Optima Health

Annual Reports and Accounts

for the year ended 31 March 2025

2025

CONTENTS

AT A GLANCE

STRATEGIC REPORT

GOVERNANCE

FINANCIAL STATEMENTS

ADDITIONAL INFORMATION

THE MARKET AT A GLANCE

£150bn

Combined economic cost of ill health absence and lost productivity is estimated around 7% of the country's GDP (186m days – 5.7 per worker).

£0.2bn

Forecast growth of UK OH market to 2028. c.4.% p.a. market growth rate.

80%

Indicative percentage of employers without occupational health services.

23%

Percentage market share of top 4 largest players.

10%

Optima Health market share.

HIGHLIGHTS

Revenue

FY25: £105.0m

FY24: £110.9m

Contraction due to previously disclosed contract loss and a scope reduction in Q3FY24. Adjusted underlying organic growth 4.1%.

Added revenue through Acquisitions

FY25: £1.3m

Through the acquisition of Optima Health (Birmingham) Limited formerly BHSF Occupational Health in Q4 FY25.

Net Debt

FY25: £2.2m

FY24: £34.0m

A significant reduction following the demerger from Marlowe plc.

Restructuring / Integration Costs

FY25: £1.5m

FY24: £8.6m

Significant reduction in integration costs as program now complete. No further costs from H2 onwards.

Adjusted EBITDA

FY25: £17.6m

FY24: £18.0m

Margins maintained despite reduction in revenues.

Integration Activity Completed

Integration of 12 acquired businesses into Optima Health completed in since H1 FY25.

Net Cash Generated from Operations

FY25: £5.4m

FY24: £14.7m

Strong balance sheet.

Statutory Operating Profit

FY25: £3.2m

FY24: (£0.7m loss)

FY25 includes £2.8m of costs relating to the demerger and listing, therefore, excluding this, underlying operating profit would have been £6.0m.

OUR EXPERTISE

We have an extensive employed team of over 850 occupational health practitioners in the UK: Consultant Physicians, Occupational Health Nurses, Occupational Therapists, Physiotherapists, Counsellors, Psychologists, Technicians, Registered Nurses and Physiologists.

We work across a range of sectors, both public and private. Within the private sector we specialise in the energy and utilities, construction, manufacturing, rail, transport and financial sectors. We also provide services to Blue Light organisations and are one of the largest providers to the NHS, central and local government.

We know that one size doesn't fit all. So our preference is to work with organisations to understand their requirements. This way we can create integrated, compelling and multidisciplinary solutions where, together, we focus on the outcomes and on measuring value with return on investment for the organisation.

No. 1

The largest Occupational Health Provider in the UK with 16% of the outsourced market

c5m

Employees supported

£15m+

Invested in technology led platforms

850+

Directly employed clinicians

Nationwide

Services delivered nationwide across the UK. No postcode is out of our reach.

700+

Intervention types

2,000+

Clients

Networks

50+ OH Clinics
1,700+ Counselling Associates
900 Physiotherapy Associates

c38

Mobile screening units

1m+

Interventions in the year

CEO STRATEGIC AND BUSINESS REVIEW

Strategic Progress Overview

During the year ended 31 March 2025, Optima Health achieved several significant milestones and made strong progress towards delivering its strategic objectives.

A key priority was the comprehensive integration of all acquired businesses under the Optima Health brand, which was completed in June 2024. Operational delivery models have also been successfully standardised, with all customers and employees, both clinical and operational, now operating on unified proprietary IT systems, with service delivery governed and audited under a consistent, clinically led best practice approach. This integration has created a differentiated platform, and the ability to leverage our proprietary technology and clinical skills base that is foundational to Optima Health's future growth ambitions.

To further support these ambitions, the business was demerged from Marlowe plc and listed on AIM in September 2024. The listing has provided Optima with the flexibility to pursue strategies specifically tailored to its target markets and areas of expertise, creating long-term value for investors, employees, and customers.

Since listing, the Company has made material progress across all key elements of its strategic plans deploying £7.5m of capital to complete 3 acquisitions which are expected to deliver an initial run rate of £17m revenue and be earnings accretive in the first full year following acquisition:

- In January 2025, Optima acquired BHSF Occupational Health, adding approximately £8m of annual revenue to the Group, around 60 clinicians to our operations, and an expanded customer base. The acquisition was profitable from month one, and the full integration to our platform is underway reinforcing our ability to consolidate the occupational health market.
- In February 2025, the Group, in partnership with Serco, was awarded a major contract by the UK Ministry of Defence to provide medical assessment services for the UK Armed Forces, supporting the recruitment of personnel into the Royal Navy, British Army, and Royal Air Force (AFRS). In line with Optima's strategy to expand into complementary adjacent markets, this seven-year contract, with options for three additional one-year extensions, has an estimated total value of £210m over the initial term and up to £290m if all extensions are exercised.
- Also in February 2025, the Company secured its first licence contract for its proprietary Digital Assessment Routing Tool (DART) with Mersey & West Lancashire Teaching Hospitals NHS Trust, a strategic move aligned with the Company's planned targeted entry into adjacent markets using our proprietary technology. Shortly following this another four trusts under the NHS' Get It Right First Time (GIRFT) initiative have been implemented.
- Post-period end, Optima announced the acquisition of Cognate Health, representing the Group's first acquisition outside the UK. This acquisition is expected to add approximately €7m in annual revenue and €1m EBITDA per annum, while providing access to the Republic of Ireland market through Cognate's significant presence with 30 clinic sites and network of 35 Occupational Physicians.
- Most recently, in May 2025, the Company announced the acquisition of Care first, the Employee Assistance Programme business of the Priory Group. This acquisition is expected to contribute approximately £3.7m in annual revenue to the Group, further strengthening Optima Health's mental health service offering.
- In addition adjusted underlying organic growth was 4.1%. New business wins at the full year totalled £27.2m (FY24: £7.3m) with a further £1.9 million won or selected as preferred bidder since 31 March 2025.

Group Results

The Group delivered a strong financial performance in FY25 which was in line with market expectations at the time of the Company's listing on AIM. Revenue was £105.0m (FY24: £110.9m), reflecting a return to underlying growth when adjusted for the previously disclosed loss of a client and a reduction in service scope with another during the second half of FY24 (as previously disclosed in the Company's AIM Admission Document).

Annual Recurring Revenue (ARR) and contracted backlog grew significantly, driven by strong organic new business wins, notably the UK Armed Forces Recruitment contract, the acquisitions of BHSF Occupational Health and Care first and the strategic expansion into Ireland through the acquisition of Cognate Health.

Adjusted EBITDA* was £17.6m (FY24: £18.0m), with EBITDA increasing to £13.7m (FY24: £10.1m). Adjusted EBITDA margin increased to 16.7% (FY24: 16.3%).

Statutory operating profit was £3.2m (FY24: £0.7m loss), with statutory profit before tax of £2.6m (FY24: £0.9m loss). Earnings per share (EPS) was 3p. (FY24 (£1,030.50) loss). The results for FY25 include £2.8m of costs related to the demerger and AIM listing.

The Group continues to benefit from good cash generation from operations and a capital-light operating model. Net cash generated from operations for FY25 was £5.4m (FY24: £14.7m), this included one-off demerger and AIM listing costs. As at 31 March 2025, net debt (excluding leases) stood at £2.2m (31 March 2024: £34.0m), a significant reduction following the demerger from Marlowe plc, resulting in a net debt (excluding lease liabilities) to EBITDA ratio of 0.16x (FY24: 3.38x).

Our Markets

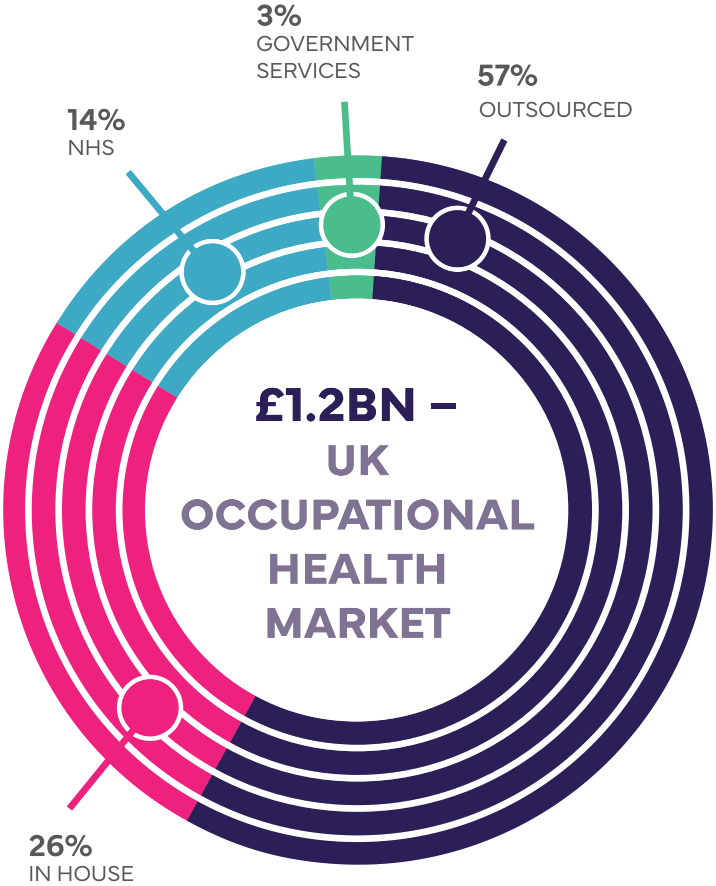
In the UK, the economic cost of ill-health-related absence and lost productivity is estimated at £150 billion per year – around 7% of the country's GDP. Mental health, stress, and anxiety account for nearly half of all working days lost due to work-related injury and illness and employers have a critical role and duty in promoting workforce health and wellbeing. Increasingly, organisations are investing in proactive early intervention and prevention, where returns on investment are high and aligned to broader strategies that manage health risks, reduce absence, and provide effective rehabilitation pathways for common conditions. These priorities have sharpened as NHS waiting lists have grown by over 3 million since before the COVID-19 pandemic, reaching approximately 7.4 million as of May 2025.

Occupational health and wellbeing providers play a vital role in helping organisations manage and monitor these risks across the workforce. This responsibility is growing as people economically inactive (i.e. no longer in the work force) due to ill health in the UK has risen to 2.8 million people in 2024, up 25% from pre-2020 levels. Employers and providers are responsible for ensuring workspaces consider individual needs, implementing health strategies that enable people to be able to undertake their job roles, whilst maximising attendance and performance. This is a broad mandate that requires expertise, engagement, and professional delivery.

The UK's corporate occupational health market was valued at £1.2 billion in 2023, with 57% (£670 million) serviced by outsourced providers. This market is projected to grow to £1.4 billion by 2028 as more employers, especially the estimated 80% of SME businesses currently without occupational health services, begin to incorporate these services within their workforce offering, and existing users expand their scope.

The current market has proven resilient and largely non-discretionary, driven by statutory obligations under the Health and Safety at Work Act (such as health surveillance) and absence management. In addition, favourable market growth drivers are broadening services being provided to adopt more proactive, preventive, and ultimately predictive services:

- Demographic shifts: An ageing and progressively less healthy workforce is increasing employer pressure to support individual health ownership and reduce NHS demand, which is expected to remain strained in coming years.
- Elevated corporate focus: Health and wellbeing have become board-level priorities and encouragingly, 78% of employers are taking steps to reduce workplace stress, while 71% recognise presenteeism as a key issue.



* Definitions and explanations of adjusted metrics are provided in the Financial Review on page 15.

CEO STRATEGIC AND BUSINESS REVIEW CONTINUED

- Rising demand for digital, integrated solutions: As workplaces evolve, flexible, remote, and connected health offerings are increasingly becoming the convention, expanding into active management and treatment of long-term conditions including musculoskeletal and mental health conditions, diabetes and cardiovascular disease and supported self-management services under a clinically governed strategy.
- Data-driven insights: Aggregated employee health data now enables targeted, proactive, preventive and predictive solutions tailored to an organisation's health and wellbeing issues linked to measurable returns on investment.
- First-generation outsourcing growth: Demand continues for specialist providers as organisations seek broader, more complex occupational health and wellbeing services.
- Supportive government policy: Initiatives such as the 2024 WorkWell programme reflect policy momentum to increase employer adoption and widen the reach of occupational health services.

Our Strategy

Optima Health's purpose is to optimise workplace health and wellbeing. Our ultimate ambition is to be the leading provider of business to business healthcare services in the workplace, supporting both our clients and employees, with a long-term goal of achieving equivalent to 25% market share of the UK's corporate occupational health market.

Our strategic priorities are:

- Core market organic growth: The Group aims to continue its successful track record of new business wins. With a current market share of approximately 10% of the £1.2bn total addressable UK occupational health market, there is clear opportunity to expand through new business and expanding services with existing clients. The Group's access to and track record of providing services to SME clients also positions it well to grow complementary to its larger client portfolio.
- Strategic M&A to accelerate growth: The UK occupational health market is highly fragmented, leaving Optima Health well placed to consolidate the market through selective acquisitions to increase scale and capability and further accelerate growth. Over the past five years, the Group has demonstrated its expertise and efficiency in effectively integrating acquisitions to create value. With an acquisition strategy already in place, driven by a set of disciplined acquisition criteria, and an established pipeline of potential targets, this has been demonstrated by the Group's execution of three complementary acquisitions since listing the Company in September 2024.
- Expansion into new complementary services and markets: The clinical services delivery expertise of the Group is leverageable into adjacent markets to occupational health and wellbeing, which presents an opportunity to expand the addressable market by several fold. The Group has demonstrated this strategy by being awarded a contract to provide recruitment medicals to the UK Armed Forces in a deal worth up to £210 million over a 7-year initial term, as well as successfully implementing its DART (Digital Assessment Routing Tool) into the NHS.

  The Group also sees opportunity in expanding into new geographical markets where the same investment thesis and regulatory underpinning is prevalent. The Group's first step on progressing this element of the strategy was executed with the acquisition of Cognate Health in the Republic of Ireland (EU) in April 2025, and we see significant potential to replicate our model in similar regulatory markets.
- Technology Innovation: Technology will continue to be a differentiator in the sector, supporting increased automation and reducing dependency on clinician-led, face-to-face delivery, and reducing the cost to serve. The Group currently has a targeted AI feasibility study underway. The Group aims to develop technology to enable employee engagement and supported self-management with digital health platforms. Additionally, technology enhancements integrating with client systems and combining existing data will pave the way for advanced analytics and inform proactive and preventive, clinically led intervention programmes.

Outlook

We operate in a highly resilient market, supported by regulatory and legislative frameworks that underpins many of our services. As a result, we expect sustained demand and despite broader economic uncertainty, National Insurance tax changes, and public sector budget pressures we are confident and focussed on our medium and longer term objectives.

The fundamentals of our market remain positive, with favourable workforce dynamics, rising demand for high-quality, digitally enabled integrated solutions, and an increasing need for productivity improvements across organisations set to drive further growth.

We look forward to realising the positive impact of significant contract wins such as the recently announced UK Armed Forces Medical Assessments contract. We have begun service mobilisation and transition, which we anticipate will continue through the coming financial year.

On 14 February 2025 Optima won an appeal against the Department for Work and Pensions which concluded that a contract should have been awarded to Optima during a previous procurement process. The remedies for Optima of this successful appeal are yet to be determined.

The employer's national insurance increase from April 25, and slower lead times to convert new business present challenges in the short term. We will look to minimise the impact of these challenges through proactive initiatives where possible and remain well positioned to deliver growth in FY26.

Alongside our continued drive for organic growth, we will continue to pursue selective acquisitions, augmenting growth and creating value through our buy-and-build strategy. As evidenced by the three successful acquisitions completed since our listing in 2024. These, and future acquisitions will be integrated swiftly and efficiently following our established approach in order to minimise any short term dilutive effect to margin, additional acquisitions will support us to enter new regulated markets, strengthen our existing services, and unlock further revenue synergies.

I'd like to thank and express my appreciation for all the hard work of our people in FY25. In FY26 we aim to build on our FY25 achievements and accelerate delivery of our strategic initiatives.

The Strategic Report on pages 4 to 27 and the Section 172 Statement on pages 34 to 35 were approved by the Board and signed on its behalf by:

Jonathan Thomas
Chief Executive Officer

24 July 2025

"We operate in a highly resilient market, supported by regulatory and legislative framework that underpins many of our services."

JONATHAN THOMAS
CEO

CHAIRMAN STATEMENT

I am proud to present Optima Health's maiden Annual Report for FY25 during which the Group successfully demerged from Marlowe plc and listed on AIM. Since listing, Optima has continued to make significant progress, delivering organic and inorganic growth in line with our strategy whilst creating a robust, scalable platform to support future growth.

The UK leader of B2B healthcare and wellbeing solutions

Optima is recognised as the UK's leading provider of B2B healthcare and wellbeing solutions in the workplace and our primary focus is on continuing to increase our market share in this attractive, rapidly growing market. The total addressable market in the UK is forecast to increase to £1.4 billion through to 2028, as employers without occupational health services start to incorporate services and organisations already providing such services expand their scope. Optima is well positioned to capitalise on these market dynamics, securing new clients and expanding services with its existing clients. Alongside this core market organic growth, we will continue to execute targeted M&A to take further market share as well as extending our offering into adjacent markets. In the year under review Optima completed the integration of 12 previously acquired businesses under the Optima brand and completed a further acquisition taking our market share to 10%.

Commitment to governance and sustainability

Our governance framework supports the development and operation of business, utilising the breadth of skills and experience of our Board. Our governance arrangements provide rigour and discipline but are also sufficiently nimble to enable to enable Optima to pursue opportunities and adapt to the changes in the business environment. Our listing has further sharpened our focus on governance and we have reviewed our structures to make sure we are proud and accountable for our impact on the community, the environment and the industries we serve. The Group's ESG framework focuses on three overall themes: People and Culture, Communities and the Wider Environment and being a Responsible Business.

Board appointments

At our listing in September 2024, we welcomed Mike Ettling and Adam Councell as Independent Non-Executive Directors, and Simon Arnold a non-independent Non-Executive Director to our Board of Directors.

Looking ahead

As we look ahead to the remainder of 2025 and beyond, the Board is confident that Optima can continue to build upon its market leading position. With a strong pipeline of potential new contracts, have significant visibility for the coming period, and we remain committed to growing the business both organically in our core market and through targeted M&A. I would like to sincerely thank our customers, our management team, our dedicated people and clinicians and our shareholders for their continued support and hard work as we embark on this next exciting phase as a public company.

Julia Robertson
Independent Non-Executive Chairman

"On behalf of the Board I would like to thank all our customers, clinicians and colleagues for their important contribution during this pivotal year for Optima Health."

JULIA ROBERTSON
CHAIRMAN

KEY PERFORMANCE INDICATORS (KPI'S)

The Group uses a range of KPIs at an operational level that are tailored to the specific needs of the business and provide meaningful insight to management. At the Board level, the focus is on financial KPIs such as revenue, adjusted EBITDA, adjusted EPS, and net cash generated from operations. These measures are explained in further detail in the Financial Review on page 15.

Revenue

£105.0m

The decrease is as expected primarily due to the loss at retender of one client and the decision of a second client to bring a portion of its occupational health provision in house, both changes occurred in the last quarter of FY24. When adjusted for these two contracts, the Group has seen 2% underlying revenue growth during the year.

EBITDA

£17.6m

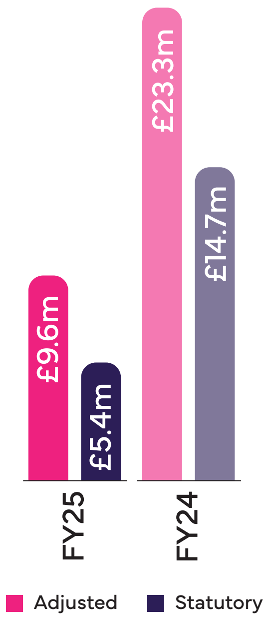
Adjusted EBITDA means operating profit before interest, tax, depreciation and amortisation, share based payments and exceptional items.

Adjusted EBITDA has slightly decreased, driven by a reduction in turnover, however greater control of cost base and integration of previously acquired businesses has helped increase adjusted EBITDA margin to 16.7% from 16.3%.

Net Cash Generated from Operations

£9.6m

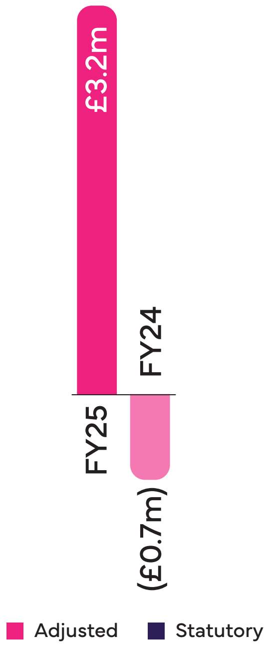
Adjusted net cash from operations is stated before exceptional items. Further details are provided in the Financial Review on page 16.



Statutory Operating Profit / (Loss)

£3.2m

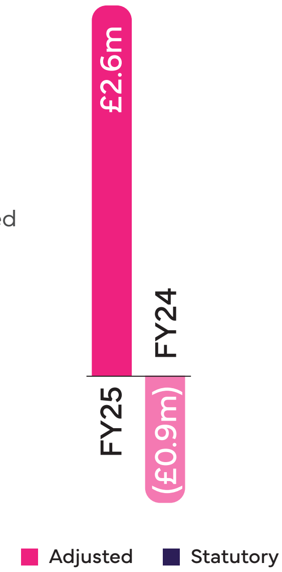
The increase in operating profit is largely due to reduction in exceptional costs. The comprehensive integration of all the acquired businesses within the Group was completed in FY2025, which has resulted in the significant reduction in exceptional costs.



Statutory Profit / (Loss) Before Tax

£2.6m

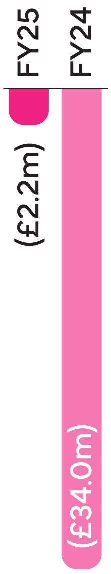
The increase largely reflects a reduced level of one-off adjusting items and the movements described in operating profit and adjusted EBITDA.



Net Debt

(£2.2m)

Immediately prior to admission to trading on AIM, Marlowe plc released all intercompany balances with the Group and a pre-IPO dividend was paid to Marlowe plc, resulting in the Group listing on a cash-free basis. As part of the demerger and IPO process, the Group also entered into a new revolving credit facility. Following these actions, the Group's net debt (excluding lease liabilities) reduced from £34.0 million to £2.2 million.



INVESTMENT PROPOSITION

Well balanced portfolio comprising over 170 large clients (contract size of more than £100,000 per annum) and over 2,000 clients in total across both the public and private sectors.

Optima Health has a large and diversified client base throughout the UK, with a focus on large clients with high corporate health and wellbeing demands, through to SMEs, all of which the Group is well positioned to serve. As a result of the scale, expertise and track record of the Group across key sectors, Optima Health estimates that approximately half of its pitches are typically successful. Management has a well-established and adhered to strategy through which key sectors with predictable 'annuity' revenue streams are targeted.

Proven business model and track record of consolidation and integration

The Group is cash generative and profitable with a contracted and recurring revenue model. The Group improved profitability in FY25 through strategic margin improvements including investment in proprietary workstreams, the provision of enhanced services to existing clients and higher margin new business. Optima Health has continued to perform strongly alongside the successful integration of several acquisitions, testimony to the Group's resilient business model and ability to consolidate its market leadership.

Nationwide sector and geographic coverage

The Group has operations that span the entirety of the UK and the Republic of Ireland, with 850+ clinicians employed covering every postcode, allowing its clients access to services when needed, and supported by a network including over 1,000 subcontracted associate clinicians. The Group's clinicians work both remotely utilising the Group's proprietary digital delivery model, and onsite at our clinics, client-sites and core hubs as well as via the Group's mobile clinic solutions. The breadth of the Group's infrastructure also enhances its overall service as it drives scale benefits to increase commercial efficiencies.

Large and growing market with multiple drivers for long-term growth, attractive dynamics and opportunity for consolidation

Favourable population dynamics, the prevalence of mental health issues in the workplace rising, increased corporate focus on health and wellbeing and growing demand for integrated offerings, and the rise of remote working have increased the need for flexible and digitally enabled services coupled with the trend of outsourcing contribute towards the future expected growth of the UK occupational health market, which is forecast to grow annually by approximately 4 per cent to £1.4 billion in 2028, as employers currently without occupational health plans start to incorporate services within their workforce offering and organisations already providing such services expand their scope. Moreover, the highly fragmented nature of the outsourced occupational health market provides further opportunities for growth through buy and build M&A consolidation.

INVESTMENT CASE

N°1 Large and growing market with attractive dynamics. Multiple drivers of long-term growth within and outside sector.

N°2 Profitable, contracted and recurring revenue model.

N°3 Track record of M&A consolidation and integration. Underpinned by investment in technology, clinical capability and quality.

N°4 Digitally-enabled, flexible operating model providing a platform for profitable growth.

Delivery via a flexible, leveraged, digitally enabled operating model

The Group has a well-invested technology architecture to support its growth ambitions and margin improvement, with over £15 million of capital and operational expenditure invested into its proprietary, bespoke occupational health and wellbeing platforms in the last seven years. The Group's digitally enabled and scalable platforms enable efficient delivery across the nationwide offering and allow Optima Health to meet the evolving needs of its clients and increasing scale of the Group.

Integrated 'Workplace Wellbeing' model delivering a broad range of services

The 'Workplace Wellbeing' model spans the corporate health and wellbeing eco-system, leveraging data to provide proactive, preventive, and predictive services to clients, undertaking in excess of one million interventions each year. The Group's contracts and relationships with clients often means Optima Health is a client's main, or only, health related partner. Through understanding the underlying patient's health dynamics and assessing their needs, the Group is often best placed to provide a holistic offering to them, either with the Group or through partners. The Group also offers targeted and digitally enabled active condition management and supported self-management services.

Holistic and integrated propositions underpinned by clinical and service excellence

Optima Health's comprehensive governance framework drives consistently high-quality outcomes for its clients and underlying patients. This clinical capability and quality is assured by its base of more than 850 directly employed clinicians (alongside a broader network of subcontracted associate clinicians), its multi-disciplinary model and its flexible network partners. The Group further benefits from the emergence of data analytics into its health and wellbeing offering.

Market leading client returns and benefits

The Group has a strong track record of reducing absence and health risks to drive financial returns for clients. This is measured, amongst other things, on absence reduction and the number of people on restricted or adjusted duties. The business model allows Optima Health to scale new clients quickly and efficiently and can flexibly deliver across all stages of the outsourcing continuum (ranging from in-house models converting to first generation outsourcing, to ongoing resource or leveraged-based models), adjusting and adapting over time as the client's needs change. The Company estimates that its clients can benefit from a return on investment in its services of 7 to 9 times.

FINANCIAL REVIEW

Financial review of Group

Optima Health delivered strong financial results in the year, in line with market expectations, while making significant strategic progress in what has been a transformative period for the Group. We successfully demerged from Marlowe Plc, listed on the AIM market and completed the integration of the businesses acquired whilst Optima was part of Marlowe.

Revenue in the year was £105.0 million (FY24: £110.9 million). The decrease was primarily due to the loss at retender of one client and the decision of a second client to bring a portion of its occupational health provision in house. Both of these changes occurred in H2 FY24. When adjusting for these, the Group has seen underlying growth in revenue during the year.

Adjusted profit before tax decreased to £12.8 million (FY24: £13.4 million) as a result of the revenue reduction. Adjusted EBITDA (operating profit before interest, tax, depreciation and amortisation and share based payments and exceptional items) decreased to £17.6 million (FY24: £18.0 million).

Group adjusted EBITDA margin saw a slight increase at 16.7% (FY24: 16.3%) which demonstrates management's commitment and ability to manage the cost base in response to a contraction in revenue. However some dilution of adjusted EBITDA margin should be expected during integration of new acquisitions before improving once complete, and transition the UK Armed Forces contract.

Despite a fall in revenue, statutory profit before tax was £2.6 million compared to the loss of £0.9 million seen in the prior year. This was partly due to a decline in exceptional costs. The comprehensive integration of all the businesses acquired under Marlowe was completed by 30 September 2024 which has resulted in the significant reduction in exceptional costs. During the year the Group also demerged from Marlowe Plc and listed on the AIM, costs associated with this amounted to £2.8m, these are considered non-recurring in nature.

As at 31 March 2025, the Group had a cash position of £14.8 million (FY24: 21.1 million) and net debt including leases of £6.9 million (FY24: £36.4 million). Net debt excluding leases was £2.2 million (FY24: 34.0 million). The increase in net assets in the year is primarily due to the release of related party loans as part of the demerger from Marlowe Plc.

The Group utilised £17 million of its £20 million Revolving Credit Facility ("RCF") during the year, initially to fund working capital post paying the demerger dividend to Marlowe plc and subsequently to support new acquisitions. The Group remained in full compliance with all bank covenants throughout the year and continues to maintain sufficient headroom under the facility. Further details can be found on note 26 of the financial statements.

Non-IFRS measures

The financial results contain all the information and disclosures required by all accounting standards and regulatory obligations that apply to the Group. The results also include measures which are not defined by generally accepted accounting principles such as IFRS. We believe this information, along with comparable IFRS measures, is useful as it provides investors with a basis for measuring the performance of the Group on an underlying basis. The Board and our management use these financial measures to evaluate our operating performance. Non-IFRS financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. Similarly, non-IFRS measures as reported by us may not be comparable with similar measures reported by other companies.

Consistent with historical treatment under the previous shareholder Marlowe plc, costs associated with the integration activities which completed during the year have been removed to calculate adjusted metrics. Demerger/listing fees incurred in the year are one-off in nature and have also been removed from the adjusted metrics. The Directors believe that adjusted EBITDA and adjusted measures of operating profit, profit before tax and earnings per share provide shareholders with a useful representation of the underlying earnings derived from the Group's business and a more comparable view of the year-on-year underlying financial performance of the Group.

A reconciliation between statutory Operating profit/(loss), Profit/(loss) before tax and EBITDA is shown below:

	FY25 £'m	FY24 £'m
Profit/(loss) from operations	**3.24**	**(0.72)**
Amortisation of acquisition intangibles	6.32	6.31
Depreciation and amortisation of non-acquisition intangibles	4.09	4.47
EBITDA	**13.65**	**10.06**

A reconciliation between statutory loss and the adjusted performance measures noted above is shown below:

Financial year ended 31 March 2025	Profit before tax £m	Operating Profit £m	EBITDA
Statutory reported	**2.58**	**3.24**	**13.65**
Exceptional items	3.87	3.87	3.87
Share based payments	0.04	0.04	0.04
Amortisation of acquisition intangibles	6.32	6.32	–
Adjusted Results	**12.81**	**13.47**	**17.56**

Financial year ended 31 March 2024	Profit/(loss) before tax £m	Operating Profit/(loss) £m	EBITDA
Statutory reported	**(0.86)**	**(0.72)**	**10.06**
Exceptional items	7.97	7.97	7.97
Amortisation of acquisition intangibles	6.31	6.31	–
Adjusted Results	**13.42**	**13.56**	**18.03**

Adjusting items

Restructuring costs for the year were £1.5 million (FY24: £8.6 million) reflecting that the Group has successfully completed the comprehensive integration of acquisitions acquired under Marlowe. Restructuring costs primarily consist of:

- The cost of duplicated staff roles during the integration and restructuring period.
- The redundancy cost of implementing the post completion staff structures; and
- The cost of dual running duplicate facilities no longer required
- IT costs associated with the integration and transfer to Group IT systems, including costs of third-party software used in the delivery of customer contracts where there is a programme to transition such software to one of the Group's existing platforms
- The costs associated with acquisitions.

Moving forward the only integration costs expected to be recognised as exceptional are redundancy costs and the costs of external advisors supporting on M&A activity. The internal Integration and Change Team are now costed into the Group's EBITDA.

Demerger/listing costs of £2.8 million were incurred in the year when the Group demerged from Marlowe plc and listed on the AIM Market. The main costs incurred include legal fees, reporting accountant fees and nominated advisor fees. These costs are non-recurring in nature and not considered to be reflective of the underlying trading performance. Movements in the fair value of contingent consideration are considered to be part of the investing activities of the Group and are therefore not considered to be reflective of the underlying trading performance and non-recurring nature. During the year this amounted to a credit of £0.4m.

Amortisation of acquired intangible assets for FY25 was £6.3 million (FY24: £6.3 million). This is attributable to the carrying value of intangible assets resulting from the previous execution of the M&A strategy under Marlowe plc and the one acquisition completed prior to the end of FY25.

FINANCIAL REVIEW CONTINUED

Non-cash share-based payment accounting under IFRS2 for the year was £0.04 million, this relates to a new plan as detailed in note 36 of the financial statements.

Further details on the items considered when arriving at adjusted performance measures can be found in note 6.

Earnings per share

Basic adjusted earnings per share are calculated as adjusted profit for the Group for the year, less a standard tax charge divided by the weighted average number of shares in issue in the year. Basic earnings per share reflect the actual tax charge.

	FY25 £'m	FY24 £'m
Basic adjusted earnings per share*	£0.19	£8,981.92
Basic earnings per share	£0.03	(£1,030.45)

* Refer to note 15

The earnings per share (EPS) figures for the current and prior periods are not directly comparable due to the significant changes in the share capital structure. During the current period, the Company issued 88,775,901 new shares, compared to a total of 1,075 shares in issue during the prior period. This substantial increase in share capital affects the calculation of EPS, as the weighted average number of shares in issue has materially changed.

Interest

Finance costs increased to £0.7 million in the year (FY24: £0.1 million). The rise in costs is primarily due to the introduction of a new unsecured 3-year Revolving Credit Facility of up to £20 million, with an additional uncommitted accordion facility of up to £15 million. This facility was arranged at the time of demerging from Marlowe plc in September 2024 and as such no facility existed in the prior year.

Taxation

UK Corporation Tax is calculated at 25% (FY24: 25%) of the estimated assessable profit for the year in addition, deferred taxes at the statement of financial position date were remeasured to reflect the 25% tax rate from 1 April 2023.

Statement of financial position

The Group maintains a strong balance sheet with net assets as at 31 March 2025 of £168.1 million (31 March 2024: £127.6 million). At the same date total assets were £218.1 million (2024: £223.3 million), and total liabilities were £50.0 million (2024: £95.6 million). Total assets primarily consist of intangibles assets of £176.7million, arising largely from acquisitions made historically and trade and other receivables of £19.0 million. Total liabilities include bank loans of £17.0 million, and trade and other payables of £11.9 million. The increase in net assets is primarily due to the release of related party debt following the demerger from Marlowe Plc.

Cash flow, net debt and financing

The Group benefits from revenues which have beneficial underlying working capital characteristics.

	FY25 £m	FY24 £m
Cash generated from operations before demerger and restructuring costs	**9.6**	**23.3**
Demerger & restructuring costs	(4.2)	(8.6)
Cash generated from operations	**5.4**	**14.7**
Lease repayments including interest	(1.1)	(1.6)
Net finance costs from borrowings	(0.5)	–
Tax	(2.7)	(1.9)
Loans released as part of the demerger from Marlowe Plc	55.1	–
Purchase of subsidiary undertakings net of cash acquired	(1.1)	–
Contingent consideration paid for subsidiary undertakings	(0.8)	
Net capex	(3.8)	(2.8)
Proceeds from share issuance	2.0	–
Dividends paid	(20.7)	–
Movement in net debt	**31.8**	**8.4**
Opening net debt (excluding leases)	(34.0)	(42.4)
Closing net debt (excluding leases)	(2.20)	(34.0)

Across the whole year the Group generated adjusted net cash from operations of £9.6 million (FY24: £23.3 million) before £4.2 million of demerger & restructuring costs (including strategic review costs). The decrease in cash from operations is mainly driven by a change in working capital. Trade and other payables have decreased by £7.7 million (FY24: £2 million increase), the movements mainly reflect timing adjustments and normal fluctuations in operational accruals, consistent with our current business activity levels.

The net debt position in the year is largely due to the new revolving credit facility, which was initially used to fund the transaction costs and working capital requirements following the demerger from Marlowe Plc on 26th September 2024. This was offset by the related party loans released by Marlowe Plc on demerger.

Net debt as at 31 March 2025, including inter alia £4.7million of lease liabilities, was £6.9 million (FY24: £36.4 million). Adjusted net debt (excluding lease liabilities) at year was £2.2 million (FY24: £34.0 million).

Since the year end the Group has used the existing debt facilities to fund new acquisitions. Details of new acquisitions have been provided in note 39 of the financial statements.

Key Performance Indicators ('KPIs')

The Group uses many different KPIs at an operational level which are specific to the business and provide information to management. The Board uses KPIs that focus on the financial performance of the Group such as revenue, adjusted EBITDA, adjusted EPS and net cash generated from operations.

Financial outlook

Looking ahead, we are confident in our ability to drive long-term growth, supported by a strong financial foundation. Our strategy remains focused on investing in organic growth and pursuing carefully selected acquisitions from a well-developed pipeline, positioning the Group for continued success.

Heidi Giles
Chief Financial Officer

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) ANNUAL REPORT

Mission

People
Our mission is to create a workplace where every colleague feels empowered to bring their whole self to work, reach their full potential, and thrive as part of a diverse and supportive team. We are committed to being a responsible employer, fostering a safe, inclusive, and engaging environment for all

Planet
Our mission is to achieve net zero by 2040, by reducing emissions, decreasing waste and maximising our operating efficiency. Increasing our commitment to give back and support our communities and planet

Products
Our mission is to continue to offer broadened services and products aimed at protecting our planet, communities and protecting the health and wellbeing of people and the environment

Governance
Our mission is to strengthen our ESG governance including Supply chain and Cyber risk management to protect and evolve our business, whilst continuing to raise awareness and report on our progress towards achieving our ESG goals

Optima Health is dedicated to reducing its environmental impact and promoting sustainable practices across all areas of operation. Our ongoing commitments include:

- ✓ Ensuring our annual carbon reporting and action plan are externally audited by Eight Versa and published on our company website
- ✓ Maintaining our ISO 14001 Environmental Management System accreditation
- ✓ Complying fully with ESOS Phase 3 reporting requirements
- ✓ Continuing efforts to reduce gas consumption across the Optima Health estate
- ✓ Procuring electricity exclusively through REGO-backed contracts to support renewable energy
- ✓ Monitoring utility usage across the estate and identifying opportunities for efficiency and cost savings
- ✓ Completing annual EcoVadis sustainability assessments
- ✓ Providing regular environmental training to all staff
- ✓ Reviewing energy and carbon saving opportunities on a quarterly basis through our ESG Committee

At the heart of our ESG strategy sit our values:

- **ONE TEAM**
  There are no barriers in our business. We trust each other and work together as one team to deliver what our clients need. We all have a part to play in our future and everyone's contribution is important and valued.
- **DO THE RIGHT THING**
  We operate to the highest standards. Success is underpinned by honesty and integrity, and by doing what we say we will do. We care about the impact of our work on our people, our clients, their employees, society, and the world that we live in.
- **SHAPING TOMORROW**
  We always look for ways to improve and innovate. We train, support, and empower future leaders. We invest in market leading propositions and use technology to advance service and clinical outcomes.
- **NEVER TOO BIG TO CARE**
  We always retain a client-first approach, every client, and every one of their employees that we support, matters. We work in partnership to optimise workplace health and wellbeing, sharing in the benefits of growing together.

GOVERNANCE OF ESG

The Board has ultimate responsibility for the ESG strategy and works with management and employees to focus on this critical area. Optima's ESG committee sits at the centre of our Governance Risk and Compliance team and works across the business to engage with all employee groups.

Further details on our governance framework can be found on page 26.

The ESG committee meets four times a year to ensure we are progressing with our agreed sustainability strategy, share best practice and to track progress against the Group's net zero target (scope 1, 2 and scope 3) by 2040.

ENVIRONMENTAL

Commitment to achieving Net Zero

Optima Health is committed to achieving net-zero Scope 1, 2 and 3 emissions by 2040 and have set interim targets of reaching:

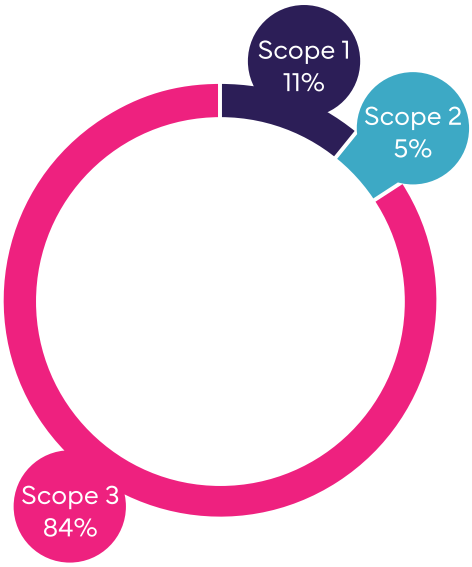
- 50% reduction in scope 1 and 2 by 2030
- 42% reduction in Scope 3 emissions by 2030.

This is in line with Optima Health's global commitment to net zero, supported by science-based greenhouse gas (GHG) emissions reduction targets. In 2024, Optima Health made significant progress towards its emissions reduction goals, achieving a 14% reduction in Scope 1 and 2 emissions and a 17% reduction in Scope 3 emissions compared to the previous year, demonstrating steady advancement toward the 2030 interim targets.

We are working with our customers, suppliers and stakeholders to deliver a safe and sustainable future. The KPIs below represent the key measures in tracking our performance against our ESG strategy. During the year we have continued to make progress against theses KPIs, and we will continue to report on them going forward.

Environmental Performance and Sustainability Initiatives

Total Group scope data



tCO2e	2024	2023
Gas	45.0	70.9
Company vehicles	122.6	183.8
Refrigerants	51.2	0.0
Total Scope 1	218.8	254.7
Total Scope 2	92.3	107.9
Commuting & Homeworking	707.9	860.0
Business travel	696.5	625.4
Purchased goods and services	78.3	384.4
Fuel & Energy	37.8	90.9
Upstream Leased assets	100.7	42.6
Capital Goods	45.9	20.2
Downstream transportation and distribution	4.7	6.7
Upstream transportation of goods	14.9	2.8
Waste	0.6	0.5
End treatment of sold products	0.1	0.4
Total Scope 3	1,687.4	2,034.0

Intensity Measures (Scope 1 and 2 shown)

tCO2e	2024	2023
Intensity measure per £m revenue		
Revenue	105.05	110.9
Total scope 1, 2, 3 per £m revenue	19.02	21.61
Intensity measure per employee		
Average FTE	1,356	1,528
Scope 1, 2, 3 per employee	1.47	1.57
Energy Consumption kWh		
Gas oil	245,874.0	384,487.1
Fleet	694,556.0	685,324.3
Grey Fleet	1,529,543.0	1,495,924.0
Electricity	445,586.0	521,108.3
Total energy consumption	2,915,559	3,086,843.7

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Unless otherwise stated, the environmental, social, and governance (ESG) data presented in this report relates to the calendar year ended 31 December 2024, rather than the Group's financial year ended 31 March 2025.

This approach is consistent with prior periods and reflects how the Group monitors and measures its ESG performance, which is assessed on an annual calendar year basis. Reporting on a calendar year provides consistency with regulatory reporting frameworks, enhances comparability with industry benchmarks, and aligns with the way underlying environmental data (such as energy usage and emissions) is collected and reported internally.

Comparative figures presented relate to the calendar year ended 31 December 2023.

The Group is committed to transparent and accurate ESG reporting, and any deviations from the financial reporting period are clearly disclosed to ensure clarity for stakeholders.

The Group's total carbon emissions for the reporting year have been calculated using a combination of direct activity data and standardised emission factors. Activity data covering areas such as energy consumption, business travel, and procurement was collected primarily from internal sources across the Group's operations. Where direct data was unavailable, well-reasoned assumptions were applied to estimate emissions. Emission factors aligned with the latest UK Government GHG Conversion Factors for Company Reporting were used to convert activity and spend data into carbon emissions. The resulting emissions from each source were then consolidated to provide an accurate representation of the Group's total carbon footprint.

Progress and strategic engagement

Optima Health continued to progress in FY25, advancing its environmental strategy and reinforcing its commitment to sustainability. The Group is currently collaborating with external environmental consultants to enhance its Carbon Reduction Action Plan, ensuring alignment with best practices and evolving regulatory expectations.

Carbon footprint and emissions disclosure

In the reporting period, the Group achieved a 17% reduction in its carbon footprint compared to the 2023 baseline year. The Group also improved its emissions intensity ratio, decreasing from 21.61 to 19.02. Notably, Scope 3 emissions reporting has been expanded to include all total recordable emissions, reflecting a more comprehensive and transparent disclosure approach.

Carbon reduction targets

As of May 2023, Optima Health adopted ambitious carbon reduction targets, including Scope 3 emissions. These targets are aligned with the Science Based Targets initiative (SBTi) and the NHS Net Zero strategy:

- 50% reduction in Scope 1 and 2 emissions by 2030
- 42% reduction in Scope 3 emissions by 2030
- Net zero emissions by 2040

Operational improvements and energy transition

During the reporting period, Optima Health transitioned utility supplies to green energy schemes where feasible and initiated efforts to phase out gas usage across its sites. The Company now operates six sites backed by Renewable Energy Guarantees of Origin (REGO), up from five in the previous year, and continues to work towards full REGO coverage. Optima Health also maintains ISO 14001 accreditation.

Fleet decarbonisation and mobility strategy

Optima Health operates a fleet of mobile occupational health vehicles and is actively developing a roadmap for full fleet decarbonisation. However, current limitations in electric vehicle (EV) technology such as range, infrastructure, and cost pose challenges to immediate transition. As an interim measure:

- The fleet is being upgraded to Euro 6 standard
- Vehicle speeds are capped at 62 mph to reduce emissions
- Five vehicles were retired and replaced in 2024
- Seven regional hubs were established to reduce travel distances

Given the technological constraints, Optima Health is exploring verified carbon offsetting schemes to mitigate fleet-related emissions in the short term.

Employee engagement and sustainable travel

A Group-wide travel survey was conducted to better understand commuting patterns and business travel. Currently, 70% of emissions are attributed to the grey fleet, primarily from commuting and business travel. While adoption of green vehicles remains limited, Optima Health:

- Maintains a remote-by-default scheduling policy
- Encourages the use of public transport and rail
- Is exploring the introduction of a Green Car Scheme for employees

Training and environmental governance

Environmental and sustainability training, including eco-driving modules, is being rolled out to all employees. Environmental initiatives are regularly discussed through the Group ESG Committee and Optima Health's EHS Steering Group, fostering a culture of continuous improvement in areas such as waste reduction, greener travel, and consultant-led environmental reviews.

Water and waste management

Although not a significant water consumer, Optima Health recognises the importance of water conservation and aims to enhance reporting and reduction efforts in the coming years. Similarly, waste reduction and recycling initiatives have been implemented across the property portfolio, with plans to introduce formal tracking mechanisms.

Regulatory compliance

Optima Health maintained a strong compliance record, with no environmental fines reported in FY25 (FY24: zero; FY23: zero).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

SOCIAL

Supplier engagement

Optima have a wide variety of suppliers from small individual businesses to larger suppliers. Our Social, Ethical, and Green Procurement Policy and our Supplier Code of Conduct help to guide our business to work with suppliers who align with our values and support our goals. We expect our suppliers to adhere to all relevant legislation, to act responsibly, fairly, ethically and safely at all times.

Due to the nature of our business, we have a high volume of "single" suppliers. These are self-employed clinicians who support our clinical delivery across the UK.

We are dedicated to generating positive social outcomes through our business activities. Our commitment to social value includes:

- Supporting Local Communities: Wherever commercially viable we prioritize engaging with local suppliers, contractors, and service providers to promote regional economic development. Wherever possible, we seek to create employment opportunities and skills training, in the areas where we operate.
- Diversity and Inclusion: We strive to create a diverse supply chain by engaging with small and medium-sized enterprises (SMEs) and companies that prioritize inclusion. We encourage our partners to uphold similar values in their employment practices.
- Social Value: As part of our corporate social responsibility, we can support charitable organisations through donations and employee volunteering.
- As part of our journey on sustainable procurement practices, we are now collating specific metrics in relation to SME procurement and moving forward, will be able to provide this data as part of our procurement profile.

PEOPLE

Our employees play a crucial role in delivery of a quality and professional service to our customers, and in turn, we are committed to providing an environment where they feel supported, challenged, and rewarded to reach their full potential. We recognise the interdependence between our Group and our employees and strive to cultivate a workplace culture that fosters growth, development, and mutual success.

Reward and recognition

People drive our business. We rely on a range of clinical professionals including doctors, nurses, physiotherapists and counsellors as well as our operational teams and it is essential that we continue to attract and retain the best talent.

We are a Real Living Wage employer and ensure our people are rewarded fairly. Our approach to people management has supported strong staff retention.

We recognise outstanding performance with our RAVE awards, where our employees nominate colleagues monthly and from this five employees are selected and awarded each month.

Training

We currently are supporting 10 apprentices across the organisation. They are working towards Chartered Management Institute qualifications, either at Level 3 (Team Leader/Supervisor) or Level 5 (Operations/Departmental Manager) or CIPD Level 5 or Level 7.

In addition to this, Optima run a modular base clinical programme for newly qualified clinicians to give them experience within the field of occupational health and hopefully develop careers with Optima Health.

This 6-month programme aims to provide newly graduated doctors and nurses with a solid foundation in Occupational health and on successful completion of this course they are then supported to achieve a formal qualification in this specialist field.

All employees received at least an annual appraisal and have had some form of training or CPD within the year. Optima Health has continued to invest in employee training, this included support through the levy for career development, the 'GROW' programme for clinical employees and the business unit is piloting a commercial academy framework.

People development framework

Optima Health plc has committed to create a framework to promote career pathways for all employees. The framework consists of individual career development, appraisal solution, competency matrix, training calendar and automated training and CPD approval.

Optima Health's mission

Our mission is for all our colleagues to feel able to bring their full selves to work, fulfil their potential and benefit from working as part of a diverse team. We are committed to being a responsible employer and strive to create a safe and inclusive working environment where our employees are actively engaged and supported.

Inclusion and diversity

At the core of our commitment to inclusion lies the conviction that everyone should have the opportunity to thrive and advance in an environment that respects and values them. Inclusion means being listened to, appreciated, empowered to contribute, and having equal access to opportunities, regardless of personal attributes. We actively foster and celebrate diversity in all its forms, recognising that we gain a competitive edge from the wide array of backgrounds, perspectives, opinions, and innovative thinking our workforce brings to the table. This is driven by our Inclusion and Engagement Group underpinned by our Diversity and Inclusion Policy.

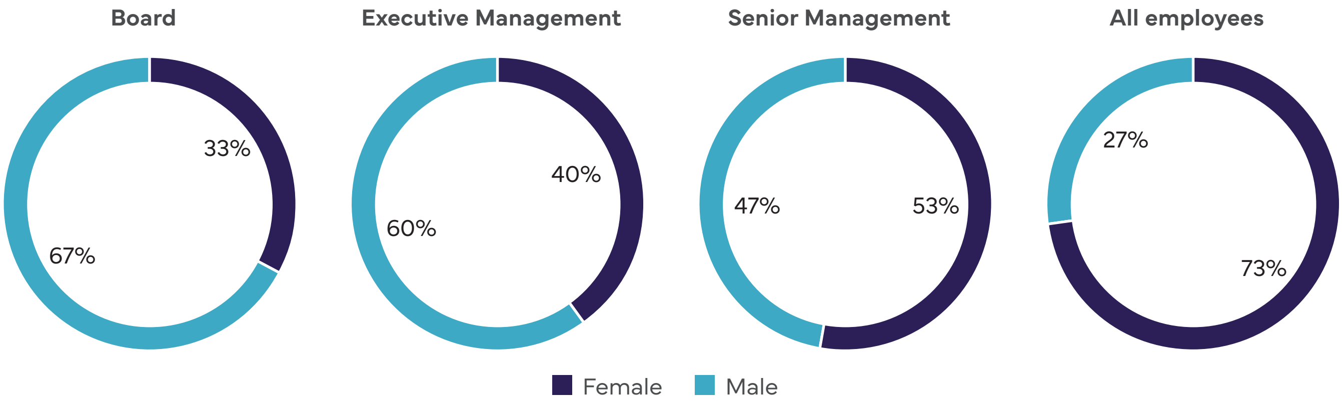
Gender equality

We aspire to be acknowledged as the employer and service provider of choice attracting, retaining, and advancing talented individuals. At Optima Health plc, we lead by example, beginning with our Board. Board appointments are made by the nominations committee based on the value, expertise, and relevance each individual brings to the business. Our objective is to ensure that the Board comprises the most qualified and capable individuals, with a strong emphasis on diversity in all its dimensions, encompassing perspectives, backgrounds, and gender.

Female representation on the Board stands at 33%. Notably, both the Board Chairman and the Chief Financial Officer are female.

The gender pay gap, which denotes the percentage disparity in mean and median base and bonus pay between male and female employees, is a focal point of our transparency efforts. As per UK legislation, companies with 250 or more employees are mandated to annually disclose gender pay gap information. Each entity within our Group exceeding this threshold has reported their gender pay gap statistics and these are available on our website.

Group Gender Diversity



ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

Employee engagement

We recognise the significance of open communication and collaboration in fostering engagement within our workforce. To facilitate effective communication, we have a weekly update feature on our internal portal for business updates, inclusion and engagement, workplace wellbeing and a personal achievements feature. We also hold a quarterly town hall call and our employee voice group meets bi-annually.

Our internal employee portal also has key features on values and culture, projects updates and quick links to important information, policies and procedures.

Our employee survey is run once a year.

Wellbeing and support

The Group has an Employee Assistance Programme, providing employees with access to a 24/7 advice line for immediate support and up to five counselling sessions provided to all employees.

We also have wellbeing champions and mental health first aiders to help support our employees. The workplace wellbeing area of our intranet features wellbeing days across the calendar, including World Mental Health Day, World Suicide Prevention Day and other health initiatives.

All our employees have access to Optimise, our wellbeing hub that has an assessment centre for all health and wellbeing including cancer, diabetes, general wellbeing, mental health, lung, cardio, financial and more. There are also multiple resources available to promote healthier lifestyles as well as wellbeing challenges.

To promote a healthy work-life balance we have embraced a flexible working approach where appropriate. This entails being receptive to requests for career breaks, job sharing, and accommodating flexible working arrangements, such as shortened workdays or adaptable hours, particularly to facilitate the return of parents to the workforce. We have also introduced a sabbatical policy to support our employees to take a period of extended leave.

Community

Each of our four centres of excellence have been actively engaged in the community. We have sponsored a number of grass roots sports teams contributing a total of £11,950, and in addition we offer a matched funding initiative for our employees and have jointly raised £15,521 for 23 different charities nationally.

We are a disability confident leading employer (Level 3) and are a supporter of the armed forces employee network.

Health and safety focus

Optima Health is the leading B2B provider of Occupational Health and Wellbeing services within the United Kingdom, and therefore, as an organisation, we fully appreciate the potential OH&S implications to its employees, customers and others while servicing the needs of its customer base.

Total commitment to the prevention of exposure and protection of employees, customers and others from OH&S risks resulting from our operations will be achieved through suitable selection, management, control and continual improvement of our personnel, activities and utilisation of resources.

Management of OH&S is the responsibility of every employee irrespective of position, and support for the organisation's H&S policy and systems will be achieved through a Group-wide focus on OH&S issues with equal priority to our other core activities.

The organisation's arrangements for OH&S management are to ensure compliance with legislative and stakeholder requirements as well as continual sustainable improvement which will be achieved through:

- Documentation of the OH&S management system identifying the stages of progression to achieve continual improvement in compliance with legislative and stakeholder requirements and attainment of a positive OH&S culture.
- Training and support for the management team to allow for the introduction of policies, procedures and risk assessments to ensure suitable and sufficient controls are introduced in accordance with the OH&S management system.
- Introduction and maintenance of systems and procedures in line with all current legislative and stakeholder requirements which will be documented and communicated through the legislation register which will be maintained and updated in line with the introduction or amendment of legislation.
- Ensuring all hazards are eliminated and risks are prevented where practicable or alternatively controlled to reduce the likelihood and severity of accidents or ill health.
- Key documented procedures in place for Hazard Identification, Risk Assessment and Determining Control; Fire Risk Assessment and Risk Management; HSE Procedures and Accidents, Incidents and Near Misses; Lone Workers.
- Effectively communicating this policy throughout the organisation and making it available to interested parties as appropriate.
- Ensuring procedures are in place for consultation and participation of workers at all applicable levels.
- Establishing objectives for all staff in order to maintain and continually improve the H&S management system.
- Mandatory training courses in Health & Safety Awareness, Fire and DSE.

The organisation will look to monitor and review its Occupational Health and Safety performance through both reactive and proactive key performance indicators which will be used to identify areas for continual improvement. The organisation's objective and vision is to continually reduce its potential Health and Safety implications to its employees, customers and others through adopting the principles and practices of the current version of ISO 45001.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONTINUED

GOVERNANCE

Optima Health exercise a robust internal governance, risk management and compliance framework that is supported by regular internal and external audit and public disclosure in conformance with the Quoted Companies Alliance ("QCA") code.

The Code of Ethics and Group compliance policies, can be found on our website and have been approved by the Board of Directors.

Anti-bribery and corruption

We take a zero-tolerance approach to bribery, corruption and other unethical or illegal practices. We are committed to acting professionally, fairly and with integrity in all business dealings and relationships, within all jurisdictions in which we and our businesses operate. Optima Health requires its businesses to adopt high governance standards, conducting business responsibly, sustainably, and in the pursuit of long-term success for the collective benefit of stakeholders. This is outlined in our anti-bribery and corruption policy, which is implemented and administered throughout the Group, and available our internal portal. In FY25, there were no instances of employee discipline or dismissal related to non-compliance with our anti-bribery and corruption policy (FY24: zero).

Optima Health plc prohibits lobbying involvement and political involvement of any kind (including the making of political donations) across the Group.

Whistleblowing

Optima Health plc encourages a culture of open communication amongst its staff and commits that any employee who raises concerns about illegal or unethical organisational behaviour will be treated with respect, confidentiality and will experience no detriment as a result. In May 2022, Optima Health plc joined a whistleblowing platform, available to all employees which can be accessed via a multi-lingual online portal, together with local hotline numbers that are available 24/7. Issues concerning possible wrongdoing in any aspect of the business, including financial and non-financial matters can be raised confidentially and anonymously.

The whistleblowing policy is available to all employees via the internal portal.

Modern slavery and human trafficking

Optima Health does not believe there is any place in today's world for slavery or human trafficking, and that everyone has the right to live and work without fear of exploitation. We are committed to continually improving our practices to combat slavery and human trafficking and to encourage the same high standards from our supply chain and other business partners. The Group continues to establish a zero-tolerance position on violations of anti-human trafficking and anti-modern slavery laws in accordance with the UK Modern Slavery Act 2015. The statement is renewed annually and can be found in accreditations on our website.

Human rights

We are committed to acting in an ethical manner with integrity and transparency in all business dealings, and to create effective systems and controls across the Group to safeguard against adverse human rights impacts. The Group has a strong culture of ethics, which encompasses key human rights considerations. The Group supports the principles set out in the UN Declaration of Human Rights.

Our businesses also implement effective and proportionate measures to identify, assess and mitigate potential labour and human rights abuses across their operations or supply chains. These include training, modern slavery policies, employee handbooks and business-specific policies. All business-specific policies are reviewed locally within each business in order to ensure compliance with local laws and standards as a minimum.

There have been no violations reported on human rights by our businesses in FY25 and for the previous two years.

Information security and cyber protection

Optima strongly respect privacy and seeks to minimise the amount of personal data that it collects, as well as ensuring the robust and sufficiently segregated storage of any data that is held.

Optima is subject to increased frequency and sophistication of security and cyber threats, and we recognise that we must be protected from potential exposure. Any loss of systems and/or data could cause a disruption to service delivery, impacting on reputation, involving significant rectification costs and potential regulatory action or legal liability. Optima benefits from well-established operating processes and procedures including systems and data security and disaster recovery. Optima are certified to ISO 27001, and Cyber Essentials Plus.

Divisional CTOs have responsibility for incorporating the Group's policies, controls and procedures which are kept under constant review. All employees receive regular training including a cyber awareness programme.

Supply chain

Optima Health recognises that Social Value and Responsible Ethical Sourcing practices are of increasing global importance and are embedded within our Supply Chain. Optima evaluate and select suppliers based on their ability to meet the requirements of our business, and the standard governance required to assess the suitability and financial stability of all suppliers, in line with Ethical Sourcing practices.

Optima Health have documented their procedure for demonstrating how these due diligence efforts are undertaken.

Optima have a wide variety of suppliers from small individual businesses to larger suppliers. Our Social, Ethical, and Green Procurement Policy and our Supplier Code of Conduct help to guide our business to work with suppliers who align with our values and support our goals. We expect our suppliers to adhere to all relevant legislation, to act responsibly, fairly, ethically and safely at all times.

Our Supply Chain policy can be found on our website.

Environmental

We are committed to reducing the environmental impact of all our activities, and that of our supply chain. We seek to fully comply with, and where possible, exceed all applicable environmental legislation. Optima recognises that rising carbon emissions are driving climate change, and that there will be local and worldwide implications. As such, we are committed to driving efficiencies within our operations, minimising the use of natural resources wherever possible and reducing emissions associated with our operations.

Environmental Management Systems (EMS) which have been accredited to the ISO 14001 standard are in place and we seek to maintain international certification.

We monitor the environmental performance of the Group and report regularly on environmental issues. We regularly consult with our stakeholders, including employees and investors, on environmental issues to ensure that the ESG strategy aligns with overall Group interests.

Diversity and inclusion

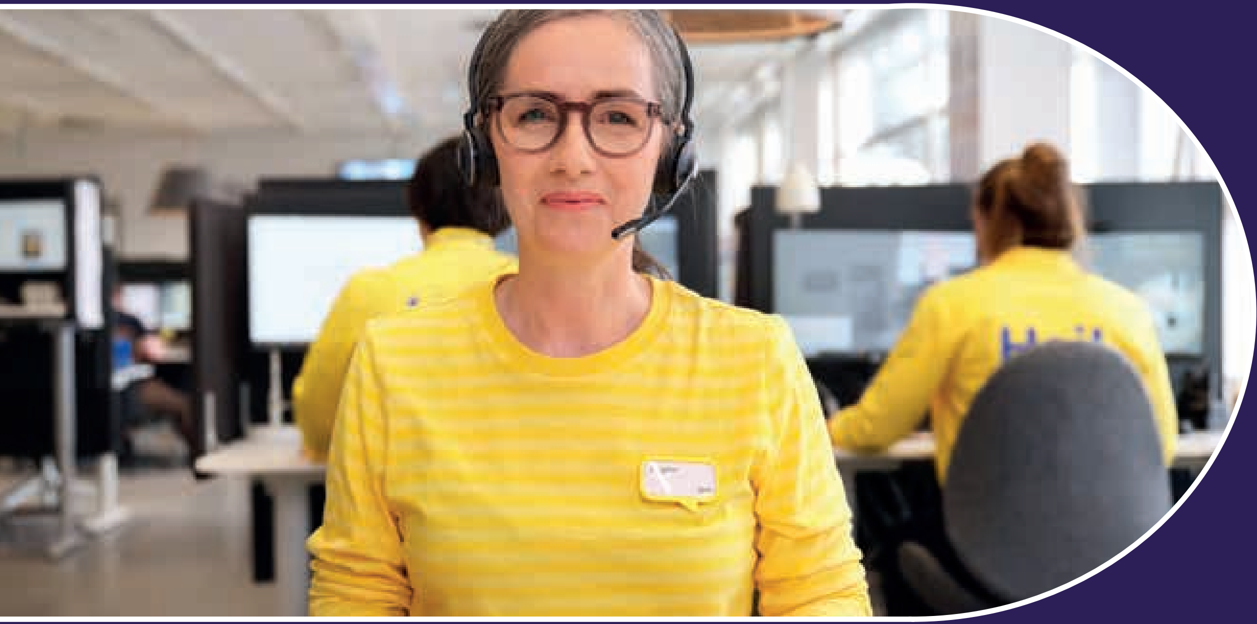
Optima Health plc is committed both as an employer and as a provider of services to businesses and the wider community, to promoting diversity, equal opportunities and non-discrimination. We recognise that equal opportunities during the hiring process and through career development and promotion will help staff develop to their best potential which is in the best interests of the Group, staff and customers. We are committed to providing a working dignity and respect, free from harassment, victimisation, bullying and discrimination.

As a UK employer Optima Health plc is required to comply with the Equality Act 2010.

Our Equality and Diversity policy can be found on our website.

We are a Disability Confident Committed Employer.

INSIGHTS FROM OUR CLIENTS



IKEA has been working with Optima Health over the last 3 years and it has been a great partnership, enabling both the unit teams and the central team to support our co-workers health and wellbeing. Optima Health provided us with modern digital solutions enabling us to work with data and insights in a more effective way, as well as brought in a managed programme to drive increase in compliance and deliver a consistent and efficient service. They are also very helpful in giving advice and strategic supports based on our business needs. Thank you Optima Health team!

IKEA

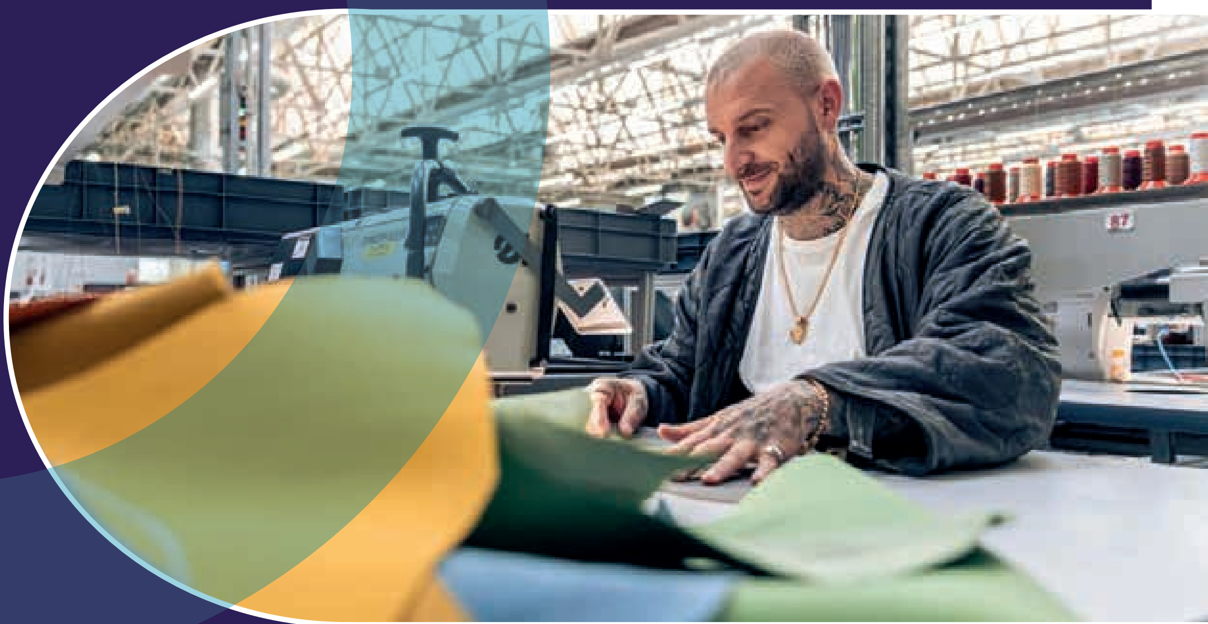
BENTLEY

Bentley Motors are proud to work in partnership with Optima Health. Our relationship spans a whole suite of services to support the health and wellbeing of Bentley Motors' colleagues which includes, as well as health surveillance and ill-health advice, physiotherapy, mental health counselling, immunisation programmes and specialist support services.

As the manufacturer of the most prestigious luxury motor car, we are conscious that our expertise is not in occupational health which is why we work in partnership with Optima Health, recognised experts in occupational health services.

LAWRENCE JONES

HEAD OF OCCUPATIONAL HEALTH AND SAFETY BENTLEY MOTORS



OUR PRODUCTS

STRATEGY & ADVISORY

Employee health services have never been more complex, so we work hard to simplify them for our clients. We deploy leading experts in their field to provide consultancy and management advisory projects or one-off support. We support managers in making decisions with deep strategic and medical insights – assisted, where appropriate, with specialist audit tools and health analysts. We give the most relevant, practical and cost-effective solutions, including:

- comprehensive health strategies for organisations to ensure that resources are properly focused and deliver the best return on investment,
- service area reviews to ensure adoption of best and most contemporary practice,
- board-level advice on addressing potential health issues or risks,
- advice on addressing an individual health problem, and
- Health & Safety audits and policy advice.

High performance

Our unique, intelligence-driven, consulting model. It enables organisations to drive improved performance by fully understanding, measuring and enhancing employee wellbeing.

RISK & COMPLIANCE

We support our clients in detecting, reporting, and managing occupational health risks. Our goal is to help them comply with relevant legislation, navigate complex risk environments, make robust risk management decisions, and retain critical skills within their workforce.

Health surveillance

We help organisations identify and monitor workforce health-related risks. We also provide data that enables them to take remedial action, if required. This way they can be confident their health risk management systems are working effectively.

Our health surveillance assessments cover all work-related risks. Co-ordinated by clinical and logistic experts, they can be fitted around your needs – at your site, our sites, or through our fleet of Mobile Screening Units. Our managed automatic recall process ensures that your employees are reassessed at all appropriate intervals.

Pre-placement

Our pre-placement assessments are quick and easy to use for both managers and new recruits. Backed up by telephone or face-to-face consultations with clinical teams where necessary.

Fitness for work

For organisations who want to be sure that staff comply with fitness standards to do the job they're employed to do.

Immunisations

We create, direct and manage immunisation programmes for organisations so they can:

- protect employees and customers,
- comply with legislation and good practice, and
- reduce risk of litigation.

Pensions

Experienced, clinical support to help organisations navigate the complexities of pensions and early ill health retirement. Our Occupational Health Physicians include some of the most experienced pension advisory physicians in the UK.

PERFORMANCE & ATTENDANCE

The management of attendance and productivity has never been more important. The UK is going through a period of relatively full employment and recruitment is challenging, so companies are taking an increasingly proactive approach to managing the health of their people. They want to help employees perform productively and to the best of their abilities.

No one solution can support both managers and employees in resolving all health issues. We provide advice to help managers improve performance and make decisions. Optima Health offers a range of specialist services, the right support at the right time and provides interventions to achieve the right results.

Attendance and productivity management

This ranges from first day absence recording, to our unique Specialist Case Management Services. From Manager referrals to Training and Specialist assessments. We have the breadth and quality of services to help resolve issues intelligently, fairly and efficiently.

ENGAGEMENT & WELLBEING

Engaging employees and improving their wellbeing has never been more important or more challenging. Each organisation and employee is unique – so is our approach.

Whatever an organisation's strategy or goals – from reducing health risks to improving energy and performance, to managing an age diverse workforce or driving employee engagement. We can help them achieve these, effectively and efficiently with the most progressive solutions on the market. We support organisations and managers with our comprehensive range of training courses, including building resilience and creating successful cultures.

Digital platform

We work with organisations to create intelligent and customised health and wellbeing platforms. These digital hubs are centres of inspiration and empowerment. They are built with the latest technology and accessible by desktop or mobile, at work and at home.

Health assessments

We offer the latest medical knowledge and tests, providing deep health insights and personalised health management programmes. Delivered on-site or remotely, by specially trained health coaches, with the option of ongoing tele-health coaching, on-site health kiosks and executive health screens.

Onsite activity

We manage on-site events to inform, educate and support employees in specific health and wellbeing topics. We also hold workshops, and training and drop-in sessions, tailored to the needs and priorities of an individual organisation.

OUR PRODUCTS CONTINUED

MENTAL HEALTH MANAGEMENT

With over 25 years of experience, we have deep expertise in providing specialist workplace mental health solutions.

From proactively embedding resilience, through to 24/7 support for mild to moderate issues or critical incident support in response to traumatic events, Optima Health can help. We offer an unusual breadth of programmes and interventions, available on-site, off-site or accessed through the latest digital technologies.

Resilience training

We offer an extensive range of training programmes to help proactively manage potential issues. They embed resilience at all levels in an organisation and can be delivered either on site or through e-learning. Specialist senior level advice and support is available.

Employee assistance programme

Our employee assistance programme (EAP) is called Help Employee Assistance. It can help individuals to deal with life's issues – both work-related and personal, proactively and effectively. People can benefit wherever they are and whenever they need support. Using a balance of human and technological expertise, we help employers and employees take care of their health and wellbeing and maximise work performance.

We can deliver support to individuals based in every UK postcode region, 24/7. We have a team of directly employed counsellors, supplemented by an accredited network of counselling professionals.

Specialist clinical programmes

This fully confidential service focuses on helping individuals achieve short-term goals. It can work with other relevant support strategies, such as coaching, Cognitive Behavioural Therapy (CBT) and Eye Movement Desensitisation Reprocessing (EMDR).

Critical incident support

In a world where traumatic events sadly happen at any time, it's reassuring to know that Optima Health offers specialist Critical Incident Management. Fully trained trauma counsellors can be mobilised within hours, to provide immediate trauma support and defusing to managers and employees.

MUSCULOSKELETAL SERVICES

Musculoskeletal health is known to be one of the biggest issues in the workplace. We can help you reduce risk, manage issues effectively if they arise and meet your regulatory requirements.

Our contemporary services include everything from specialist work-station assessments to on-site physiotherapists; remote issue management to functional capacity assessments; rehabilitation programmes to job-related fitness testing.

Remote management

We achieve this by ensuring individuals receive the most relevant treatment programme, through speed of management, by deploying the latest technologies and with the support of high-quality practitioners.

Key features of this service include:

- digital evaluation of conditions to ensure evidence-based direction to the most appropriate care in each case,
- use of the latest on-line self-management programmes,
- tele-health consultations with physiotherapists,
- specialist case management where appropriate, and
- real-time referrals to a national network of credentialed physiotherapists.

On-site workstation and ergonomic assessments

Specially trained practitioners are available to visit the clients' workplaces, throughout the UK. They provide workstation assessments, and ergonomic-related reports.

On-site physiotherapists

Our physiotherapists can work at clients' premises, on a sessional or full-time basis. They provide a full range of on-site musculoskeletal management services.

GOVERNANCE

"Our governance framework provides the discipline needed to support sustainable growth, while remaining agile enough to seize opportunities and respond to a changing business environment."

Jonathan Thomas
CEO

DIRECTORS DUTIES: SECTION 172

Section 172 of the Companies Act 2006 requires the Directors of a Company to act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

a) The likely consequences of any decisions in the long term.

b) The interests of the Group's employees.

c) The need to foster the Group's business relationships with suppliers, customers and others.

d) The impact of the Group's operations on the community and environment.

e) The desirability of the Group maintaining a reputation for high standards of business conduct; and

f) The need act fairly between shareholders of the Group.

This section forms the Directors' statement under section 414CZA of The Companies Act 2006.

The Board is ultimately responsible for the direction, management, performance and long-term sustainable success of the Group. It sets the Group's strategy and objectives taking into account the interests of all its stakeholders. A good understanding of the Group's stakeholders enables the Board to factor the potential impact of strategic decisions on each stakeholder group into boardroom discussions. Consequently, Board decisions are made with reference to the Group's key stakeholders: its investors, employees, customers, suppliers, the community in which it operates and the environment.

New Directors receive a formal and tailored induction to the Group's operations including corporate governance, its legislative framework and visits to Group premises. In order to perform their duties, they can access professional advice, either from the Company Secretary or, if they judge it necessary, from an independent advisor. The Board confirms that, during the year, it has had regard to the matters set out above.

Key board discussions and decisions

The year has been one of significant transformation for the Group, marked by the demerger from Marlowe Plc and the subsequent listing on the AIM market. This period of change required the Board to carefully balance the interests of all stakeholders while guiding the Group into a new phase of growth.

Acquisition of Optima Health (Birmingham) Limited

During the year, the Board made the strategic decision to pursue a key acquisition in the latter part of the financial year, aimed at strengthening the Group's market position and driving long-term value creation. The acquisition of Optima Health (Birmingham) Limited was carefully evaluated to ensure alignment with our strategic objectives and risk appetite.

In reaching this decision, the Board took into account several key factors, including:

- Investor sentiment towards both the acquisition and the associated equity placing
- The impact on the Group's ability to pursue future acquisitions
- The interests and perspectives of key stakeholder groups: our people, customers, shareholders, suppliers, and partners

The Board ensured that these stakeholders were at the forefront of the decision-making process.

Further acquisitions have been completed post year-end, as detailed in Note 39 to the financial statements, following the same strategic and stakeholder-focused approach.

Risk management

The Group recognises the critical importance of identifying, evaluating, and managing risk effectively. Given the nature of our services, which focus on ensuring regulatory compliance for our customers, risk management is deeply embedded within the Group's culture. To support this, the Group maintains comprehensive risk registers that are regularly reviewed by senior leadership and the Executive Directors at least annually, ensuring proactive oversight and continuous improvement.

Details of the principal risks and uncertainties of the Group are set out on pages 46 to 47. The Group's statement on going concern is included in the Directors' Report on page 39.

Employees

The Group is committed to being a responsible employer, fostering a working environment where employees are actively engaged and integral to our success. Our dedication to diversity, inclusivity, and equality is demonstrated through support initiatives such as e-learning programmes and engagement groups like Your Voice, which empower colleagues to share ideas, raise concerns, and drive positive change. Exceptional individual contributions are recognised through the RAVE Awards, reinforcing a culture that values performance, integrity, and impact.

Open and transparent communication is central to our approach. The Group provides quarterly financial and operational updates via the employee portal, *Optima Junction*, alongside CEO-led town hall meetings, ensuring colleagues remain connected to our strategic direction. These are supplemented by departmental updates and a Weekly Bulletin, delivering timely and relevant information to support engagement and alignment throughout the business.

Throughout the year, the Directors have actively considered the interests and well-being of employees when making principal decisions. Recognising that our people are central to the Group's success, the Board has ensured that employee engagement, development, and welfare remain key factors in shaping strategy and operational priorities. Decisions related to organisational change, investment in training and development, and communication strategies have been made with a focus on maintaining a supportive and inclusive workplace.

By prioritising open dialogue and transparency through regular updates, engagement forums, and feedback channels the Directors have sought to understand employee perspectives and integrate these insights into their decision-making processes. This consistent, multi-layered communication approach reflects the Group's commitment to growth while remaining true to the people and values that underpin our success.

Further details on the Group's commitment to employees are included in the Environmental, Social and Governance Strategy (pages 18 to 27) and the Directors' Report (page 38).

Business relationships

The Group recognises the critical importance of nurturing and strengthening relationships with both customers and suppliers. These enduring partnerships are fundamental to supporting our ongoing growth and future success. As part of our commitment to responsible business practices, the Group adheres to the government's Prompt Payment Code, ensuring timely payments to suppliers and reinforcing trust and reliability. Our investment proposition (see page 12) and Environmental, Social, and Governance (ESG) Strategy (pages 18 to 27) provide further insight into how our strategic approach is designed to deepen these connections and create lasting value.

Community and environment

The Group recognises the vital importance of preserving and enhancing the quality of the environments in which we operate, and the communities we serve. We are committed to proactive engagement with our communities and responsible environmental stewardship, understanding that sustainable practices are fundamental to our long-term success and social responsibility.

Our Environmental, Social, and Governance (ESG) Strategy outlines our approach to integrating sustainability into our operations, focusing on reducing our environmental impact and fostering positive community relationships. This strategy is detailed on pages 18 to 27 of our report, where we discuss our initiatives aimed at promoting environmental sustainability and community well-being.

Shareholders

The Board is strongly committed to maintaining open and transparent engagement with its shareholders, recognising that understanding their needs and expectations is essential to the Group's ongoing success. It is vital that shareholders have a clear insight into the Group's strategy and objectives, while the Board actively seeks regular feedback to ensure alignment and responsiveness. By valuing and incorporating shareholder perspectives, the Group can refine its business strategy to deliver sustainable growth and maximise value. Further details on how shareholder engagement is managed can be found in the Corporate Governance Statement on page 48.

BOARD OF DIRECTORS

Following the demerger from Marlowe Plc, a new board was formed to oversee the Group's operations. Jonathan Thomas and Adam Councell, both of whom had served as directors prior to the demerger, retained their positions, with Adam taking on the role of Independent Non-Executive Director. The remaining directors were appointed to the board on 20th September 2024, strengthening the leadership team to support the company's continued development.

JULIA ROBERTSON

INDEPENDENT NON-EXECUTIVE DIRECTOR AND CHAIRMAN

Julia is a highly experienced global and multi-sector business leader whose experience spans managed services, staffing, support services and healthcare to both public and private sectors.

With a demonstrable track record of creating long term sustainable value through leading strategic and cultural change and delivering both organic growth and value creation through complex M&A, Julia recently stepped down from her Executive role at Headfirst Global plc/Impellam Group following a PE backed public to private transaction.

Julia now holds non-executive director roles in both public and private companies in the UK, US and global markets.

JONATHAN THOMAS

CHIEF EXECUTIVE OFFICER

Jonathan is an experienced board level executive who joined the business in 2013 when it was a trading division of Atos IT Services, subsequently leading the business through a private equity backed management buyout in 2015 with the backing of CBPE Capital, which culminated with a trade sale to Marlowe Plc in January 2022, generating a 6.5x money multiple of CBPE's original investment.

Jonathan has overseen the growth of the business from approximately £28 million turnover in 2013 to the industry leader in Occupational Health and Wellbeing with over £100 million in revenues in 2025, through both organic growth and M&A strategy. Most recently, he led the business to successfully integrate 12 acquired businesses.

He is a Fellow of the Chartered Institute of Management Accountants with 18 years of experience in Healthcare, IT, and outsourcing.

Prior to Optima Health, Jonathan worked for six years at Computer Sciences Corporation (now DXC Technology). Latterly, he spent two and a half years at Atos IT Services, where he was Finance Director for the occupational health business, and health IT outsourced contracts.

HEIDI GILES

CHIEF FINANCIAL OFFICER

Heidi joined Optima Health in 2018 as Finance Director and moved into the role of CFO in 2022.

She held several senior financial roles prior to joining Optima Health including Head of Finance for HomeServe UK, Senior Finance Manager at Unilever and experience at Goldman Sachs.

Heidi obtained a Law and Commerce (Finance) degree from Canterbury University New Zealand and qualified as a Chartered Accountant (CA) in 2005 whilst working in audit for Deloitte.

The Group's Board has a diverse mix of skills and experiences with a strong background in running large quoted and private businesses across B2B service sectors. The collective skills and experience of the Directors enable constructive debate and challenge, which is crucial to ensuring decisions made by the Board are in the best interests of our shareholders and stakeholders over the long term.

ADAM COUNCELL

INDEPENDENT NON-EXECUTIVE DIRECTOR

Adam was appointed as a non-executive Director of the Company at its incorporation in 2022. He has extensive experience in business-to-business services and acquisition-led growth strategies and is a qualified accountant (CIMA).

Adam has served as Group CFO of Marlowe Plc since October 2021. Prior to this, he held the position of CFO at Fuller, Smith & Turner plc, the pub and hotels business, from 2019-2021 and he was also CFO at Restore plc from 2012-2019, where he played a leading role in the development of the group into a leading office services provider. He also worked as the Finance Director – Business Services at Rentokil Initial from 2003 to 2012. He holds a Bachelor's degree in Mathematics from the University of Warwick.

MICHAEL ETTLING

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mike holds substantial non-executive experience and sector knowledge in recruitment, IT services and software. He has been CEO of Unit4, a cloud-based enterprise resource planning provider, since 2019. Prior to this, he has had an extensive career in global technology businesses in senior roles including at SAP SucessFactors, NorthgateArinso, Unisys and Synstar. Mike has also served as a Non-Executive Director with Topia Inc, a Silicon Valley cloud relocation software business, Impellam PLC, an AIM listed recruitment business and NCC Group, a cyber security company.

Mike holds a master's degree in finance from the London Business School and is a graduate of the University of Witwatersrand in South Africa. He is also a member of the Institute of Chartered Accountants in England and Wales and a member of the South African Institute of Chartered Accountants.

SIMON ARNOLD

NON-EXECUTIVE DIRECTOR

Simon acted as CEO of Optima Health Group Limited from 2018-2022 following which he acted as consultant to the business. He also acts as Non-Executive Director for technology enabled care (TEC) Services Association and is a trustee at Carers' Resource. Prior to this, Simon was a member of the Board of Aviva UK Health and Managing Director of Tunstall Healthcare (UK) Limited from 2011 – 2014. He was also a Commissioner for the Government's Commission on Residential Care.

Simon holds a Bachelor's degree in Management Science from the University of Warwick.

DIRECTORS REPORT

The Directors submit their report and the financial statements of Optima Health Plc for the year ended 31 March 2025.

Optima Health Plc is a public limited company quoted on AIM, incorporated and domiciled in the United Kingdom.

Business review and future developments

The Business Review on pages 4 to 7 includes a review of the ongoing business, the Group's trading for the year ended 31 March 2025 and an overview of future developments and strategy.

Principal activities

The principal activity of the Group throughout the period is the provision of occupational health and wellbeing services within the United Kingdom.

Results and dividend

The Group's results for the year ended 31 March 2025 are set out in the consolidated statement of comprehensive income on page 60. The total profit before tax for the year was £2.58million (FY24: loss of £0.86 million). The Company paid a special interim dividend of 23.57 pence per share on 16 September 2024 as part of the demerger from Marlowe Plc on 26th September 2024.

Directors

The following Directors held office during the year and up to the date of the signing of the financial statements were as follows:

Adam Councell (Non-Executive Director)
Alexander Dacre – resigned on 22nd May 2024*
Heidi Giles (Chief Financial Officer) – appointed on 20th September 2024
Jamie Hitchcock – resigned on 22nd May 2024*
Jonathan Thomas (Chief Executive)
Julia Robertson (Chairman) – appointed on 20th September 2024
Michael Ettling (Non-Executive Director) – appointed on 20th September 2024
Simon Arnold (Non-Executive Director) – appointed on 20th September 2024

The biographical details of the current Directors are given on pages 36 to 37.

* Both Alexander Dacre and Jamie Hitchcock resigned during the year as a result of the divestment from Marlowe Plc and listing on AIM that incurred in the year.

Directors' remuneration, long-term incentive plans, pension contributions and benefits are set out in the Directors' Remuneration Report on pages 50 to 51.

Directors' indemnities and liability insurance

The Company's Articles of Association (the "Articles") provide, subject to the provisions of UK legislation, an indemnity for Directors and officers of the Company and the Group in respect of liabilities they may incur in the discharge of their duties or the exercise of their powers.

During the year ended 31 March 2025, the Company made qualifying third-party indemnity provisions, as defined by section 234 of the Companies Act 2006, for the benefit of its Directors. These indemnities remain in force as at the date of this report. The Group also maintained Directors' and officers' liability insurance for the benefit of its directors throughout the year and continues to do so. The Company reviews the level of insurance cover annually.

Share capital

Full details of the share capital of the Company are set out in note 34 to the financial statements.

Substantial shareholdings

The Company had been notified of the following interests amounting to 3% or more of the Company's issued share capital as at 13th June 2025:

Shareholder	Number of Ordinary Shares	Percentage of issued share capital
Lord Michael Ashcroft	21,806,295	24.56%
Slater Investments	8,915,254	10.04%
Octopus Investments	8,242,866	9.29%
Kestrel Investments Partners	4,713,206	5.31%
UBS Securities	3,981,779	4.49%
Memphre Investments	3,703,000	4.17%

Employees

The Board recognises that the Group's performance and success are directly related to our ability to attract, retain and motivate high-calibre employees. Our policy is to employ the best people irrespective of race, gender, nationality, disability or sexual orientation. When existing employees become disabled, every effort is made to provide continuing employment wherever possible. It is the policy of the Group that the training, career development and promotion opportunities of disabled persons should, as far as possible, be identical to those of other employees.

Consultation with employees or their representatives occurs at all levels, with the aim of ensuring their views are taken into account when decisions are made that are likely to affect their interests. Further information on how directors have engaged with employees is given in our Environmental, Social and Governance Strategy on page 18 and Directors' duties on page 34.

In compliance with the Modern Slavery Act 2015, the Group's Modern Slavery Statement can be found on the Group's website at www.optimahealth.co.uk.

Business relationships

Information on how the Group has engaged with suppliers, customers and business relationships is detailed in the Directors' duties on page 34.

Emissions and energy use

The Group's Streamlined Energy and Carbon Report for the financial year is included in our Environmental, Social and Governance Strategy on pages 18 to 27. The Group is committed to reducing the environmental impact of its activities through establishing Group Environmental policies and the roll out training in respect of ESG to its employees.

Health and safety

Health and safety is a particular concern to our customers. The Group's Health, Safety and Environment Manager is responsible for overseeing the effective application of our procedures across the organisation. At a local level, individual managers are responsible for ensuring these procedures are implemented and maintained, with appropriate training and supervision provided to their teams. The Group's operations monthly report to the Board includes an update on health and safety matters.

Financial risk management

Information in respect of the financial risk management objectives and policies of the Group, is contained in note 30 to the financial statements.

Political donations

The Group does not make political donations.

Statement as to disclosure of information to auditors

Each of the persons who are Directors at the date of this Annual Report confirm that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

RSM UK Audit LLP was appointed as the Company's auditor following the demerger from Marlowe Plc and have indicated their willingness to continue in office. Resolutions seeking to reappoint them and to authorise the Directors to determine their remuneration will be proposed at the forthcoming Annual General Meeting.

Post balance sheet events

Details of post balance sheet events are given in note 39 to the financial statements.

Annual General Meeting

The notice of the Annual General Meeting, scheduled to be held on 1st September 2025, is enclosed with this Annual Report.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. In assessing going concern, management and the Board considered:

- The principal risks faced by the Group.
- The financial position of the Group.
- The cash position and borrowing facilities.
- Budgets, financial plans and associated cash flows including liquidity and borrowings.

The Directors are satisfied that the Group and Company has adequate financial resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the date of this report. Accordingly, the going concern basis of accounting continues to be used in the preparation of the Annual Report for the year ended 31 March 2025.

Approval

This Directors' Report was approved on behalf of the Board on 24 July 2025.

Jonathan Thomas
Chief Executive Officer

LETTER FROM THE AUDIT COMMITTEE CHAIR

On behalf of the Audit Committee, I am pleased to present the report for the year ended 31 March 2025.

The Audit and Risk Committee was formed following demerger from Marlowe Plc on 26th September 2024 and is responsible for ensuring the Group maintains a strong control environment and risk culture. The role of the committee is to provide effective governance over the Group's financial reporting, including monitoring the integrity of the Group's financial statements, reviewing significant financial reporting matters, monitoring the effectiveness of the Group's internal controls, the appropriateness and effectiveness of the risk management framework and overseeing the relationship with the external auditors. It is also responsible for establishing, monitoring and reviewing procedures and controls for ensuring compliance with the AIM Rules.

The Committee has an annual work plan linked to the Group's financial reporting cycle, which ensures that it considers all matters delegated to it by the Board.

Members in the year

Adam Councell (Chair)
Julia Robertson
Michael Ettling

Membership and meetings

During the six months from demerger to 31st March 2025, the Audit Committee met two times. Details of individual Directors' attendance can be found on page 49. In addition to the Committee members, the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), Simon Arnold (non-independent Non-Executive Director) and the External Auditor (RSM) attended parts of these meetings by invitation. The Chair of the Committee also holds meetings with the External Auditor without management being present and also with the CFO (who has responsibility and custody of the internal control framework). This ensures that all matters that should be raised are notified to the Committee and members. The Committee received sufficient, reliable and timely information from management to enable it to fulfil its responsibilities.

All committee members possess extensive business experience and financial knowledge enable them to play a full and valuable role. The Committee is entirely comprised of independent Non-Executive Directors.

The relevant skills and experience of the Committee members are set out in their biographies within the Board of Directors section. The Board is satisfied that I have recent and relevant financial experience to Chair the Audit Committee.

In full financial years the audit committee will meet at least three times, including a private meeting with the External Auditor.

Committee responsibilities

The role and responsibilities of the Committee are set out in its Terms of Reference, which are reviewed annually, taking into account relevant regulatory changes and recommended best practice, and are available in the Company's admission document and on the Company's website (www.optimahealth.co.uk). The committee's responsibilities are:

- Overseeing the accounting principles, policies and practices adopted by the Group.
- Overseeing the external financial reporting and associated announcements.
- Overseeing the appointment, independence, effectiveness and remuneration of the Group's External auditor, including the policy on the supply of non-audit services.
- Conducting a competitive tender process for the external audit when required.
- Monitoring the scope, adequacy and effectiveness of the Group's internal controls and risk management systems.
- Reviewing the effectiveness of and any changes to the risk framework.
- Ensuring the establishment and oversight of fraud prevention arrangements and reports under the whistleblowing policy.

The Committee reports formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.

The Committee challenges both the external auditors and the management of the Group and reports the findings and recommendations of the external auditors to the Board. The Committee meets to review the proposed audit work, review the results of the audit work and consider any recommendations arising from the audit.

Risk management

The Board has overall responsibility for determining the nature and extent of its principle and emerging risks and the extent of the Group's risk appetite, and for reviewing the effectiveness of the Group's system of risk management and internal control. The Committee ensures effective and sufficient coverage of financial reporting risks within the Group's risk management processes. The Group's risk management process and principal risks and uncertainties facing the Group are addressed on pages 46 to 47.

Internal control

The Board determines the objectives and broad policies of the Group and meets regularly, when a set schedule of matters which are required to be brought to it for decision is discussed.

Overall management of the Group's risk appetite, its tolerance to risk and discussion of key aspects of execution of the Group's strategy remain the responsibility of the Board. The Board has delegated to the Audit Committee, the responsibility for establishing a system of internal controls appropriate to the business environments in which the Group operates.

Key elements of this system include:

- A clearly defined organisation structure for monitoring the conduct and operations of the business.
- Clear delegation of authority throughout the Group, starting with matters reserved for the Board.
- The preparation and review of comprehensive annual budgets.
- The monthly reporting of actual results and their review against budget, forecasts and the previous year's performance, with explanations obtained for all significant variances.
- The Group has in place a robust framework of accounting policies and financial approval processes. This includes clearly defined policies and escalating authorisation levels for all procurement activity including capital expenditure and investment, with larger capital projects, acquisitions and disposals requiring Board approval. This framework is kept under periodic review.
- Appropriately qualified finance staff with business continuity plans in place to ensure that all key roles have adequate cover.
- Review of and certification by divisional finance teams as to the effective operation of the Group control framework, with oversight from the Group finance team. Confirmation of results of such reviews are reported to the Audit Committee on an annual basis as a minimum.

Internal audit

The Audit Committee is satisfied that the system of internal controls, as described above is appropriate for the Group at its current size and complexity.

In reflection of the continued growth of the business, the Committee will keep under review the approach to providing continuing levels of assurance over its principal risks and controls.

Share dealing

The Group operates a share dealing code in conformity with the requirements of Rule 21 of the AIM Rules. All employees, including new joiners, are required to agree to comply with this code.

External audit assessment

RSM Audit UK LLP were appointed as the Company's statutory auditors on 26th September 2025, with David Clark as the lead audit engagement partner. RSM served as auditors to Marlowe Plc, and following the Company's demerger from Marlowe Plc, their appointment was based on their in-depth understanding of the Company's operations and key risk areas, developed through their prior audit experience.

The committee is responsible for reviewing the independence of the Company's External Auditor, RSM, agreeing the terms of engagement with them and the scope of their audit. During the year ended 31 March 2025, the External Auditor provided services in relation to the Group's admission onto the AIM Market, interim and year end results.

LETTER FROM THE AUDIT COMMITTEE CHAIR CONTINUED

The Committee considers the fees payable to the external auditors and monitors the provision of non-audit services. On occasion, there may be advantages in using the external auditors to provide non-audit services given their knowledge of the business. Where material non-audit services are required, a business case would need to be made to use the Group's external auditors rather than another provider and Committee sign-off would be required to ensure there is no impact on the auditors' objectivity and independence.

The scope of the external audit is formally documented by the auditor in their audit report. They discuss the draft audit plan with management before it is referred to the Committee which reviews its adequacy and discuss it with management and the auditor before its final approval.

In respect of the financial year ended 31 March 2025, the Committee assessed the performance and effectiveness of the External Auditor as well as their independence and objectivity, on the basis of feedback from the Committee members, regular attendees to the Committee and the management team. As a result, the Committee had recommended to the Board that a resolution to reappoint RSM Audit UK LLP as the Group's external auditors be proposed at the forthcoming Annual General Meeting.

Significant financial reporting judgements

The committee reviewed the key accounting matters with reference to areas of higher risk and areas involving significant judgement.

Area of focus	Reporting issue	Role of the committee	Conclusions/ actions taken
Impairment of intangible assets	As outlined on page 78, the Group assesses whether there are any indicators of impairment of intangible assets at each reporting date.	The Committee has reviewed detailed papers and challenged management on the assumptions and methodology used in their impairment reviews.	The Committee agreed with the judgements made by management in respect of impairment of intangible assets during the year and the presentation in the Group's results for the year ended 31 March 2025.
Classification of adjusting items	As outlined on page 71, due to the nature of certain costs in relation to each acquisition, demerger and the non-cash element of certain charges, the Directors believe that adjusted operating profit, adjusted EBITDA and adjusted measures of profit before tax and earnings per share provide shareholders with a more appropriate representation of the underlying earnings derived from the Group's business and a more comparable view of the year-on-year underlying financial performance of the Group.	The Committee has reviewed detailed papers from and challenged management on their assessments of costs deemed to be adjusting items.	The Committee agreed with the judgements made by management in respect of the classification of adjusting items during the year and the presentation in the Group's results for the year ended 31 March 2025.
Acquisition Accounting	Ensuring accurate and complete recognition and measurement of all identifiable assets and liabilities at fair value as of the acquisition date to comply with accounting standards and avoid material misstatements. As outlined on pages 83 to 84, the Group has completed one acquisition in the year.	The Committee has reviewed detailed papers setting out the acquisition accounting undertaken, including the purchase price allocations and opening balance sheet fair value assessments.	The Committee agreed with the judgements made by management in respect of the acquisition accounting undertaken during the year and the presentation in the Group's results for the year ended 31 March 2025.

Going concern

The Committee reviewed the going concern statement, set out on page 65 and confirmed its satisfaction with the methodology, including appropriateness of sensitivity testing.

Whistleblowing and anti-bribery

The Group has in place whistleblowing procedures, which set out the formal process by which staff may, in confidence, report any suspicion of fraud, financial irregularity or other malpractice. An anti-bribery and corruption policy is also in place, which provides information and guidance to those working for the Group on how to recognise and deal with potential bribery and corruption.

The Committee is satisfied that the procedures are operating effectively. No concerns were raised during the year.

Fair, balanced and understandable

The Committee considered whether the Annual report is 'fair, balanced and understandable'. The Committee members were consulted during the drafting process, as well as the opportunity to review the Annual Report as a whole and discuss any areas requiring additional clarity or better balance in the messaging. On the basis of this review together with the views expressed by the External Auditor, the Committee recommended, and in turn the Board confirmed, that it could make the required statement that the Annual Report is 'fair, balanced and understandable.'

Looking forward

As well as the regular cycle of matters that the Committee schedules for consideration each year, we are planning over the next 12 months to:

- Continue to monitor legislative and regulatory changes that may impact the work of the Committee.
- Consider the impact of proposed audit industry changes.

The Committee's report was approved by the Committee of the Board of Directors on 24 July 2025 and signed on its behalf by:

Adam Councell
Chair of the Audit Committee

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

This Non-Financial and Sustainability Information Statement has been prepared in accordance with sections 414CA and 414CB of the Companies Act 2006. The information presented, together with the Group's wider Environmental, Social and Governance (ESG) reporting, addresses the Group's policies, due diligence processes, principal risks, outcomes of those policies, and relevant non-financial key performance indicators, particularly in relation to environmental matters, employee-related matters, social responsibility, human rights, and anti-bribery and corruption.

The Group continues to enhance its approach to sustainability and climate-related disclosures. During the year, we made further progress in aligning our reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), established by the Financial Stability Board. The TCFD framework sets out a structured approach to disclosing climate-related financial risks and opportunities in a clear, comparable and decision-useful manner for stakeholders.

The Board has carefully considered the statutory disclosure requirements and, in light of the nature and scale of the Group's operations, has concluded that the level of disclosure provided is appropriate and proportionate to ensure a clear understanding of the Group's position, performance, and impact.

Governance

The Board of Directors retains ultimate responsibility for oversight of climate-related risks and opportunities. This responsibility is exercised with support from the Group's Environmental, Social and Governance Committee, which operates at senior leadership team level. The committee comprises senior management representatives from across key operational and support functions, ensuring that climate-related issues are considered both strategically and operationally.

The Environmental, Social and Governance Committee meets quarterly and plays a central role in the development and delivery of the Group's environmental and sustainability strategy. The Committee's remit includes monitoring climate-related risks, reviewing performance against environmental targets, overseeing regulatory compliance, and embedding climate considerations into strategic business decision-making processes.

Outputs from the Environmental, Social and Governance Committee are escalated to the Board where necessary, ensuring that climate-related matters remain a standing consideration at the highest level of governance.

Management's role in assessing and managing climate related risks and opportunities.

Operational responsibility for assessing and managing climate-related risks and opportunities sits with senior management across the Group. We aim to improve on assessing and managing this process by requiring the senior management team to incorporate climate risk considerations into their operational risk management and planning activities and to address climate-related risk and opportunities over the short (1-3 years), medium (3-10 years) and long term (10+ years).

Management is responsible for delivering against the Group's Net Zero 2040 commitment, with actions taken during the year including: transitioning the Group's premises to renewable energy supply where feasible; increasing the proportion of low-emission vehicles in the fleet; and continuing to track and report Scope 1 and Scope 2 greenhouse gas emissions. The Group also began the measurement and reporting of Scope 3 emissions in 2023, in line with best practice.

To improve data accuracy and efficiency, the Group is investing in strengthening its environmental data management processes, including the integration of data collection and reporting with core business systems such as Concur and YouManage.

Principal Climate related Risks and Opportunities

Although the Group operates in a relatively low carbon-intensive sector, climate change presents both direct and indirect risks to the business, as well as opportunities for service growth.

Key physical risks include the increasing frequency and severity of extreme weather events, excessive heat, ultraviolet (UV) radiation, and rising air pollution levels. These have potential implications for employee wellbeing, service continuity, supply chains, and client needs.

In parallel, these risks give rise to opportunities for the Group to expand and tailor its occupational health services to meet evolving client needs, including support for heat stress management, UV protection measures, air quality risk mitigation, and business continuity planning.

The Group continues to assess and manage its own operational exposure to climate-related risks, including fleet emissions, office energy consumption, and supply chain dependencies. Climate-related risks have been formally incorporated into the Group's enterprise risk management framework and are subject to quarterly review and ongoing mitigation planning.

Specific risks and opportunities identified include:

Risks	Opportunities
Excessive heat – frequent and severe heatwaves will impact across all populations. However, will significantly impact the health and wellbeing of outdoor workers.	Excessive heat – demand from Occupational health to ensure that workers have appropriate risk assessment, training and PPE to prevent heat related ill health.
UV radiation – Thinning of the ozone layer is having serious impact on primary health including cancers, skin damage, and eye damage. This has a direct impact on the working population in outdoor activities such as construction, utilities workers, postal workers etc.	UV radiation – providing support for outdoor workers including risk assessment, training and PPE measures to prevent against sun damage.
Extreme weather events – impact on the short term on all populations in terms of injury and possible damage to communities and industries which could affect supply chains.	Extreme Weather events – working with businesses to provide support and advice when developing sage systems of work and business continuity plans.
Increase air pollution – climate change has had a direct impact on air pollution including the impact from rising number of wildfires. Air pollution is a direct cause of cancers, respiratory disease and cardiovascular diseases.	Increased Air pollution – demand for OH services to provide preventative support including PPE and health surveillance.

Actual and Potential Impacts on Business Model and Strategy

The Group's business model is inherently resilient to climate change, given the nature of the occupational health services it provides. However, climate change is influencing both market demand and operational processes.

The Group is responding through investment in low-carbon infrastructure, fleet decarbonisation, and improved environmental data. It is also expanding services that support clients with climate-related workforce health risks. With growing emphasis on ESG and employee wellbeing, continued demand for the Group's occupational health expertise is expected.

Climate Scenario Analysis and Business Resilience

In line with TCFD recommendations, the Group has completed an initial qualitative assessment of its business model's resilience to climate change. Following the demerger from Marlowe Plc in September 2024, formal scenario modelling (e.g. 1.5°C or 4°C pathways) has not yet been undertaken. However, we have begun assessing climate-related risks and opportunities across short (1–3 years), medium (3–10 years), and long-term (10+ years) horizons.

The assessment explored the impacts of climate regulation, extreme weather, shifting client demand, and wider health effects of climate change. Key operational areas reviewed include fleet emissions, supply chain resilience, and compliance readiness. We also identified opportunities to support clients with the health impacts of climate change, such as heat-related illness, UV exposure, and air pollution, through enhanced occupational health services, training, and risk assessments.

Though still in early stages, this work is shaping the Group's long-term climate risk strategy. As data and processes mature, we plan to conduct more structured quantitative scenario analyses to assess resilience. The Board and ESG Committee remain committed to advancing our climate risk framework and integrating it into strategic decisions.

Key Performance Indicators and Monitoring

The Group actively monitors and reports a comprehensive set of environmental and climate-related key performance indicators (KPIs) to track progress against its sustainability objectives. These KPIs include:

- Total Scope 1 and Scope 2 greenhouse gas emissions, calculated in accordance with the Greenhouse Gas Protocol.
- Energy consumption across all Group-controlled operations.
- Progress towards the Group's Net Zero 2040 target.
- Scope 3 emissions, with baseline measurement initiated in 2023.

During the current reporting period, the Group achieved a 14% reduction in Scope 1 and 2 emissions and a 17% reduction in Scope 3 emissions, compared to the 2023 baseline. These reductions support our interim targets of reducing Scope 1 and 2 emissions by 50% and Scope 3 emissions by 42% by 2030. They also reflect the Group's ongoing commitment to environmental sustainability, driven by initiatives such as transitioning to greener energy sources and modernising the vehicle fleet.

Performance against these KPIs is reviewed annually by the Environmental, Social and Governance Committee, which escalates key findings and recommendations to the Board of Directors to ensure continuous oversight and strategic alignment.

Integration with the Risk Management Framework

Climate-related risks are fully embedded in the Group's risk management framework. The ESG Committee and Risk and Quality Committee collaborate to identify, assess, and monitor these risks alongside other principal risks. This integrated approach ensures climate considerations form part of operational controls, strategy, and long-term planning. The Group is committed to enhancing its climate risk management in line with regulations and stakeholder expectations.

RISK MANAGEMENT

The purpose of the Risk & Quality Committee is to assure the Board and the Senior Leadership Team (SLT) that where there are risks and issues that may jeopardise the organisation's ability to deliver excellent quality health and care services that these are being managed in a controlled and timely manner. It is also in place to ensure that the SLT & Board is actively engaged in managing the risks within the business and supportive of the necessary mitigating actions.

Risk management framework

The Risk and Quality Committee reports directly to the Board. It is responsible for evaluating the effectiveness of Optima's risk management processes and maintaining the corporate risk register.

The Committee's duties and responsibilities are outlined in the Board-approved Terms of Reference. The key responsibilities of the Committee can be summarised as follows:

- Oversee and advise the Board on the current risk exposures of the Group and future risk strategy.
- Keep under review the Group's overall risk management systems including the methodologies adopted and the parameters used in assessing risk.
- Review the Group's capability to identify and manage new risk types; and
- Review the Group's procedures for preventing and detecting fraud and bribery.

Progress in year

During the year, the Group refined its risk assessment framework by expanding the risk rating scale from four to five points. This revised scale ranges from 1 (risk averse), indicating a strong preference to avoid risk and uncertainty, through intermediate levels reflecting increasing risk tolerance, to 5 (eager), which signifies a proactive approach embracing innovation and higher uncertainty. The updated scale aligns more closely with healthcare sector standards and facilitates more granular risk evaluation.

Additionally, the Risk and Quality Committee decided to separate the corporate and clinical risk registers, reflecting the differing risk appetites within these areas. The risk levels were set at:

- Corporate/ Information Security – Scale 3 Cautious
- Clinical – Scale 1 Averse

Each Clinical Centre of Excellence will hold and be responsible for specific risk register which will then feed into the corporate risk register.

The Board agrees with the Group's appetite for risk and review of the risk management process and internal control environment.

Principal risks and uncertainties

A principal risk is a risk that is considered material to the delivery of the Group's strategy, performance or future prospects. The principal risks of which the Group is aware are detailed below, including details of how the Group mitigates these risks. There may be other risks that are currently unknown or regarded as immaterial which could turn out to be material.

Risk	Description	Mitigation
Regulatory Compliance	Working within a healthcare environment means we are subject to a range of regulations within which we must operate.	The business has a robust compliance framework which ensures this remains a high priority across the organisation. The Governance, Risk and Compliance team manage and report on our overall compliance on a monthly basis.
Pandemic (or other natural disaster)	Inability to deliver services as a result of lockdown or other factors.	The business has a detailed and tested business continuity plan, technology to enable remote working, strong balance sheets and robust financial planning.
Recruitment and retention of key personnel	Unable to provide services to meet demands of the contract resulting in penalties and inability to sustain contract delivery. Reputational damage from losing key staff.	Proactive staff engagement including retention and development. Proactive marketing and recruitment to promote us as OH employer of choice. HR Strategy in place. Review pay structures and T&C's. Use of agencies and buddying. Multiskilling of staff. Development of delivery methods not relying on doctors and nurses. Succession planning for key roles.
Reputational Damage	A major incident, inadequate service delivery, failure of subcontractors or major systems failure.	Well established processes and procedures to ensure service standards are maintained, full compliance reporting processes, supplier vetting and auditing of our delivery standards.

Risk	Description	Mitigation
Health and Safety	Risk of injury to employee or client including vehicle accident.	The business has well established safe working practices and extensive Health and Safety training programmes in place. We undertake robust Risk Assessment and have accident reporting procedures in place for early detection. Appropriate insurance is also in place.
Acquisition strategy	Overpay for an acquisition; underestimate time/resources to integrate; failure to properly integrate. Failure to realise the expected returns and anticipated benefits; wider impact on existing businesses.	All acquisitions are subject to strict investment criteria and require Board Level approval; extensive due diligence processes are in place and well defined integration processes carried out by experienced and dedicated management teams.
Climate and Environment	Increased impact of both climate change and regulatory requirement impacts on the business.	The business has a ESG committee in place led by the Governance, Risk and Compliance Director. We have robust monitoring and reporting structures in place and have engaged with an external specialist consultancy to drive our Carbon footprint reduction strategy.
Information security and cyber protection	In line with other businesses there is a risk of cyber attacks, data breaches or loss.	The business has in place an information security Committee led by the Chief Information Officer, there are clear policies, controls and procedures in place with regular training for all employees. Robust external accreditations such as cyber essentials plus and ISO 27001 are in place and externally audited.
Competition – increased competition in the market	Increased competition, failure to meet changing customer demands resulting in lower customer retention and impacting on growth. This could result in lower revenue and profitability.	Internal focus through weekly operational meetings on our customer delivery, meeting customer needs, making enhancements to systems as required.
Liquidity – failure to meet banking covenants	Poor financial performance resulting in failure to meet banking covenants; reduced appetite from banks to lend; inability to raise equity. Insufficient funding to meet the needs of the business and to enable the continuation of the strategy.	We plan to maintain a low leverage rate. The Finance Team is reporting to the CFO each month on the covenants so any risk can be identified early.
Crime & Fraud	Financial loss suffered by the business; Loss of contracts if involving a customer; reputational damage.	The Group regularly assesses risks and implements prevention measures including controlled access to bank facilities, segregation of duties, transaction audits, staff training on policies and the Criminal Finances Act 2017 and continuously monitors these controls to ensure their effectiveness.
Clinical error	Failure to provide appropriate medical care resulting in critical incident including missed diagnosis.	Staff training. Clinical governance procedures in place. Managerial and staff vigilance procedures. Clinical audits. Periodic review of relevant operational methodologies. Auditing of accident or incident reporting data.
Use of AI	Risk of Potential breaches and misuse of sensitive client data. Introduction of algorithms that could potentially introduce clinical bias and change clinical decision making process. Potential challenges with data regulation compliance. Difficulty integrating AI into current systems.	Established compliance team, with a clear remit and terms of reference. Conduct regular audits of all AI systems and outcomes and stay updated with regulatory changes. Implement robust encryption, access controls, and regular security audits. Use explainable AI models and provide training on AI decision-making processes. Ensure full transparency of the use of AI across the business.

CORPORATE GOVERNANCE STATEMENT

The Directors believe that practicing good corporate governance is an essential element of building a successful business in the long-term interests of all stakeholders.

The Board supports a high standard of corporate governance and have decided to comply with the Quoted Company Alliance ("QCA") Corporate Governance Code which is considered appropriate for AIM Listed companies.

The Board believes that the QCA Corporate Governance Code provides the Group with the framework to help ensure that a strong level of governance is maintained, enabling the Group to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all of its stakeholders. The Group has complied with the QCA Corporate Governance Code from admission on the AIM market on 26th September 2024.

Our statement of compliance with the QCA Corporate Governance Code can be found on the Group's website www.optimahealth.co.uk.

The Board has collective responsibility for reviewing and implementing the Group's strategy, while taking into account the risks and opportunities facing the Group. Our strategy is articulated in the Strategic Report section of this report and on our website, along with our business model. The Board considers the expectations of the Group's shareholder base and its wider stakeholders and corporate social responsibilities when making decisions, in furtherance of the Group's strategic objectives.

Board composition

The Group maintains a robust framework of corporate governance, with clearly defined roles and responsibilities for the Board and its formally constituted Committees. This ensures the safeguarding of long-term shareholder value as well as the provision of a robust platform upon which to deliver the Group's strategy.

The role of the Board is to establish and develop the corporate strategy in order to deliver long-term shareholder value and it is responsible for the overall management and control of the Group.

The Board recognises the benefits of diversity, including gender balance, and is committed to creating an inclusive culture, free from discrimination of any kind. This also extends to Board appointments.

The Board's composition is designed to ensure that no one individual can dominate decision-making processes. As at the date of this report, the Board comprises two Executive Directors, the independent Non-Executive Chairman and three other Non-Executive Directors, two of whom are independent. The Directors' biographies can be found in the Board of Directors section.

The Chairman is responsible for leadership of the Board and ensuring its effectiveness while the Executive Directors are responsible for the day to day running of the Group's activities. Collectively, the Non-Executive Directors have an appropriate balance of skills and experience such that they are able to provide constructive support and challenge to the Executive Directors. The Directors believe that, as a whole, the Board possesses the necessary combination of skills, experience, capabilities, diversity and personal qualities to deliver the Group's strategy for the benefit of the Company's shareholders and wider stakeholders over the medium to long term.

Board meetings are held on a regular basis to review, formulate and approve the Group's strategy, budgets, corporate actions and to oversee the Group's progress towards its goals. The Board receives timely information on all material aspects of the Group to enable it to discharge its duties.

All Directors participate in the key areas of decision-making and there is a written statement of matters which require Board approval.

All Directors participate in the key areas of decision-making and there is a written statement of matters which require Board approval.

It is the role of the Chairman is to ensure that contributions made to the Board are relevant, independent, effective and encourage debate. Over the next 12 months further review of the Board functionality will be undertaken to include assessments of whether Board members attend and actively contribute to meetings as well as thoughts on Board composition, external advisers and other relevant matters. The Group supports the Directors in maintaining up-to-date skills and knowledge through access to ongoing professional development, industry briefings, training programs, and regular updates on regulatory and risk-related matters. The Nomination Committee & the Chairman will be reviewing and monitoring the overall skills and experience of the Board.

The Executive Directors are expected to devote substantially the whole of their time, attention and ability to their duties, whereas the Non-Executives are required to spend sufficient time in the business to discharge their responsibilities. The Chairman and other Non-Executive Directors have other third-party commitments including directorships of other companies. The Company is satisfied that these associated commitments have no measurable impact on their ability to discharge their responsibilities effectively. The Executive Directors are permitted to have third-party commitments with the permission of the Chairman. The Executive Directors have no external commitments.

During the year, certain Directors who were not Committee members attended meetings of various Committees by invitation. These details have not been included in the attendance table. Where a Director is unable to attend meetings of the Board or of Board Committees of which they are a member, such Director is expected to review the relevant papers for the meetings and provide their comments to the Board or the Board Committees in advance of such meetings.

Board committees

The Board delegates clearly defined powers to the following committees;

- Audit & Risk committee
- Remuneration committee
- Nomination committee
- Disclosure committee

The Audit and Risk Committee comprises of the Non-Executive Directors and is chaired by Adam Councell. The Committee works to a structured programme of activities focused on the Group's reporting cycle, principal risks and future strategy. Robust internal controls and risk management systems ensure the resilience of the Group, while remaining operationally agile and adaptable.

The Remuneration Committee comprises of the Chairman and the Non-Executive Directors and is chaired by Michael Ettling. Its report is set out on pages 50 to 51.

The Nomination Committee is chaired by the Chairman unless the matter under discussion is her own succession, the other two members of the committee are Adam Councell and Michael Ettling. The Nomination Committee is responsible for reviewing the structure, size and composition of the Board, preparing a description of the role and capabilities required for a particular appointment and identifying and nominating candidates to fill Board positions as and when they arise. The Committee is also assisted by executive search consultants as and when required.

The Disclosure committee is chaired by the Chairman Julia Robertson, and the Non-Executive Directors Adam Councell and Michael Ettling. The Disclosure Committee assists the Board in fulfilling its responsibilities in respect of the timely and accurate disclosure of all information required to be disclosed to meet the legal and regulatory obligations and requirements arising under Market Abuse Regulation and the AIM Rules for Companies.

Relations with stakeholders

The Executive Directors are the Company's principal contacts for investors, fund managers, the press and other interested parties. There is regular dialogue with institutional and major shareholders including meetings following the announcement of the Group's annual and interim results. At the Annual General Meeting, private and institutional investors are given the opportunity to question the entire Board.

Relations with employees and employee engagement

The Group recognises the importance of employees to the success of the business and ensures that they are fully informed of events that directly affect them and their working conditions. Information on matters of concern to employees is provided through the use of our internal SharePoint. Additional updates are provided if believed to be appropriate such as the demerger from Marlowe Plc in the year, which emphasised the day-to-day responsibilities and operations will remain unchanged. Individual business areas also provide employee updates where appropriate.

Governance reflections on the year

The key governance development this year was the Company's demerger from Marlowe plc, which led to the formation of a new board and the establishment of independent governance structures. The board focused on ensuring a smooth transition and embedding effective oversight processes. No material challenges arose beyond routine operational matters, and no further changes were made to board structure or process. The board continues to monitor its effectiveness as the business progresses.

Number of meetings attending during the year ended 31 March 2025

	Board	Audit & Risk Committee	Remuneration Committee
Total Meetings	**6**	**2**	**1**
Executive Directors			
Jonathan Thomas (CEO)	6	2	–
Heidi Giles (CFO)	6	2	–
Non-Executive Directors			
Julia Robertson	6	2	1
Adam Councell	6	2	1
Michael Ettling	6	1	1
Simon Arnold	5	2	1

The Executive Directors are not members of any of the Committees but may attend meetings at the invitation of the Committee Chair. As the Committees were formed partway through the financial year, following the demerger from Marlowe Plc and subsequent listing on AIM, some Committees, namely the Nomination Committee and the Disclosure Committee, have not yet met. Consequently, no attendance information has been provided for these Committees.

This Corporate Governance Statement was approved on behalf of the Board on 24 July 2025.

Jonathan Thomas
Chief Executive Officer

DIRECTORS' REMUNERATION REPORT

On behalf of my colleagues on the Remuneration Committee and the Board, I am pleased to present the Directors' Remuneration Report for the financial year ended 31 March 2025, which sets out details of the composition, structure and operation of the Committee, our work during the year, our remuneration policy and remuneration paid to Directors during the year.

Members of the Remuneration Committee

Michael Ettling (Chair)
Julia Robertson
Adam Councell
Simon Arnold

During FY25, the Group announced its demerger from Marlowe Plc which was completed on 26th September 2024 and subsequently the Company's issued share capital is traded on the Alternative Investment Market of the London Stock Exchange ("AIM").

The remuneration committee was formed following the demerger. The Committee met once during the year. Committee members' attendance at the meetings held during the year is set out in the Corporate Governance Report. Although only members of the Committee have the right to attend meetings, other individuals, such as the Chief Executive Officer and external advisers, may be invited to attend for all, or part of, any meeting.

The Remuneration Committee reviews the performance of the Executive Directors and other senior management and sets the level and structure of their remuneration and the basis of their service agreements with alignment to the interests of Shareholders. In determining the remuneration of the Executive Directors, the Remuneration Committee seeks to attract and retain executives of the highest calibre. No Director is permitted to participate in discussions or decisions concerning their own remuneration.

The Committee also formulates the remuneration policy having consideration to the interests of shareholders, the recommendations of the QCA Corporate Governance Code and the AIM Rules for Companies.

Remuneration decisions in respect of FY25

Salary/Fees

The Group's remuneration policy is designed to attract the best talent, motivate management and promote long-term sustainable performance aligned with shareholder interests. Executive remuneration is aligned to the Company's purpose and values and is clearly linked to performance and the delivery of long-term strategy.

The basic annual salary of each Executive Director is reviewed annually by the Remuneration Committee as part of the annual budgeting process. The Remuneration for the Non-Executive Directors is determined by the Board, these fees are also reviewed annually as part of the annual budgeting process. The aggregate Directors' remuneration is set out in the Directors' emoluments table and note 10.

Annual Bonus and Long-Term Incentives

The Remuneration Committee establishes the objectives that must be met for each financial year if a cash bonus is to be paid to the Executive Directors. Considering the demerger and listing of the business mid-way through the year, for FY25 the committee approved an exceptional bonus payment for the Executive Directors in recognition of the strategic progress made post listing totalling £100,000.

The Committee introduced the Optima Health Share Plan 2024 which is designed to incentivise growth in value of the Group based on the Group's strategy. Further details of the Optima Health Share Plan are set out in Note 36 to the financial statements.

Directors' Contracts and Letters of Appointment

The Company's policy on Executive Directors' service contracts is that, in line with the best practice provisions of the UK Corporate Governance code. Below contains details of the notice period.

	Date of Contract	Notice Period
Executive Directors		
Jonathan Thomas (CEO)	21st September 2024	9 months
Heidi Giles (CFO)	21st September 2024	9 months
Non-Executive Directors		
Julia Robertson	20th September 2024	3 months
Adam Councell	20th September 2024	3 months
Michael Ettling	20th September 2024	3 months
Simon Arnold	20th September 2024	3 months

Directors' Emoluments

The aggregate emoluments of the Directors of the Group in the periods were:

	Salary/Fees £'000		Bonuses £'000		Other Benefits £'000		Pension Costs £'000		Total £'000	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Executive Directors										
Jonathan Thomas (CEO)	244	197	67	–	8	8	25	20	344	225
Heidi Giles (CFO)*	101	–	33	–	4	–	10	–	148	–
Non-Executive Directors**										
Julia Robertson	18	–	–	–	–	–	–	–	18	–
Adam Councell	13	–	–	–	–	–	–	–	13	–
Mike Ettling	26	–	–	–	–	–	–	–	26	–
Simon Arnold	18	–	–	–	–	–	–	–	18	–

* Although Heidi Giles was employed by the Company prior to 21 September 2024, she was not a director during that period and her service was not subject to TUPE transfer. Accordingly, her remuneration prior to this date has been excluded from the directors' remuneration disclosures.

** Non-Executive Director fees are from 20th September 2024, the date they were appointed to the Board.

In addition to the above remuneration, the total charge recognised in respect of share-based payment arrangements during the year was £39k. Of this, £18k related to Jonathan Thomas and £12k related to Heidi Giles. The remaining £9k related to members of the senior management team who are not directors.

Directors' Interest in Shares

The beneficial interests of the Directors who were in office at 31 March 2025 in the shares of the Company (including family interests) were as follows:

Director	Number of Ordinary shares	Percentage of issued share capital
Jonathan Thomas	218,356	0.25%
Heidi Giles	83,228	0.09%
Julia Robertson	–	–
Adam Councell	34,608	0.04%
Michael Ettling	–	–
Simon Arnold	20,451	0.02%

Conclusion

The Committee is aware of the important role that remuneration plays in the incentivisation, retention and motivation of the management team. The Committee will monitor the Group's remuneration approach during the year aligned with the ongoing development and strategic progress of the business.

By order of the Board

Michael Ettling
Chair of the Remuneration Committee

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Reports including the strategic report, directors report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare the Group and Company financial statements for each financial year.

The directors have elected under company law and are required by the AIM Rules of the London Stock Exchange to prepare group financial statements in accordance with UK adopted International Accounting Standards and have elected under company law to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

The Group financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position and performance of the Group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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 the company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted International Accounting Standards;
- for the company financial statements state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the company financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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. They 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 corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Heidi Giles
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTIMA HEALTH PLC

Opinion

We have audited the financial statements of Optima Health plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of comprehensive income, the consolidated and company statements of financial position, the consolidated and company statements of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant 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 Financial Reporting Standard 101 "Reduced Disclosure Framework (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 at 31 March 2025 and of the group's profit 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 and the parent company 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.

Other Matter – Prior period financial statements not audited

The company was exempt from audit in the period ended 31 March 2024 and consequently the corresponding figures are unaudited.

Summary of our audit approach

Area of focus	Reporting issue
Key audit matters	**Group and Parent company** • None
Materiality	**Group** • Overall materiality: £795,000 • Performance materiality: £556,000 **Parent Company** • Overall materiality: £4.86 million • Performance materiality: £3.65 million
Scope	Our audit procedures covered 97% of revenue, 96% of total assets and 96% of Adjusted EBITDA.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTIMA HEALTH PLC CONTINUED

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent company
Overall materiality	£795,000	£4.86 million
Basis for determining overall materiality	4.5% of Adjusted EBITDA.	3.5% of Net assets Materiality was restricted to £397,500 for the purpose of applying an appropriate component materiality.
Rationale for benchmark applied	Adjusted EBITDA measure used to reflect the key metric highlighted by management to users of the financial statements. This metric is used by management to provide a normalised trading result in periods of acquisitive growth.	Parent company is a holding company so net assets used as the benchmark.
Performance materiality	£556,000	£3.65 million
Basis for determining performance materiality	75% of overall materiality	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £39,700 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £243,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

In establishing the overall approach to the group audit, we determined the type of work that needed to be performed on the components by us, as the group engagement team, or by component auditors which were other engagement teams within RSM UK Audit LLP.

Full scope audits were performed for 4 components and specified scope procedures for 2 component.

The coverage achieved by our audit procedures was:

	Number of components	Revenue	Total assets	Adjusted EBITDA
Full scope audit	4	97%	76%	94%
Specified scope procedures	2	0%	20%	2%
Total	**6**	**97%**	**96%**	**96%**

All audit work was completed by the group audit team and no component auditors were used in our audit.

The group's components vary significantly in size and nature of operations. The group engagement team identified those components as significant based on a risk assessment which took into consideration both qualitative and quantitative factors. The quantitative factors used in determining significance were based on a combination of the group's total revenues and Adjusted EBITDA.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 parent company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining the new facility arrangements taken during the year and confirming the terms including the covenants applicable to the new facility.
- Obtaining management's base-case cashflow forecast and covenant calculations on the new facility covering the period to 31 July 2026. We assessed how these forecasts were compiled and evaluated supporting information.
- Assessing the accuracy of management's forecasting by comparing management's forecasts for April and May 2025 to the actual results for the
- Performing analysis on the base case forecasts and the availability of liquidity for the foreseeable future, assessing the impact of changes in key assumptions on the cash flow forecasts and the headroom on debt covenants, including management's reasonable worst-case scenario and checking the mechanical accuracy of the forecasts. We considered whether the assumptions are consistent with our understanding of the business derived from other detailed audit work undertaken.
- Evaluating the group's disclosures on going concern for compliance with the requirements of IAS 1 'Presentation of financial statements' (IAS 1).

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's or the 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.

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 contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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 the light of the knowledge and understanding of the group and the parent 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 in relation to which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OPTIMA HEALTH PLC CONTINUED

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 52, 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 the 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team and component auditors:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

All relevant laws and regulations identified at a Group level and areas susceptible to fraud that could have a material effect on the financial statements were communicated to component auditors. Any instances of non-compliance with laws and regulations identified and communicated by a component auditor were considered in our audit approach.

The most significant laws and regulations were determined as follows:

Legislation / Regulation	Additional audit procedures performed by the Group audit engagement team and component auditors included:
UK-adopted IAS, FRS101 and Companies Act 2006	• Review of the financial statement disclosures and testing to supporting documentation; and • Completion of disclosure checklists to identify areas of non-compliance.
Tax compliance regulations	• Inspection of advice received from external tax advisors; and • Consultation with a tax specialist regarding the approach taken to the audit of tax.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Revenue recognition – occurrence & cut-off	In order to address of the risks associated with revenue we obtained an understanding of the process and controls around revenue recognition. Our procedures also included performing tests of detail on revenue recognised in the year to assess whether revenue had been recognised in accordance with the Group's accounting policy and IFRS 15 requirements. In addition we have: • used data analytics software to test the sales cycle for revenue transactions in the group, analysed the postings to identify any items which did not appear to match the expected transaction flows and investigated a sample of these by obtaining support to confirm they are an appropriate revenue transaction; • traced a sample of cash book receipts to supporting invoices and bank statements; • completed cut-off testing around the reporting date, testing whether revenue had been recognised appropriately based on when the company had completed its performance obligations under the contract; and • tested a sample of accrued and deferred income balances to supporting documentation including but not limited to corroboration of when the service had been completed.
Management override of controls	Using data analytics and detailed testing to test the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://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.

David Clark

DAVID CLARK (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AE

24 July 2025

FINANCIALS

ADDITIONAL INFORMATION

"This was a defining year operationally and financially, we completed the integration of all legacy acquisitions, listed independently, and returned to statutory profit, while reducing net debt to just £2.2 million."

Heidi Giles
CFO

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For Year Ended 31 March 2025

	Note	2025 £'000	2024 £'000
Revenue	8	**105,049**	110,887
Cost of sales		**(72,008)**	(74,413)
Gross profit		**33,041**	36,474
Administration costs analysed as:			
Share based payments		**(39)**	–
Amortisation of acquisition intangibles		**(6,323)**	(6,311)
Exceptional items	9	**(3,870)**	(7,969)
Other administration costs		**(19,569)**	(22,915)
Total Administrative expenses		**(29,801)**	(37,195)
Operating profit / (loss)		**3,240**	(721)
Finance expense	12	**(665)**	(135)
Profit / (Loss) before tax		**2,575**	(856)
Taxation	13	**(923)**	(227)
Profit/ (loss) for the year from continuing operations applicable to owners of the parent		**1,652**	(1,083)
Total comprehensive income/(loss) applicable to owners of the parent		**1,652**	(1,083)
Earnings / (loss) per share attributable to owners of the parent			
Basic and Diluted (£)	15	**0.03**	(1,030.45)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Note	**2025 £'000**	2024 £'000
Assets			
Non-current assets			
Intangible assets	16	**176,681**	179,830
Property, plant & equipment	17	**2,896**	2,161
Right of use assets	18	**4,429**	2,514
Net defined benefit pension asset	19	**83**	83
Total non-current assets		**184,089**	184,588
Current assets			
Inventories	20	**100**	63
Trade and other receivables	21	**18,988**	17,512
Current tax assets		**169**	–
Cash and cash equivalents	22	**14,797**	21,096
Total current assets		**34,054**	38,671
Total assets		**218,143**	223,259
Liabilities			
Current liabilities			
Trade and other payables	23	**11,859**	22,318
Related party loans	24	**–**	55,081
Lease liabilities	25	**826**	1,697
Current tax liabilities		**–**	62
Total current liabilities		**12,685**	79,158
Non-current liabilities			
Borrowings	26	**17,000**	–
Lease liabilities	25	**3,859**	702
Provisions	27	**3,387**	1,368
Deferred tax liabilities	28	**13,092**	14,413
Total non-current liabilities		**37,338**	16,483
Total liabilities		**50,023**	95,641
Net assets		**168,120**	127,618
Equity			
Share capital	34	**888**	–
Share premium	34	**2,993**	975
Capital contribution reserve	35	**162,403**	126,498
Other reserves	35	**39**	
Retained earnings	35	**1,797**	145
Total equity applicable to owners of the parent		**168,120**	127,618

These financial statements were approved by the Board of Directors and authorised for issue on 24 July 2025 and were signed on its behalf by:

Jonathan Thomas
Chief Executive Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31 March 2025

	Share capital £'000	Share premium £'000	Capital contribution reserve £'000	Other reserve £'000	Retained earnings £'000	Total equity £'000
Balance as at 1 April 2023	–	825	126,498	–	706	128,029
Total comprehensive income						
Loss for the year	–	–	–	–	(1,083)	(1,083)
Transactions with owners						
Group reorganisation	–	–	–	–	522	522
Issue of shares	–	150	–	–	–	150
Balance as at 31 March 2024	–	975	126,498	–	145	127,618
Balance as at 1 April 2024	–	975	126,498	–	145	127,618
Total comprehensive income						
Profit for the year	–	–	–	–	1,652	1,652
Share based payments	–	–	–	39	–	39
Transactions with owners						
Group reorganisation 35	–	–	56,651	–	–	56,651
Issue of shares	888	2,018	–	–	–	2,906
Dividends paid	–	–	(20,746)	–	–	(20,746)
Balance as at 31 March 2025	**888**	**2,993**	**162,403**	**39**	**1,797**	**168,120**

CONSOLIDATED STATEMENT OF CASH FLOWS

For Year Ended 31 March 2025

	2025 £'000	2024 £'000
Cash flows from operating activities		
Profit/(loss) before taxation	2,575	(856)
Adjustments for:		
Depreciation of property, plant and equipment	1,047	1,196
Amortisation of intangible assets	8,111	7,941
Depreciation of right-of-use assets	1,255	1,640
Loss on disposal of property, plant and equipment	65	3
Loss on remeasurement of lease liabilities	40	3
Share based payments	39	–
Movement in contingent consideration	(375)	–
Movement in provisions	(76)	208
Finance expense	665	135
Net cash generated from operating activities before changes in working capital	13,346	10,270
(Increase)/decrease in inventories	(32)	100
(Increase)/decrease in trade and other receivables	(284)	2,351
(Decrease)/increase in trade and other payables	(7,657)	2,027
Cash generated from operations	5,373	14,748
Tax paid	(2,686)	(1,903)
Net cash inflow from operating activities	**2,687**	**12,845**
Cash flows from investing activities		
Purchase of intangible assets	(1,956)	(2,445)
Purchase of property, plant and equipment	(1,795)	(404)
Proceeds from disposal of plant, property and equipment	32	–
Purchase of subsidiary undertakings net of cash acquired	(1,182)	–
Contingent consideration paid for subsidiary undertaking	(750)	–
Net cash outflow from investing activities	**(5,651)**	**(2,849)**
Cash flows from financing activities		
Lease liabilities paid (including interest)	(1,123)	(1,627)
Interest paid on borrowings	(441)	–
Proceeds from borrowings	17,000	–
Proceeds form issue of share capital	1,975	–
Dividends paid	(20,746)	–
Net cash outflow from financing activities	**(3,335)**	**(1,627)**
Net increase in cash and cash equivalents	**(6,299)**	**8,369**
Cash and cash equivalents at beginning of the year	21,096	12,727
Cash and cash equivalents at end of year	**14,797**	**21,096**

NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. General information

Optima Health Plc (the "Company") is a public company incorporated in England and Wales. Its registered address is Meadow Court, 2 Hayland Street, Sheffield, England, S9 1BY.

The principal activity of the Group throughout the period is the provision of occupational health and wellbeing services within the United Kingdom.

The Company is a public limited company incorporated on 1 February 2022 and domiciled in the United Kingdom.

These financial statements represent the first set of consolidated accounts prepared following the demerger of Optima Health Plc from Marlowe Plc, which was completed on 26 September 2024. From this date, the company's issued share capital has been admitted to trading on the Alternative Investment Market of the London Stock Exchange ("AIM"), a market operated by London Stock Exchange plc in the United Kingdom. Accordingly, these consolidated financial statements reflect the financial position and performance of Optima Health Plc as an independent, publicly listed group for the first time.

The comparative figures for the financial year ended 31 March 2024 are consistent with those presented in the Group's AIM admission document.

These Group consolidated financial statements were authorised for issue by the Board of Directors on 24 July 2025.

2. Exemption from audit

For the year ended 31 March 2025 Optima Health Plc has provided a guarantee in respect of all liabilities due by its subsidiaries namely Optima Health Group Limited, OH Assist Intermediate Limited, OH Assist Finance Limited, OH Assist Limited, Optima Health UK Limited, Optima Health (Birmingham) Limited, Optima Health Medical Assessments Limited, Healthy Performance Limited, TP Health (Holdings) Limited, TP Health Limited, Healthwork Group Limited and Network of Staff Supporters Limited. This entitles these subsidiaries to exemption from audit under 479A of the Companies Act 2006 relating to subsidiary companies.

3. Basis of consolidation

The consolidated financial statements of Optima Health plc have been prepared in accordance with UK adopted international accounting standards ("IFRS") and the applicable legal requirements of the Companies Act 2006.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, including contingent consideration, which are measured at fair value. The consolidated financial statements are presented in thousands of Pounds Sterling (£'000), which is the functional and presentational currency of the Group.

The Group's financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year.

The results of subsidiaries acquired during the year are included in the Consolidated statement of comprehensive income from the effective date of acquisition. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. Income, expenditure, unrealised gains and intra-Group balances arising from transactions within the Group are eliminated.

Business combinations are accounted for using the acquisition method as set out in IFRS 3. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition-date fair value, and the amount of any non-controlling interest in the acquiree. Identifiable assets acquired and liabilities assumed are recognised at their fair values at the acquisition date. Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest, and the fair value of the acquirer's previously held equity interest, over the net identifiable assets acquired. Contingent consideration is measured at fair value on initial recognition and subsequently remeasured through profit or loss. Acquisition-related costs are expensed as incurred.

4. Going concern

The Group meets its day-to-day working capital requirements through cash generated from operations. The Directors have considered the Group's forecast cash flows as well as the Group's liquidity requirements, including downside scenarios.

The Group has secured a £20m revolving credit facility to fund transaction costs and working capital requirements following the demerger and more recently acquisitions, of which it has drawn £17m as at 31 March 2025. The related party liabilities with Marlowe plc were released as part of this process.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the next twelve months. Therefore, the Group has adopted the going concern basis of accounting in preparing the financial statements. In making this assessment the Directors have considered the headroom available on the debt facility combined with the expected level of cash generation of the Group over the next twelve months.

5. Significant accounting policies

a. Exceptional items

Exceptional items include income and expenses that management consider are one-off and non-recurring in nature. Exceptional items are included separately within the statement of profit or loss and comprehensive income to provide a more comparable view of the year-on-year financial reporting of the Group.

b. Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the statement of profit or loss and other comprehensive income.

c. Revenue recognition

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

- Identifying the contract with the customer;
- Identifying the performance obligations;
- Determining the transaction price;
- Allocating the transaction price to the performance obligations on the basis of the relative stand-alone selling price of each distinct service to be delivered; and
- Recognising revenue as performance obligations are satisfied.

The Group provides services to customers under contractual service agreements . The agreements stipulate the rate to be charged for each service delivered. Once the transaction price is determined, the Group allocates this to the identified performance obligations.

The Group delivers occupational health and wellbeing services under contracts with customers. Revenue is recognised based on the nature of the services provided, either at a point in time or over time.

Revenue recognised over time primarily relates to some fixed monthly billing arrangements. Some fixed monthly fees do not relate directly to specific services performed and are recognised on a straight-line basis over the contract period. This reflects the customer's ongoing right to access a range of services throughout the duration of the contract, regardless of the level of actual usage.

Revenue recognised at a point in time relates to unit-based services, including hearing tests, vaccinations, and ad hoc appointments. Some fixed monthly fees are based on expected service usage and revenue is recognised based on the actual delivery of services. A regular reconciliation is performed to compare services delivered against amounts billed.

Where services delivered exceed, amounts billed, the difference is recognised as a contract asset.

Where services delivered are less than amounts billed, the difference is recognised as a contract liability. Revenue from these services is recognised when control transfers to the customer upon delivery of the service.

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

5. Significant accounting policies continued

Some contracts include volume-based incentives, which are treated as variable consideration. There are recognised as a reduction of revenue only when they are explicitly stated in the contract, can be reliably measured and it is probable that a significant reversal of revenue will not occur. Variable consideration is not a material component of the Group's revenue arrangements.

d. Finance costs

Finance costs comprise of interest payable on leases recognised under IFRS 16 and other financial liabilities such as bank borrowings are expensed in the period in which they are incurred.

e. Taxation

Income tax expense represents the sum of the current tax and deferred tax charge for the period. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income or expense is recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Current tax

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

Deferred tax

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

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

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

Judgement is applied in making assumptions about future taxable income and expenditure to determine the extent to which the Group recognises deferred tax assets, as well as the anticipated timing of the utilisation of the losses.

f. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and those overheads that have been incurred in bringing the inventories to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventories over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

g. Property, plant and equipment

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

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

Depreciation is provided on the following basis:

Leasehold improvements	20% straight line
Computer equipment	20%-50% straight line
Fixtures and fittings	20% straight line
Medical equipment	33% straight line
Motor Vehicles	20% straight line

5. Significant accounting policies continued

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

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

h. Intangible assets

Goodwill

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

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments (note 16).

Other intangible assets

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

Intangible assets comprise software (including internally generated software), customer relationships and trade names. Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Software	Straight line over 3-10 years
Customer relationships	Straight line over 10-14 years
Trade names	Straight line over 10 years

Internally generated intangible assets are capitalised only when the Group can demonstrate technical feasibility, intention and ability to complete and use or sell the asset, the asset's future economic benefits are probable, and the costs can be reliably measured in accordance with IAS 38 Intangible Assets. Otherwise, development costs are expensed as incurred

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

i. Impairment of non-financial assets

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

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

j. Leases

The Group makes the use of leasing arrangements principally for the provision of office space, plant and equipment and motor vehicles.

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

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: an identified physically distinct asset can be identified; and the Group has the right to obtain substantially all of the economic

5. Significant accounting policies continued

benefits from the asset throughout the period of use and has the ability to direct the use of the asset over the lease term being able to restrict the usage of third parties as applicable.

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

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

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the incremental borrowing rate on commencement of the lease is used

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

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

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

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

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

Extension, termination, and break options

The Group negotiates extension, termination, or break clauses in its leases. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). On a case-by-case basis, the Group will consider whether the absence of a break clause would expose the Group to excessive risk. Typically, factors considered in deciding to negotiate a break clause include:

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

Incremental borrowing rate

The Group has adopted a rate with a range of 2.30% – 7.73% as its incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. This rate is used to reflect the risk premium over the borrowing cost of the Group measured by reference to the Group's facilities.

5. Significant accounting policies continued

As part of the Group's property leasing arrangements there is an obligation to repair damages which are incurred during the life of the lease, such as wear and tear. These costs have been charged in line with IFRS 16 Leases and shown separately to the lease obligation liability. The provision is expected to be utilised between 2026 and 2034 when the leases terminate. Due to the significant number of leased properties and the difficulties in predicting expenditure that will be required on return of a property to the landlord many years into the future, the dilapidations provision is considered a source of estimation. The required dilapidations provision is determined based on third-party assessments provided by our property agent, Spring4, who evaluate each site in line with lease terms and expected reinstatement obligations.

k. Cash and cash equivalents

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

l. Financial assets

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

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

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

m. Financial liabilities

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

Financial liabilities measured at amortised cost

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

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

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

n. Borrowings

Borrowings are recorded at the fair value of the consideration received, net of direct transaction costs and subsequently recognised at amortised cost. Finance charges, including bank interest and non-utilisation fees, are accounted for in profit or loss over the term of the instrument

o. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

5. Significant accounting policies continued

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. When it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

p. Employee benefits

Employee benefits include wages and salaries, annual leave, pensions, bonuses, and share-based payments.

Short-term employee benefits are recognised as an expense in the period in which the related service is provided. This includes wages, salaries, social security costs, annual leave, and bonuses. Accruals are recognised for amounts expected to be settled within 12 months of the reporting date where the Group has a present obligation as a result of services provided by employees and the obligation can be estimated reliably.

The Group operates defined contribution pension schemes. Contributions are recognised as an expense when they fall due. Any unpaid contributions at the reporting date are recognised as a liability.

The Group recognises a liability and an expense for bonuses where there is a contractual or constructive obligation to make such payments as a result of past service and where a reliable estimate of the obligation can be made.

The Group also operates share-based payment arrangements under which the senior management team receive equity instruments of the parent company. The fair value of the awards is determined at the grant date using a Monte Carlo valuation model, reflecting the fact that the only vesting condition is the achievement of a specified share price target. The fair value is recognised as an expense over the expected vesting period, with a corresponding increase in equity.

q. Equity instruments

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

r. Critical accounting estimates and judgements

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

Key estimates

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

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

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

The Group has goodwill for a total amount of £114,974k (2024: £112,671k), which has been subject to an impairment test. The key assumptions for the value in use calculations are disclosed and further explained in note 16.

Key judgements

Identification of separable intangibles on acquisition

Intangibles assets are recognised when they are controlled through contractual or other legal rights, or are separable from the rest of the business, and their fair value can be reliably measured. Customer contracts, software and trade names have been identified by management as a separate intangible asset as they are separable and can be reliably measured by valuation of future cash flows. Management do not believe there are any other intangible assets that have arisen on acquisition during the year which can be identified and reliably measured. Carrying values of such assets can be found in Note 16.

5. Significant accounting policies continued

During the year, separable intangible assets were recognised in relation to customer relationships and a trade name arising from acquisitions. Customer relationships were valued at £699,000 (2024: £nil). The key assumptions underlying the valuation of customer relationships include the customer attrition rate, which is based on the acquired company's historical customer life cycle data. Sensitivity analysis indicates that a 5% increase in the customer attrition rate would reduce the value of customer relationships to £592,000.

Adjusting items

Due to the nature of adjusting items in relation to each acquisition and the non-cash element of certain charges, the Directors believe that adjusted operating profit, adjusted EBITDA and adjusted measures of profit before tax and earnings per share provide shareholders with a more appropriate representation of the underlying earnings derived from the Group's business and a more comparable view of the year-on-year underlying financial performance of the Group. Further details of the key judgements taken by the Directors are documented in note 6.

s. New standards, amendments, and interpretations

The following new standards and amendments to standards became effective for periods beginning on or after 1 April 2024 and have been adopted by the Group:

- Amendments to IAS 7 – Statement of Cash Flows
- Amendments to IAS 1 – Presentation of Financial Statements
- Amendments to IFRS 16 – Leases

The following standards and amendments have been issued but are not yet effective for the year ending 31 March 2025. The Group intends to adopt these when applicable:

- Lack of Exchangeability Amendments to IAS 21 – Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective for periods commencing 1 January 2025)
- IFRS 18 – Presentation and Disclosure in Financial Statements (effective 1 January 2027);
- IFRS 19 – Subsidiaries without Public Accountability – Disclosures (effective 1 January 2027);
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective 1 January 2026);
- Annual Improvements – Volume 11 (effective 1 January 2026);

The Directors do not expect that the adoption of these standards and amendments will have a material impact on the Group's or the Company's financial information in future periods.

6. Adjusting items

Due to the nature of historic acquisitions and other costs in relation to each acquisition and the non-cash element of certain charges, the Directors believe that adjusted operating profit, adjusted EBITDA and adjusted measures of profit before tax and earnings per share provide shareholders with alternative representation of the underlying earnings derived from the Groups business. These measures offer a more comparable view of the year-on-year underlying financial performance of the Group. The adjusting items shown on the consolidated statement of comprehensive income and the rationale behind the Directors view that these should be included as adjusting items are detailed below:

– Restructuring costs

Restructuring costs, being the costs associated with the integration of acquisitions, remain a key component of delivering shareholder value by increasing returns made on acquired businesses. Restructuring costs for the year have been disclosed in note 9. These programmes have now been completed, and all restructuring expense related to this has ceased in the year.

Restructuring costs primarily consist of:

- The cost of duplicated staff roles during the integration and restructuring period;
- The redundancy cost of implementing the post completion staff structures; and

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

6. Adjusting items continued

- IT costs associated with the integration and transfer to Group IT systems, including costs of third- party software used in the delivery of customer contracts where there is a programme to transition such software to one of the Group's existing platforms.

– Amortisation of acquired intangibles

The amortisation charge is primarily in relation to acquired intangible assets resulting from fair value adjustments under IFRS 3. Given the overall size of the amortisation charge and it being non-cash in nature, this cost is adjusted for in deriving the Group's alternative performance measures. For transparency, we note that the Group does not similarly adjust for the related revenue and results generated from its business combinations in its alternative profit measures.

– Demerger and listing costs

Demerger costs relating to the demerger from Marlowe Plc and the subsequent listing on the AIM market are non-recurring and not considered to be reflective of the underlying trading performance. These costs include professional fees, legal fees and staff costs.

– Management incentive schemes and share based payments

Charges associated with share-based payment schemes and have been included as adjusting items. Although share-based compensation is an important aspect of the compensation of our employees and executives, management believes it is useful to exclude share-based compensation expenses from adjusted profit measures to better understand the long-term performance of our underlying business. Share-based compensation expenses are non-cash charges and are determined using several factors, including expectations surrounding the future share price. As a result, these charges are not reflective of the value ultimately received from the awards.

– Movement in the fair value of contingent consideration

Movements in the fair value of contingent consideration are considered to be part of the investing activities of the Group and are therefore not considered to be reflective of the underlying trading performance.

7. Segmental reporting

The Chief Operating Decision Maker ("CODM") has been identified as the Board of Directors of the Company. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM has determined that there is one operating segment being the provision of occupational health and wellbeing services. Information about geographical revenue is disclosed in note 8. Non-current assets at the end of each period presented are held entirely in the United Kingdom.

8. Revenue

The Group generates revenue primarily from the provision of occupational health and wellbeing services sold in the ordinary course of the Group's activities. Management considers there to be one revenue stream within the one operating segment.

Revenue is recognised over time, mainly on a straight-line basis, or at a point in time upon service delivery.

In the year ended 31 March 2025, there was 1 customer who contributed 10% or more of the revenue generated by the Group (2024: 1).

Customers representing revenue greater than 10%

	2025 £'000	2024 £'000
Customer 1	**14,809**	13,854
Other	**90,240**	97,033
	105,049	110,887

Geographical reporting

The Group operates in the UK and all revenue is derived from the UK.

8. Revenue continued

Contract assets

	2025 £'000	2024 £'000
Opening balance	**7,248**	8,283
Acquired through business combinations	**154**	–
Excess of revenue recognised over cash during the period	**8,685**	7,253
Transfers in the period from contract assets to trade receivables	**(7,369)**	(8,288)
	8,718	7,248

Contract assets represent amounts for which the Group has recognised revenue in relation to performance obligations that have been satisfied, but not yet invoiced.

The net increase of £1.5 million in contract assets during the year primarily relates to revenue recognised for services delivered in advance of invoicing or subject to customer acceptance procedures. These balances are expected to be invoiced in the ordinary course of business and settled within the next 12 months.

Contract liabilities

	2025 £'000	2024 £'000
Opening balance	**(3.341)**	(2,299)
Acquired through business combinations	**(17)**	–
Excess of cash received in advance of revenue recognition during the year	**(1,408)**	(6,061)
Transfers in the period from contract liabilities to revenue	**2,478**	5,019
	(2,288)	(3,341)

Contract liabilities represent amounts invoiced or received in advance of the Group satisfying its performance obligations. These liabilities consist mainly of forward billing on customer contracts and provisions for volume-based incentives. They also include other deferred revenue balances arising from customer arrangements. The closing balance decreased by £1.05 million during the year, as amounts previously recognised as contract liabilities were recognised as revenue when the related performance obligations were fulfilled. The remaining balance is expected to be recognised as revenue or otherwise settled within the next 12 months.

9. Exceptional items

	2025 £'000	2024 £'000
Restructuring costs	**1,494**	8,571
Management incentive schemes	**–**	(602)
Demerger and listing costs	**2,751**	–
Change in deferred consideration	**(375)**	–
	3,870	7,969

Restructuring costs include the costs associated with the integration of acquisitions, including:

- The cost of duplicated staff roles and other duplicated operational costs during the integration and restructuring period;
- The redundancy cost of implementing the post completion staff structures; and
- IT costs associated with the integration and transfer to Group IT systems.

These costs, particularly those related to the demerger and listing, are regarded as non-recurring. Restructuring costs associated with historical acquisitions have now ceased, following the completion of the integration project during the year. As such, these costs are not expected to form part of the Group's ongoing operating expenses going forward.

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

10. Directors and employees expenses

Staff costs during the year (including directors) comprise of:

	2025 £'000	2024 £'000
Wages and salaries	**52,760**	57,441
Social security costs	**5,789**	6,014
Other pension costs	**2,526**	2,659
Share based payments	**39**	–
	61,114	66,114

Staff costs include £799,159 (2024: £511,000) recognised within exceptional items in the statement of comprehensive income.

Average number of employees

	2025	2024
Fee earners	**861**	894
Sales and account managers	**38**	41
Administration	**343**	409
Support staff and management	**250**	236
Developers	**19**	22
	1,511	1,602

Total amounts for Directors' remuneration and other benefits

The Company has determined that only the directors meet the definition of Key Management Personnel (KMP). Accordingly, no further disclosures relating to other KMP are required.

Compensation of the Group's directors includes only short-term employee benefits, and no non-cash benefits or contributions to a post-employment defined benefit plan.

	2025 £'000	2024 £'000
Wages and salaries	**532**	205
Social security costs	**45**	34
Other pension costs	**35**	20
Share based payments	**30**	–
	642	259
Directors' remuneration shown above included the following amounts in respect of the highest paid Director:		
Salary and benefits	**319**	205
Pension contributions to money purchase scheme	**25**	20

11. Operating profit / (loss)

Operating profit / (loss) is stated after charging:

	2025 £'000	2024 £'000
Depreciation of property, plant and equipment	**1,047**	1,196
Amortisation of intangible assets	**8,111**	7,941
Depreciation charge of right-of-use assets	**1,255**	1,640
Loss on disposal of property, plant and equipment	**65**	3
Bad debts written (back) / off	**(165)**	3
Share based payment	**39**	–
Auditors remuneration		
Audit of parent and consolidated financial statements	**170**	–
Non-audit fees for reporting accountant services on initial listing	**330**	–
Review of half yearly financial report	**15**	–

12. Finance cost

	2025 £'000	2024 £'000
Interest costs from lease liabilities	**224**	135
Interest costs from borrowings	**441**	–
	665	135

13. Taxation

	2025 £'000	2024 £'000
Current tax		
Current tax on profit for the year	**1,912**	2,375
Adjustments in respect of previous periods	**517**	(145)
Total current tax	**2,429**	2,230
Deferred tax		
Origination and reversal of temporary differences	**(1,153)**	(2,003)
Adjustments in respect of previous periods	**(353)**	–
Total deferred tax	**(1,506)**	(2,003)
Total taxation expense	**923**	227

	2025 £'000	2024 £'000
Profit /(loss) before tax	**2,575**	(856)
Tax at the Group's weighted average tax rate of 25%	**644**	(214)
Expenses not deductible for tax purposes	**223**	697
Adjustments in respect of prior periods	**164**	(145)
Tax effect of income not taxable in determining taxable profit	**(94)**	(110)
Losses brought forward utilised	**(14)**	–
Group tax relief	**–**	(1)
Total taxation	**923**	227

14. Ordinary dividends paid

	2025 £'000	2024 £'000
Interim dividends paid	**20,746**	–
	20,746	–

An interim dividend of 0.2357 pence per share was paid on 16 September 2024 in respect of the year ended 31 March 2025.

No final dividend has been declared or is expected to be proposed for the year ended 31 March 2025.

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

15. Earnings per share

Basic and diluted earnings/ (loss) per share

The calculation of basic and diluted earnings / (loss) per share is based on the profit/loss attributable to equity holders divided by the weighted average number of shares in issue during the period.

	2025 £'000	2024 £'000
Profit / (Loss) for the period from continuing activities	**1,652**	(1,083)

	2025 No.	2024 No.
Weighted average number of ordinary shares	**51,382,110**	1,051

	2025 £	2024 £
Basic and diluted earnings (loss) per share (£)	**0.03**	(1,030.45)

The earnings per share (EPS) figures for the current and prior periods are not directly comparable due to the significant changes in the share capital structure. During the current period, the company issued 88,775,901 new shares, compared to a total of 1,075 shares in issue during the prior period. This substantial increase in share capital affects the calculation of EPS, as the weighted average number of shares in issue has materially changed.

As at 31 March 2025, 559,060 share options were excluded from the diluted weighted-average number of ordinary shares calculation because their effect would have been anti-dilutive as per IAS33.47.

Adjusted earnings per share

The Directors believe that the adjusted earnings per share provide a more appropriate representation of the underlying earnings derived from the Group's business. The adjusting items are shown in the table below:

Adjusted earnings per share

	2025 £'000	2024 £'000
Profit/ (loss) for the period	**1,652**	(1,083)
Adjustments:		
Restructuring costs	**1,494**	8,571
Demerger and listing costs	**2,751**	–
Management incentive scheme	**–**	(602)
Share based payments	**39**	–
Change in contingent consideration	**(375)**	–
Amortisation of acquisition intangibles	**6,324**	6,311
Tax adjustment of 25%	**(1,955)**	(3,757)
Adjusted profit for the period	**9,930**	9,440

	2025 No.	2024 No.
Weighted average number of ordinary shares	**51,382,110**	1,051

	31 March 2025 £	31 March 2024 £
Adjusted Basic and diluted earnings per share (£)	**0.19**	8,981.92

16. Intangible assets

	Goodwill £'000	Customer contracts £'000	Software £'000	Trade name £'000	Total £'000
Cost					
1 April 2023	112,671	54,559	22,280	5,117	194,627
Additions – internally developed	–	–	2,445	–	2,445
At 31 March 2024	112,671	54,559	24,725	5,117	197,072
Additions – internally developed	–	–	1,956	–	1,956
Additions – separately acquired	2,303	699	4	–	3,006
At 31 March 2025	**114,974**	**55,258**	**26,685**	**5,117**	**202,034**
Amortisation					
1 April 2023	–	5,271	3,433	597	9,301
Charge for the year	–	4,130	3,299	512	7,941
At 31 March 2024	–	9,401	6,732	1,109	17,242
Charge for the year	–	4,143	3,456	512	8,111
At 31 March 2025	**–**	**13,544**	**10,188**	**1,621**	**25,353**
Net book value					
At 31 March 2024	112,671	45,158	17,993	4,008	179,830
At 31 March 2025	**114,974**	**41,714**	**16,497**	**3,496**	**176,681**

Amortisation on patents and trademarks is recognised in depreciation and amortisation within the consolidated statement of profit or loss and other comprehensive income.

Initial recognition

Intangible assets that are acquired as part of a business combination and meet the criteria for separate recognition are recognised at fair value. Fair value is estimated using the income approach, typically using the Multi-Period Excess Earnings Method for those intangibles judged to be the primary assets acquired and the Cost approach or Relief from Royalty method for secondary intangibles. These methods involve estimating fair value by discounting excess earnings to present value at an appropriate rate of return.

Goodwill is calculated as the residual measure of the excess of the fair value of consideration paid and payable over the fair value of assets and liabilities acquired.

The growth rates for beyond the forecasted five years do not exceed the long-term average growth rate for the industry. The key assumptions forming inputs to cash flows are in revenues and margins. Revenues for the first year have been assessed by reference to existing contracts and market volumes. Margins have been assumed to grow in line with historical performance of the acquired business and reflect management's view of the post-acquisition performance following integration into the Optima Health Group.

Annual impairment review

Goodwill is tested annually for impairment, or more frequently if there are indicators that an impairment may be required. For the purposes of impairment testing, goodwill, other intangible assets and property, plant and equipment are allocated to cash-generating units ("CGUs") which represent the smallest identifiable group of assets that generates cash inflows from continuing use. In preparing the financial statements, management has determined that the Group operates as a single cash generating unit (CGU). This conclusion is based on the judgment that the Group's assets generate cash inflows which are interdependent. Products are marketed through the same broad channels and strategic decisions are made centrally. As a result, the Group has been treated as one CGU for impairment testing and other relevant accounting purposes.

The recoverable amount is determined from value-in-use calculations.

The calculations are based on pre-tax cash flow projections derived from the financial budget for year one approved by the Directors, and cash flow projections for years two to five that incorporate growth rates consistent with general market trends and secured contracts expected to commence during the forecast period.

Terminal cash flows are based on these five year projections assumed to grow perpetually at 2%.

16. Intangible assets continued

A summary of the management base case value-in-use calculation, including key assumptions, is set out below:

Variable revenue growth rates have been applied over the years from 4.1% to 21.5%. This is reflective of the significant contract secured in partnership with Serco in the year, further details of this have been provided in the strategic report. This has been matched by variable increases in cost of sales between 3.1% to 20%. Administration expenditure and expenditure required to maintain the existing capital base is expected to see increase of 3% over the years.

Pre-tax discount rate 15.2% which is inclusive of small companies premium amounting to 1.7%.

Carrying value of assets £168.01m (excluding OH (Birmingham) Limited, as this company was acquired in January 2025, we do not consider the investment to be impaired given such proximity to the year-end.

Headroom as a % of carrying value 21.66%.

NPV of terminal year cashflows into perpetuity as a % of carrying value 9.21%.

A number of sensitivities have been modelled to demonstrate how changes in trading and market conditions impact the value in use calculations. Management has identified that a reduction in the revenue growth assumption could potentially result in the carrying amount exceeding the recoverable amount. A reduction of 1.15% in the revenue growth rate assumption, assuming forecast cost increases remain unchanged, would result in the recoverable amount falling below the carrying amount, leading to a potential impairment of £1,000. However, given recent contract wins, strong visibility over revenue from long-term service agreements, and continued focus on cost control. The group considers this outcome unlikely.

17. Property, plant and equipment

	Leasehold improvements, fixtures and fittings £'000	Assets under construction £'000	Computer equipment £'000	Medical equipment £'000	Motor vehicles £'000	Total £'000
Cost						
1 April 2023	957	313	1,463	903	684	4,320
Additions	159	90	81	74	9	413
Transfers	313	(313)	–	–	–	–
Disposals	–	–	–	–	(12)	(12)
At 31 March 2024	1,429	90	1,544	977	681	4,721
Additions	1,094	–	179	155	367	1,795
Transfers	–	(90)	–	10	80	–
Acquired through business combinations	1	–	–	83	–	84
Disposals	(91)	–	–	–	(77)	(168)
At 31 March 2025	**2,433**	**–**	**1,723**	**1,225**	**1,051**	**6,432**
Depreciation						
1 April 2023	264	–	652	295	162	1,373
Charge for the year	306	–	464	259	167	1,196
Disposals	–	–	–	–	(9)	(9)
At 31 March 2024	570	–	1,116	554	320	2,560
Charge for the year	406	–	293	158	190	1,047
Disposals	(26)	–	–	–	(45)	(71)
At 31 March 2025	**950**	**–**	**1,409**	**712**	**465**	**3.536**
Net book value						
At 31 March 2024	859	90	428	423	361	2,161
At 31 March 2025	**1,483**	**–**	**314**	**513**	**586**	**2,896**

Depreciation is recognised in depreciation and amortisation within the consolidated statement of profit or loss and other comprehensive income.

18. Right-of-use assets

	Leasehold property £'000	Motor vehicles £'000	Equipment £'000	Plant and machinery £'000	Total £'000
Cost					
1 April 2023	5,141	303	55	16	5,515
Additions	172	83	–	–	255
Modification	(222)	(59)	–	–	(281)
Disposal	(350)	(74)	–	–	(424)
At 31 March 2024	4,741	253	55	16	5,065
Additions	3,114	2	–	–	3,116
Modification	(500)	(66)	–	–	(566)
Disposal	(1,013)	(103)	(43)	(16)	(1,175)
At 31 March 2025	**6,342**	**86**	**12**	**–**	**6,440**
Depreciation					
1 April 2023	1,293	150	19	6	1,468
Charge for the year	1,497	120	17	6	1,640
Modification	(95)	(38)	–	–	(133)
Disposal	(350)	(74)	–	–	(424)
At 31 March 2024	2,345	158	36	12	2,551
Charge for the year	1,180	58	13	4	1,255
Modification	(575)	(45)	–	–	(620)
Disposal	(1,013)	(103)	(43)	(16)	(1,175)
At 31 March 2025	**1,937**	**68**	**6**	**–**	**2,011**
Net book value					
At 31 March 2024	2,396	95	19	4	2,514
At 31 March 2025	**4,405**	**18**	**6**	**–**	**4,429**

19. Net defined benefit pension asset

The defined benefit pension asset arose on the acquisition of TP Health in April 2022.

Amounts recognised in the statement of financial position:

	2025 £'000	2024 £'000
Present value of scheme liabilities	**(96)**	(96)
Fair value of scheme assets	**179**	179
Net defined benefit pension asset	**83**	83

The scheme was last valued at 31 March 2023. Based on their assessment, the directors do not believe the value has changed materially since that date. Given the immaterial size of the asset relative to the Group and the cost of obtaining a formal revaluation, the asset continues to be recognised at the previously assessed amount.

20. Inventories

	2025 £'000	2024 £'000
Finished goods and goods for resale	**100**	63
	100	63

Finished goods and goods for resale comprise vaccines used in medical treatment.

During the year ended 31 March 2025, £1,910,541 (2024: £2,118,909) were recognised as an expense within cost of sales.

21. Trade and other receivables

	2025 £'000	2024 £'000
Trade receivables	**9,240**	9,505
Less: provision for impairment of trade receivables	**(310)**	(337)
Trade receivables – net	**8.930**	9,168
Other receivables	**237**	195
Contract assets	**8,718**	7,248
Prepayments	**1,103**	901
	18,988	17,512

Trade receivables, accrued income and contract assets are provided for based on, and in accordance with IFRS 9, an expect credit loss ("ECL") model. The Group have utilised a simplified approach which is permitted by the standard, which applies a credit risk percentage based against receivables that are grouped in ageing categories, which range from 20.2% of those over 120 days past due to 2.1% of those between 0 and 30 days past due. The expected credit loss percentages have been calculated by reference to the credit losses experienced by age bracket in the previous 12 months. These percentages have been reviewed against our expectations of lifetime credit losses expected for certain customers, alongside considering the expected future economic outlook in the UK.

As at 31 March 2025, the remaining balance of trade receivables which were past due, after applying the ECL model to the ageing categories was £0.88m (2024: £1.69m). No further provision has been recognised on these amounts because it has been deemed immaterial. These relate to a number of independent customers with no recent history of default.

Information about the Group's exposure to credit and market risks, and impairment losses for trade receivables is included in note 30.

22. Cash and cash equivalents

	2025 £'000	2024 £'000
Cash at bank and in hand	**14,797**	21,096
	14,797	21,096

23. Trade and other payables

	2025 £'000	2024 £'000
Amounts falling due within one year		
Trade payables	**1,539**	3,009
Other payables	**846**	672
Contract liabilities	**2,288**	3,341
Taxation and social security	**2,870**	4,118
Accruals	**4,316**	10,053
Deferred consideration	**–**	1,125
	11,859	22,318

The deferred consideration related to the acquisition of Healthy Performance Limited was contingent upon the achievement of specific performance conditions. During the year, £750,000 was paid in settlement of this consideration. The remaining £375,000, which was no longer payable, was released and recognised in the statement of comprehensive income as an exceptional item.

24. Related party loans

	2025 £'000	2024 £'000
Current		
Amounts owed to related parties	–	55,081
	–	55,081

Amounts owed to related parties included balances owed to the ultimate controlling party and other members of the pre-demerger group. All related party loans were unsecured, bore no interest and were repayable on demand. The loans were released as part of the de-merger in September 2024 and were therefore credited to the capital contribution reserve.

25. Leases

Lease liabilities

	Leasehold property £'000	Motor vehicles £'000	Equipment £'000	Plant and machinery £'000	Total £'000
1 April 2023	3,455	272	36	9	3,772
Additions	172	92	–	–	264
Interest expense	121	13	1	–	135
Modification	(124)	(21)	–	–	(145)
Lease payments	(1,435)	(168)	(18)	(6)	(1,627)
At 31 March 2024	2,189	188	19	3	2,399
Additions	3,087	3	–	–	3,090
Interest expense	221	3	–	–	224
Modification	107	(12)	–	–	95
Lease payments	(1,004)	(103)	(13)	(3)	(1,123)
At 31 March 2025	**4,600**	**79**	**6**	**–**	**4,685**

	2025 £'000	2024 £'000
Current	826	1,697
Non-current less than 5 years	2,079	702
Non -current after 5 years	1,780	–
Total lease liabilities	**4,685**	2,399

Reconciliation of minimum lease payments and present value

	2025 £'000	2024 £'000
Within 1 year	1,099	1,739
Later than 1 year and less than 5 years	2,866	954
After 5 years	2,082	–
Total minimum lease payments	6,047	2,693
Less: interest cash flows	(1,362)	(294)
Present value of lease liabilities	**4,685**	2,399

Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less). Payments made under such leases are expensed on a straight-line basis.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	2025 £'000	2024 £'000
Short term leases	**297**	338

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

26. Borrowings

	2025 £'000	2024 £'000
Non – current		
Bank loans	**17,000**	–
	17,000	–

On 13 September 2024, the Company entered into a facility agreement with a syndicate of lenders comprising Barclays Bank plc and HSBC UK Bank plc. The agreement provides for an unsecured £20 million revolving credit facility, with an additional uncommitted accordion facility of up to £15 million. The bank loan is in relation to the drawdown of this credit facility.

The facility has an initial term of three years, with the option for the Company to extend by up to two further years.

Interest is charged at SONIA plus a margin, with the margin ranging from 1.70% to 2.50% per annum, based on the Company's financial leverage. The Company met the relevant covenant requirements during the year, and as such, the lowest margin of 1.70% was applied throughout the period. A commitment fee is also charged on the undrawn portion of the facility, ranging from 0.595% to 0.875% depending on the applicable margin.

Financial covenants

The facility agreement includes the following key financial covenants, tested quarterly:

- Covenant Leverage Ratio: Net Debt to Adjusted EBITDA must not exceed 3.0:1; and
- Interest Cover Ratio: Adjusted EBITDA to Net Finance Charges must be at least 3.5:1.

The Company complied with all covenant requirements throughout the year.

27. Provisions

	2025	2024
Amounts falling after one year		
Lease liability dilapidations	**622**	698
Other provisions	**2,765**	670
	3,387	1,368

Provisions

	Other provisions £'000
1 April 2023	480
Increase in provision during the year[1]	190
At 31 March 2024	670
Provisions recognised on business combinations[2]	2,095
At 31 March 2025	2,765

1 Reflects increases in existing provisions due to updated estimates.
2 Provisions recognised as part of the fair value exercise on acquisition of subsidiaries during the year.

Other provisions include £670,000 relating to the VAT treatment of certain management referral services within TP Health Limited. This reflects an ongoing assessment of the appropriate partial exemption rate. The remaining provision of £2.095 million is a new provision recognised during the year and arises from the acquisition of Optima Health (Birmingham) Limited. It relates to potential amounts payable as a result of clarification of the VAT position in Optima Health (Birmingham) Limited.

27. Provisions continued

Lease liability dilapidations	Leasehold property £'000
1 April 2023	680
Additions	44
Disposal	(26)
At 31 March 2024	698
Additions	65
Disposals	(43)
Utilised during the period	(98)
At 31 March 2025	**622**

28. Deferred tax

	2025 £'000	2024 £'000
Deferred tax liability		
Opening balance	**14,413**	16,416
Arising on business combinations	**185**	–
Credited to the income statement	**(1,506)**	(2,003)
	13,092	14,413

The following are the major deferred tax liabilities and (assets) recognised by the Group and the movements thereon during the year:

	Acquisition intangibles £'000	**Other fixed asset timing difference £'000**	**Other short term timing difference £'000**	**Total £'000**
1 April 2023	16,109	722	(415)	16,416
Charge to the income statements	(1,614)	(378)	(11)	(2,003)
At 31 March 2024	14,495	344	(426)	14,413
Credited to the income statements	(1,479)	(277)	250	(1,506)
Acquisitions in the year	185	–	–	185
At 31 March 2025	**13,201**	**67**	**(176)**	**13,092**

Deferred tax liabilities comprise the value of the effective corporation tax for each period, relating to the value of intangible assets acquired from business combinations, over the amortisation period.

29. Business combinations

During the period, the following business combination occurred.

Optima Health (Birmingham) Limited

On 31 January 2025, Optima Health UK Limited acquired 100% of the share capital of Optima Health (Birmingham) Limited (formerly BHSF Occupational Health Limited). Optima Health Plc holds a 100% indirect shareholding in Optima Health UK Limited.

Optima Health (Birmingham) Limited is a UK-based provider of occupational health services, with a small volume of trading activity in the Republic of Ireland. The company delivers a range of services focused on preventing work-related illnesses and injuries, protecting employees from occupational hazards, and promoting workplace health and wellbeing. It brings an established customer base and a team of approximately 60 experienced occupational health clinicians.

The acquisition is in line with Optima Health's strategic focus on expanding its clinical capabilities and customer reach across the UK and Ireland. The transaction is expected to strengthen the Group's position in the occupational health sector and be earnings accretive in the first full year of ownership.

29. Business combinations continued

The total consideration amounted to £2,447k, comprising £2,323k paid in cash on completion and a completion accounts adjustment payment of £124k. After deducting the cash balance acquired the net cash outflow was £1,182k.

The following table summarises the fair value of assets acquired, and liabilities assumed at the acquisition date. These figures are provisional as the purchase accounting is not yet finalised.

	Provisional fair value £'000
Intangible assets – customer relationships	699
Property, plant and equipment	84
Intangibles assets – software	4
Inventories	5
Trade and other receivables (Gross)	1,347
Less: Loss Allowance on trade receivables	(155)
Cash and cash equivalents	1,265
Trade and other payables	(825)
Provisions	(2,095)
Deferred tax liabilities	(185)
Net assets acquired	144
Goodwill	2,303
Consideration	2,447

	£'000
Purchase consideration	
Cash consideration for shares	2,323
Completion accounts payment	124
	2,447

A Deferred tax liability has been recognised on the value of intangible assets at the tax rate applicable at the time the asset is expected to be realised. Costs incurred relating to the acquisition amounting to £39k have been recognised as an expense and charged to profit or loss.

Goodwill of £2.3 million was recognised, reflecting expected synergies, the value of the assembled workforce, and other intangible benefits not separately recognised under IFRS 3. None of the goodwill is expected to be deductible for tax purposes.

From the acquisition date to 31 March 2025, the acquiree contributed £1.26 million in revenue and £0.05 million in profit before tax to the Group's consolidated results.

Had the acquisition taken place on 1 April 2024, the Group's consolidated revenue and profit before tax for the year ended 31 March 2025 would have been approximately £112.6 million and £2.9 million respectively.

30. Financial instruments

Financial assets

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

	2025 £'000	2024 £'000
Trade receivables	**8,930**	9,168
Contract assets	**8,718**	7,248
Other receivables	**237**	195
Cash and cash equivalents	**14,797**	21,096
	32,682	37,707

30. Financial instruments continued

Financial liabilities

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

	2025 £'000	2024 £'000
Trade payables	**1,539**	3,009
Other payables	**846**	672
Accruals	**4,316**	10,053
Amounts owed to related parties	**–**	55,081
Lease liabilities	**4,685**	2,399
Borrowings	**17,000**	–
	28,386	71,214

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

Financial risk management

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

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

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 and arises principally from the Group's receivables from customers and from cash balances held at banks. In order to minimise the Group's credit risk on receivables from customers, the Group endeavours only to deal with companies which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The Group mitigates credit risk arising on cash balances held at banks by using only reputable financial institutions with a high credit rating. The maximum exposure to credit risk is the carrying value of its financial receivables, trade and other receivables and cash and cash equivalents as disclosed.

The receivables' age analysis is evaluated on a regular basis for potential doubtful debts, considering historic, current and forward-looking information. Impairments are made to trade receivables when management consider the debt unlikely to be received. Impairments to trade receivables have been made in each of the period as detailed below.

The following table provides information about the exposure to credit risk and ECLs for trade receivables

	< 30 £'000	30 – 60 £'000	60- 90 £'000	> 90 £'000	Total gross £'000	ECL £'000	Total net £'000	ECL rate
Ageing:								
31 March 2024	7,474	509	336	1,186	9,505	(337)	9,168	3.54%
31 March 2025	**8,052**	**194**	**180**	**814**	**9,240**	**(310)**	**8,930**	**3.35%**

Other non-trade receivables do not contain impaired assets.

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

30. Financial instruments continued

Liquidity risk

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

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

	2025 £'000	2024 £'000
Less than one year:		
Trade and other payables	**2,385**	3,681
Accruals	**4,316**	10,053
Amounts owed to related parties	**–**	55,081
Lease liabilities	**1,099**	1,739
	7,800	70,554
Later than 1 year and less than 5 years:		
Lease liabilities	**2,866**	954
Borrowings	**17,000**	–
	19,866	954
More than 5 years:		
Lease liabilities	**2,082**	–
	2,082	–
Total including interest cash flows	**29,748**	71,508
Less: interest cash flows	**(1,362)**	(294)
Total principal cash flows	**28,386**	71,214

A maturity analysis of lease liabilities is included in note 25.

Market risk

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

Interest rate risk

The Group's interest rate exposure arises mainly from the interest-bearing borrowings as disclosed in notes 26. All of the Group's facilities were floating rates excluding interest on finance leases, which exposed the entity to cash flow risk. As at 31 March 2025, there is a revolving credit facility with HSBC Bank Plc. which is subject to floating interest rates, at SONIA plus a margin between 1.70% and 2.50%. Repayments and inferred interest rates applicable to leases recognised on right-of-use assets under IFRS 16 are fixed and there is no significant exposure to interest rate risk.

30. Financial instruments continued

Interest rate sensitivity

The Group's exposure to interest rate risk arises primarily from floating rate borrowings. Lease liabilities recognised under IFRS 16 have been excluded from this analysis as the interest rates applicable are predominantly fixed and do not expose the Group to significant interest rate risk.

If interest rates had been 100 basis points higher during the year ended 31 March 2025, and all other variables were held constant, the Group's profit before tax would have been approximately £63,000 lower, due to increased interest expense on floating rate borrowings.

This sensitivity analysis is based on the weighted average balance of borrowings subject to floating interest rates during the year. It aims to illustrate the potential impact of reasonably possible changes in market interest rates on profit before tax at the reporting date. The analysis does not reflect potential changes in exposure or management's actions to mitigate interest rate risk.

For the prior year ended 31 March 2024, no sensitivity analysis is presented as the Group did not have interest-bearing borrowings during that period.

Foreign exchange risk

The Group operates mostly in the United Kingdom and as such the majority of the Group's and Company's financial assets and liabilities are denominated in Sterling and there is no material exposure to exchange risk.

Capital disclosures

The capital structure of the business consists of cash and cash equivalents and equity. Equity comprises share capital, share premium and retained earnings and is equal to the amount shown as 'Equity' in the statement of financial position.

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

– Safeguard the Group's ability as a going concern so that it can continue to pursue its growth plans;

– Provide a reasonable expectation of future returns to shareholders; and

– Maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term.

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

31. Capital and contingencies

Capital and financial commitments

The Group held nil capital, financial and or other commitments at the year ended of 31 March 2025 (2024: nil).

32. Related party transactions

Key management personnel compensation is presented in note 10.

Other related party transactions

		Transaction amount		Balance owed	
Related party relationship	Type of transaction	**31 March 2025 £'000**	31 March 2024 £'000	**31 March 2025 £'000**	31 March 2024 £'000
Marlowe plc	Related party loan received	–	6,198	–	55,081
Marlowe plc	Management charges payable	–	80	–	26

Amounts owed to related parties included balances owed to the ultimate controlling party and other members of the pre-demerger group. All related party loans were unsecured, bore no interest and were repayable on demand. The loans were released as part of the de-merger in September 2024 and were therefore credited to the capital contribution reserve.

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

33. Changes in liabilities from financing activities

	Balance at 1 April 2024 £'000	Financing cash flows £'000	Interest expense £'000	Other adjustments £'000	**31 March 2025 £'000**
Lease liabilities	2,399	(1,123)	224	3,185	**4,685**
Borrowings	–	16,559	441	–	**17,000**
Related party loans	55,081	–	–	(55,081)	**–**
Total liabilities from financing activities	57,480	15,436	665	(51,896)	**21,685**

Analysis of net debt excluding leases:

	2025 £'000	2024 £'000
Cash at bank and in hand	**14,797**	21,096
Related party loans	**–**	(55,081)
Bank Borrowings	**(17,000)**	–
	(2,203)	(33,985)

Related party loans were released during the year following the demerger from Marlowe Plc and form part of the capital contribution reserve.

34. Share capital

Allotted, called up and fully paid	Share capital £'000	£0.01 Ordinary shares No.	£0.01 Ordinary A shares No.	Share premium £'000
Balance at 1 April 2023	–	100	825	825
Issue of Ordinary A shares	–	–	150	150
Balance at 31 March 2024	–	100	975	975
Balance at 1 April 2024	–	100	975	975
Issue of Ordinary A shares	–	–	32	51
Issue of Ordinary shares	888	88,775,901	–	1,967
Reclassification of Ordinary A shares	–	1007	(1,007)	–
Cancellation of Ordinary shares	–	(782)	–	–
Balance at 31 March 2025	**888**	**88,776,226**	**–**	**2,993**

All classes of shares have full voting, dividends and capital distribution rights. Of the shares issued during the year, £1.98 million was settled in cash, with the remaining balance applied to settle amounts owed to Marlowe plc under an intercompany loan

35. Reserves

Share premium

The share premium account consists of the amount of consideration received for shares issued above their nominal value net of transaction costs.

Capital contribution reserve

The capital contribution reserve represents non-cash contributions to the Company from equity holders.

In September 2024, as part of the demerger process, loans due to Marlowe plc were released and the management incentive scheme liability was settled by Marlowe plc, resulting in £56.7m being credited to the capital contribution reserve in the period.

The reserve is available for distribution in accordance with Section 830 of Companies Act 2006.

Other reserves

Other reserve consists of all shares-based payment for schemes that have not yet vested. Details of the share-based payments are set out in note 36.

Retained earnings

This reserve records the accumulated profits and losses of the Group less dividends paid.

36. Share based payments

The Group operates a long-term incentive scheme the Optima Health Share Plan (OHSP) to incentivise and reward key management in order to bring long-term value creation and aligning their interests directly with shareholders.

Participants in the OHSP have been awarded with performance units that will convert into new ordinary shares in the Company in the form of nil-cost options ("OHSP Performance Units") at the end of a five-year performance period ending on 30 January 2030 (the "Performance Period"), provided that the value created for shareholders during the Performance Period is in excess of a hurdle calculated by reference to the market capitalisation of the Company being in excess of a performance hurdle of £225 million. On vesting of the award, participants are entitled to share in 5% of any value of the Company in excess of this market capitalisation. This will be delivered in the form of an option and will be exercisable as follows:

- 50% of the award on 30 January 2028.
- 25% of the award on 30 January 2029.
- 25% of the award on 30 January 2030.

The OHSP units were valued using a Monte Carlo model. The effective dates of the award are deemed to be 30 January 2025 (90% of the units).

Key Assumptions

Grant date	30 January 2025
Proportion of total award granted	90%
Projection period	5 years
Initial share capital	88,776,226 shares
Share price at grant date	£1.49
Market Capitalisation at grant date	£132.28m
Target Market Capitalisation	£225m
Dividend yield	Nil
Risk free rate	4.07%
Volatility	40%
Fair value of award	**£833k**

The volatility was measured by calculating the standard deviation of the natural logarithm of share price movements of a selection of Optima Health's peers.

A charge of £39k (2024: £nil) was recognised in respect of the OHSP scheme, this is currently included within administration costs in the statement of comprehensive income.

37. Pensions

The Group operates a number of defined contribution schemes for all qualifying employees. The assets of the schemes are held separately from those of the Group. The total cost charged to profit or loss of £2.53m (2024 £2.66m)

38. Contingent assets

The Group has successfully appealed a procurement matter relating to a tender issued by the Department for Work and Pensions (DWP) in the Court of Appeal. While it is probable that a financial settlement will be received, there is uncertainty regarding the nature, amount and the timing of the settlement. As a result, no asset has been recognised in the financial statements at this time due to this uncertainty.

NOTES TO THE GROUP FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

39. Post balance sheet events

On 11 April 2025, the Group entered into an agreement to acquire the entire issued share capital of Cognate Health Limited on a cash-free, debt-free basis, subject to adjustment for normalised working capital. While the majority of the share capital was acquired on that date, completion of the remaining shares occurred in May 2025. Optima Health will pay an initial consideration of approximately €7 million, subject to adjustments based on completion accounts. In addition, earn-out consideration of up to €2 million may become payable following the first two anniversaries of the acquisition, contingent upon the achievement of certain agreed financial performance targets. The acquisition is being financed through the Group's existing facilities. For the 12 months ended 31 December 2024, Cognate Health Limited reported audited revenue of €7.37 million, profit before taxation of €0.86 million, and net assets of €1.28 million.

On 6thMay 2025 the group acquired the entire trade and assets of Care first on a cash free, debt free basis, Optima Health will pay a consideration of £350,000 on completion, offset by an apportionment adjustment of £335,000, meaning a net consideration of £15,000. The Acquisition will be financed using the Group's existing financing facilities. In the 12 months to December 2024, Care first generated unaudited revenue of £4.4 million.

Initial accounting for the business combinations is not yet complete and the fair value of net assets acquired has not yet been determined; accordingly details of assets acquired and liabilities assumed, and goodwill arising on acquisitions, cannot be given.

COMPANY – OPTIMA HEALTH PLC STATEMENT OF FINANCIAL POSITION

as at 31 March 2025

	Note	2025 £'000	2024 £'000
Assets			
Non-current assets			
Investments	43	**148,078**	21,580
Total non-current assets		**148,078**	21,580
Current assets			
Trade and other receivables	44	**1,044**	3,567
Cash and cash equivalents		**6,973**	–
Total current assets		**8,017**	3,567
Total assets		**156,095**	25,147
Liabilities			
Current liabilities			
Trade and other payables	46	**3,851**	26,979
Total current liabilities		**3,851**	26,979
Non-current liabilities			
Borrowings	47	**17,000**	–
Total non-current liabilities		**17,000**	–
Total liabilities		**20,851**	26,979
Net assets/(liabilities)		**135,244**	(1,832)
Equity			
Share capital	50	**888**	–
Share premium	50	**2,993**	975
Capital contribution reserve	51	**128,186**	–
Other reserves	51	**39**	–
Retained earnings	51	**3,138**	(2,807)
Total equity applicable to owners of the parent		**135,244**	(1,832)

In accordance with section 408 of the Companies Act 2006, the Company has not presented its own income statement in these financial statements. The Company results for the year included a profit after tax of £5.95m (2024: £1.23m)

These financial statements were approved by the board of Directors and authorised for issue on 24 July 2025 and were signed on its behalf by:

Jonathan Thomas
Chief Executive Officer

COMPANY – OPTIMA HEALTH PLC STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Note	Share capital £'000	Share premium £'000	Capital contribution reserve £'000	Other reserve £'000	Retained earnings £'000	Total equity £'000
Balance as at 1 April 2023		–	825	–	–	(4,035)	(3,210)
Total comprehensive income							
Profit for the year		–	–	–	–	1,228	1,228
Transactions with owners							
Issue of shares		–	150	–	–	–	150
Dividends paid		–	–	–	–	–	–
Balance as at 31 March 2024		–	975	–	–	(2,807)	(1,832)
Balance as at 1 April 2024		–	975	–	–	(2,807)	(1,832)
Total comprehensive income							
Profit for the year		–	–	–	–	5,945	5,945
Share based payments		–	–	–	39	–	39
Transactions with owners							
Group reorganisation	51	–	–	148,932	–	–	148,932
Issue of shares	50	888	2,018	–	–	–	2,906
Dividends paid		–	–	(20,746)	–	–	(20,746)
Balance as at 31 March 2025		**888**	**2,993**	**128,186**	**39**	**3,138**	**135,244**

NOTES TO THE COMPANY FINANCIAL STATEMENTS

For the year ended 31 March 2025

Company accounting policies

Basis of preparation and transition to FRS 101

For the year ended 31 March 2025, the company has adopted FRS 101 "Reduced Disclosure Framework" for the first time, having previously applied FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The transition to FRS 101 has been applied in accordance with FRS 100 "Application of Financial Reporting Requirements" and the relevant paragraphs of IFRS 1, as interpreted under FRS 101.

There has been no change in recognition or measurement of the company's assets, liabilities, or results as a consequence of the adoption of FRS 101.

Accordingly, no reconciliations of equity or comprehensive income under IFRS 1 paragraph 20 are presented.

In preparing these financial statements, the Company has applied the recognition and measurement principles of adopted IFRS, with modifications where necessary to comply with the Companies Act 2006. The Company has adopted the following accounting policies, consistent with those applied by the Group: Revenue, Interest Income, Property, Plant and Equipment, Acquisition and Other Costs, Leased Assets, Investments, Trade and Other Receivables, Cash and Cash Equivalents, Trade Payables, Borrowings, Taxation, Provisions, Share-based Payments, Pensions, and Financial Instruments.

The Company has taken advantage of the following disclosure exemptions available under FRS 101:

- Paragraphs 45(b) and 46–52 of IFRS 2 "Share-based Payment", as equivalent disclosures are provided in the Group's consolidated financial statements;
- IFRS 7 "Financial Instruments: Disclosures", as the Group's consolidated financial statements include the relevant disclosures;
- Paragraphs 91–99 of IFRS 13 "Fair Value Measurement", since the disclosures are included in the Group's consolidated financial statements;
- Paragraph 38 of IAS 1 "Presentation of Financial Statements" relating to the presentation of comparative information in respect of:
  - Paragraph 73(e) of IAS 16 "Property, Plant and Equipment" and paragraph 118(e) of IAS 38 "Intangible Assets";
- Paragraphs 10(d), 10(f), 39(c), 40A–40D and 134–136 of IAS 1 "Presentation of Financial Statements";
- The entirety of IAS 7 "Statement of Cash Flows";
- Paragraphs 30 and 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors";
- Paragraphs in IAS 24 "Related Party Disclosures" relating to transactions between group entities, provided all parties involved are wholly owned within the Group;
- Paragraph 58 of IFRS 16 regarding lessee maturity analysis of lease liabilities;
- Paragraphs 130(f)(ii), 130(f)(iii), 134(d)–134(f), and 135(c)–135(e) of IAS 36 "Impairment of Assets" and;
- The requirement to include a statement of compliance with IFRS (a statement of compliance with FRS 101 is provided instead).

Going concern

These financial statements have been prepared on a going concern basis. This assessment is supported by the Company's ability to generate management fees, access funding from other Group companies, and the existence of a committed financing facility. Further information on the going concern assessment is included in the Group's consolidated financial statements in note 4 and applies to the Parent Company.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

Company profit and loss account

In accordance with section 408 of the Companies Act 2006, the Company is exempt from presenting its individual profit and loss account. The Company's financial performance for the year is included in the consolidated financial statements.

Critical accounting judgements and estimates

In applying the Company's accounting policies, management has made no judgments and estimates that have a significant impact on the amounts recognised in these financial statements.

Investment in subsidiaries

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Dividends received

Dividends received are recognised in profit or loss as a return on capital when the right to receive payment is established.

40. Employee

Average number of employees in the year was 3 (2024: nil).

41. Dividends received

	2025 £'000	2024 £'000
Dividends received from subsidiaries	9,500	–
	9,500	–

42. Ordinary dividends paid

	2025 £'000	2024 £'000
Interim dividends paid	20,746	–
	20,746	–

No final dividend has been approved or is expected to be for year ended 31 March 2025 (2024: £nil).

43. Investment in subsidiaries

	£'000
Investments as at 1 April 2024	**21,580**
Transfers from Marlowe Plc	**126,498**
Investments as at 31 March 2025	**148,078**

The investments in Optima Health Group Limited, Network for Staff Supporters Limited and Healthwork Group Limited was transferred to the Company on demerger from Marlowe Plc and has been recognised at the book value previously recognised in Marlowe Plc and is included as a capital contribution from Marlowe Plc.

Optima Health Plc owns directly the whole of the issued and fully paid ordinary share capital of its subsidiary undertakings.

The subsidiary undertakings are presented below:

Subsidiaries	Date acquired into the Group	Proportion of ordinary shares held at each year end	Direct or indirectly held
Optima Health Group Limited	24 January 2022	100%	Direct
OH Assist Intermediate Limited	24 January 2022	100%	Indirect
OH Assist Finance Limited	24 January 2022	100%	Indirect
OH Assist Limited	24 January 2022	100%	Indirect
Optima Health UK Limited	24 January 2022	100%	Indirect
Optima Health Medical Assessments Limited	24 January 2022	100%	Indirect
Healthy Performance Limited	24 January 2022	100%	Indirect
TP Health (Holdings) Limited	14 April 2022	100%	Direct
TP Health Limited	14 April 2022	100%	Indirect
Healthwork Group Limited	9 June 2021	100%	Direct
Network of Staff Supporters Limited	4 December 2020	100%	Direct
Optima Health (Birmingham) Limited	31 January 2025	100%	Indirect

All subsidiaries of the Company are incorporated in England & Wales and have a registered address of Meadow Court, 2 Hayland Street, Sheffield, England, S9 1BY.

44. Trade and other receivables

	2025 £'000	2024 £'000
Intercompany loans receivable	**839**	2,941
Prepayments	**205**	–
Deferred tax asset (see note below)	**–**	626
	1,044	3,567

45. Deferred tax asset

	2025 £'000	2024 £'000
Deferred tax asset		
Opening balance	**626**	–
Credited to the income statement	**(626)**	626
	–	626

Deferred tax assets comprise the value of the effective corporation tax for each period, for costs relating to the legacy management incentive plan while the company was part of Marlowe Plc, the plan was settled by Marlowe Plc on demerger.

NOTES TO THE COMPANY FINANCIAL STATEMENTS continued

For the year ended 31 March 2025

46. Trade and other payables

	2025 £'000	2024 £'000
Amounts falling due within one year		
Accruals	**183**	2,502
Intercompany loans payable	**3,668**	24,477
	3,851	26,979

Intercompany loans are interest-free, unsecured, and repayable on demand. There are no fixed repayment terms, and the company expects to settle these balances in the normal course of business.

47. Borrowings

	2025 £'000	2024 £'000
Non – current		
Bank loans	**17,000**	–
	17,000	–

The long-term bank loan is in relation to the drawdown of an unsecured revolving credit facility of £20m with an uncommitted accordion facility of up to £15m. The facilities are for an initial term of three years with an option for the Company to extend by up to two years.

48. Capital and contingencies

Capital and financial commitments

The company held nil capital, financial and or other commitments at the year ended of 31 March 2025(2024: nil).

49. Related party transactions

	2025 £'000	2024 £'000
Current		
Amounts owed by related parties	**839**	2,941
Amounts owed to related parties	**3,668**	24,477

Amounts owed to related parties included balances owed to the pre-demerger ultimate controlling party and other members of the group. All related party loans were unsecured, bore no interest and were repayable on demand. The loans from Marlowe Plc amounting to £22.434m were released as part of the de-merger in September 2024 and were therefore credited to the capital contribution reserve.

50. Share capital

Allotted, called up and fully paid	Share capital £'000	£0.01 Ordinary shares No.	£0.01 Ordinary A shares No.	Share premium £'000
Balance at 1 April 2023	–	100	825	825
Issue of Ordinary A shares	–	–	150	150
Balance at 31 March 2024	–	100	975	975
Balance at 1 April 2024	–	100	975	975
Issue of Ordinary A shares	–	–	32	51
Issue of Ordinary shares	888	88,775,901	–	1,967
Reclassification of Ordinary A shares	–	1007	(1,007)	–
Cancellation of Ordinary shares	–	(782)	–	–
Balance at 31 March 2025	**888**	**88,776,226**	**–**	**2,993**

All classes of shares have full voting, dividends and capital distribution rights.

51. Reserves

Share premium

The share premium account consists of the amount of consideration received for shares issued above their nominal value net of transaction costs.

Capital contribution reserve

The capital contribution reserve represents non-cash contributions to the Company from equity holders. This includes £126.5m for the recognition of the investment in subsidiaries transferred from Marlowe plc for £nil consideration.

In September 2024, as part of the demerger process, loans due to Marlowe plc were released and the management incentive scheme liability was settled by Marlowe plc, resulting in £22.4m being credited to the capital contribution reserve in the period.

The reserve is available for distribution in accordance with Section 830 of Companies Act 2006.

Other reserves

Other reserve consists of all shares-based payment for schemes that have not yet vested. Details of the share-based payments are set out in note 36.

Retained earnings

This reserve records the accumulated profits and losses of the company less dividends paid.

52. Share based payments

The Group operates a long-term incentive scheme the Optima Health Share Plan (OHSP) to incentivise and reward key management in order to bring long-term value creation and aligning their interests directly with shareholders. Please see note 36 for details.

53. Post balance sheet events

Details of post balance sheet events can be found in note 39.

ADDITIONAL INFORMATION

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Optima Health Plc

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