National scale.

Our proven strategy has continued to deliver in FY25 with an excellent underlying profit performance despite a challenging macroeconomic environment.

DIRECTORS' REPORT

Regional focus.

Corporate governance

An experienced board with a range of skills.

Key to Director skills

- Legal
- Finance and Banking
- People
- Operational
- Governance, Risk Management and Control
- Sustainability
- Strategy and M&A

David Beech
Chief Executive Officer

A corporate lawyer and former manager of a private equity fund, David joined Knights in 2011 with the vision to transform the business into the UK's leading legal and professional services business outside London. David acquired and remodelled Knights in 2012 with a clear strategy to transform the business into a growth platform.

Kate Lewis
Chief Financial Officer

Kate is a Chartered Accountant and has been a member of the ICAEW since 1996. After qualifying, Kate spent over 10 years as an Audit Manager at Baker Tilly and KPMG.

Kate joined Knights in 2012 as Finance Director, overseeing its corporatisation, several refinancing's, the IPO in June 2018, and all of its acquisitions.

Dave Wilson
Non-Executive Chairman

Dave has over 35 years international, board-level, and operational experience, having spent 12 years in senior roles, including as Deputy Chief Executive Officer at AIM-listed GB Group plc.

Other senior positions included roles as Chief Financial Officer at Codemasters and EXi Group, and Chief Operating Officer for a division of Fujitsu. Dave is currently Chair of AIM-listed media group, LBG Media plc.

Gillian Davies
Senior Independent Non-Executive Director

Gillian is a Chartered Accountant and has extensive experience as an Executive and non-executive Director on listed Boards. She spent 11 years as Group Finance Director of 4imprint Group plc, during which time the group was extensively restructured and delivered significant growth. More recently, she was CFO of AIM listed Harwood Wealth Management Group plc until its sale to Private Equity as well as NED and Chair of Audit for Ten Lifestyle Group plc and Procook Group plc.

Jane Pateman
Non-Executive Director

Jane most recently was Group HR Director at Biffa plc. She has a strong track record in driving business benefits through the development and delivery of human capital strategies. During her 14 years at Biffa, she provided significant support in delivering solutions during major growth periods, including during its IPO, as well as driving people and cultural integration for the multiple acquisitions Biffa has made in recent years and its subsequent return to private ownership. Jane is also a Co-Optee to the Board of We Are With You, a charity supporting individuals with dependencies on drugs and alcohol.

“I’m honoured to lead the Board as it maintains its strong and ongoing commitment to a robust corporate governance model – one that reflects the scale and complexity of our business and delivers value for all stakeholders.”

Dave Wilson
Non-Executive Chairman

The Board is committed to maintaining a strong corporate governance framework to support the long-term growth and sustainability of the business. To this end, it has chosen to adopt the principles outlined in the Corporate Governance Code for small and mid-sized companies, issued by the Quoted Companies Alliance in April 2023 (the ‘QCA Code’)

Set out on the next pages are the key principles adopted by the Board in order to comply with the QCA Code.

	Governance principle	Compliant	Explanation	Further reading
1	Establish a purpose, strategy and business model which promotes long-term value for shareholders	✓	Our purpose is to bring a differentiated quality and breadth of legal and professional services to the under-served UK regions underpinned by a unique delivery platform and a collaborative one-team culture. Our strategy is to be the UK's largest regional legal services business and we aim to achieve this through: • accelerating our recruitment of new partners and teams; • continuing our acquisition of culturally aligned law firms as consolidation of the sector accelerates, within both existing and new locations; • opening new offices in target regional locations; • continuing to expand the breadth of our services we can offer to our clients; and • building on our delivery platform to increase productivity and efficiency, with a focus on investment in our systems and technology	See page 16
2	Promote a corporate culture that is based on ethical values and behaviours	✓	We pride ourselves on our one team culture. Maintaining a transparent and collaborative culture through consistent engagement with our colleagues and key stakeholders is integral to our success and we achieve this in a variety of ways including: • having a flat leadership structure with day-to-day management of our people and teams by Client Services Directors and Business Services Directors. Each Client Services Director is responsible for between two and three offices. This ensures regular one-to-one interaction, creating a culture of trust and candour with and amongst colleagues; • having an equal opportunity approach to the recruitment of new colleagues and throughout their employment in our business; • high levels of personal engagement with and among all our people, supported by our intranet, The Hub, which enables us to send general and tailored communications across the entire business, ensuring that all colleagues are aware of key activities and communications across our offices; • having a centralised in person welcome programme for all colleagues during which we explain our business, our purpose and one team culture in addition to how to use our systems and our policies and procedures; • holding regular engagement sessions and workshops with all employees, centrally with the leadership team and locally by Client Services Directors and Business Services Directors, supported by CEO updates to the whole business during the financial year; • having a dedicated central compliance team to support colleagues with ethical and regulatory matters; and • undertaking internal reviews which include awareness interviews with colleagues to ensure that they understand key policies and procedures and how they can access support.	See pages 26 – 35 and page 46

	Governance principle	Compliant	Explanation	Further reading
3	Seek to understand and meet shareholder needs and expectations	✓	The Board regularly communicates with investors and analysts as a matter of course, and receives presentations from corporate brokers on investor perception. The Board also takes advice and guidance from its advisers on key issues for shareholders in planning all communications. During the year: • the Chairman has independently met with investors to understand how the strategy, action and performance of the business is perceived by the investor community; and • a management incentive plan was implemented whereby performance share awards and restricted stock awards were granted to key members of the management team. Prior to granting these awards the Chair of our Remuneration Committee wrote to certain material shareholders outlining the proposals to seek investor feedback on the design and implementation of the awards. Feedback received from these responses was delivered to the Board to ensure that consideration of investor needs and expectations and the business strategy are aligned. The Board also believes that the results presentations and our Annual General Meeting provide a platform for transparency and engagement with investors.	www.knightsplc.com/company/investors/corporate-governance/
4	Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for long-term success	✓	Aside from our shareholders, our clients, employees, suppliers, and regulators are our most important stakeholders.. We engage with these communities via regular communications in our day-to-day activities including: • the Group takes a proactive approach to communicating with clients, with the CEO and members of the leadership team and relationship holders within the business meeting existing and potential clients regularly, to maintain our strong, collaborative working relationships. Regular feedback is given to the Board on the outcome of those client reviews to ensure that the business consistently considers opportunities to improve the client experience whilst maintaining its excellent responsive standards of advice. Nurturing existing client relationships and new client opportunities is central to one of the Group's strategic priorities, organic growth; • regular colleague feedback via surveys conducted via our intranet, our eNPS survey, continuous colleague engagement via Client Services Directors, Business Services Directors and the Executive Directors. The new training facilities available from the refurbishment of the Stoke office has increased ability to provide regular in person training and collaboration sessions with all colleagues within the business; • regular review meetings with our suppliers to understand key business developments of each party, performance against key performance indicators and opportunities and challenges; and • bi-annual meetings with the SRA to discuss key business developments and regulatory risks/challenges, the outcome of thematic review and forthcoming areas of focus. We recognise the importance of the contribution that we can make by supporting our local communities and on environmental issues and our ESG report refers to the role that we play in this regard.	See pages 26 – 35 and page 46

	Governance principle	Compliant	Explanation	Further reading
5	Embed effective risk management, internal controls and assurance activities considering both opportunities and threats, throughout the organisation	✓	The Board sets our overarching framework and approach and the impact of any changes to the risk profile, driven by both macro and micro environmental conditions, ensuring that we manage risk appropriately across the Group. The Executive Board, supported by the Group's General Counsel has management responsibility for risk and internal control with the Board completing a full review bi-annually of the risk profile to consider any emerging risks or notable changes in existing risks. Risk owners review the risks included within our risk register which they are responsible for quarterly and feed back to General Counsel any changes to risks or additional mitigating actions that are being carried out. Risk assessments are also conducted regarding those activities which are not considered to be 'business as usual' in order to ensure that any risks associated with a new project have been fully considered and assessed prior to new projects being implemented. Internal information security audits are conducted throughout the year, together with annual external audits from the British Standards Institute to maintain our ISO 27001 accreditation for information security. Independent third-party audits are conducted every two years in respect of our anti money laundering compliance activities. As part of the audit planning process, the auditor also provided confirmation that in their opinion the external auditor, RSM UK Audit LLP, was independent within the meaning of regulatory and professional requirements and that the objectivity of the audit partner and team remained unimpaired. This primarily involves a review of other services carried out by the auditor during the year and length of relationship with the audit partner. We have engaged a third-party consultant to consider and recommend best practice in regard to risk management strategies in regard to climate risk. Feedback from any audits conducted is then given to the relevant risk owners and made available to the Board so that any recommendations can be swiftly implemented.	See pages 58 – 65
6	Establish and maintain the Board as a well-functioning, balanced team led by the Chair	✓	The Board has three established committees for audit, remuneration and disclosure. The composition, tenure and experience of the Board is reviewed regularly by the Board and shareholders are given the opportunity for an annual vote on the re-election of all directors to the Board. Given the size and composition of the Board, the Board does not consider that a nominations committee is required as the Board are able to collectively work together to consider both succession issues and new appointments. The Board conducted its external annual review of its performance and the performance of its committees in February 2025 and considered amongst other issues its mix of skills. It was determined in accordance with that review that the Board maintains a good balance of breadth and experience however the Board would benefit from greater insight into the exploitation of data and information. The Group have appointed a new Chief Information Technology Officer after the year end who will provide insight and overview to the Board to broaden the Board's knowledge within this area. The annual Board review provided open and informative feedback which was reviewed at the subsequent board meeting with any areas for development being actioned.	See pages 66 – 67

	Governance principle	Compliant	Explanation	Further reading
7	Maintain appropriate governance structures and ensure that, individually and collectively, Directors have the necessary up-to-date experience, skills and capabilities	✓	The Board is satisfied that its current composition includes an appropriate balance of skills, experience and capabilities, including experience of recruitment, people management, funding requirements, sustainability and risk management. See pages 66 – 67 for details of the Board's principal skills. Please see our comments at section 6 above regarding broadening the Board's awareness in respect of the exploitation of data and information. In addition, to assist the Board in establishing science based environmental targets further external training will be made available to the Board. As demonstrated the Board obtains external advice and training as required and where the Board considers that it does not possess the necessary expertise or experience it will engage the services of third-party advisers. During the year the Board has focussed on succession planning for Client Services Directors noting the importance of having a sufficient number of leaders with sufficient skills to manage and motivate colleagues within its regional locations. The Board keeps succession planning under continuous review and is continuing to invest in the management team of the business to support the future growth of the business in the medium term.	See pages 68 – 75
8	Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	✓	The Board regularly considers the effectiveness and relevance of its contributions, any learning and development needs and the level of scrutiny of the senior management team and has conducted its first external review during the year with previous reviews having been conducted internally.	See pages 74 – 75

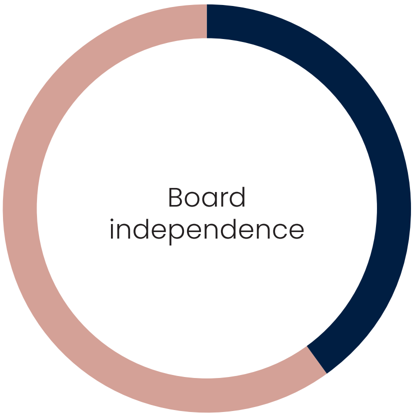
	Governance principle	Compliant	Explanation	Further reading
9	Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture	✓	The Board, supported by the remuneration committee has developed a remuneration policy which is in alignment with the Company purpose and culture and is clearly linked to the successful delivery of the long-term strategy. This is demonstrated by the following: • ensuring that base salaries and pension contributions are appropriate and where increases are awarded, they are normally aligned with increases awarded to the workforce more generally; • linking any annual cash bonus to achievement of annual PBT targets, aligned to the business strategy and with the facility for bonus deferral; and • implementing straight forward long-term incentive share award structures including performance shares subject to the achievement of EPS targets, promoting long-term value for shareholders. In line with principle 9, the annual remuneration report is put to an advisory shareholder vote.	See pages 80 – 83
10	Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	✓	The Group is committed to maintaining good communication and having constructive dialogue with its shareholders. The Chairman has independently met with several shareholders to obtain and consider their feedback. Regular shareholder meetings are held with the CEO and CFO to discuss Group performance, particularly following publication of the Group's interim and full year results and any trading updates. Employees are updated with all key developments within the business and the business maintains transparent and collaborative engagement with its regulators. In addition, a range of corporate information (including copies of presentations and announcements, and an overview of activities of the Group) are available on the Group's website.	www.knightsplc.com/investors

Board Composition

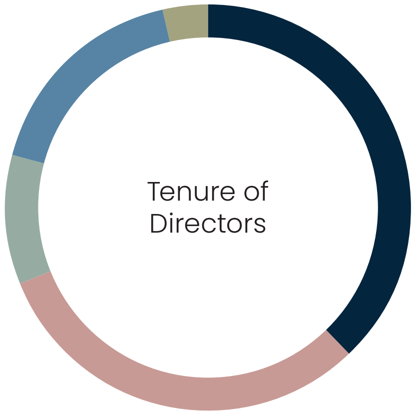
The Board comprises five Directors, two of whom are Executive Directors and three of whom are Non-Executive Directors.

The Board considers that it has an effective blend of financial acumen, public market experience, and complimentary skillsets (details of which are included on pages 66 – 67) to allow it to pursue its strategic growth opportunities whilst dealing with any challenges faced by the Group. The composition of the Board is such that no individual (or a small group of individuals) can dominate the Board's decision-making.

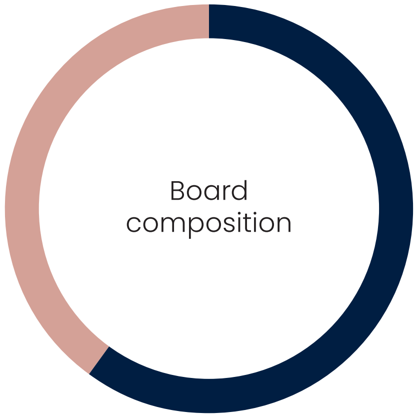
Details of the Board's tenure and independence are set out below:



Executive	2
Non-Executive	3



David Beech	12
Kate Lewis	10
Gillian Davies	4
Jane Pateman	6
Dave Wilson	2



Female	3
Male	2

The Group has an established division of responsibilities between the Chairman of the Board and the CEO, with the Chairman being responsible for the effective leadership and governance of the Board leading the Board's discussions, decision-making and promoting a culture of openness and debate between Executive and Non-Executive Directors. The CEO has delegated authority by the Board to lead the day-to-day management of the Group. This separation of responsibilities between the Chairman and the CEO, coupled with the schedule of matters reserved for the Board ensures that no individual has unfettered powers of decision-making.

Gillian Davies is the Board's Senior Independent Non-Executive Director, acting as a sounding board for the Chairman in seeking to achieve the strategy and the board objectives and is an intermediary for Non-Executive Directors and shareholders alike.

A schedule of regular board meetings is convened throughout the year with additional meetings being held throughout the year to consider and if thought appropriate approve more significant ad hoc decisions such as acquisitions. This ensures that the Board are well-informed and are diligently able to oversee the implementation of the Group's strategy and to consider significant risks to the business. An annual agenda, coupled with periodic reports from the senior management team ensure that the Board can consider all aspects of the business and the Non-Executive Directors have an appropriate forum for update and challenge.

Meeting attendance

Name	Board*	Remuneration	Audit
Dave Wilson	5/5	4/4	3/4
David Beech	5/5	3/4	–
Jane Pateman	5/5	4/4	4/4
Kate Lewis	4/5	2/4	4/4
Gillian Davies	4/5	4/4	4/4

* During the year additional meetings were held principally to approve the terms of the acquisitions undertaken and trading updates and the release of results within the period.

The Company Secretary supports the Board with compliance and governance matters and ensures that all Directors are aware of their right to have any concerns noted, to ask questions regarding ongoing governance requirements and to seek independent advice at the Group's expense where appropriate. The Non-Executive Directors are also encouraged to meet independently to discuss matters if they consider it to be necessary.

Committees

The Group has established an audit committee (the **'Audit Committee'**) and a remuneration committee (the **'Remuneration Committee'**) with formally delegated duties, authority, and responsibilities, and written terms of reference. These terms of reference are reviewed annually to ensure that they remain appropriate and compliant with changes to legislation.

Each Committee is comprised of the Non-Executive Directors with Gillian Davies chairing the Audit Committee and Jane Pateman chairing the Remuneration Committee.

The Committees have unrestricted access to employees of the business or external advisors, to the extent that they consider it necessary in relation to any specific matter under consideration.

During the period the Remuneration Committee has engaged with FIT Remuneration Consultants LLP who have provided external remuneration advice, including providing advice on all aspects of remuneration policy for the Executive Directors. They also advised on the structure and implementation of the management incentive plan and the establishment of the employee benefit trust during the year.

The Audit Committee has met with RSM UK Audit LLP, the Group's auditors, both with and without the presence of Executive Directors and members of the finance team.

Details of the reports of the Remuneration Committee and Audit Committee and their respective responsibilities can be found on pages 76 and 83 respectively of this Report.

The Board has a disclosure committee (the **'Disclosure Committee'**) to enforce its inside information policy and ensure compliance with the Market Abuse Regulation (**'MAR'**) and the AIM Rules for Companies.

The Group has elected not to constitute a dedicated nomination committee, instead retaining such decision-making with the Board given the size and nature of the Board's composition. The Board undertakes a continuous review of the skills and experience required in the business in order to successfully execute its strategic objectives and should it be determined that additional expertise is required, the decision not to constitute a nominations committee would be revisited.

Annual General Meeting ('AGM')

The AGM of the Group will take place on the 24 October 2025 and the Notice of Annual General Meeting which includes the associated resolutions can be found on pages 147 – 152 of this Annual Report.

> "The Audit Committee is responsible for ensuring that the financial performance of the Group is properly reported and reviewed."

Gillian Davies
Chair of the Audit Committee

Its role includes:

- monitoring the integrity of the financial statements (including annual and interim accounts and results announcements);
- reviewing the risk management and internal control systems, reviewing any changes to accounting policies;
- considering the impact of any new accounting standards;
- reviewing and monitoring the extent of any non-audit services undertaken by RSM UK Audit LLP ('RSM'); and
- oversight of the relationship with the external auditors and the quality of the audit completed.

Dear Shareholders

As Chair of the Audit Committee ('Committee') I am pleased to present the Audit Committee Report for the year ended 30 April 2025. The report summarises the remit of the Committee, its key areas of focus for this financial year and the Group's relationship with its external auditors, RSM UK Audit LLP.

The Committee consists of me as Chair and Jane Pateman, with the Chairman, CFO and FD routinely attending by invitation. All members of the committee have recent relevant financial experience. We met four times during the year, with meetings timed to coincide with the full year and half year auditing and reporting timeframes. The Committee has also held discussions with RSM UK Audit LLP, without Executive Directors being present, to discuss any issues arising from their audit work.

Duties

The main duties of the Audit Committee during the year included:

1

Monitoring the integrity of financial statements

The Committee reviewed both the interim and the annual financial statements as well as related results announcements made as part of their disclosure. This process included a review of any judgements made in preparing the results, ensuring sufficient attention was given to matters where significant estimation was involved. This includes revenue recognition, accounting for acquisitions, review of the carrying value of Goodwill and intangible assets and the use of alternative performance measures which are used to enhance shareholder's understanding of the Group's financial performance.

In consideration of the significant accounting judgements used, the Committee reviewed the recommendations of the Chief Financial Officer and received reports from RSM UK Audit LLP on their findings.

These judgements are as follows:

Revenue recognition policy

The Group recognises revenue on legal and professional services provided based on the methodology set out in IFRS 15 Revenue from Contracts with Customers. There is estimation involved in establishing the value that will eventually be recovered on contracts.

Management use the expected outcomes as at the period end to establish the estimated value of ongoing contracts and compare to historic outcomes to ensure reasonableness.

Estimates are updated as work progresses and any changes in revenue recognition as a result of a change in circumstances is recognised in the Consolidated Statement of Comprehensive Income for that year.

In relation to any contingent matters, where the likelihood of success is less than highly probable, the value recognised in contract assets is further reduced to reflect this uncertainty.

The Committee considers that the approach adopted by management is prudent and minimises the risk of overstatement of income resulting in future revenue write-offs.

Accounting for acquisitions

During the year the Group made two acquisitions. Accounting for these acquisitions involves an assessment of the allocation of purchase price, treatment of any deferred and contingent acquisition payments, assessment of the requirement for any fair value adjustments, identification and valuation of the intangible assets arising, together with an estimation of the useful lives of each of these assets.

The fair value attributable to intangible assets arising on acquisition are recognised in accordance with IAS 38 Intangible Assets and is based on a number of estimates, including the long-term revenue growth rate and the related business and discount rate.

Having reviewed management's approach and the resulting accounting treatment of the goodwill and intangible assets, the Committee is satisfied that the approach adopted in the financial statements is reasonable and fairly represents the underlying transactions.

Goodwill and intangible assets impairment

At the year-end there is £106m recognised in the financial statements relating to goodwill and intangible assets from both current and prior year acquisitions. On an annual basis, management need to satisfy themselves that the carrying value of the goodwill is supportable by future expected returns from the Group. Management have completed a detailed impairment review considering future cash flows based on the Board approved three-year plan and then applying prudent long term growth rates in order to calculate terminal values.

These cash flows are then discounted to give a value in use which is then compared to the carrying value.

A sensitivity analysis has been prepared to determine the potential impacts of reasonably possible changes in the assumptions used for the value in use calculations.

Having reviewed management's impairment reviews, sensitivity analysis and conclusions in the carrying values of the goodwill and intangible assets in the financial statements, the Committee is satisfied that the carrying value of £106m is supportable and the assets do not need to be impaired with value in use calculations demonstrating considerable headroom.

Use of alternative performance measures

The Board uses a number of alternative performance measures to assess business performance. A key focus of the Board is the underlying profitability of the business and therefore the Board uses measures based on underlying profitability of the Group, excluding one-off and non-underlying items to monitor the growth in underlying profitability. Net debt is also a key focus for the Board and the management of this within the Group's overall facilities.

The Audit Committee is satisfied that this is a reasonable measure to use to review profitability of the underlying business and all non-underlying costs are appropriately classified as non-underlying in the accounts with sufficient disclosures included to enable the alternative measures to be easily reconciled back to the Financial Statements.

2 Risk management and internal controls

As described on pages 58 – 65 of the Strategic Report and pages 68 – 75 of the Corporate Governance Statement, the Board has established a framework of risk management and internal control systems, policies and procedures. The Committee is responsible for reviewing the risk management and internal control framework and for ensuring that it operates effectively. The Committee is satisfied that the internal controls currently in place are sufficient and operating effectively for a business of this size.

At present the Group does not have an internal audit function and the Committee believes that in view of the current size and nature of the Group's business, management is able to derive sufficient assurance as to the adequacy and effectiveness of the internal controls and risk management procedures without a formal internal audit function. This will be kept under review as the business evolves.

3 Changes to accounting policies

The Committee is satisfied that there are no changes in accounting policies impacting the reported results for the year.

4 Going concern, business model and strategy

The Board reviews the Group's business model to ensure it aligns with the overall Group strategy and ensures that the forecast cash flows, liquidity and covenant compliance calculations demonstrate that the Group will continue as a going concern for the foreseeable future. The Group prepares a detailed budget for the next financial year which is presented to and approved by the Board. This budget is based on the Group's strategic assumptions for organic growth. The Group does not budget in advance for acquisitions. However, additional forecasts are prepared for all potential acquisitions and the impact of this on Group results, liquidity and covenant compliance is considered as part of the strategic decision-making process on whether to proceed with an acquisition.

As part of the process of confirming the validity of the going concern assumption, the Committee has reviewed the detailed budgets for the next 12 months and the Group's three-year forecasts. The forecasting model includes an integrated Consolidated Statement of Comprehensive Income, Statement of Financial Position and Statement of Cash Flows along with forecast covenant calculations. In order to further satisfy the going concern assumption, the Group has modelled a number of different trading scenarios, some of which forecast a significantly more negative trading performance than is expected. In all of these scenarios the Group continued to maintain a sufficient level of liquidity to enable it to meet all of its liabilities as they fell due. Having reviewed the forecasts, the Committee is satisfied that these support the business model and strategy of the business and demonstrate sufficient liquidity for the foreseeable future and will recommend that the Board approves the going concern assumption.

5 Reviewing the extent of non-audit services provided by RSM

The Committee monitors the provision of non-audit services by RSM to ensure this has no impact on their independence.

During the year RSM has not provided any non-audit services to the Group other than audit related services.

6 Overseeing the relationship with the external auditors

The Committee considers a number of areas when reviewing the external auditor relationship, namely their performance in discharging the audit, the scope of the audit and terms of engagement, their independence and objectivity and their remuneration.

The auditor prepares a detailed audit plan which is presented to the Committee before the commencement of the audit.

The plan sets out the scope of the audit, areas of perceived significant risk where work will be focused, the audit timetable and any proposed remuneration for the year. This plan is reviewed and agreed by the Committee in advance of the detailed audit work taking place.

For the year ended 30 April 2025 the significant audit risks identified were: revenue recognition and contract assets; acquisition accounting; impairment of goodwill and intangible assets and management override of controls.

As part of the audit planning process, the auditor also provided confirmation that in their opinion RSM UK Audit LLP was independent within the meaning of regulatory and professional requirements and that the objectivity of the audit partner and team remained unimpaired.

An assessment of the effectiveness of the audit process in addressing the significant issues identified is made by the Committee based on the auditors Audit Findings Report which the auditor presents to the Committee. These reports cover the conclusions from the work completed on the areas of significant audit risk and any other issues identified as part of the audit process. No major areas of concern were identified by RSM during the year.

Following detailed reviews of the Audit Findings Reports, discussions with auditors at Committee meetings and discussions with management on the effectiveness of the audit process, the Committee has confirmed that it is satisfied with the independence, objectivity, and effectiveness of RSM UK Audit LLP as external auditors and has recommended to the Board that the auditors be reappointed. There will be a resolution to reappoint the auditors at the forthcoming AGM.

7 Application of IFRSs, and new and forthcoming standards

As at the date of these financial statements, there is one new standard in issue but not yet effective and it has therefore not been applied as set out below:

- IFRS 18 Presentation and Disclosure in Financial Statement (effective 1 January 2027)

The full impact of IFRS 18 on the financial statements is in the process of being reviewed, however the directors do not expect that the adoption of the standard will have a material impact on the financial statements of the Group in future periods.

8 ESG and TCFD reporting

The Group considers its responsibilities in respect of ESG and climate change to be an important focus and ensures strategic decisions are made in a way that considers the ESG strategy. The Committee has reviewed the ESG and TCFD strategy and reports to ensure that the current strategy and reporting is appropriate and in line with current reporting requirements.

G Davies

Gillian Davies
Chair of the Audit Committee
Senior Independent Non-Executive Director

12 September 2025

"As we grow, we are enhancing our remuneration frameworks to support our strategic direction and foster a unified, collaborative culture."

Jane Pateman
Chair of the Remuneration Committee

Dear Shareholder,

I am pleased to present the Directors' Remuneration Report for the year ended 30 April 2025.

The Remuneration Committee comprises me as Chair of the Committee, Gillian Davies and Dave Wilson. We are all independent Non-Executive Directors.

The Chief Executive Officer and Chief Finance Officer were invited to attend meetings from time to time to provide relevant input and analysis. The Committee has also been advised by FIT Remuneration Consultants as required during the year.

This report will explain:

- the responsibilities of the Committee;
- the key activities of the Committee during the year; and
- details of Directors remuneration payments made in respect of the year ended 30 April 2025 together with our proposals for the next financial year.

Responsibilities

The key responsibilities of the Remuneration Committee are as follows;

- review of the performance of the Executive Directors and making recommendations to the Board on matters relating to their remuneration and terms of service;
- making recommendations to the Board on proposals for the granting of equity incentives pursuant to any equity incentive plans in operation from time to time; and
- reviewing and approving any significant changes in employment terms and conditions and the overall salary increases for the Group as proposed by the Executive Directors.

Key activities carried out in the year

During the year the Remuneration Committee formally met three times. Key areas discussed and approved during the period are set out below:

- the implementation of an employee benefit trust to purchase shares in the market to help the administration of our share plans and manage share plan dilution; The Knights Employee Benefit Trust operates a monthly purchasing programme for the purposes of satisfying share plan awards and as at 30 April 2025 it held 479,484 shares.
- approval of base salary changes for the Executive Directors for the financial year ended 30 April 2026 (as set out below);
- approval of bonus outcomes for the financial year ended 30 April 2025. A bonus of 35% of salary was paid to CFO for FY25 based on business performance (underlying PBT) in relation to budget and within consensus range in accordance with the MIP scheme for FY25. The CEO offered to forego his FY25 annual bonus and accordingly did not receive a FY25 bonus;
- the award of long term incentive share awards for the CFO for FY25 in the form of (i) options granted under a tax-advantaged Company Share Option Plan ('CSOP'); and (ii) restricted stock awards combined with performance-linked share awards; and
- consideration of awards under a management incentive plan ('MIP') for the Executive Directors for the financial year ended 30 April 2026.

In exercising its role, the Remuneration Committee has regard to the recommendations put forward in the QCA Code and, where appropriate, the QCA Remuneration Committee Guide and associated guidance.

During the year FIT Remuneration Consultants LLP ('FIT') provided the Committee with external remuneration advice, including providing advice on all aspects of remuneration policy for the Executive Directors and the senior management team of the Group. The Remuneration Committee is satisfied that the advice received from FIT was objective and independent. FIT is a member of the Remuneration Consultants Group and the voluntary code of conduct of that body is designed to ensure that objective and independent advice is given to remuneration committees.

Our performance and link to remuneration

As summarised in the Chairman's Statement on pages 6 and 7, the Group has continued to grow over the year with full year revenue of £162m, up by 8% compared to the prior year (2024: £150m), and underlying PBT of £28m, an 11% increase on the prior year (2024: £25.3m).

Following the end of our financial year, the Remuneration Committee reviewed performance in the year and determined that the Group had performed well achieving profitability levels within the range expected in the market and therefore triggering the cash bonus element of the scheme. A payment of 35% of salary was made to the CFO under the scheme, however the CEO decided to forgo a payment for FY25.

Executive Director service agreements

Each of the Executive Directors has a service agreement with the Group. Each service contract may be terminated by either party serving six months' written notice. At its discretion, the Group may make a payment in lieu of such notice or place the Executive Director on garden leave. The service contracts also contain provisions for early termination in the event of various scenarios and contain typical restrictive covenants.

The key remuneration components of Executive Director packages are summarised as follows:

Base salary: The salary of an Executive Director will be reviewed annually by the Remuneration Committee without any obligation to increase such salary. The current base salaries and increases are shown below. With effect from 1 May 2025, salaries for the Executive Directors were increased by 5% in line with the overall increases awarded to the rest of the business.

David Beech: The CEO's salary was increased from £360,000 to £378,000 for the upcoming financial year.

Kate Lewis: The CFO's salary was increased from £280,000 to £294,000 for the upcoming financial year.

The increases were aligned to the average increases applied for the rest of the business in the 2025 pay review.

Pension and benefits: Ancillary benefits include the reimbursement of all reasonable and authorised out of pocket expenses, eligibility for provision of a private healthcare cover up to a maximum premium of £2,000 (although none of the directors have utilised such cover). The Executive Directors are also entitled to 4x salary life cover in line with the benefit offered across the Group. The Group also contributes to pension plans or an additional cash supplement in lieu of pension contribution in respect of the Executive Directors. The Executive Directors are entitled to a pension contribution of 5% mirroring the employer contribution available to all employees.

Non-Executive Directors

Dave Wilson was appointed Non-Executive Chairman of the Group by letter of appointment dated 14 November 2023. His appointment is terminable on three months' notice by either party. With effect from 1 May 2025, the annual fee payable to the Chairman increased by 5% to £157,500, in line with the increases awarded to the workforce generally.

The other Non-Executive Directors were appointed subject to re-election at the Annual General Meeting and are terminable on one months' notice by either party.

The fee payable for services as a Non-Executive Director was unchanged throughout the year at £50,000 with an additional £10,000 payable to the senior independent Non-Executive Director. The Non-Executive Directors fees have been increased for the upcoming financial year to £52,500 with an additional £10,000 payable to the senior independent Non-Executive Director. The 5% increase in fees is in line with the increases awarded to the workforce generally. The increases for the Non-Executive Directors were approved by the Board.

As it is listed on AIM, the Group is not required to provide all of the information included in this Remuneration Committee Report. However, in the interests of transparency this has been included as a voluntary disclosure. The Remuneration Committee Report is unaudited.

I do hope that this Report clearly explains our approach to remuneration and enables you to appreciate how it underpins our business growth strategy.

Governance

The Board, supported by the remuneration committee has developed a remuneration policy which is consistent with principle 9 of the QCA code and is designed to support strategy and promote long-term value creation. The policy is set in alignment with the Company purpose and culture and is clearly linked to the successful delivery of the long-term strategy. This is demonstrated by:

- ensuring that base salaries and pension contributions are appropriate and where increases are awarded, they are normally aligned with increases awarded to the workforce more generally;
- implementing an annual cash bonus that is subject to achievement of annual PBT targets, aligned to the business strategy and with the facility for bonus deferral; and
- the grant of straight forward long-term incentive share award structures including performance shares subject to the achievement of EPS targets, promoting long-term value for shareholders.

In line with principle 9, the annual remuneration report is put to an advisory shareholder vote.

Jane Pateman
Chair of the Remuneration Committee

12 September 2025

Directors' emoluments

	Fees/basic salary £'000	Benefits £'000	Bonus £'000	LTIP £'000	Pension £'000	2025 Total £'000	2024 Total £'000
Executive Directors							
David Beech	360	–	–	–	–	**360**	315
Kate Lewis	280	–	100	–	14	**394**	247
Non-Executive Directors							
Balbinder Johal	–	–	–	–	–	**–**	35
Jane Pateman	50	–	–	–	–	**50**	40
Gillian Davies	60	–	–	–	–	**60**	50
Dave Wilson	150	–	–	–	–	**150**	69
Aggregate	**900**	**–**	**100**	**–**	**14**	**1,014**	**756**

Note

1 Balbinder Johal resigned on 14 November 2023.

Long-term incentives

	Type of award	Date of grant	Number of shares	Exercise price per share	Value at grant	Performance conditions	Vesting date
Kate Lewis	SIP	5 September 2018	2,831	N/A	£5,518	N/A	Matching Shares and Partnership Shares Vested
Kate Lewis	Performance Share Award	19 July 2021	50,114	£0.002	£220,000[1]	EPS[2]	July 2024 – lapsed in full
Kate Lewis	Performance Share Award	13 July 2022	167,476	£0.002	£172,500[3]	EPS[4]	July 2025
Kate Lewis	Performance Share Award	29 October 2024	600,000	£0.002	£742,800[5]	EPS[6]	July 2028
Kate Lewis	Restricted Stock award	29 October 2024	150,000	£0.002	£185,700[7]	N/A	July 2028
Kate Lewis	CSOP	29 October 2024	48,465	£1.238	£60,000[8]	N/A	29 October 2027

Notes

1 Based on 3-day average share price of £4.39.

2 3-year performance period with vesting dependent on underlying EPS performance in financial year ended 30 April 2024 with 25% vesting for EPS of 26.20p and 60% vesting for EPS of 27.58p increasing to 100% vesting for EPS of 28.96p. A sliding scale operates between these points. As EPS for the year to April 2024 is 21.81p this Performance Share Award has lapsed.

3 Based on 3-day average share price of £1.03.

4 3-year performance period with vesting dependent on underlying EPS performance in financial year ended 30 April 2025 with 25% vesting for EPS of 25.27p and 60% vesting for EPS of 26.60p increasing to 100% vesting for EPS of 27.93p (and a sliding scale operates between these points). As EPS for the year to April 2025 is 23.95p this Performance Share Award has lapsed.

5 Based on 5-day average share price of £1.238.

6 3-year performance period with vesting dependent on underlying EPS performance in financial year ended 30 April 2028 with 25% vesting for EPS of 27.26p, 50% vesting for EPS of 32.72p, 75% vesting for EPS of 38.17p increasing to 100% vesting for EPS of 43.62p (and a sliding scale operates between these points).

7 Based on 5-day average share price of £1.238.

8 Based on 5-day average share price of £1.238.

The Directors have pleasure in submitting their report and the financial statements of Knights Group Holdings plc.

Principal activities and business review

The principal activity of the Group is the provision of legal and professional services. The principal activity of the Company is that of a holding company. The results for the year and the financial position of the Group are disclosed in the detailed financial statements included on pages 89 – 143. A review of the performance of the business during the year and potential future developments is included in the Chairman's Statement, Chief Executive's Review and the Financial Review.

Dividends

The Directors recommend a final dividend of 3.05p per ordinary share to be paid on 7 November 2025 to the ordinary shareholders on the register on 10 October 2025. This, together with the interim dividend of 1.76p per share paid on 14 March 2025, makes a total of 4.81p per share for the year. The final dividend has not been included within creditors as it was not approved before the end of the financial year.

Future developments

The Board plans to continue to invest in technology, recruitment and acquisitions within both the legal and non-legal sectors to support the Group's strategy of continuing to build the UK's leading regional professional services business. Further details of the Group's future strategy can be found in the Strategic Report on pages 16 – 17.

Post balance sheet events

On 2 May 2025 the Group exchanged contracts to acquire Birkett Long LLP and Birkett Long IFA (collectively trading as Birkett Long). The Group will acquire Birkett Long for total consideration of £16.6m. The transaction completed on 13 June 2025 and all assets and liabilities of Birkett Long LLP were hived into the Group on that date.

On 30 June 2025 the Group exchanged contracts to acquire Rix & Kay LLP. The Group will acquire Rix & Kay LLP for a total consideration of £0.87m. The transaction completed on 1 August 2025 and all assets and liabilities of Rix & Kay LLP were hived into the Group on that date.

On 18 July 2025 the group disposed of the crime business, acquired as part of the IBB Law LLP acquisition in April 2025.

On 15 August 2025 the Group completed the acquisition of Le Gros Solicitors Limited for a total consideration of £0.5m. All assets and liabilities of Le Gros were hived up to the Group on that date.

There are no other significant post balance sheets events that require any further disclosure.

Directors and their interest in the shares of the parent company

The following Directors have held office since 1 May 2024:

Name	Number of shares	%
DA Beech	18,922,309	22.02
KL Lewis	105,356	0.12
G Davies	30,000	0.03
Dave Wilson	20,412	0.02
J Pateman	10,000	0.01

Substantial shareholdings

As far as the Directors are aware the only notifiable holdings equal to or in excess of 3% of the total issued share capital as at 30 April 2025 were as detailed below:

Name	Number of shares	%
DA Beech	18,922,309	22.02
Octopus Investments	11,859,309	13.80
Columbia Threadneedle Investments	9,240,100	10.75
Stitching Value Partners Private Clients	6,828,133	7.94
Van Lanschot Bankiers	4,536,757	5.28
Rathbones	3,756,019	4.37
BGF	3,325,120	3.87

Buy back of shares

During the year, the Group purchased 499,283 of its own ordinary shares to be held in treasury via an Employee Benefit Trust. These purchases were made throughout the year; the total cost of these purchases was £598,000.

Directors' indemnity provisions

During the period, and up to the date of approval of the financial statements, the Group purchased and maintained Directors' and Officers' Liability Insurance for all of the Directors and Officers to indemnify them from any losses that may arise in connection with the execution of their duties and responsibilities to the extent permitted by the Companies Act 2006.

Risk management

The Board manages financial risk on an ongoing basis. The key financial risks relating to the Group and its financial risk management objectives and policies are discussed in more detail in note 36 of the financial statements.

The Group's other principal risks and uncertainties are outlined in the Strategic Report.

Political donations

The Group has not made any political donations.

Streamlined Energy and Carbon Reporting (SECR)

In accordance with S414C (11) of the Companies Act, the Group has included the SECR report on page 43. This is included as part of the Group's Strategic Report as they are considered to be of strategic importance.

Other information

The information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, including an indication of likely future developments in the business, research and development and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic report on pages 8 and 11 in accordance with section 414C (11) of the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Disabled persons

The Group operates an equal opportunities employment policy.

The Group will employ disabled persons where they appear to be suitable for a particular vacancy and every effort is made to ensure that all candidates are given full consideration when any vacancies arise within the business. Should any employee become disabled during their employment full training will be provided and relevant adaptations to their working environment made, where possible, to ensure that they can continue their employment within the Group. The Group works with all employees to ensure that their working environment is appropriate and to ensure that all employees are provided with sufficient training, development and support to enable them to develop to their full potential.

Employee engagement

The Group places considerable value on the involvement of its employees in the future success of the Group. Although the overall strategic direction of the Group is managed by the Board, the Group manages its day-to-day operations with the assistance of its central management team consisting of Client Service Directors managing the fee generating side of the business and Business Service Directors managing the support side of the business. Local supervision is provided in each office by the involvement of Client Service Directors who assist in ensuring a common culture and working practice across the Group as a whole.

The Group prides itself on its culture and maintaining that culture through consistent engagement with its staff is integral to the Group’s success.

The Group achieves this consistent messaging in a number of ways, including day-to-day management of teams by Client Service Directors and the Business Service Directors, regular meetings with teams, partners, all staff meetings and webinars as appropriate. This regular engagement ensures that all staff are fully informed about any key developments and the strategic direction of the Group. This collaborative management structure encourages engagement at all levels.

Further information on how the Group liaises with employees and includes them in decision-making where relevant, and encourages participation in share schemes to enable them to share in the success of the Group is included in the Corporate Sustainability Report on pages 31 – 33.

Engaging with stakeholders

The Directors have considered who the key stakeholders in the business are and documented how they engage with each of these groups, noting any key decisions made during the year. Details of this are included within the S172(1) report on pages 45 – 46 The Directors have chosen, in accordance with Section 414C(11) of the Companies Act 2006, to include information in respect of employee communication and consultation, engagement with suppliers, customers and other stakeholders in the Strategic Report.

Going concern

The Group and Company financial statements have been prepared on a going concern basis as the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group is strongly cash generative at the operating level and as at the end of the financial year had headroom of circa £30m within its current debt facilities.

The Group’s forecasts show that the Group has sufficient resources for both current and anticipated cash requirements. The Group remains profitable and operates within its current available banking facilities with no forecast breach of covenants for the foreseeable future.

Auditor

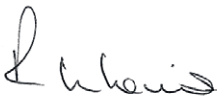
Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- So far as the Director is aware, there is no relevant audit information of which the Company’s auditor is unaware.
- The Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company’s auditor is 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 have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

The Directors’ Report was approved by the Board of Directors on 12 September 2025 and signed on its behalf by:



Kate Lewis
Chief Financial Officer

12 September 2025

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and company financial statements for each financial year. The directors have elected under company law and 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 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 each of the Group and Company 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the 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 Knights Group Holdings plc website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.