4000 as issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial information with the Directors. We planned and performed our work so as to obtain all the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Group.

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Group.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules, we are responsible for this report as part of the Admission Document and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION G: UNAUDITED PRO FORMA FINANCIAL INFORMATION

Set out below is an unaudited pro-forma statement of net assets of the Group (the “**Pro Forma Financial Information**”), which has been prepared on the basis of the Combined Group Interim Financial Information as at 30 September 2024, as presented in Section E of Part IV of the Company’s Admission Document, as adjusted for:

- the notional distribution of profits;
- the settlement of Loan Notes; and
- net proceeds of the Placing.

as set out in the notes below. The Pro Forma Financial Information has been prepared for illustrative purposes only and in accordance with Annex 20 of the Prospectus Rules and the AIM Rules, and because of its nature will not represent the actual financial position of the Group as at the date of Admission.

Unaudited pro forma statement of net assets

£	<i>(Unaudited)</i> Interim Financial Information of the Combined Group (Note 1)	Notional distribution of profits (Note 2)	Settlement of Loan Notes (Note 3)	Net proceeds from the Placing (Note 4)	<i>(Unaudited)</i> Pro forma net assets of the Group at 30 September 2024 (Note 5)
<i>Current assets</i>					
Trade and other receivables	63,297	—	—	—	63,297
Lease receivable	349	—	—	—	349
Cash and cash equivalents	25,977	—	(76,800)	89,400	38,577
Total current assets	89,623	—	(76,800)	89,400	102,223
<i>Non-current assets</i>					
Property, plant and equipment	4,055	—	—	—	4,055
Right-of-use assets	16,883	—	—	—	16,883
Intangible assets	24,303	—	—	—	24,303
Investments	9	—	—	—	9
Lease receivable	1,944	—	—	—	1,944
Deferred tax assets	20	—	—	—	20
Total non-current assets	47,214	—	—	—	47,214
Total assets	136,837	—	(76,800)	89,400	149,437
<i>Current liabilities</i>					
Trade and other payables	25,818	42,600	—	—	68,418
Lease liabilities	3,555	—	—	—	3,555
Borrowings	144	—	—	—	144
Current tax liabilities	1,486	—	—	—	1,486
Total current liabilities	31,003	42,600	—	—	73,603
<i>Non-current liabilities</i>					
Borrowings	1,156	—	—	—	1,156
Lease liabilities	15,587	—	—	—	15,587
Other provisions	4,146	—	—	—	4,146
Deferred consideration	2,627	—	—	—	2,627
Total non-current liabilities	23,516	—	—	—	23,516
Total liabilities	54,519	42,600	—	—	97,119
Net assets	82,318	(42,600)	(76,800)	89,400	52,318

Notes to the Unaudited Pro Forma Financial Information:

1. The Interim Financial Information of the Combined Group as at 30 September 2024 has been extracted without further adjustment, from Part IV, Section B of this document "*Interim Financial Information of the Combined Group*".
2. The notional distribution of Group profits of £42.6 million earned for the period ended 30 September 2024.
3. The net cash movements arising from the issue and repayment of Loan Notes to certain Capital Partners and certain Retiree Capital Partners totalling £76.8 million are summarised below:
 - (a) The payment of £34.2 million to release the capital of 19 retired MHA Partners by way of re-payment of the Retiree Capital Partner Loan Notes issued pursuant to the Retiree Company Loan Note Instrument.
 - (b) The payment £42.6 million to partially release capital from certain continuing Partners, by way of repayment of the MHA Partner Loan Notes issued pursuant to the MHA Partner Company Loan Note Instrument.
4. Placing proceeds to the Company are expected to be approximately £95.8 million with associated costs of the transaction expected to be approximately £6.4 million (excluding VAT). The net proceeds from the Placing received by the Company are therefore expected to be approximately £89.4 million.
5. No account has been taken of any movement in the net assets of the Group since 30 September 2024, nor of any trading, distribution or other event save as disclosed above.
6. The Directors consider that the substance of the acquisition of the Combined Group by the Company is effectively a combination of entities under common control and hence outside the scope of IFRS 3 'Business combinations'. Accordingly, the Directors consider that an appropriate accounting policy for the transaction, which is relevant to the decision-making needs of users and reliable, should be based on the merger accounting method that will be adopted as the basis for consolidation in the first published accounts of the Company following completion of the acquisition.

SECTION: H FINANCIAL INFORMATION ON MHA PLC

MHA plc was incorporated and registered in England and Wales on 21 February 2025 as a public limited company under the Companies Act under the name Project Balance Topco 1 plc with registration number 16268837. On 14 March 2025 the Company was re-named as MHA plc. Since the date of its incorporation, MHA plc has not yet commenced operations and it has no material assets or liabilities, and therefore no financial statements have been prepared as at the date of this document, and no separate historical financial information on MHA plc is presented in this document. Before Admission, MHA plc will acquire the entire issued share capital of MHA Advisory Limited (Company number 16233746) pursuant to the Reorganisation.

PART V

ADDITIONAL INFORMATION

1. RESPONSIBILITY

The Directors, whose names and functions appear on page 13 of this document, and the Company whose registered office address appears on page 13 of this document, accept responsibility, both individually and collectively, for the information contained in this document including, in respect of the Directors, individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. THE COMPANY

- 2.1. The Company was incorporated and registered in England and Wales on 21 February 2025 as a public limited company under the Companies Act under the name Project Balance Topco 1 plc with registration number 16268837. On 14 March 2025 the Company was re-named as MHA plc.
- 2.2. The Company is a public limited company and accordingly the liability of its Shareholders is limited to the amount paid up or to be paid on the Ordinary Shares. The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares (including the Placing Shares and Retail Offer Shares) will be issued is the Companies Act and regulations made thereunder.
- 2.3. The Company's principal activity is that of a holding company. It is the ultimate parent company of the Group comprising the Company and, *inter alia*, the significant subsidiary undertakings set out in paragraph 4 of this Part V of this document. Further details of the history and background of the Company are set out in Part I. Further particulars on the operations and principal activities of each principal trading member of the Group are set out at paragraph 4 of this Part V.
- 2.4. The Company's registered office is The Pinnacle, 150 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1LZ, United Kingdom. The Company's principal place of business, principal establishment and head office is 2 London Wall Place, Barbican, London EC2Y 5AU. The Group has 23 offices in total across the United Kingdom as well as 2 offices in the Republic of Ireland and 1 office in the Cayman Islands.
- 2.5. The Company's telephone number is +44(0)207 429 4100 and registered email is c/o Alma Strategic Communications: MHA@almastrategic.com.
- 2.6. Details of the Directors and their functions in the Company are set out on page 13 of this document. Each of the Directors can be contacted at the registered office of the Company at: The Pinnacle, 150 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1LZ, United Kingdom.
- 2.7. The Company's website, at which information required by Rule 26 of the AIM Rules can be found is, <https://www.mha.co.uk/>. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this document.
- 2.8. The accounting reference date of the Company is 31 March and the Company is domiciled in the UK.

3. REORGANISATION

- 3.1. In anticipation of Admission, the Reorganisation is being undertaken in order to facilitate the Company becoming the ultimate holding company of the Group and to meet regulatory requirements in the jurisdictions in which the Group operates. In summary, the Reorganisation comprised the following key steps which have been, or will be, implemented prior to Admission:

- Step 1:* MHHL bought back and subsequently cancelled all of its A ordinary shares from MHA LLP (as trustee on behalf of the beneficial holders of the A ordinary shares).
- Step 2:* MHA LLP and Moore and Smalley LLP transferred 100% of the shares held in MHA LLP and Moore and Smalley LLP subsidiaries to MHHL in exchange for the issuance to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) of B ordinary shares in MHHL.
- Step 3:*
- (a) MHA Advisory was incorporated.
 - (b) MHHL acquired the Retiree Capital Partner Membership Interests. As consideration for the sale of these Retiree Capital Partner Membership Interests by each Retiree Capital Partner to MHHL, MHHL issued Retiree Capital Partner Loan Notes pursuant to the Retiree MHHL Loan Note Instrument.
 - (c) The MHA LLP Partnership Agreement was amended and restated to provide that all MHA Partners each have Capital Points in MHA LLP.
 - (d) MHT (as trustee on behalf of the beneficiaries of the Retiree Capital Partner Loan Notes Trust) then entered into a put and call option agreement and securities exchange agreement with MHA Advisory that enabled it to exchange the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHHL Loan Note Instrument for Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument. MHT (as trustee on behalf of the beneficiaries of the Retiree Capital Partner Loan Notes Trust) then entered into a subsequent put and call option agreement and securities exchange agreement with the Company that enabled it to exchange the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument for Retiree Capital Partner Loan Notes issued by the Company pursuant to the Retiree Company Loan Note Instrument.¹
 - (e) MHA LLP transferred 100% of the shares held in MHC Ltd to MHHL in exchange for the issuance to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) of B ordinary shares in MHHL.
- Step 4:* Each of MHA Advisory and MHA Audit Services entered into the Audit Services Agreement and MHA LLP transferred the entirety of the trade and assets of the audit business (pursuant to the Audit Business Transfer Agreement) to MHA Audit Services and MHA Advisory entered into the Master Services Agreement.
- Step 5:* MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) transferred all of the B ordinary shares of £0.01 each in the issued share capital of MHHL to MHA Advisory pursuant to a share exchange agreement. As consideration, MHA Advisory issued to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) ordinary shares of £0.01 each in the issued share capital of MHA Advisory.
- Step 6:* MHA LLP will transfer the entirety of its trade and assets, including MHA Audit Services, to MHA Advisory pursuant to the Business Transfer Agreement which will involve a split exchange and completion on the same day as is consistent with tax counsel's advice. As consideration, MHA Advisory will issue ordinary shares of £0.01 each and MHA Partner Loan Notes (to be issued pursuant to the MHA Partner MHA Advisory Loan Note Instrument) to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust).
- Step 7:* The MHA LLP Partnership Agreement will be amended and restated to reflect (i) the admission of MHA Advisory as a partner holding 95% of the Capital Points and (ii) that, conditional upon the completion of the Business Transfer Agreement, each of the individual MHA Partners will resign from MHA LLP.

¹ Note: Consistent with tax counsel advice, this exchange is to occur at the same time as the step 5 share exchange so that the shares and loan notes in MHHL and MHA Newco are mirrored before and after the transaction.

Step 8: MHA Advisory will transfer the entirety of its interest in Moore and Smalley LLP to MHHL. As consideration, MHHL will enter into a loan agreement with MHA Advisory for an amount equal to the value of the interest in each of the LLPs.²

Step 9: (a) Each of: MHA Audit Holdings; the Trustees of the MHA RI Control Co Trust; MHA Audit Services and the Company will enter into the MHA Audit Services LLP Services Agreement.

(b) MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) will exchange the ordinary shares of £0.01 each in the capital of MHA Advisory and the MHA Partner Loan Notes (issued pursuant to the MHA Partner MHA Advisory Loan Note Instrument) for the issue to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) of ordinary shares of £0.01 each and MHA Partner Loan Notes in the Company (issued pursuant to the MHA Partner Company Loan Note Instrument).

(c) Each of the ordinary shares of £0.01 each and the MHA Partner Loan Notes (issued pursuant to the MHA Partner Company Loan Note Instrument) will be appointed, in the relevant proportions, out of trust to the beneficiaries of the MHHL 2022 Settlement Trust.

(d) Following exercise of the put and call option agreement (summarised at paragraph 16.18 of Part V of this document) and the securities exchange agreement (summarised at paragraph 16.16 of Part V of this document) MHT (as trustee on behalf of the beneficiaries of the Retiree Capital Partner Loan Notes Trust) will receive Retiree Capital Partner Loan Notes pursuant to the Retiree Company Loan Note Instrument.

(e) The Retiree Capital Partner Loan Notes (issued pursuant to the Retiree Company Loan Note Instrument) will be appointed, in the relevant proportions, out of trust to the beneficiaries of the Retiree Capital Partner Loan Notes Trust.

(f) The Articles will be amended to state that no Shareholder or group acting in concert (other than partners) may hold more than 30% of its issued share capital, without prior regulatory approval.

(g) The EBT will subscribe for Ordinary Shares in the Company.

Step 10: MHA Advisory will transfer the entire issued share capital of MHHL and MHA Audit Services to the Company.³

Step 11: The Partner Services Agreement will be entered into by the Company, the New LLP and certain members of the Group including MHA Audit Services and MHA Advisory.

Step 12: Each of MHA LLP, MHHL, and MHA Advisory will execute deed polls to ratify all actions of the directors taken as part of the Reorganisation.

As at the date of this document, steps 1-5 (inclusive) of the Reorganisation have been completed. The remaining steps 6-12 (inclusive) are intended to be implemented after the date of this document but prior to Admission. If they are not implemented, Admission will not occur.

3.2. The Reorganisation has not affected and will not affect the Group's operations, which, following Admission, are carried out mainly through the Company's wholly owned operating subsidiary, MHA Advisory Ltd (registered number: 16233746).

3.3. The organisational structure of the Group following the Reorganisation is illustrated in the chart set out in Part I of this document.

² Note: Consistent with tax counsel advice, completion of this step 8 transfer is to occur on day 6 (step 8 +2 days) of the Reorganisation.

³ Note: Consistent with tax counsel advice, completion of step 10 is to occur on day 6 (step 10 +2 days) of the Reorganisation.

4. GROUP STRUCTURE

- 4.1. The Company will, at Admission, be the holding company of the Group.
- 4.2. The following table contains details of the Company's significant subsidiary undertakings as at Admission:

Name	Principal activity	Trading Status	Country of incorporation or residence	Direct shareholder(s) or members	Percentage of ownership interest (per cent)	Percentage of voting power (per cent)
MHA Audit Services LLP	Providing regulated audit services	Active	England	The Company and MHA Audit Holdings Ltd	50%*	Variable
MHA Member LLP	Providing various regulated professional services	Active	England	The MHA Partners and the Company	50.1%	Variable
MHA Advisory Ltd	Providing regulated professional services (excluding audit services)	Active	England	The Company	100%	100%
MacIntyre Hudson Holdings Limited	Providing regulated professional services (excluding audit services)	Active	England	The Company	100%	100%

* The ownership of MHA Audit Services LLP is structured in this way in order to allow appropriate independence and control of the audit function within the Group by certain responsible individuals (RIs) in line with applicable regulatory requirements including without limitation the UK Audit Firm Governance Code.

5. SHARE CAPITAL OF THE COMPANY

- 5.1. On incorporation of the Company, the Company issued, the following shares in the Company, credited as fully paid:
- 5.1.1. 2,500,000 redeemable preference shares of £0.01 each to Rakesh Shaunak;
- 5.1.2. 2,500,000 redeemable preference shares of £0.01 each to Steven Moore;
- 5.1.3. 1 Ordinary Share of £0.01 each to Rakesh Shaunak; and
- 5.1.4. 1 Ordinary Share of £0.01 each to Steven Moore.
- 5.2. The Company issued 1 Ordinary Share to each of Rakesh Shaunak and Steven Moore in consideration of an undertaking from each of Rakesh Shaunak and Steven Moore on 21 February 2025 to pay up £0.01 each on each Ordinary Share held by them by 1 November 2025.
- 5.3. The Company issued 2,500,000 redeemable preference shares of £0.01 each to each of Rakesh Shaunak and Steven Moore in consideration of an undertaking from each of Rakesh Shaunak and Steven Moore on 21 February 2025 to pay up £25,000.00 each on their holding of redeemable preference shares by 1 November 2025.
- 5.4. The 5,000,000 redeemable preference shares and 2 Ordinary Shares allotted as subscriber shares on incorporation of the Company on 21 February 2025 were held on bare trust for the benefit of specified individuals by each of Rakesh Shaunak and Steven Moore pursuant to a trust deed dated 21 February 2025.
- 5.5. On 23 February 2025, each redeemable preference share then in issue in the capital of the Company was redesignated as an Ordinary Share (the "**Redesignation**"). Following the Redesignation, there were 5,000,002 Ordinary Shares in issue in the capital of the Company with Rakesh Shaunak holding 2,500,001 Ordinary Shares and Steven Moore holding 2,500,001 Ordinary Shares, in each case as trustee for the beneficiaries of the trust referred to above at paragraph 5.4 of Part V of this document.
- 5.6. As part of the Reorganisation, 142,199,983 Ordinary Shares, 42,592,100 MHA Partner Loan Notes and 34,207,900 Retiree Capital Partner Loan Notes in the Company will be issued to MHT (i) as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust and (ii) as trustee on behalf of the Retiree Capital Partners.

- 5.7. As part of the Reorganisation, 147,199,985 Ordinary Shares, 42,592,100 MHA Partner Loan Notes and 34,207,900 Retiree Capital Partner Loan Notes in the Company held by MHT ((i) as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust and (ii) as trustee on behalf of the Retiree Capital Partners) will be appointed out of trust, in the relevant proportions, to (i) the beneficiaries of the MHHL 2022 Settlement Trust and (ii) the Retiree Capital Partners.
- 5.8. On appointment of Ordinary Shares and MHA Partner Loan Notes out of trust as referred to at paragraph 5.7 of this Part V above, the beneficiaries of the MHHL 2022 Settlement Trust became Shareholders and loan note holders in the Company.
- 5.9. On appointment out of trust as referred to at paragraph 5.7 of this Part V above, the Retiree Capital Partners became loan note holders in the Company.
- 5.10. The following table shows the issued and fully paid shares of the Company at the date of this document:

Issued and credited as fully paid

Class of Share	Number of Ordinary Shares	Aggregate nominal value (£)
Ordinary	5,000,002	£50,000.02

- 5.11. The issued and fully paid shares of the Company immediately following Admission are expected to be as follows¹:

Issued and credited as fully paid

Class of Share	Number of Ordinary Shares	Aggregate nominal value (£)
Ordinary	268,999,985	2,689,999.9

¹ The Company intends to launch the Retail Offer following the publication of this document. Consequently, share numbers, proceeds, ownership percentages and any other related statistics in this document are calculated without the impact of the Retail Offer which is expected to have a maximum dilutive effective of 2.18%. The results of the Retail Offer will be announced via a regulatory information service prior to Admission.

- 5.12. Pursuant to the Placing Agreement described in paragraph 16.37 of this Part V, the Company has agreed to issue to Cavendish warrants to subscribe for such number of Ordinary Shares as represent 0.5 per cent of the further enlarged share capital upon Admission (comprising the Enlarged Share Capital and the final number of Retail Offer Shares) (the “Warrants”). The Warrants will be issued pursuant to a warrant instrument to be executed immediately prior to Admission and will be exercisable at a subscription price being a 15 per cent. premium to the Placing Price per Ordinary Share and capable of exercise from the date of Admission until the fifth anniversary thereof and will be exercisable in whole or in part. The applicable subscription price may be adjusted in the event that changes are made to the Ordinary Shares (including any sub-division or consolidation of the Ordinary Shares).
- 5.13. The following table shows the outstanding loan notes of the Company at Admission:

Series of Loan Notes	Number of Loan Notes	Aggregate Principal Value (£)
MHA Partner Loan Notes	42,592,100	42,592,100
Retiree Capital Partner Loan Notes	34,207,900	34,207,900

- 5.14. Further details of the MHA Partner Loan Notes are set out at paragraph 16.17 of Part V of this document and further details of the Retiree Capital Partner Loan Notes are set out at paragraph 16.19 of Part V of this document.

- 5.15. Save as disclosed in this document, as at the date of this document, the Company will have no short, medium or long term indebtedness.
- 5.16. The following resolutions of the Shareholders of the Company will be passed after the date of this document but prior to Admission:
- 5.16.1 that, the Directors be and they are hereby generally and unconditionally authorised in accordance with the provisions of section 551 of the Act in substitution for all subsisting authorities to the extent unused and without prejudice to any allotments of shares already made or offered or agreed to be made pursuant to the terms of any prior authorities conferred on them, to exercise all of the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (such shares and rights to subscribe for or to convert any security into shares of the Company being “**Relevant Securities**”), up to an aggregate nominal amount of:
- 5.16.1.1 £958,000 in connection with the Placing of new Ordinary Shares by Cavendish and Beech Hill to certain institutional investors at the Placing Price;
- 5.16.1.2 £60,000 in connection with the Retail Offer of new Ordinary Shares at the Placing Price; and
- 5.16.1.3 up to £13,750 in connection with the new Ordinary Shares to be issued on the exercise and conversion of the Warrants to be granted by the Company to Cavendish under the warrant agreement instrument to be executed immediately prior to Admission,
- and provided that this authority shall be limited to the grant of Relevant Securities in connection with the issue of Ordinary Shares in connection with the Fundraise, Warrants and Admission and provided that this authority, unless it is, prior to its expiry, duly revoked or varied or is renewed, shall expire upon the earlier of the conclusion of the next annual general meeting of the Company and the date which is 15 months from the date of passing of this resolution, except that the Directors can during such period make offers or arrangements which could or might require the allotment of equity securities after the expiry of such period; and
- 5.16.2 that, subject to and conditional upon Admission, the directors of the Company be generally and unconditionally authorised pursuant to section 551 of the Act, to exercise all of the powers of the Company to allot shares in the Company and to grant rights to subscribe for or convert any security into, shares in the Company as follows:
- 5.16.2.1 up to an aggregate nominal amount of £896,666.62 (being equal to the nominal value of approximately one third of the number of Ordinary Shares in issue following Admission (excluding treasury shares)) (such amount to be reduced by the nominal value of any allotments or grants made under the resolution noted in paragraph 5.16.2.2 of this Part V in excess of such amount);
- 5.16.2.2 comprising equity securities (as defined in section 560(1) of the Act) up to an aggregate nominal amount of £1,793,333.23 (being equal to approximately the nominal value of two-thirds of the number of Ordinary Shares in issue following Admission (excluding treasury shares)) (such amount to be reduced by the nominal value of any allotments made under the resolution noted in paragraph 5.16.2.1 of this Part V above) in connection with an offer by way of a rights issue:
- 5.16.2.2.1 to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- 5.16.2.2.2 to holders of other equity securities as required by the rights of those securities or as the directors otherwise consider necessary,

provided always that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with any treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory or the requirements of any regulatory body or stock exchange in any territory or any other matter, such authority to expire upon the earlier of the conclusion of the next annual general meeting of the Company and the date which is 15 months from the date of the passing of this resolution and, except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired; and

- 5.16.3 that, subject to and conditional upon Admission and to the passing of the resolution noted in paragraph 5.16.1 of this Part V above, in substitution for all subsisting authorities to the extent unused and subject to and conditional on Admission, in accordance with section 570 of the Act, the Directors be and they are hereby given power to allot Relevant Securities for cash, within the meaning of section 560(1) of the Act, pursuant to the general authority given to them by the resolution noted in paragraph 5.16.1 of this Part V as if section 561(1) of the Act did not apply to the allotment, provided that this power is limited to up to an aggregate nominal amount of £2,763,749.85 in connection with the Placing, Retail Offer and the Warrants and provided that this authority, unless it is, prior to its expiry, duly revoked or varied or is renewed, shall expire on the earlier of the conclusion of the next annual general meeting of the Company and the date which is 15 months from the date of passing of this resolution, except that the Directors can during such period make offers or arrangements which could or might require the allotment of equity securities after the expiry of such period; and
- 5.16.4 that, subject to the passing of the resolution outlined in paragraph 5.16.2 of this Part V, the Directors be generally empowered pursuant to section 561 of the Act to allot equity securities (within the meaning of section 560(1) of the Act) for cash, such authority to be limited to:
- 5.16.4.1 the allotment of Relevant Securities and sale of treasury shares in connection with rights issues, open offers and any other pre-emptive issues, but taking account of exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in or under the laws of any territory, or the requirements of any recognised regulatory body or any stock exchange in, any territory or any other matter;
 - 5.16.4.2 the allotment of Relevant Securities and sale of treasury shares up to a nominal amount of £268,999.99 representing approximately 10% of the aggregate nominal amount of the share capital of the Company (excluding treasury shares) following Admission;
 - 5.16.4.3 an allotment of equity securities and sale of treasury shares up to a nominal amount of £268,999.99 representing approximately 10% of the aggregate nominal amount of the share capital of the Company (excluding treasury shares) following Admission, such authority to be used only for the purpose of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date on which this resolution was passed; and
 - 5.16.4.4 an allotment of Relevant Securities or sale of treasury shares up to a nominal amount equal to 20% of any allotment of equity securities or sale of treasury shares from time to time under paragraph 5.16.4.1 or 5.16.4.2

above, such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Part 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group,

such authority to expire upon the earlier of the conclusion of the next annual general meeting of the Company and the date which is 15 months from the date of passing of this resolution, except that the directors of the Company can during such period make offers or arrangements which could or might require the allotment of equity securities after the expiry of such period; and

- 5.16.5. subject to and conditional on Admission, the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act to make market purchases (within the meaning of section 693(4) of the Companies Act) of Ordinary Shares on such terms and in such manner as the Directors may from time to time determine, provided that:
 - 5.16.5.1. the maximum aggregate number of Ordinary Shares which may be purchased is 40,349,997; and
 - 5.16.5.2. the minimum price (excluding expenses) which may be paid for each Ordinary Share is £0.01; and
 - 5.16.5.3. the maximum price (excluding expenses) which may be paid for each Ordinary Share is not more than the higher of:
 - 5.16.5.3.1 an amount equal to 105% of the average of the middle market quotations of an Ordinary Share in the Company, as derived from AIM Appendix to the London Stock Exchange Daily Official List, for the five business days immediately before the day on which that Ordinary Share is purchased; and
 - 5.16.5.3.2 the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for a Share on the trading venue where the purchase is carried out; and
 - 5.16.5.4. the authority conferred by this resolution will expire (unless previously renewed, varied or revoked by the Company in general meeting) upon the earlier of the conclusion of the Company's next annual general meeting and the date which is 15 months from the date of passing of this resolution; and
 - 5.16.5.5. the Company may, before the expiry of this authority, enter into a contract to purchase Ordinary Shares under this authority which may be concluded wholly or partly after the expiry of this authority.
- 5.17. Save as disclosed in this document and as at the date of this document:
 - 5.17.1. no share or loan capital of the Company has been issued or is proposed to be issued;
 - 5.17.2. there are no outstanding convertible securities, exchangeable securities or securities with warrants issued by the Company;
 - 5.17.3. there are no shares in the Company not representing capital;
 - 5.17.4. there are no shares in the Company held by the Company itself or by any member of the Group;
 - 5.17.5. there are no acquisition rights and/or obligations over authorised but unissued share capital of the Company or undertakings to increase the share capital of the Company;
 - 5.17.6. no person has any preferential subscription rights for any share capital of the Company;

- 5.17.7. there are no shares in the capital of the Company currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in place whereby future dividends are waived or agreed to be waived;
- 5.17.8. no unissued share or loan capital of the Company or any member of the Group is under option or agreed conditionally or unconditionally to be put under option; and
- 5.17.9. no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company.
- 5.18. The holders of Existing Ordinary Shares will be diluted by the issue of the Placing Shares and Retail Offer Shares. The effective dilution rate assuming none of the holders of the Existing Ordinary Shares participates in the Placing or Retail Offer is 37.0 per cent.
- 5.19. The Company does not have an authorised share capital.
- 5.20. No person has made a public takeover bid for the Company's issued share capital since the Company's incorporation.
- 5.21. None of the Ordinary Shares have been sold or made available to the public in conjunction with the application for Admission.
- 5.22. The Ordinary Shares were created under the Companies Act and regulations made thereunder and are in registered form and capable of being held in uncertificated form. Application has been made to Euroclear for the Ordinary Shares to be enabled for dealings through CREST as a participating security from the date of Admission. No temporary documents of title will be issued. It is expected that definitive share certificates will be posted to those Shareholders who have requested the issue of Ordinary Shares in certificated form within 10 Business Days after Admission. The Company's Registrars, MUFG Corporate Markets (UK) Limited, whose registered office is at Central Square, 29 Wellington Street, Leeds, LS1 4DL are responsible for keeping the Company's register of members.
- 5.23. Pursuant to section 630 of the Companies Act and the provisions of the Articles, the rights attaching to the Ordinary Shares may be amended or varied following the passing of a special resolution of the Shareholders. The provisions of the Articles governing the conditions under which the Company may alter its share capital are no more stringent than the Companies Act.
- 5.24. The provisions of section 561(1) of the Companies Act (which confer on shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash otherwise by way of allotment to employees under an employees' share scheme as defined in section 1166 of the Companies Act) apply to the issue of Ordinary Shares except to the extent that such provisions have been disapplied as referred to in paragraph 5.16.3 or 5.16.4 of this Part V above.
- 5.25. The Company has no issued shares that are not fully paid up.
- 5.26. The Ordinary Shares (including for the avoidance of doubt, the Placing Shares and the Retail Offer Shares) will, on Admission, rank *pari passu* with one another in all respects, having an equal right to participate in any dividend, distribution, or return of capital and having equal voting rights.
- 5.27. The Ordinary Shares have the rights and are subject to the restrictions referred to in paragraph 7 of this Part V.
- 5.28. There are no restrictions on the transfer of the Ordinary Shares.
- 5.29. Whilst disclosure of shareholdings is not a requirement of the Articles, Rule 17 of the AIM Rules makes provisions regarding notification of certain shareholders and holdings of financial instruments. Where a person holds three per cent. or more of the voting rights in any class of AIM security, then that person has an obligation to notify the Company of the percentage of voting rights held where that percentage reaches, exceeds or falls below three per cent. or any whole percentage figure above three per cent. The requirement to notify also applies where a person is an indirect Shareholder and can acquire, dispose of or exercise voting rights in certain cases.

- 5.30. The currency of the Ordinary Shares is pounds sterling.
- 5.31. The Company does not, nor does any member of the Group, hold any share capital as treasury shares.
- 5.32. The Placing Price of 100 pence per Ordinary Share represents a premium of 99 pence over the nominal value of 1 pence per Ordinary Share and is payable in full on Admission under the terms of the Placing.

6. INCENTIVE ARRANGEMENTS AND EMPLOYEE SHARE SCHEMES

6.1. Remuneration structure following Admission

Prior to Admission, the businesses of MHA have operated as a partnership with annual profits being distributed to the MHA Partners. Prior to Admission, MHA Partners' remuneration was variable, with MHA LLP's profit distributed amongst MHA Partners based on their share of the MHA LLP's 'Income Points' and 'Capital Points'. Upon being promoted to, or joining as, an Income Partner, individuals were awarded Income Points, which entitled them to receive a proportion of the annual profits of MHA LLP, with their share determined by their number of Income Points relative to the total number of points in issuance. Income Partners were awarded more points over time based on performance and increasing seniority.

From Admission, the Company has implemented a remuneration structure more suitable for a public company, focused on ensuring that Partners and employees remain well-incentivised whilst also prioritising returns for Shareholders as a whole. A new LLP will exist within the Group to maintain the existing partnership culture and provide the services of the Partners to the Group, and the Group will seek to retain certain principles of the existing incentivisation model. Following Admission, Partners will receive a base salary, a share of an annual bonus pool, and dividends on their shareholdings:

Base Salary

Following Admission, Partners' base salaries will be tiered based on Partners' seniority by way of position, with a range between approximately £100,000 to approximately £350,000.

Partner Bonus

Partners will retain their Income Points derived from MHA LLP upon Admission. The annual total Partner bonus pool will be set at 25-30% of adjusted EBIT after Partner base salaries, payable in proportion to Partners' share of total Income Points. Following Admission, the Company will no longer have Capital Points. Individual bonuses will depend on the number of Income Points. Additional income points are awarded to Partners for hitting KPIs e.g. cross-selling metrics or winning new business.

Equity

All Partners will be Shareholders of the Company at Admission. Equity incentives will be awarded in the future to newly promoted Partners by way of a share option plan, further details of which are described below. Equity incentives to future newly promoted Partners will be satisfied by Ordinary Shares held by the EBT.

Dividends

The Company is expected to adopt a progressive dividend policy, with payments made quarterly.

As detailed below, the Company has also established an unapproved share option plan to incentivise current and future partners.

6.2. Option plans

A key feature of the Company's remuneration model is the provision of equity incentives through share options ("**awards**"), as described below. The Company expects that strong employee ownership and the potential for future awards should improve incentivisation and retention of employees further. As such, it is envisaged that a share option plan will be put in place under which awards will be made. It is intended that Partners and other employees of the Group will be eligible to participate.

EBT

The EBT has been established as a discretionary trust for the benefit of current and future employees of the Group.

The EBT is resident in Jersey. Assets held by the EBT may only be used for the benefit of beneficiaries of the EBT. The trustee of the EBT may use Ordinary Shares acquired for the purposes of satisfying awards from time to time. The Company has the power to appoint and remove the trustee of the EBT. The trustee of the EBT has agreed to waive its right to a dividend.

The EBT will be initially funded by way of a loan from the Company in order to acquire the Ordinary Shares with which it will satisfy the relevant awards.

On Admission, the EBT will hold 26,000,000 Ordinary Shares representing approximately 15% of the Company's issued share capital immediately before the Placing and Retail Offer (and will be diluted by the Placing and Retail Offer). Up to 10% of the Company's issued share capital will be held by the EBT post Admission from time to time.

Nature of awards

Awards will be granted to the following three groups of employees:

- Executive Directors;
- Future Partners; and
- Other employees.

The awards will be granted pursuant to employee share plans established by the Company. The Company has established an unapproved share option plan (the "**Unapproved Plan**") which will be used to grant the awards. Further tax incentivised share option plans may be established in the future, subject to further tax advice (see details below).

Decisions in relation to the Unapproved Plan and any other established share scheme plans will be taken by the Board of the Company or any duly authorised committee of the Board of the Company, which will ordinarily be the Remuneration Committee.

The terms on which awards will be made to each group of employees are summarised below.

6.3. Executive Director awards ("LTIP")

The awards to the Executive Directors will be made on Admission and form part of their remuneration package.

The awards will be granted through the Unapproved Plan, satisfied with newly issued Ordinary Shares. The awards will be nominal value options (the exercise price will be the nominal value of the Ordinary Shares), granted for no consideration. The value of the awards, will be £500,000 for Rakesh Shaunak and £350,000 for Steven Moore, representing the value of the maximum number of options which may vest, at the Placing Price.

The awards will vest subject to the meeting of performance conditions three years from grant.

The awards will be exercisable subject to certain financial performance conditions based on earnings growth and total shareholder return ("TSR") during the three-year vesting period, with the two performance conditions weighted in equal measures. In respect of the earnings performance conditions, the minimum hurdle requires the Company to exceed market expectations for its financial year ending 31 March 2028. In respect of the TSR performance condition, minimum vesting shall occur at 8% CAGR TSR and maximum 16% CAGR TSR over the period.

The awards will lapse at the end of 10 years or if the Remuneration Committee determines that any performance conditions have become incapable of being met.

The Remuneration Committee may vary or waive a performance condition if it believes that it is no longer an accurate measure of performance. Any replacement conditions will be no more difficult to satisfy and not materially easier to satisfy.

6.4. **Partner awards scheme**

As detailed above, all current MHA Partners will receive equity on Admission. Newly promoted partners going forward will receive awards under the Partner awards scheme detailed in this section. As a result, awards will be made after Admission when the relevant Partners become eligible.

It is currently envisaged that all the awards granted to Partners will be granted through the Unapproved Plan. However, subject to further tax advice, up to £60,000 of the awards may be satisfied through a Company Share Option Plan (“**CSOP**”) to be established following Admission. The terms of the CSOP will mirror the terms of the Unapproved Plan to the extent permitted by the relevant legislation (noting that any CSOP awards will need to be market value awards).

It is intended that the awards for future Partners will be satisfied with Ordinary Shares held by the EBT. The Partners will be employees of the Group. The usual legal and regulatory “employee share scheme” exemptions relating to the operation of employee share plans will apply in respect of the Unapproved Plan.

Awards to Partners will be made by reference to progression within the Company as follows:

- Promotion to Associate Partner: granted nominal cost awards with a value of £250,000.
- Promotion to Income Partner: granted further nominal cost awards with a value of £200,000.
- Allocation of further Income Points, subject to satisfying individual Partner performance criteria: Partners will be granted £20,000 of nominal cost awards per Income Point allocated.

Awards will be made annually at the point when promotion decisions are made. This is expected to be shortly following announcement of final financial results (currently envisaged to be during June/July each year). External hires will participate at the next promotion round to the extent eligible.

Although the awards will be nominal cost awards (with the exercise price being the nominal value of the option shares), if a CSOP is implemented, £60,000 of any of the above awards may be substituted with market value awards issued under the CSOP.

The awards granted to Partners will lapse if not exercised within 10 years but will not be subject to performance conditions. The Directors’ view is that performance conditions are not appropriate in this case as the awards will be granted to reward the high levels of performance by individuals to achieve promotion and further income points. The awards effectively replicate the previous professional partnership model.

The awards will be subject to a 5-year time vesting period. The awards will vest in three equal tranches on the third, fourth and fifth anniversaries of grant. Following vesting of the awards, the Ordinary Shares acquired from the EBT will be subject to a one-year lock in period starting from the date each tranche vests. Clawback provisions would apply during the lock-in period.

6.5. **Other employee awards**

After Admission, the Company may grant awards to other employees of the Group, with the exact nature of the awards to be determined by the Remuneration Committee.

6.6. **Features common to all awards**

Leaving the group

Reference to an employee leaving the group means the employee ceasing to be an employee or officer of the Group. The treatment of awards on cessation of employment will depend on whether the relevant employee is a “Good Leaver” or a “Bad Leaver”. A Good Leaver will be an employee who ceases to be employed as a result of ill health, disability, redundancy, retirement or death or where the Remuneration Committee determines that a departing employee is a Good Leaver. A “Bad Leaver” will be anyone who is not a “Good Leaver”. Good Leavers will be able to exercise vested awards to the extent not previously

exercised. Unvested awards held by Good Leavers will be exercisable on a time pro rating basis. The lock-in and clawback provisions in respect of exercised awards will be waived for Good Leavers. Exercise will be conditional on any performance conditions being satisfied. Bad leavers will lose any unvested awards and any Ordinary Shares that are within the lock-in period will be clawed back.

Change of control and liquidity events

On a sale of more than 50% of the entire issued share capital of the Company to a third party, vested awards will become exercisable provided they are exercised before such sale. Unvested awards will be exercisable on a time pro rating basis (but the Remuneration Committee will have discretion to permit higher vesting). Exercise will be conditional on any performance conditions being satisfied. Any unexercised awards will lapse on completion of such sale. In the event of a Company reorganisation or merger, where the shareholders of the acquiring company are substantially the same as the Company's Shareholders immediately before the change of control, awards will be exchanged for equivalent awards in the acquiring company. On a sale of the entirety of the assets of the Company to a third party or in the event of a winding up of the Company, awards will be treated in the same way as in a share sale (as described above).

Variation of share capital

The Remuneration Committee may adjust the number or class of the Ordinary Shares subject to an award (including the exercise price) in the event of a variation in the share capital of the Company in a manner that is reasonable, fair and appropriate. Any such variation will ensure that the market value and aggregate exercise price of the Ordinary Shares under each award remains the same.

Rights attaching to shares subject to the awards

The awards will be over Ordinary Shares which will rank equally in all respects with other Ordinary Shares then in issue. All Ordinary Shares issued pursuant to the awards will have *pari passu* voting, dividend and capital rights.

Performance conditions

Although the Directors do not consider it appropriate to impose performance conditions to the Partner awards, (on the basis that awards will be granted to reward the high levels of performance by individuals to achieve promotion and further Income Points), the Remuneration Committee will have discretion to impose performance conditions on any particular award. Where performance conditions are imposed, the Remuneration Committee may vary or waive a performance condition if it believes that it is no longer an accurate measure of performance. Any replacement conditions will be no more difficult to satisfy and not materially easier. Awards will lapse if a performance condition becomes incapable of being met.

Cash Alternative

The awards may be settled as a cash payment determined by reference to the value of the Ordinary Shares. Cash settlement of awards will be at the Company's discretion.

Transferability of awards

No awards (share options) may be transferred, otherwise than to the personal representatives of an employee on death where awards have vested and remain unexercised.

Termination

No awards will be granted under the above plans will be in existence more than ten years after their date of award. By then, they will either have been exercised or lapsed.

Use of shares

Approximately 10% of the entire issued share capital of the Company from time to time may be reserved to satisfy awards.

Restrictions on grant and exercise

Awards may not be granted and may not be exercised at any time where the grant will be prohibited by law of any regulation with the force of law (including MAR). Awards may not be exercised if the exercise will result in a requirement to make a mandatory offer under Rule 9 of the Takeover Code. Awards may not be exercised whilst the relevant employee is subject to ongoing disciplinary proceedings by the Group, or if there has been a breach of their employment contract or service agreement which will potentially result in dismissal for cause. The Company may grant awards during the period of 42 days after Admission, 42 days following the announcement of the Company's financial results for any period, or any period of in which the Remuneration Committee decides awards should be granted due to exceptional circumstances.

Malus provisions relating to awards

If an award is exercised following an employee ceasing to be an eligible employee and it is later discovered that there was a breach of their employment or service contract that will have prevented the exercise of the awards had the Remuneration Committee been aware of it, the exercise notice will be deemed withdrawn to the extent that Ordinary Shares have not been issued at the time of discovery.

Tax liabilities

The relevant employees will be responsible for the payment of any income tax, employee national insurance contributions and, at the discretion of the Company, employer national insurance contributions, resulting from the exercise of the awards and will indemnify the Company in respect of these amounts. The relevant employer company may withhold any such income tax and national insurance contributions from the relevant employees' other remuneration.

Relationship with employment contract

The value of any award will not be taken into account in determining any pension or similar entitlements.

Overriding Remuneration Committee Discretion

Awards will be subject to general Remuneration Committee discretion to reduce the extent to which awards will vest if it considers that the exercise of the awards would not otherwise appropriately reflect the overall performance of the Company during the performance period.

7. ARTICLES OF ASSOCIATION OF THE COMPANY

- 7.1. Copies of the Articles are available on written request to the Company Secretary and are available for inspection and on the Company's website at www.mha.co.uk.
- 7.2. The Articles, are intended to be adopted by a special resolution of the Company passed after the date of this document but prior to Admission, include, amongst others, provisions to the following effect (noting this summary does not purport to be complete and is qualified in its entirety by the full terms of the Articles):

7.2.1. Limited liability:

The liability of the Shareholders is limited to the amount, if any, unpaid on the Ordinary Shares respectively held by them.

7.2.2. Unrestricted objects:

The Articles contain no specific restrictions on the Company's objects and therefore, by virtue of section 31(1) of the Companies Act, the Company's objects are unrestricted.

7.2.3. Voting rights of Shareholders:

- 7.2.3.1. Every Shareholder who is present in person or by proxy or, being a corporation is present by a duly authorised representative, shall on a show of hands have one vote and every Shareholder present in person or by proxy, or being a corporation is present by a duly authorised representative

shall on a poll have one vote for every Ordinary Share of which he or she is the holder.

7.2.3.2. Resolutions at general meetings held partly electronically are to be decided by a poll, with votes cast electronically as deemed appropriate by the Board, otherwise, voting at general meetings will be decided on a show of hands unless a poll is duly demanded:

7.2.3.2.1 by the chair;

7.2.3.2.2 at least five Shareholders (in person or by proxy and entitled to vote);

7.2.3.2.3 shareholders representing at least one-tenth of total voting rights (in person or by proxy and entitled to vote); or

7.2.3.2.4 Shareholders holding Ordinary Shares with at least one-tenth of the total paid-up sum (in person or by proxy and entitled to vote).

7.2.3.3. Unless the Directors determine otherwise, a Shareholder of the Company is not entitled in respect of any Ordinary Shares held by him to vote at any general meeting of the Company if any amounts payable by him or her in respect of those Ordinary Shares have not been paid.

7.2.4. *Variation of Rights:*

7.2.4.1. If at any time, the capital of the Company is divided into different classes of share, subject to the Companies Act, the rights attached to any class of shares can be changed with the written consent of holders of at least three-quarters of the nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares), or by a special resolution at a class meeting.

7.2.4.2. These provisions apply to any changes in the rights of shares within a class, treating differently affected parts of each class as separate classes.

7.2.4.3. The quorum at any such separate meeting (other than an adjourned meeting) shall be not less than two persons entitled to vote and holding or representing by proxy at least one-third of the nominal value paid up on the issued shares of the relevant class (excluding any shares of that class held as treasury shares) and if at any adjourned meeting of such holders such quorum as set out above is not present, at least one person holding shares of the class who is present in person or by proxy shall be a quorum.

7.2.5. *Dividends:*

7.2.5.1. The Company may, subject to the provisions of the Companies Act and the Articles, by ordinary resolution from time to time declare dividends to be paid to Shareholders according to their respective rights and interests in the profits of the Company, not exceeding the amount recommended by the Directors. Subject to the provisions of the Companies Act, the Directors may pay interim dividends on Ordinary Shares (including any dividend at a fixed rate), as appears to the Directors that the Company's profits justify such payments.

7.2.5.2. The Company does not pay interest on any dividend unless otherwise provided by the terms on which the Ordinary Shares were issued or the provision of another agreement.

7.2.5.3. The Company may satisfy the payment of any dividend (including interim dividends) in cash or wholly or in part by the distribution of specific assets (by ordinary resolution of the Company, save for in the case of interim dividends) and in particular of paid up shares or debentures in any other company, or in any one or more of such ways.

- 7.2.5.4. A Shareholder will not be entitled to receive any dividend if he or she has a holding of at least 0.25% of any class of shares of the Company and has failed to comply with a notice under section 793 of the Companies Act.
- 7.2.5.5. Except as otherwise provided by the rights attached to the Ordinary Shares, all dividends shall be declared and paid according to the amounts paid up on the nominal amount of the Ordinary Shares on which the dividend is paid but no amount paid on an Ordinary Share in advance of calls shall be treated as paid on the Ordinary Share. All dividends shall be apportioned and paid proportionately to the amounts paid up on the nominal amount of the Ordinary Shares during any portion or portions of the period in respect of which the dividend is paid but, if any Ordinary Share is issued on terms providing that it shall rank for dividend as from a particular date, that Ordinary Share shall rank for dividend accordingly.
- 7.2.5.6. The Directors may, if authorised by an ordinary resolution of the Company, offer the holders of Ordinary Shares the right to elect to receive additional Ordinary Shares, credited as fully paid, instead of cash in respect of any dividend or any part of any dividend specified by the ordinary resolution.
- 7.2.5.7. The Board may deduct from any dividend or other money payable to any person on or in respect of an Ordinary Share all such sums as may be due from him or her to the Company on account of calls or otherwise in relation to the Ordinary Shares of the Company.
- 7.2.5.8. All dividends unclaimed for a period of 12 months after having become payable may be invested or otherwise made use by the Directors for the benefit of the Company.
- 7.2.5.9. All dividends, unclaimed for a period of 12 years from the date such dividend was declared or became payable shall, if the Directors resolve, be forfeited and revert to the Company.

If cheques, warrants or orders for dividends are left uncashed on two consecutive occasions or, following one occasion, reasonable enquiries of any new address to be used, the Company does not have to send any dividends in respect of that Ordinary Share to that person until he or she notifies the Company of an address to be used for the purpose.

Sale of Ordinary Shares of Untraced Shareholders:

- 7.2.5.10. The Company may sell any Ordinary Share of a Shareholder, at the best price reasonably obtainable, if:
 - 7.2.5.10.1 during the period of 12 years before the date of sending a notice, no cheques, orders, or warrants for the Ordinary Share have been cashed, and no communication has been received from the Shareholder or entitled person for 12 years, despite at least three cash dividends being paid during the 12 year period and no such dividend has been claimed; and
 - 7.2.5.10.2 on or after expiry of the period of 12 years, the Company has given notice of its intention to sell the Ordinary Share(s) to the last known address of the Shareholder and made reasonable efforts to trace the Shareholder or entitled person, and/or advertised the intention to sell the Ordinary Share(s) in national and local newspapers; and
 - 7.2.5.10.3 no communication is received from the Shareholder or entitled person within three months after the notice outlined in paragraph 7.2.5.10.2; and
 - 7.2.5.10.4 the Company has notified the London Stock Exchange if the Ordinary Shares are listed on AIM or dealt on the London Stock Exchange.

7.2.6. *Transfer of Ordinary Shares:*

- 7.2.6.1. Save as described below and subject to the transfer restrictions summarised in the paragraph headed "*Suspension of rights*" below, the Ordinary Shares are freely transferable.
- 7.2.6.2. Each Shareholder may transfer all or any of his or her Ordinary Shares which are in certificated form by means of an instrument of transfer in any usual form or in any other form which the Directors may approve. Each Shareholder may transfer all or any of his or her Ordinary Shares which are in uncertificated form by means of a Relevant System (as defined in the Uncertificated Securities Rules, defined below) in such manner provided for, and subject as provided in any provision of the Companies Act relating to the holding, evidencing of title to, or transfer of uncertificated shares and any legislation, rules or other arrangements made under or by virtue of such provision (the "**Uncertificated Securities Rules**").
- 7.2.6.3. The Company may pay any dividend, interest or other sum payable in respect of a Ordinary Share in cash or by direct debit, bank transfer, cheque, dividend warrant, or money order or by any other method, including by electronic means, as the Board may consider appropriate.
- 7.2.6.4. The Board may, in its absolute discretion, refuse to register a transfer of Ordinary Shares in certificated form unless:
- 7.2.6.4.1 it is for an Ordinary Share which is fully paid up;
- 7.2.6.4.2 it is for an Ordinary Share upon which the Company has no lien;
- 7.2.6.4.3 it is only for one class of Ordinary Share;
- 7.2.6.4.4 regulatory approval referred to in paragraph 7.2.6.12 of this Part V has been obtained (if relevant);
- 7.2.6.4.5 it is in favour of a single transferee or no more than four joint transferees;
- 7.2.6.4.6 it is duly stamped or is duly certificated or otherwise shown to the satisfaction of the Board to be exempt from stamp duty (if this is required); and
- 7.2.6.4.7 it is delivered for registration to the registered office of the Company (or such other place as the Board may determine), accompanied (except in the case of a transfer by a person to whom the Company is not required by law to issue a certificate and to whom a certificate has not been issued or in the case of a renunciation) by the certificate for the Ordinary Shares to which it relates and such other evidence as the Board may reasonably require to prove the title of the transferor (or person renouncing) and the due execution of the transfer or renunciation by him or her or, if the transfer or renunciation is executed by some other person on his behalf, the authority of that person to do so.
- 7.2.6.5. The Board is not permitted to refuse to register any transfer or renunciation of partly paid Ordinary Shares which are admitted to trading on AIM on the grounds that they are partly paid Ordinary Shares in circumstances where such refusal would prevent dealings in such Ordinary Shares from taking place on an open and proper basis.
- 7.2.6.6. The Directors may refuse to register a transfer of uncertificated Ordinary Shares in any circumstances that are allowed or required by the Uncertificated Securities Rules and the Relevant System.
- 7.2.6.7. If the Board refuses to register a transfer of an Ordinary Share it shall notify the transferee of the refusal and the reasons for it within two months after the date on which the transfer was lodged with the Company or the

instructions to the Relevant System received. Any instrument of transfer which the Board refuses to register shall be returned to the person depositing it (except if there is suspected or actual fraud). All instruments of transfer which are registered may be retained by the Company.

- 7.2.6.8. No fee shall be charged for registration of a transfer or other document or instruction relating to or affecting the title to any Ordinary Share or for making any other entry in the Register.
- 7.2.6.9. If a Shareholder dies, the survivor or survivors (where he or she was a joint holder), and his or her executors or administrators (where he or she was a sole holder or the only survivor of joint holders), shall be the only persons recognised by the Company as having any title to his or her Ordinary Shares but nothing contained in the Articles shall release the estate of a deceased Shareholder from any liability in respect of any Ordinary Share which had been held (whether solely or jointly) by him or her.
- 7.2.6.10. The transferor of an Ordinary Share shall be deemed to remain the holder of the Ordinary Share concerned until the name of the transferee is entered in the register of members of the Company in respect of it.
- 7.2.6.11. There are no rights of pre-emption under the Articles of the Company in respect of transfers of issued Ordinary Shares.
- 7.2.6.12. If a person or group acquires holdings, whether by a series of transactions over a period of time or not, in 30% or more of the voting rights attaching to the Company's shares they must first obtain prior regulatory approval from the Audit Registration Committee of the ICAEW, the FRC, and ICAEW and the Company will seek such regulatory approval on behalf of such relevant persons. This requirement applies to holdings acquired directly or indirectly and includes shares held by related parties and those 'acting in concert' (as defined in the Takeover Code). Members of MHA Audit Services (from time to time) and members of New LLP (from time to time), are exempt from this prior regulatory approval requirement.

7.2.7. Allotment of shares and pre-emption rights:

- 7.2.7.1. Subject to the Companies Act, the Articles and to any relevant authority of the Company in general meeting required by the Companies Act, the Board may offer, allot (with or without conferring rights of renunciation), grant options over or otherwise deal with or dispose of Ordinary Shares or grant rights to subscribe for or convert any security into Ordinary Shares to such persons, at such times and upon such terms as the Board may decide. No Ordinary Share may be issued at a discount.
- 7.2.7.2. The Board may, at any time after the allotment of any Ordinary Share but before any person has been entered in the Register, recognise a renunciation by the allottee in favour of some other person and accord to the allottee of a Ordinary Share a right to effect such renunciation and/or allow the rights to be represented to be one or more participating securities, in each case upon the subject to such terms and conditions as the Board may think fit to impose.
- 7.2.7.3. Under and in accordance with section 551 of the Companies Act, the Directors shall be generally and unconditionally authorised to exercise for each prescribed period all the powers of the Company to allot Ordinary Shares up to an aggregate nominal amount equal to the amount stated in the relevant ordinary or special resolution.
- 7.2.7.4. Under and within the terms of the relevant Shareholder authority or otherwise in accordance with section 570 of the Companies Act, the Directors shall be empowered during each prescribed period to allot equity securities (as defined in the Companies Act), wholly for cash:
 - 7.2.7.4.1 in accordance with a rights issue; or

7.2.7.4.2 otherwise than in connection with a rights issue up to an aggregate nominal amount equal to the amount stated in the special resolution passed pursuant to section 561 of the Companies Act, authorising such allotment.

7.2.7.5. In certain circumstances, Shareholders may have statutory pre-emption rights under the Companies Act in respect of the allotment of new Ordinary Shares in the Company. These statutory pre-emption rights would require the Company to offer new Ordinary Shares for allotment to existing Shareholders on a *pro rata* basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such Ordinary Shares would be offered to the Shareholders.

7.2.8. Suspension of rights:

If a Shareholder or any other person appearing to be interested in Ordinary Shares held by such Shareholder has been duly served with notice under section 793 of the Companies Act and is in default in supplying to the Company within 14 days (or such longer period as may be specified in such notice) the information thereby, required, then (if the Directors so resolve) such Shareholder shall not be entitled to vote or to exercise any right conferred by membership in relation to meetings of the Company in respect of the Ordinary Shares which are the subject of such notice. Where the holding represents more than 0.25 per cent. of the issued Ordinary Shares of that class (calculated exclusive of any treasury shares of that class), the payment of dividends may be withheld, and no transfer, other than an excepted transfer, of any Ordinary Shares held by the Shareholder shall be registered unless the Shareholder themselves are not in default of supplying the required information and the Shareholder proves to the satisfaction of the Board that no person in default of supplying such information is interested in any of the Ordinary Shares that are the subject of the transfer.

7.2.9. Return of capital:

A liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Companies Act, divide amongst the Shareholders in specie the whole or any part of the assets of the Company, those assets to be set at such value as he or she deems fair. A liquidator may, with the authority of a special resolution, also transfer the whole or any part of the assets of the Company to trustees on trusts for the benefit of the Shareholders. Shareholders are not required to accept any asset that comes with a liability. The liquidator retains any existing rights or powers to divide or transfer the assets in specie without a special resolution.

7.2.10. Rights attaching to Ordinary Shares:

Pursuant to the Articles, the Ordinary Shares: (i) carry the right to receive notice of and to attend, vote and speak at general meetings of the Company and (ii) carry rights to receive dividends and distributions (including returns of capital on winding up).

7.2.11. Directors:

7.2.11.1. Unless otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two, but there shall be no maximum limit on the number of Directors.

7.2.11.2. Subject to the Articles and the Companies Act, the Company may by ordinary resolution appoint a person who is willing to act as a Director and the Board shall have power at any time to appoint any person who is willing to act as a Director, in both cases either to fill a vacancy or as an addition to the existing Board.

7.2.11.3. At each annual general meeting of the Company any Director:

7.2.11.3.1 who has been appointed by the Board since the last annual general meeting; or

7.2.11.3.2 for whom it is the second annual general meeting following the annual general meeting at which they were elected or last re-elected;

shall retire from office but shall be eligible for re-appointment.

7.2.11.4. The quorum for a Directors' meeting shall be fixed from time to time by a decision of the Directors, but it must never be less than two and unless otherwise fixed, it is two.

7.2.11.5. Questions arising at a meeting shall be decided by a majority of votes of the participating Directors, with each Director having one vote. In the case of an equality of votes the chair shall have a second or casting vote (unless the chair is not entitled to vote on the resolution in question).

7.2.11.6. Each of the Directors may be paid a fee at such rate as may from time to time be determined by the Board. However, the aggregate of all fees payable to the Directors by the Company (other than amounts payable under any other provision of the Articles) must not exceed £650,000 a year or such higher amount as may from time to time be decided by ordinary resolution of the Company. Any fees payable under this Article is distinct from any salary, remuneration or other amounts payable to a Director under any other provisions of the Articles and shall accrue from day to day.

7.2.11.7. Any Director who performs or renders special services which are outside the scope of the ordinary duties of a Director and not in their capacity as a holder of employment or executive office, may be paid such additional remuneration as the Board may determine.

7.2.11.8. The Directors are entitled to be paid out of the funds of the Company all their reasonable travelling, hotel and other expenses properly incurred by them in or about the performance of their duties as Director, including their expenses of travelling to and from meetings of the Directors, committee meetings, general meetings or separate meetings of the holders of any class of Ordinary Shares or debentures of the Company.

7.2.11.9. The Board may, in accordance with the requirements in the Articles, authorise any matter proposed to them by any Director which would, if not authorised, involve a Director breaching his or her duty under the Companies Act to avoid conflicts of interests.

7.2.11.10. A Director seeking authorisation in respect of such conflict must declare to the Board the nature and extent of his or her interest in a conflict as soon as is reasonably practicable. The Director must provide the Board with such details of the matter as are necessary for the Board to decide how to address the conflict together with such additional information as may be requested by the Board.

7.2.11.11. Any authorisation by the Board will be effective only if:

7.2.11.11.1 to the extent permitted by the Companies Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of the Articles;

7.2.11.11.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the interested Director and any other interested Director; and

7.2.11.11.3 the matter is agreed to without the conflicted Director voting or would be agreed to if the interested Director's and any other interested Director's vote is not counted.

- 7.2.12. Subject to the Articles and the Companies Act, the Board may exercise all the powers of the Company to:
- 7.2.12.1. borrow money;
 - 7.2.12.2. indemnify and guarantee;
 - 7.2.12.3. mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company;
 - 7.2.12.4. create and issue debentures and other securities; and
 - 7.2.12.5. give security either outright or as collateral security for any debt, liability or obligation of the Company or of any third party.
- 7.2.13. The Board shall restrict the borrowings of the Company and exercise all voting and other rights or powers of control exercisable by the Company in relation to its subsidiary undertakings (if any) so as to secure (as regards the subsidiary undertakings, so far as by such exercise they can secure) that the aggregate of the amounts borrowed by the Group and remaining outstanding at any time (excluding intra-Group borrowings) shall not without the previous sanction of an ordinary resolution of the Company exceed an amount equal to two times the adjusted capital and reserves.
- 7.2.14. *General meetings:*
- 7.2.14.1. An annual general meeting shall be held once a year, at such time (consistent with the terms of the Companies Act) and place, including partly (but not wholly) by means of electronic facility or facilities, as may be determined by the Board.
 - 7.2.14.2. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman of the meeting which shall not be treated as part of the business of the meeting. Two Shareholders present in person or by proxy and entitled to vote shall be a quorum for all purposes.
 - 7.2.14.3. A general meeting shall be called by at least the minimum notice required or permitted by the Companies Act. The notice period is exclusive of the day on which it is served or deemed to be served and the day on which the meeting is to be held.
 - 7.2.14.4. Every notice calling a general meeting must specify the place, date, and time of the meeting. It should also state that a Shareholder entitled to attend and vote is entitled to appoint a proxy. The notice must include the general nature of the business to be transacted and the text of all resolutions to be considered.
 - 7.2.14.5. The Board in its absolute discretion may postpone a general meeting if it considers it impracticable or unreasonable for any reason to hold the meeting on the specified date, time, or place.
 - 7.2.14.6. The chair of the Board will preside over every general meeting. If there is no chair or the chair is not present within 5 minutes after the time appointed for holding the general meeting or is unwilling to act as chair, the deputy chair will preside. If more than one deputy chair is present, they will decide among themselves, or the longest-serving deputy chair director will preside. If no chair or deputy chair is available, the Directors present will choose one among them, or the sole Director present will preside. If no Directors are available, the Shareholders present will choose a chair.
 - 7.2.14.7. The chair may adjourn a meeting with the consent of the meeting or if it becomes necessary to, *inter alia*, secure the proper conduct of the meeting, ensure the safety of participants, or ensure the business is properly disposed of.

7.2.15. Capitalisation of profits:

7.2.15.1. The Directors may, subject to as provided in the Articles, if they are so authorised by an ordinary resolution of the Shareholders, decide to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution), or any sum standing to the credit of any reserve or fund of the Company which is available for distribution or standing to the credit of the share premium account or capital redemption reserve or other undistributable reserve. The Directors may also, subject to the aforementioned ordinary resolution, appropriate any sum which they so decide to capitalise to the Shareholders who would have been entitled to it if it were distributed by way of dividend and in the same proportions.

7.2.16. Indemnity:

7.2.16.1. To the extent permitted by the Companies Act and subject to paragraph 7.2.16.2 below, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

7.2.16.1.1 each relevant officer shall be indemnified out of the Company's assets against all relevant loss including any liability incurred by the officer in defending any civil or criminal proceedings, in which judgment is given in the officer's favour or in which the officer is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on the officer's part or in connection with any application in which the court grants the officer, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and

7.2.16.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings or application referred to in paragraph 7.2.16.1.1, above, and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

7.2.16.2. The Article referred to in paragraph 7.2.16.1, above, does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law.

7.2.16.3. The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

7.2.17. Uncertificated Shares:

7.2.17.1. Under and subject to the Uncertificated Securities Rules, the Directors may permit title to shares of any class to be evidenced or held otherwise than by a certificate and to be transferred by means of a Relevant System.

7.2.17.2. The Board may also, subject to compliance with the Uncertificated Securities Rules, determine at any time that title to any class of shares may from a date specified by the Board no longer be evidenced otherwise than by a certificate or that title to such a class shall cease to be transferred by means of any particular Relevant System.

7.2.17.3. The Board may take such other action that the Board considers appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an uncertificated share or otherwise to enforce a lien in respect of it.

8. DIRECTORSHIPS AND PARTNERSHIPS

In addition to their directorships of the Company, the Directors hold or have held the following directorships, and are or were members of the following partnerships, within the five years preceding the date of this document.

<u>Name</u>	<u>Current directorships or partnerships</u>	<u>Previous directorships or partnerships</u>
Rakesh Shaunak	Baker Tilly International Limited Baker Tilly Ireland Audit Limited Baker Tilly Ireland GP Limited Baker Tilly Ireland Wealth Designated Activity Company CCBP Pillars Ltd Geoghegans Trustees Limited Glenstone REIT plc Huallenac Trustee Company MacIntyre Hudson Corporate Finance Limited MacIntyre Hudson Holdings Limited MacIntyre Hudson Ireland Limited MacIntyre Hudson Limited MHA LLP MacIntyre Hudson Treasury Limited MacIntyre Nominees Meston Reid Limited MHA Advisory Ltd MHA Audit Holdings Ltd MHA Audit LLP MHA Caves Investment Management Limited MHA Financial Solutions Limited MHA MacIntyre Hudson Consulting Limited MHA Member LLP MHA Service Limited MHA Tax Safe Limited MHA Trustees Corporation Limited MHA Wealth Limited MHA Wealth Management Holdings Limited MHCA Limited Project Balance Topco plc	HWS Keens Limited
Steven Moore	Geoghegans Trustees Limited MacIntyre Hudson Holdings Limited MacIntyre Hudson Limited MacIntyre Hudson Treasury Limited MacIntyre Nominees Meston Reid Limited MHA Advisory Ltd MHA MacIntyre Hudson Consulting Limited MHA Member LLP MHA Service Limited MHA Tax Safe Limited MHA Trustees Corporation Limited Project Balance Topco plc	HWS Keens Limited MacIntyre Hudson Corporate Finance Limited
Linda Jane Main	Carers Trust Earnz plc Enterprising Limpsfield Ltd Gara Strategic Advisory LLP The Princess Royal Trust for Carers The Quoted Companies Alliance	KPMG LLP

Name	Current directorships or partnerships	Previous directorships or partnerships
Geoffrey Frederick Barnes	CML Microsystems plc Sandy Lane (Poole) Management Limited Termground Property Management Limited Baker Tilly South East Europe Ltd (non-statutory position)	None
Sir Robert James Macgillivray Neill KC	RJMN Ltd	Greenbank Capital Inc.

9. DIRECTORS' CONFIRMATIONS

- 9.1. The Directors have held the following directorships in companies that have been placed in receivership, compulsory liquidation, creditors' voluntary liquidation, administration or company voluntary arrangement or which entered into any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months preceding such insolvency related process:

Director(s)	Date of appointment (and resignation as director)	Company	Insolvency related process	Outcome
Rakesh Shaunak	Appointment – 12 June 2004 Resignation – 28 June 2012	Moorgate House Group Limited	Liquidation	Liquidators were appointed on 20 February 2006, with replacement liquidators appointed on 8 November 2007 and 2 June 2009. The company was dissolved following liquidation on 28 June 2012.

- 9.2. Save as set out in this document and as at the date of this document, no Director:
- 9.2.1. has any unspent convictions in relation to indictable offences;
- 9.2.2. has been declared bankrupt or has entered into an individual voluntary arrangement;
- 9.2.3. was a director of any company at the time of or within the 12 months preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors with which such company was concerned;
- 9.2.4. was a partner in a partnership at the time of or within the 12 months preceding any compulsory liquidation, administration or voluntary arrangement of that partnership;
- 9.2.5. has had any asset which has been subject to a receivership or was a partner in a partnership at the time of or within the 12 months preceding any asset of the partnership being subject to a receivership; or
- 9.2.6. has been the subject of any public criticism by any statutory or regulatory authority (including any recognised professional body) nor has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.
- 9.3. On two occasions, a blogger had made criticisms of Sir Robert Neill's relationship with Substantia Group which led to Sir Robert Neill being the subject of a complaint to the Parliamentary Commissioner for Standards in relation to his work as a consultant (via his company jointly owned with his wife, RJMN Ltd) to the Substantia Group while he was a

Member of Parliament. The Parliamentary Commissioner rejected any allegation of impropriety but found a breach of the rules on declarations of interests. Sir Robert Neill rectified the issue, and no further action was taken by the Parliamentary Commissioner.

10. DIRECTORS' SHAREHOLDINGS AND OTHER INTERESTS

10.1. The interests of each of the Directors and senior managers described in paragraph 13 of Part I of this document in the ordinary share capital of the Company (all of which are beneficial except where expressly provided otherwise) which have been or will be required to be notified to the Company pursuant to chapter 5 of the DTRs or which will be required to be maintained under the provisions of section 808 of the Companies Act, or which are interests of a person connected with any of the Directors (within the meaning of section 252 and section 253 of the Companies Act), which interests would be required to be disclosed pursuant to the DTRs, and the existence of which is known to the Directors and/or the senior managers described in paragraph 13 of Part I of this document or could with reasonable diligence be ascertained by them as at 9 April 2025¹ (being the last date practicable prior to the publication of this document) and as at Admission are as set out below:

Name	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Shares	Number of Ordinary Shares immediately following Admission	Percentage of Enlarged Share Capital immediately following Admission	Number of Ordinary Shares under option immediately following Admission
Rakesh Shaunak	5,121,413	2.96%	5,121,413	1.90%	500,000
Steven Moore	4,548,233	2.63%	4,548,233	1.69%	350,000
Andrew Moyser	3,430,533	1.98%	3,430,533	1.28%	—
Martin Herron	3,917,736	2.26%	3,917,736	1.46%	—
Katherine Simon	2,742,718	1.58%	2,742,718	1.02%	—
Graham Gordon	3,086,625	1.78%	3,086,625	1.15%	—
Geoffrey Barnes	—	—	10,000	0.00%	—
Linda Main	—	—	10,000	0.00%	—
Sir Robert Neill KC	—	—	10,000	0.00%	—
Total	22,847,258	13.19%	22,877,258	8.50%	850,000

¹ The Company intends to launch the Retail Offer following the publication of this document. Consequently, share numbers, proceeds, ownership percentages and any other related statistics in this document are calculated without the impact of the Retail Offer which is expected to have a maximum dilutive effective of 2.18%. The results of the Retail Offer will be announced via a regulatory information service prior to Admission.

- 10.2. Save as disclosed in this document, as at the date of this document, no Director has an option over or warrant to subscribe for any Ordinary Shares in the Company.
- 10.3. There are no outstanding loans made or guarantees granted or provided by the Company or any member of the Group to or for the benefit of any Director.
- 10.4. Save as disclosed in this document, there are no agreements, arrangements or understandings (including compensation agreements) between any of the Directors, recent directors, shareholders or recent shareholders of the Company connected with or dependent upon the Fundraising or Admission.
- 10.5. Save as disclosed in this document, none of the Directors have any interests whether beneficial or non-beneficial, in the issued share capital or loan capital of the Company or any member of the Group and nor does (so far as is known to the Directors having made appropriate enquiries) persons connected with them (which expression shall be construed in accordance with section 252 and section 253 of the Companies Act).
- 10.6. Save as disclosed in this document, none of the Directors has any actual or potential conflicts of interest between their duties to the Company and their private interests or other duties they may also have.
- 10.7. Save as disclosed in this document, no Director is or has been interested in any transaction which is or was unusual in its nature or conditions or significant to the business of the

Company or the Group and which was effected by the Company or any of its subsidiaries during the current or immediately preceding financial year or which was effected by the Company or any member of the Group during any earlier financial year and remains in any respect outstanding or unperformed.

- 10.8. None of the Directors nor members of their family has a related financial product (as defined in the AIM Rules) whose value in whole or in part is determined directly or indirectly by reference to the price of the Ordinary Shares.

11. DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

11.1. Executive Directors' Service Agreements

11.1.1. Chief Executive Officer – Rakesh Shaunak

On 9 April 2025, Mr Shaunak entered into a service agreement with the Company conditional on and commencing from Admission for an indefinite term (subject to termination by either party as outlined below). Mr Shaunak will be required to devote as much time and attention as required for the proper performance of his duties under the service agreement. Mr Shaunak will be a member of New LLP throughout his appointment as Chief Executive Officer of the Company and be subject to the terms of the constitutional documents of New LLP.

Under the terms of the service agreement, Mr Shaunak will be entitled to a basic salary of £30,000 per annum. Mr Shaunak is not entitled to any bonuses under the terms of the service agreement.

Mr Shaunak will be eligible to benefit from insurance cover under a directors' and officers' liability insurance policy that the Company maintains from time to time. Mr Shaunak will be entitled to the reimbursement of reasonable business expenses incurred by him in the performance of his duties. No other benefits are to be provided by the Company to Mr Shaunak under the service agreement.

In addition to bank and public holidays, Mr Shaunak will be entitled to 30 working days holiday per annum.

Under the service agreement, Mr Shaunak's employment may be terminated by either party providing written notice to the other of not less than 12 months. The Company may, in its sole discretion, make a payment in lieu of notice equal to the basic salary and benefits which Mr Shaunak would have been entitled to during the unexpired portion of the notice period, less all relevant deductions for income tax and national insurance contributions and not including any payment in respect of holiday entitlement that would have accrued during the unexpired portion of the notice period. The Company is entitled to dismiss Mr Shaunak without notice in certain circumstances, including serious misconduct, following serious or repeated breach of his obligations under his service agreement or if Mr Shaunak becomes ineligible to be, or the ICAEW recommends or determines that he should not be, a member of the ICAEW or a director of the Company in connection with the ICAEW's regulatory arrangements.

Mr Shaunak's service agreement contains post-termination restrictions, including restrictions on the solicitation of clients and employees of the Group for a period of 12 months after termination.

11.1.2. Chief Financial Officer – Steven Moore

On 9 April 2025, Mr Moore entered into a service agreement with the Company conditional on and commencing from Admission for an indefinite term (subject to termination by either party as outlined below). Mr Moore will be required to devote as much time and attention as required for the proper performance of his duties under the service agreement. Mr Moore will be a member of New LLP throughout his appointment as Chief Financial Officer of the Company and be subject to the terms of the constitutional documents of New LLP.

Under the terms of the service agreement, Mr Moore will be entitled to a basic salary of £30,000 per annum. Mr Moore is not entitled to any bonuses under the terms of the service agreement.

Mr Moore will be eligible to benefit from insurance cover under a directors' and officers' liability insurance policy that the Company maintains from time to time. Mr Moore will be entitled to the reimbursement of reasonable business expenses incurred by him in the performance of his duties. No other benefits are to be provided by the Company to Mr Moore under the service agreement.

In addition to bank and public holidays, Mr Moore will be entitled to 30 working days holiday per annum.

Under the service agreement, Mr Moore's employment may be terminated by either party providing written notice to the other of not less than 12 months. The Company may, in its sole discretion, make a payment in lieu of notice equal to the basic salary and benefits which Mr Moore would have been entitled to during the unexpired portion of the notice period, less all relevant deductions for income tax and national insurance contributions and not including any payment in respect of holiday entitlement that would have accrued during the unexpired portion of the notice period. The Company is entitled to dismiss Mr Moore without notice in certain circumstances, including serious misconduct, following serious or repeated breach of his obligations under his service agreement or if Mr Moore becomes ineligible to be, or the ICAEW recommends or determines that he should not be, a member of the ICAEW or a director of the Company in connection with the ICAEW's regulatory arrangements.

Mr Moore's service agreement contains post-termination restrictions, including restrictions on the solicitation of clients and employees of the Group for a period of 12 months after termination.

11.2. Non-Executive Directors' Letters of Appointment

The following letters of appointment have been entered into between each Non-Executive Director and the Company, in each case conditional on and commencing from Admission:

11.2.1. Geoffrey Barnes

An appointment letter dated 9 April 2025 between Mr Barnes and the Company pursuant to which Mr Barnes is appointed as a non-executive director of the Company.

Under the terms of the appointment letter, Mr Barnes shall receive a fee of £85,000 per annum and is expected to spend at least 2 days per month in performance of his duties. Mr Barnes's appointment shall be for a 2-year term from Admission, terminable on 3 months' notice by either party.

11.2.2. Linda Main

An appointment letter dated 9 April 2025 between Mrs Main and the Company pursuant to which Mrs Main is appointed as independent non-executive director of the Company.

Under the terms of the appointment letter, Mrs Main shall receive a fee of £63,000 per annum and is expected to spend at least 2 days per month in performance of her duties. Mrs Main's appointment shall be for a 2-year term from Admission, terminable on 3 months' notice by either party.

11.2.3. Sir Robert Neill KC

An appointment letter dated 9 April 2025 between Sir Neill and the Company pursuant to which Sir Neill is appointed as independent non-executive director of the Company.

Sir Neill shall receive a fee of £63,000 per annum and is expected to spend at least 2 days per month in performance of his duties. Sir Neill's appointment shall be for a 2-year term from Admission, terminable on 3 months' notice by either party.

- 11.3. The appointment of each Non-Executive Director will terminate without any entitlement to compensation if he or she is not elected or re-elected at an annual general meeting of the Company at which he or she retires and offers himself or herself up for re-election, they are required to vacate office for any reason pursuant to any provisions of the Articles, or he or she is removed as a director or otherwise required to vacate office under any applicable law.
- 11.4. Rakesh Shaunak's appointment as a member of New LLP is under the constitutional documents of New LLP and in addition to the salary which shall be taken from the Company as detailed in paragraph 11.1.1 above, Mr Shaunak shall also receive a profit share of £320,000 and such additional remuneration as is determined by New LLP from time to time. Mr Shaunak is entitled to receive benefits under the constitutional documents of New LLP in connection with his role as a member of New LLP including life insurance, death in service cover, critical illness cover, payment of home telephone and internet expenses and car expenses including petrol, servicing and insurance.
- 11.5. Steven Moore's appointment as a member of New LLP is under the constitutional documents of New LLP and in addition to the salary which shall be taken from the Company as detailed in paragraph 11.1.2 above, Mr Moore shall also receive a profit share of £320,000 and such additional remuneration as is determined by New LLP from time to time. Mr Moore is entitled to receive benefits under the constitutional documents of New LLP in connection with his role as a member of New LLP including life insurance, death in service cover, critical illness cover, payment of home telephone and internet expenses and car expenses including petrol, servicing and insurance.
- 11.6. The date of appointment to the Board for each of the Directors was or is anticipated as the date of Admission.

12. SIGNIFICANT SHAREHOLDERS AND OTHER INTERESTS

- 12.1. The Company is aware of the following persons who, immediately prior to and following Admission, have interests in over 3 per cent. or more of the Company's issued share capital or voting rights ("**Significant Shareholders**"):

Significant Shareholder	Number of Existing Ordinary Shares	Percentage of Existing Share Capital	Immediately following the Fundraising and Admission	
			Number of Ordinary Shares	Percentage of Enlarged Share Capital
EBT	26,000,000	15.0%	26,000,000	9.67%
Octopus Investments Limited	—	—	26,892,788	9.99%
Gresham House Asset Management Limited	—	—	20,000,000	7.43%

¹ The Company intends to launch the Retail Offer following the publication of this document. Consequently, share numbers, proceeds, ownership percentages and any other related statistics in this document are calculated without the impact of the Retail Offer which is expected to have a maximum dilutive effective of 2.18%. The results of the Retail Offer will be announced via a regulatory information service prior to Admission.

- 12.2. Save as disclosed in this document, the Directors are not aware of any person or persons who, directly or indirectly owns or controls the Company.
- 12.3. Neither the Directors referenced in paragraph 10.1 above nor any Significant Shareholders have different voting rights to other Shareholders.
- 12.4. Save as disclosed in this document, there are no arrangements known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

13. DILUTION OF ORDINARY SHARE CAPITAL

The Group may choose to issue additional Ordinary Shares in subsequent public offerings or private placings to fund acquisitions or as consideration for acquisitions. Placings or other issues of Ordinary Shares would result in the dilution of the interests of current Shareholders.

14. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within CREST if any Shareholder so wishes. However, CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

15. CORPORATE GOVERNANCE

QCA Corporate Governance Code

- 15.1. AIM-quoted companies are required to adopt a recognised corporate governance code on Admission, however, there is no prescribed corporate governance regime in the UK for AIM companies. The Directors acknowledge the value and importance of high standards of corporate governance commensurate with the size and nature of the Company and the interests of its Shareholders. The Group intends to comply with the principles set out in the QCA Code which sets out a standard of minimum best practice for small and mid-size quoted companies, particularly AIM companies.
- 15.2. Immediately following Admission, the Board will comprise five directors, two of whom shall be executive directors and three of whom shall be non-executive directors, reflecting a blend of different experience and backgrounds.
- 15.3. The Board will be responsible for the overall management of the Company including the formation of and approval of the Company's long-term objectives and strategy, the approval of budgets, the oversight of Company operations, the maintenance of sound internal control and risk management systems and the implementation of the Company's strategy, policies and plans. Whilst the Board may delegate specific responsibilities, there will be a formal schedule of matters specifically reserved for decision by the Board.
- 15.4. The Board intends to meet regularly to consider strategy, performance and the framework of internal controls. To enable the Board to discharge its duties, all directors will receive appropriate and timely information. Briefing papers will be distributed to all Directors in advance of Board meetings. All Directors will have access to the advice and services of the Non-Executive Chairman, who will be responsible for ensuring that the Board procedures are followed and that applicable rules and regulations are complied with. In addition, procedures will be in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.
- 15.5. Further details on how the Company intends to comply with the QCA Code are set out in Part II of this document and on the Company's website. The Board will review this information annually in accordance with the requirements of Rule 26 of the AIM Rules.

Committees

- 15.6. The Board has established three committees conditional on Admission, the Audit and Risk, Nomination and Remuneration committees, each with written terms of reference. If the need should arise, the Board may set up additional committees as appropriate.

15.7. Audit and Risk Committee:

The Audit and Risk Committee will be responsible for monitoring the quality of internal controls, ensuring accurate financial performance reporting, reviewing reports from the Company's auditors and in all cases having due regard to the interests of Shareholders. It will also examine the key risks that impact the Group and assess the adequacy of the Group's mitigation strategies. It will have the power to call on executive Board members and senior management for the purposes of seeking information as well as making recommendations. The committee will consist of at least a majority of non-executive directors with relevant financial and accounting experience, appointed for up to 3 years, subject to extension. The first Chairperson of the Audit and Risk Committee will be Linda Main. Sir Robert Neill KC and Geoffrey Barnes will be the first other members of the Audit and Risk Committee.

15.8. *Nomination Committee:*

The Nomination Committee will identify and nominate, for the approval of the Board, candidates to fill Board vacancies as and when required. The Nomination Committee will meet as needed (at least twice a year). The first Chairperson of the Nomination Committee shall be Sir Robert Neill KC. Linda Main and Geoffrey Barnes will be the first other members of the Nomination Committee.

15.9. *Remuneration Committee:*

The Remuneration Committee will review the rewarding of Executive Directors and other identified senior executives of the Group to ensure they are fairly rewarded for their individual contribution to the overall performance of the Company including in relation to the granting of options (as further described at paragraph 6 of this Part V), while having due regard to the interests of Shareholders. The Remuneration Committee will meet twice a year. The first Chairperson of the Remuneration Committee shall be Sir Robert Neill KC. Linda Main and Geoffrey Barnes will be the other first members of the Remuneration Committee.

16. MATERIAL CONTRACTS

The following contracts, not being contracts entered into in the ordinary course of business, (i) have been entered into by the Company or other member of the Group during the two years immediately preceding the date of this document and are, or may be, material or (ii) have been entered into by the Company or other member of the Group at any time and which contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document:

Reorganisation Agreements

16.1. **MHHL A Ordinary Shares Buyback Agreements**

Agreements dated 7 April 2025, respectively containing the terms for the buyback of all of MHHL's A ordinary shares of £0.10 each held by MHA LLP (as trustee on behalf of the beneficial holders of the A ordinary shares) for a total consideration of £541,031.46. The buybacks were funded using MHHL's distributable profits and the agreements included typical provisions governing the sale and purchase of the A ordinary shares and fundamental warranties given in respect of the A ordinary shares.

16.2. **Share Exchange Agreements between MHA LLP, Moore and Smalley LLP, MHHL and MHT in relation to the English subsidiaries**

MHA LLP, MHHL and MHT and separately Moore and Smalley LLP, MHHL and MHT entered into share exchange agreements which are dated 7 April 2025. These share exchange agreements relate to the transfer to MHHL by MHA LLP of the entire issued share capital of:

- MHA Services Limited (company number: 07263895);
- Moore and Smalley IT Services Limited (company number: 10247482);
- Moore and Smalley Business Services Limited (company number: 08004976);
- Moore and Smalley C.A. Limited (company number: 05373155); and
- Cloud Solutions Holdings Limited (company number: 10760154) (together the "**English Subsidiaries**") and its subsidiary Lincify Limited (company number: 10763966).

Pursuant to these share exchange agreements, MHA LLP and Moore and Smalley LLP transferred the entire issued share capital of the English Subsidiaries to MHHL in exchange for the issue by MHHL of 5 B ordinary shares of £0.01 each to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust).

16.3. **Share Exchange Agreement between MHA LLP, MHHL and MHT in relation to the Scottish subsidiary**

MHA LLP, MHHL and MHT entered into a share exchange agreement dated 7 April 2025. This share exchange agreement relates to the transfer to MHHL by MHA LLP of the entire issued share capital of Meston Reid Ltd (company number: SC189491) (the "**Scottish Subsidiary**").

Pursuant to this share exchange agreement, MHA LLP transferred the entire issued share capital of the Scottish Subsidiary to MHHL in exchange for the issue by MHHL of 1 B ordinary share of £0.01 to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust).

16.4. Share Exchange Agreements between MHA LLP, MHHL and MHT in relation to the Irish subsidiaries

MHA LLP, MHHL and MHT entered into share exchange agreements dated 7 April 2025. These share exchange agreements relate to the transfer to MHHL by MHA LLP of MHA LLP's interest in Baker Tilly Global Tax Solutions (CRN: 557650) and the entire issued share capital of MacIntyre Hudson Ireland Limited (company number: 753815) the "**Irish Subsidiaries**" (and each of its subsidiaries, being Baker Tilly Ireland Wealth DAC (CRN: 612740), Baker Tilly Ireland GP Ltd (CRN: 756040) (and its subsidiary Baker Tilly Ireland Limited Partnership (CRN: LP3834) and Baker Tilly Ireland Audit Ltd (CRN: 753814)).

Pursuant to these share exchange agreements, MHA LLP transferred its interest in Baker Tilly Global Tax Solutions and the entire issued share capital of the Irish Subsidiaries to MHHL in exchange for the issue by MHHL of 2 B ordinary shares of £0.01 each to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust).

16.5. Share Exchange Agreement between MHA LLP, MHHL and MHT in relation to the Cayman subsidiaries

MHA LLP, MHHL and MHT entered into a share exchange agreement which is dated 8 April 2025. This share exchange agreement relates to the transfer to MHHL by MHA LLP of the entire issued share capital of MHC Ltd (company number: 319349) the "**Cayman Subsidiary**" (and its subsidiary MHA MacIntyre Hudson Cayman Ltd (company number: 327355)).

Pursuant to this share exchange agreement and, conditional on requisite regulatory notification, MHA LLP transferred the entire issued share capital of the Cayman Subsidiary to MHHL in exchange for the issue by MHHL of 1 B ordinary share of £0.01 each to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust).

16.6. MHA LLP Capital Points Purchase Agreements

The MHA LLP Capital Points Purchase Agreements are dated 8 April 2025 and were entered into between each of the Retiree Capital Partners, MHT (as trustee on behalf of the Retiree Capital Partners), MHHL and MHA LLP. Each Retiree Capital Partner sold and MHHL bought that Retiree Capital Partners' Retiree Capital Partner Membership Interest in consideration of the issue to MHT (as trustee on behalf of the Retiree Capital Partners) of an aggregate amount of £34,207,900 of Retiree Capital Partner Loan Notes pursuant to the Retiree MHHL Loan Note Instrument, described at paragraph 16.7 of Part V of this document.

Pursuant to the agreements, each of the Retiree Capital Partners retired as a member of MHA LLP and waived all their claims or rights against MHA LLP, any of MHA LLP's employees, or the continuing members of MHA LLP in respect of the Retiree Capital Partners' retirement from membership of MHA LLP.

The agreements contain customary warranties that were given by the Retiree Capital Partners as to title in relation to the Retiree Capital Partner Membership Interests, and all parties to the agreements provided customary capacity warranties.

The agreements also contain a performance guarantee given by MHA LLP to MHT (as trustee on behalf of the Retiree Capital Partners) in respect of MHHL's obligations under the agreements.

16.7. Retiree MHHL Loan Note Instrument

MHHL entered into this Retiree MHHL Loan Note Instrument on 8 April 2025. The instrument contains the terms of the loan notes issued to MHT (as trustee on behalf of the Retiree Capital Partners). An aggregate amount of £34,207,900 loan notes were issued by MHHL in consideration for the acquisition by MHHL of each Retiree Capital Partners' Retiree Capital Partner Membership Interest as described in paragraph 16.6 of Part V of this document.

The Retiree Capital Partner Loan Notes issued pursuant to this Retiree MHHL Loan Note Instrument are unsecured loan notes the repayment of which is subject to Admission. If Admission occurs prior to the longstop date for Admission, being four months following the date of this instrument, then the total principal amount of the loan notes will be redeemed. If Admission does not occur prior to the longstop date for Admission then (i) the Retiree Capital Partners will be paid the tax liability which has been agreed as due in connection with the acquisition of their capital points, and (ii) the total principal amount of the loan notes that is payable to the Retiree Capital Partners will reduce by £2.38 million and be repaid as a redemption discount over periods ranging from 6 months to 5 years at varying amounts, as dictated by the Retiree Capital Partners' original income point retirement date.

The Retiree MHHL Loan Note Instrument includes standard terms for a loan note including acceleration for typical events of default and provisions as to registration, transfer and meetings of noteholders.

16.8. Put and Call Option over the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHHL Loan Note Instrument

This put and call option agreement dated 8 April 2025 was entered into between MHT (as trustee on behalf of the Retiree Capital Partners) and MHA Advisory.

The agreement states that (i) MHT (as trustee on behalf of the Retiree Capital Partners) was granted an option to require MHA Advisory to purchase the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHHL Loan Note Instrument (described at paragraph 16.7 of Part V of this document) in return for MHA Advisory issuing Retiree Capital Partner Loan Notes for an aggregate amount of £34,207,900 pursuant to the Retiree MHA Advisory Loan Note Instrument (described at paragraph 16.9 of Part V of this document), and (ii) MHA Advisory was granted an option to purchase the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHHL Loan Note Instrument (described at paragraph 16.7 of Part V of this document) in return for MHA Advisory issuing Retiree Capital Partner Loan Notes for an aggregate amount of £34,207,900 pursuant to the terms of the Retiree MHA Advisory Loan Note Instrument (described at paragraph 16.9 of Part V of this document).

The agreement includes standard terms for a put and call option including fundamental title and capacity warranties given by MHT (as trustee on behalf of the Retiree Capital Partners) in respect of the loan notes issued to it by MHHL.

16.9. Retiree MHA Advisory Loan Note Instrument

MHA Advisory entered into this Retiree MHA Advisory Loan Note Instrument on 9 April 2025. The instrument contains the terms of the loan notes issued by MHA Advisory to MHT (as trustee on behalf of the Retiree Capital Partners) pursuant to the exercise of the put and call option agreement described at paragraph 16.8 of Part V of this document.

An aggregate amount of £34,207,900 Retiree Capital Partner Loan Notes were issued pursuant to the Retiree MHA Advisory Loan Note Instrument in consideration for the Retiree Capital Partner Loan Notes issued to MHT (as trustee on behalf of the Retiree Capital Partners) pursuant to the Retiree MHHL Loan Note Instrument described at paragraph 16.7 of Part V of this document.

The Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument are unsecured loan notes the repayment of which is subject to Admission. If Admission occurs prior to the longstop date for Admission, being four months following the date of this instrument, then the total principal amount of the loan notes will be redeemed. If Admission does not occur prior to the longstop date for Admission then (i) the Retiree Capital Partners will be paid the tax liability which had been agreed as due in connection with the acquisition of their capital points, and (ii) the total principal amount of the loan notes that is payable to the Retiree Capital Partners will reduce by £2.38 million and be repaid as a redemption discount over periods ranging from 6 months to 5 years at varying amounts as dictated by the Retiree Capital Partners' original income point retirement date.

The Retiree MHA Advisory Loan Note Instrument includes standard terms for a loan note including acceleration for typical events of default and provisions as to registration, transfer and meetings of noteholders.

16.10. Services Agreements

Audit Services Agreement

The audit services agreement between MHA Advisory and MHA Audit Services is dated 8 April 2025.

The agreement outlines the terms on which MHA Advisory provides MHA Audit Services with certain services to enable it to undertake the business of providing audit services in the United Kingdom and Jersey. These services include matters such as administrative support, information technology and human resources.

The agreement specifies that MHA Advisory shall perform the services with due skill, diligence and care in accordance with generally accepted standards and practices, and in compliance with all applicable laws. MHA Audit Services has the ability to amend or terminate the services on notice if the services supplied are not of the requisite standard.

The agreement includes a schedule setting out the charges for the services, which are to be paid by MHA Audit Services to MHA Advisory. The agreement also includes provisions allowing MHA Advisory to increase the charges where the cost of providing the services has changed to a material extent. The proposed changes to the charges are subject to MHA Audit Services' approval, which shall not be unreasonably withheld.

Master Services Agreement

The master services agreement between MHA Advisory and certain non-audit members of the Group (the "**Service Recipients**") is dated 8 April 2025.

The agreement outlines the terms on which MHA Advisory provides the Service Recipients with certain services necessary to enable them to conduct their business. These services include matters such as administrative support, information technology and human resources.

The agreement specifies that MHA Advisory shall perform the services with due skill, diligence and care in accordance with generally accepted standards and practices, and in compliance with all applicable laws. The Service Recipients have the ability to amend or terminate the services on notice if the services supplied are not of the requisite standard.

The agreement includes a schedule setting out the charges for the services, which are to be paid by the Service Recipients to MHA Advisory. The agreement also includes provisions allowing MHA Advisory to increase the charges where the cost of providing the services has changed to a material extent. The proposed changes to the charges are subject to the relevant Service Recipient's approval, which shall not be unreasonably withheld.

16.11. Audit Business Transfer Agreement

The business transfer agreement between MHA LLP and MHA Audit Services is dated 8 April 2025. Pursuant to this agreement, MHA LLP transferred to MHA Audit Services as a going concern the business of providing audit services in the United Kingdom and Jersey as carried on by MHA LLP at the time of the transfer. The transfer comprised the property, rights and assets of MHA LLP in connection with that audit business.

All other assets and liabilities of MHA LLP that relate to the non-audit business carried on by MHA LLP were not transferred to MHA Audit Services under this agreement. Pursuant to this agreement, MHA Audit Services assumed responsibility for and shall satisfy all debts, liabilities and obligations of any nature of MHA LLP relating to the business or the assets which were due at the time of the transfer.

The purchase price (excluding VAT) was £1 as adjusted pursuant to the completion accounts net assets adjustment, which shall remain outstanding on an inter-company loan account as an interest-free unsecured debt of MHA Audit Services repayable on MHA LLP's demand.

As this is an intra-group transfer, the agreement contains limited warranties given by MHA LLP as to title and capacity only. The agreement contains the following standard uncapped indemnities:

- an indemnity given by MHA Audit Services in favour of MHA LLP for all losses suffered by MHA LLP where MHA Audit Services fails to perform or satisfy the liabilities it has assumed;

- an indemnity given by MHA LLP in favour of MHA Audit Services for all losses suffered by MHA Audit Services where MHA LLP has failed to satisfy or perform the liabilities that have been excluded from this transfer;
- mutual indemnities between MHA LLP and MHA Audit Services for all losses suffered as a result of not complying with the obligations under Regulations 11 and 13 of TUPE in relation to transferring employees; and
- an indemnity given by MHA Audit Services to MHA LLP in respect of all losses suffered by MHA LLP arising out of or in connection with the employment of the transferring employees.

16.12. Share Exchange Agreement between MHT and MHA Advisory

This share exchange agreement is to be entered into after the date of this document but prior to Admission between MHT and MHA Advisory. This agreement outlines the terms for the sale and purchase of shares in MHHL. MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) transferred its entire holding of B ordinary shares of £0.01 each in MHHL to MHA Advisory in exchange for the issue of 36,110 ordinary shares in MHA Advisory to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust).

Customary fundamental warranties as to title will be given by each party in relation to the MHHL B ordinary shares of £0.01 each and the consideration shares issued by MHA Advisory (as applicable) in addition to the standard provisions required to effect a share exchange including the relevant deliverables and typical actions that were required on completion of the share exchange.

16.13. Business Transfer Agreement

The Business Transfer Agreement will be entered into after the date of this document but prior to Admission between MHA LLP, MHA Advisory, MHHL and MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust).

Pursuant to the terms of this agreement, MHA LLP will transfer to MHA Advisory as a going concern the business carried on by MHA LLP at the time of the transfer, comprising the property, rights and assets of MHA LLP in relation to the business. MHA Advisory will assume responsibility under the agreement for satisfying all debts, liabilities and obligations of any nature of MHA LLP relating to the business or the assets which are due at the time of the transfer. In accordance with tax counsel advice, this agreement has a split exchange and completion which will both occur on the same day.

The purchase price (excluding VAT) will be satisfied by the issue and allotment of 147,163,873 ordinary shares in MHA Advisory, and MHA Partner Loan Notes (constituted by the MHA Partner MHA Advisory Loan Note Instrument described at paragraph 16.14 of Part V of this document) up to an aggregate value of £45,592,100 issued by, MHA Advisory to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) at the direction of MHA LLP, and to be held by MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust), as adjusted pursuant to the completion accounts net assets adjustment, which shall remain outstanding on an inter-company loan account as an interest-free unsecured debt of MHA Advisory repayable on MHA LLP's demand. Under the agreement, MHA LLP directed MHA Advisory to transfer to MHHL the book value of MHHL's interest in MHA LLP.

The liabilities of MHA LLP to each of the MHA Partners in respect of all amounts standing to the credit of their capital accounts and current accounts transfer to MHA Advisory under the terms of this agreement.

In this Business Transfer Agreement, the Partners will be subject (pursuant to the deed of adherence described at paragraph 16.20 of Part V of this document) to clawback and forfeiture arrangements whereby if a Partner becomes a leaver (otherwise than as a "good leaver") during the five-year period following Admission, he or she will forfeit all or part of his or her Ordinary Shares either (i) to the trustee of the EBT, subject to the trustee of the EBT first agreeing to the Company's prior written request that the trustee of the EBT acquires

such Ordinary Shares, or (ii) in such manner as the Company shall otherwise require, as follows:

Date on which he or she becomes a leaver	% forfeited
Before the first anniversary of Admission	100%
Between the first and second anniversaries of Admission	90%
Between the second and third anniversaries of Admission	80%
Between the third and fourth anniversaries of Admission	70%
Between the fourth and fifth anniversaries of Admission	60%

As this is an intra-group transfer, the agreement contains limited warranties given by MHA LLP as to title and capacity only. The agreement will contain the following uncapped indemnities:

- an indemnity given by MHA Audit Services in favour of MHA LLP for all losses suffered by MHA LLP where MHA Audit Services fails to perform or satisfy the liabilities it has assumed;
- mutual indemnities between MHA LLP and MHA Advisory for all losses suffered as a result of not complying with the obligations under Regulations 11 and 13 of TUPE in relation to transferring employees; and
- an indemnity given by MHA Advisory to MHA LLP in respect of all losses suffered by MHA LLP arising out of or in connection with the employment of the transferring employees.

16.14. MHA Partner MHA Advisory Loan Note Instrument

MHA Advisory will enter into the MHA Partner MHA Advisory Loan Note Instrument after the date of this document but prior to Admission in connection with the Business Transfer Agreement (described at paragraph 16.13 of Part V of this document). The MHA Partner MHA Advisory Loan Note Instrument contains the terms of the MHA Partner Loan Notes issued to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust). As directed by MHA LLP, these loan notes will be issued in consideration for the acquisition by MHA Advisory of the total trade and assets of MHA LLP pursuant to the Business Transfer Agreement.

The MHA Partner Loan Notes to be issued pursuant to the MHA Partner MHA Advisory Loan Note Instrument are unsecured loan notes the repayment of which is subject to Admission. If Admission occurs prior to the longstop date for Admission, being four months following the date of this instrument, then the total principal amount of the loan notes will be redeemed. If Admission does not occur prior to the longstop date for Admission then (i) the holders of these MHA Partner Loan Notes will be paid the tax liability which was agreed as due to each of them, and (ii) the total remaining principal amount of the loan notes payable would be due within an agreed period by way of redemption discount following retirement of the relevant holder of the MHA Partner Loan Notes.

The MHA Partner MHA Advisory Loan Note Instrument includes standard terms for a loan note including acceleration for typical events of default and provisions as to registration, transfer and meetings of noteholders.

16.15. Put and Call Option over the MHA Partner Loan Notes issued pursuant to the MHA Partner MHA Advisory Loan Note Instrument

MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) and the Company will be parties to this put and call option agreement to be entered into after the date of this document but prior to Admission. Pursuant to the terms of the agreement, (i) MHT will grant an option to require the Company to purchase (pursuant to the securities exchange agreement described at paragraph 16.16 of Part V of this document) in aggregate the £42.59 million MHA Partner Loan Notes issued to it pursuant to the MHA Partner MHA Advisory Loan Note Instrument (described at paragraph 16.14 of Part V of this document) in return for the Company issuing in aggregate £42.59 million MHA Partner Loan Notes pursuant to the MHA Partner Company Loan Note Instrument (described at

paragraph 16.17 of Part V of this document), and (ii) the Company will grant an option to purchase (pursuant to the securities exchange agreement described at paragraph 16.16 of Part V of this document) in aggregate the £42.59 million MHA Partner Loan Notes issued pursuant to the MHA Partner MHA Advisory Loan Note Instrument (described at paragraph 16.14 of Part V of this document) in return for the Company issuing in aggregate £42.59 million MHA Partner Loan Notes pursuant to the MHA Partner Company Loan Note Instrument (described at paragraph 16.17 of Part V of this document).

The agreement includes standard terms for a put and call option including fundamental title and capacity warranties given by MHT in respect of the loan notes issued to it by MHA Advisory.

16.16. Securities Exchange Agreements

MHHL to MHA Advisory

The securities exchange agreement entered into between MHA Advisory and MHT (as trustee on behalf of the beneficiaries of the Retiree Capital Partner Loan Notes Trust) is dated 9 April 2025. Pursuant to the agreement and, conditional on exercise of the put and call option agreement described at paragraph 16.8 of Part V of this document, MHT transferred £34.21 million Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHHL Loan Note Instrument described at paragraph 16.7 of Part V of this document, to MHA Advisory. This transfer was in exchange for the issue to MHT, conditional on exercise of the put and call option agreement described at paragraph 16.8 of Part V of this document, of £34.21 million Retiree Capital Partner Loan Notes pursuant to the Retiree MHA Advisory Loan Note Instrument described at paragraph 16.9 of Part V of this document.

This securities exchange agreement contains customary warranties given by MHT in favour of MHA Advisory as to title and capacity in relation to the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHHL Loan Note Instrument described at paragraph 16.7 of Part V of this document. MHA Advisory gave customary warranties in favour of MHT as to capacity to issue the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument described at paragraph 16.9 of Part V of this document and that such Retiree Capital Partner Loan Notes will be issued with full title guarantee.

MHA Advisory to the Company

The securities exchange agreement will be entered into between the Company and MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) and MHT (as trustee on behalf of the beneficiaries of the Retiree Capital Partner Loan Notes Trust) after the date of this document but prior to Admission. Pursuant to the agreement, MHT will transfer to the Company 147,199,985 ordinary shares in MHA Advisory and, conditional on exercise of the put and call option agreement described at paragraph 16.15 of Part V of this document, £42.59 million MHA Partner Loan Notes issued pursuant to the MHA Partner MHA Advisory Loan Note Instrument and, conditional on the exercise of the put and call option agreement described at paragraph 16.18 of Part V of this document, £34.21 million Retiree Capital Partner Loan Notes will be issued pursuant to the Retiree MHA Advisory Loan Note Instrument described at paragraph 16.9 of Part V of this document. This transfer will be in exchange for the issue and allotment by the Company to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust) of 142,199,983 ordinary shares and the issue, conditional on exercise of the put and call option agreement described at paragraph 16.15 of Part V of this document, of £42.59 million MHA Partner Loan Notes pursuant to the MHA Partner Company Loan Note Instrument and the issue to MHT (as trustee on behalf of the beneficiaries of the Retiree Capital Partner Loan Notes Trust), conditional on exercise of the put and call option agreement described at paragraph 16.18 of Part V of this document, of £34.21 million Retiree Capital Partner Loan Notes pursuant to the Retiree Company Loan Note Instrument described at paragraph 16.19 of Part V of this document.

In this agreement the Partners are subject (pursuant to the deed of adherence described at paragraph 16.20 of Part V of this document) to clawback and forfeiture arrangements with the Company whereby if a Partner becomes a leaver (otherwise than as a “good leaver”) during the five-year period following Admission, he or she will, forfeit all or part of his or her

Ordinary Shares either (i) to the trustee of the EBT, subject to the trustee of the EBT first agreeing to the Company's prior written request that the trustee of the EBT acquires such Ordinary Shares, or (ii) in such manner as the Company shall otherwise require, as follows:

Date on which he or she becomes a leaver	% forfeited
Before the first anniversary of Admission	100%
Between the first and second anniversaries of Admission	90%
Between the second and third anniversaries of Admission	80%
Between the third and fourth anniversaries of Admission	70%
Between the fourth and fifth anniversaries of Admission	60%

The securities exchange agreement contains customary warranties given by MHT in favour of the Company as to title and capacity in relation to the ordinary shares in MHA Advisory, the MHA Partner Loan Notes issued pursuant to the MHA Partner MHA Advisory Loan Note Instrument and the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument. The Company will give customary warranties in favour of MHT as to the capacity of the Company to issue the ordinary shares in the Company and issue the MHA Partner Loan Notes pursuant to the MHA Partner Company Loan Note Instrument and issue the MHT Retiree Capital Partner Loan Notes pursuant to the Retiree Company Loan Note Instrument and that such loan notes and shares will be issued fully paid and with full title guarantee.

16.17. MHA Partner Company Loan Note Instrument

The Company will enter into the MHA Partner Company Loan Note Instrument after the date of this document but prior to Admission in connection with the securities exchange agreement described at paragraph 16.16 of Part V of this document. This instrument contains the terms of the MHA Partner Loan Notes issued pursuant to the MHA Partner Company Loan Note Instrument to MHT (as trustee on behalf of the beneficiaries of the MHHL 2022 Settlement Trust).

The MHA Partner Loan Notes issued pursuant to the MHA Partner Company Loan Note Instrument will be issued in consideration for the acquisition by the Company of securities in MHA Advisory from MHT pursuant to the securities exchange agreement described at paragraph 16.16 of Part V of this document. The MHA Partner Loan Notes to be issued pursuant to the MHA Partner Company Loan Note Instrument are fixed rate unsecured loan notes the repayment of which is subject to Admission. If Admission occurs prior to the longstop date for Admission, being four months following the date of this instrument, then the total principal amount of the loan notes will be redeemed. If Admission does not occur prior to the longstop date for Admission then (i) the holders of these MHA Partner Loan Notes will be paid the tax liability which was agreed as due to each of them, and (ii) the total remaining principal amount of the loan notes payable will be due within an agreed period by way of redemption discount following retirement of the relevant holder of the MHA Partner Loan Notes.

The MHA Partner Company Loan Note instrument will include standard terms for a loan note including acceleration for typical events of default, provisions as to registration, transfer and other typical matters and the provisions for meetings of noteholders.

16.18. Put and Call Option over Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument

This put and call option agreement will be entered into after the date of this document but prior to Admission between MHT (as trustee on behalf of the Retiree Capital Partners) and the Company. Under this agreement (i) the Retiree Capital Partners will be granted an option to require the Company to purchase the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument (described at paragraph 16.9 of Part V of this document) in return for the Company issuing Retiree Capital Partner Loan Notes for an aggregate amount of £34.21 million pursuant to the Retiree Company Loan Note Instrument (described at paragraph 16.19 of Part V of this document), and (ii) the Company will grant an option to purchase the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument (described at paragraph 16.9 of Part V of this

document) in return for the Company issuing Retiree Capital Partner Loan Notes for an aggregate amount of £34.21 million pursuant to the terms of the Retiree Company Loan Note Instrument (described at paragraph 16.19 of Part V of this document). This agreement will include standard terms for a put and call option including fundamental title and capacity warranties given by MHT (as trustee on behalf of the Retiree Capital Partners) in respect of the loan notes issued to it by MHA Advisory.

16.19. Retiree Company Loan Note Instrument

The Company will enter into the Retiree Company Loan Note Instrument after the date of this document but prior to Admission pursuant to the put and call option agreement described at paragraph 16.18 of Part V of this document. An aggregate amount of £34.21 million Retiree Loan Notes will be issued pursuant to the Retiree Capital Partner Company Loan Note Instrument in consideration for the Retiree Capital Partner Loan Notes issued pursuant to the Retiree MHA Advisory Loan Note Instrument (described at paragraph 16.9 of Part V of this document).

The Retiree Capital Partner Loan Notes issued pursuant to the Retiree Company Loan Note Instrument will be unsecured loan notes the repayment of which is subject to Admission. If Admission occurs prior to the longstop date for Admission, being four months following the date of this instrument, then the total principal amount of the loan notes will be redeemed and no interest will be payable. If Admission does not occur prior to the longstop date for Admission then (i) the Retiree Capital Partners will be paid the tax liability which was agreed as due in connection with the acquisition of their capital points, and (ii) the total principal amount of the loan notes payable to the Retiree Capital Partners will reduce by £2.38 million and be repaid as a redemption discount over periods ranging from 6 months to 5 years at varying amounts as dictated by the Retiree Capital Partners' original income point retirement date.

The Retiree Company Loan Note Instrument will include standard terms for a loan note including acceleration for typical events of default and provisions as to registration, transfer and meetings of noteholders.

16.20. Deed of Adherence to Clawback Provisions

The Company, the EBT and the MHA Partners that are beneficiaries of the MHHL 2022 Settlement Trust will be parties to a deed of adherence to be entered into after the date of this document but prior to Admission.

Pursuant to this agreement, the beneficiaries of the MHHL 2022 Settlement Trust will agree to adhere to the clawback provisions in the business transfer agreement described at paragraph 16.13 of this Part V and the securities exchange agreement described at paragraph 16.16 of this document.

16.21. MHA Audit Services LLP Services Agreement

The MHA Audit Services LLP services agreement will be entered into by the Company, the trustees of the MHA RI Control Co Trust, MHA Audit Holdings and MHA Audit Services after the date of this document but prior to Admission.

The purpose of this agreement is to regulate the relationship between the Company, MHA Audit Holdings and MHA Audit Services to ensure that MHA Audit Services maintains operational independence, continues to comply with its regulatory, statutory and compliance obligations and requirements, while aligning with the Company's group strategic objectives.

The MHA Audit Services LLP services agreement will set out the priority of governance principles applying to decision making in relation to MHA Audit Services where there is a conflict between the interests of the Company and MHA Audit Holdings. The agreement will include provisions to maintain the independence of MHA Audit Services' audit business, including:

- MHA Audit Holdings procuring that audit-qualified individuals retain all operational control of MHA Audit Services and its business;
- MHA Audit Services shall operate such banking facilities as are required to operate the audit business, separate from the wider Group;

- the Company shall not be involved in any audit-related matters, or the financial or accounting matters of MHA Audit Services; and
- restrictions upon the trustees of the MHA RI Control Co Trust and MHA Audit Holdings in relation to the ownership of the shares in MHA Audit Holdings.

The MHA Audit Services LLP services agreement will also provide that MHA Audit Services develop, maintain and administer policies to implement the objectives and strategies of the Company and MHA Audit Services as if the businesses were unified, and manage the audit business in accordance with Group policies and the QCA Code to the extent that they do not conflict with regulations applying to MHA Audit Services.

16.22. Partner Services Agreement

The partner services agreement between each of New LLP (as the “**supplier**”) and certain members of the Group including the Company, MHA Audit Services and MHA Advisory (each a “**recipient**”, together the “**recipients**”) is dated 10 April 2025.

The agreement provides for additional recipients to become a party to the agreement and for recipients to exit the agreement. The agreement sets out the terms and conditions on which the supplier provides services to the recipients, as well as the responsibilities and obligations of the supplier and the recipients, payment terms, how changes to scope of services, cost of services and other elements of the agreement are dealt with, conditions for termination and intellectual property rights.

In addition, the agreement requires New LLP to comply with and procure that the partners of New LLP will comply with all applicable laws to which the Company is bound, including but not limited to the AIM Rules, DTRs, MAR and the Share Dealing Code.

16.23 MHA Audit Services – Limited Liability Partnership Agreement

The limited liability partnership agreement of MHA Audit Services is dated 8 April 2025 and was entered into between the Company, MHA Audit Holdings and MHA Audit Services.

The purpose of the agreement is to set out the basis on which MHA Audit Services is to be organised and the rights and obligations of the members of MHA Audit Services. MHA Audit Services is the entity that holds and operates the audit function of the Group. The terms of the agreement are structured to maintain the independent function of MHA Audit Services within the Group in accordance with regulatory requirements.

The Company is referred to in the agreement as the “**Capital Member**” and, pursuant to the agreement, has the right to receive all of MHA Audit Services’ capital and profits. The terms of the agreement provide that the Company has control of the management board of MHA Audit Services subject to influence from MHA Audit Holdings (the “**Control Member**”) and the audit business’ Audit Quality Board. The agreement requires that the management board shall be comprised of the Head of Audit, the Audit Compliance Partner, the Head of Risk, the Ethics Partner and the Chief Operations Officer (London) (who must all be audit qualified individuals) subject to the relevant election process. Under the agreement, the Company has the power to appoint these members to the management board from a selection of candidates provided by the Control Member. The management board directs the relevant activities of MHA Audit Services that most significantly affect its profits.

The Control Member has voting control in respect of all matters not reserved for the management board. MHA Audit Holdings is controlled by a majority of partners that are auditors with “Responsible Individual” status. MHA Audit Holdings is not entitled to the capital or profits of MHA Audit Services under the agreement.

The agreement includes provisions regarding capital, profits and drawings. These provisions direct the maintenance, contribution, allocation and distribution of capital and profits by MHA Audit Services to the Company.

In addition to the above terms, the agreement also contains typical provisions for an agreement of this nature. For example, the agreement governs the nature of the business, its banking and accounting arrangements, property of MHA Audit Services, meetings and decision making, and the members’ duties and restrictions (including those of the designated members for ensuring compliance with applicable law).

16.24 **New LLP – Limited Liability Partnership Agreement**

The limited liability partnership agreement of New LLP will be entered into between New LLP and the initial members, being the designated members, income members and associate members of New LLP after the date of this document but prior to Admission. The purpose of the agreement is to set out the basis on which New LLP is to be organised and the rights and obligations of the members of the New LLP.

New LLP will have a management board which operates New LLP in the ordinary course of business. The members of the management board are to be determined by the Company. The approval of the Company will be required for certain material decisions relating to the operation of New LLP (e.g. a change in the nature of its business, admission or removal of members, changes to accounting policies, entry into material contracts or winding up).

The agreement will set out the terms governing decision making of the members. At a meeting each member shall have one vote, save that the “Main Designated Member” (the Company) shall have one more vote than the votes of all of the other members present at the meeting combined.

The designated members of New LLP will have responsibility for ensuring the compliance of New LLP with applicable legislation.

In addition to the above terms, the agreement will also contain typical provisions for an agreement of this nature. For example, the agreement will govern the nature of the business carried on by New LLP, its banking and accounting arrangements, intellectual property of New LLP, admission of new members, duties and restrictions of members, retirement, expulsion and the entitlements and obligations of outgoing members.

Other Material Contracts

16.25. **Acquisition of Gerald Thomas Chartered Accountants**

On 5 December 2022, an asset purchase agreement (the “**GT APA**”) was entered into between MHA LLP, as buyer, and Philip Williams, Bernard Garland, John Evans and Margaret Jones as sellers (the “**GT Partners**”), whereby MHA LLP acquired the chartered accountants’ business (together with the assets) in the name of Gerald Thomas Chartered Accountants (“**GTCA**”) effective as of 00.01 a.m. on 1 December 2022.

The GT APA contains customary warranties in favour of MHA LLP but the time limitation in respect of these was 1 December 2024 and therefore, has expired. Indemnities are given by MHA LLP to the GT Partners under the GT APA in respect of (i) professional indemnity insurance and for all liabilities in connection with this; and (ii) all assumed liabilities.

Under the GT APA, the purchase price paid by MHA LLP is £2,040,000 plus WIP and fixed assets.

The GT APA contains provisions giving MHA LLP discretion to satisfy any shortfall (i.e. where the combined total of the fee target period fees and the closing fee target work in progress, minus the opening fee target work in progress, is less than £4,200,000) (the “**Shortfall**”) by way of reduction to the deferred consideration and loans of certain GT Partners. The Buyer has the discretion to address any Shortfall by reducing the deferred consideration payable to the GT Partners by 50%, setting off 25% from any amount due to Philip Williams against his loan, and setting off 25% from any amount due to Bernard Garland against his loan. MHA LLP has no general right of set off or counterclaim in respect of any claim for breaches of warranties under the GT APA except MHA LLP has a right of set-off against the deferred consideration in respect of the GT Partners’ liability for claims for breaches of warranties.

16.26. **Acquisition of Watts Gregory LLP, WG Financial Solutions Limited and HUW J Edmund Limited**

On 7 July 2023, an asset purchase agreement (the “**WG & HJE APA**”) was entered into between MHA LLP, as buyer, and Watts Gregory LLP (“**WG**”), WG Financial Outsourcing Solutions Limited (“**WGFOS**”), HUW J Edmund Limited (“**HJE**”) (WG, WGFOS and HJE together, the “**WG Sellers**”), Hayley Bradfield (“**HB**”), Julia Mortimer (“**JM**”), Lindsay Hogg (“**LH**”) and Nicholas Morgan (“**NM**”) (the “**WG Guarantors**”) under which MHA LLP acquired

the chartered accountants businesses (together with the assets) of WG, WG FOS, and HJE effective as of 23:59 p.m. on 30 June 2023.

The WG & HJE APA contains customary warranties given by the WG Sellers on a several basis in favour of MHA LLP. The warranties cover matters including title to assets, compliance with laws, accounts, regulatory compliance, contracts, assets, property, environmental health and safety, employment, pensions, insurance, disputes and investigations, insolvency, and taxation.

Indemnities are given by MHA LLP to the WG Sellers under the WG & HJE APA in respect of debts, liabilities and obligations incurred by the businesses after 30 June 2023. MHA LLP has provided an indemnity to each of the WG Sellers in respect of all demands suffered by the WG Sellers in connection with any measures MHA LLP may consider taking on (including claims for constructive dismissal or pursuant to regulations 4(9) or 4(11) of TUPE, employees ceasing to be an employee of the MHA LLP and any failure of MHA LLP to comply with obligations under regulation 13(2) of TUPE. Under the WG & HJE APA, from 30 June 2023, MHA LLP is required to provide professional indemnity insurance for the acquired businesses as part of its own professional indemnity arrangements.

The WG Sellers have indemnified MHA LLP against any and all obligations, liabilities and demands and will perform any obligation in respect of the same prior to 30 June 2023. The WG Sellers have provided an indemnity to MHA LLP in respect of demands (including legal or professional fees and any excess payable in respect of any insurance claim ("**Insurance Claim**") arising from any act or omission by the WG Sellers in relation to the business contracts or services provided before 30 June 2023. The WG Sellers have also indemnified MHA LLP against any increase in premium payable as a result of there being an Insurance Claim.

Under the WG & HJE APA, the purchase price payable by MHA LLP is £1,775,000 comprising upfront and deferred consideration of which £350,000 is outstanding and payable on 1 October 2025 (i.e. 27 months and one business day following completion). There is a mutual right of set off for each party under the WG & HJE APA. Further, MHA LLP has a right of set-off against the deferred consideration in respect of LH's *pro rata* proportion any due amounts or estimated liabilities in respect of any breach of warranty claims.

Under the WG & HJE APA, there is a guarantee provided by the WG Guarantors to MHA LLP in respect of performance of the WG Sellers of all present and future obligations and liabilities when they become due or performable under the WG & HJE APA.

16.27. Acquisition of Meston Reid & Co

On 2 October 2023, an asset purchase agreement (the "**MR APA**") was entered into between MHA LLP, as buyer, and Michael Reid ("**MR**"), Mark Brown ("**MB**"), William Anderson ("**WA**"), Alan Stewart ("**AS**"), Martin Cheyne ("**MC**"), and the Firm of Meston Reid & Co (together being the "**MR Sellers**"), under which MHA LLP acquired the chartered accountants business (together with the assets) carried in the name of Meston Reid & Co effective as of 23:59 p.m. on 30 September 2023. The MR APA is governed by Scottish law.

The MR APA contains customary warranties given by the MR Sellers on a joint and several basis in favour of MHA LLP. The warranties cover matters including the title to assets, compliance with laws, accounts, contracts, assets, environmental health and safety, employment, pensions, insurance, disputes and investigations, insolvency, and taxation.

Under the MR APA, MHA LLP indemnifies the MR Sellers against payment of accruals (i.e. expenses incurred by the MR Sellers which were not invoiced as of 30 September 2023) and the indemnity is uncapped. MHA LLP has also provided an uncapped indemnity to each of the MR Sellers in respect of all demands suffered by the MR Sellers in connection with any measures MHA LLP may consider taking on (including claims for constructive dismissal or pursuant to regulations 4(9) or 4(11) of TUPE), termination of employees' employment by MHA LLP and any failure of MHA LLP to comply with obligations under regulation 13(2) of TUPE. MHA LLP is required to provide professional indemnity insurance for the acquired businesses as part of its own professional indemnity arrangements.

The MR Sellers have indemnified MHA LLP, amongst other things, against any and all obligations, liabilities and demands arising from the business or assets and will perform any

obligation to the extent the aforementioned obligations, liabilities, demands arise from anything done or omitted to be done by the MR Sellers in respect of the business or assets prior to 30 September 2023.

Under the MR APA, the purchase price payable by MHA LLP is £938,500 comprising upfront goodwill cash consideration of £200,000 and goodwill equity consideration. There is a mutual right of set off for each party under the MR APA. There is £738,000 of consideration outstanding and payable by MHA LLP on the retirement of MB, WA and MC with one-third due to the relevant individual on retirement, one-third 12 months after retirement and one-third 24 months after retirement.

16.28. Acquisition of Geoghegans

On 31 January 2024, an asset purchase agreement (the “**Geoghegans APA**”) was entered into between MHA LLP, as buyer, and Euan Fernie (“**EF**”), Iain Fraser Binnie (“**FB**”), Lachlan Fernie (“**LF**”), Paul Marshall (“**PM**”), (EF, FB, LF and PM, together, the “**Geoghegans Guarantors**”) The firm of Geoghegans (the “**Firm**”), Geoghegans Accountancy Limited (“**GAL**”), and Geoghegans Outsourcing Limited (“**GOL**”) (altogether the “**Geoghegans Sellers**”) under which MHA LLP acquired the chartered accountants businesses (together with the assets) of the Firm, GAL and GOL effective as of 23:59 p.m. on 31 January 2024. The Geoghegans APA is governed by Scottish law.

The Geoghegans APA contains customary warranties given by the Geoghegans Sellers on a joint and several basis in favour of MHA LLP. The warranties cover matters including the title to assets, compliance with laws, accounts, contracts, assets, environmental health and safety, employment, pensions, insurance, disputes and investigations, insolvency, and taxation.

Under the Geoghegans APA, MHA LLP indemnifies the Geoghegans Sellers, amongst other things, against payment of accruals (i.e. expenses incurred by the Geoghegans Sellers which were not invoiced as of 31 January 2024). MHA LLP has provided an uncapped indemnity to each of the Geoghegans Sellers in respect of all demands suffered by the Geoghegans Sellers in connection with any measures MHA LLP may consider taking on including claims for constructive dismissal or pursuant to regulations 4(9) or 4(11) of TUPE, termination of employees employment by MHA LLP and any failure of MHA LLP to comply with obligations under regulation 13(2) of TUPE.

The Geoghegans Sellers indemnified MHA LLP, amongst other things, against all demands arising from or in connection with: the business or assets (including in relation to the business contracts and termination thereof and in respect of any claim made against it by the landlord of the St Colme Street property in relation to dilapidations or other costs or liabilities) prior to 31 January 2024 and in respect of demands (including legal or professional fees) and any excess payable in respect of any insurance claim arising from any act or omission by the Geoghegans Sellers in relation to services rendered by the acquired business before 31 January 2024 with such indemnity lasting until 31 January 2026.

Under the Geoghegans APA, the purchase price payable by MHA LLP is £5,000,000 comprising, *inter alia* upfront cash consideration of £2,600,000 and deferred consideration of which one cash payment of £1,200,000 remains outstanding and to be paid to the Geoghegans Sellers on 1 May 2026. Further, MHA LLP has a right of set-off against the deferred consideration of any due amounts or estimated liabilities in respect of any breach of warranty claims. There is a mutual right of set off for each party under the Geoghegans APA.

Under the Geoghegans APA, there is a guarantee provided by the Geoghegans Guarantors to MHA LLP in respect of performance of the Geoghegans Sellers of all present and future obligations and liabilities (“**Geoghegans Guaranteed Obligations**”) when they become due or performable under the Geoghegans APA. Additionally, as a separate and independent obligation and liability, the Geoghegans Guarantors indemnify MHA LLP against any losses, costs, claims, liabilities, damages, demands and expenses arising in relation to the Geoghegans Sellers’ failure to perform or discharge any of the Geoghegans Guaranteed Obligations. The Geoghegans Guarantor’s aggregate liability in respect of the guarantee and indemnity given under the Geoghegans APA is the purchase price actually received by the Geoghegans Sellers.

16.29. Acquisition of Moore and Smalley LLP

On 3 April 2024, a merger agreement was entered into between MHA LLP, MacIntyre Hudson Corporate Finance Limited (“**MHCFL**”), and Moore and Smalley LLP (“**MSL**”), under which MHA LLP acquired the chartered accountants business (excluding the personal financial planning and wealth management business), and MHCFL acquired the corporate finance business of MSL (altogether being the “**M&S Agreement**”) effective as of 00:01 on 1 April 2024.

The M&S Agreement contains customary warranties given by MSL in favour of MHA LLP. The warranties cover matters including title to assets, compliance with laws, contracts, employment, pensions, insurance, disputes and investigations and insolvency. MHA LLP also gives standard warranties in favour of MSL in respect of matters including compliance with laws, disputes and investigations and insolvency.

Under the M&S Agreement, the consideration payable by MHA LLP of £6.003 million includes the allocation of Income Points and Capital Points to various partners of MSL. Under the M&S Agreement, there is a post-completion obligation that MHA LLP must distribute available profits of MSL for the period up to and including the transfer date (i.e. 1 April 2024) on 31 May 2024 and 31 August 2024 to Andrew Feeke and Graham Gordon.

16.30. Acquisition of Roberts Nathan Financial Services Designated Activity Company

On 28 May 2024, a share purchase agreement (the “**Roberts Nathan SPA**”) was entered into between MacIntyre Hudson Ireland Limited (“**MHIL**”) as buyer, MHA LLP, Vivian Nathan (“**VN**”), Peter Roberts (“**PR**”) and Brendan Kean (“**BK**”) (VN, PR and BK, together, the “**Roberts Nathan Sellers**”) under which MHIL acquired 800 ordinary shares of €1.00 each in the share capital of Roberts Nathan Financial Services Designated Activity Company (“**RN DAC**”), being 80% of the entire issued share capital. Completion of the acquisition of RN DAC occurred on 13 September 2024. MHA LLP is party to the Roberts Nathan SPA for the purposes of providing the purchase price and benefiting from certain warranties and assurances contained in the agreement.

The Roberts Nathan SPA contains customary warranties given by the Roberts Nathan Sellers on a several basis in favour of MHIL and MHA LLP. The warranties cover matters including the accuracy of information, title to shares, compliance with laws, accounts, contracts, assets, employment, pensions, insurance, disputes and investigations, property, environment and health and safety, insolvency, and taxation. The time limitation in respect of claims for any breach of warranties is two years from the completion date for general warranties and five years for tax warranties (therefore, 13 September 2026 and 13 September 2029, respectively).

Under the Roberts Nathan SPA, the consideration payable by MHA LLP of £1.968 million included a completion cash sum of EUR 25,000 and two Capital Points in MHA LLP (one issued to VN and one issued to BK). Further, MHA LLP has a right of set-off against the consideration for any due amounts or estimated liabilities in respect of any breach of warranty claims, indemnity claims or claims under the tax deed. MHA LLP also reserves the right to reduce the amount of the purchase price for each and any claim, indemnity claim or claim under the tax deed.

16.31 Acquisition of audit and chartered accountants business of Roberts Nathan LP

On 28 May 2024, an asset purchase agreement was entered into between (1) Baker Tilly Ireland Audit Limited, (2) Baker Tilly Ireland LP, (3) MHA LLP, and (4) the Roberts Nathan Sellers (the “**RN APA**”). Pursuant to which Baker Tilly Ireland Audit Limited, acquired the audit business and Baker Tilly Ireland LP acquired the chartered accountants business together with all consultancy, accountancy and tax advisory work from the Roberts Nathan Sellers, with an effective date of 1 July 2024.

The RN APA contains customary warranties given by the Roberts Nathan Sellers in favour of MHA LLP, Baker Tilly Ireland Audit Limited and Baker Tilly Ireland LP. The warranties cover matters including title to assets, compliance with laws, contracts, employees and agents, pensions, insurance, litigation, and insolvency.

Under the RN APA, the consideration payable by MHA LLP included, *inter alia*, the allocation of Income Points and Capital Points to VN and BK and a cash payment of EUR 1,417,500

on completion. There is a deferred consideration sum of approximately (approximate due to EUR to GBP exchange rate) £532,894 due with approximately £266,447 (EUR 303,750) due on 2 July 2025 and £266,447 (EUR 303,750) due on 2 July 2026. Part of the consideration is also payable for work in progress at the completion date which is invoiced during the WIP period (which is the period of 9 months following 1 July 2024). MHA LLP are obliged to prepare statements (1) within one month of 1 July 2024, and (2) 3 monthly thereafter for the duration of the WIP Period, detailing the amounts invoiced by and paid to Baker Tilly Ireland LP and Baker Tilly Ireland Audit Limited in relation to work in progress for each of the preceding 3 month periods. In addition, if there is deemed to be a 'Shortfall' (as defined in the RN APA) at the end of the Fee Target Period (being the period of two years from 1 July 2024), there shall be an adjustment to the consideration payable.

16.32. Acquisition of 51% of issued share capital of Caves Investment Management Limited

On 4 October 2021, a share purchase agreement (the "**Caves SPA**") was entered into between MHA Wealth Management Holdings Limited ("**MHA Wealth**"), as buyer, and Peter Brydon, Simon Harvey and Andrew Cockerill, as sellers ("**Caves Shareholders**"), whereby MHA Wealth acquired an aggregate amount of 36,932 ordinary A shares of £1.00 each in the capital of MHA Caves Investment Management Limited ("**Caves Investment**") (being 51% of the total share capital of Caves Investment). Completion under the Caves SPA occurred on 31 March 2022.

The Caves SPA contains customary warranties in favour of MHA Wealth. There is provision for MHA Wealth to set off any amounts due against such claims under the Caves SPA.

The Caves SPA also contains customary indemnities in favour of MHA Wealth. The aggregate liability for the Caves Shareholders in respect of these indemnities is £1,000,000 and the liability for these indemnities is due to expire on 4 October 2025. The liability for these indemnities had a staggered approach and in the first 24 months following completion (ending on 31 March 2024) the aggregate liability was £2,600,000, in the following 12 months (ending on 31 March 2025) the aggregate liability was £1,300,000 and in the final 12 month period (ending on 31 March 2026) the aggregate liability is £1,000,000.

Under the Caves SPA, the purchase price payable by MHA Wealth is £3,871,518 comprising cash consideration payable to the Caves Shareholders.

16.33. Acquisition of 49% of issued share capital of Caves Investment Management Limited

On 31 March 2022, a put and call option agreement was entered into between MHA Wealth and the Caves Shareholders, amended by a deed of variation dated 17 October 2024 (altogether being the "**Caves PCO Agreement**"), whereby MHA Wealth exercised their call option in Caves Investment and acquired 35,484 ordinary B shares of £1.00 each in the capital of Caves Investment (being the remaining 49% of the total share capital of Caves Investment).

In accordance with the Caves PCO Agreement, MHA Wealth granted to the Caves Shareholders, an option to purchase all of the shares held by a Caves Shareholder (the "**Caves Option Shares**") and the Caves Shareholders granted MHA Wealth an option to purchase all of the Caves Option Shares (the "**Caves Call Option**") The Caves Call Option period commenced on 17 October 2024 and ended five business days thereafter. The Caves Call Option was exercised by MHA Wealth on 17 October 2024.

Under the Caves PCO Agreement, the purchase price payable by MHA Wealth is £4,277,688 comprising cash consideration payable to the Caves Shareholders.

16.34. Debentures granted by MacIntyre Hudson Corporate Finance Limited, MacIntyre Hudson Holdings Limited, MHA LLP and MacIntyre Hudson Limited in favour of Lloyds

On 6 February 2012, MacIntyre Hudson Corporate Finance Limited, MHHL, MHA LLP and MacIntyre Hudson Limited each granted a debenture in favour of Lloyds to secure all money and liabilities it owes to Lloyds Bank plc ("**Lloyds**") from time to time under any facility agreement or other financial arrangement that it has with Lloyds. The debentures create fixed and floating charges over all of each company's assets and include non-disposal language so that each company cannot dispose of its assets without consent from Lloyds and a negative

pledge so that each company cannot create or permit to subsist any other security over its assets without consent from Lloyds.

16.35. Lloyds Bank plc Guarantee

On 16 February 2012, MacIntyre Hudson Limited, MacIntyre Hudson Corporate Finance Limited, Blackfriars Tax Solutions LLP and MHA LLP (as guarantors) entered into an omnibus guarantee and set-off agreement with Lloyds (the “**Lloyds Guarantee**”). On 12 February 2021, MHA Tax Safe Limited, MHA Financial Solutions Limited and MHA MacIntyre Consulting Limited acceded to the Lloyds Guarantee (as additional guarantors) pursuant to a deed of accession.

Under the Lloyds Guarantee, each guarantor guarantees the payment of all monies and liabilities owed to Lloyds by it and each other guarantor from time to time under any financial arrangement it has with Lloyds now or in the future and the guarantors must make payment to Lloyds as soon as it makes a demand.

The Lloyds Guarantee also includes a charge over the credit balances of each guarantor's bank account that it holds with Lloyds, a negative pledge so that each guarantor cannot create or permit to subsist any other security over its credit balance without consent from Lloyds and set-off provisions so that Lloyds can, without notice to the guarantors, combine or consolidate any of the bank accounts of each guarantor held with Lloyds with any of the outstanding amounts owed to Lloyds and set-off or transfer any credit balance towards satisfying the liabilities owed to it.

Lloyds have provided their consent to the Reorganisation for the purposes of the Lloyds Guarantee, but solely on the proviso that a new omnibus guarantee and set-off agreement is entered into by each of Macintyre Hudson LLP, MHA PLC, MHA Advisory Limited, MHA Audit Services LLP, MHA Member LLP and Macintyre Hudson Holdings Ltd in favour of Lloyds (the “**New OGSA**”). The New OGSA replaces the Lloyds Guarantee. The Lloyds Guarantee will be released post completion of the Reorganisation and the group position in relation to the existing debentures described at 16.34 above shall be reconciled with the new group structure.

16.36. Barclays Loan Facility

There is a sterling term loan facility agreement in place between MHA LLP and Barclays Bank PLC (“**Barclays**”) dated 4 April 2024 (“**Barclays Facility Agreement**”) whereby Barclays made a £1,504,690 loan available to MHA LLP. The loan is to be utilised for the general corporate purposes of MHA LLP and is for a term of 5 years, whereby the loan is repayable on 59 monthly instalments of £12,539.08, with a final lump sum payment being due on the fifth anniversary to repay the loan in full on 4 April 2029. As of 11 March 2025, the total amount outstanding under the Barclays Facility Agreement was £1,058,216.43. A change of control of the MHA LLP triggers an event of default under the Barclays Facility Agreement. Therefore, on Admission, Barclays can demand immediate repayment of any amounts outstanding (together with any interest and costs) in full and terminate the Barclays Facility Agreement. Barclays have been put on notice of the Reorganisation and Admission and have provided their consent to the change of control pursuant to a letter of consent dated 16 March 2025 and subsequent email exchanges between Barclays and MHA.

16.37. Placing Agreement

On 10 April 2025, the Company, the Directors, Cavendish and Beech Hill entered into the Placing Agreement, pursuant to which each of Cavendish and Beech Hill agreed, subject to certain conditions, to act as agents for the Company and to use reasonable endeavours to procure placees to subscribe for the Placing Shares at the Placing Price and to otherwise give such assistance to the Company as it may reasonably require in connection with the Placing and Admission. The Placing Agreement is subject to certain conditions as are customary in an agreement of this nature including, *inter alia*, Admission occurring on or before 8.00 a.m. on 15 April 2025 (or such later date as the Company and Cavendish may agree, not being later than 29 April 2025).

Under the Placing Agreement, the Company and the Directors have given each of Cavendish and Beech Hill certain customary warranties and undertakings regarding, *inter alia*, the

accuracy of the information contained in this document and the Group's business and assets. In addition, the Company has given each of Cavendish and Beech Hill certain indemnities.

The Placing Agreement may be terminated prior to Admission by Cavendish in certain limited circumstances, including where the warranties and undertakings are not true and accurate or have become misleading, or where a force majeure event or a material adverse change in the Group's business, financial condition or prospects has arisen. If the Placing Agreement is terminated in accordance with its terms, the Placing will not proceed and no Placing Shares will be issued under the Placing. The Placing Agreement is governed by English law and is subject to the exclusive jurisdiction of the English courts.

Under the Placing Agreement and subject to it becoming unconditional, the Company has agreed to pay to Cavendish a corporate finance fee and a placing commission on the gross proceeds of the Fundraising payable to the Company. The Company has agreed to pay to Beech Hill, a placing commission on the gross proceeds of the US Placing payable to the Company.

Pursuant to the Placing Agreement, the Company has agreed to issue to Cavendish warrants to subscribe for such number of Ordinary Shares as represent 0.5 per cent of the further enlarged share capital upon Admission (comprising the Enlarged Share Capital and the final number of Retail Offer Shares) (the "**Warrants**"). The Warrants will be issued pursuant to a warrant instrument to be executed immediately prior to Admission and will be exercisable at a subscription price being a 15 per cent. premium to the Placing Price per Ordinary Share and capable of exercise from the date of Admission until the fifth anniversary thereof and will be exercisable in whole or in part. The applicable subscription price may be adjusted in the event that changes are made to the Ordinary Shares (including any sub-division or consolidation of the Ordinary Shares).

The Company has also agreed to pay the reasonable costs, charges, fees and expenses incurred by Cavendish and Beech Hill in connection with the Placing and Admission.

16.38. Lock-in Deed

On 10 April 2025, each of the Partners, the Company and Cavendish entered into a lock-in deed pursuant to which the Partners agreed that, subject to certain customary exceptions, they will not (and will procure that their associates shall not) transfer or dispose of or grant options or other rights (including without limitation mortgaging, pledging, charging, lending, assigning, transferring, issuing or granting options) directly or indirectly over any interest in any Ordinary Shares they hold immediately prior to Admission:

- A. during the initial period of 24 months from the date of Admission, without the prior written consent of the Company and Cavendish (which consent may be refused, provided or provided subject to such conditions as Cavendish may determine in its absolute discretion); and
- B. during the subsequent period of 24 months starting from the date being 24 months after the date of Admission, without the prior written consent of the Company and Cavendish (where such consent shall be granted in circumstances where Cavendish has previously identified *bona fide* prospective buyer(s) for those Ordinary Shares).

These restrictions are subject to certain customary exceptions including transfers by the personal representatives following the death of a Shareholder, provided that the proposed transferee, prior to any transfer, executes an undertaking in similar terms to the lock-in deed.

The lock-in arrangements are intended to preserve an orderly market in the Ordinary Shares after Admission. Further details of these arrangements are set out in paragraph 17 of Part I of this document.

16.39. Cavendish Nominated Adviser and Broker Engagement Letter

The Company and Cavendish have entered into a nominated adviser and broker engagement letter dated 10 April 2025, pursuant to which, and conditional upon Admission, the Company has appointed Cavendish to act as its nominated adviser and broker for the purposes of the AIM Rules. The Company has agreed to pay Cavendish an annual advisory fee for its services as nominated adviser and broker under such agreement, payable quarterly in advance from the date of Admission.

16.40. Registrar Agreement

A registrar agreement dated 10 April 2025 between the Company and the Registrar pursuant to which the Registrar will provide services connected with the maintenance of the Company's register on and from Admission in return for the payment of certain fees as specified in the agreement. The agreement, which is governed by English law, has an initial term of 3 years. After the initial term of 3 years, the registrar agreement automatically renews for 12 month periods unless terminated by either party in accordance with the terms of the agreement.

16.41. Placing Agency Engagement Agreement

On 16 January 2025, a placing agency engagement agreement (the "**US Placing Agency Agreement**") was entered into between Beech Hill and Cavendish (together being the "**Agents**") and MHA LLP in connection with the US Placing. Pursuant to the terms of the US Placing Agency Agreement, the Agents are engaged to serve as private placement agents in respect of the US Placing on a reasonable best-efforts basis. This agreement is governed by the laws of the State of New York.

There are certain representations, warranties and covenants that MHA LLP has provided to the Agents and there are certain representations, warranties and covenants that the Agents have provided to MHA LLP. Additionally, MHA LLP has provided a customary indemnity to the Agents and each of their respective affiliates, controlling persons, directors, officers, members, shareholders, agents and employees. Any liability of either Agent is limited to the compensation paid to the Agent under the US Placing Agency Agreement.

Under the terms of the US Placing Agency Agreement, the Company has agreed to pay to Beech Hill a placing commission on the proceeds of the US Placing payable to the Company.

16.42. Accession Agreements – between: (i) MHCA Limited and Baker Tilly International Limited; and (ii) MHA LLP and Baker Tilly International Limited

Under the terms of an accession agreement dated 7 October 2014, MHCA Limited (as the representative member of the network of independent accounting firms known as MHA) was admitted as an independent member of Baker Tilly International Limited (a private company limited by guarantee without share capital) ("**BT International**"). Under the terms of the accession agreement, MHCA Limited agrees to be bound by, and to procure that each member of its network complies with, the Bye-laws of BT International and to contribute such amount as may be required, not exceeding the sum of £1, to the assets of BT International in the event of BT International being wound up while MHCA Limited is a member or within one year after it ceases to be a member.

Under the terms of the accession agreement dated 7 October 2014, MHA LLP was also admitted as an independent member of BT International. Under the terms of the Accession Agreement, MHA LLP agrees to be bound by the Bye-laws of BT International and to contribute such amount as may be required, not exceeding the sum of £1, to the assets of BT International in the event of BT International being wound up while MHA LLP is a member or within one year after it ceases to be a member.

An annual membership fee is payable by the Group in relation to the BT International membership. This fee is not fixed and is payable in relation to MHA's share of head office costs with BT International. The previous fee payable was approximately £400,000.

16.43. Managed Services Agreement

MHA is party to a managed services agreement with 3Sixty IT Services ("**3Sixty**") ("**Managed Services Agreement**") dated 13 March 2025. This agreement is a replacement for an earlier agreement and provides service continuity. 3Sixty continue to manage MHA's hosted platform on Microsoft Azure (a fully cloud based infrastructure), this includes support for the Microsoft environment, end point management (such as laptops and desktops), sign on and firewall security. The Managed Services Agreement runs until at least March 2026 but will continue on an annual renewal basis unless either party provide at least 1 months' written notice to bring the agreement to an end on an anniversary of effective date. MHA do not have a specific contractual right to terminate for material breach or insolvency. If a termination by way of notice is provided 3Sixty provide a 3-month commitment to continue

service provision after termination, this is not a contractual right for other forms of termination.

The fees for the proposed services to be delivered pursuant to the Managed Services Agreement, can fluctuate according to use but are anticipated as approximately £110,000 (inclusive of VAT) per month and are invoiced by 3Sixty monthly. 3Sixty have a right to suspend services if payments are not made on time and to terminate if overdue payments are not made within 5 working days of notice of overdue payment.

3Sixty does not specifically warrant that:

- there will be uninterrupted or error-free operation or provision of the services; or
- that the services will detect every security or other vulnerability of the computer systems.

3Sixty's liability is limited in that it will not be liable to MHA or any third party for any special, indirect, incidental, punitive or consequential damages, whether based upon breach of warranty, breach of contract, negligence, strict tort or any other legal theory, arising out of the Managed Services Agreement and/or the services provided.

The aggregate liability to MHA for any damages, losses, fees, charges and expenses shall not exceed the fees paid by the for the six months period immediately prior to the first occurrence of the applicable damages, losses, fees, charges, expenses.

16.44. Director Indemnities

Each of the Directors have entered into agreements with the Company dated 9 April 2025 pursuant to which the Company has agreed to indemnify each Director to the fullest extent permitted by English law for any costs, charges, losses, damages and liabilities incurred by him or her in relation to anything done, or omitted to be done, by him or her in connection with the lawful exercise of his or her powers, duties and responsibilities as a Director.

16.45. Lombard Offer Letter

There is an offer letter provided by Lombard North Central PLC ("**Lombard**") addressed to MHA LLP which is dated 3 February 2025 relating to a technology finance facility to be made available by Rigby Capital Limited (as lender) ("**Rigby**") to MHA LLP in an amount of £1,500,000 (the "**Rigby Loan**"). The Rigby Loan is to be used for the rental of IT equipment which is also to be provided by Rigby. The term of the Rigby Loan is up to 60 months.

16.46 EBT Loan Agreement

MHA Advisory Ltd will enter into a loan agreement after the date of this document but prior to Admission with Fiduchi Trustees Limited as trustee of the EBT (Trustee) under which it has advanced a loan of £260,000 to the EBT. The EBT has used the funds to acquire Ordinary Shares to satisfy the share options described at paragraph 6.4 of Part V of this document. The loan will carry no interest, unless MHA Advisory Ltd gives notice to the Trustee that interest at a rate of 2 per cent. above the base rate of the Bank of England is applicable, or such other lower rate MHA Advisory Ltd may determine in writing and notify to the Trustee. The loan will be repayable on demand subject to the Trustee having sufficient net assets to do so.

17. RELATED PARTY TRANSACTIONS

Save as disclosed in relation to:

- (i) the related party transactions undertaken in connection with the Reorganisation set out in paragraph 3 of Part V of this document; and
- (ii) the related party transactions set out in:
 - i. Note 26 of the historical financial information of the Combined Group for the three years ended 31 March 2024 set out in Part IV of this document;
 - ii. Note 23 of the historical financial information of the Moore and Smalley Group for the three years ended 31 March 2024 set out in Part IV of this document; and

- iii. Note 11 of the unaudited interim financial information of the Combined Group for the six-month period ended 30 September 2024 set out in Part IV of this document,

there have been no related party transactions of the kind set out in the standards adopted according to the UK version of Regulation (EC) No 1606/2002 as it forms part of domestic law pursuant to the EUWA, that the Company or any other member of the Group has entered into during the three years ended 31 March 2024 and up to the date of this document.

18. EMPLOYEES

- 18.1. As at the date of this document and prior to Admission, the Group employs 1,815 permanent employees (including directors).
- 18.2. The following table shows the average number of permanent employees (including directors) employed by the Group at the end of each financial year ended 31 March 2022, 31 March 2023 and 31 March 2024:

Year	Average number of employees per month
31 March 2022	613
31 March 2023	778
31 March 2024	968

- 18.3. The average number of employees (including directors) employed by the Group during the period between 31 March 2024 and 30 September 2024 was 1,675 per month.
- 18.4. The following table shows the breakdown of the average number of permanent employees by location between 31 March 2024 and the date of this document:

Location	Average number of employees
United Kingdom	1,643 per month
Cayman Islands	3 per month
Republic of Ireland	57 per month

- 18.5. During the year ended 31 March 2024, the number of temporary workers engaged by the Group was 10 per week on average. The Group engaged on average 31 contractors per month.
- 18.6. It is anticipated that following Admission, the Group will retain its current employee levels and will look to increase the level of employees in line with the anticipated growth of the Group.

19. WORKING CAPITAL

The Directors are of the opinion that, having made due and careful enquiry, and taking into account the net proceeds of the Placing, the working capital available to the Company and the Group will be sufficient for its present requirements, that is for at least the next twelve months from the date of Admission.

20. SIGNIFICANT CHANGE

Save as disclosed in this document, there has been no significant change in the financial position or financial performance of the Group since 30 September 2024 being the date as at which the unaudited interim financial information contained in Part IV of this document has been prepared.

21. LITIGATION

Save as disclosed in this document, the Company nor any member of the Group is, or has been involved in any governmental, legal or arbitration proceedings during the last 12 months preceding the date of this document which may have, or have had in the recent past, a significant effect on

the Company or Group's financial position or profitability of the Company or Group nor, so far as the Company is aware, are any such proceedings pending or threatened.

22. OVERVIEW OF REGULATORY ENVIRONMENT

22.1. Regulatory Environment

The Group operates within a complex and multi-jurisdictional regulatory framework, ensuring compliance across audit, financial advisory, wealth management, and fiduciary services. As a professional services firm, adherence to evolving regulatory requirements is essential to maintaining its professional standing and client trust.

22.2. Key Regulatory Considerations

MHA LLP is registered for audit services with the Institute of Chartered Accountants in England and Wales (ICAEW) and for Public Interest Entity (PIE) audit services with the Financial Reporting Council (FRC). The Group's corporate finance and wealth management businesses are regulated by the Financial Conduct Authority (FCA). The Group also operates an Irish accountancy business governed by the Association of Chartered Certified Accountants (ACCA) for audit services and by the Irish Auditing & Accounting Supervisory Authority (IAASA) for PIE audit services, as well as a Cayman Islands-based entity regulated by the Cayman Islands Institute of Professional Accountants (CIPA). Additionally, MacIntyre Hudson LLP is registered with the Jersey Financial Services Commission (JFSC). Previously, the firm was registered with the Public Company Accounting Oversight Board (PCAOB) in the United States; however, this registration has since been cancelled.

The audit and assurance services provided by MHA LLP comply with the International Standards on Auditing (UK) and the FRC's Ethical Standard, ensuring high-quality assurance services and maintaining independence. Following the Reorganisation, the ownership of MHA Audit Services is structured in order to allow appropriate independence and control of the audit function within the Group by certain responsible individuals (RIs) in line with applicable regulatory requirements including without limitation the UK Audit Firm Governance Code.

The Group also adheres to audit and financial reporting requirements in Ireland and the Cayman Islands, in line with respective national and international frameworks.

All audit services are subject to regular inspections and regulatory reviews periodically.

The Group's corporate finance and wealth management businesses are subject to FCA regulations, including the Financial Services and Markets Act (FSMA) and the Conduct of Business Sourcebook. Compliance with client asset rules, suitability requirements, and market abuse regulations is essential to maintaining the Group's regulatory standing.

In compliance with the Money Laundering Regulations 2017, the Group maintains anti-money laundering policies, risk assessments, and client due diligence processes, overseen by the ICAEW. The Group's probate and estate administration services adhere to ICAEW's Legal Services Regulations and fiduciary laws, ensuring full legal and professional compliance. The Group also holds a Designated Professional Body (Investment Business) licence with ICAEW and is registered under the ICAEW Licensed Practice scheme for Air Travel Organiser's Licence (ATOL) reporting.

23. TAKEOVER CODE, MANDATORY BIDS, SQUEEZE-OUT AND SELL-OUT RULES AND NOTIFICATION OF MAJOR INTERESTS IN ORDINARY SHARES

23.1. Takeover Code

The Takeover Code is issued and administered by the Takeover Panel. As at the date of this document, the Company, as a public limited company, is subject to the Takeover Code and therefore its Shareholders will be entitled to the protections afforded by the Takeover Code.

23.2. Mandatory takeover bids

Under Rule 9 of the Takeover Code, any person who acquires an interest in Ordinary Shares which, taken together with Ordinary Shares in which that person or any person acting in concert with that person is interested, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code is normally required to make an offer to all the remaining shareholders to acquire their Ordinary Shares.

Similarly, when any person, together with persons acting in concert with that person, is interested in Ordinary Shares which in the aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold Ordinary Shares carrying more than 50 per cent. of the voting rights of the company, an offer will normally be required if any further interests in Ordinary Shares carrying voting rights are acquired by such person or any person acting in concert with that person.

An offer under Rule 9 must be made in cash at the highest price paid by the person required to make the offer, or any person acting in concert with such person, for any interest in Ordinary Shares of the Company during the 12 months prior to the announcement of the offer.

The Takeover Code defines persons “acting in concert” to comprise “persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate an offer for a company”. The Takeover Code defines “control” to mean “an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interest give *de facto* control”. “Voting rights” for these purposes means all the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting.

23.3. **Concert Party position and Rule 9 implications**

Under paragraph (10) of the definition of “acting in concert” in the Takeover Code, it is presumed (unless the contrary can be established) that a concert party arises in relation to members of a partnership who sell their shares in that company in consideration for the issue of new shares in a company to which the Takeover Code applies, or who, following the re-registration of that company as a public company in connection with an initial public offering or otherwise, become shareholders in a company to which the Takeover Code applies.

The Company has agreed with the Takeover Panel that all partners in MHA LLP who become shareholders of the Company on Admission are regarded as acting in concert with each other (the “**Concert Party**”) in relation to the Company for the purposes of paragraph (10) of the definition of “acting in concert” in the Takeover Code.

Immediately following Admission, the Concert Party will be interested (directly or indirectly) in approximately 54.7% (“**Concert Party Voting Rights Percentage**”) of the voting rights of the Company and given the Concert Party Voting Rights Percentage represents more than 50% of voting rights in the Company (for so long as they continue to be treated as acting in concert), the Concert Party may accordingly increase their aggregate interests in their shareholding without incurring any further obligation under Rule 9 of the Takeover Code to make a general offer, although individual members of the Concert Party or any sub-group of such concert party will not be able to increase their percentage interest in shares through or between a Rule 9 threshold (to or through 30 per cent. of the voting rights or any increase between (and including) 30 per cent but no more than 50% of the voting rights) without Takeover Panel consent. If the Takeover Panel consent is not obtained, the Concert Party will incur an obligation under Rule 9 of the Takeover Code to make a general offer for all the outstanding shares in the Company. **However, it should be noted that the Company intends to launch the Retail Offer following the publication of this document. Consequently, share numbers, proceeds, ownership percentages including the Concert Party Voting Rights Percentage and any other related statistics in this document are calculated without the impact of the Retail Offer which is expected to have a maximum dilutive effective of 2.18%. The results of the Retail Offer will be announced via a regulatory information service prior to Admission. Furthermore, the share numbers, proceeds, ownership percentages including the Concert Party Voting Rights Percentage and any other related statistics in this document are calculated without the impact of the Warrants issue described in paragraph 5.12 of this Part V.**

23.4. **Authority of the Company to redeem or purchase its own shares**

When a company redeems or purchases its own voting shares, under Rule 37 of the Takeover Code any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an

acquisition for the purpose of Rule 9 of the Takeover Code. Rule 37 of the Takeover Code provides that, subject to prior consultation, the Takeover Panel will normally waive any resulting obligation to make a general offer if there is a vote of independent shareholders and a procedure along the lines of that set out in Appendix 1 to the Takeover Code is followed. Appendix 1 to the Takeover Code sets out the procedure which should be followed in obtaining that consent of independent shareholders. Under Note 1 on Rule 37 of the Takeover Code, a person who comes to exceed the limits in Rule 9.1 in consequence of a company's purchase of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the Directors is such that the person is, or is presumed to be, concert parties with any of the Directors. However, there is no presumption that all the Directors (or any two or more directors) are concert parties solely by reason of a proposed purchase by a company of its own shares, or the decision to seek shareholders' authority for any such purchase.

Under Note 2 on Rule 37 of the Takeover Code, the exception in Note 1 on Rule 37 described above will not apply, and an obligation to make a mandatory offer may therefore be imposed, if a person (or any relevant member of a group of persons acting in concert) has acquired an interest in shares at a time when they had reason to believe that such a purchase of their own shares by the company would take place. Note 2 generally will not be relevant unless the relevant person knows that a purchase for which requisite shareholder authority exists is being, or is likely to be, implemented (whether in whole or in part).

The Takeover Panel must be consulted in advance in any case where Rule 9 of the Takeover Code might be relevant. This will include any case where a person or group of persons acting in concert is interested in shares carrying 30% or more but do not hold shares carrying more than 50% of the voting rights of a company, or may become interested in 30% or more on full implementation of the proposed purchase by the company of its own shares. In addition, the Takeover Panel should always be consulted if the aggregate interests in shares of the directors and any other persons acting in concert, or presumed to be acting in concert, with any of the directors amount to 30% or more, or may be increased to 30% or more on full implementation of the proposed purchase by the company of its own shares.

In the present circumstances, the exercise by the Company of its authority to purchase its own shares carrying voting rights referred to in paragraph 5.16.5 of this Part V will not give rise to an obligation under Rule 9 of the Takeover Code in relation to the Concert Party for so long as the Concert Party holds more than 50% of the voting rights of the Company. However, if following a sell-down of shares of the Company carrying voting rights or a dilutive share issue, the aggregate holding of the Concert Party falls below 50% and subsequently the Company exercises the authority to purchase its own shares carrying voting rights referred to in paragraph 5.16.5 of this Part V, such as to result in an increase in the percentage of shares of the Company carrying voting rights owned or controlled by the Concert Party through a Rule 9 threshold, then the effect of Rule 37.1 of the Takeover Code is that, unless agreed otherwise by the Takeover Panel and a waiver of Rule 9 of the Takeover Code is approved by a vote of the independent shareholders of the Company, a mandatory offer under Rule 9 of the Takeover Code would be required.

23.5. Compulsory acquisition – squeeze out

Under sections 974 to 991 of the Companies Act, if within certain time limits, an offeror acquires or contracts to acquire (pursuant to a takeover offer) not less than 90 per cent. of the shares (in value and by voting rights) to which such offer relates, it may then compulsorily acquire the outstanding shares not assented to the offer. The offeror would accept the compulsory acquisition by sending a notice to outstanding holders of shares telling them that it will compulsorily acquire their shares and then, six weeks from the date of the notice, it would execute a transfer of the outstanding shares in its favour and pay the consideration for the shares to the Company, which would hold the consideration on trust for the outstanding holders of shares. The consideration offered to the holders whose shares are compulsorily acquired under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

23.6. Compulsory acquisition – sell out

In addition, pursuant to section 983 of the Companies Act, if an offeror acquires or agrees to acquire not less than 90 per cent. of the shares (in value and by voting rights) to which the offer relates, any holder of shares to which the offer relates who has not accepted the offer may require the offeror to acquire his or her shares on the same terms as the takeover offer. Certain time limits apply to this entitlement. The offeror would be required to give any holder of shares notice of his right to be bought out within one month of that right arising. Sell-out rights cannot be exercised after the end of the period of three months from the last date on which the offer can be accepted or, if later, three months from the date on which the notice is served on the holder of shares notifying them of their sell-out rights. If a holder of shares exercises his/her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

As at the date of this document, the Company is not in receipt of, nor subject to, a takeover offer (as defined in section 974 of the Companies Act).

23.7. Notification of major interests in shares of the Company carrying voting rights

Chapter 5 of the DTRs makes provisions regarding notification of certain shareholdings and holdings of financial instruments. Where a person holds voting rights in the Company through direct or indirect holdings of financial instruments, then that person typically has an obligation to make a notification to the FCA and the Company of the percentage of voting rights held where that percentage reaches, exceeds or falls below 3 per cent. or any whole percentage figure above 3 per cent.

The requirement to notify also applies where a person is an indirect shareholder and can acquire, dispose of or exercise voting rights in certain cases.

Shareholders are encouraged to consider their notification and disclosure obligations carefully as a failure to make any required notification to the Company may result in disenfranchisement pursuant to the Articles (see paragraph 7.2.8 above for further information).

24. PROPERTY AND INTELLECTUAL PROPERTY

24.1. Property

The Group leases numerous premises for the day-to-day operation of the Group's business and the below table is representative of the material properties that the Group occupies. The Group occupies more properties than are listed below, but those properties that are not reported on below are deemed non-material for the purposes of this document.

Company	Property	Function	Tenure
MHA LLP	Internal only demise of 7 th Floor, Two London Wall Place, London EC2Y 7AU	Office use	Leasehold Lease expires 14 December 2030
MHA LLP	Internal only demise of 6 th Floor, Two London Wall Place, London EC2Y 7AU	Office use	Leasehold Lease expires 14 December 2030
MHA LLP	Internal only demise of 5 th Floor, Two London Wall Place, London EC2Y 7AU	Office use	Leasehold Lease expires 14 December 2030
MHA LLP	Internal only demise of Part 3 rd Floor, The Pinnacle, Midsummer Boulevard, Milton Keynes	Office use	Leasehold Lease expires 24 July 2034

The Group has underlet the whole of the 5th Floor and part of the 6th Floor at Two London Wall Place and the principal terms of the underleases are summarised in the table below. While these underleases subsist, the Group's obligations under the leases of the 5th and 6th Floors at Two London Wall Place are effectively the responsibility of the undertenant.

Company	Property	Function	Tenure
MHA LLP sub-let to BTVK Advisory	Internal only demise of the whole of the Group's interest in 5 th Floor, Two London Wall Place, London EC2Y 7AU	Office use	Leasehold Sublease expires 24 December 2025
MHA LLP sub-let to Baker Tilly International Limited	Internal only demise of part of the Group's interest in 6 th Floor, Two London Wall Place, London EC2Y 7AU	Office use	Leasehold Sublease expires 9 December 2030

24.2. Intellectual Property

24.2.1. Save as disclosed in this document, the Group is not dependent on any intellectual property rights or intellectual property licences, which have a material effect on the Company's business or profitability.

24.2.2. The Group's intellectual property consists of registered trade marks, trading names, confidential information and know-how. The registered trade marks owned by the Group are as follows:

24.2.2.1. MACINTYRE HUDSON (word) (UK00002389979); and

24.2.2.2.  MHA MacIntyre Hudson (UK00003228681).
Local excellence. National experience. Global expertise

24.2.3. The Group owns a number of domain names including, but not limited to, "macintyreHUDSON.com", "macintyreHUDSON.co.uk", "mhamacintyreHUDSON.com" and "mhamacintyreHUDSON.com".

25. TAXATION

25.1. Taxation in the United Kingdom

The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

25.2. Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), 10% or more, of the Ordinary Shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

25.3. Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals after 6 April 2024 will have a £500 annum dividend tax allowance.

Dividend receipts received after 6 April 2024 in excess of £500 will be taxed at 8.75% for basic rate taxpayers, 33.75% for higher rate taxpayers, and 39.35% for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received, but will not be entitled to claim relief in respect of any underlying tax.

25.4. Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

For disposals before 30 October 2024 the rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10% rising to 20% for higher rate and additional rate taxpayers. In the UK government Budget, delivered on 30 October 2024, it was announced that the rates of capital gains tax on the disposal of Ordinary Shares by basic rate taxpayers will rise to 18% and 24% for higher rate and additional rate taxpayers.

For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares, but will not create or increase an allowable loss.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 25% for profits in excess of £250,000, with profits below £50,000 to be taxed at 19%, and a marginal rate on profits between these values. The profit limits are reduced under certain circumstances, with close investment-holding companies not being entitled to the lower rate.

25.5. Further information for Shareholders subject to UK income tax and capital gains tax

“Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel *“tax advantages”* derived from certain prescribed *“transactions in securities”*.

25.6. Stamp Duty and Stamp Duty Reserve Tax

No stamp duty or stamp duty reserve tax will generally be payable on the issue of Ordinary Shares.

Neither UK stamp duty nor stamp duty reserve tax should arise on transfers of Ordinary Shares on AIM (including instruments transferring Ordinary Shares and agreements to transfer Ordinary Shares) based on the following assumptions:

- the Ordinary Shares are admitted to trading on AIM, but are not listed on any market (with the term “listed” being construed in accordance with section 99A of the Finance Act 1986), and this has been certified to Euroclear; and
- AIM continues to be accepted as a “recognised growth market” as construed in accordance with section 99A of the Finance Act 1986).

In the event that either of the above assumptions does not apply, stamp duty or stamp duty reserve tax may apply to transfers of Ordinary Shares in certain circumstances.

HMRC has accepted that it will no longer seek to impose the 1.5 per cent. charge in respect of new issues of shares so long as they are an integral part of a capital raising, on the basis that the charges were not compatible with EU law. On 14 September 2023 HMRC introduced draft legislation confirming that it will not reintroduce the 1.5 per cent. charge on the issue of shares into clearance following the UK's exit from the EU and the withdrawal of the appropriate EU legislation from 31 December 2023. This measure was enacted in Finance Act 2024 with the legislation effective from 1 January 2024.

Any transfer of Ordinary Shares for consideration prior to admission to trading on AIM is likely to be subject to stamp duty or SDRT.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO THEIR TAX POSITION OR WHERE THEY ARE RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT THEIR PROFESSIONAL ADVISER.

26. STATUTORY AUDITORS AND HISTORICAL FINANCIAL INFORMATION

- 26.1. The auditors of MHA LLP, MHHL and their respective subsidiaries, covered by the Historical Financial Information of the Combined Group in Part IV of this document were Hillier Hopkins LLP (registered in England and Wales with company number OC303707) in respect of the three years ended 31 March 2022, 31 March 2023 and 31 March 2024. Hillier Hopkins LLP of Radius House, 51 Clarendon Road, Watford, Herts, WD17 1HP is also a member of the Institute of Chartered Accountants in England and Wales.
- 26.2. The auditors of Moore and Smalley LLP and its subsidiaries, covered by the Historical Financial Information of Moore and Smalley in Part IV of this document were Mayes Business Partnership Limited (registered in England and Wales with company number 03962838) in respect of the three years ended 31 March 2022, 31 March 2023 and 31 March 2024. Mayes Business Partnership Limited of 22/28 Willow Street, Accrington, Lancashire, BB5 1LP is also regulated by the Association of Chartered Certified Accountants.
- 26.3. The historical financial statements for the Group as set out in Part IV of this document, 'Historical Financial Information of the Combined Group' Section B and 'Historical Financial Information of the Moore and Smalley Group' Section B have been audited.

27. CONSENTS

- 27.1. Cavendish Capital Markets Limited is registered in England and Wales under number 06198898 and its registered office is at 1 Bartholomew Close, London, EC1A 7BL, United Kingdom. Cavendish is authorised and regulated in the United Kingdom by the FCA. Cavendish has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they are included.
- 27.2. Crowe U.K LLP, a member of the Institute of Chartered Accountants in England and Wales, is registered in England and Wales under number OC307043 and its registered office is at 2nd Floor, 55 Ludgate Hill, London, EC4M 7JW, United Kingdom. Crowe U.K LLP has given and not withdrawn its written consent to the inclusion in this document of its reports set out in Part IV of this document in the form and context in which they appear and has authorised the contents of its reports for the purpose of Schedule Two of the AIM Rules.

27.3. Beech Hill is a New York corporation with principal offices at 880 3rd Avenue, 16th Floor, New York, NY 10022 USA. Beech Hill is registered and regulated as a broker-dealer in the United States by the U.S. Securities and Exchange Commission (registration number 8-41389). Beech Hill has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they are included.

28. EXPENSES

28.1. The net proceeds of the Placing receivable by the Company are expected to be approximately £12.6 million (after deduction of those expenses of the Fundraising and Admission which are payable by the Company and which are estimated at approximately £6.5 million, excluding VAT). Those expenses include (but are not limited to) accountancy fees, solicitors' fees, fees of the Company's nominated adviser and broker, other professional advisory fees and London Stock Exchange fees.

28.2. Save as disclosed in this document, no person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has received, directly or indirectly, within the 12 months preceding the date of application for Admission or entered into contractual arrangements to receive, directly or indirectly, from the Company on or after Admission:

28.2.1. fees totalling £10,000 or more;

28.2.2. its securities where these have a value of £10,000 or more calculated by reference to the Placing Price of the Ordinary Shares; or

28.2.3. any other benefit with a value of £10,000 or more at the date of Admission.

29. INVESTMENTS

Save as disclosed in this document:

29.1. there are no material investments in progress;

29.2. there are no material investments on which the Directors have already made firm commitments which are significant to the Group;

29.3. there have been no material investments made by the Company during the last three financial years preceding the date of this document and there are no principal future investments on which firm commitments have been made; and

29.4. there are no joint ventures or undertakings in which the Company holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

30. GENERAL

30.1. Other than the current application for Admission, the Ordinary Shares are not admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements for dealings in the Ordinary Shares.

30.2. The Directors are not aware of any other information that they reasonably consider necessary for the investors to form a full understanding of:

30.2.1. the assets and liabilities, financial position, profits and losses and prospects of the Company and the securities for which Admission is being sought;

30.2.2. the rights attached to those securities; and

30.2.3. any other matter contained in this document.

30.3. Save as disclosed in this document no dividends have been declared by the Company, in respect of the financial years covered by the reports in Part IV of this document.

30.4. There are no arrangements under which future dividends are waived or agreed to be waived.

30.5. The Ordinary Shares will only be traded on AIM.

- 30.6. The financial information relating to the Group contained in this document does not comprise statutory accounts for the purposes of section 434(3) of the Companies Act.
- 30.7. Save as disclosed in this document, there are no environmental issues that may affect the Group's utilisation of its tangible fixed assets.
- 30.8. None of the Directors perform any principal activities outside the Company that are significant with respect to the Company.
- 30.9. This document has not been approved by the FCA.
- 30.10. Save as disclosed in this document, there have been no significant recent trends in production, sales and inventory and costs and selling prices since 30 September 2024.
- 30.11. Save as disclosed in this document, there are no trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's prospects for at least the current financial year.
- 30.12. The Ordinary Shares being issued pursuant to the Fundraising have a nominal value of £0.01 each. The rights attaching to the Ordinary Shares being issued pursuant to the Fundraising will be uniform in all respects and they will form a single class for all purposes.
- 30.13. Adequate Directors' and officers' liability insurance has been put in place by the Company.
- 30.14. Save as disclosed in this document, the Directors are unaware of any exceptional factors which have influenced the Group's activities.

31. SOURCES OF INFORMATION

Where information in this document has been sourced from a third party, the source has been given along with the information, it has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

32. AVAILABILITY OF THIS DOCUMENT

Copies of this document will be available free of charge during normal business hours on any day (except Saturdays, Sundays and public holidays) at the registered office of the Company. This document is also available for download on the Company's website <https://www.mha.co.uk>.

Dated: 10 April 2025

PART VI

TERMS AND CONDITIONS OF THE UK PLACING

The terms and conditions set out in this Part VI in respect of the UK Placing (the “**Terms and Conditions**”) and the information in this document is restricted and is not for publication, release or distribution, directly or indirectly, in whole or in part, in or into or from Australia, Canada, Japan, the Republic of South Africa or any other state or jurisdiction in which such publication, release or distribution would be unlawful. The Terms and Conditions and the information contained herein is not intended to and does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person in Australia, Canada, Japan, the Republic of South Africa or any other state or jurisdiction in which such an offer would be unlawful.

Important information for invited Placees only regarding the Placing

Members of the public are not eligible to take part in the Placing. This document and the terms and conditions set out in these Terms and Conditions are directed only at: (a) in an Member State, persons who are ‘qualified investors’ as defined in article 2(e) of the Prospectus Regulation; (b) in the United Kingdom, persons who are ‘qualified investors’ as defined in article 2(e) of the Prospectus Regulation Rules; and (c) persons outside the United Kingdom (all such persons together being referred to as “Relevant Persons”). By accepting the Terms and Conditions, each Placee represents and agrees that it is a Relevant Person. This document and the Terms and Conditions must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this document and the Terms and Conditions relate is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons into whose possession this document (including the Terms and Conditions set out in this Part VI) comes are required by the Company and Cavendish to inform themselves about and to observe any such restrictions.

This document does not itself constitute an offer for sale or subscription of any securities in the Company.

Each Placee should consult with its own advisers as to legal, tax, business and related aspects of an investment in Placing Shares. The price of shares and the income from them (if any) may go down as well as up and investors may not get back the full amount invested on disposal of shares.

These Terms and Conditions apply to persons making an offer to subscribe for UK Placing Shares. Each Placee will be deemed to have read and understood this document (including the Terms and Conditions) and hereby agrees with each of Cavendish and the Company to be bound by these Terms and Conditions as being the terms and conditions upon which UK Placing Shares will be issued. A Placee shall, without limitation, become so bound if Cavendish confirms to such Placee its allocation of Placing Shares.

Upon being notified of its allocation of Placing Shares, a Placee shall be contractually committed to subscribe for the number of Placing Shares allocated to it at the Placing Price and, to the fullest extent permitted by law, will be deemed to have agreed not to exercise any rights to rescind or terminate or otherwise withdraw from such commitment.

In this document, unless the context otherwise requires, “**Placee**” means a Relevant Person (including individuals, funds or others) who has been invited to participate in the UK Placing and on whose behalf a commitment to subscribe for UK Placing Shares has been given.

Introduction

Cavendish may require a Placee to agree to such further terms and/or conditions and/or give such additional warranties and/or representations and/or undertakings as it (in its absolute discretion) sees fit and/or may require any such Placee to execute a separate placing letter. The terms of these Terms and Conditions will, where applicable, be deemed to be incorporated into any such placing letter.

Details of the Placing Agreement and the Placing Shares

Cavendish has entered into a Placing Agreement with the Company under which it has, on the terms and subject to the conditions set out therein, conditionally undertaken to use reasonable

endeavours to procure, as the Company's agent, subscribers for the Placing Shares at the Placing Price. The Placing Shares will, when issued, be subject to the Articles, will be credited as fully paid and will rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions (if any) declared, made or paid on or in respect of Ordinary Shares after the date of issue of the Placing Shares. The Placing Shares will trade on AIM with ISIN GB00BV0VHK88. The Placing Agreement is subject to customary conditions (including, *inter alia*, completion of Reorganisation in all material respects) and termination rights. Further details relating to the Placing Agreement are set out in paragraph 16.37 of this document.

Application for Admission to trading on AIM of the Ordinary Shares

Application has been made to the London Stock Exchange for the entire ordinary share capital of the Company, issued and to be issued, to be admitted to trading on AIM ("**Admission**"). It is expected that settlement of the Placing Shares and Admission will become effective at 8.00 a.m. on or around 15 April 2025 and that dealings in the Ordinary Shares will commence at that time. In any event, the latest time and date for Admission is 8.00 a.m. on 29 April 2025.

Placing

This Part VI gives details of the terms and conditions, and the mechanics, of participation in the UK Placing.

Participation in, and principal terms of, the UK Placing are as follows:

1. Cavendish (whether itself or any of its affiliates) is arranging the Placing as placing agent for the Company.
2. Participation in the Placing is only available to persons who are lawfully able to be, and have been, invited to participate. Cavendish and/or its affiliates may participate in the Placing as principals. The Company acknowledges that, subject to Cavendish having consulted with the Company with regard to the proposed Placees in accordance with its allocation policy, Cavendish shall have absolute discretion as to the allocation of the Placing Shares.
3. The Company and Cavendish reserve the right (i) to scale back the number of Placing Shares to be subscribed for by any Placee in the event of the Placing being over-subscribed; and (ii) not to accept offers for Placing Shares or to accept such offers in part rather than in full. The Company reserves the right to reduce the amount to be raised pursuant to the Placing, in agreement with Cavendish.
4. Each Placee's allocation of Placing Shares has been or will be confirmed to Placees orally, or in writing (which can include email), by Cavendish and a contract note has been or will be dispatched as soon as possible thereafter. Cavendish's oral or written confirmation will give rise to an irrevocable, legally binding commitment by that person (who at that point becomes a Placee), in favour of Cavendish and the Company, under which it agrees to acquire by subscription the number of Placing Shares allocated to it at the Placing Price and otherwise on the terms and subject to the conditions set out in this Part VI and in accordance with the Articles. Except with Cavendish's consent, such commitment will not be capable of variation or revocation. The Terms and Conditions set out in this Part VI will be deemed to be incorporated in that contract note or such other confirmation and will be legally binding on the Placee on behalf of which it is made and except with Cavendish's consent will not be capable of variation or revocation from the time at which it is issued.
5. Each Placee will have an immediate, separate, irrevocable and binding obligation, owed to Cavendish (each as agent for the Company), to pay to Cavendish or as Cavendish may direct in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares allocated to such Placee at the Placing Price on the Terms and Conditions set out in this Part VI and in accordance with the Articles.
6. Each Placee's commitment will be made solely on the basis of the information set out in this document. By participating in the Placing, Placees will be deemed to have read and understood these Terms and Conditions and this document in its entirety and to be participating and making an offer for the Placing Shares on these Terms and Conditions.

7. Except as required by law or regulation, no press release or announcement will be made by either of Cavendish or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
8. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be subscribed for pursuant to the Placing will be required to be made at the same time, on the basis explained below under 'Registration and Settlement'.
9. All obligations of Cavendish under the Placing will be subject to fulfilment or (where applicable) waiver of, *inter alia*, the conditions in the Placing Agreement (including, *inter alia*, completion of the Reorganisation in all material respects) and to the Placing not being terminated in accordance with the terms of the Placing Agreement.
10. By participating in the Placing, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee.
11. To the fullest extent permissible by law and the applicable rules of the FCA, neither Cavendish nor the Company nor any of their affiliates shall have any liability to Placees (or to any other person whether acting on behalf of a Placee or otherwise whether or not a recipient of these Terms and Conditions) in respect of the Placing. Each Placee acknowledges and agrees that the Company is responsible for the allotment of the Placing Shares to the Placees and Cavendish and its affiliates shall have no liability to the Placees for the failure of the Company to fulfil those obligations. In particular, neither Cavendish nor the Company nor any of their respective affiliates shall have any liability (including to the extent permissible by law, any fiduciary duties) in respect of Cavendish's conduct of the Placing.
12. Neither Cavendish, nor the Company nor any of their respective affiliates shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision Cavendish may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Cavendish. Placees will have no rights against any of Cavendish, the Company or any of their respective members, directors or employees under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 (as amended) or otherwise.

No Prospectus

The Placing Shares are being offered to a limited number of specifically invited persons only and have not been nor will be offered in such a way as to require the publication of a prospectus in the United Kingdom or any equivalent document in any other jurisdiction. No offering document or prospectus has been or will be submitted to be approved by the FCA or the London Stock Exchange in relation to the Placing, and Placees' commitments will be made solely on the basis of the information contained in this document (including the Terms and Conditions).

Each Placee, by accepting a participation in the Placing, agrees that the content of this document is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company or Cavendish or any other person and neither Cavendish, nor the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which such Placee may have obtained or received and, if given or made, such information, representation, warranty or statement must not be relied upon as having been authorised by Cavendish, the Company or their respective officers, directors, employees or agents. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Neither the Company nor Cavendish are making any undertaking or warranty to any Placee regarding the legality of an investment in the Placing Shares by such Placee under any legal, investment or similar laws or regulations. Each Placee should not consider any information in this document to be legal, tax or business advice. Each Placee should consult its own solicitor, tax adviser and financial adviser for independent legal, tax and financial advice regarding an investment

in the Placing Shares. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

Registration and Settlement

Settlement of transactions in the Placing Shares will, unless otherwise agreed, take place on a delivery-versus-payment basis within the CREST system administered by Euroclear. Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed as directed by Cavendish in accordance with the standing CREST settlement instructions which they have in place with Cavendish.

Settlement of transactions in the Placing Shares (ISIN: GB00BV0VHK88) following Admission will take place within CREST provided that, subject to certain exceptions, Cavendish reserve the right to require settlement for, and delivery of, the Placing Shares (or a portion thereof) to Placees by such other means that they deem necessary if delivery or settlement is not possible or practicable within CREST within the timetable set out in this document or would not be consistent with the regulatory requirements in any Placee's jurisdiction.

It is expected that settlement of the Placing Shares will be on 15 April 2025 unless otherwise notified by Cavendish. Admission is expected to occur by 15 April 2025 or otherwise at such later time as may be agreed between the Company and Cavendish, not being later than 29 April 2025.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above the official bank rate of the Bank of England in force from time to time as determined by Cavendish.

Each Placee is deemed to agree that, if it does not comply with these obligations, Cavendish may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for Cavendish's account and benefit (as agent for the Company), an amount equal to the aggregate amount owed by the Placee plus any interest due (chargeable daily on payments not received from Placees on the date due). The relevant Placee will, however, remain liable and shall indemnify Cavendish on demand for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or securities transfer tax (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on Cavendish such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Cavendish lawfully takes in pursuance of such sale. Legal and/or beneficial title in and to any Placing Shares shall not pass to the relevant Placee until it has fully complied with its obligations hereunder.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees must ensure that any form of confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. Neither Cavendish nor the Company will be liable in any circumstances for the payment of stamp duty or stamp duty reserve tax in connection with any of the Placing Shares. Placees will not be entitled to receive any fee or commission in connection with the Placing.

Representations, Warranties and Further Terms

By participating in the UK Placing, each Placee (and any person acting on such Placee's behalf) will be deemed to irrevocably make the following representations, warranties, acknowledgements, agreements and undertakings (as the case may be) to Cavendish (for itself and on behalf of the Company) in respect of such Placee (and any person acting on such Placee's behalf):

1. that prior to completion it will not enter into any form of stock lending or other loan arrangement in respect of the Placing Shares for which it is subscribing;
2. that it has read and understood this document, including the Terms and Conditions in this Part VI, in its entirety and that its subscription for Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, acknowledgements, agreements and

undertakings and other information contained in this document and not in reliance on any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Company, the Placing or otherwise, other than the information contained in this document, and undertakes not to redistribute or duplicate this document;

3. that the content of this document is exclusively the responsibility of the Company, and that none of Cavendish, nor its affiliates or any person acting on behalf of any of them has or shall have any liability for any information, representation or statement contained in this document or any information previously or concurrently published by or on behalf of the Company, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this document or otherwise;
4. that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to acquire the Placing Shares is contained in this document, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by Cavendish, the Company or any of their respective directors, officers or employees or any person acting on behalf of any of them, or, if received, it has not relied upon any such information, representations, warranties or statements (including any management presentation that may have been received by any prospective Placee), and neither Cavendish nor the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement;
5. that none of Cavendish, the Company nor any of their respective affiliates or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company other than this document;
6. that it has made its own assessment of the Placing Shares and has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing and neither Cavendish nor the Company nor any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them has provided, and will not provide, it with any material regarding the Placing Shares or the Company or any other person other than the information in this document; nor has it requested Cavendish, the Company or any of their respective affiliates, agents, directors, officers or employees or any person acting on behalf of any of them to provide it with any such information;
7. that no offering document or prospectus has been or will be prepared in connection with the Placing and it has not received and will not receive a prospectus or other offering document in connection with the Placing;
8. that its obligations are irrevocable and legally binding and shall not be capable of rescission or termination by it in any circumstances;
9. that it has the funds available to pay in full for the Placing Shares for which it has agreed to subscribe and that it will pay the total amount due by it in accordance with the Terms and Conditions set out in this Part VI and, as applicable, as set out in the contract note on the due time and date, failing which the relevant Placing Shares may be placed with other subscribers or sold as Cavendish may in their discretion determine and without liability to such Placee;
10. that the exercise by Cavendish of any right or discretion under the Placing Agreement shall be within the absolute discretion of Cavendish and Cavendish need not have any reference to it and shall have no liability to it whatsoever in connection with any decision to exercise or not to exercise any such right and each Placee agrees that it has no rights against Cavendish or the Company, or any of their respective officers, directors or employees, under the Placing Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999;
11. that these Terms and Conditions represent the whole and only agreement between it, Cavendish and the Company in relation to its participation in the Placing and supersede any previous agreement between any of such parties in relation to such participation. Accordingly, each Placee, in accepting its participation in the Placing, is not relying on any information or representation or warranty in relation to the Company or any of the Placing Shares other than

as contained in this document, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares. Each Placee agrees that neither the Company, nor Cavendish nor any of their respective officers, directors or employees will have any liability for any such other information, representation or warranty, express or implied;

12. it acknowledges that no person is authorised in connection with the Placing to give any information or make any representation other than as contained in this document and, if given or made, any information or representation must not be relied upon as having been authorised by Cavendish or the Company;
13. that in the case of any Placing Shares acquired by it as a financial intermediary, as that term is used in the Prospectus Regulation Rules and the Prospectus Regulation (as applicable), (i) the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in the United Kingdom or in any Member State other than "qualified investors" as defined in the Prospectus Regulation Rules or the Prospectus Regulation (as applicable) or in circumstances in which the prior consent of Cavendish has been given to the offer or resale; or (ii) where Placing Shares have been acquired by it on behalf of persons in the United Kingdom or in any Member State other than "qualified investors" as defined in the Prospectus Regulation Rules or the Prospectus Regulation (as applicable), the offer of those Placing Shares to it is not treated under the Prospectus Regulation Rules or the Prospectus Regulation (as applicable) as having been made to such persons;
14. that neither it nor, as the case may be, its clients expect Cavendish to have any duties or responsibilities to such persons similar or comparable to the duties of 'best execution' and 'suitability' imposed by the FCA's Conduct of Business Source Book, and that Cavendish are not acting for it or its clients, and that Cavendish will not be responsible for providing the protections afforded to customers of Cavendish or for providing advice in respect of the transactions described herein;
15. that, unless specifically agreed with Cavendish, it is not a national or resident of Australia, Canada, Japan or the Republic of South Africa;
16. if it is outside the United Kingdom, neither this document nor any other offering, marketing or other material in connection with the Placing constitutes an invitation, offer or promotion to, or arrangement with, it or any person whom it is procuring to subscribe for Placing Shares pursuant to the Placing unless, in the relevant territory, such offer, invitation or other course of conduct could lawfully be made to it or such person and such documents or materials could lawfully be provided to it or such person and Placing Shares could lawfully be distributed to and subscribed and held by it or such person without compliance with any unfulfilled approval, registration or other regulatory or legal requirements;
17. that it does not have a registered address in, and is not a citizen, resident or national of, any jurisdiction in which it is unlawful to make or accept an offer of the Placing Shares and it is not acting on a non-discretionary basis for any such person;
18. that it has not, directly or indirectly, distributed, forwarded, transferred or otherwise transmitted, and will not, directly or indirectly, distribute, forward, transfer or otherwise transmit, any presentation or offering materials concerning the Placing or the Placing Shares to any persons within the United States;
19. that it is entitled to subscribe for Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all governmental and other consents which may be required thereunder or otherwise and complied with all necessary formalities and that it has not taken any action which will or may result in the Company or Cavendish or any of their respective directors, officers, employees or agents acting in breach of any regulatory or legal requirements of any territory in connection with the Placing or its acceptance;
20. that it has obtained all necessary consents and authorities to enable it to give its commitment to subscribe for the Placing Shares and to perform its subscription obligations;
21. that, where it is acquiring Placing Shares for one or more managed accounts, it is authorised in writing by each managed account: (a) to acquire the Placing Shares for each managed

- account; (b) to make on its behalf the representations, warranties, acknowledgements, undertakings and agreements in this Part VI of which it forms part; and (c) to receive on its behalf any investment letter relating to the Placing in the form provided to it by Cavendish;
22. that, if resident in a Member State and unless otherwise agreed by Cavendish, it is a 'qualified investor' (as defined in article 2(e) of the Prospectus Regulation);
 23. that, if resident in the United Kingdom and unless otherwise agreed by Cavendish, it is (A) a 'qualified investor' (as defined in article 2(e) of the Prospectus Regulation Rules); and (B) it is either: (a) a person of a kind described in Article 19(5) (persons having professional experience in matters relating to investments) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"); or (b) a person of a kind described in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, partnerships or trusts or their respective directors, officers or employees) of the Order; or (c) a person to whom it is otherwise lawful for this document to be communicated;
 24. that, unless otherwise agreed by Cavendish, it is a 'professional client' or an 'eligible counterparty' within the meaning of Chapter 3 of the FCA's Conduct of Business Sourcebook and it is purchasing Placing Shares for investment only and not with a view to resale or distribution;
 25. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person;
 26. that any money held in an account with Cavendish (or its nominees) on its behalf and/or any person acting on its behalf will not be treated as client money within the meaning of the rules and regulations of the FCA. Each Placee further acknowledges that the money will not be subject to the protections conferred by the FCA's client money rules. As a consequence, this money will not be segregated from Cavendish's (or its nominees) money in accordance with such client money rules and will be used by Cavendish in the course of its own business and each Placee will rank only as a general creditor of Cavendish;
 27. that it will (or will procure that its nominee will), if applicable, make notification to the Company of the voting interest in the Ordinary Shares in accordance with the provisions of the Articles;
 28. that it is not, and it is not acting on behalf of, a person falling within subsections (6), (7) or (8) of sections 67 or 70 respectively or subsections (2) and (3) of section 93 or subsection (1) of section 96 of the Finance Act 1986;
 29. that it will not deal or cause or permit any other person to deal in all or any of the Placing Shares which it is subscribing for under the Placing unless and until Admission of the relevant Placing Shares becomes effective;
 30. that it appoints irrevocably any director of Cavendish as its agent for the purpose of executing and delivering to the Company and/or its registrars any document on its behalf necessary to enable it to be registered as the holder of the Placing Shares;
 31. that, as far as it is aware, it is not 'acting in concert' (within the meaning given in the Takeover Code) with any other person in relation to the Company;
 32. that this document does not constitute a securities recommendation or financial product advice and that neither Cavendish nor the Company has considered its particular objectives, financial situation and needs;
 33. that it has sufficient knowledge, sophistication and experience in financial, business and investment matters as is required to evaluate the merits and risks of subscribing for the Placing Shares and is aware that it may be required to bear, and it, and any accounts for which it may be acting, is able to bear the economic risk of, and is able to sustain, a complete loss in connection with the Placing;
 34. that it will indemnify and hold the Company and Cavendish and their respective affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties,

acknowledgements, agreements and undertakings in this Part VI and further agrees that the Company and Cavendish will rely on the truth and accuracy of the confirmations, warranties, acknowledgements and undertakings herein and, if any of the foregoing is or becomes no longer true or accurate, the Placee shall promptly notify Cavendish and the Company. All confirmations, warranties, acknowledgements and undertakings given by the Placee, pursuant to this document (including the Terms and Conditions set out in this Part VI), are given to Cavendish for itself and on behalf of the Company and will survive completion of the Placing and Admission;

35. that time shall be of the essence as regards obligations pursuant to the Terms and Conditions set out in this Part VI;
36. that it is responsible for obtaining any legal, financial, tax and other advice that it deems necessary for the execution, delivery and performance of its obligations in accepting the terms and conditions of the Placing, and that it is not relying on the Company or Cavendish to provide any legal, financial, tax or other advice to it;
37. that all dates and times in this document (including the Terms and Conditions set out in this Part VI) may be subject to amendment and that Cavendish shall notify it of such amendments;
38. that (i) it has complied with its obligations under the Criminal Justice Act 1993, Part VIII of FSMA and the UK Market Abuse Regulation, (ii) in connection with money laundering and terrorist financing, it has complied with its obligations under the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended), the Terrorism Act 2006 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and (iii) it is not a person: (a) with whom transactions are prohibited under the applicable law or any economic sanction programmes administered by, or regulations promulgated by, the Office of Foreign Assets Control of the US Department of the Treasury; (b) named on the Consolidated List of Financial Sanctions Targets maintained by HM Treasury of the United Kingdom; or (c) subject to financial sanctions imposed pursuant to a regulation of the European Union or a regulation adopted by the United Nations (together, the "Regulations"); and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations and it has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such subscription, and it will provide promptly to Cavendish such evidence, if any, as to the identity or location or legal status of any person which Cavendish may request from it in connection with the Placing (for the purpose of complying with such Regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by Cavendish on the basis that any failure by it to do so may result in the number of Placing Shares that are to be subscribed for by it or at its direction pursuant to the Placing being reduced to such number, or to nil, as Cavendish may decide in its absolute discretion;
39. that it will not make any offer to the public of those Placing Shares to be subscribed for within the meaning of section 85(1) of FSMA and the Prospectus Regulation Rules or an offer to the public in any Member State within the meaning of the Prospectus Regulation;
40. that it will not distribute any document relating to the Placing Shares and it will be acquiring the Placing Shares for its own account as principal or for a discretionary account or accounts (as to which it has the authority to make the statements set out herein) for investment purposes only and it does not have any contract, understanding or arrangement with any person to sell, pledge, transfer or grant a participation therein to such person or any third person with respect of any Placing Shares; save that if it is a private client stockbroker or fund manager it confirms that in purchasing the Placing Shares it is acting under the terms of one or more discretionary mandates granted to it by private clients and it is not acting on an execution-only basis or under specific instructions to subscribe for the Placing Shares for the account of any third party;
41. that it acknowledges that these Terms and Conditions and any agreements entered into by it pursuant to these terms and conditions shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any

person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by the Company or Cavendish in any jurisdiction in which the relevant Placee is incorporated or in which its assets are located or any of its securities have a quotation on a recognised stock exchange;

42. that any documents sent to Placees will be sent at the Placees' risk. They may be sent by post to such Placees at an address notified to Cavendish;
43. that Cavendish owes no fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;
44. that any of the Placee's clients, whether or not identified to Cavendish, will remain its sole responsibility and will not become clients of Cavendish for the purposes of the rules of the FCA or for the purposes of any other statutory or regulatory provision; and
45. that Cavendish or any of its affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

The provisions of this Part VI may be waived, varied or modified as regards specific Placees or on a general basis by Cavendish.

In addition, Placees should note that they will be liable for any stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the subscription by them of any Placing Shares or the agreement by them to subscribe for any Placing Shares.

This document has been issued by, and is the sole responsibility of, the Company. No representation or warranty, expressed or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by Cavendish or by any of its affiliates or agents as to or in relation to the accuracy or completeness of this document or any other written or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore is expressly disclaimed.

All times and dates in this Part VI may be subject to amendment. Cavendish shall notify the Placees and any person acting on behalf of the Placees of any changes.

Miscellaneous

On application, if a Placee is an individual, that Placee may be asked to disclose in writing or orally their nationality. If a Placee is a discretionary fund manager, that Placee may be asked to disclose in writing or orally the jurisdiction in which its funds are managed or owned. All documents provided in connection with the Placing will be sent at the Placee's risk. They may be sent by post to such Placee at an address notified by such Placee to one of Cavendish, or as relevant.

In the case of a joint agreement to subscribe for and/or acquire Placing Shares under the Placing, references to a Placee in these terms and conditions are to each of the Placees who are a party to that joint agreement and their liability is joint and several.

Cavendish and the Company expressly reserve the right to modify the Placing (including, without limitation, its timetable and settlement) at any time before allocations are determined. The Placing is subject to the satisfaction of the conditions contained in the Placing Agreement and to the Placing Agreement not having been terminated.

