

Making a positive impact through technology

About Made Tech

Made Tech is a trusted provider of digital, data and technology services dedicated to serving the UK public sector and other regulated industries.

The company works with its clients to modernise technology and accelerate digital delivery. From helping unlock the power of AI and Machine Learning, to rethinking how to deliver and manage digital services to make them more accessible, efficient and better for users.

Made Tech Group plc is listed on the AIM market of the London Stock Exchange (symbol MTEC.L).



Highlights and KPIs

Operational highlights

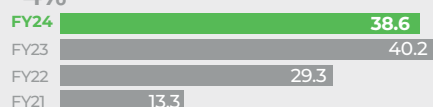
- Substantial improvement in Adjusted EBITDA, up 56%, reflecting both an increase in gross margin, driven by increased billable utilisation, and lower costs as a result of targeted reductions in headcount in certain support functions
- Solid Contracted Backlog underpinning revenue expectations for FY25
- Ongoing investment in senior leadership, commercial team, and client leads, enabling the business to better support its clients and drive growth
- Strong balance sheet with substantial cash and no debt

Financial highlights

Revenue (£m)

£38.6m

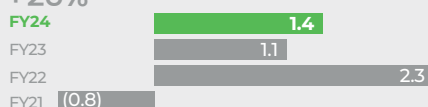
-4%



Adjusted PBT (£m)

£1.4m

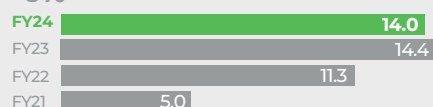
+25%



Gross profit (£m)

£14.0m

-3%



Sales bookings (£m)

£36.0m

-48%



Adjusted EBITDA¹ (£m)

£2.4m

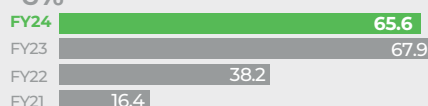
+56%



Contracted backlog (£m)

£65.6m

-3%



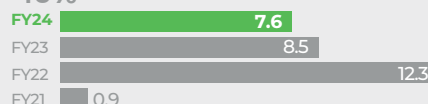
Notes

- Adjusted EBITDA is a non-IFRS measure that the Group uses to measure its performance and is defined as earnings before interest, taxation, depreciation, amortisation of intangibles assets, and after add-back of one-off exceptional costs, impairment and share-based payment charge. See page 60.

Cash (£m)

£7.6m

-10%



Contents

Strategic report

Highlights and KPIs	1
At a glance	2
Investment case	4
Chair's report	6
Chief Executive's review	9
Strategy	12
Financial review	18
Stakeholder engagement	20
Social Value Report	22
Principal risks and uncertainties	29

Governance

Board of Directors	34
Corporate governance report	36
Report of the Remuneration Committee	42
Remuneration policy report	44
Annual report on remuneration	46
Report of the Audit & Risk Committee	48
Report of the Nominations Committee	51
Directors' report	52

Financial statements

Independent auditors' report	55
Consolidated statement of profit and loss and other comprehensive income	60
Consolidated statement of financial position	61
Company statement of financial position	62
Consolidated statement of changes in equity	63
Company statement of changes in equity	64
Consolidated cash flow statement	65
Company cash flow statement	66
Notes to the financial statements	67

Inspiring, trusted and driven

Our purpose

Our purpose is to use technology to improve **society** - for **everyone**. We judge the value of our work by the extent to which it **improves** people's lives.

Our vision

We want all public services **secure**, user-centric, **data-driven** and free from legacy technology.

Our missions

Be the **first-choice technology** services provider to the public sector through our commitment to quality and value.



Set a **new standard** for user-centred, continually-improving software products, that consign legacy products to history.



Our people and locations

349

headcount 31 May
(excluding contractors)



Our services



Data and AI

Enabling our clients to use data-driven insight to design and deliver better services to users and unlock the power of AI and Machine Learning.



Digital transformation

We work with clients to rethink digital services to make them more accessible, efficient and better for users.



Managed services

Maintaining and supporting critical digital and data services, applications and cloud infrastructure.



Cloud and engineering

Our engineers help quickly migrate, build and modernise services in the cloud, delivering better value to clients and end-users.



User-centred design

We help our clients build effective public digital services that solve the 'right' problem, and that are designed with users at the centre.



Digital service delivery

We support our clients at every point in the delivery lifecycle, enabling them to put effective services quickly into the hands of users.



Legacy application transformation

We support our clients in transforming their legacy technology and applications so they can provide systems and services that meet their users' needs.



Embedded capabilities

We'll embed our experts within our client teams, helping them implement new ways of working and improve their skills and digital knowledge.

Our products



Repairs

Enable residents to report and schedule housing repairs online 24/7, which means fewer missed appointments and more cost-effective resolutions.



Voids

Designed by our experts to help reduce rent loss, house residents faster, and prioritise properties to meet landlords' and tenants' needs.



Evidence

Designed to make requesting and processing applications and documentation as easy as possible and help reduce fraud.

Our clients



Ministry of Justice



Home Office



HM Prison & Probation Service



HM Passport Office



Ministry of Housing, Communities & Local Government



Department for Culture, Media & Sport



Government Digital Service



HM Revenue & Customs



Department for Business & Trade



Met Office



NHS England



skillsforcare



Driver & Vehicle Standards Agency



Maritime and Coastguard Agency



Department for Education

BAE SYSTEMS

Camden



London Borough of Redbridge

A solid platform for growth in public sector digital market



Structural growth opportunity – UK public sector shift to digital

Large addressable market - core UK GovTech worth £17bn and growing at c.15%* per annum

High barriers to entry due to procurement framework requirements

c.15%*

Core UK GovTech growing per annum



Excellent brand with reputation for delivering high quality solutions and value for money

Six of the ten highest spending public sector organisations are Made Tech clients

Strong client retention, repeat business and multi-year contracts

Substantial Contracted Backlog** providing long-term revenue visibility

6 out of 10

highest spending public sector organisations are clients

* TechMarketView Public Sector Views Research

** Contracted Backlog is the value of contracted revenue that has yet to be recognised



Strong track record with significant growth opportunity ahead

Revenue CAGR of 65% over six years, growing from £1.9m in FY18 to £38.6m in FY24

Growth opportunity underpinned by the Government's commitment to digitally transform NHS and other UK public services

Opportunity for mid-sized, agile firms, to build further market share, as 'Big IT' incumbents face reputational issues (e.g. Horizon scandal)

Strong balance sheet; no debt

65% CAGR
over the last 6 years



High quality, invested, management team

Experienced, highly capable, commercial and financial management team

Senior management own c.43% of total issued share capital of the business, providing strong outcome alignment with shareholders

c.43%
owned by Senior management

Championing the transformation of public digital services



Summary of the year

I am pleased to present Made Tech's audited annual results for the year ended 31 May 2024.

The government procurement market for digital services in FY24 slowed in the run up to the UK general election and as a result sales bookings of £36.0m (FY23: £69.9m) were 48.5% down and revenue of £38.6m (FY23: £40.2m) was 4.0% down on the prior year but remained in line with market expectations. However, it is encouraging that the Contracted Backlog at the end of the year was £65.6m, only 3.3% down on the prior year (FY23: £67.9m).

The Group has made excellent progress during the year increasing productivity within the business. As a result, gross margins increased from 35.8% in FY23 to 36.3% in FY24, and Adjusted EBITDA increased from £1.5m (3.8%) to £2.4m (6.2%) over the same period.

Strategic delivery

After particularly strong sales growth over the past few years, sales activity has been more subdued during FY24, primarily due to the uncertainty created in the run up the general election and budgetary pressures within government. The board is confident, however, about the long term growth prospects in the public digital services market and Made Tech's ability to deliver on those opportunities.

In FY24 the business has focused on improving profitability through increased productivity, driven primarily through improved capacity management, reporting and processes. As we look to improve our quality of earnings by diversifying our customer base, increasing the proportion of revenue generated from longer term, fixed price and recurring projects, we have also continued to invest in developing our capability propositions and have seen particular success in growing our Data & AI and Managed Services practices.



We continue to put the needs of our clients at the heart of what we do, working as a strategic partner to deliver effective and meaningful results at pace. We focus on delivering value for money for our clients; independent customer feedback highlights how our clients value our proactive and independent contribution to solving their issues. In short, we care about how we work with our clients and the outcomes we deliver.

We have invested in senior management and new commercial leads to help open up new markets and deepen our relationships with our clients. Our business is structured around market verticals such as Public Safety & National Security, Healthcare & Life Sciences, and Energy, Utilities & Environment, which means that our teams can bring market expertise and insights to their clients and ensure that Made Tech's extensive capabilities are appropriately deployed. We believe that our market focus aligns well with the stated priorities of the UK government and other public sector bodies.

In the Local Government & Housing sector, Made Tech is focused on delivering scalable SaaS solutions to address some of the issues faced by our clients in this fragmented market. Owing to the longer sales cycles and time to market than originally anticipated the Company has written down the value of the investment it has made to date in its Housing Products. Nevertheless, we continue to see opportunities in this market and are actively pursuing the commercialisation of our existing products and looking to further develop our technology platform offerings.

Our people are fundamental to the success and sustainability of Made Tech. We rely on their skills, motivation and commitment to deliver services and solutions to our clients. We continue to recruit talented individuals across the UK combining a regional hub-based hybrid working strategy, taking account of the needs of our people for flexible working patterns, whilst at the same time optimising the quality of service we are able to provide to our clients through an on-site presence.

Many of our staff who were with Made Tech at the time of our IPO in 2021 have been incentivised through the granting of restricted stock options. From FY25 we are looking to launch a SAYE scheme for all eligible employees, to enable them to participate in the equity growth ambition of the Company.

Our financial position remains strong. Made Tech is debt free, unlike many technology businesses, and our cash balance is robust at £7.6m at the end of FY24, providing more than sufficient funds to deliver our plans for future organic growth. This financial strength gives us the flexibility to take advantage of opportunities as they arise. In FY25, alongside a focus on growing our client base and revenues, we will further look to improve productivity and profitability and generate positive free cash flow.

A responsible business

Made Tech's mission is to help deliver a future where public services are modern, secure and easy to adapt; enabled through transformed digital services. In doing so, our aim is to improve the lives of millions of citizens by helping our clients deliver on their plans. Alongside the needs of our investors and employees, the requirements of our clients and the communities we serve are paramount in setting our strategy.

We are committed to continuing to develop our environmental, social and governance priorities embedded within our overall strategy and as a fundamental part of what it means to be Made Tech. We are committed to sourcing, designing and offering services and products which support social responsibility and environmental sustainability.

We have an established ESG Committee, headed by Tim Bardell (Chief Delivery & Transformation Officer), and comprising enthusiastic volunteers from all across our group, voted for by their peers, to advise and assist management in incorporating social value initiatives into the overall strategic delivery of the Group.



We are proud to have achieved carbon neutral status for the second year running and we are busy implementing initiatives aimed at reducing our carbon footprint. We have set the ambitious target of transforming our operations to be Carbon Net Zero by 2030 utilising all practical measures. We will also work with our clients to help them reach their own social value targets. We recognise the importance of creating a fairer and more equitable society. We are proud that our gender, ethnicity, and other diversity measures remain materially better than the industry average for the technology sector.

Further details are provided in the Social Value Report on pages 22 to 28.

The board

In February 2024, we were pleased to welcome Neil Elton to the board as Chief Financial Officer (CFO), replacing Deborah Lovegrove. Neil brings extensive experience of managing professional services and software businesses and of scaling companies through organic growth, M&A and international expansion. He was previously CFO of Learning Technologies Group plc and Science Group plc, both successful high growth AIM listed technology companies.

Deborah stepped down from the board at the end of January, having joined the Company at the time of its IPO. The board thanks Deborah for her contribution to the Group over the previous two and a half years and wishes her every success in her next endeavours.

The board notes the recommendations of the Hampton-Alexander and Parker reviews in relation to increasing board and senior management gender and ethnic diversity, and it takes these into account when making appointments. We have six board members of which three are Non-Executive Directors. We note that Made Tech achieves the voluntary target set for FTSE100 and FTSE 250 boards of at least 33% of board positions being represented by women.

As a board, we take our governance responsibilities very seriously and believe that these allow the Group to pursue its strategy with pace and reduced risk. The approach to our wide range of responsibilities is set out in the Corporate governance report on pages 36 to 41. In line with best practice all directors will put themselves up for re-election at the forthcoming Annual General Meeting.

Current trading and outlook

The business saw minimal operational impact during the period in the run-up to the general election. The new government has emphasised the significant role technology will play in delivering their priorities and we expect the Group to be well-positioned to capitalise on these opportunities. We anticipate this will lead to increased trading momentum for the Group over the coming years.

We have seen a strong sales performance in the first four months of the new financial year with sales bookings of more than £27.0m. The Group has traded in line with management's expectations in the first quarter of FY25 delivering robust revenue and Adjusted EBITDA performance. Cash at the end of August has increased to £8.6m.

In summary, we feel we are well placed to continue Made Tech's progress as an increasingly important provider of technology services and products to the UK public sector and we look forward to delivering long-term returns and value for all our stakeholders.

Joanne Lake

Non-Executive Chair
27 September 2024

Chief Executive's review

Leading change in a dynamic market

FY24 has brought both challenges and significant opportunities. While the digital transformation market encountered headwinds from economic pressures including inflation, rising interest rates, and slower growth, these pressures have only reinforced the urgent need for smarter, more efficient public services. Digital transformation remains the key driver of that efficiency, and we are well-positioned to support the public sector as it evolves to meet these demands.

Despite these difficulties, and after five years of rapid growth, during which we achieved a CAGR of 88% between FY19 and FY23, we have focused on strengthening our core proposition and preparing the business for the next wave of growth. This period has allowed us to transition key people, processes, and organisational structures; the themes of stabilisation and transition will be evident throughout this update.

Reflecting on the current landscape, it's reminiscent of FY19—a year when Made Tech started a significant growth trajectory. Much like then, we now face both challenges and tremendous opportunities within a renewed political landscape. Growth is not always linear, but we are confident that the strategic choices we are making today will position us to continue delivering long-term value for all.

Robust performance in challenging operating environment

Given the challenging operating environment Made Tech delivered satisfactory financial results for the year. We achieved revenue of approximately £38.6m, in line with consensus expectations. Our adjusted EBITDA was £2.4m, slightly surpassing market expectations and representing a significant improvement from the previous year, with the margin increasing from 3.8% to 6.2%.

Our net cash position remains strong at £7.6m, compared to £8.5m in FY23, and is materially ahead of expectations. This reflects our effective cash management and operational efficiency.

New sales bookings totalled £36.0m, down from £69.9m in FY23, due to the challenging procurement environment. Despite this, our contracted backlog remains solid at around £65.6m, compared to £67.9m in the previous year, demonstrating our continued ability to secure and maintain valuable contracts.

£38.6m **-4%**

Revenue
FY23: £40.2m

£36.0m **-48%**

Sales bookings
FY23: £69.9m

£65.6m **-3%**

Contracted backlog
FY23: £67.9m

Chief Executive's review continued

Continuing our long-term client relationships

Throughout the year, client retention has been robust, with all key customers since our IPO continuing their active engagement with us. This ongoing partnership is a testament to the trust and confidence our clients place in our services, and we are immensely grateful for their continued support.

The size of contracts secured during this period varied significantly. We won a major contract valued at over £15m, while the remaining contracts were smaller, each under £5m. This mix of contract sizes reflects both the diversity of our offerings and the broad range of clients we serve.

In terms of revenue distribution, Central Government accounted for 73% (FY23: 72%), Health contributed 16% (FY23: 12%), and Local Government made up 11% (FY23: 16%) of our total revenue. This spread across sectors underscores our ability to deliver value across different parts of the public sector.

We also conducted a Customer Satisfaction (CSAT) survey during this period, achieving a score of 81%. We are pleased with this result as it reflects our commitment to maintaining high standards of service and effectively meeting our clients' needs.

Refresh of our strategic plan

During the year, we undertook a significant strategic review, aiming to align our long-term objectives with market opportunities. This process, conducted in close collaboration with our Board and external advisors, has resulted in a comprehensive long-term strategy designed to guide our growth over the coming years.

Our strategy is organised into three stages, each with its own focus and goals. The first stage addresses our immediate priorities, setting the foundation for the next phases. The second stage will build on this foundation, driving substantial mid-term growth, while the third stage is geared towards strengthening our competitive position and ensuring sustained success over the longer term.

We expect to host a capital markets event next year to provide deeper insights into our strategic plan, detailing how we intend to achieve our objectives and drive future growth.

Developing our service lines

Over the past year, our service line focus has shifted from investment to embedding the insights gained from previous initiatives.

Our Data & AI services remain a central focus, driven by sustained high demand. We have undertaken several key data projects, reflecting the growing interest in AI among our clients.

Our Managed Services offerings are now showing promising results, following investments in previous years. We have secured significant managed service contracts and developed a strong pipeline of opportunities. This service line continues to present an important opportunity for long-term, stable revenue growth.



Restructuring our sales organisation, to power the next wave of growth

Over the past 12 months, we have implemented significant changes to our sales organisation, all aimed at positioning the business for long-term success. A cornerstone of our strategy has been enhancing our access to senior client stakeholders. By building stronger relationships with key decision-makers, we are now better positioned to understand and respond to their complex needs, ensuring more impactful and strategic engagements.

We have also made pivotal appointments of senior sales leaders across various industry verticals, including Public Safety & National Security, Energy, Utilities and Environment, and Space & Defence. These leaders bring a wealth of expertise and industry-specific knowledge, enabling us to better serve our clients and drive growth in these critical areas.

Furthermore, we have comprehensively rebuilt our bid team, incorporating seasoned professionals with extensive experience in managing large-scale bids. This restructuring enhances our capability to pursue and secure high-value contracts, reinforcing our competitive edge in the market.

Together, these changes are designed to optimise our sales operations, improve our market positioning, and drive sustainable growth for the company.

Challenges building our software division

Building our software division has taken longer than we initially anticipated, reflecting the complexity and scale of the undertaking. Despite these hurdles, our commitment to developing a business that provides both software and services remains strong and we see software being a crucial component of our long-term strategy.

Over the past year, we have moved from the development phase to the commercialisation phase. This shift has proven more challenging than expected, largely due to the prevailing "change fatigue" in the market, which has extended our sales cycles. However, we continue to see strong interest in our products, underscoring their potential and value.

To address these challenges and drive our software business forward, we have made changes to our software division structure. Chris Blackburn (COO) has been tasked with leading these efforts as we head into FY25. His experience and insights are expected to be instrumental in refining our product strategy and execution.

Additionally, we have appointed an external board advisor whose expertise will complement our internal efforts and provide valuable perspectives as we continue to build and scale our software division.

Investing in our people

Our people are our greatest asset, and we remain committed to their continuous development. Over the past year, we invested substantial time in technical skill development across the organisation, recognising the importance of leadership at all levels, we also introduced a leadership development programme aimed at equipping current and future leaders with the necessary skills to drive the company forward.

We have seen healthy growth and progression in recruitment and internal mobility. We promoted 54 individuals within the organisation, recognising their contributions and ensuring they are well-prepared for their new roles. Additionally, we welcomed 61 new hires to our team, bringing fresh perspectives and expertise. Our staff attrition rate substantially improved to 19% in FY24 (FY23: 30%), and we are targeting a mid-teen attrition rate over the medium-term aided by enhanced employee engagement and development initiatives.

To further strengthen our engagement efforts, we successfully launched a People Forum, comprising employee representatives from various parts of the business. This forum is designed to foster open dialogue, enabling us to better understand and address the needs and concerns of our workforce. Through this initiative, we aim to create a more inclusive and responsive organisational culture.



Strengthening the board and executive, to drive our ambitious plans

To drive our long-term strategy effectively, we have made several changes to our senior leadership team, ensuring we have the right individuals in key roles. These appointments and changes are crucial as we position ourselves for future growth and navigate a dynamic market environment.

A key addition to our leadership is Neil Elton, who joined us as Chief Financial Officer in January. Neil brings substantial public market experience, which will be instrumental in refining our financial strategy and supporting our ambitious growth plans. Additionally, Wayne Searle, who joined us in June 2023, is now well-established within the business. His integration into our team has already proven beneficial, and his ongoing contributions will be pivotal as we continue to evolve and expand.

In parallel, we have been building the Made Tech Advisory Group to bring in expertise that aligns with our strategic priorities. We have made significant appointments, including leaders with extensive experience in the water industry, as well as a former Director General who has held several senior roles within central government. These additions will provide us with critical industry insights and strategic guidance, enabling us to better navigate the complexities of our operating environment.

An exciting near-term and long-term outlook

We are excited about both our near-term and long-term prospects. The timing of the general election has been a positive surprise, removing significant uncertainty for our clients and providing a clearer set of priorities.

The strong sales bookings achieved in the first four months of FY25 is encouraging and we expect this robust performance to continue throughout the financial year. This optimism is reinforced by our recent contract win with the Department for Education, which highlights our ongoing progress and our ability to build valuable and long-term client relationships.

While we remain mindful of the broader economic challenges and upcoming Autumn budget, the steps we have taken to strengthen the organisation and prepare for the future, provide us with great confidence that we are well-positioned to seize emerging opportunities and drive continued success in the coming years.

Rory MacDonald

Founder & Chief Executive Officer
27 September 2024

Our growth strategy

Made Tech is a growth-focused organisation with an ambition to achieve significant scale and impact.

As a modern technology company, we are looking to build a business that excels in today's rapidly changing digital landscape. Our people are central to this vision, and we want to offer them a rewarding and fulfilling career, fostering a culture that supports continuous development and growth.

Our strategy is focused on delivering sustained growth in revenue, adjusted pre-tax profit, and cash flow. While we prioritise organic growth, we remain open to strategic acquisitions that bring unique capabilities, enabling us to enhance our service offerings and accelerate our progress.

We aim to build a well-balanced business with a diversified client base, ensuring we are not overly reliant on any single customer. This approach underpins our long-term growth strategy, providing stability and resilience as we pursue our objectives. We are taking a long-term view, understanding that lasting success is achieved through careful execution and a commitment to our strategic goals.

1

People

The talent and expertise of our team are the foundation of our success, driving innovation and delivering high-quality solutions that meet and exceed client expectations.

What we did in FY24

- Launched our employee forum
- Invested over 7,025hrs in skill development training
- Increased employee retention to 81%
- Onboarded three apprentices through our new learning programme.

Our priorities for FY25

- Maintained high standards in recruiting new talent.
- Continued investing in skills and career development for our people.
- Maintained employee retention levels above 80%.

2

Clients

Our clients are central to our business; their satisfaction and long-term partnerships drive our growth, expand our market presence, and lead to valuable referrals and repeat business.

What we did in FY24

- £ Delivered 80 workstreams across 30 clients
- Scored 8.9/10 on our first CSAT survey

Our priorities for FY25

- £ Continued delivering high-quality services and outcomes for our clients
- Maintained high levels of client satisfaction
- £ Retained and expanded key client accounts
- £ Win new clients

Key

- Non-financial KPI
- £ Financial KPI

3

Industries

Focusing on specific industry verticals allows us to develop deep domain expertise, tailor our offerings, and differentiate ourselves in a competitive market, ultimately leading to greater market share.

What we did in FY24

- * Transitioned to a new industry operating structure
- * Recruited industry-aligned sales leaders
- * Initiated the development of industry-aligned propositions

Our priorities for FY25

- £ Achieved growth across all industry verticals
- * Continued recruiting sales leaders
- * Continued developing propositions

4

Services

Diversifying our service lines enables us to address a broader range of client needs, create multiple revenue streams, and enhance our resilience against market fluctuations.

What we did in FY24

- £ Secured several new Managed Service mandates
- * Scaled our Data & AI Practice
- * Strengthened our AWS partnership

Our priorities for FY25

- £ Expanded our service offering in line with client needs
- * Further strengthened our AWS partnership

5

Software

Developing proprietary software products allows us to scale our impact, generate recurring revenue, and establish a competitive advantage by offering unique solutions that address specific market gaps.

What we did in FY24

- £ Began sales and marketing of our software products
- * Continued product development.

Our priorities for FY25

- £ Increased the number of clients using our software

Key

- * Non-financial KPI
- £ Financial KPI



From feedback to forecast at the Met Office

Boosting the Met Office's insights from their users' feedback with a modern analytics data platform.

The Met Office is well known for its cutting edge science and world leading weather. And they're constantly looking to improve their processes. With millions of people using the Met Office's website and apps, gathering meaningful data from vast amounts of user comments is a vital but daunting task. When Made Tech stepped in, the Met Office had a single staff member manually processing hundreds of comments each day, relying on spreadsheets to pull out insights. This looked like a perfect opportunity for our data and AI services.

Our approach

We implemented a natural language processing (NLP) system, which allowed the Met Office to interrogate hundreds of thousands of user comments. They could then spot patterns and trends from the user feedback that would have been impossible to identify on the spreadsheets. Despite the hype around large language models (LLMs), we chose to use a simpler NLP solution, which was less complex and more cost-effective.

We broke down the problem into three key areas:

1. How to efficiently feed insights back to stakeholders.
2. How to process large amounts of data.
3. Establish what insights could be drawn from the user comments.

To process the hundreds of thousands of pieces of user feedback, we built an automated analytics pipeline. This pipeline was easy to maintain and robust enough to support heavy machine learning (ML). It also safely removed any personal information users might have submitted.

We sifted through comments and developed analytics processes. It was at this stage that the majority of data cleaning, enriching and preparing processes were carried out.

This centralised platform provided a single source of truth, making it easier for the Met Office to analyse and act on user feedback in new feature releases.

"Following the advice of our Made Tech colleagues who are experts in this field, we opted for a tried and tested NLP model as this would be best to categorise the thousands of items of accuracy feedback we receive. The efficiency of this system and the amount of time it has saved extracting insight from our feedback has been invaluable."

Fleur Layzell
User Journey Manager



The impact

The Met Office now has the ability to actively monitor user feedback and assess the perceived success of new weather models in real time. Stakeholders can accurately measure the effects of any changes they make. They can track the performance of different weather systems across various regions and environments, allowing for faster response times. What used to take weeks, from feedback to development, can now be completed in just days.

With advanced NLP techniques, the Met Office can categorise user comments more effectively, shifting from anecdotal observations to solid, data-backed insights. This transformation has provided the Met Office with a clearer understanding of user trust and satisfaction in their forecasts, leading to more informed decision-making.

The next steps for the Met Office will be to further enhance this analytics platform by generating automated, summary reports, condensing a stream of user feedback into easy-to-understand, direct points of action.

This example shows how we're delivering real value to our clients. By working in partnership, we enabled the Met Office to adopt new technologies that harness the power of their vast data.

"Through their hard work and dedication, Made Tech have created a robust data pipeline. And in doing so, a more efficient way for us to not only monitor accuracy and cost reporting, but open the door to other areas where accuracy and potentially more general feedback can be monitored. Thus increasing our validity as an organisation where user-centred experience is at the heart of everything we do."

Fleur Layzell

User Journey Manager



Enhancing data collection and reporting accuracy at Skills for Care

Improving adult social care reporting with machine learning

Skills for Care is the strategic workforce development and planning body for adult social care in England. Their role is to work across the whole system to understand the key drivers of workforce change using insight, data and evidence in order to ensure social care has the right people, skills and support required to deliver the highest quality care and support now and in the future.

When we first started working with Skills for Care, the analytics team were collating, cleaning and analysing years of data from tens of thousands of facilities using a semi-manual and time-consuming process. The process was taking them months to complete and they weren't using their data to its full potential. They knew technologies existed that could help, but implementing them required skills and experience they didn't (yet) have. We saw an opportunity to support them with our data science skills and AI tool-kit.

Our approach

To deliver the best value for Skills of Care, we set out to build a solution that was powerful enough to handle their vast data collection but also easy to maintain. We had to make sure that whatever we delivered was something that they could continue developing once we'd left. That meant upskilling the Skills for Care analysts from near-zero coding experience. It also became clear that accessing the team's deep sector knowledge was key to improving their reporting.

Our data engineers quickly built a data pipeline that would automatically store, version, clean, join, and transform the data, making sure all data was accessible for analysis. The Skills for Care analysts were keen to develop new skills and became valuable partners in the development process, identifying opportunities for improvement and contributing significantly to the codebase.

During the course of the project, we demonstrated the necessity of test-driven development, the power of CI/CD and the importance of generating effective, usable documentation throughout.

Our data scientist also developed new processes designed to extract as much insight from the existing data as possible. We then presented this new analysis to Skills for Care. This allowed them in turn to demonstrate trends to their stakeholders, that they had not previously been able to substantiate with data. By working closely with their analysts, we developed new machine-learning models that now also enable Skills for Care to report on a much more granular level.

To ensure this increase in accuracy remains (knowing the efficacy of all models decays over time), we built monitoring steps into the pipelines. As soon as model accuracy metrics fall outside of a set range, the analysts are notified, and re-training jobs are triggered. Deploying a model and simply assuming it will continue to be as performant as the day you deployed it is never enough.



The impact

Using modern data principles and AI, Skills for Care has significantly improved the speed, the quality and impact of their reporting. A task that usually took the team about a month to complete has now become an automated process that runs every 2 weeks and takes about 20 minutes. The results are now far more accurate and the time saved allows them to spend time on other more strategic tasks.

Through our partnership and a transfer of knowledge, Skills for Care has gained a wealth of new development and data science technical ability. They now possess a suite of bespoke, fully integrated AI models that deliver data-driven insights all the way to the highest levels of government.

Skills for Care now perform complex analysis using version-controlled Python scripts and notebooks. This allows them to access a whole world of open-source analysis tools.

Most importantly, this work will enable Skills for Care to produce their most accurate reports to date, starting from November this year. These enhanced reports will empower Ministers and MPs to deliver data-driven decisions about the care sector.

Building the foundations for profitable growth

£2.4m

Adjusted EBITDA
FY23: £1.5m

+56%

£0.4m

Cash generated by operations
FY23: -£0.7m

+157%

£7.6m

Net cash
FY23: £8.5m

-10%

Revenue

Group revenue for the year ended 31 May 2024 was £38.6m representing a reduction of 4% on the prior year (FY23: £40.2m). The public sector procurement market for digital services was subdued during the year, primarily as a result of uncertainty created by the upcoming UK general election and budget pressures within government departments.

Despite this uncertainty, sales bookings totalled £36.0m (FY23: £69.9m) and at the year-end the Group had a Contracted Backlog of £65.6m, being only 3% down on the previous year (FY23: £67.9m).

The Group continued to see growth amongst its Central government customers offset by declines in local government. Services accounted for almost all revenue with the balance represented by our early-stage SaaS product sales.

In line with our strategic objective of diversifying the range of services that we offer to our clients, we continued to invest in capabilities such as Data & AI and Managed Services, where we saw substantial year-on-year growth.

Gross profit

Despite the reduction in revenue, a competitive procurement market and inflationary cost pressures, the Group successfully increased gross margins for the year from 35.8% in FY23 to 36.3% in FY24. This was accomplished in large part through improved forecasting and capacity management. Total headcount reduced from 434 at 31 May 2023 to 364 at 31 May 2024, helping to further optimise staff utilisation on client projects. We anticipate further productivity gains during FY25.

Adjusted EBITDA

Adjusted EBITDA for FY24 was £2.4m (FY23: £1.5m), an increase of 56% year-on-year. The Adjusted EBITDA margin also increased to 6.2%, up from 3.8% in FY23. This improvement in part reflects the increase in gross margin as well as lower costs in certain support functions as a result of targeted reductions in headcount. Alongside these savings, the business has continued to invest in its client leads, enabling Made Tech to better support its clients and drive growth.

Operating loss

The operating loss for the year of £3.2m (FY23: £1.5m operating loss) is stated after a £0.1m share-based payment charge (FY23: £2.1m), depreciation of £0.4m (FY23: £0.4m), amortisation of £0.8m (FY23: £nil) and an impairment charge of £4.3m (FY23: £nil). There were no other exceptional charges in the year (FY23: £0.6m).

At the beginning of the year, the Company commenced the commercialisation of a number of its product and service offerings that had been in development over the previous years. As a result, the Company started to amortise a number of these intangible assets. The amortisation charge in the year was £0.8m (FY23: nil).

In the first half of the year, management impaired the Company's investment in its apprenticeship Academy, a program developed alongside government departments including the HMRC. Although the IP will continue to be used by the business, the Board does not now view this as being a core revenue-generating offering.

A further review was undertaken at the end of the financial year, as a result of which management decided to impair the Company's investment in its SaaS product portfolio. Although Made Tech continues to win new local government clients for its housing repairs SaaS solution, the sales cycle has proven to be more extended than originally anticipated. As announced at the time of the Interim Results, the Company will continue to pursue the commercial roll-out and refinement of these SaaS products. The total impairment charge for the year was £4.3m (FY23: nil). The Company's investment in its service capabilities remains unaffected; the year-end carrying value of the Company's Capability IP is £1.1m (FY23: £2.5m).

The share-based payment charge for the period under IFRS 2 was £0.1m (FY23: £2.1m). This charge related to awards made under the Long Term Incentive Plan ("LTIP") and the Restricted Share Plan ("RSP"). The year-on-year reduction is primarily as a result of the CEO and COO waiving their LTIP awards and other options that have lapsed. It is anticipated that the share-based payment charge will increase in FY25 as new performance based LTIPs and an all-employee Sharesave scheme are launched.

Taxation

The total taxation credit was £543,214 (FY23: £72,000 charge), giving rise to an effective tax charge of 18% (FY23: 5%). The charge is lower than the UK standard rate of taxation due to the use of tax losses brought forward. In future years, we would expect the Group's effective rate of tax to move closer to the UK corporation tax rate.

Basic earnings per share

The statutory basic loss per share was 1.64p (FY23: loss of 1.07p per share). Adjusted diluted EPS (see note 12) was 0.92p, 171% up on the prior year (FY23: 0.34p) primarily as a result of the increase in Group EBITDA.

Cash flow

Cash at the year end was £7.6m (FY23: £8.5m). Net operating cash inflows in the year were £0.8m (FY23: £0.5m outflow). Investment in intangibles was reduced substantially from £3.1m in FY23 to £1.3m, as the Company moved from development to commercialisation of its SaaS technology platform products. The Company also invested £0.3m (FY23: nil) in an Employee Benefit Trust ('EBT') for the settlement of future vested share options. As a result, the EBT holds 1.4% of the issued share capital of the Company.

The Board anticipates that during FY25 the Group will generate positive free cash flow.

Capital allocation, funding priorities and dividend

The Board remains committed to a capital allocation policy that prioritises investment in the business to drive growth by either investing in its own IP or through targeted acquisitions. The Board believes that the opportunities ahead of us are significant and sees the government's increasing spend in digital as a long-term trend.

The Group's current cash reserves provide sufficient capital to fund planned product development and working capital as the business continues to grow. As at 31 August 2024 the Group cash position had increased to £8.6m (FY24: £7.6m). The Company has no debt. The Board will consider using debt financing as appropriate to finance inorganic growth opportunities on a prudent and sustainable basis.

The Board does not anticipate paying a dividend in the near term as it prioritises its strategy for growth, but will keep this under review in the future.

Balance Sheet

The Group has a strong balance sheet with net assets of £12.5m (FY23: £15.2m) underpinned by £7.6m of cash at the year-end. Trade debtors of £4.4m (FY23: £4.3m) are held primarily with government clients. Debtor days increased from 39 to 42 during the year as we followed up on older outstanding debts. Trade and other payables reduced from £4.7m in FY23 to £3.1m at the end of FY24.



Neil Elton

Chief Financial Officer
27 September 2024

Building strong partnerships

Section 172 Statement

The Directors are aware of the need to have had regard to the matters set out in section 172 of the Companies Act 2006. The Directors consider that they have acted in good faith in the way that would most likely promote the Company's success for the benefit of its members as a whole. The table below indicates where the relevant information is in this Annual Report and demonstrates how we act under the requirements of section 172.

S172 reference	More information
1. The likely consequences of any decision in the long term	Chief Executive's Review p.9 Strategy p.12
2. The interests of the Company's employees	Our people p.21
3. The need to foster the Company's business relationships with suppliers, customers and others	Our customers p.21
4. The impact of the Company's operations on the community and the environment	Our communities p.24 Environment p.23
5. The desirability of the Company maintaining a reputation for high standards of business conduct	Our culture p.22 Modern slavery madetech.com
6. The need to act fairly as between members of the Company	Governance p.36

Employees

Our people are fundamental to the success and sustainability of the Group. We rely on their skills, talent, motivation, and commitment to deliver services and client outcomes. People underpin the growth of the business, so recruiting and retaining the best talent are key focuses for management. We work hard to ensure our people are engaged, motivated, rewarded, and supported to succeed. Our aim is to provide an environment that prioritises employee well-being. We are building a culture of transparency, integrity, respect, and inclusion.

Clients and Partners

Our clients are public sector leaders who play a critical role in society. They trust us to deliver high-quality work that enhances their services and, in turn, positively impacts society. While every client is unique, they all value the quality and flexibility of our services. We have built strong relationships with our clients, fostering strong collaboration, communication, and teamwork. Our delivery and technology partners are also crucial, enabling us to provide exceptional service. We work with various organisations and individuals to support and supplement our in-house resources.

Shareholders

The Group values the support of its shareholders and aims to work responsibly and fairly with all its stakeholders to ensure they benefit from our continued growth and success. The Board meets monthly, while the CEO and CFO hold regular meetings with analysts and institutional shareholders throughout the year to provide detailed updates on our operations, financial performance, and progress against our growth strategy. Financial and other information is available through the RNS service, the Annual Report, and our regularly updated website ([www.madetech.com](#)).

Environment

All stakeholder groups are increasingly interested in businesses' environmental impact. We recognise the importance of sustainable business practices in achieving long-term growth and profitability. Although our activities involve few energy-intensive processes and generate minimal waste, we are committed to reducing our environmental impact. Our latest energy and carbon report, along with the actions we intend to take to reduce the Group's carbon footprint, can be found on page 23.



Employees

Why we engage

- Our business depends upon engagement with our people
- To promote the Group's culture and cascade our values, behaviours and expectations
- To create a positive and inclusive culture, sensitive to the issues that affect our people, so they can thrive and grow
- To ensure that we continue to develop and invest in our highly talented and dedicated people in the right way

How we engage

- Encourage feedback, including via company meetings, employee surveys, employee forums and one-to-one discussions
- Enhancing training opportunities via our learning and development offerings
- Regular business performance and strategy updates directly from our CEO, CFO and executive team
- Access to anonymous whistleblowing service

Key topics of engagement

- Strategy & Vision: Short-term and long-term strategic plans (to the year 2030), including opportunities for departmental growth and advancement
- Flexible working environment with support for team health and wellbeing
- Opportunities for growth and development and support in reaching full personal potential
- Ensuring pay and benefits are competitive with our industry peers
- Embracing and improving diversity and inclusion

Impact of engagement

- Increased and improved flexibility in working patterns
- Improved decision-making on team structure and recruitment
- Improved focus on talent pipeline and development of succession planning
- Promotion of leaders from within our businesses, alongside new talent sourced externally
- Implementation of ESG initiatives



Clients & Partners

Why we engage

- To attract and retain key clients
- To develop and nurture long-term and mutually beneficial relationships
- To build trust and credibility
- To seek feedback to improve our products and services.
- To ensure continued investment in the right technology, services and teams

How we engage

- Regular one-to-one feedback discussions
- Through multiple client stakeholders and relationship owners
- Virtual meetings/events to share learning
- Hosting regular in-person events and service reviews
- External CSAT interviews

Key topics of engagement

- Our service offering and client support
- Increasing the strategic nature of our relationships
- Issue remediation and resolution
- Opportunities for expansion and growth
- Our people delivering services

Impact of engagement

- Strong client retention
- Improved client satisfaction
- Improvements in our service offerings and products
- Reward and recognition of key staff



Investors & Shareholders

Why we engage

- To develop our investors' understanding of our business model, strategic objectives, and culture
- To enable open and transparent engagement with the investor community
- To ensure the Group's operations and financial performance are clear and understood
- To provide the necessary information to ensure investors can make informed judgements about the Group

How we engage

- Publication of Annual Report and Accounts and annual Social Value Report
- Regular and detailed trading updates to the market
- Availability of CEO and CFO to answer questions around trading updates throughout the year
- One-to-one and open online investor meetings or calls with the CEO/CFO at the full year and interim results
- Detailed "Investor" section on the Company's website
- Annual General Meetings and availability of Chair of the Group Board and Chair of each Board Committee to answer questions
- Ad hoc meetings or written responses as requested by existing and potential shareholders and analysts

Key topics of engagement

- Financial performance
- Approach to ESG and corporate governance
- Strategic priorities
- Market opportunity

Impact of engagement

- Improved investor knowledge and understanding of the Group, its operations and activities
- Investor relations activity and feedback are regularly discussed at Board meetings and factored into decision-making by the Group Board
- Enhanced transparency of Group information via the Company's website

Taking action for a sustainable future

As a professional services and technology business we are always mindful of the broad range of stakeholders that we serve. We firmly believe in the importance of maintaining sustainable business practices that balance the needs of these diverse stakeholders, support our ability to grow successfully, and increase shareholder value over the medium to longer term.

A core part of Made Tech's mission is to make a positive impact on the society and communities that we serve and of which we are a part. We aim to use our influence as an employer, a supplier to our clients and a customer of other businesses to help progress this sustainable business agenda. Our ESG ("Environmental, Social, and Governance") Committee and the initiatives that it originates and sponsors are a fundamental part of how we do that.

The ESG Committee advises and supports the Executive Committee and Leadership Team in originating, sponsoring, implementing and tracking various social value initiatives as part of the Group's overall business strategy. At least once a year the ESG Committee reports to the Board on progress made against Made Tech's objectives. Tim Bardell, Chief Delivery & Transformation Officer, was appointed Chair of the ESG Committee during the year.

Social value objectives

Made Tech's mission is to use technology to improve society for everyone; that doesn't just mean through the work that we do for clients but making sure that all of our actions, as a business, an employer, a supplier and a customer of other businesses, support that mission.

We aim to be recognised, as a business, for our total contribution – financial, social and environmental. To this end, we aim to make environmental governance, ED&I, health and wellbeing, skills, community partnerships, and good leadership a core element of every decision we make.

We believe that in order to serve our clients and communities, we need to play an active role in having a positive impact and shaping for the better those societies, the workforce now and in the future, the environment, and the world in which we operate.

We believe that putting 'social values' at the heart of what we do makes sense both commercially and morally. It allows us to attract and retain top talent, work with like-minded clients and partners, play a positive role in the communities of which we are part, and creates an environment where our team members can be their most authentic and effective selves. At the same time, our clients are increasingly placing 'social value' at the centre of their missions, thus creating a powerful force for change.

Made Tech has four key Social Value objectives which are summarised below:

- 1 To operate on a sustainable basis
[See p.23](#)
- 2 To represent and reflect the communities in which Made Tech operates
[See p.24](#)
- 3 To invest in the health, wellbeing and skills of our employees and communities
[See p.26](#)
- 4 To champion and deliver good corporate behaviours, ethics and culture through our client engagements and ways of working
[See p.28](#)

The following report sets out the strategies and actions that Made Tech has taken over the past year to deliver on these objectives, the progress that has been made, and plans for the following year.

To operate on a sustainable basis

1

It is the objective of Made Tech to embed consideration for environmental and social impacts into all our business decisions and to empower employees to contribute to growth, customer experience, productivity, and safety.

Some of the strategies adopted to achieve this are set out below:

a) To reduce the Company's own carbon emissions with the aim of being net zero carbon by 2030

Net zero carbon, also known as carbon neutrality or climate neutrality, is a goal of reducing greenhouse gas emissions to zero by balancing the amount released into the atmosphere with the amount removed.

The Company is developing a detailed roadmap to achieve carbon neutrality of its operations by 2030. The achievement of this goal is in part dependent on progress made by government and commercial suppliers to provide practical solutions.

Made Tech's most recent assessment of its greenhouse gas ("GHG") emissions is as follows:

Although Scope 1 emissions continue to be nil, and Scope 2 has shown a continued decline, Scope 3 emissions have increased substantially compared with the prior year. Emissions in scope of PPN 06/21 represent a subset of total emissions that are set out by the government for procurement requirements. The primary reasons for the growth of Scope 3 and PPM06/21 emissions are an increasing requirement from clients to work on-site as COVID restrictions have been eased resulting in greater travel and use of overnight accommodation, as well as increased commuting by staff to Made Tech's hub offices.

Made Tech operates a hybrid work policy where employees are able to work from home, a company office, or client sites. Made Tech operates four 'hub' offices in city centre locations (London, Manchester, Bristol and Swansea) which are well connected by public transport infrastructure. The Company also offers a cyclescheme for all employees.

During FY25 the Company will undertake more detailed research into energy use by staff and, consulting with employees, explore ways to reduce carbon emissions from the 'workplace home'.

b) To work with our clients to reduce carbon emissions resulting from ways of the working

The largest contributors to Made Tech's carbon emissions are as a result of commitments made on behalf of clients such as travel to client sites and data centre usage. Made Tech aims to use its influence with clients to make sure that chosen work practices are as sustainable as possible. This includes working from client sites only when face-to-face interaction is required, and sourcing services from sustainable suppliers.

c) Working with suppliers who share our commitment to sustainability

Informed by data captured as part of our carbon neutral calculations, we will review suppliers to Made Tech, and may request that they provide their own carbon reduction plans and/or commitments to Net Zero. We may look to change suppliers for goods and services based on emissions.

d) Ensure that our office estate operates on a sustainable basis

As outlined above Made Tech operates a hybrid working model that allows staff to work flexibly from a number of locations, thus minimising the cost and disruption caused by unnecessary travel. As a result Made Tech's office estate is limited in scale helping to ensure that there is not a wasteful overprovision of office space. Three of our four offices are in serviced offices where many common facilities are shared with other tenants. During the year we moved our Manchester office into a new managed building that is B-Corp certified.

We keep the location, size and sustainability of services at our offices under regular review.

e) Minimising waste

Part of operating sustainability is to minimise unnecessary consumption. As a result we limit the use of printers and photocopiers and aim to achieve the maximum life out of our IT infrastructure by extending the life of assets on a case by case basis.

When it comes to disposal we operate recycling facilities in all of our offices. In addition we are partnering with The Good Things Foundation as a device donor to their National Device Bank, helping to extend the useful life of our IT estate. The Good Things Foundation is a digital exclusion charity and we are working closely with them to increase our support over the next 12 months.

Year ended 31st December		2023 tCO ₂ e	2022 tCO ₂ e	Variance tCO ₂ e	2020 (Base Year) tCO ₂ e
Scope 1	Gas-based central heating in our premises	0	0	0	0
Scope 2	Emissions from electricity purchased	4.7	5.1	(0.4)	15.2
Scope 3	Indirect emissions	807.9	381.4	426.5	119.9
Total emissions		812.6	386.5	426.1	135.1
Total emissions in scope of PPN 06/21		348.0	72.6	275.4	73.44
Carbon per employee	Intensity metric which accounts for organisational growth	0.99	0.17	0.82	0.50

To represent and reflect the communities in which Made Tech operates

2

We believe that in order to serve our clients and communities, we need to reflect them. Ensuring our organisation is equitable, diverse and inclusive is both a moral obligation and required for the success of our business; it allows us to attract and retain top talent, and creates an environment where our team members can be their most authentic and effective selves.

We operate in the technology industry where we recognise there is a significant diversity challenge. We are proud that our organisational demographics reflect well against many typically under-represented groups (when compared with the TechTalent Charter). This includes our neurodiverse, disabled and LGBTQIA+ colleagues.

Made Tech's main strategies to fulfil this objective include:

a) Maintain a regular dialogue with Made Tech staff and to provide appropriate forums that highlight and champion the Company's ED&I achievements and ambitions

The Company runs a number of regular meetings for staff including monthly company updates and weekly showcases. Our team is able to use these forums to express and champion causes that are close to their heart. In addition we run several open and closed forums covering many aspects of our diverse workplace to ensure our colleagues have safe spaces to share thoughts, challenges and seek support. The People Team provides regular updates to the Company on ED&I initiatives and achievements and our People Forum helps to amplify the voices of colleagues where appropriate.

b) Recording and tracking Made Tech's performance against ED&I measures

Annually, Made Tech records how equitable, diverse and inclusive (ED&I) we are in comparison to internal data sets and national data shared by the Office for National Statistics (ONS).

Overall, we can report positive progress on many measures across our organisation. We have exceeded national averages in several measures of diversity and have clear markers for improvement on which areas to focus efforts towards over the next year.

We collated anonymised, aggregated data from our internal census. In total **81%** of employees responded to the census.

The three key areas and sub-categories we track are:

Diversity of the Group

- Gender identity
- Transgender identity
- Ethnicity
- Age
- Neurodiversity
- Health
- Disabilities
- Sexual orientation
- Religion
- Parents
- Carers
- Education

Results and comparatives with national and industry measures are set out below:

2%

of our team are transgender

This is **greater** than the [Tech Talent Charter](#)¹ of 0.17% and UK Population of 0.5%

18%

of our team are neurodivergent

This is **15% greater** than Tech Talent Charter

23%

of our team are ethnically diverse

This was an **increase** to 23% from 20% in 2023

7% higher than UK population
This includes 9.5% representation of Black, African, Caribbean or Black British ethnic groups which is nearly **double the UK population**, and **4% higher** than the [Tech Talent Charter](#)

10%

of our team are LGBTQIA+

which is **greater** than UK population of 3.4%

22%

of our team have long term

physical or **mental health** conditions or illnesses

82%

of our team have a degree

12%

of our team have a visible or invisible disability

This is **6% greater** than Tech Talent Charter, but less than UK Population of 23%

36%

of our leaders identify as female

This includes **33% of our board who are female**, including our Chair.

36%

of our team are parents

11% are caregivers

¹ <https://report.techtalentcharter.co.uk/diversity-in-tech>

To represent and reflect the communities in which Made Tech operates continued

2

The ESG Committee has identified that a key area of focus in FY25 is the need to increase representation of underrepresented groups in our leadership roles.

Furthermore, in FY25 we will explore setting specific ED&I target ranges against industry peers and national targets and report on these in the next Annual Report.

Equity and inclusiveness of the Group

The Company also publishes an annual Gender pay gap report, a summary of which is shown below.

Year ended 4 April	Median pay gap	Mean pay gap
2022	24.7%	5.8%
2023	27.9%	20.0%

The results for 2023 were after a period of robust growth in staff numbers and show an increase in the gender pay gap compared with the prior year. The primary driver for the increase in the mean pay gap was an initiative to significantly increase the proportion of women recruited into associate (i.e. apprentice) roles; they represented 71% of the 2023 cohort.

Although not a legal requirement, Made Tech has long intended to begin reporting on our ethnicity pay gap in addition to our gender pay gap report. We look to include this in next years' Annual Report.

a) To support employees in their chosen community activities through corporate support and donations

Charitable partnerships are a recent endeavour for Made Tech. In recent years we have fundraised or provided support to charities and non-profit organisations on an ad hoc basis. We are now looking to build upon that work and set up a set of established partnerships that will allow us to deliver greater value in the communities where we operate.

Our focus included supporting the most vulnerable people within our communities, removing barriers to employment within the tech sector - particularly for under-represented groups, and increasing digital engagement and literacy across low access demographics.

Employability partnerships

Made Tech works with a number of partners to ensure that our talent pipelines are reaching those who are underrepresented in the technology industry such as Hackajob and Haystack. In addition, these partnerships give us the opportunity to support non-profit organisations in their missions to diversify the technology industry. One example is our relationship with Coding Black Females, where our team members have supported employability workshops and presented at careers fairs.

Charity partner

For the last few months, the ESG Committee and People Forum have been gathering information on the priorities of our team members, such as the ways in which they would prefer to provide support to a charity. This process has now produced a short list of potential charity partners with whom we will be doing additional due diligence, before running a company wide vote. We will aim to work with our selected charity partner to help support them in the community.

To invest in the health, wellbeing and skills of our employees and communities

3

The environment in which we operate is rapidly changing and fast growing. In order for Made Tech to meet the needs of our clients as an innovative and collaborative partner we need to be investing in the health, wellbeing and skills of our own people as well as supporting the development and needs of our clients and society.

The needs of our public sector clients, their teams and stakeholders are changing as never before. The requirements of digital products and services and those, like us, who provide them are increasingly demanding. The backdrop of a public sector which faces continued funding challenges, often reliant upon ageing legacy technologies, presents threats which require bespoke and innovative solutions.

These solutions require a skilled, diverse and motivated workforce, and we are recruiting, supporting, developing and growing teams which can respond to the challenges that we need to help our clients overcome. To do this we need to remove barriers to employment, offer opportunities for progression and support the emotional and physical health of our team members. We do this through providing access to training activities and progressive learning and development opportunities, support resources, reasonable adjustments and individual paid counselling budgets working alongside the Group's People Forum consisting of employee-elected representatives.

Made Tech's strategies to fulfil this objective include:

a) To facilitate an appropriate work-life balance for employees

At Made Tech, we operate a flexible hybrid working model where, subject to client and corporate requirements, employees can elect to work from one of the Group's hub offices or from home. By prior agreement staff also have flexibility to adapt their working day to fit in with commitments such as childcare or health visits and levels of overtime are regularly monitored to ensure that employees aren't at risk of working excessive hours.

In addition to bank holidays, sick, medical, parental, and compassionate leave amongst others, all team members are entitled to 30 days of annual leave. Management expects employees to make use of these leave provisions at regular intervals throughout the year and the People Team track leave throughout the year to ensure team members are taking regular breaks.

In addition staff can carry over or bring forward some annual leave to provide even greater flexibility.

Our People Forum continually reviews our leave policies to ensure they remain fit for purpose as the needs of our teams change.

b) To put in place an appropriate working environment

Made Tech's Ops team work to ensure that all employees are able to work in a safe and healthy environment whether that is in the office or at home. Training and guidance is provided as are personal budgets for making appropriate adaptations at home.

Supporting team members with diverse needs is a key part of our health, wellbeing and skills strategy. Made Tech is a Disability Confident Employer Level 2, and a member of the Neurodiversity in Business group.

This year we have streamlined our "reasonable adjustments" process, moving it to our online HR platform; making it easier for team members to request adjustments and have adjustments implemented more rapidly.

c) To work with employees to further their talent development by providing time and facilities for appropriate training and development and to actively manage their careers

All employees have regular meetings and appraisals with their line managers to set objectives, track progress and to ensure where possible that each team member is receiving the appropriate work experience and training to further their career development.

One of the key benefits of working for a professional services company such as Made Tech is the opportunity to work with a variety of clients, on a wide range of projects, whilst also allowing employees to follow a more technical or leadership focussed development path.

In addition to the individual learning days and learning budgets that all our team members are given annually, we will be creating structured learning pathways to support our team members in developing skills in emergency technologies such as generative AI.

d) To provide health and wellbeing support

Made Tech provides a wide range of support for our team members including healthcare plans and access to mental health professionals through our wellbeing platform.

In addition 4% of our team are trained as Mental Health First Aiders, ensuring help is always on hand with a low barrier to entry. We will be training additional mental health first aiders (MHFAs) with an ambition to maintain a level of 5% of our work force being MHFAs.

To invest in the health, wellbeing and skills of our employees and communities continued

e) To provide resources and forums through which employees can safely raise concerns and receive a timely and appropriate response

Made Tech have a number of People Partners, based at each of the hub offices, to work alongside line managers in supporting employees. Staff have an opportunity to raise any concerns with their line manager, people partner or mentor and can raise concerns anonymously if they wish.

The Company also has in place a whistleblowing policy and forum for staff to raise concerns anonymously.

f) To put in place processes that acknowledge and reward exceptional achievement

Made Tech believes in delivering excellence for its clients and for recognising and applauding employees where they make exceptional contributions to our clients, our colleagues and our business. Staff have an opportunity to publicly “sing-the-praises” of other team members and recognise their contributions. The Company also has in place incentive schemes to reward staff for hitting or exceeding targets; including through annual bonus schemes and long term incentive plans that align staff with investor priorities.

g) To engage with employees and the community to plan how the business can continually improve and adapt

In addition to the regular feedback sessions with line managers and People Partners, the Group has in place a People Forum. This Forum comprises employees elected by their peers, to consider issues that are most important to employees and their communities and ensure that these are raised and addressed by management.

Each quarter we conduct an “engagement survey” which includes an overarching employee net promoter score and additional questions focussed on a quarterly theme. This survey enables us to make changes that improve our overall employee experience. Going forwards our engagement surveys will be anonymously linked with census data to ensure that the experiences of underrepresented groups are understood in addition to the experience of our team as a whole.



To champion and deliver good corporate behaviours, ethics and culture through our client engagements and ways of working



The first three Social Value objectives set out above focus primarily on Made Tech's own operations. However, the greatest social value impact that Made Tech can have is on what it achieves for its clients. As such, Made Tech's objective is to focus on delivering the social value objectives of its clients and at the same time being a trusted partner who is able to advocate and influence to extend best practice for the greater benefit of society.

Made Tech's strategies to fulfil this objective include:

a) To have dedicated Client Partners and Industry Leads who have a close working relationship with their clients, to understand their needs, drive through change, and act as a trusted partner and adviser

Over the past 18 months Made Tech has made considerable investment in extending and deepening our client and market knowledge and expertise. We operate nine dedicated industry verticals including Public Safety & National Security, Health & Life Sciences, and Energy, Utilities & Environment. This investment allows us to better understand the specific needs of our clients and help bring to bear Made Tech's expertise in a targeted and appropriate manner.

Made Tech have always welcomed the inclusion of 'social value' as a part of the assessment of tenders, as this provides us an opportunity to work with clients to deliver increased positive impact to people and communities. The Procurement Act, which will go live in February 2025, is set to usher in some small but powerful changes to the way the public sector thinks about social benefit in procurement, with a switch from 'Most Economically Advantageous Tender (MEAT)' to 'The most advantageous tender (MAT)'. This subtle change shifts the focus further towards social value, and we have seen our public sector clients respond by asking more specific social value questions, and having higher expectations of the quality of responses - both in terms of commitments, and approaches to measurement. We welcome this change.

Through the year our Commercial and Social Value teams have worked hand-in-hand to understand the priorities of our clients, and ensure our objectives are aligned. While there is an obvious commercial aspect to this, we believe that by understanding our clients' priorities and motivations better, we can better enable our project teams to integrate and build lasting peer-to-peer relationships.

Our social value responses have consistently scored highly on every bid we have submitted over the last 12 months. We have begun to adopt more specific commitments aligned to each contract such as specific placements, regional hiring and sponsored events; rather than primarily focusing on organisational level social value.

b) To develop in-house working practices and deliverables that embed best practice for delivering social value benefits in the work for which we bid and deliver

There is a growing demand for sustainable product design and development by public sector clients. We have embraced the '**Planet-Centred Design**' approach which is a way of designing products and services that considers the needs of the planet as well as the needs of the customer or employee. The goal is to minimise the impact of design on the environment.

Our internal working group has been informed by many of our client engagements and industry best practice, and has developed a set of Made Tech principles for Planet Centred Design. These include:

- Setting planet centred principles in working practices and methods
- Prototyping with planet centred purpose
- Implementing planet centred development
- Sustaining planet centred improvement in live services

The first step of implementing our Planet Centred proposition is to implement training of our engineers and providing the option to our clients to extend this to their teams either through our joint engagements or as a standalone service.

c) To have a sustainable and an externally-audited measure of our Social Value commitments

Having an externally-audited measure of the achievement of our Social Value commitments is important to us as a business as it plays to our values of transparency and working in the open as we do in all of our client engagements. The Social Value Quality Mark (SVQM) provides a critical eye on the commitments that we make as a business, and shows the way to increasing the impact of our efforts and contributions.

Part of this is also to ensure that the advice and outcomes we deliver for our clients adheres to our standards of safety, value and efficacy. Above all, we want to ensure that the advice we give, the services we deliver as well as our actual software products are fit for purpose and represent good value for our clients and society.

As part of the wider procurement process we are building upon our successes this year by operationalising our approach to social value. We have mapped the journey from budgeting, through delivering, reporting and contract closure. We have identified ownership and responsibility of each activity, and agreed the required inputs and deliverables at each stage of the project process.

By the end of the calendar year we aim to have an agreed approach to social value commitments depending on client circumstances and an approach to measuring and reporting impact to our clients and other stakeholders.

Principal risks and uncertainties

Managing risk effectively

The Group Board is ultimately responsible for setting and approving the organisation's risk appetite and ensuring that the Group maintains sound risk management and a comprehensive internal control framework.

Risk management and internal control framework

Risk identification and monitoring is an ongoing iterative process which facilitates the early identification, assessment and escalation of risks. The Group has established governance and communication structures which ensure that such risks are actively managed and mitigated.

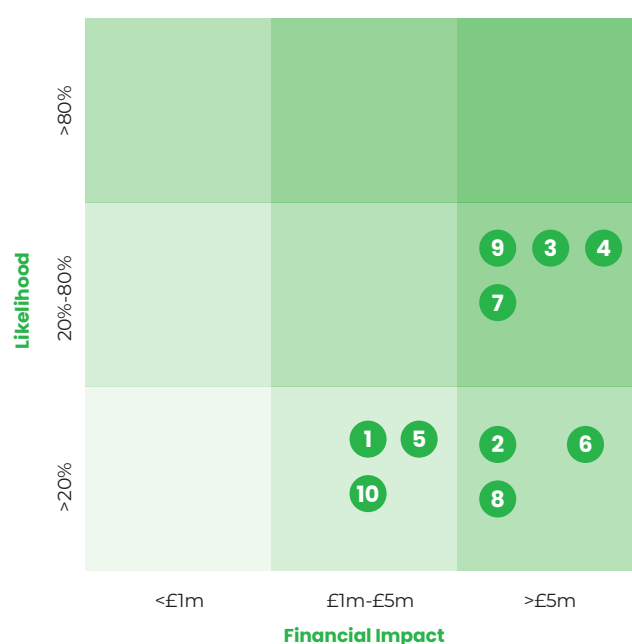
A risk register is updated and formally reviewed regularly by the Board. To ensure effective and accountable management of individual risks, each risk identified on the Group's risk register is assigned to a named risk owner at a Heads of Department level. The risk owner has responsibility for the ongoing monitoring, review and mitigation of individual risks, with the aim of reducing these to acceptable levels.

Key risks

There are a number of risks and uncertainties which could have an impact on the Group's long-term performance and cause actual results to differ materially from expected and historical results. The Board seeks early identification of material risks and has put in place policies, procedures and resources to manage and mitigate any exposure.

The risk assessment matrix below sets out and categorises key risks and outlines the controls that are in place. The Board recognises that the nature and scope of risks can change and there may be other risks to which the Group is exposed and so this list is not intended to be exhaustive. The following principal risks and controls to mitigate them have been identified:

Risk	Change
1 Attracting and retaining talented staff	↓
2 Legal, Regulatory & Compliance requirements	↔
3 Cybersecurity and risk to privacy	↑
4 Quality of service delivery	↔
5 Visibility of revenue and quality of earnings	↔
6 Competitor activity	↑
7 Investment decisions	↔
8 Contractual risk	↑
9 Macroeconomic and government policy risk	↓
10 Sustainability	↔



Change to risk key

↑ Increased ↔ No change ↓ Decreased

Principal risks and uncertainties continued

1. Attracting and retaining talented staff		Change to risk – decreased
Description We may be unable to recruit or retain employees with suitable skills at all required levels.	Potential impact Our most important asset is our talented staff. We recognise that the future success of our business is dependent on attracting, developing, motivating and retaining our people. Made Tech strives to be an employer with outstanding development opportunities, competitive total rewards and a culture of creativity and inclusivity. Failure to attract and retain key talent could negatively impact the Group's ability to innovate and grow and could lead to decreased productivity, or undermine customer relationships. The market remains competitive for top talent. Made Tech's diverse product and service solutions often require niche skill sets and experiences to meet customer expectations and performance obligations. This could impact our ability to provide contracted solutions and services, negatively impacting revenue, profit and cash flow in the short term and causing damage to our reputation, customer relationships and staff morale.	Mitigation We routinely benchmark ourselves against our peers and adapt best practices to ensure success in recruiting, hiring and maintaining a highly competent and engaged workforce. To manage hiring for specialist roles we have activated several successful strategies to source top talent, including expansion of our presence on hiring platforms and investment in our in-house talent acquisition and mobility team. We continue to focus on appointing high quality candidates to replace leavers or fill new roles, and continuously focus on employee development through training and other employee engagement measures. The Group puts culture and purpose at the forefront of what we do and strives to become an employer of choice. Our goal is to have a diverse workforce that replicates the diversity of where we operate. We offer competitive compensation packages that are reviewed regularly, and we routinely survey our employees to monitor employee engagement levels and identify opportunities for further improvement. Attrition rates are monitored monthly to enable mitigating actions to be taken quickly if necessary.
2. Legal, Regulatory & Compliance requirements		Change to risk – no change
Description We need to comply with legal, regulatory and contractual information security, data protection and privacy, and related requirements. We have to comply with laws and regulations applicable to us and design our products and services to meet laws and regulations applicable to our customers. Our intellectual property ("IP") is centred around the software and services we develop for customers. We have to manage the risk of infringing a third party's IP rights in our development of software and services.	Potential impact Non-compliance could expose us to liability and fines (for example under GDPR), reduce profit and cash flow in the short term, cause reputational damage and harm customer relationships and credibility in the market. If we infringe a third party's IP rights it could expose us to liability, negatively impact profit and cash flow in the short term and cause reputational damage. If a third party infringes our IP rights, it could expose us to competitive disadvantage, loss of revenues or increased security risks.	Mitigation We review the impact of new and updated information security, data protection and privacy regulations and legislation in advance, to understand how these will affect both us and our clients. The output of these reviews will influence the delivery of our internal controls and processes and the design of products, solutions and working practices. We make staff aware of the potential impact of changing regulations and provide targeted training within business divisions, and through the delivery of focused training initiatives. We enter into non-disclosure agreements with employees, independent contractors and third parties in the ordinary course of our business to provide a degree of protection. All staff are made aware of client confidentiality requirements. Where practical, focused patent searches are undertaken to identify areas in which new products or services under development may conflict with third-party IP. We constantly monitor the use of third-party software in our product offerings. The choice of third-party components is subject to technical review and assessment at design stage. Our employment and consultancy contracts have clauses to protect IP. Background checks and security clearances are performed on employees. Our finance, compliance and legal teams review draft and current regulatory and legislative requirements, including, for example, GDPR (UK Data Protection Act 2018), and provide an impact assessment for the products and services that we deliver to customers. In relation to bribery and corruption, we have an established Anti-Bribery and Corruption ("ABC") Policy.

Change to risk key

 Increased
  No change
  Decreased

3. Cybersecurity and risk to privacy

Change to risk – increased



Description

We maintain the confidentiality, integrity and availability of data, and ensure the secure operation of our IT systems, both internally and as part of our service offerings to customers. Cybersecurity events are occurring more frequently across the globe, and are of greater scale and sophistication. In recent years remote working has brought a fresh aspect to this risk.

Potential impact

IT security breaches, computer malware and other cyber-attacks causing loss of customer data could result in a loss of business to the Group, limit our operations, expose us to fines (for example under GDPR) and/or contractual liability, reduce short-term profit and cash flow, cause reputational damage, and damage customer relationships and credibility in the market.

Mitigation

We regularly review and improve our systems and processes in order to mitigate the risk of an IT security breach and cybersecurity event. The Group implements a robust testing process on systems and software that includes external penetration testing by software consultants. Disaster recovery plans have been developed to respond to such incidents to ensure the business is able to recover with limited interruption should an incident arise.

The Group has crisis management procedures in place to help us to promptly deal with any security incident efficiently.

We have mandatory Cybersecurity training in place for all staff. The Group holds an appropriate level of cyber-insurance.

4. Quality of service delivery

Change to risk – no change



Description

The success of the Group is largely dependent on its technical capabilities and it relies to a significant degree on the efficient and uninterrupted operation of its software, computer and communications systems and those of its third-party suppliers, including the security of internet services.

Software bugs or lack of availability or support for hosted or supported services could affect our customer service.

Potential impact

Any malfunctioning of the Group's technology and systems or those of key third-party suppliers could result in a lack of confidence in the Group's products, with a consequential adverse effect on the Group's business and financial results.

This could expose us to liability and negatively impact profit and cash flow in the short term, cause reputational damage and harm our client relationships and credibility in the market.

Mitigation

The Group's private network provides greater performance reliability, security and capability benefits compared to the public internet. The Group's technology infrastructure is built with resilience and redundancy as key components and is hosted in multiple data centre locations operated by internationally recognised data centre providers.

The Group monitors its software and systems on a 24/7 basis to ensure that in the event of any interruption (irrespective of the cause) it is able to respond quickly to issues that affect the performance of its products.

We design our systems, client solutions and infrastructure to provide both resilience and service availability. We maintain awareness of vendor/supplier product roadmaps and support capabilities.

The Group is ISO 9001 and ISO 27001 certified and operates rigorous change control and software development processes to ensure that any work undertaken on its software and technology infrastructure minimises the impact on its clients.

Critical incident and problem management processes are in place and are audited as part of our ISO 9001 certification.

Professional indemnity insurance is in place.

Our software development life cycle includes following coding practices, quality assurance and testing and is periodically audited as part of our ISO 9001 and ISO 27001 certifications.

5. Visibility of revenue and quality of earnings

Change to risk – no change



Description

The majority of the Group's client contracts are for one-off projects or call-off contracts. The time between bid, award and the commencement of work can be short and clients can usually give limited notice to cease work. In addition clients may choose to diversify or change how, or from whom, they source the services currently provided by the Group.

Potential impact

In addition to the risk that there is a limited contracted forward visibility of revenue, the ability of the Company to flex its staffing, and ensure an appropriate mix of specialist skills may result in margins being impacted through overcapacity or, not being able to service revenue due to under capacity.

Mitigation

Our leadership team and client partners maintain regular contact with key clients to maintain and build relationships and maximise forward visibility of opportunities and workload.

The Group's strategy is to expand its client base within the territories it currently operates, to diversify the capabilities that the Company offers, and to leverage its current relationships.




The Company is also looking to pursue longer term agreements such as managed service contracts, and to develop software solutions for specific client needs.

Management focuses on staff utilisation and the appropriateness of the skills mix within the business, and where necessary use contractors to fulfil periods of peak demand.

Change to risk key

Increased
 No change
 Decreased

Principal risks and uncertainties continued

6. Competitor activity		Change to risk – increased 
Description Some of the Group's competitors include significantly larger enterprises with greater financial and marketing resources than the Group. There may also be new entrants to the market which could become competitors to the Group.	Potential impact Competitors in the market may impact our ability to win and retain clients, and could result in a reduction in our rate card, negatively impacting our profit and cash flow.	Mitigation The Directors believe that significant barriers to entry exist in the markets in which the Group operates, including, for example, placement on government frameworks, maintaining appropriate certifications, and the technical skills and expertise required to develop its services. The Group's continued success in winning new clients and renewing existing contracts demonstrates the robustness of the Group's service offering, and the Group is focused on providing first class services to deliver successful projects in a timely manner. The Directors are nevertheless aware of the need to ensure that the Group's services are at the leading edge of technology offerings to its clients and invest in new capabilities to ensure that Made Tech's service offerings meet our clients' requirements. We continue to monitor the bid-to-win ratios to identify potential risks.
7. Investment decisions		Change to risk – no change 
Description Our investment decisions may not be satisfactory.	Potential impact Failure to manage investment decisions could negatively impact medium and long term value creation for shareholders.	Mitigation We undertake regular strategic reviews to ensure that the business applies an appropriate capital allocation process. Considerations include the prioritisation and timing of investment in business development activities such as sales, marketing, service delivery propositions, staff training, product developments and M&A. These decisions are informed by customer and market intelligence.
8. Contractual risk		Change to risk – increased 
Description The Group offers a wide variety of products and services with different risk profiles to a variety of customers, often in highly regulated markets and/or performing critical public services. Clients will often seek to contract under their own terms and conditions, and often will require audits with respect to assurance around quality and compliance.	Potential impact Where the Group fails to meet contractual undertakings such as delivering to a certain specification, deadline, response time undertaking, or other commitment, there is a risk that payment milestones will be delayed, revenue reduced, or the business may need to apply extra resources to meeting the delivery requirements, impacting on profit margins. There is also the risk of reputational damage.	Mitigation Historically, most contracts undertaken by the Group operated on a time and materials basis. However, the Group is now undertaking a growing number of long term and/or fixed price projects that may include milestone payments. The Group also enters into contracts with its subcontractors. The Company operates a formal bid process where all opportunities are considered by the Industry Lead, Client Partner and Delivery Manager, drawing on technical expertise where appropriate. Bids are supported by the Group's Bid Team. Only when all the risks have been considered and satisfactory mitigating actions agreed will the Company proceed with a bid. The Company will ensure that deliverables and dependencies are clearly stated at the contractual stage and may choose to apply risk premiums to bids. The Company will seek independent legal support where appropriate. The client and delivery teams undertake regular project reviews and escalate issues internally and with clients as soon as they are identified. Strict change control measures are in place and the Company's Operations Team supports with compliance tracking.

Change to risk key

 Increased
  No change
  Decreased

9. Macroeconomic and government policy risk		Change to risk – decreased
<p>Description</p> <p>The Group heavily relies on revenue from contracts with the UK government.</p> <p>Business may therefore be impacted by factors such as instability of the financial system, market disruptions or suspensions, a material downturn in the financial markets, an economic recession, or other unprecedented economic disruption caused by a global pandemic.</p> <p>There may be a change in government policy.</p>	<p>Potential impact</p> <p>Changes to government policy or spending may have a material impact on future contract awards and consequently on the performance, financial condition or business prospects of the Group. If government procurement policy moves away from its current policy favouring SMEs such as Made Tech, or if any current or future government reduces its stated commitment to digital technology, the Group's performance, financial condition or business prospects may be adversely impacted.</p>	<p>Mitigation</p> <p>Our service line structure together with our stakeholder engagement plans, regular dialogue with clients, research and marketing activities and regular strategic reviews of the overall business assist in maintaining a sustainable business.</p> <p>Our compliance and operations teams actively manage our business continuity plans and disaster recovery activities to ensure that Made Tech remains prepared for a wide variety of unplanned business disruptions.</p> <p>The Group is expanding into new capabilities, and diversifying its client base into other areas of the public sector to mitigate risk.</p> <p>We note that the Labour government, elected in July 2024, has committed to continuing investment in digital services as part of its manifesto.</p>
10. Sustainability		Change to risk – no change
<p>Description</p> <p>With the increasing global focus on sustainability and climate risk, Made Tech is prioritising the implementation of its ESG strategy.</p>	<p>Potential impact</p> <p>Given the increased focus on sustainability and corporate responses to it, our failure to appropriately respond to climate risk and sustainability would run contrary to our values and could result in fines for non-compliance with any regulations and reputational damage.</p> <p>It could also deter:</p> <ul style="list-style-type: none"> ● prospective employees from joining us; ● clients from appointing us to projects; and ● investors from owning our shares. 	<p>Mitigation</p> <p>The Group has a broad ESG response in place, as detailed in the Group's Social Value report, which we are enhancing further through a number of initiatives aimed at improving the sustainability of our business over the long term. While we will endeavour to meet our ambition, success relies on some aspects beyond our direct control. For instance, the ability to fully decarbonise our Scope 2 emissions is dependent on the decarbonisation of local grids and/or adoption of renewable energy supply by our landlords. The Company's ability to reduce its Scope 3 emissions relies on our data centre suppliers decarbonising successfully. Further, other Scope 3 value chain emissions are reliant on development of new green technologies. Residual emissions are also dependent on a developed carbon dioxide removals market. We are undertaking the necessary steps to develop our transition plan to reduce emissions in line with a Paris Agreement-aligned pathway. The Group continues to improve the resilience and business continuity of its office network and supply chain and has transitioned to virtual and hybrid-working models as deemed appropriate.</p> <p>For more information on this area refer to the Social Value Report (page 22).</p>

The Strategic Report, which includes the Chair's Report, the Chief Executive's Review, the business model and strategy, the Group Financial Review and the principal risks and uncertainties, was approved by the Group board and signed on its behalf by:

Rory MacDonald

Founder & Chief Executive Officer
27 September 2024

Change to risk key

Increased
 No change
 Decreased

Our board of Directors is collectively responsible for the long-term sustainable success of the Company

Gender composition



Length of tenure



Group board meetings attended in FY24

Executive Directors:

Rory MacDonald	12/12
Neil Elton	4/4
Chris Blackburn	12/12
Deborah Lovegrove	7/8

Non-Executive Directors:

Joanne Lake	12/12
Helen Gilder	12/12
Phil Pavitt	10/12



Joanne Lake
Independent
Non-Executive Chair

Committees
Audit & Risk Committee
Remuneration Committee
Nomination Committee (Chair)

Joanne has over 30 years' experience in accountancy and investment banking, including with Panmure Gordon, Evolution Securities, Williams de Broe and Price Waterhouse. She has over 10 years' experience as a Non-executive Director, Senior Independent Director and Chair of a variety of publicly quoted companies. Joanne is a Chartered Accountant and a Fellow of the Chartered Institute for Securities & Investment, and of the ICAEW, and is a member of the ICAEW's Corporate Finance Faculty.

Current directorships/partnerships

Braemar Plc, Gateley (Holdings) Plc
Henry Boot PLC
Morson Group Limited
Pollen Street Group Limited



Rory MacDonald
Founder and
Chief Executive Officer

Committees
N/A

Rory is the Founder and Chief Executive at Made Tech Group. He has successfully built Made Tech Group into a highly regarded technology business known for its high quality services to clients. Rory is responsible for setting the strategic direction for the Group and for overseeing profitable growth.

Current directorships/partnerships

Made Tech Limited
Made Tech Learning Limited
August PC02 Limited
Rory MacDonald Holdings Limited
RMD Investment Management Limited



Neil Elton

Chief Financial Officer

Committees

N/A

Neil has over 25 years' experience in the strategic, operational and financial management of a number of fast growing listed companies.

Neil's previous roles include CFO of Learning Technologies Group plc where he helped build the digital learning and talent management business to become a global leader in its market. Prior to that he was CFO of Science Group plc, the listed research and development specialist, and Concateno plc, the industry consolidator and European leader in drugs-of-abuse testing.

Neil is a Chartered Accountant with the ICAEW.

Current directorships/partnerships

Made Tech Limited
Made Tech Learning Limited



Chris Blackburn

Chief Operating Officer

Committees

N/A

Chris has over 20 years' experience in digital and technology consulting roles spanning public and private sector clients including Royal Bank of Scotland, Philips, Government Digital Service and the Ministry of Justice. Prior to Made Tech, Chris was Technology Director at Dentsu Aegis agency Isobar, leading technology delivery in the UK.

Current directorships/partnerships

Made Tech Limited
Made Tech Learning Limited



Helen Gilder

Independent
Non-Executive Director

Committees

Audit & Risk Committee (Chair)
Remuneration Committee
Nomination Committee

Helen has over 30 years of experience in leading fast-growth digital technology companies. She was formerly CFO of AIM quoted ZOO Digital Group plc, is a member of the Yorkshire Regional Advisory Group of the London Stock Exchange and advises a number of growth businesses.

Helen is a Chartered Accountant with the ICAEW.

Current directorships/partnerships

Celebrus Technologies plc (formerly D4t4 Solutions plc)
Helen Gilder Limited
Rubicon Bridge Limited
Slingshot Simulations Limited



Phil Pavitt

Independent
Non-Executive Director

Committees

Audit & Risk Committee
Remuneration Committee (Chair)
Nomination Committee

Phil has over 30 years' experience in technology and transformation, including with HM Revenue & Customs, Transport for London and Essex County Council. He has won a number of industry awards and has consistently been rated as one of the UK's top 25 CIOs.

Current directorships/partnerships

Belron International Limited

Corporate governance and responsibilities

I am pleased to present the Corporate Governance Statement as Chair of the board of Directors of Made Tech Group Plc. As Chair, it is my responsibility to ensure that Made Tech has both sound corporate governance and an effective board. Since the Company listed on AIM in September 2021, the board has chosen to adopt the Quoted Companies Alliance's Corporate Governance Code for Small and Mid-Size Quoted Companies (the "QCA Code"), to the extent it is appropriate having regard to the Company's size, board structure, stage of development and resources.

The Directors of Made Tech recognise the value of good corporate governance in every part of the business. The board considers that compliance with the QCA Code will enable it to serve the interests of all key stakeholders, including shareholders, and will promote the maintenance and creation of long-term value in the Company. The Code consists of ten general principles. These are broadly split into the categories of: delivering growth; maintaining a dynamic management framework; and building trust. This report sets out our approach to governance, including information on relevant policies and practices and the operation of the board and its Committees. Additional detail on how the Company has applied the QCA Code is also provided in the Corporate Governance section of our website: www.madetech.com. The board has assessed the Group's compliance with the Code, and has determined that throughout the year, the Group has complied with the Code's requirements.

Compliance with the QCA Code

Principle 1

Establish a strategy and business model which promote long-term value for shareholders

Made Tech is a provider of digital, data and technology services to the UK public sector. Founded in 2008 and with staff based in four 'hub' locations across the UK (London, Manchester, Bristol and Swansea), Made Tech provides services that enable central government, healthcare, local government and public infrastructure organisations to digitally transform.

The Group's strategy is to provide software and services to run and improve public services worldwide. We will create value for our shareholders through organic growth and targeted M&A activity. By focusing on organic growth, we aim to leverage our existing capabilities, deepen our relationships with clients, and expand our market share in a sustainable manner. Concurrently, our M&A strategy is designed to accelerate growth by acquiring companies that offer complementary products or market access. This dual approach ensures that we scale efficiently while maintaining a strong foundation of service excellence.



Further details of our growth strategy can be found on page 12.

Principle 2**Seek to understand and meet shareholder needs and expectations**

The board is committed to open and ongoing engagement with the Company's shareholders to understand their needs and expectations and to ensure that the Company's business model, strategy and performance are explained and understandable.

Regular communication with shareholders centres around the Annual and Interim Reports, the full and half year results announcements and trading updates (where required or appropriate) as well as the Company's website, which provides access to financial reports, announcements and notifications made via a Regulatory Information Service.

Our Chief Executive Officer is the primary point of contact for shareholders. We have a dedicated email address, investor-relations@madetech.com, for shareholder questions and comments. The Chief Executive Officer is responsible for ensuring that all such feedback from investors is reported to the board as a whole.

Regular meetings are held between the Chief Executive Officer, the Chief Financial Officer and investors and analysts to ensure that the Company's strategy, financials and business developments are communicated effectively. The Independent Non-Executive Directors are also available to discuss any matters that shareholders wish to raise and discuss.

The board also seeks to use the Annual General Meeting to communicate with shareholders, and to give them the opportunity to ask questions and present their views to the whole board.

Principle 3**Take into account wider stakeholder and social responsibilities and their implications for long-term success**

The board recognises that execution of the Company's strategy depends upon strong relationships with both its internal and external stakeholders, and it therefore seeks to understand stakeholder expectations and how they align with the needs of the business. The board will be regularly updated on feedback from stakeholder engagement to ensure that it has a full understanding of the issues that matter most to them so that they can be taken into account in the board's decision making.

Employees

The Company is committed to conducting business with integrity, honesty and fairness and operates a Code of Conduct for all of its employees to ensure that everyone is acting in the best interests of the business.

The board is committed to creating a climate of openness throughout the Company, and to encouraging its employees to provide their feedback through regular employee engagement initiatives and to contribute their own ideas through regular meetings between staff representatives and senior management. The Company uses a variety of channels to keep staff informed of key developments. The Company will continue to provide its employees with regular briefings and updates as well as providing visibility of the Group's financial performance and future plans.

The Company is committed to developing all members of staff, enabling them to fulfil their potential by providing learning and development pathways and career support to all staff across the business, from apprentices to senior management. The Company's academy programme attracts recruits from diverse backgrounds looking to start their careers in the IT and technology sector. Where appropriate, before searching for external candidates, job vacancies are advertised internally within the Company. The Company also supports employees who seek to acquire professional qualifications or to further their own development.

Suppliers

The Company's supplier relationships are managed effectively by our managers to ensure that there is no disruption to the Company's supply chain that could have an adverse impact on the business.

The Company is committed to the ethical sourcing of products and only contracts with suppliers that it believes respect the rights of their employees and require the same standards from all of their suppliers that they apply in their own business.

Clients

All Made Tech clients have a dedicated Client Lead responsible for managing the client relationship. There is a dedicated team including an Executive Sponsor, Industry Lead, Client Partner, Technical Lead and Delivery Lead to support clients and ensure that we develop the relationship and provide great work to grow our relationship and grow the size of the accounts. Client feedback is regularly communicated back to the Executive Team to enable the Company to improve current and future product development, marketing support and customer service levels.

Community and environment

The core focus of the Made Tech business is summed up as "enabling public sector services to digitally transform to provide better services and levels of care and assistance to our communities in a safe, efficient and responsible manner".

The Company aims to challenge itself to develop smarter ideas and to continually improve its technology to enable its clients to meet both business and sustainability goals.

Made Tech complies with the Waste Electrical and Electronic Equipment Regulations and works in compliance with the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Regulations 2004. The Group continues to find ways to reduce energy consumption, reduce waste and increase recycling.



Further details of our work with stakeholders is provided in the Social Value Report on pages 22 to 28.

Compliance with the QCA Code continued

Principle 4

Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Directors are responsible for maintaining the Company's systems of controls and risk management in order to safeguard the Company's assets.

Made Tech operates a risk management framework to identify, manage and monitor risks which affect the delivery of its business model. Risk is a standing item on the board's agenda with reports provided by the Group's senior leadership team. In conjunction with these reports, the board assesses the effectiveness of internal control

systems designed to safeguard the business, by monitoring financial performance against budgets and updated financial forecasts. A formal review of risk and our risk management strategy can be found from page 29 of this report.

Principle 5

Maintain the board as a well-functioning, balanced team led by the Chair

The Company's board of Directors comprises three Executive Directors and three Non-Executive Directors. The QCA Code recommends that at least two board members should be Non-Executive Directors who are independent. The Non-Executive Directors are considered independent for the purposes of the QCA Code and accordingly the Company complies with its requirements.

The biographies of the Directors can be found on pages 34 to 35 of this report and in the board of Directors section of the website. The board is assisted in its duties by the Remuneration, Audit & Risk and Nominations Committees, further information on which can be found from pages 42 to 51 of this report and on the website under a section titled Corporate Governance.

The Executive Directors work full time in the business and have no other significant outside business interests. The CEO is responsible for managing the Group's business and operations within the parameters set by the board. The Non-Executive Directors are responsible for bringing independent judgement to the discussions held by the board, using their breadth of experience and understanding of the business. Their key responsibilities are to constructively challenge and contribute to strategic proposals, and to monitor performance, resources and standards of conduct, compliance and control, whilst providing support to executive management in developing the Group. Their time commitment is sufficient for them to perform these responsibilities and details of their external commitments are given alongside their biographies on pages 34 to 35.

The board is satisfied that it has a suitable balance between independence and knowledge of the business to allow it to discharge its duties and responsibilities effectively.

The board expects to meet at least eight times a year with additional meetings when circumstances and urgent business dictate, and will be responsible for strategy, oversight of the Company's activities and reviewing the framework of internal controls.

Briefing papers are distributed to all Directors in advance of board and Committee meetings and all Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that board procedures are followed, that each Director is at all times provided with such information as is necessary for them to discharge their duties and that applicable rules and regulations are followed, in accordance with the QCA Code.

Attendance information on Group board meetings can be found in the board of Directors section on page 34.

Attendance information on Committee meetings can be found in the Remuneration Report on page 42 and the Audit & Risk Committee Report on page 48.

Principle 6**Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities**

Information on each board member including their experience, skills and qualities they bring to the board is set out on pages 34 to 35 of this report and on the website under board of Directors.

The Directors are satisfied that the balance of Executive and Non-Executive Directors is appropriate and that no individual or group may dominate the board's decisions. The board considers that each of the Directors has the experience and knowledge to constructively challenge the Group's strategy and to provide the necessary guidance, oversight and advice to enable the board to operate effectively. The Group believes that the current balance of skills in the board as a whole reflects a very broad range of commercial and professional skills. The Chair and other Non-Executive Directors communicate with each other as necessary and meet, informally, without the presence of the Executive Directors from time to time during the year. Additionally, they each maintain ongoing communications with Executives between formal board meetings.

In addition to their general board responsibilities, Non-Executive Directors are encouraged to participate in other Group meetings or in matters when their individual areas of expertise may be of value.

The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Company's other advisers where relevant, as well as helping the Chair to maintain excellent standards of corporate governance.

The Executive Directors are subject to the Company's performance and development review process through which their performance against predetermined objectives is reviewed and their personal and professional development needs are considered. The Directors are encouraged to raise any personal development or training needs with the Chair.

The Non-Executive Directors have a breadth and depth of skills and experience across many different sectors enabling them to provide the necessary guidance, oversight and advice for the board to operate effectively.

In order to keep Director skill-sets up to date, the board uses third parties to advise the Directors of their responsibilities including receiving advice from the Company's external lawyers and Nominated Adviser. Board composition is always a consideration in relation to succession planning. The board will consider any board imbalances for future nominations, including board independence and gender balance.

Principle 7**Evaluate board performance based on clear and relevant objectives, seeking continuous improvement**

All board appointments are made after consultation and detailed due diligence is carried out. The board will consider using external advisers to review and evaluate the effectiveness of the board and Directors in future to supplement its own internal evaluation processes.

In May 2023, the board performed an internal formal evaluation of its performance in its first full year as a listed company. The review comprised:

- the completion of a comprehensive questionnaire by all board members covering the effectiveness of the board performance as a unit, as well as that of its Committees and the individual Directors. This covered assessment against both "Composition and Process" criteria and "Behaviours and Activities" criteria; and
- a board discussion facilitated by the Non-Executive Chair of the outputs of the questionnaire.

These results are being used as a benchmark for the board and will be reviewed again on a regular basis. The process identified some areas for development and recommendations to be progressed in FY24 and FY25, including in the context of the Group's growth ambitions, adopting a longer-term outlook to the consideration of, and detailed planning around, future board size and composition, and mix of skills, experience, knowledge and diversity of the board.

Compliance with the QCA Code continued

Principle 8

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

The board is mindful that the tone and culture set by the board will impact many aspects of the Company and the way that stakeholders behave and form views.

The Company recognises the importance of establishing a culture of ethical behaviour and applies these standards to all dealings with employees, clients and other stakeholders. Accordingly, Made Tech has developed an ethics policy to ensure that its business is conducted with high ethical and legal principles and sets standards of professionalism and integrity for all employees and Group-wide operations.

The board has adopted an Anti-Bribery and Corruption Policy consistent with the requirements of the UK Bribery Act 2010 and Modern Slavery Policy. Compliance with the policy will be regularly reviewed at board meetings.

Principle 9

Maintain governance structures and processes that are fit for purpose and support good decision making by the board

The board of Directors is responsible for the determination of the investment decisions of the Company and for its overall supervision and the objectives it has set out. The board is also responsible for the Company's day-to-day operations.

The Company has established Remuneration, Audit & Risk, Nomination and ESG Committees. Further details are set out below.

The Chair is responsible for leading an effective board, fostering a good corporate governance culture, maintaining open communications with the major shareholders and ensuring appropriate strategic focus and direction.

The Chief Executive Officer has overall responsibility for managing the day-to-day operations of the Company and the board as a whole is responsible for implementing the Company's strategy.

Principle 10

Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The board is committed to maintaining effective communication and having constructive dialogue with its shareholders.

The Company has established and intends to build ongoing relationships with both its private and institutional shareholders (through meetings and presentations) as well as institutional analysts, and for them to have the opportunity to discuss issues and provide feedback at meetings with the Company. The Company communicates progress with shareholders and stakeholders throughout the year by publishing announcements via a Regulatory Information Service and its Annual and Interim Report

and Accounts (including the Section 172 Statement), and through update meetings as necessary.

The Group's website is kept up to date with appropriate governance material, and contains details of relevant developments, press and corporate news and presentations.

Our Committees

Audit & Risk Committee

The Audit & Risk Committee comprises Joanne Lake, Phil Pavitt and Helen Gilder, who acts as Chair. The Audit & Risk Committee determines and examines matters relating to the financial affairs of the Company including the terms of engagement of the Company's auditors and, in consultation with the auditors, the scope of the audit. It receives and reviews reports from management and the Company's auditors relating to the half yearly and annual accounts and the accounting and internal control systems in use throughout the Company. The Report of the Audit & Risk Committee can be found on pages 48 to 50.

Remuneration Committee

The Remuneration Committee comprises Joanne Lake, Helen Gilder and Phil Pavitt, who acts as Chair. The Remuneration Committee reviews and makes recommendations in respect of the Executive Directors' remuneration and benefits packages, including share options and the terms of their appointment. The Remuneration Committee also makes recommendations to the board concerning the allocation of share options to employees under the New Share Plans. The Report of the Remuneration Committee can be found on page 42.

Nomination Committee

The Nomination Committee comprises Helen Gilder, Phil Pavitt and Joanne Lake, who acts as Chair. The Nomination Committee is responsible for identifying and nominating for board approval candidates to fill board vacancies and evaluating the need for and nature of additional appointments.

ESG Committee

The ESG Committee is chaired by Tim Bardell (Chief Delivery & Transformation Officer) and comprises employees elected by Made Tech staff.

The ESG Committee is responsible for advising and challenging the Executive Team on the strategy and activities to fulfil the Group's objectives on sustainability, generating social value through its work, positively impacting the lives of its employees and stakeholders, and operating ethically and with goodwill. The ESG Committee updates the board on the Group's progress to achieving its social value objectives on a bi-annual basis.

The Report of the ESG Committee can be found on pages 22 to 28.



Joanne Lake

Non-Executive Chair
27 September 2024

Compensating and valuing our people

Membership and Attendance of the Remuneration Committee

	Committee attendance
Phil Pavitt (Chair)	● ●
Joanne Lake	● ●
Helen Gilder	● ●
Total meetings held	● ●

● Attended ○ Did not attend ○ N/A

Annual Statement

This report for the year ended 31 May 2024 outlines the major decisions on Directors' remuneration during the year and explains the context in which these decisions have been taken.

The report is divided into three sections:

- this **Annual Statement**, which summarises the work of the Committee, remuneration outcomes in respect of the year ended 31 May 2024 and how the Remuneration Policy will operate in the current year;
- the **Remuneration Policy Report**, which summarises the Directors' Remuneration Policy; and
- the **Annual Report on Remuneration**, which discloses how the Remuneration Policy was implemented in the year ended 31 May 2024 and how the Policy will operate for the year ending 31 May 2025.

The information is unaudited except where stated.

Made Tech Group Plc is committed to high standards of corporate governance and our policy and disclosures on Directors' remuneration are intended to reflect this approach. Through this report, we aim to provide shareholders with the necessary information to understand our remuneration strategy and how it links with Group performance.

The Company is listed on AIM, a market operated by the London Stock Exchange, and is not required to provide all of the information included in this report. However, we provide disclosures in addition to those which are required under the AIM Rules on a voluntary basis, to enable shareholders to understand and consider our remuneration arrangements.

Committee meetings and attendance

The Remuneration Committee ('the Committee') comprises three independent non-executive directors with diverse skills and experiences. Membership and attendance details are shown at the start of this report; the biographies are shown on page 34 to 35. During the year Helen Gilder stood down as Chair of the Committee and Phil Pavitt assumed the position of Chair. The Committee is required by its Terms of Reference to meet as frequently as the Committee Chair shall require and also at regular intervals to deal with routine matters and, in any event, at least twice in each financial year. During the financial year to 31 May 2024 the Committee met twice.

Committee objectives and responsibilities

The Committee's main responsibilities can be summarised as follows:

- to determine the framework or broad policy for the remuneration of the Chair and Executive Directors, and such other senior executives as it is requested by the board to consider. The remuneration of Non-Executive Directors shall be a matter for the Chair and the Executive Directors of the board. The remuneration of the Chair shall be a matter for the Executive Directors of the board. No Director shall be involved in any decisions as to their own remuneration;
- to align Executive and shareholder interests;
- to determine such Remuneration Policy, taking into account all factors which it deems necessary (including relevant legal and regulatory requirements);
- to review the ongoing appropriateness and relevance of the Remuneration Policy, including comparisons with market competitors;
- to design and determine targets for any performance-related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- to review the design of, and any changes to, all share incentive plans;
- to advise on any major changes in employee benefit structures throughout the Company; and
- to consider any matter specifically referred to the Committee by the board.

Performance and reward for the year ended

31 May 2024

Following a review of performance against the revenue, Adjusted EBITDA and other annual bonus targets, the Remuneration Committee determined that no annual bonus would be payable to the Executive Directors for the year ended 31 May 2024.

Implementation of the Remuneration Policy for the year ending 31 May 2024

In respect of the implementation of the Remuneration Policy for the year ending 31 May 2025 for Executive Directors:

- no changes will be made to base salary levels or pension and benefit provision;

- annual bonus potential will continue to be capped at 100% of base salary based on a sliding scale linked with the achievement of Adjusted EBITDA and revenue targets;
- awards under the Long Term Incentive Plan ("LTIP") will be measured against absolute total shareholder return ('TSR'), and adjusted diluted earnings per share ('Adjusted dEPS') targets. Details are set out in the Annual Report on Remuneration below; and
- shareholding guidelines of 100% of salary will continue to operate for the Executive Directors.

No changes will be made to the fees for the Chair or Non-Executive Directors.

In addition the Remuneration Committee has considered the incentive plans offered to other staff in the business to better align employees and key management with the operational and strategic objectives of the business. In particular with effect from FY25:

- Performance related annual bonuses will be awarded to members of the Executive and Leadership teams aligned with achievement of organic profit and revenue growth targets, either at the Group or Industry Vertical level, as appropriate
- Performance related LTIPs will be granted to members of the Executive and Leadership team aligned with achievement of challenging organic profit and revenue growth targets, either at the Group or Industry Vertical level, as appropriate, to vest over a period of up to three years and subject to an additional one year hold period (net of sales for tax)
- Select other staff, including Client Partners will, as now, be incentivised through sales commissions
- A Sharesave scheme will be launched in which all eligible employees will be entitled to participate and which will aim to align them with the equity value growth ambitions of the Company

Remuneration policy report

The Company's approach to remuneration is that the overall package should be sufficiently attractive to recruit, motivate and retain individuals of a high calibre with significant technical and strategic expertise. The Company needs to ensure that key personnel can deliver the Company's objectives and create value for shareholders, and are committed to supporting the Company's culture and values.

Summary of Executive Directors' Remuneration Policy

Element	Purpose	Operation	Maximum	Performance
Base salary	<ul style="list-style-type: none"> To help recruit and retain high performing Executive Directors. To reflect the individual's experience and role and the importance of the business. 	<p>Reviewed annually and fixed for 12 months, commencing 1 June each year. The Remuneration Committee takes into account:</p> <ul style="list-style-type: none"> an individual's experience, knowledge and performance in the role; business performance; achievement of objectives; comparative salaries and periodic reviews; the Group's financial position; and the salary increases being provided to Made Tech employees. 	n/a	n/a
Benefits	<ul style="list-style-type: none"> To help recruit and retain high performing Executive Directors. To provide market competitive benefits. 	The Executive Directors are entitled to private medical insurance, dental insurance cover, life insurance and permanent health insurance.	n/a	n/a
Pension	<ul style="list-style-type: none"> To help recruit and retain high performing Executive Directors. To provide market competitive pensions. 	The Executive Directors are entitled to participate in the Group's pension scheme or receive a payment in lieu of pension.	9% of salary.	n/a
Annual bonus	<ul style="list-style-type: none"> To incentivise and reward performance. To align the interests of the Executives and shareholders in the short and medium term. 	<p>The annual bonus is earned by the achievement of one year performance targets set by the Remuneration Committee. The parameters, performance criteria, weightings and targets are ordinarily set at the start of each financial year. Payments are normally made in cash following completion of the year subject to the Committee's assessment of performance against targets and other matters it deems relevant.</p> <p>Awards are subject to malus and clawback provisions.</p>	100% of base salary.	Sliding scale financial, personal, strategic and/or ESG-related targets.

Element	Purpose	Operation	Maximum	Performance
Long Term Incentive Plan ("LTIP")	<ul style="list-style-type: none"> To incentivise and reward long-term performance and value creation. To align the interests of Executive Directors and shareholders in the long term. 	<p>Executive Directors are eligible to receive awards under the LTIP at the Committee's discretion. Awards are granted as nominal cost options or conditional awards which normally vest after three years subject to performance conditions and continued service.</p> <p>Awards are subject to malus and clawback provisions and dividend equivalents may be added to awards.</p> <p>An additional holding period of up to two years post vesting may be applied to awards made to the Executive Directors.</p>	300% of base salary, albeit normal annual awards are expected to be capped at 100% of base salary.	Sliding scale financial, share price, strategic and/or ESG-related targets.
Shareholding guidelines	<ul style="list-style-type: none"> To promote share ownership for Executive Directors. 	Executive Directors are expected to build and hold a shareholding in the Group.	100% of base salary.	n/a

Summary of Non-Executive Directors' Remuneration Policy

Element	Purpose	Operation	Maximum	Performance
Chair and Non-Executive Directors	<ul style="list-style-type: none"> To attract and retain NEDs with appropriate experience and skills and provide fees appropriate to the time commitments and responsibilities of each role. 	Non-Executive Directors are paid a base fee in cash. Fees are reviewed periodically. In addition, reasonable business expenses may be reimbursed.	n/a	n/a

Service contracts and letters of appointment

The service contracts for Rory MacDonald (CEO) and Chris Blackburn (COO) will continue unless and until terminated by either party giving at least 12 months' notice. The service contract for Neil Elton (CFO) is subject to six months' notice by either party.

The Non-Executive Directors do not have service contracts but instead have letters of appointment dated 30 September 2021 which contain a three month notice period. The fees paid to the Non-Executive Directors are determined by the board. They are not entitled to receive incentive awards or other benefits.

The Executive Directors are employed on a full-time basis and the Non-Executive Directors are required to provide sufficient time to fulfil their duties, including time to prepare for and attend board and Committee meetings and to meet with employees, shareholders and other stakeholders. As a matter of good corporate governance, all Directors will put themselves up for re-election on an annual basis at the Company's Annual General Meeting.

Employees

Made Tech expects the total remuneration for employees to be at a level appropriate to attract, recruit, motivate and retain the most suitable individuals. Employees below the board receive base salary and benefits and some employees receive a commission or bonus, and senior members of staff are invited to participate in the LTIP.

The Remuneration Committee takes into consideration the pay and benefits of employees when reviewing the remuneration of the Executive Directors and senior management.

Annual report on remuneration

This section sets out details of remuneration for the year ended 31 May 2024.

Summary of Directors' total remuneration (audited)

Executive Directors	FY	Salary £	Taxable benefits £	Pension £	Annual bonus £	Gain on exercise of share options £	Compensation for loss of office £	Total £
Rory MacDonald	FY24	300,000	2,427	23,846	—	—	—	326,273
	FY23	300,000	2,192	22,937	—	—	—	325,129
Neil Elton (from 15 January 2024)	FY24	76,087	—	6,015	—	—	—	82,102
	FY23	—	—	—	—	—	—	—
Chris Blackburn	FY24	200,000	376	5,856	—	—	—	206,232
	FY23	200,000	361	—	—	—	—	200,361
Deborah Lovegrove (until 29 February 2024)	FY24	185,000	1,884	13,500	83,400	8,811	200,000	492,595
	FY23	200,000	2,152	18,000	—	—	—	220,152

Non-Executive Directors	FY	Salary £	Taxable benefits £	Pension £	Annual bonus £	Gain on exercise of share options £	Compensation for loss of office £	Total £
Joanne Lake	FY24	90,000	—	—	—	—	—	90,000
	FY23	90,000	—	—	—	—	—	90,000
Helen Gilder	FY24	47,083	—	—	—	—	—	47,083
	FY23	50,000	—	—	—	—	—	50,000
Phil Pavitt	FY24	42,917	—	—	—	—	—	42,917
	FY23	40,000	—	—	—	—	—	40,000
Total	FY24	941,087	4,687	49,217	83,400	8,811	200,000	1,287,202
	FY23	880,000	4,705	40,937	—	—	—	925,642

Deborah Lovegrove stepped down from the board on 31 January 2024 and remained as a full-time adviser until the end of February 2024. Neil Elton joined Made Tech as CFO on 15 January 2024 and was appointed to the board on 1 February 2024.

No salary increases were awarded to the Executive Directors from FY23 to FY24. A discretionary award was made to Deborah Lovegrove of £83,400 (FY23: nil), compensation for loss of office comprises payment in lieu of notice, and salary includes accrued holiday. Rory MacDonald and Chris Blackburn waived their entitlement to an annual bonus for the year ended 31 May 2024 (FY23: nil).

Social security contributions in Directors' remuneration was £157,994 (FY23: £119,459). The aggregate share based payment charge related to Directors was £16,141 (FY23: £860,496).

Directors' interests in shares

The interests of the Directors in the ordinary shares of the Company at 31 May 2024 are as follows:

Director	Number of ordinary shares held on 31 May 2024	% of issued share capital	Number of ordinary shares held on 31 May 2023	% of issued share capital
Rory MacDonald	42,594,172	28.53%	41,698,814	27.93%
Neil Elton	209,937	0.14%	—	—
Chris Blackburn	21,650,861	14.50%	21,338,065	14.29%
Joanne Lake	41,324	0.03%	41,324	0.03%
Helen Gilder	4,098	0.00%	4,098	0.00%
Phil Pavitt	8,196	0.01%	8,196	0.01%

As at 31 May 2024 no Directors had an interest in share options. Details of grants made in FY25 are set out in the section below.

Implementation of the Remuneration Policy for the year ending 31 May 2025

Details of how the Remuneration Policy will be implemented for the year ending 31 May 2025 are as follows:

Executive Directors	Base salary FY25 £	Base Salary FY24 £	Increase from 1 June 2024 %	Benefits and pension
Rory MacDonald	300,000	300,000	0	As per the Remuneration Policy
Neil Elton	200,000	200,000	0	
Chris Blackburn	200,000	200,000	0	

Non-Executive Directors	Role	Committee Chair	Annual fee FY25 £	Annual fee FY24 £	Increase from 1 June 2024 %
Joanne Lake	Chair	Nomination	90,000	90,000	0
Helen Gilder	NED	Audit & Risk	45,000	45,000	0
Phil Pavitt	NED	Remuneration	45,000	45,000	0

No increases in **base salary** for Executive Directors, or increases in fees for Non-Executive Directors, have been awarded in FY25. During FY24 Helen Gilder stepped down as Chair of the Remuneration Committee and Phil Pavitt assumed the role of Chair; as a result of the change in roles, Helen's fee reduced from £50,000 pa to £45,000 pa and Phil's fee increased from £40,000 pa to £45,000 pa.

The 2025 Executive Bonus Scheme rules are set out below. **Annual bonuses** in the year are to be awarded based on a combination of achievement of Adjusted EBITDA and organic revenue growth targets for the Group, based on budget assumptions at the beginning of the year (the 'original target'). These targets are equivalent to annual bonus targets set for other Made Tech staff who are incentivised based on the results of the Group rather than a specific Industry Vertical. An on-target achievement for Adjusted EBITDA would result in 25% of base salary being awarded as a bonus and a further 25% of base salary for an on-target achievement of organic revenue growth (subject to the Adjusted EBITDA target being achieved).

Any additional bonus is awarded wholly based on further incremental organic revenue growth, subject to on-target Adjusted EBITDA margins being maintained on the higher revenue achieved. The maximum bonus payable is capped at 100% of Base salary. The revenue and Adjusted EBITDA targets may be adjusted at the reasonable discretion of the Remuneration Committee to account for events such as acquisitions. The specific targets are not given in this report as that information is deemed commercially sensitive.

As in FY24, Rory MacDonald and Chris Blackburn have agreed to waive their entitlement to an annual bonus in FY25.

No options were granted to Executive Directors during FY24. In FY25 Neil Elton has been granted 3,000,000 nil cost options under the **Long Term Incentive Plan ('LTIP')** as summarised below.

Vesting Date	Type	Number	Key Performance Metric	Performance metric - CAGR %
31 May 2027	LTIP	750,000	Adjusted dEPS	15-30
31 May 2027	LTIP	750,000	TSR	25-45
31 May 2028	LTIP	750,000	Adjusted dEPS	15-30
31 May 2028	LTIP	750,000	TSR	25-45
		3,000,000		

Half of the options will vest after the third year anniversary and half on the fourth year anniversary. The three-year options are subject to an additional one year holding period (net of sales for tax). All options are subject to challenging performance conditions. Half the options in each year are subject to growth in Adjusted diluted earnings per share ('Adjusted dEPS'); the award of shares is subject to a minimum CAGR of 15% over the respective 3 or 4 year period, and awarded on a straight line basis up to 30% CAGR being achieved. Half the options in each year are subject to growth in Total Shareholder Return ('TSR'); the award of shares is subject to a minimum CAGR of 25% over the respective 3 or 4 year period, and awarded on a straight line basis up to 45% CAGR being achieved.

Monitoring the quality of internal controls

Members	
Helen Gilder (Chair)	
Joanne Lake	
Phil Pavitt	
Attendance of the Audit & Risk Committee	
	Committee attendance
Joanne Lake	●●●●
Helen Gilder	●●●●
Phil Pavitt	●●●●
Total meetings held	●●●●
● Attended ○ Did not attend ○ N/A	

We set out below the report of the Audit & Risk Committee ('the Committee') for the year ended 31 May 2024. This report details the Audit & Risk Committee's responsibilities and key activities over the period.

Composition

The Audit & Risk Committee comprises three independent non-executive directors with diverse skills and experiences. The biographies are shown on pages 34 to 35. All Committee members have significant current and past executive experience in various sectors and two members have recent and relevant financial experience as required by the provisions of the QCA Corporate Governance Code. This range and depth of financial and commercial experience enables the Committee to deal effectively with the matters they are required to address and to challenge management when necessary. The Chief Financial Officer attends the Audit Committee meetings by invitation and other members of the Executive Team may also be invited to attend meetings if required.

Meetings and reporting

The Committee is required by its Terms of Reference to meet as frequently as the Committee Chair shall require and also at regular intervals to deal with routine matters and, in any event, at least three times in each financial year. The Committee has unrestricted access to the Group's auditors. Meetings are held throughout the year and timed to align with the overall financial

reporting timetable. At least once during the year, the Committee meets separately with the external auditor without management, and the Chair is in regular direct contact with the external auditor.

Terms of reference

The Committee undertakes its duties in accordance with its terms of reference which are regularly reviewed to ensure that they remain fit for purpose and in line with best-practice guidelines.

Roles and responsibilities

The Committee oversees Made Tech's financial reporting process on behalf of the board. Made Tech's management has the primary responsibility for the financial statements and for maintaining effective internal controls over financial reporting. In fulfilling its oversight responsibilities, the Committee reviews and discusses the financial information published by the Group with the external auditor and management, to ensure it properly reports its activities to stakeholders in a way that is fair, balanced and understandable. The Committee has access to the financial expertise of the Group and its auditor and can seek professional advice at the Company's expense if required.

Fair, balanced and understandable accounts

The Committee considers and reviews the accounting principles, policies and practices adopted in the preparation of public financial information and examines documentation relating to the Annual Report, Interim Report, preliminary announcements and other related reports. The Committee has given due consideration as to whether the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy and can confirm that this is the case.

Alternative performance measures ("APMs")

Throughout the Annual Report and Accounts we refer to a number of APMs. The measures are not defined under IFRS and therefore may not be directly comparable with adjusted measures presented by other companies. The non-GAAP measures are not intended to be a substitute for, or superior to, any IFRS measures of performance; however, they are considered by management to be important measures used in the business for assessing performance.

APMs used by the Group are as follows:

- adjusted EBITDA, which means operating profit before depreciation, amortisation of intangible assets, impairment, share-based payments charge and exceptional items;
- adjusted operating profit, which means operating profit before amortisation of intangible assets, impairment, share-based payments charge and exceptional items;
- adjusted profit before tax, which means profit before tax, amortisation of intangible assets, impairment, share-based payments charge and exceptional items;
- adjusted earnings, which means profit after tax before amortisation of intangible assets, impairment, share-based payments charge and exceptional items;
- adjusted earnings per share, which means adjusted earnings divided by the weighted average number of shares in issue; and
- adjusted operating cash flow, which is calculated as adjusted EBITDA less movements in working capital, capital expenditure and lease payments.

The Committee considers the APMs, all of which exclude the effect of non-recurring items or non-operating events, provide useful information for shareholders on the underlying performance of the Group. The Committee is satisfied that, where APMs are used, they are presented with equal prominence to the statutory figures.

Activities of the Committee

During FY24 and up until the date of this report, the Audit & Risk Committee undertook the following activities to ensure the integrity of the Group's financial statements and formal announcements:

- Reviewed and discussed, together with the board, each financial reporting announcement made by the Group, including the annual and interim results.
- Reviewed the principal risks facing the Group which are described in the Principal Risks and Uncertainties section on pages 29 to 33, which also explains how each risk is managed and mitigated.
- Undertook regular reviews of the status of disputes and litigation across the Group, including the relevant provisions that had been made in the Group's accounts.
- Reviewed the independence and objectivity of the external auditor.
- Reviewed and agreed upon the reappointment and remuneration of the external auditor.
- Reviewed and agreed upon the external auditor's strategy in advance of the audit for the year, including their approach to key audit matters.
- Discussed the report received from the external auditor regarding its audit in respect of the prior year,

which included comments on significant financial reporting judgements and its findings on internal controls.

- Assessed the external auditor's effectiveness through meetings with management and a review of the completed audit.
- In order to safeguard the independence and objectivity of the external auditor, the Committee reviews the nature and extent of the non-audit services supplied. Pre-approval is required for any non-audit work from the Committee. During the year, Crowe UK LLP provided no services to the Group other than the audit and audit-related services.
- Reviewed compliance with International Financial Reporting Standards ('IFRS').
- Regularly met with management, including the Chief Financial Officer, to discuss the ongoing results and performance of the business.

The respective responsibilities of the Directors and the external auditor in connection with the Group financial statements are explained in the Statement of Directors' Responsibilities on page 54 and the Auditor's Report on pages 55 to 59. Details of services provided by and fees payable to the auditor are shown in note 6 of the Group financial statements.

Financial reporting

During the year, the Committee concluded that the Annual Report and Financial Statements, taken as whole, was fair, balanced and understandable and provided the information necessary for shareholders to assess the Group's business model, strategy and performance.

The Committee considered the budget for FY25 together with appropriate sensitivities and concluded that the going concern basis is appropriate. The Committee also reviewed the Strategic Report and concluded that it presented a useful and fair, balanced and understandable review of the business.

The Audit & Risk Committee assesses whether suitable accounting policies have been adopted and whether appropriate estimates and judgements have been made by management. The Committee also reviews accounting papers prepared by management, and reviews reports by the external auditors. The specific areas reviewed by the Committee during the year were:

- revenue recognition;
- capitalisation of development costs;
- impairment of intangible assets;
- the going concern assessment;
- management override of controls; and
- the fair value of the share-based payments in the year.

Management and internal controls

The Group's corporate objective is to maximise long-term shareholder value; in doing so, the Directors recognise that creating value is the reward for taking business risks. The board's policy on risk management encompasses all significant business risks to the Group, including financial, operational and compliance risks, which could undermine the achievement of business objectives. The Group's management is responsible for the identification, assessment and management of risk and emerging risk, as well as for designing and operating the system of internal controls. While the Committee has delegated authority for internal control and risk, the board is ultimately responsible. The Committee has assessed management's identification of risk and concluded that appropriate mitigating actions are being taken. The board considers risk assessment and control to be fundamental to achieving its corporate objectives within an acceptable risk/reward profile and confirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and the effectiveness of related controls. The principal risks and uncertainties of the Group are set out in the Principal Risks and Uncertainties section on pages 29 to 33. The risk management process enables the identification, assessment and prioritisation of risk through discussions with executive management. Risks are reviewed by the executive team and other senior leadership teams to ensure that they continue to remain relevant. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources, including infringement of IP, sales channels, investment risk, staff retention, disruption in information systems and regulatory requirements. A risk that can seriously affect the performance or reputation of the Group is termed a principal risk and is aligned to the Group's strategic objectives.

The risk-related reviews carried out by the Committee during the year included reviewing the output from the Group's risk review process to identify, evaluate and mitigate risks and consider whether changes in risk profile were complete and adequately addressed. The preparation of the consolidated financial statements of the Company is the responsibility of the Chief Financial Officer and is overseen by the Committee with overall responsibility resting with the board. This includes responsibility for ensuring appropriate internal controls are in place over financial reporting processes and related IT systems. Due to the limitations that are inherent in any system of internal control, such a system is designed to manage rather than eliminate the risks of failure to achieve business objectives and provides only reasonable and not absolute assurance against material misstatement or loss. The internal controls system is kept under regular review. Taking each of the areas of focus below:

- **Control environment** – Made Tech is committed to high standards of business conduct and seeks to maintain these standards across all of its operations. There are policies in place for the reporting and

resolution of suspected fraudulent activities. Made Tech has an appropriate organisational structure for planning, executing, controlling and monitoring business operations in order to achieve its objectives.

- **Management information systems** – Group businesses participate in periodic operational/strategic reviews and annual plans. The board actively monitors performance against the plan. Forecasts and operational results are consolidated and presented to the board on a regular basis. Through these mechanisms, performance is continually monitored, risks identified in a timely manner, their financial implications assessed, control procedures re-evaluated and corrective actions agreed and implemented.
- **Main control procedures** – Made Tech has implemented control procedures designed to ensure complete and accurate accounting for financial transactions and to limit the exposure to loss of assets and fraud. Measures taken include segregation of duties and reviews by management.
- **Monitoring and corrective action** – there are clear and consistent procedures in place for monitoring the system of internal financial controls. This process, which operates in accordance with the FRC guidance, was maintained throughout the financial year, and has remained in place up to the date of the approval of these financial statements. The board, via the Committee, has reviewed the systems and processes in place in meetings with the Chief Financial Officer and external auditors during FY24. The auditor, as part of its work, has also considered internal controls relevant to the preparation of the financial statements. Where the auditor has highlighted any deficiencies in the internal controls, management takes responsibility to ensure the recommendations are reviewed and processes and policies are updated as appropriate. In addition, the Committee is rigorous in its challenges to both executive management and the external auditor as to the appropriateness of the operational and financial controls. In addition to the key audit matters as set out in the Independent Auditor's Report (see pages 55 to 59), the auditor also specifies other risks, estimates and judgements and details the work performed to satisfy itself that these have been properly reflected in the financial statements. Details of financial risks are set out in note 4.

In line with the theme of trust, ethics, transparency and delivery of good corporate governance, the responsibility of the Audit & Risk Committee in the management and communication of risks and internal controls extends beyond matters of financial, operational and strategic risk. As such, the Committee considers the Company's attitude towards areas such as ethics, anti-bribery, corruption, modern slavery and market abuse prevention and ensures that the Group has appropriate policies and processes in place.

Report of the Nominations Committee

Delivering strong governance

Membership, Responsibilities, and Meetings

The Nomination Committee, chaired by Joanne Lake and including Phil Pavitt and Helen Gilder as members. The committee responsibilities include advising and making recommendations to the Board on:

- The size, structure, and composition of the Board;
- Succession planning for Board members;
- The appointment of new Directors and the re-appointment of existing Directors.

Matters Considered During the Year

Throughout the year ended 31 May 2024, the Nomination Committee:

- Reviewed the Board's composition;
- Reviewed the results of the Board evaluation exercise carried out in May 2023 and agreed appropriate actions;
- Led succession planning activities at both Board and executive levels, with a focus on diversity, best practices, talent retention, training, and development;
- Managed the search for a new Chief Financial Officer; Neil Elton started in the role in January 2024

Succession Planning

The Board acknowledges the crucial role of succession planning in maintaining consistent management quality and reducing instability caused by unforeseen events, such as the departure of key individuals.

Succession planning is a key focus at every Nomination Committee meeting. The Committee reviews the Made Tech executive team and leadership structures, using these reviews to inform training and development plans for senior executives.

Board Evaluation

An internal evaluation of the Board's performance was conducted, gathering insights from all Directors through a comprehensive questionnaire.

The results were discussed at the May 2023 Board meeting, providing an opportunity for Directors to consider the findings and suggest potential improvements.

Upon reviewing the evaluation results, the Board remains confident in its effective operation and appropriate size but is considering some changes to bring additional skills to the Board.

Directors' report

The Directors present their report together with the audited Group financial statements of Made Tech Group Plc and the Company for the year ended 31 May 2024.

Principal activities and business overview

The Company is incorporated and domiciled in the UK with company number 12204805 and with its registered office address at 4 O'Meara Street, London, United Kingdom SE1 1TE. The Company is a public limited company admitted to AIM, a market operated by the London Stock Exchange.

The principal activity of Made Tech Group Plc (the "Company") is that of a holding company. The main trading company of the Group is Made Tech Limited (company number 06591591), and the principal activity of this company is a provider of digital, data and technology services to the UK public sector. Service offerings include digital service delivery, embedded capabilities, data infrastructure and insights and legacy application transformation.

Results and dividends

The Group recorded revenue in the year of £38.6m (FY23: £40.2m) and loss after tax of £2.4m (FY23: loss of £1.6m).

The Directors have not recommended the payment of a dividend for the year.

Business review and future developments

A review of the performance of the Group during the year, including principal risks and uncertainties, key performance indicators and comments on future developments, is given in the Strategic Report from page 1 to 33.

Financial instruments and risk management

Information relating to the principal risks and uncertainties of the Group has been included within the Strategic Report on page 29.

Further information relating to the financial risk of the Group has been included within note 4, financial risk management.

Events after the balance sheet date

There were no events occurring after the balance sheet date that require disclosing in accordance with IAS 10 Events after the Reporting Period.

Political and charitable donations

The Group made no political donations (FY23: £nil) and £700 charitable donations in the year (FY23: £500).

Directors' remuneration

Details of Directors' remuneration are set out in the Remuneration Committee Report on page 42.

Directors and their interests

The Directors of the Company who were in office during the year and up to the date of signing the Group financial statements were as follows:

- Joanne Lake
- Helen Gilder
- Phil Pavitt
- Rory MacDonald
- Neil Elton (appointed 1st February 2024)
- Chris Blackburn
- Deborah Lovegrove (resigned 31st January 2024)

Biographical details of the Directors can be found on pages 34 to 35.

Directors' interests in the ordinary shares of the Company can be found in the Remuneration Committee Report on page 42.

Directors' indemnities and insurance

The Company has made qualifying third-party indemnity provisions for the benefit of the Directors, which were in force during the year and up to the date of this report.

Significant shareholdings

As at 31 August 2024, the Company has been advised, in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, of the following notifiable interests in 3% or more of its voting rights.

Shareholder	Number of shares as at 31 August 2024	%
Mr Rory MacDonald	42,594,172	28.53%
Mr Chris Blackburn	21,650,861	14.50%
Hargreaves Lansdown Asset Management	13,150,089	8.81%
Stonehage Fleming Family & Partners	12,860,000	8.61%
Octopus Investments Limited	9,522,586	6.38%
Interactive Investor (Manchester)	7,457,574	5.00%
CRUX Asset Management	6,535,000	4.38%
Mr Luke Morton	6,018,070	4.03%

Workforce policies and employment engagement

The Group recognises the critical part that its employees play in shaping every facet of the business and its financial performance. There has been consistent focus on the development of employee welfare and health and safety practices throughout the year. We are committed to the investment in our team at all levels to ensure a culture of continuous improvement to position the business to continue to achieve the projected growth and development over the coming years.

We embrace diversity across our organisation and the Group recognises that discrimination is unacceptable and that equality of opportunity is paramount. The aim of these policies is to ensure that no job applicant or employee is discriminated against either directly or indirectly on the grounds of race, colour, ethnicity, nationality, gender, gender reassignment, disability, political opinion or age. Breaches of these policies result in disciplinary proceedings.

The Group recognises its responsibility to employ disabled persons in suitable employment and gives full and fair consideration to such persons, including any employee who becomes disabled, having regard to their particular aptitudes and abilities. Where practicable, disabled employees are treated equally with all other employees in respect of their eligibility for training, career development and promotion.

Our Made Tech team plays a fundamental role in shaping our corporate responsibility culture through voluntary teams looking at employee engagement, charitable and environmental activities.

Further details on how we engage with our employees and the culture we are proud to have can be found in the Social Value Report on pages 22 to 28 and in our Section 172 Statement on page 20.

Investing in and developing our stakeholder relationships are central to our Group values. We believe the success of our strategy depends on our ability to foster effective business relationships with all of our stakeholders. Their interests are important to us and we are committed to maintaining strong, positive relationships with them, built on a foundation of mutual respect, trust and understanding. Further information on our stakeholder engagement can be found in our Section 172 Statement on page 20, where we provide a high level overview of how we engage with our stakeholders.

Share capital and voting

The Company has one class of equity share, £0.0005 ordinary shares, with full voting, dividend and capital distribution rights, including on winding up. They are non-redeemable. The rights and obligations attaching to these shares are governed by the Companies Act 2006 and the Company's Articles.

As at 31 May 2024, the Company's issued share capital comprised 149,287,059 ordinary shares with a nominal value of £0.0005.

Research and development

The Group performs research and development activities principally around technology platforms and business accelerators. This remains a high priority for the Group to maintain the excellence of its technology and service offering alongside the introduction of new functionality. In accordance with its accounting policies, the Group capitalised development expenditure of £1.2m (FY23: £3.1m) during the year. There was no research expenditure during the year (FY23: £nil).

Notice of Annual General Meeting

Details of business to be conducted at this year's AGM are contained in the Notice of the Annual General Meeting which will be communicated to shareholders separately. It is the opinion of the Directors that the passing of these resolutions is in the best interests of the shareholders.

Corporate governance

The Group's Corporate Governance Statement can be found in the Corporate Governance section of this Annual Report on pages 36 to 41, which is incorporated by reference and forms part of this Directors' Report.

Disclosure of information to auditors

The Directors who held office at the date of approval of this report confirm, having made enquiries of fellow Directors and of the Group's auditor, that:

- to the best of their knowledge and belief, there is no relevant audit information of which the Group's and Company's auditor are unaware; and
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Going concern

Management has produced forecasts and projections through to September 2025 which have been reviewed by the Directors. These demonstrate that the Company and the Group are forecast to generate profits and cash in the year ending 31 May 2025 and beyond and that the Company and the Group have sufficient working capital to enable them to meet their obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements.

As such, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue to operate for the foreseeable future. The Directors therefore continue to adopt the going concern basis in preparing the consolidated financial statements.

Directors' responsibilities statement in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with applicable law and UK adopted International Accounting Standards ("IFRS") and the Company financial statements in accordance with applicable law and UK Accounting Standards.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK adopted International Accounting Standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 102, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

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

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group and Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

Independent auditor

The auditor, Crowe U.K. LLP, has indicated its willingness to continue in office and a resolution concerning its re-appointment will be proposed at the AGM.

The Directors' Report was approved on behalf of the board on 27 September 2024.

By order of the board

Neil Elton

Chief Financial Officer
27 September 2024

Independent auditors' report

To the members of Made Tech Group PLC

Opinion

We have audited the financial statements of Made Tech Group Plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 May 2024, which comprise:

- the consolidated statement of profit and loss and other comprehensive income for the year ended 31 May 2024;
- the consolidated and Parent Company statements of financial position as at 31 May 2024;
- the consolidated and Parent Company statement of changes in equity for the year then ended;
- the consolidated and Parent Company cash flow statement for the year then ended; and
- the notes to the financial statements, including a summary of accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as of 31 May 2024 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's and the Parent company's ability to continue to adopt the going concern basis of accounting is set out below.

The going concern assessment period used by the Directors was at least 12 months from the date of the approval of the financial statements. We assessed the appropriateness of the approach, assumptions and arithmetic accuracy of the model used by management when performing their going concern assessment.

We evaluated the Directors' assessment of the Group's and Parent company's ability to continue as a going concern included:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group's and parent company's ability to continue as a going concern;
- Obtaining and reviewing management's going concern assessment;
- Evaluating the directors' method to assess the group's and parent company's ability to continue as a going concern;
- Tested the numerical accuracy of the models used by management in their going concern assessment.
- Assessed the reasonableness and accuracy of management's previous budget/forecasts by comparing prior year budgets to actual results achieved in the year.
- Reviewing and assessing management's sensitivity analysis on the performance expectations;
 - Compared forecasted post year end financials to latest available management accounts.

Independent auditors' report continued

To the members of Made Tech Group PLC

Conclusions relating to going concern continued

- Evaluating the key assumptions used and judgements applied by the directors in forming their conclusions on going concern; and
- Evaluating the consistency of the disclosures in the financial statements with management's going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or Parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £280,000 (FY23 £300,000), based on 0.75% of the Group's revenue. Materiality for the Parent Company financial statements as a whole was set at £10,000 (FY23 £10,000) based on a percentage of Net Assets.

The Group has started commercialisation of the intangible assets they developed and revenue shall be considered as one of the principal considerations to assess the Group's performance, hence revenue is considered as an appropriate benchmark. Net assets has been identified as the principal benchmark within the Parent Company financial statements as it is considered to be the focus of shareholders due to being a holding company with no trade.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £196,000 (FY23 £ 210,000) for the Group and £7,000 (FY23 £7,000) for the Company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit & Risk Committee to report to it all identified errors in excess of £14,000 (FY23 £15,000). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

Made Tech Group plc is located in the United Kingdom. We identified two significant components, being the Parent Company and the trading subsidiary Made Tech Limited. Full scope audits were performed on both entities by Crowe U.K. LLP, in addition to the consolidation.

Key Audit Matters

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

This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
<p><i>Impairment assessment of intangible assets (Note 13)</i></p> <p>The Group's intangible assets relate to intellectual property developments.</p> <p>The carrying value of these assets at 31 May 2024 was £1.12 million (FY23 £5.01 million).</p> <p>Management are required to perform a review for indications of impairment, and where these are noted, to perform an impairment assessment.</p> <p>When assessing the carrying value of intangible assets in accordance with IAS 36, management are required to make judgements regarding the strategy, future operations by the firm and profitability and the assumptions underlying these.</p> <p>Following their assessment, management recognised an impairment of £4.31 million in relation to specific cash generating units within intangible assets.</p> <p>We considered there to be a risk over whether the impairment amount recognised is reasonable, and whether further impairment should be recognised for those cash generating units where no impairment had been recorded.</p> <p>The assessment of impairment requires management to prepare forecasts which include a number of judgements and estimates and hence we consider this a key audit matter.</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> • We gained an understanding of the design and implementation of control over the impairment assessment. • We obtained management's assessment of the recoverable amounts for each intellectual property project as per the requirements set out in IAS 36. • We held discussions with key individuals, including those outside of the finance function to understand how the models are prepared and the basis of the management's projections. • We challenged the key assumptions in the models including revenues and growth rates. We also checked the mathematical accuracy of the models. • We involved our internal valuation specialists to evaluate the appropriateness of the discount rate used. • We reviewed management's sensitivity scenarios including discount rates and revenue growth rates. • We assessed the amount of impairment recognised by the management on those cash generating units deemed to be impaired. • We reviewed the adequacy of disclosures in the financial statements.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Independent auditors' report continued

To the members of Made Tech Group PLC

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement on page 54 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below however the primary responsibility for the prevention and detection of fraud lies with management and those charged with governance of the company.

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and UK taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

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



Leo Malkin (Senior Statutory Auditor)

for and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
27 September 2024

Consolidated statement of profit and loss and other comprehensive income

For the year ended 31 May 2024

	Note	Year ended 31 May 2024 Audited £'000	Year ended 31 May 2023 Audited £'000
Revenue	5	38,568	40,195
Cost of sales		(24,556)	(25,802)
Gross profit		14,012	14,393
Administrative expenses		(11,688)	(12,931)
Share-based payments	24	(80)	(2,068)
Depreciation/amortisation	13/14	(1,212)	(417)
Impairment	13	(4,315)	—
Exceptional items	9	—	(574)
Other income	10	52	59
Operating loss	6	(3,231)	(1,538)
Net Interest	8	234	11
Loss before tax		(2,997)	(1,527)
Taxation credit/(expense)	11	544	(72)
Loss for the period		(2,453)	(1,599)
Total comprehensive loss attributable to the owners of the parent		(2,453)	(1,599)
Loss per share:			
Loss per ordinary share	12	(1.64)	(1.07)
Diluted loss per ordinary share	12	(1.64)	(1.07)

All amounts relate to continuing activities. The notes on pages 67 to 86 form an integral part of these financial statements.

Non-GAAP metric – adjusted EBITDA

	Note	31 May 2024 £'000	31 May 2023 £'000
Loss after tax		(2,453)	(1,599)
Net Interest	8	(234)	(11)
Taxation	11	(544)	72
Loss before interest and taxation		(3,231)	(1,538)
Depreciation/amortisation	13/14	1,212	417
Impairment	13	4,315	—
Share-based payment charge	24	80	2,068
Exceptional items	9	—	574
Adjusted EBITDA*		2,376	1,521

* Adjusted EBITDA, which is defined as operating profit before depreciation, amortisation of intangible assets, impairment, exceptional items and share-based payment charge, is a non-GAAP metric used by management and is not an IFRS disclosure.

Consolidated statement of financial position

At 31 May 2024

	Note	31 May 2024 Audited £'000	31 May 2023 Audited £'000
Assets			
Non-current assets			
Tangible assets	14	203	499
Intangible asset	13	1,120	5,013
Total non-current assets		1,323	5,512
Current assets			
Trade and other receivables	16	6,662	6,193
Cash and cash equivalents		7,648	8,474
Total current assets		14,310	14,667
Total assets		15,633	20,179
Equity and liabilities			
Equity			
Share capital	23	75	75
Share premium		13,421	13,421
Share-based payment reserve		4,129	4,398
Capital redemption reserve	23	12	12
Accumulated deficit		(5,148)	(2,695)
		12,489	15,211
Non-current liabilities			
Deferred tax liability	22	50	92
Total non-current liabilities		50	92
Current liabilities			
Trade and other payables	18	3,094	4,736
Lease liabilities	20	—	140
Total current liabilities		3,094	4,876
Total liabilities		3,144	4,968
Total equity and liabilities		15,633	20,179

The financial statements on pages 60 to 86 were approved and authorised by the Board of Directors on 27 September 2024 and were signed on its behalf by:

Neil Elton

Company registration number: 12204805

The accompanying accounting policies and notes on pages 67 to 86 form an integral part of these financial statements.

Company statement of financial position

At 31 May 2024

	Note	31 May 2024 Audited £'000	31 May 2023 Audited £'000
Assets			
Non-current assets			
Investments	15	2,640	2,640
Current assets			
Trade and other receivables	17	12,184	13,079
Cash and cash equivalents		30	25
Total current assets		12,214	13,104
Total assets		14,854	15,744
Equity and liabilities			
Equity			
Share capital	23	75	75
Share premium		13,421	13,421
Share-based payment reserve		4,129	4,398
Capital redemption reserve	23	12	12
Accumulated deficit		(3,126)	(2,333)
		14,511	15,573
Current liabilities			
Trade and other payables	19	343	171
Total liabilities		343	171
Total equity and liabilities		14,854	15,744

The financial statements on pages 60 to 86 were approved and authorised by the Board of Directors on 27 September 2024 and were signed on its behalf by:

Neil Elton

Company registration number: 12204805

Company statement of comprehensive income

As permitted by section 408 of the Companies Act 2006, the income statement and statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's result after taxation for the financial year was a loss of £793,000 (FY23: loss of £2,251,000).

The accompanying accounting policies and notes on pages 67 to 86 form an integral part of these financial statements.

Consolidated statement of changes in equity

At 31 May 2024

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Deferred share reserve £'000	Capital redemption reserve £'000	Retained deficit £'000	Total (deficit)/equity £'000
Balance at 1 June 2022	74	13,421	2,376	12	—	(1,096)	14,787
Loss for the period	—	—	—	—	—	(1,599)	(1,599)
Transactions with equity owners:							
Issue of shares	1	—	—	—	—	—	1
Cancellation of deferred shares	—	—	—	(12)	12	—	—
Share-based payment reserve	—	—	2,022	—	—	—	2,022
Total transactions with equity owners	1	—	2,022	(12)	12	—	2,023
Balance at 31 May 2023	75	13,421	4,398	—	12	(2,695)	15,211
Loss for the period	—	—	—	—	—	(2,453)	(2,453)
Transactions with equity owners:							
Share-based payment reserve	—	—	80	—	—	—	80
Share-based reserve - purchase of shares	—	—	(349)	—	—	—	(349)
Total transactions with equity owners	—	—	(269)	—	—	—	(269)
Balance at 31 May 2024	75	13,421	4,129	—	12	(5,148)	12,489

The notes on pages 67 to 86 are an integral part of these financial statements.

Company statement of changes in equity

At 31 May 2024

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Deferred share reserve £'000	Capital redemption reserve '000	Retained earnings £'000	Total equity/ (deficit) £'000
Balance at 1 June 2022	74	13,421	2,376	12	—	(82)	15,801
Loss for the period	—	—	—	—	—	(2,251)	(2,251)
Transactions with equity owners:							
Issue of shares	1	—	—	—	—	—	1
Cancellation of deferred shares	—	—	—	(12)	12	—	—
Share-based payment reserve	—	—	2,022	—	—	—	2,022
Total transactions with equity owners	1	—	2,022	(12)	12	—	2,023
Balance at 31 May 2023	75	13,421	4,398	—	12	(2,333)	15,573
Loss for the period	—	—	—	—	—	(793)	(793)
Transactions with equity owners:							
Share-based payment reserve	—	—	80	—	—	—	80
Share-based reserve - purchase of shares	—	—	(349)	—	—	—	(349)
Total transactions with equity owners	—	—	(269)	—	—	—	(269)
Balance at 31 May 2024	75	13,421	4,129	—	12	(3,126)	14,511

The notes on pages 67 to 86 are an integral part of these financial statements.

Consolidated cash flow statement

For the year ended 31 May 2024

	Note	Year ended 31 May 2024 Audited £'000	Year ended 31 May 2023 Audited £'000
Loss for the period		(2,453)	(1,599)
Adjustments for:			
Tax charge	11	(42)	72
Net finance (credit)/charge in the income statement	8	(234)	(11)
Loss of disposal of property, plant and equipment		8	9
Depreciation of property, plant and equipment and amortisation of intangible assets	13/14	1,212	417
Impairment	14	4,315	—
Share-based payment	24	80	2,068
Cash flows from operating activities before changes in working capital		2,886	956
(Increase) in trade and other receivables		(469)	(128)
(Decrease) in trade and other payables		(1,639)	(1,349)
Net cash flows used by operating activities		778	(521)
Cash flows from investing activities			
Purchase of property, plant and equipment	14	(89)	(60)
Development of intangible assets	13	(1,257)	(3,109)
Interest and other fees received	8	248	25
Net cash flows used by investing activities		(1,098)	(3,144)
Cash flows from financing activities			
Purchase of equity shares		(349)	—
Interest and other fees paid		(12)	(4)
Repayment of lease liability		(143)	(180)
Interest paid on lease liability		(2)	(10)
Net cash flows used by financing activities		(506)	(194)
Net decrease in cash and cash equivalents		(826)	(3,859)
Cash and cash equivalents at the start of the period		8,474	12,333
Cash and cash equivalents at the end of the period		7,648	8,474

The notes on pages 67 to 86 are an integral part of these financial statements.

Company cash flow statement

For the year ended 31 May 2024

	Note	Year ended 31 May 2024 Audited £'000	Year ended 31 May 2023 Audited £'000
Loss for the period		(793)	(2,251)
Adjustments for:			
Share-based payment	24	80	2,022
Cash flows used by operating activities before changes in working capital		(713)	(229)
(Increase)/decrease in trade and other receivables		896	234
Increase/(decrease) in trade and other payables		171	(37)
Net cash flows used by operating activities		354	(32)
Cash flows from financing activities			
Purchase of equity shares	24	(349)	—
Net cash flows used by operating activities		(349)	—
Net decrease in cash and cash equivalents		5	(32)
Cash and cash equivalents at the start of the period		25	57
Cash and cash equivalents at the end of the period		30	25

The notes on pages 67 to 86 are an integral part of these financial statements.

Notes to the financial statements

1. Company information

The consolidated financial information represents the results of Made Tech Group Plc (the “Company”) and its subsidiaries, together comprising the Group (“Made Tech” or the “Group”).

Made Tech Group Plc is a company incorporated and domiciled in England and Wales, registration number 12204805. The address of its registered office is 4 O’Meara St, London SE1 1TE.

Made Tech Group Plc is quoted on the London Stock Exchange.

The principal activity of Made Tech Group Plc (the “Company”) is that of a holding company. The main trading company of the Group is Made Tech Limited (registration number 06591591) and the principal activity of this company is a provider of digital, data and technology services to the UK public sector. Service offerings include digital service delivery, embedded capabilities, data infrastructure and insights and legacy application transformation.

2. Accounting policies

Accounting convention

The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. They have been consistently applied to the periods presented. The financial statements are presented in Pounds Sterling rounded to the nearest thousand (£’000) except where specified.

Basis of preparation of the consolidated financial statements

The Group financial statements have been prepared in accordance with UK-adopted International Accounting Standards and the Companies Act 2006. The Company financial statements have been prepared under FRS 102. Both financial statements have been prepared on the historical cost basis with the exception of certain items which are measured at fair value as disclosed in the principal accounting policies set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Going concern

The Directors have considered the Group’s cash flow forecasts and they have no grounds for concern regarding the Group’s ability to meet its obligations as they fall due and continue to operate within the existing cash balance and working capital facilities, thus requiring no additional funding to maintain liquidity.

In reaching their decision to prepare the financial statements on a going concern basis, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statement. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

Standards and amendments to existing standards adopted in these accounts

In the current year, the Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 June 2023:

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Definition of Material);
 - IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Introduce a new definition for accounting estimates); and
 - IAS 12 Income Taxes (Amendment – Deferred Tax related to Assets and Liabilities arising from a Single Transaction).
- The standards and amendments effective have not had any significant impact on the disclosures or on the amounts reported in these financial statements, and no significant impact expected for standards in issue but not in effect.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company in the 31 May 2024 financial statements

At the date of authorisation of these financial statements, certain new accounting standards and interpretations have been published that are not mandatory for 31 May 2024 reporting periods and have not been early adopted by the Group. The Directors continue to monitor developments in the accounting standards they see as relevant, but do not expect that the adoption of these standards will have a material impact on the financial statements of the Group in the current or future reporting periods and on foreseeable future transactions.

Notes to the financial statements continued

2. Accounting policies continued

Basis of consolidation

The Group's consolidated financial statements incorporate the results of the parent company and all of its subsidiary undertakings. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated on the date control ceases.

Inter-company transactions, balances and unrealised gains and losses (where they do not provide evidence of impairment of the asset transferred) on transactions between Group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with policies adopted by the Group.

Revenue recognition

Revenue is the fair value of the total amount receivable by the Group for supplies of services. VAT or similar local taxes and trade discounts are excluded. The Group's source of revenue is from the provision of digital, data and technology services to the UK public sector and product subscription and support services.

The majority of the provision of services contracts are typically "time and materials" whereby the customer is contractually bound to pay for services for each hour or day spent in delivering a contractually agreed services scope. Materials are incidental expenses incurred whilst delivering the services. These contracts typically have no payment milestones or bundling with other services and have no variable element. Revenue is therefore recognised in line with the chargeable "time and materials" which are allocated to the contracted project. The Company recognises revenue each month once as it provides these services for the duration of the contract. At the balance sheet date, an asset is recognised for unbilled amounts for services provided yet to be invoiced. Payment for the services is based on the agreed payment terms.

For fixed-price service contracts, the company recognises the revenue when the performance obligation is satisfied, which may be by the completion and approval of milestones described and priced in the contract or based on the actual labour hours and costs incurred at the end of the reporting period when performance obligations over time criteria have been met.

For product subscription contracts the client pays fees at regular intervals to access the functionalities, support and maintenance of the software. Current contracts are recognised ratably over the contract term.

Revenue contract liability is recorded when cash payments are received in advance of satisfying the performance obligation. Contract liabilities are recognised in profit or loss in the period when the Group completes the agreed services to the customers. In all other cases payments are due from customers within 30–60 days (depending on the credit terms applicable) of the service being agreed and invoiced.

Interest income and expenditure are reported on an accruals basis.

EBITDA and adjusted EBITDA

Earnings before interest, taxation, depreciation and amortisation ("EBITDA") and adjusted EBITDA are non-GAAP measures used by management to assess the operating performance of the Group. EBITDA is defined as operating profit before depreciation and amortisation. Exceptional items, amortisation of intangible assets, impairment and share-based payment charges are excluded from EBITDA to calculate adjusted EBITDA.

The Directors primarily use the adjusted EBITDA measure when making decisions about the Group's activities. As they are non-GAAP measures, EBITDA and adjusted EBITDA measures used by other entities may not be calculated in the same way and hence are not directly comparable.

Exceptional items

The Group's income statement separately identifies exceptional items. Such items are those that in the Directors' judgement are one off in nature or non-operating and need to be disclosed separately by virtue of their size or incidence. In determining whether an item should be disclosed as an exceptional item, the Directors consider quantitative and qualitative factors such as the frequency, predictability of occurrence and significance. This is consistent with the way financial performance is measured by management and reported to the Board.

Intangible assets

Internally generated intellectual property

An internally generated intangible asset consisting of intellectual property arising from development (or the development phase) of an internal project is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;

2. Accounting policies continued

Intangible assets continued

Internally generated intellectual property continued

- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangibles not yet in use are not amortised but are subject to annual impairment testing.

Internally generated intangible assets have been amortised over three to five years.

Research expenditure is recognised as an expense in the period in which it is incurred.

Tangible assets

Tangible assets are recorded at cost net of accumulated depreciation and any provision for impairment. Depreciation is provided to write off the cost of the asset less any residual value over its useful economic life in line with below. The residual values of assets are reviewed annually and revised where necessary. Assets' useful economic lives are as follows:

Furniture and fittings	25% reducing balance
Office equipment	3 years straight line
Leasehold improvements	25% reducing balance
Right-of-use lease assets	straight line over the lease term

Impairment

For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount of the asset or cash-generating unit. The recoverable amount is the higher of fair value, reflecting market conditions, less costs to sell, and value in use based on an internal discounted cash flow evaluation. The cash flow evaluations are a result of the Directors' estimation of future sales and expenses based on their past experience and the current market activity within the business. All assets are reassessed and impairment losses previously recognised may be reversed where the recoverable amount exceeds the carrying value in subsequent periods.

Any impairment charge arising from the review of the carrying value of assets, where material, is disclosed separately on the face of the consolidated income statement.

Financial assets

Financial assets and liabilities are recognised when the Group becomes party to the contractual obligations of a financial instrument. They are measured initially at fair value, net of transaction costs. The Group subsequently classifies and measures its financial assets as either financial assets at fair value through profit or loss, at amortised cost, or fair value through comprehensive income, as appropriate. The classification depends on the purpose for which the financial assets were acquired. At the reporting year end the financial assets of the Group were all classified as loans or receivables held at amortised cost.

Trade receivables

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 but also incorporate other types of contractual monetary assets.

Notes to the financial statements continued

2. Accounting policies continued

Financial assets continued

Trade receivables continued

They are initially recognised at fair value and measured subsequent to initial recognition at amortised cost using the effective interest method, less any impairment loss.

The Group's financial assets comprise trade receivables, other receivables (excluding prepayments) and cash and cash equivalents.

Trade and other receivables – impairment

The Group applies an expected credit loss model to calculate the impairment losses on its trade receivables. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. Trade receivables at the reporting date have been put into groups based on days past the due date for payment and an expected loss percentage has been applied to each group to generate the expected credit loss provision for each group and a total expected credit loss provision has thus been calculated.

Financial liabilities

The Group's financial liabilities include trade and other payables and borrowings which include lease liabilities.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in the income statement.

Trade payables are recognised initially at their fair value, net of transaction costs and subsequently measured at amortised cost less settlement payments.

Taxation

Current tax

Current income tax assets and liabilities comprise those obligations to fiscal authorities in the countries in which the Group carries out its operations. They are calculated according to the tax rates and tax laws applicable to the fiscal period and the country to which they relate. All changes to current tax liabilities are recognised as a component of tax expense in the income statement unless the tax relates to an item taken directly to equity, in which case the tax is also taken directly to equity. Tax relating to items recognised in other comprehensive income is recognised in other comprehensive income.

Deferred tax

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets, such as those resulting from assessing deferred tax on the expense of share-based payments, are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when the present obligations arising from legal or constructive commitment resulting from past events will probably lead to an outflow of economic resources from the Group which can be estimated reliably.

Provisions are measured at the present value of the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date taking into account risks and uncertainties surrounding the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2. Accounting policies continued

Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Defined contribution pension plan

The Group operates a defined contribution pension scheme. The assets are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and is further detailed in note 7.

The cost of pensions in respect of the Group's defined contribution scheme is charged to the income statement in the period in which the related employee services were provided.

Share-based payments

The Group operates equity settled share-based compensation plans for the remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (e.g. profitability or sales growth targets).

All share-based compensation is ultimately recognised as an expense in the income statement with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Fair value of the awards are measured using the Black-Scholes valuation model or Monte Carlo simulation when there are non-market vesting conditions of the shares issued. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated. The impact of the revision of the original estimates, if any, is recognised in the statement of comprehensive income over the remaining vesting period, with a corresponding adjustment to the share-based payment reserve.

Equity and reserves

Issued share capital

Ordinary shares are classified as equity. The nominal value of shares is included in share capital.

Share premium

The share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of the expenses of the share issue.

Share-based payment reserve

The share-based payment reserve represents the total value expensed at the balance sheet date in relation to the fair value of the share options at their grant date expensed over the vesting period under the relevant share option schemes.

Accumulated deficit

The retained earnings include all current and prior period results for the Group and the results of the Group's subsidiaries as determined by the income statement net of dividends paid.

Dividends

Final equity dividends to the shareholders of the Group are recognised in the period that they are approved by shareholders. Interim equity dividends are recognised in the period that they are paid. Dividends receivable are recognised when the Group's right to receive payment is established.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimations and assumptions that affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, their historical experience and other factors including expectations of future events. Actual results may differ from the amounts included in the financial statements. The estimates and assumptions that have a significant risk of material adjustment to the carrying amount of assets and liabilities within the next financial year are summarised below:

Judgements in applying accounting policies

Development costs

Capitalisation of development costs in accordance with IAS 38 requires analysis of the technical feasibility and commercial viability of the project in the future. This in turn requires a long-term judgement to be made about the development of the industry in which the development will be marketed. Where the Directors consider that sufficient evidence exists surrounding the technical feasibility and commercial viability of the project which indicates that the costs incurred will be recovered they are capitalised within intangible fixed assets. The amount of the capitalisation is based on estimates to judge the percentage of the time relevant staff spend on projects. Where insufficient evidence exists, the costs are expensed to the income statement.

Sources of estimation uncertainty

Intangible assets useful life

The useful life of the Group's intangible assets has been estimated based on the classification of intellectual properties into two categories: Technology Platforms and Capability IP. Management's judgement in this estimation process incorporates a comprehensive analysis of market conditions, potential client needs, competitive developments, and internal expertise to assess the obsolescence risk associated with the developed technology.

In accordance with IFRS, the Group will review the estimated useful lives of these intangible assets at least annually and adjust them as necessary to reflect changes in circumstances or expectations regarding their economic benefits. Please refer to note 13 for more details.

Impairment of intangible assets

Determining whether intangible assets are impaired requires an estimation of the value in use of the cash-generating unit to which the intangibles have been allocated. The value in use calculations require an estimation of the future cash flows expected to arise from the cash-generating units and a suitable discount rate to calculate the present value.

An assessment of impairment of intangibles is performed if there is an indicator of impairment. The key estimate for the carrying value of the intangibles is the cash flows associated with the investment and the Weighted Average Cost of Capital ("WACC"). Each intangible is reviewed regularly to ensure that it generates discounted positive cash flows.

Where there is an indication of impairment, the investment is impaired by a charge to the consolidated income statement. The key area of uncertainty is revenue growth and WACC. Management performs sensitivity analysis to ascertain the level of growth rate and assumptions on the WACC that will start to impair the investment on a yearly basis. Please refer to note 13 for more details.

4. Financial instruments – risk management

The Board of Directors of Made Tech Group PLC has overall responsibility for the determination of the Group's risk management objectives and policies. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group. All funding requirements and financial risks are managed based on policies and procedures adopted by the Board.

The Group does not enter into derivative transactions or trade in financial instruments and the Directors believe the Group is not materially exposed to commodity price risk.

The Group is exposed to the following financial risks:

- credit risk;
- liquidity risk; and
- interest rate risk.

4. Financial instruments – risk management continued

The Group is exposed to risks that arise from its use of financial instruments. The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- trade and other receivables;
- cash and cash equivalents; and
- trade and other payables.

To the extent financial instruments are not carried at fair value in the consolidated statement of financial position, book value approximates to fair value.

Trade and other receivables are measured at amortised cost. Book values and expected cash flows are reviewed by the Board and any impairment charged to the consolidated statement of comprehensive income in the relevant period.

Trade and other payables are measured at amortised cost.

Financial instruments by category

Financial assets

	At 31 May 2024 £'000	At 31 May 2023 £'000
Cash and cash equivalents	7,648	8,474
Trade receivables	4,429	4,304
Other receivables	2,233	1,889
Financial assets at amortised cost	14,310	14,667

Financial liabilities

	At 31 May 2024 £'000	At 31 May 2023 £'000
Current		
Trade payables	356	1,634
Accruals	1,469	1,005
Social security and other taxes	623	1,889
Other payables	646	208
Trade and other payables	3,094	4,736
Current		
Borrowings – lease liability	—	140
Loans and borrowings	—	140
Financial liabilities at amortised cost	3,094	4,876

The key risks to the Group and the policies and procedures put in place by management to manage them are summarised below:

Interest rate risk

The Group is exposed to cash flow interest rate risk from bank borrowings at variable rates. The Group's bank borrowings are disclosed in note 21. As at 31 May 2024 there are no loans outstanding (FY23: £nil); therefore there is no significant exposure to interest rate risk.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. The Group's net trade receivables for the two reported periods are disclosed in the financial assets table above.

The Group considers that its exposure to credit risk is negligible as it primarily carries out work for public sector entities without the risks attached to normal commercial credit sales.

Notes to the financial statements continued

4. Financial instruments – risk management continued

Credit risk continued

The Directors do not consider that there is any significant concentration of risk within other receivables.

Credit risk on cash and cash equivalents is considered to be small as the counterparties are substantial banks with high credit ratings. The maximum exposure is the amount of the deposit. To date, the Group has not experienced any losses on its cash and cash equivalent deposits.

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

At 31 May 2024	Within 1 month £'000	1-3 months £'000	3-12 months £'000	2-5 years £'000	5+ years £'000
Trade payables	316	40	—	—	—
Accruals	1,290	179	—	—	—
Other payables	1,269	—	—	—	—
	2,875	219	—	—	—

At 31 May 2023	Within 1 month £'000	1-3 months £'000	3-12 months £'000	2-5 years £'000	5+ years £'000
Trade payables	1,634	—	—	—	—
Accruals	554	257	194	—	—
Other payables	2,097	—	—	—	—
Lease liability	—	47	93	—	—
	4,285	304	287	—	—

Capital management

The Group's capital is made up as follows:

	At 31 May 2024 £'000	At 31 May 2023 £'000
Share capital – issued	75	75
Share premium	13,433	13,433
Share-based payment reserve	4,129	4,398
Accumulated deficit	(5,148)	(2,695)
	12,489	15,211

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing services commensurately with the level of risk.

The capital structure of the Group consists of shareholders' equity as set out in the consolidated statement of changes in equity. All working capital requirements are financed from existing cash resources and fundraising.

5. Revenue from contracts with customers

Revenue from operations arises from:

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Revenue arises from:		
Provision of digital services	38,568	40,195

The Group has only one segment and therefore the results for the Group comprise the segment performance.

Significant customer

The Group had four customers that exceeded 10% of revenue in the year (FY23: four customers).

Customer A accounted for £7.0m (or 18%) of total Group revenue during FY24 (FY23: £4.2m or 10%).

Customer B accounted for £5.4m (or 14%) of total Group revenue (FY23: £0.3m or 1%).

Customer C accounted for £5.0m (or 13%) of total Group revenue (FY23: £6.4m or 16%).

Customer D accounted for £4.0m (or 10%) of total Group revenue (FY23: £4.7m or 12%).

6. Operating loss

The operating loss has been arrived at after charging/(crediting):

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Fees paid to the Group's auditors (see below)	65	56
Other accountancy fees	29	26
Loss on disposal of property, plant and equipment	8	9
Advertising expense	329	548
Depreciation of property, plant and equipment and amortisation of intangible assets	1,212	417
Staff costs (note 7)	26,903	30,904

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Analysis of fees paid to the Group's auditors:		
Audit of the Group and Company's financial statements	65	56
Other services	—	—
Total fees paid to Group's auditors	65	56

Notes to the financial statements continued

7. Staff costs

Staff costs (including Directors) consist of:

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Wages and salaries (including bonuses)	24,097	27,230
Other taxable benefits	87	110
Social security costs	2,624	3,130
Pensions	1,272	1,393
Share-based payments	80	2,068
Total staff costs	28,160	33,931

Included in staff costs above is £1,257,000 (FY23: £3,029,000) of costs that have been capitalised as intangible assets (see note 13).

Key management of the Group is considered to be the Board of Directors. Details of Directors' remuneration is disclosed in the Report of the Remuneration Committee on page 42.

Defined contribution pension scheme

The amount recognised in the income statement as an expense in relation to the Group's defined contribution pension scheme is £1,147,000 (FY23: £1,197,000). Included within accruals and other creditors is £231,000 (FY23: £207,000) for outstanding contributions to the defined contribution pension scheme.

The average monthly number of employees during the period was as follows:

	Year ended 31 May 2024	Year ended 31 May 2023
Key management	6	6
Operations and administration	358	428
Total employees	364	434

8. Interest receivable/(payable)

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Interest receivable/(payable)		
Interest received	248	25
Interest on bank loans and bank fees	(12)	(4)
Interest on lease liability	(2)	(10)
Total interest receivable/(payable)	234	11

9. Exceptional items

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Termination costs	—	493
Restructuring costs	—	81
Total exceptional items	—	574

There were no exceptional items in FY24. In FY23 exceptional costs related to severance costs for exiting employees and restructuring costs relating to reorganisation improvements.

10. Other income

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Insurance claims	41	37
Royalties and partnerships	11	22
Total other income	52	59

11. Taxation

The following tax was recognised in the income statement:

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Corporation tax	—	—
Total current tax expense	—	—
R&D tax credit	(502)	—
Deferred tax:		
Origination and reversal of timing differences	(42)	72
Tax (credit)/charge for the year	(544)	72

The tax assessed for the year is different from the standard rate of corporation tax as applied in the respective trading domains where the Group operates.

The Group's tax charge can be reconciled to the loss in the income statement and effective tax rate as follows:

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Loss before tax	(2,997)	(1,527)
Tax credit at the UK corporation tax rate of 25% (FY23: 20%)	(749)	(305)
Effects of:		
Fixed asset differences	38	37
Expenses not deductible for tax purposes	1,297	461
Utilisation of losses brought forward	(456)	(28)
Unused tax losses	173	462
IP capitalisation	(314)	(622)
R&D tax credit	(502)	—
Sundry items	11	(5)
Movement in deferred tax provision	(42)	72
Tax (credit)/charge for the year	(544)	72

Notes to the financial statements continued

11. Taxation continued

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Deferred tax		
At 1 June	92	20
Deferred tax recognised	—	—
Charge	(42)	72
At 31 May	50	92

Current taxes comprise the income taxes of the Group companies which posted a taxable profit for the year, while deferred taxes show changes in deferred tax assets and liabilities which were recognised by the Group on the temporary differences between the carrying amount of assets and liabilities and their amount calculated for tax purposes and, on consolidation adjustments, calculated using the rates that are expected to apply in the year these differences will reverse.

No deferred tax has been provided on share based payments amounting to £35,155.

At the reporting date, the Group has unused tax losses of £0.7m (FY23: £3.1m) available for offset against future profits. No deferred tax asset has been recognised in respect of these losses due to the uncertainty of the timing of future taxable profits forecast at the balance sheet date.

12. Loss per ordinary share

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Loss per ordinary share		
Loss for the period	(2,453)	(1,599)
Weighted average number of ordinary shares in issue for the year ('000)	149,287	148,885
Loss per ordinary share (pence):		
Basic loss per share	(1.64p)	(1.07p)
Diluted loss per share	(1.64p)	(1.07p)

Where a loss has been recorded the effect of options is not dilutive and therefore the basic and diluted figure is the same.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares. The Company has potentially dilutive ordinary shares arising from share options granted to employees. Options are dilutive under the Group Restricted Share Plan ("RSP") where the exercise price, together with the future IFRS 2 charge of the option, is less than the average market price of the Company's ordinary shares during the year. Options under the LTIP schemes, as defined by IFRS 2, are contingently issuable shares and are therefore only included within the calculation of diluted EPS if the performance conditions, as set out in note 24, are satisfied at the end of the reporting period, irrespective of whether this is the end of the vesting period or not.

The calculation of adjusted earnings per share is based on the after tax adjusted operating loss after adding back certain costs as detailed in the table below. Adjusted earnings per share figures are given to exclude the effects of share-based payments and exceptional items, all net of taxation, and are considered to show the underlying performance of the Group.

The adjusted basic earnings per share is calculated by dividing the adjusted profit/(loss) after tax for the year by the weighted average number of ordinary shares in issue during the period.

12. Loss per ordinary share continued

	Year ended 31 May 2024 £'000	Year ended 31 May 2023 £'000
Loss for the period	(2,453)	(1,599)
Share-based payments (including associated taxes)	80	2,068
Exceptional items	(502)	574
Impairment of intangible	4,315	—
Tax effect of the above	(20)	(528)
Adjusted profit after tax for the year	1,420	515
Weighted average number of ordinary shares in issue for the year ('000)	149,287	148,885
Effect of dilutive potential ordinary shares from share options	5,409	4,097
Weighted average number of ordinary shares for the purposes of diluted earnings per share ('000)	154,696	152,982
Adjusted basic earnings per share	0.95p	0.35p
Adjusted diluted earnings per share	0.92p	0.34p

13. Intangible assets

Intangible assets relate to development activities to develop new software products (IP) to improve existing and/or create new products. All intangible assets have an identifiable future economic benefit to the Group at the point the costs are incurred.

	Technology Platforms £'000	Capability IP £'000	Total £'000
Cost			
At 1 June 2022	1,904	—	1,904
Additions	592	2,517	3,109
At 31 May 2023	2,496	2,517	5,013
Additions	1,257	—	1,257
At 31 May 2024	3,753	2,517	6,270
Amortisation and Impairment			
At 1 June 2022	—	—	—
Charge for period	—	—	—
At 31 May 2023	—	—	—
Charge for period	275	560	835
Impairment	3,478	837	4,315
At 31 May 2024	3,753	1,397	5,150
Net book value			
At 31 May 2023	2,496	2,517	5,013
At 31 May 2024	—	1,120	1,120

13. Intangible assets continued

The Group has classified its intangible assets into two types of intellectual property: Technology Platforms and Capability IP. During the year the Group has capitalised costs relating to the ongoing development of its Technology Platforms, being SaaS solutions aimed primarily at the Local Government housing market. After initial sales Made Tech has moved to the commercialisation phase of these products. Technology Platforms comprise 5 CGUs; amortisation of four of the CGUs commenced in June 2023 as commercialisation of the products began and they are amortised over five years. Personnel costs of £1,256,899 (FY23: £3,028,623) have been capitalised during the year related wholly to Technology Platforms.

Capability IP comprises 7 Cash Generating Units ("CGUs") based around some of the core capabilities of the Group such as Data & AI, and Transformation. Amortisation of all Capability IP CGUs, other than Academy, commenced in June 2023 over a useful life of three years.

Intangible assets have been tested for impairment by assessing the value in use of the CGUs. The value in use calculations were based on projected cash flows over the estimated useful economic life of the assets with no terminal rate being applied. Varying growth rates derived from market demand and an assessment of the assets' development pipeline were applied. The annual growth rates assumed for Technology Platforms IP was between c.0% and c.40%, dependent on the specific SaaS product. An annual growth rate of c.8% was assumed for the Capability IPs, excluding the Academy which was assumed to generate no revenue, on a total basis.

The discount rate used to test the cash-generating units used the Group's pre-tax WACC of 40.2%, being the equivalent of a post-tax WACC of 16.5% (FY23: 12.4%). The value in use calculations using the above growth assumptions indicated an impairment on all the Company's Technology Platforms and Academy Capability IP. As a result an impairment charge of £4,314,690 has been booked in the year (FY23: nil). Following the early commercialisation of the Technology Platforms it has become evident that the sales cycles to local government clients was longer than originally anticipated, thus reducing the contribution that the SaaS products were forecast to deliver over the next four years. Nevertheless the Company continues to pursue the commercialisation of the Technology Platform IP in what management view as a large, compelling and fragmented market. Made Tech had invested in its Academy IP to operate as an apprenticeship provider, working alongside government departments including the HMRC. However, changes in demand by government clients mean that the Board no longer views this as a core revenue generating offering and therefore as a result have impaired the full carrying value of the asset.

Additional sensitivity analyses were run on all the remaining Capability IP. Assuming nil growth in Capability IP revenue over the remaining useful economic life of the intangible assets, and using a post-tax WACC discount of 16.5%, an additional impairment of c.£405,000 was indicated. Assuming a 20.0% post-tax WACC and nil growth (with other assumptions remaining constant) an additional impairment of c.£22,000, when compared with sensitivity using the 16.5% post-tax WACC discount rate, was indicated. Management does not consider that any reasonably possible changes in the assumptions would result in an impairment. The assumptions used in the impairment review are subjective and provide key sources of estimation uncertainty, specifically in relation to growth assumptions, future cash flows and the determination of discount rates. The actual results may vary and accordingly may cause adjustments to the Group's valuation in future years.

14. Tangible assets

	Land and buildings £'000	Furniture, fittings and equipment £'000	Right-of-use assets £'000	Total £'000
Cost				
At 1 June 2022	33	885	766	1,684
Additions	—	60	—	60
Disposals	—	(106)	—	(106)
At 31 May 2023	33	839	766	1,638
Additions	5	84	—	89
Disposals	—	(53)	—	(53)
At 31 May 2024	38	870	766	1,674
Depreciation				
At 1 June 2022	21	303	481	805
Charge for period	3	260	154	417
Eliminated on disposal	—	(83)	—	(83)
At 31 May 2023	24	480	635	1,139
Charge for period	3	243	131	377
Eliminated on disposal	—	(45)	—	(45)
At 31 May 2024	27	678	766	1,471
Net book value				
At 31 May 2023	9	359	131	499
At 31 May 2024	11	192	—	203

15. Investments (Company)

Investments in subsidiaries

	At 31 May 2024 £'000	At 31 May 2023 £'000
Investment in subsidiaries	2,640	2,640

The subsidiary undertakings of Made Tech Group Plc, which have been included in the consolidated financial statements, are as follows:

Name	Country of incorporation	Registered office and principal place of business	Proportion of ownership interest	Nature of business
Made Tech Limited	United Kingdom	4 O'Meara Street, London SE1 1TE	100% ordinary shares	Trading company
Made Tech Learning Limited	United Kingdom	4 O'Meara Street, London SE1 1TE	100% ordinary shares	Inactive

The Directors believe that the carrying value of the investments is supported by their underlying net assets and future trading forecast.

Made Tech Learning Limited has met the relevant conditions for the Directors to take advantage of the exemption conferred by section 479A of the Companies Act 2006.

Notes to the financial statements continued

16. Trade and other receivables (consolidated)

	At 31 May 2024 £'000	At 31 May 2023 £'000
Trade receivables – gross	4,429	4,304
Less: provision for impairment	—	—
Trade receivables – net	4,429	4,304
Other receivables	2,233	1,889
Total trade and other receivables	6,662	6,193

The Company has adopted the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables.

Under IFRS 9 the expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic and other factors affecting the Company's customers.

The Company has experienced no credit losses in its history and, because its ultimate customer is substantially the UK government, it does not believe it will do so in the future. As a result, the Company has not made a provision based on expected credit loss.

Trade receivable and other receivables (includes accrued revenue amounting to £1.3m (FY23: £1.1m) have not been discounted as they are short-term debts.

17. Trade and other receivables (Company)

	At 31 May 2024 £'000	At 31 May 2023 £'000
Trade receivables – gross	—	—
Less: provision for impairment	—	—
Trade receivables – net	—	—
Amounts owed by Group undertakings	11,587	13,036
Other receivables	597	43
Total trade and other receivables	12,184	13,079

Amounts owed by Group undertakings are unsecured and interest free, have no fixed date of repayment and are repayable on demand.

18. Trade and other payables (consolidated)

	At 31 May 2024 £'000	At 31 May 2023 £'000
Trade payables	356	1,634
Accruals	1,469	1,005
Tax and social security	623	1,889
Other payables	646	208
Total trade and other payables	3,094	4,736

19. Trade and other payables (Company)

	At 31 May 2024 £'000	At 31 May 2023 £'000
Trade payables	87	26
Accruals	170	51
Tax and social security	86	91
Other payables	—	3
Total trade and other payables	343	171

20. Leases

The Company leases office premises. Under IFRS 16 this lease has been classified as a right-of-use asset. The lease liability is included within tangible assets on the statement of financial position. The long-term lease ended in April 2024 and the new agreement was signed for 12 months. There are no other long-term leased assets.

	At 31 May 2024 £'000	At 31 May 2023 £'000
Right-of-use assets		
Balance at 1 June	131	285
Depreciation charge for year	(131)	(154)
Balance at 31 May	—	131
Lease liability		
Maturity analysis – contractual discounted cash flows		
Less than one year	—	140
One to five years	—	—
Total lease liabilities at 31 May	—	140
Lease liabilities included in the statement of financial position:		
Current	—	140
Non-current	—	—

Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases:

	At 31 May 2024 £'000	At 31 May 2023 £'000
Interest paid on lease liability	2	10

Any expense for short-term and low value leases is not material and has not been presented.

Notes to the financial statements continued

21. Analysis of net debt

	Cash £'000	Bank loans £'000	Lease liabilities £'000	Net debt £'000
At 1 June 2022	12,333	—	(320)	12,013
Working capital movements	(3,859)	—	—	(3,859)
Payment of lease liabilities	—	—	180	180
At 31 May 2023	8,474	—	(140)	8,334
Working capital movements	(826)	—	—	(826)
Payment of lease liabilities	—	—	140	140
At 31 May 2024	7,648	—	—	7,648

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less.

22. Deferred tax Liabilities

Deferred tax liabilities are analysed as follows:

	At 31 May 2024 £'000	At 31 May 2023 £'000
Accelerated capital allowances	(50)	(92)
Tax losses	—	—
Total deferred tax liability	(50)	(92)

Changes during each year are as follows:

	Accelerated capital allowances £'000	Tax losses £'000	Total £'000
Balance at 1 June 2022	(167)	147	(20)
Tax (charge)/ credit in respect of current year	75	(147)	(72)
Balance at 31 May 2023	(92)	—	(92)
Tax credit in respect of current year	40	—	40
Balance at 31 May 2024	(50)	—	(50)

23. Share capital

Made Tech Group Plc's issued and fully paid share capital is summarised in the table below:

Ordinary shares of £0.0005 (FY23: £0.0005)	Number	Nominal value £
At 31 May 2023	149,287,059	74,643
At 31 May 2024	149,287,059	74,643

The ordinary shares have full voting, dividend and capital distribution rights, including on winding up. They are non-redeemable.

23. Share capital continued

Movements in share capital and share premium are shown below:

Ordinary shares of £0.0005	Ordinary shares Number	Deferred shares Number	Total share capital £	Share premium £	Capital redemption reserve £
At 1 June 2023	149,287,059	—	74,643	13,420,934	12,183
At 31 May 2024	149,287,059	—	74,643	13,420,934	12,183

On 30 September 2022 1,208,881 ordinary shares were issued with a nominal value of £0.0005.

The Company purchased all of the deferred shares on 25 October 2022 (approved at the Company's FY22 Annual General Meeting). Until 25 October 2022, the Company had 12,184,554 non-redeemable deferred shares of £0.0005 in issue with no voting, dividend or other distribution rights. The stated intention from their creation upon Admission was that they would be purchased in their entirety by the Company. As no rights of conversion nor pre-arranged formula to convert deferred shares into ordinary shares were included in the Articles of Association they have never been considered "convertible securities". Accordingly, deferred shares have not been included in the calculation of diluted earnings per share. The off-market buy-back of the deferred shares completed on 25 October 2022, when the deferred shares were immediately cancelled.

There were no movements in share capital and share premium in FY24.

24. Share-based payments

In the year ended 31 May 2024 the Group recognised total expenses of £80,463 (FY23: £2,068,000) in respect of equity-settled share-based payment awards under IFRS 2 Share-based Payment.

Details of the maximum number of ordinary shares which may be issued in future periods in respect of LTIP awards and RSAs outstanding at 31 May 2024 are shown below:

	LTIP Number of shares	RSAs Number of shares	Total Number of shares
At 1 June 2023	1,121,923	3,207,665	4,329,588
Granted	4,697,520	381,690	5,079,210
Forfeited	(2,590,129)	(391,888)	(2,982,017)
Exercised	(122,951)	(894,706)	(1,017,657)
At 31 May 2024	3,106,363	2,302,761	5,409,124

All forfeited options relate to employees who left during the period.

Share awards granted in the year ended 31 May 2024 were limited to below Board employees and structured as either performance related LTIPs or Restricted Share Awards. The LTIP awards are based on the achievement of challenging performance criteria over the respective vesting periods as set out below. Performance targets include absolute total shareholder return ('TSR'), EPS growth, and employee net promoter scores ('eNPS'). The likelihood of the performance criteria being achieved has been factored into the calculation of the share based payment charge.

Restricted Share Awards ('RSAs') vest annually based on continuing service but are not subject to other performance conditions. As such, the IFRS 2 Share-based Payment fair value of each RSA award granted was equal to the face value of awards. Details of the awards granted during FY24 are shown below.

Notes to the financial statements continued

24. Share-based payments continued

All options over shares have a nil exercise price.

	LTIPs FY23* 25 July 2023	LTIPs FY23* 25 July 2023	LTIPs FY24** 25 July 2023	RSAs 25 July 2023	RSAs 18 October 2023
Awards	1,176,472	470,588	3,050,460	281,690	100,000
Vesting	Absolute TSR, EPS and eNPS	Absolute TSR, EPS and eNPS	Absolute TSR, EPS and eNPS	Tranched vesting	Tranched vesting
Share price at grant date (pence)	17	17	17	17	27
Exercise price (pence)	0	0	0	0	0
Expected volatility	40%	40%	40%	n/a	n/a
Expected life (years)	2	3	3	3	1, 2, 3
Expected dividend yield	0%	0%	0%	0%	0%
Risk-free interest rate	0.39%	0.39%	0.39%	n/a	n/a
Fair value (pence) – holding period	n/a	6	6	n/a	n/a
Fair value (pence) – no holding period	6	n/a	6	17	27

*The vesting of these LTIP awards is subject to the Group achieving the following performance targets:

Performance conditions	Weighting	Performance targets
Absolute TSR performance	40%	TSR growth over a 3 year period from 31/05/2022
EPS	40%	Growth in EPS over a 3 year period from the financial year 31/05/2022
eNPS	20%	Improvement in eNPS measured over a 3 year period from 31/05/2022

**The vesting of these LTIP awards is subject to the Group achieving the following performance targets:

Performance conditions	Weighting	Performance targets
Absolute TSR performance	40%	TSR growth over a 3 year period from 31/05/2023
EPS	40%	Growth in EPS over a 3 year period from the financial year 31/05/2023
eNPS	20%	Improvement in eNPS measured over a 3 year period from 31/05/2023

During the year Made Tech established an Employee Benefit Trust for the settlement of share option awards. The Group contributed £350,000 to the EBT during the year and the EBT acquired 2,402,738 shares in the Company. The EBT has distributed 289,580 shares in settlement of the exercise of options.

25. Related party transactions

Details of key management personnel's compensation are given in the Directors' Remuneration Report.

There were no other related party transactions during the year ended 31 May 2024.

26. Post balance sheet events

There are no significant events after the balance sheet date to report.



Made Tech's commitment to environmental issues is reflected in this Annual Report, which has been printed on Arena, an FSC® certified material.

This document was printed using environmental print technology, which minimises the impact of printing on the environment, with 99% of dry waste diverted from landfill. Both the factory and the paper mill are registered to ISO 14001.

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